

# Pensions Audit Sub-Committee

10.00 a.m., Monday, 16<sup>th</sup> June 2014

## Agenda Planning

|                          |     |
|--------------------------|-----|
| <b>Item number</b>       | 5.1 |
| <b>Report number</b>     |     |
| <b>Executive/routine</b> |     |
| <b>Wards</b>             | All |

### Executive summary

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This document provides Committee with an indication of the agenda for future meetings of the Pensions Committee and Audit Sub Committee. It also provides a more general overview of the current cycle of papers for Committee.

There will, of-course, be specific matters and papers which need to be brought to the attention of the Pension Committee and the Audit Sub-Committee in addition to those set out herein.

### Links

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#### Coalition pledges

#### Council outcomes

CO26 –The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.

#### Single Outcome Agreement

# Report

## Agenda Planning

### Recommendations

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1.1 That Committee notes the agenda planning document.

### Background

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2.1 In order for the Pensions Committee and Consultative Panel and Pensions Audit Sub-Committee to gain an overview of the content of the Committee Cycle it was agreed that an agenda planning document be submitted each quarter.

### Main report

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3.1 Based on the Committee cycle, the proposed agendas for the 2014 and March 2015 meetings are set out below.

#### September 2014

##### Pensions Committee

- Referrals / recommendations from Pensions Audit-Sub Committee
- LPF Annual Report (& Accounts) Audited
- ISA 260 Audit Report
- Update on Employer Admissions in LPF
- Annual Performance Report and Benchmarking
- Discretions
- Service Plan Update
- Risk management summary

##### Pensions Audit Sub Committee

- LPF Annual Report (& Accounts) Audited
- ISA 260 Audit Report
- Pensions Data Quality
- Fraud Prevention
- Delegated authorities - Write offs
- Risk management summary

## December 2014

| Pensions Committee  | Pensions Audit Sub Committee  |
|---|---|
| <ul style="list-style-type: none"><li>• Referrals / recommendations from Pensions Audit-Sub Committee</li><li>• Annual Report by External Auditor</li><li>• Consultative Panel Membership</li><li>• Actuarial Valuations (if complete)</li><li>• Funding Strategy Statement (if complete)</li><li>• EU Tax Claims</li><li>• Class actions</li><li>• Environmental Social and Governance Activity Update</li><li>• Service Plan Update</li><li>• Risk management summary</li></ul> | <ul style="list-style-type: none"><li>• Annual Report by External Auditor</li><li>• EU Tax Claims</li><li>• Investment Income Review- Cross Border Withholding Tax</li><li>• Class actions</li><li>• Investment Controls (custody, currency, taxation, Stock Lending)</li><li>• Investment Controls (progress in implementing recommendations from external assessment of controls)</li><li>• Risk management summary</li></ul> |

## March 2015

The following papers are currently scheduled for the Pensions Committee meeting:

- Audit plans and reports (internal and external)
- 2014-17 Service Plan update
- 2015-18 Service Plan and Budget
- Training Activity (Committee and Panel)
- Update on Employer Admissions in Lothian Pension Fund
- Risk management summary

It is proposed that the Pensions Audit Sub-Committee does not meet in March 2015. Audit plans will be developed in consultation with the Convener of the Audit Sub-Committee before consideration by the Pensions Committee.

## Measures of success

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- 4.1 The Committee and Consultative Panel will have greater clarity regarding the content of the Committee Cycle.

## Financial impact

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- 5.1 None.

## Risk, policy, compliance and governance impact

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- 6.1 There is no direct impact as a result of this report. The forward planning of the Committees' agendas should facilitate improved risk management and governance for the pension funds.

## Equalities impact

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- 7.1 None.

## Sustainability impact

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- 8.1 None.

## Consultation and engagement

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- 9.1 The Consultative Panel for the Funds, comprising member and employer representatives, is integral to governance.

## Background reading / external references

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None.

### Alastair Maclean

Director of Corporate Governance

Susan Handyside, Customer Service and Compliance Officer

E-mail: [susan.handyside@edinburgh.gov.uk](mailto:susan.handyside@edinburgh.gov.uk) | Tel: 0131 529 4638

## Links

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### Coalition pledges

**Council outcomes** CO26 –The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.

### Single Outcome Agreement

**Appendices** Appendix 1 - Agenda planning appendix.

| Frequency | Pensions Committee                              | Audit Sub Committee   | Month     |
|-----------|---|---|-----------|
| Annually  | Audit plans and reports (internal and external) | N/A - Draft audits and plan will be developed in consultation with the Convenor of the Audit Sub Committee. | March     |
|           | Service Plan and Budget                         | N/A   | March     |
|           | Training Activity                               | N/A   | March     |
|           | LPF Annual Report (& Accounts) <b>Unaudited</b> | LPF Annual Report (& Accounts) <b>Unaudited</b>   | June      |
|           | Statement of Investment Principles              | N/A   | June      |
|           | Investment Strategy Panel Activity              | N/A   | June      |
|           | Annual Investment and funding – LPF/LBPF/SHPF   | N/A   | June      |
|           | LPF Annual Report & Accounts <b>Audited</b>     | LPF Annual Report & Accounts <b>Audited</b>   | September |
|           | ISA 260 Audit Report                            | ISA 260 Audit Report  | September |
|           | N/A   | Pensions Data Quality   | September |
|           | N/A   | Delegated authorities: Write offs -   | September |
|           | N/A   | Fraud Prevention  | September |
|           | Annual Performance Benchmarking                 | N/A   | September |
|           | Consultative Panel Membership                   | N/A   | December  |
|           | Annual Report by External Auditor               | Annual Report by External Auditor   | December  |
|           | EU Tax Claims & Income Recovery                 | EU Tax Claims & Income Recovery   | December  |
|           | Class Actions                                   | Class Actions   | December  |
|           | N/A   | Investment Income Review-Cross-Border withholding tax   | December  |
|           | Environmental Social and Governance Activity    | N/A   | December  |
|           | N/A   | Investment Controls & Compliance  | December  |

| Frequency        | Pensions Committee   | Audit Sub Committee     | Month  |
|------------------|--|-------------------------|--|
| Semi Annually    | Update on Employer Admissions in LPF                             | N/A                     | March & September                              |
| 3 Times per year | Service Plan Update  | N/A                     | March, September & December                    |
|                  | Referrals / recommendations from Pensions Audit-Sub              | N/A                     | June, September & December                     |
| Quarterly        | Risk management summary  | Risk management summary |  |
|                  | Policies/Strategies e.g. Training, Communications                | N/A                     | (March Committee preferable for these reports) |
| Every 3 years    | Actuarial Valuation: LPF/LBPF/SHPF<br>Funding Strategy Statement |                         | December or March                              |
| As required      | Delegated authorities (provider appointments)                    | N/A                     |  |
|                  | N/A  | Audit reports           |  |
|                  | N/A  | Internal Audit Reports  |  |
|                  | Regulatory Update  | N/A                     |  |
|                  | Investment Strategy Reviews (at least every 3 years)             | N/A                     |  |
| N/A              | Risk management (in depth review)                                |                         |  |