



Notice of Meeting and Agenda

Pensions Audit Sub-Committee

2.00 pm Tuesday, 26th September, 2023

Hybrid Meeting - LPF Board Room - LPF Board Room, Atria One, 144 Morrison Street, Edinburgh / Microsoft Teams

This is a public meeting and members of the public are welcome to attend.

The law allows the Sub-Committee to consider some issues in private. Any items under "Private Business" will not be published, although the decisions will be recorded in the minute.

Contacts:

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Lesley Birrell, Committee Services, City of Edinburgh Council

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1. Quorum Check

- 1.1 The Convener will check to ensure a quorum is in attendance to ensure the meeting can proceed.

2. Order of Business

- 2.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

3. Declaration of Interests

- 3.1 Members of the Sub-Committee and members of the Pension Board should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

4. Deputations

- 4.1 If any.

5. Minutes

- 5.1 Minute of Pensions Audit Sub-Committee of 19 June 2023 (circulated) - 7 - 10
submitted for approval as a correct record

6. Reports

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| 6.1 | Agenda Planning and Governance Update – report by the Chief Executive Officer, Lothian Pension Fund (circulated) | 11 - 18 |
| 6.2 | Audited Annual Report and Accounts of the Lothian Pension Fund and Scottish Homes Pension Fund – report by the Chief Finance Officer, Lothian Pension Fund (circulated) | 19 - 324 |
| 6.3 | Lothian Pension Fund - Internal Audit Update – August 2023 - report by the Head of Internal Audit, City of Edinburgh Council (circulated) | 325 - 338 |
| 6.4 | Fraud Prevention - report by the Chief Executive Officer, Lothian Pension Fund (circulated) | 339 - 344 |

7. Motions

- 7.1 None.

8. Resolution to Consider in Private

- 8.1 The Sub-Committee is requested under Section 50(A)(4) of the Local Government (Scotland) Act 1973, to exclude the public from the meeting for the following items of business on the grounds that they would involve the disclosure of exempt information as defined in Paragraphs 1.3 and 6 of Part 1 of Schedule 7A of the Act.

9. Private Business

Nick Smith

Service Director, Legal and Assurance

Committee Members

John Anzani (Convener), Councillors Doggart and Ross.

Please note that members of the Pension Board and the Independent Professional Observer will also be invited to attend and participate in this meeting.

Information about the Pensions Audit Sub-Committee

The Pensions Audit Sub-Committee consists of 2 Councillors and 1 external member and is appointed by the City of Edinburgh Council in its separate capacity as administering authority of the Lothian Pension Fund. The Audit Sub-Committee monitors the operation of the Fund's internal controls, governance, risk and compliance arrangements and financial reporting.

This meeting of the Pensions Audit Sub-Committee is being held on a hybrid basis in the LPF Boardroom, Atria One, 144 Morrison Street, Edinburgh and by Microsoft Teams and is open to members of the public.

The meeting will be monitored by Susan Handyside.

Pension Board Members

Alan Williamson, Brian Robertson, Darren May, Jim Anderson (Chair), Sharon Dalli, Thomas Carr-Pollock, Tom Howorth, Nick Chapman and Tony Beecher.

Information about the Pension Board

The Pension Board consists of 10 members, 5 members from the employer bodies and 5 members from trade unions representing members within the pension funds as set out in the regulations.

The role of the Pension Board is to help ensure that the operation of the pension funds is in accordance with the applicable law and regulation.

<https://www.lpf.org.uk/us>

Independent Professional Observer

Andy McKinnell

Information about the Independent Professional Observer

The Independent Professional Observer is appointed by the Lothian Pension Fund to help strengthen the Lothian Pension Fund's governance. The role is to provide independent observations to the Pensions Committee and Pension Board.

The purpose of the role is to enhance the scrutiny of the decision making and provide the Committee and Board with additional experience and knowledge impartial from the Lothian Pension Fund's Officers.

City of Edinburgh Council Oversight

The City of Edinburgh Council has statutory responsibility to administer the Lothian and Scottish Homes Pension Funds. In order to most effectively carry out that function (and to reflect the separate statutory responsibilities, and regulation, of the pension funds) the City of Edinburgh Council has delegated management responsibility for the Pension Funds to the Lothian Pension Fund Group and its two arms-length companies LPFE Limited and LPFI Limited. Critical parent oversight continues to be carried out by the Pensions Committee and Dr Deborah Smart, Executive Director of Corporate Services for The City of Edinburgh Council as the Administering Authority for the Fund to ensure that its statutory functions are being properly carried out.

Lothian Pension Fund Senior Leadership Team

The senior leadership team responsible and accountable for the business and activities of the Lothian Pension Fund Group are:

David Vallery, Chief Executive Officer

Bruce Miller, Chief Investment Officer

Kerry Thirkell, Chief Risk Officer
Alan Sievwright, Chief Finance Officer
Helen Honeyman, Chief People Officer

Further Information and Contact

If you have any questions about the agenda or meeting arrangements, please contact Susan Handyside, Assistant Company Secretary, Lothian Pension Fund, PO Box 24158, Edinburgh EH3 1GY, Tel 0333 996 1971 email han24S33@lpf.org.uk .

A copy of the agenda and papers for this meeting will be available for inspection prior to the meeting at the Main Reception, City Chambers, High Street, Edinburgh EH1 1YJ.

The agenda, minutes and public reports for this meeting can be viewed via the City of Edinburgh Council committee portal.