

**London Borough of Enfield**

**ENFIELD PENSION BOARD**

**Meeting Date: 15 December 2022**

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**Subject:** Employers Contribution Report

**Cabinet Member:** Cllr Leaver

**Executive Director:** Fay Hammond

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**Purpose of Report**

1. This report updates the Board on the collection of Employer contributions up to October 2022 which were due on 19 November 2022.
2. The key decision making for, and management of, the Fund has been delegated by the London Borough of Enfield the Council to a formal Pension Fund Committee (PPIC), supported by officers of the Council and advisers to the Pension Fund.
3. The Executive Director of Resources is the Section 151 Officer and therefore has a statutory responsibility for the proper financial affairs of the Council including Fund matters.
4. A local pension board has been in place since April 2015 to assist in:
  - a) securing compliance of Fund matters; and
  - b) ensuring the efficient and effective governance and administration of the Fund.

**Proposal(s)**

5. The Pension Board is recommended to note the contents of this report and the attached Appendix.

**Reason for Proposal(s)**

6. The Pension Board is recommended to note this report and the activity of the team in bringing this area back to an acceptable standard.
7. The Pensions Board's role is to assist the Administering Authority in ensuring compliance with the regulations.

**Relevance to the Council's Corporate Plan**

8. Good homes in well-connected neighbourhoods.
9. Build our Economy to create a thriving place.
10. Sustain Strong and healthy Communities.

### **Background**

11. Under the Local Government Pension Scheme (LGPS) Regulations, Enfield Council is required to maintain a pension fund for its employees and other 'scheduled bodies' as defined in the Regulations known as the Enfield Pension Fund (EPF or the Fund). The Regulations also empower the Fund to admit employees of other 'defined' (e.g. other public bodies) bodies into the Fund.
12. The Employers (scheduled and admitted bodies) are required to pay both employee and employer contributions to the Fund monthly. The contributions rates for members is set out in the LGPS Regulations. The Employer contribution rate is set at the triennial valuation and recorded in the rates and adjustment certificate issued by the Funds actuary.
13. The Employers are required by regulations to make the payment of contributions to the Fund be made no later than 19 days of the following month in which the contributions were deducted from payroll (22 days by means of an electronic communication).

### **2022/23 Contributions**

14. The Enfield Pension Fund has set the 19 days following the month in which the contributions were deducted from payroll to determine if a payment has been received on time. The attached Appendix 1 sets out the number of payments received after the 19 days have elapsed.
15. Contributions are received after the 19th day of each month following contributions deducted up to the 19 November 2022 is shown as Appendix 1 to this report.
16. In total there have been 9 late payments of contributions out of 245 expected payments. This is attributed to seven different employers in the Fund. Each of these employers, paid their contribution late once, since the beginning of this financial year. So, every month from April 2022 to October 2022, we had an employer paying late for the exception of Capel Manor College that was late on three different occasions.
17. **Capel Manor College** was late by a day in April, August and by two days in October 2022. **Enfield Equality Centre (EREC)** missed the June 2022 payment deadline by 18 days due to an error, the third employer **Fusion Lifestyle** missed the July payment deadline by a day due to an oversight of the admin team, **The Pantry** and **Birkin** both employers missed the August deadline by a day due to staff holidays, **WGC** missed the August payment deadline by 5 days, due to staff sickness and **Enfield Council** missed by 2 days due to administrative oversight.

### **Safeguarding Implications**

18. The report provides clear evidence of sound financial management, efficient use of resources, promotion of income generation and adherence to Best Value and good performance management.

### **Public Health Implications**

19. The Enfield Pension Fund indirectly contributes to the delivery of Public Health priorities in the borough.

### **Equalities Impact of the Proposal**

20. The Council is committed to Fairness for All to apply throughout all work and decisions made. The Council serves the whole borough fairly, tackling inequality through the provision of excellent services for all, targeted to meet the needs of each area. The Council will listen to and understand the needs of all its communities.

### **Environmental and Climate Change Considerations**

21. There are no environmental and climate change considerations arising from this report.

### **Risks that may arise if the proposed decision and related work is not taken**

22. The monitoring and timely collection of employer contributions will minimise risks relating to the management of the Fund and should assist in managing down the risk of non-compliance with the Council's obligations under the Regulation as the administering authority of the London Borough of Enfield Pension Fund.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

23. Not adhering to legal requirements could impact on meeting the ongoing objectives of the Enfield Pension Fund.

### **Financial Implications**

24. Untimely payment of contributions or non-payment of contributions to the Fund can give rise to deficit whereby the Fund current Funding level of 103% can easily be depleted and the Fund ending up being severely underfunded.

### **Legal Implications**

25. Regulation 106(1) of the Local Government Pension Scheme Regulations 2013 provides for each Administering Authority to establish its own Local Pension Board with responsibility for assisting the Administering Authority to secure compliance with the Regulations, other legislation relating to the governance and administration of the LGPS and the requirements imposed by

the Pensions Regulator in relation to the LGPS. The Board must also ensure the effective and efficient governance and administration of the LGPS.

### **Workforce Implications**

26. The employer's contribution is a significant element of the Council's budget and consequently any improvement will allow the Council to meet this obligation easily and could also make resources available for other corporate priorities.

### **Property Implications**

27. None

### **Other Implications**

28. None

### **Options Considered**

29. No other option.

### **Conclusions**

30. The Pension Board is recommended to note this report and the activity of the team in bringing this area back to an acceptable standard.

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Date of report 30th Novemebr 2022

### **Appendices**

Appendix 1 –Enfield PF Employers Late Contribution Payments Schedule October 2022

**Background Papers** - None