

PENSION COMMITTEE 11 MARCH 2020

Report title: 2019/20 Lambeth Pension Fund - The Annual Audit Plan

Wards: All

Portfolio: Councillor Andrew Wilson, Cabinet Member for Finance and Performance

Report Authorised by: Fiona McDermott: Strategic Director for Finance and Investment

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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 2020.

Finance summary

The audit fee payable is £16,170.00.

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 one. 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. PROPOSAL AND REASONS

- 2.1 The precise approach to be adopted by the auditors is laid out in Appendix One 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 auditors will be conducting an interim audit during February and March 2020.
- 2.3 There has been extensive engagement between the 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 The audit fee payable is £16,170.00

4. LEGAL AND DEMOCRACY

- 4.1 The Accounts and Audit Regulations 2015 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 Corporate Committee.
- 4.3 There were no additional comments from Democratic Services.

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 Fund's 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 None for the purposes of this report.

9. ORGANISATIONAL IMPLICATIONS

Environmental

9.1 None for the purposes of this report

Health

9.2 None for the purposes of this report

Corporate Parenting

9.3 None for the purposes of this report.

Staffing and accommodation

9.4 None for the purposes of this report.

Responsible Procurement

9.5 None for the purposes of this report

10. TIMETABLE FOR IMPLEMENTATION

10.1 Work has already started and scheduled for completion by July 2020.

10.2 The table below details the stages and deadlines for implementing the recommendations:

Activity	Own by	Proposed Date	Update
Initial Audit plan meeting	Lambeth Pension Fund and MAZARS LLP	January - February 2020.	At the initial meeting discussed the Audit timetable, field work and completion time.
Audit Plan to the Pension Committee	Lambeth Pension Fund	11 March 2020	
Interim Audit	Lambeth Pension Fund and MAZARS LLP	March 2020	
Field work	Lambeth Pension Fund and MAZARS LLP	June – July 2020	
Audit completion and signoff of the annual Report	Lambeth Pension Fund and MAZARS LLP	July 2020	

AUDIT TRAIL

Consultation

Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Councillor Andrew Wilson	Cabinet Member for Finance and Performance	26.02.20	03.02.20	
Fiona McDermott, Strategic Director	Finance and Investment	26.02.20	03.02.20	
Christina Thompson, Director, Finance and Property	Finance and Investment	26.02.20		
Hamant Bharadia, Assistant Director	Finance and Investment	26.02.20	02.03.20	
Andrew Pavlou, Legal Services	Legal and Governance	26.02.20	27.02.20	
Neda Chagleva, Democratic Services	Legal and Governance	26.02.20	02.03.	

REPORT HISTORY

Original discussion with Cabinet Member	N/A
Report deadline	27.02.20
Date final report sent	03.03.20
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	No
Date first appeared on forward plan	N/A
Key decision reasons	N/A
Background information	N/A
Appendices	Appendix One – London Borough of Lambeth 2019/20 Audit Plan.