



REPORT FOR: Pension Board

Date of Meeting:	5 February 2024
Subject:	Audit of Pension Fund Accounts 2021-22
Responsible Officer:	Sharon Daniels, Interim Director of Finance and Assurance
Exempt:	No
Wards affected:	Not applicable
Enclosures:	Appendix 1: Pension Fund Annual Report and Accounts 2021-22 Appendix 2: Mazars' Audit Completion Report Update on Events after Reporting Date Appendix 3 – Mazars Audit Previous Completion Report (May 2023) and draft Audit Opinion.

Section 1 – Summary and Recommendations

This report updates the Committee on the outcome of the audit of the Pension Fund Annual Report and Accounts for 2021-22.

Recommendations:

The Board is requested to review and comment as necessary on the auditor's report.

Section 2 – Report

1. At its meeting in October 2022, the Pension Fund Committee reviewed and approved the draft Pension Fund Annual Report and Accounts for 2021-22. These were presented to the Board on 6 October 2022.
2. Since that meeting, the Committee and Board have received regular updates on the progress of the audit and will recall that although the audit was largely complete, and that only a small number of presentational changes were required, the requirement for the auditor to confirm that the PF accounts are consistent with the Council's main accounts meant that formal sign-off of the PF accounts was delayed. The delays were mainly due to a number of national issues affecting local authority audits more generally.
3. The audit has now been completed, and Mazars reported the outcome to GARMS Committee on 29 November 2023. A representative from Mazars (Paddy Saad, Audit manager) attended the Pension Fund Committee's meeting on 20 December 2023 to present the audit findings and answer Committee members' questions.
4. The Pension Fund Annual Report and Accounts for 2021-22 are enclosed at **Appendix 1**. The Committee is asked to approve these for publication.
5. As a result of the long delay, an Audit Completion Update covering additional "events after reporting date" has been received from Mazars – this is attached at **Appendix 2**.
6. **Appendix 3** is Mazars' Audit Completion Report issued in May 2023 and reported to GARMS Committee in July 2023

Legal Implications

7. There are no direct legal implications arising from this report.
8. The terms of reference for the Board include the Board's role as set out in the following paragraphs.

9. The role of the Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013, is to assist the Administering Authority (London Borough of Harrow) as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) including:
 - securing compliance with the LGPS regulations and other legislation relating to the governance and administration of the LGPS;
 - securing compliance with requirements imposed in relation to the LGPS by the Pensions Regulator; and
 - such other matters the LGPS regulations may specify.
10. The Administering Authority retains ultimate responsibility for the administration and governance of the scheme. The role of the Board is to support the Administering Authority to fulfil that responsibility.
11. In its role, The Board will have oversight of the administration of the fund including:
 - a. The effectiveness of the decision making process
 - b. The direction of the Fund and its overall objectives
 - c. The level of transparency in the conduct of the Fund's activities
 - d. The administration of benefits and contributions
12. The Board will provide the Scheme Manager with such information as it requires to ensure that any Member of the Board or person to be appointed to the Board does not have a conflict of interest.
13. The Board will ensure it effectively and efficiently complies with the Code of Practice on the Governance and Administration of Public Service Pension Schemes issued by the Pensions Regulator. It will help to ensure that the Fund is managed in the same way.
14. The Board shall meet sufficiently regularly to discharge its duties and responsibilities effectively.

Financial Implications

15. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no financial implications arising from this report.

Risk Management Implications

16. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board. The next review is elsewhere on this agenda.
17. There are no specific risk management implications arising from this report. The level of risk to which its investments are exposed is a key component in developing the Fund's investment strategy.

Equalities implications / Public Sector Equality Duty

18. Was an Equality Impact Assessment carried out? No
19. There are no direct equalities implications arising from this report.

Council Priorities

20. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Sharon Daniels

Signed by the Chief Financial Officer

Date: 26 January 2024

Statutory Officer: Sharon Clarke

Signed on behalf of the Monitoring Officer

Date: 25 January 2024

Chief Officer: Sharon Daniels

Signed on behalf of the Corporate Director

Date: 26 January 2024

Mandatory Checks

Ward Councillors notified: Not Applicable

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall - Interim Pensions Manager

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Background Papers: None