

## **Pension Committee 27 March 2019**

**Report Title:** 2018/19 Lambeth Pension Fund - The Annual Audit Plan and Preparatory Activity

**Wards:** All

**Portfolio:** Cabinet Member for Finance: Councillor Andrew Wilson

**Report Authorised by:** Acting Strategic Director, Finance and Investment: Christina Thompson

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### **Report summary**

MAZARS LLP are the Council's appointed external auditors. This report sets out details of their Proposed audit scope for the Lambeth Pension Scheme for the year ending 31 March 2019.

### **Finance summary**

There are no direct financial implications in agreeing the recommendations in this report.

### **Recommendations**

- (1) That Pension Committee notes the Planning Report from MAZARS LLP that relates to the Lambeth Pension Fund's financial accounts, as set out in Appendix 1.
- (2) That Pension Committee notes the preparatory activity undertaken and underway by Officers, as set out in the main report.

## **1. CONTEXT**

- 1.1 The purpose of the audit planning report is to set out to the Pension committee the key considerations of planning for this year's audit with a view to ensuring that the year-end activities can be managed smoothly.
- 1.2 The responsibilities of the auditors are set out in Appendix 1 – Audit Strategy Memorandum. The auditors are asked to treat the Local Government Pension Scheme as a Stand-alone body, with a separate audit plan and report to those charged with governance.

## **2. PROPOSALS AND REASONS**

### **Main Risks to Note**

- 2.1 The precise details of approach to be adopted by the auditors are laid out in the Appendices to this report.
- 2.2. In general, officers have commenced and progressed preparations for financial year-end from a much earlier point in the year. The officers had the initial meeting with the auditors in November 2018. At this initial meeting the audit time table and audit requirements were discussed with the auditors.
- 2.3 There has been extensive engagement between with Pension administration team and investment team to ensure that planning for year-end is embedded, and therefore laying the groundwork for a trouble-free exercise.

## **3. FINANCE**

- 3.1 There are no direct financial implications in agreeing the recommendations in this report.

## **4. LEGAL AND DEMOCRACY**

- 4.1 The Accounts and Audit (England) Regulations 2011 require the Council to maintain an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practice.
- 4.2 Regulation 4 requires the Council to conduct a review, at least once a year, of the effectiveness of internal control which includes risk management arrangements. The Council is also under a duty to conduct, at least once a year, a review of its system of internal audit. The findings of both reviews must be considered together by the Pension Committee.

## **5. CONSULTATION AND CO-PRODUCTION**

- 5.1 Although the Pension fund's Statement of Accounts and Annual Report are a statutory document whose format is dictated by statute and regulation, it is prepared by officers with input from the Funds investment managers and the Fund custodian.

## **6. RISK MANAGEMENT**

6.1 None for the purposes of this report.

## 7. EQUALITIES IMPACT ASSESSMENT

7.1 None for the purposes of this report.

## 8. COMMUNITY SAFETY

8.1 Not considered for the purposes of this report.

## 9. ORGANISATIONAL IMPLICATIONS

9.1 None for the purposes of this report.

## 10. TIMETABLE FOR IMPLEMENTATION

10.1 Work has already started scheduled for completion by August 2017.

<b>Task</b>	<b>Own by</b>	<b>Date</b>	<b>Update</b>
Initial Audit plan meeting	Lambeth Pension Fund and MAZARS LLP	19 November 2018	At the initial meeting discussed the Audit time table, field work and completion time.
Audit Plan to the Pension Committee	Lambeth Pension Fund	27 March 2019	
Interim Audit	Lambeth Pension Fund and MAZARS LLP	Week beginning 20 February 2019	
Draft Accounts	Lambeth Pension Fund	31 May 2019	
Audit field work	Lambeth Pension Fund and MAZARS LLP	June 2019 (draft time table)	
Audit completion and signoff of the annual Report	Lambeth Pension Fund and MAZARS LLP	July 2019	

<b>Audit trail</b>				
<b>Consultation</b>				
<b>Name/Position</b>	<b>Lambeth directorate/ division or partner</b>	<b>Date Sent</b>	<b>Date Received</b>	<b>Comments in para:</b>
Councillor Andrew Wilson	Cabinet Member for Finance	11.03.19	19.03.19	
<b>Christina Thompson, Acting Strategic Director, Finance and Investment</b>	Finance and Investment	11.03.19	19.03.19	Throughout
<b>Andrew Pavlou Legal Services</b>	Legal and Governance	11.03.19	14.03.19	Section 4
<b>David Rose, Democratic Services</b>	Legal and Governance	11.03.19	14.03.19	Throughout

<b>Report history</b>	
<b>Original discussion with Cabinet Member</b>	N/A
<b>Report deadline</b>	14.03.2019
<b>Date final report sent</b>	14.03.2019
<b>Part II Exempt from Disclosure/confidential accompanying report?</b>	Yes
<b>Key decision report</b>	No
<b>Date first appeared on forward plan</b>	N/A
<b>Key decision reasons</b>	N/A
<b>Background information</b>	See Part I Report
<b>Appendices</b>	<ul style="list-style-type: none"> <li>Appendix One – London Borough of Lambeth 2018/19 Audit Plan. (to be tabled)</li> </ul>