

10.00a.m, Thursday, 5 February 2015

## Appointment to the Local Authority Pension Fund Forum (LAPFF)

Item number	7.1
Report number	
Executive/routine	
Wards	All

### Executive summary

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The Lothian Pension Fund is a member of the LAPFF. Councillor Cameron Rose has served on the LAPFF Executive since 2007 and has held one of the two Vice Chair positions for the past six years. Councillor Rose has been re-elected as Vice Chair for 2015 and Council is asked to approve the appointment.

### Links

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Coalition pledges

Council outcomes [CO26](#)

Single Outcome Agreement

## Appointment to the Local Authority Pension Fund Forum (LAPFF)

### Recommendations

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- 1.1 Council is requested to approve the appointment of Councillor Rose as Vice Chair of the Executive Committee of the LAPFF.

### Background

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- 2.1 LAPFF provides an opportunity for local authority pension funds across the UK to come together for focused discussion and the sharing of ideas and working practices in relation to investment issues and shareholder engagement.
- 2.2 Whilst a member of the LAPFF, Councillor Rose has contributed positively to key issues affecting local government pension schemes, with specific focus on environmental, social and governance (ESG) matters. Such considerations can affect the financial performance of companies in which the local government pension funds invest. The fiduciary interest of the City of Edinburgh Council, as administering authority of Lothian Pension Fund, Lothian Buses Pension Fund and Scottish Homes Pension Fund is served by Councillor Rose's membership of the LAPFF Executive Committee.

### Main report

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- 3.1 The Pensions Committee of 17 December 2014 endorsed the nomination of Councillor Rose to the LAPFF Executive Committee. At its meeting on 21 January 2015, the LAPFF re-appointed Councillor Rose to its Executive Committee, as one of two Vice Chairs. This report seeks ratification of this appointment by the City of Edinburgh Council.
- 3.2 The role of Vice Chair involves travel to meetings with companies and other entities such as regulatory bodies, primarily within the UK and occasionally overseas. The Pension Funds meet associated costs from within their budget.

### Measures of success

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- 4.1 The interests of Lothian Pension Fund are served by the constructive engagement on key issues affecting local government pension schemes.

## Financial impact

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- 5.1 There are no direct financial implications arising from this report. The costs of Councillor Rose's participation in LAPFF are included in the pension funds' budget.

## Risk, policy, compliance and governance impact

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- 6.1 The Environmental Social and Governance (ESG) activity of the Fund, that is being responsible informed and involved investors, is expected to reduce risk.

## Equalities impact

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- 7.1 There are no adverse equalities impacts arising from this report.

## Sustainability impact

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- 8.1 ESG activity is expected to contribute to the sustainability of the Funds' investments.

## Consultation and engagement

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- 9.1 Approval by the City of Edinburgh Council will ensure the Lothian Pension Fund continues to engage and consult with partners and stakeholders.

## Background reading / external references

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Not applicable.

## Alastair Maclean

Director of Corporate Governance

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## Links

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Lothian Pension Fund:

Responsible Investment [http://www.lpf.org.uk/info/68/responsible\\_investment](http://www.lpf.org.uk/info/68/responsible_investment)

Local Authority Pension Fund Forum <http://www.lapfforum.org/>

**Coalition pledges**

**Council outcomes** CO26 - The Council engages with stakeholders and works in partnerships to improve services and deliver agreed objectives.

**Single Outcome Agreement**

**Appendices**