

The City of Edinburgh Council

10.00am, Thursday, 23 August 2018

Appointment to the Local Authority Pension Fund Forum (LAPFF)

Item number	7.3
Report number	
Executive/routine	
Wards	All
Council Commitments	

Executive summary

The Lothian Pension Fund is a founding member of the Local Authority Pension Fund Forum (LAPFF) when it was established in 1990. The Pensions Committee agreed to submit Councillor Rankin's name for nomination to the LAPFF Executive. The nomination was submitted to the LAPFF Executive at the Annual General Meeting in July 2018 and was approved. The Council are now asked to approve the appointment.

Appointment to the Local Authority Pension Fund Forum (LAPFF)

1. Recommendations

- 1.1 Council is requested to approve the appointment of Councillor Rankin to the Executive Committee of the LAPFF.

2. Background

- 2.1 LAPFF provides an opportunity for local authority pension funds across the UK to come together for focused discussion and the sharing of ideas and working practices in relation to investment issues and shareholder engagement.
- 2.2 The LAPFF promotes the long-term investment interests of local authority pension funds and aims to maximise their influence as shareholders to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they invest, commensurate with statutory regulation. Its membership has increased over the recent years with over 70 of the 110 UK local government pension schemes.
- 2.3 Councillor Rankin has served on the Executive Committee of the LAPFF since January 2017.

3. Main report

- 3.1 The Pensions Committee of 12 December 2017 endorsed the nomination of Councillor Rankin to the LAPFF Executive Committee. At its Annual General Meeting in July 2018, the LAPFF appointed Councillor Rankin to its Executive Committee. This report seeks ratification of this appointment by the City of Edinburgh Council.
- 3.2 The role involves travel to Executive meetings, meetings with companies and other entities such as regulatory bodies, primarily within the UK and occasionally overseas. The Pension Funds meet associated costs from within their budget.

4. Measures of success

- 4.1 The interests of Lothian Pension Fund are served by the constructive engagement on key issues affecting local government pension schemes.

5. Financial impact

- 5.1 There are no direct financial implications arising from this report. The costs of Councillor Rankin's participation in LAPFF are included in the pension funds' budget.

6. Risk, policy, compliance and governance impact

- 6.1 The Environmental Social and Governance (ESG) activity of the Fund, that is being responsible informed and involved investors, is expected to reduce risk.

7. Equalities impact

- 7.1 There are no adverse equalities impacts arising from this report.

8. Sustainability impact

- 8.1 ESG activity is expected to contribute to the sustainability of the Funds' investments.

9. Consultation and engagement

- 9.1 Approval by the City of Edinburgh Council will ensure the Lothian Pension Fund continues to engage and consult with partners and stakeholders.

10. Background reading / external references

- 10.1 Responsible Investment http://www.lpf.org.uk/info/68/responsible_investment
10.2 Local Authority Pension Fund Forum <http://www.lapfforum.org/>

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11. Appendices

None.