

<b>REPORT TO:</b>	<b>LOCAL PENSION BOARD</b>  6 July 2017
<b>AGENDA ITEM:</b>	<b>10</b>
<b>SUBJECT:</b>	<b>Local Pension Board Annual Report</b>
<b>LEAD OFFICER:</b>	<b>Richard Simpson, Executive Director of Resources (Section 151 Officer)</b>
<b>LEAD MEMBER:</b>	<b>Councillor Andrew Pelling, Chair of Pension Committee</b>
<b>PERSON LEADING AT THE BOARD MEETING:</b>	<b>Nigel Cook, Head of Pensions and Treasury</b>

## **1. EXECUTIVE SUMMARY**

1.1 Local Pensions Boards (LPB) were established under the 2013 Pensions Act. The Croydon Council Board was established on the 1<sup>st</sup> April 2015. All Boards are required under the regulation to produce an annual report to explain the work that has been carried out during the year.

## **2. REPORT**

2.1 This report explains the work and training the LPB has undertaken during the year 16/17.

2.2 The LPB is developing in its role and has commissioned a report from an independent provider to carry out a review of the governance of the Pension Fund and will be following up on the recommendations in the coming months.

2.3 This report covers the second year of the operation of the Local Pension Board. The Board has begun to establish itself as part of Croydon's governance structure in relation to the pension fund. Board members take their responsibilities seriously and readily engage in the training programme in order to develop their skills and knowledge.

2.4 The Board's core function is to provide an oversight of the governance and administration of the Fund. A key task in fulfilling the Board's core function was the commissioning of a governance review during our first year. The Board has continued to monitor the review's Action Plan and are pleased with the progress made. The Board also monitored the actuarial valuation process, and regularly received reports on the Pensions Committee's business plan and the Fund's Risk Register.

2.5 The Board also met with the Pensions Regulator who outlined their role in the governance of the LGPS.

2.6 Looking ahead, 2017/18 will see further transfers of assets to the 8 pools which are in the process of being established across England and Wales. The Board will continue to monitor this initiative. There is also a growing interest in the cost transparency of asset managers' fees and the Board will be interested to see how this develops and will follow closely the work of CIPFA and the Scheme Advisory Board.

### **3. RECOMMENDATIONS**

3.1 To agree the content of the Annual Report.

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