



City of Westminster

# Committee Report

<b>Decision Maker:</b>	<b>Pension Fund Committee</b>
<b>Date:</b>	<b>21 June 2016</b>
<b>Classification:</b>	<b>General Release</b>
<b>Title:</b>	<b>Performance of the Council's Pension Fund</b>
<b>Wards Affected:</b>	<b>All</b>
<b>Policy Context:</b>	<b>Effective control over Council Activities</b>
<b>Financial Summary:</b>	<b>There are no immediate financial implications arising from this report, although investment performance has an impact on the Council's employer contribution to the Pension Fund and this is a charge to the General Fund.</b>
<b>Report of:</b>	<b>Steven Mair</b> <i>City Treasurer</i> <a href="mailto:smair@westminster.gov.uk">smair@westminster.gov.uk</a> <b>020 7641 2904</b>

## 1. Executive Summary

- 1.1 This report presents a summary of the Pension Fund's performance to 31 March 2016, together with an estimated valuation position.

## 2. Recommendation

- 2.1 The Committee note the contents of this paper, the performance report from Deloitte and the current actuarial assumptions and valuation.

## 3. Background

### Performance of the Fund

- 3.1 This report presents a summary of the Pension Fund's performance and estimated funding level to 31 March 2016. The investment report (Appendix 1) has been prepared by Deloitte, the Fund's investment adviser, who will be attending the meeting to present the key points and answer questions.

- 3.2 The Investment Performance Report shows that over the quarter to 31 March 2016, the market value of the assets increased by £9.4 million as a result of the positive returns from the Fund's bond and property holdings along with the performance of Longview.
- 3.3 The Funding update (Appendix 2) has been provided by the Fund Actuary, Barnett Waddingham. This indicates that the smoothed funding level has increased to 78% over the quarter to 31 March 2016, compared to 73% which was reported for 31 December 2015. The current funding level exceeds that reported at the last triennial valuation at 31 March 2013 (74%).
- 3.4 The Council's financial planning allows for this shortfall to be addressed and further details will be brought forward to a future meeting of the Committee.

**If you have any questions about this report, or wish to inspect one of the background papers, please contact the report author:**

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**BACKGROUND PAPERS:** None

**APPENDICES:**

Appendix 1 - Deloitte Investment Report, Quarter Ending 31 March 2016  
Appendix 2 - Barnett Waddingham Funding Update Report as at 31 March 2016