
DRAFT ANNUAL REPORT AND ACCOUNTS 2015/16

Report by Chief Financial Officer

AUDIT AND RISK COMMITTEE

28 June 2016

1 PURPOSE AND SUMMARY

- 1.1 **This report provides the Audit and Risk Committee with an opportunity to scrutinise the draft Scottish Borders Council Pension Fund Annual Report and Accounts for the year ended 31 March 2016 prior to its submission to the External Auditors.**
- 1.2 The Local Government Pension Scheme Amendment (Scotland) Regulations specify elements which must be contained in the Annual Report and Accounts, the list of these are contained in para 4.1. The draft Report and Accounts contained in Appendix 1 fully meets these requirements.
- 1.3 The draft Report and Accounts are still subject to Audit, which will commence early July. Following Audit sign-off, the final Report and Accounts will be circulated to the joint Committee and Board.

2 STATUS OF REPORT

- 2.1 This report is presented to enable members to consider the draft Annual Report and Accounts (the Annual Report) prior to External Audit Inspection by the statutory deadline of 30 June 2016

3 RECOMMENDATIONS

- 3.1 **It is recommended that the Audit and Risk Committee:**
 - (a) **Notes the Draft Annual Report and Accounts 2015/16 for the Scottish Borders Council Pension Fund; and**
 - (b) **Supports its submission for review by the External Auditors.**

4 BACKGROUND

- 4.1 The Local Government Pension Scheme Amendment (Scotland) Regulations 2010 specifies that the Annual report must contain:
- (a) report on the management and financial performance during the year;
 - (b) statement on the investment policy for the Fund;
 - (c) pensions administration arrangements during the year;
 - (d) actuarial valuation statement;
 - (e) governance compliance statement;
 - (f) fund account and net asset statement;
 - (g) annual report on pension administration strategy; and
 - (h) details of where to access current Funding Strategy Statement and Statement of Investment Principles.

5 ANNUAL REPORT AND ACCOUNTS 2015/16

- 5.1 The draft Annual Report and Accounts for 2015/16 (the Annual Report) is attached at Appendix 1. The Annual Report will be submitted to the External Auditors, KPMG for full audit by 30 June 2016.
- 5.2 The Annual Report will also be made available for public inspection for a 3 week period commencing 30 June 2016.
- 5.3 It should be noted that the Annual Report remains draft and the conclusion of the year end work including the external audit may result in changes to it.
- 5.4 The Committee will receive a copy of the final report at the end of the statutory external audit process to agree prior to its publication.

6 IMPLICATIONS

6.1 Financial

There are no financial implications relating to this proposal.

6.2 Risk and Mitigations

This report is part of the governance framework to manage the operation of the Pension Fund and reflects the compliance with the best practice recommendations.

6.3 Equalities

It is anticipated that there are no adverse equality implications.

6.4 Acting Sustainably

There are no direct economic, social or environmental issues with this report which would affect the Council's sustainability.

6.5 Carbon Management

There are no direct carbon emissions impacts as a result of this report.

6.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

6.7 Changes to Scheme of Administration or Scheme of Delegation

No changes are required as a result of the proposals contained in this report.

7 CONSULTATION

7.1 The Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR, and the Clerk to the Council have been consulted on the report and their comments have been incorporated.

7.2 The Pension Fund Committee and Pension Fund Board considered and supported the Draft Annual Report and Accounts at its joint meeting on 16 June 2016.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

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Background Papers:

Previous Minute Reference: Joint Pension Fund Committee and Pension Fund Board, 16 June 2016

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Capital & Investments Team can also give information on other language translations as well as providing additional copies.

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