



City of Westminster

Committee Report

Decision Maker:	PENSION FUND COMMITTEE
Date:	23 January 2018
Classification:	General Release
Title:	Fund Financial Management
Wards Affected:	All
Policy Context:	Effective control over Council Activities
Financial Summary:	There are no immediate financial implications arising from this report.
Report of:	Steven Mair <i>City Treasurer</i> smair@westminster.gov.uk 020 7641 2904

1. Executive Summary

- 1.1 The risk register has been updated to include two additional risks in relation to of Markets in Financial Instruments Directive II (MiFID II) under the heading 'Strategic: Regulation.' Risk number ten in relation to failure to meet the deadline for MIFID II has been removed from the risk register as this was delivered ahead of the deadline of January 3 2018 and is no longer a risk. The cash flow forecast has been updated for the next three years with actuals up to November 2018. The updated forward plan to March 2018 is attached at appendix 3.

2. Recommendations

- 2.1 The Committee is asked to note the risk register for the Pension Fund.
- 2.2 The Committee is asked to note the cash flow position and three year forecast.
- 2.3 The Committee is asked to note the changes to the forward plan.

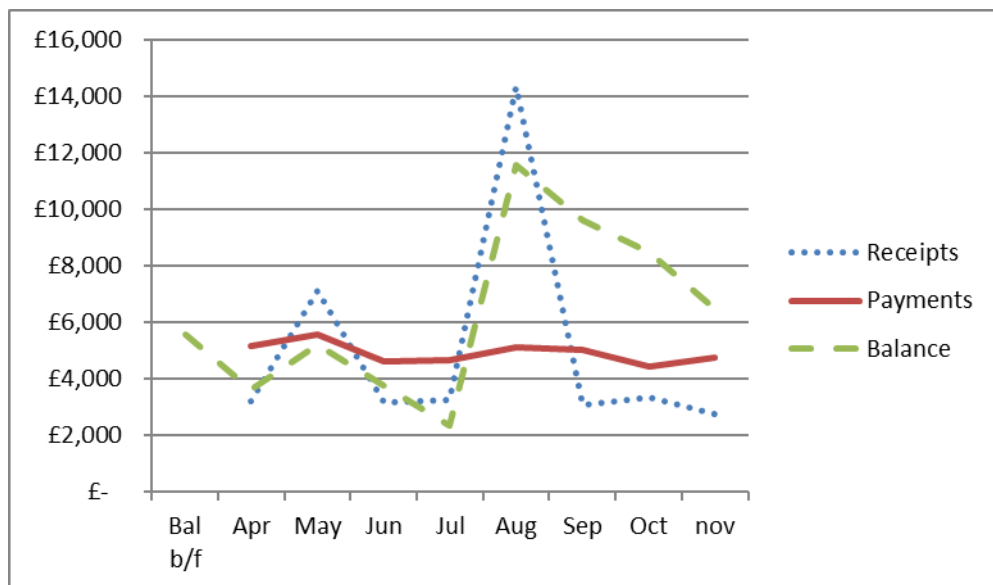
3. Risk Register Monitoring

3.1 Officers have been monitoring the implementation of MiFID II and the likely implications for the Pension Fund's Investments. The implementation date has been confirmed by the Financial Conduct Authority as 3 January 2018. Item 10 has been added to the register to consider the implications of missing the deadline or the rejection by of an application to 'opt up'. The requirements and impact of MiFID II have been explained in Agenda item 10 'MiFID II Update'. Risk rating for number 26 has also been changed from high to medium. The risk register is attached at appendix 2.

4. Cashflow Monitoring

4.1 The balance on the pension fund bank account at 30 November 2017 was £6.5 million. A further £10.0 million for deficit contributions is expected from the Council in February 2018.

4.2 The table below shows the bank balances from April to November 2017.



4.3 Officers will continue to keep the cash balance on under review and take appropriate action where necessary.

5. Forward Plan

5.1 The forward plan attached at appendix 4 has been reviewed and amended for the January 2018 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 – Tri-Borough Risk Management Scoring Matrix
- Appendix 2 – Pension Fund Risk Register Review, October 2017
- Appendix 3 – Cash Flow Monitoring, October 2017
- Appendix 4 – Pension Fund Forward Plan, October 2017