

County Council

13 October 2020

Warwickshire Pension Fund Accounts 2019/20

Recommendations

1. That the Council approves the 2019/20 Pension Fund Statement of Accounts.
2. That the Council authorises the Strategic Director for Resources to make any amendments to the final version of the accounts to take account of any observations from the external auditors.

1. Executive Summary

- 1.1 The Appendix to this report presents the Pension Fund Statement of Accounts for 2019/20.
- 1.2 The statement of accounts comprises the following:
 - Warwickshire Pension Fund Account (page 7). This statement sets out all of the revenue income and expenditure relating to the financial year.
 - Net Assets Statement (page 7). This statement sets out the total assets and liabilities of the fund as at the 31st March 2020, i.e. a snapshot at a moment in time.
 - Notes to the Accounts (pages 8-42). These statements provide further detail and explanation of the figures in the accounts.
- 1.3 The scheme is governed by the Public Service Pensions Act 2013 and the fund is administered in accordance with the relevant secondary legislation.
- 1.4 As at the 31st March the scheme had net assets of £2.034m and membership of 50,031 people.
- 1.5 The funding level (meaning the value of total assets as a proportion of the value of total liabilities) was assessed as being 92% at the time of the 2019 valuation, having increased from 82% at the 2016 valuation. Covid has had a subsequent impact on asset values, the funding level reducing to 83% at the end of the 2019/20 financial year and recovering to 86% by August. Investment asset performance and the funding level are regularly reported to the Pension Fund Investment Sub Committee. The Fund takes a long-term view and has strategies in place to manage the meeting of liabilities over the long term.

2. Financial Implications

2.1 None.

3. Environmental Implications

3.1 None.

4. Supporting Information

4.1 Our external auditors are required to report to those charged with governance on issues arising from the audit of the financial statements of the Pension Fund before issuing their final opinion. Their report was presented to the Audit and Standards Committee on the 28th September 2020.

4.2 Audit and Standards Committee discussed that the accounting statements do not present the funding level of the Fund, i.e. comparing assets with long term total liabilities and requested that the covering report for the accounts make mention of the funding level which is therefore set out in Section 1.5.

4.3 As part of the audit process the External Auditors require written confirmation about the fairness of various elements of the financial statements. This is known as the Letter of Representation and a draft was presented to the Audit and Standards Committee on the 28th September 2020.

4.4 Audit and Standards Committee supported the presentation of the Accounts to Council and the wording of the draft Letter of Representation

5. Timescales associated with the decision and next steps

5.1 The accounts will be published by the 30th November 2020.

5.2 The accounts will also be included in the published Pension Fund Annual Report 2019/20 which provides wider information about the Pension Fund including its policies and activities.

Appendix

Warwickshire Pension Fund Accounts 2019/20

Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): None

Other members: Councillors Warwick, Singh Birdi, Boad, O'Rourke and Falp