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## **DRAFT ANNUAL REPORT AND ACCOUNTS 2016/17**

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### **Report by Chief Financial Officer**

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## **JOINT MEETING OF PENSION FUND COMMITTEE AND PENSION BOARD**

**22 June 2017**

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### **1 PURPOSE AND SUMMARY**

- 1.1 **The attached Draft Annual Report and Accounts for the Pension Fund for 2016/17 is being presented as part of the consultation process prior to submission of the Report to the Audit Committee and the External Auditors.**
- 1.2 The Local Government Pension Scheme Amendment (Scotland) Regulations 2010 specify the 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 the statutory Audit process 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 2017.
- 2.2 This report was not circulated to consultees within the recommended timeframe and as a result their comments have not been able to be included in the report, but will be presented to the Joint Committee and Board meeting. The late preparation of the report is related to the significant work involved in producing the Annual Report

### **3 RECOMMENDATIONS**

- 3.1 **It is recommended that the Pension Fund Annual Report and Accounts 2016/17 contained in Appendix 1 is considered prior to the submission to Audit and Scrutiny Committee on the 28 June 2017 and the subsequent statutory audit process.**

## 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 2016/17

- 5.1 The draft Annual Report and Accounts for 2016/17 (the Annual Report) is attached at **Appendix 1**. The Annual Report will be submitted to Audit and Scrutiny Committee on the 28 June 2017 for review prior to submission to the external auditors, Audit Scotland, by 30 June 2017. .
- 5.2 The Annual Report will also be made available for public inspection for a 3 week period commencing 30 June 2017.
- 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 prior to its submission to Council and publication.

## 6 IMPLICATIONS

### 6.1 Financial

There are no financial implications relating to this proposal.

### 6.2 Risk and Mitigations

- (a) 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

- (a) It is anticipated that there are no adverse equality implications.

### 6.4 Acting Sustainably

- (a) There are no direct economic, social or environmental issues with this reports which would affect the Council's sustainability.

### 6.5 Carbon Management

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

### 6.6 Rural Proofing

- (a) It is anticipated there will be no adverse impact on the rural area from the contents of this report.

## 6.7 Changes to Scheme of Administration or Scheme of Delegation

(a) No changes are required as a result of 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 are being consulted on the report and any comments will be included into the version presented to the Audit and Scrutiny Committee on 28 June 2017.

### Approved by

**David Robertson**  
**Chief Financial Officer**

**Signature .....**

### Author(s)

Name	Designation and Contact Number
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### Background Papers:

**Previous Minute Reference: Pension Fund Committee and 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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