

Pensions Committee

2.00pm, Wednesday, 11 December 2019

Agenda Planning

Item number	5.2
Executive/routine	
Wards	All
Council Commitments	

1. Recommendations

The Pensions Committee is requested to:

- 1.1 note the agenda planning document; and
- 1.2 note that the Pension Board are invited to comment on agenda items during Committee meetings.

Stephen S. Moir

Executive Director of Resources

Contact: Struan Fairbairn, Chief Risk Officer, Lothian Pension Fund, Lothian Pension Fund

E-mail: struan.fairbairn@edinburgh.gov.uk | Tel: 0131 529 4689

Susan Handyside, Customer Service & Compliance Officer, Lothian Pension Fund

E-mail: susan.handyside@edinburgh.gov.uk | Tel: 07771 378238

Report

Agenda Planning

2. Executive Summary

- 2.1 This report and the scheme of committee document (appendix 1 of this report) provides the Committee with an overview of the proposed agendas for future meetings of the Pensions Committee and Pensions Audit Sub Committee. It also provides a more general overview of the current cycle of papers for those committees.
- 2.2 There will, of course, be specific matters and papers which need to be brought to attention of the committees in addition to those set out herein.

3. Background

- 3.1 In order for the Committee and Pension Board to gain an overview of the content of future meetings, it was agreed that an agenda planning document be submitted each quarter.
- 3.2 Committee meetings are held on a quarterly basis and the Audit Sub Committee meetings are generally held three times a year.

4. Main report

- 4.1 The proposed agendas for the next two meetings are therefore set out below, based on the usual Committee cycle plus any additional and intra-cycle requests.
- 4.2 An additional Audit Sub committee meeting may be held in March 2020 as agreed with the Convenor of the Audit Sub Committee, Councillor Cameron Rose to review and approve the Internal Audit Reports (should those be available at that time).
- 4.3 The scheme of committee schedule (appendix 1) has been updated with the following amendments:
 - LPFE Limited (LPFE) and LPFI Limited (LPFI) Loan Financing Requirement paper, (which reports on the review and extension of the intra-group loan

arrangements from LPF to LPFI/E) has been included in the schedule and will be presented to the Pension Committee every three years.

- Investment Controls and Compliance will now be called LPF Group Controls and Compliance and will be presented annually to Committee in June instead of December.
- The Governance update will now be called Annual LPF Group Governance Update and will be presented in June. The report will include a strategic review of all LPF Group matters and will combine the LPFI and LPFE annual report which will be removed from September.

4.3 The additional quarterly Governance Updates, that provide updates on the LPF Group Governance review, will continue until all material outcomes of the review have been implemented.

March 2020

Pensions Committee

- Referrals / recommendations from Pensions Audit-Sub Committee
- Audit plans and reports (internal and external) *
- Policies and Strategies Update
- Actuarial Valuation: Lothian Pension Fund/Scottish Homes Pension
- Employers Participating in Lothian Pension Fund
- Service Plan Update and Budget for 2020/21
- LPFI and LPFE Loan Financing Requirement
- Risk management summary
- LPF Group Governance Review Update

*Draft audits and plan will be developed in consultation with the Convenor of the Audit Sub Committee and the Independent Professional Observer.

June 2020

Pensions Committee

- Referrals / recommendations from Pensions Audit-Sub Committee
- LPF Annual Report and Accounts (Unaudited)
- Statement of Investment Principles
- Joint Investment Strategy Panel Activity
- Annual Investment Updates - Lothian Pension Fund and Scottish Homes Pension Fund
- Annual LPF Group Governance Update
- Risk management summary

Audit Sub Committee

- LPF Annual Report and Accounts (Unaudited)
- Annual LPF Group Governance Update
- LPF Group Controls and Compliance
- Risk Management summary

Future Pensions Committee and Audit Sub Committee dates:

Pensions Committee	Pensions Audit Sub Committee
<ul style="list-style-type: none">• Wednesday, 25 March 2020, 2.00pm, Dunedin Room, City Chambers.• Wednesday, 24 June 2020, 2.00pm, Dunedin Room, City Chambers.	<ul style="list-style-type: none">• Tuesday, 23 June 2020, 2.00pm, Dunedin Room, City Chambers.

5. Next Steps

5.1 None.

6. Financial impact

6.1 None.

7. Stakeholder/Community Impact

- 7.1 The Pension Board, comprising employer and member representatives, is integral to the governance of the pension funds and they are invited to comment on the relevant matters at Committee meetings.
- 7.2 There are no adverse health and safety, governance, compliance or regulatory implications as a result of this report. The forward planning of the Committees' agendas should facilitate improved risk management and governance for the pension funds.
- 7.3 There are no adverse sustainability impacts arising from this report.

8. Background reading/external references

8.1 None.

9. Appendices

Appendix 1 – Scheme of Committee Papers

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
	Policies and Strategies Update (including revised Pension Administration Strategy biennial from March 2016)	N/A	March
	Service Plan (every 2 years)	N/A	March
	Budget	N/A	March
	LPF Annual Report and Accounts (Unaudited)	LPF Annual Report & Accounts (Unaudited)	June
	Statement of Investment Principles	N/A	June
	Joint Investment Strategy Panel Activity	N/A	June
	Annual Investment Updates - Lothian Pension Fund and Scottish Homes Pension Fund	N/A	June
	Annual LPF Group Governance Update	Annual LPF Group Governance Update LPF Group Controls and Compliance	June June
	Employer Covenant Review	N/A	September September
	Audited Annual Report and Accounts of the Lothian Pension Fund and Scottish Homes Pension Fund, including the Annual Report by External Auditor.	Audited Annual Report and Accounts of the Lothian Pension Fund and Scottish Homes Pension Fund, including the Annual Report by External Auditor.	September
	N/A	Pensions Data Quality	September
	N/A	Irrecoverable overpayment of pensions – decisions made under delegated authority	September
	N/A	Fraud Prevention	September
	Annual Report by External Auditor	Annual Report by External Auditor	December (or September if available)
	Benchmarking	N/A	December
	N/A	EU Tax Claims and Other Income Tax Recoveries	December
N/A	Investment Income Review-Cross-Border Withholding Tax	December	
Stewardship and Engagement	N/A	December	
N/A	Global Custody Services Performance	December	
	Risk Management: In-depth review	December	

Frequency	Pensions Committee	Audit Sub Committee	Month
Semi Annually	Employers Participating in Lothian Pension Fund	N/A	March & September
	Lothian Pension Fund Contract Awards Report	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	March, June, September and December
Every 3 years	Actuarial Valuation: LPF SHPF		December or March
	Funding Strategy Statement LPFI and LPFE Loan Financing Requirement		December or March
As required	Delegated authorities (provider appointments)	N/A	
	Discretions (death grants etc.)	N/A	
	N/A	Internal Audit Reports	
	Regulatory Update	N/A	
	Investment Strategy Reviews (at least every 3 years)	N/A	
	N/A	Particular items of risk management for greater scrutiny (as requested).	
	Contribution Stability Mechanism Review	N/A	