

The Highland Council

Pensions Committee – 21 February 2014

Agenda Item	6
Report No	PC/ 02/14

Pension Fund Administration Update Report

Report by Director of Finance

Summary

The purpose of this periodic report is to update Members on matters relating to the administration of the Highland Council Pension Fund.

1. Introduction

- 1.1 The Highland Council is the Administering Authority for the Highland Council Pension Fund.
- 1.2 In addition to the Highland Council, 34 employers (listed in Appendix 1) participate as Admitted Bodies in the Fund.
- 1.3 Participating employers are required to calculate and deduct the appropriate rate of pension contributions from salaries in addition to an employer's contribution in accordance with guidance issued by the Highland Council Pension Section.
- 1.4 These contributions are remitted monthly to the Highland Council Pension Fund. The statutory deadline for payment to be made is the 19th of each month.

2. Pension Contributions Admitted Bodies

- 2.1 Pension contributions received from employers are checked for accuracy against known parameters and the dates received are recorded and monitored.
- 2.2 Contact is made with an employer in instances where payments are received late or not to the expected value.
- 2.3 Contributions from scheme employers are all being received on time and all contributions are up to date.

3. Termination Of Admission Agreement

- 3.1 Torvean Golf Club was an Admitted Body of the Highland Council Pension Fund. The last active scheme member retired at the end of 2013, resulting in the termination of the "closed" agreement.
- 3.2 The Council, in its role as Administering Authority, has the discretion to pursue any termination payment as a result of the end of an Admission Agreement.

An Actuarial assessment of any termination value due to the fund was undertaken by the Fund actuaries.

The termination value was calculated at £8k.

- 3.3 The initial Admission Agreement was as a result of a TUPE transfer of service provision from the Council and on the basis that the liability is a result of the requirement placed on Torvean Golf Club to become an admitted body, it is not proposed to pursue the £8k.

4. Administration Costs

- 4.1 The annual staffing budget for Pensions Administration is £478,515 and for the year to 31st January 2014, was within budget.

5. Actuarial Fees

- 5.1 Actuarial fees for specific tasks are agreed as part of the 5-year actuarial contract between the Council and Hymans Robertson, which commenced April 2013.
- 5.2 Actuaries' fees for pre-arranged work for the period to January 2014 were £10,757. These were checked and approved against the scale charge in the contract.

6. Implications

- 6.1 There are no additional implications other than those highlighted in the report.

7. Recommendation

The Committee is asked to consider the details of this report; and agree that the termination costs for Torvean Golf Club, outlined at paragraph 3.3, are not to be pursued.

Designation: Director of Finance

Date: 12 February 2014

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Admitted Bodies in the Highland Council Pension Fund

Comhairle Nan Eilean Siar
Stornoway Port Authority
Cromarty Firth Port Authority
Inverness Harbour Trust
Northern Joint Police Board – now Scottish Police Authority
Valuation Board/ Assessors
H & I Fire Board – now Scottish Fire Authority
Highland Opportunities
Eden Court
Inverness College
North Highland College
Lews Castle College
The Highland Council
UHI Millennium Institute
HOST (Highlands Of Scot Tourist Board)
Inverness Leisure / CCLL
Western Isles Tourist Board
Bord Na Gaidhlig (Alba)
Sight Action (formerly VISH)
Highland Blindcraft
HITrans
Hebridean Housing Partnership (HHP)
Vacman Cleaning Limited
Morrison FM
SPSA Scottish Police Service Authority
HIE (former LECS)
SDS (former Careers Scotland)
Fujitsu
An Comunn Gaidhealach
High Life Highland Ltd
Forth and Oban
RS Occupational Health
NHS Highland
Parklands