

SCOTTISH BORDERS COUNCIL PENSION FUND COMMITTEE AND PENSION BOARD

MINUTES of Meeting of the PENSION FUND
COMMITTEE AND PENSION BOARD held
via Microsoft Teams on Wednesday, 20
October 2021 at 9.00 a.m.

Present:- Councillors D. Parker (Chairman), S. Aitchison, J. Brown, G. Edgar, D. Moffat,
S. Mountford, S. Scott; Mr. A. Daye, Mr D. Bell, Mr M. Drysdale, Mr M.
Everett, Ms L. Ross

Absent:- Councillor C Hamilton

In Attendance: Director Finance and Corporate Governance, Pensions and Investment
Manager, HR Shared Services Manager, Chief Officer Audit & Risk,
Democratic Services Team Leader, Democratic Services Officer (W.
Mohieddeen)

Also in Attendance: Ms G. Woodman (Audit Scotland), Mr A. Haseeb (Audit Scotland), Ms A.
Fitzpatrick (Audit Scotland)

1. **MINUTE**

There had been circulated copies of the Minute of the meeting held on 16 September 2021.

DECISION

APPROVED the minute for signature by the Chairman

2. **EXTERNAL AUDIT REPORT**

There had been circulated copies of the report by Audit Scotland, the Council's external auditors. The report explained that Audit Scotland's work on the 2020-21 annual report and accounts had been substantially completed and were able to express an opinion as to whether the financial statements gave a fair and true view in accordance with the financial reporting framework and as to other opinions on the management commentary, annual governance statement and governance compliance statement. Ms Woolman, Audit Scotland was in attendance and presented the report. Ms Woolman confirmed that the audit was conducted in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Accounts Commission for Scotland and it was anticipated that an unqualified audit opinion would be issued. Ms Woolman assured the Committee that through interaction with officers and members any instances of actual, suspected or alleged fraud would have been drawn to their attention and outstanding matters referenced in the paper had been received and did not affect the conclusion of the report. It was noted that fund membership levels were increasing but the ratio of active members to pensioners was reducing. The report noted that that Audit Scotland regarded the Fund as having conducted business in an open and transparent manner. Ms Woolman noted the Fund actively considered Environmental, Social and Governance matters as part of its Investment Strategy and that a positive approach in those matters may have a positive impact on the financial performance of investments.

DECISION

APPROVED the report to be put forward to a meeting of the Scottish Borders Council.

3. **FINAL ANNUAL ACCOUNTS**

There had been circulated copies of a report by the Director Finance and Corporate Governance presenting the final Annual Report and Accounts for the Pension Fund 2019-20 prior to their submission to Scottish Borders Council for signature. The final Report and Accounts, contained in Appendix 1 to the report, fully met these requirements. Audit Scotland had completed their audit and had provided an unqualified independent audit opinion. The Scottish Borders Council's Pension Fund Annual Audit Report highlighted two new recommendations and five recommendations from previous audits and action plans had been agreed for each of the recommendations. In response to a question about disparity between payments and income into the Fund, Mr Robertson noted that the Fund had consistently produced a positive return above the requirement of a 3.8% per annum return on investments. Fund performance was monitored and the Council had available options should performance reduce.

DECISION

AGREED the Pension Fund Annual Report and Accounts 2019-20 for Officer signature and Council Approval.

4. **ITEMS LIKELY TO BE TAKEN IN PRIVATE**

AGREED under Section 50A(4) of the Local Government (Scotland) Act 1973 to exclude the public from the meeting during consideration of the business detailed in the Appendix to this Minute on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 6 and 6 of Part I of Schedule 7A to the Act.

5. **MINUTE**

The Committee considered the Private Minute of the Meeting held on 16 September 2021.

The meeting concluded at 9.35 am