



Pensions Committee

2.00pm, Wednesday 29 June 2022

Appointments to the Pensions Audit Sub-Committee

1. Recommendations

The Pensions Committee is requested:

- 1.1 To appoint the membership of the Pensions Audit Sub-Committee for 2022-2023 as set out in the Terms of Reference and Remit in Appendix 1.
- 1.2 To appoint the Convener of the Pensions Audit Sub-Committee for 2022-2023.

Richard Carr

Interim Executive Director of Corporate Services

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Appointments to the Pensions Audit Sub-Committee

2. Main Report

- 2.1 The Pensions Committee is required to appoint the membership of its Pensions Audit Sub-Committee for 2022-2023. The membership structure and remit are set out in appendix 1 of the report.
- 2.2 The Committee is also required to appoint the Convener of the Pensions Audit Sub-Committee for 2022-2023. The Convener will be appointed from the membership of the Pensions Committee, excluding the Convener of that Committee.

3. Financial Impact

- 3.1 Not applicable.

4. Stakeholder/Regulatory Impact

- 4.1 The Pension Board, comprising employer and member representatives, is integral to the governance of the Fund and they are invited to comment on the relevant matters at Committee meetings.

5. Background Reading/External References

- 5.1 [City of Edinburgh Council Committee Terms of Reference and Delegated Functions](#)

6. Appendices

- 6.1 Appendix 1 – Pensions Audit Sub-Committee Terms of Reference and Remit

Pensions Audit Sub-Committee – Terms of Reference and Remit as set out in the City of Edinburgh Council Committee Terms of Reference and Delegated Functions

22. Pensions Audit Sub-Committee (Parent Committee – Pensions Committee)

Constitution

- 22.1 Three members from the Pensions Committee of which a minimum are two City of Edinburgh elected members.
- 22.2 Two non-voting members of the Pension Board will also be able to attend the Pensions Audit Sub-Committee to oversee its activities.

Quorum

- 22.3 Two members of the Pensions Audit Sub Committee will constitute a quorum.

Convener

- 22.4 The Convener of the Pensions Audit Sub-Committee will be appointed from the membership of the Pensions Committee, excluding the Convener of that committee.

Substitution

- 22.5 Substitutes are permitted from members of the Council who have undertaken and completed appropriate training specified by the Executive Director of Resources.

Delegated functions

- 22.6. Power is delegated to the Pensions Audit Sub-Committee to consider and make appropriate recommendation(s) to the Pensions Committee:
- 22.6.1 To ensure systematic appraisal of the control and assurance environment and framework of internal control (including internal audit processes) of pension funds to provide reasonable assurance of the effective and efficient operations and compliance with laws and regulations;

- 22.6.2. To promote the development of an appropriate risk management strategy and risk management procedures;
- 22.6.3. To ensure the highest standards of probity and public accountability;
- 22.6.4. To ensure sound financial procedures are in place for authorising and monitoring expenditure and the allocation of pension fund resources;
- 22.6.5. To consider and scrutinise an annual report on any companies owned by the Council that are connected to the activities of the pension funds and the Lothian Pension Fund group;
- 22.6.6. To review the consolidated annual financial statements of the pension funds/Lothian Pension Fund group and the International Standard on Auditing 260 (ISA 260) communication of audit matters;
- 22.6.7. To agree internal audit plans and to ensure that internal audit work is planned with due regard to risk, materiality and coverage;
- 22.6.8. To oversee in light of the audit plan the performance of the audit service;
- 22.6.9. To oversee and review action taken on internal audit recommendations; and
- 22.6.10. To review all matters relating to external audit, including audit planning, action points and reports, and to monitor the implementation of external audit recommendations.