

REPORT OF SERVICE DIRECTOR – FINANCE & PROCUREMENT**LOCAL AUTHORITY PENSION FUND FORUM (LAPFF)****Purpose of the Report**

1. To report on the activities of the Local Authority Pension Fund Forum (LAPFF) and to recommend approval for members to attend LAPFF business meetings.

Information and Advice

2. The Local Authority Pension Fund Forum was formed in 1990 to provide an opportunity for the UK's local authority pension funds to discuss investment and shareholder engagement issues. LAPFF currently has 56 members (including the Nottinghamshire Fund) with combined assets of well over £100 billion and is consequently able to exert significant influence over companies in which funds are invested.
3. LAPFF exists 'to promote the long-term investment interests of UK local authority pension funds, and in particular to maximise their influence as investors to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they invest'. It also:
 - a. Provides a forum for information exchange and discussion about investment issues.
 - b. Facilitates the commissioning of research and policy analysis of issues in a more effective manner than individual members could achieve.
 - c. Provides a forum for consultation on shareholder initiatives.
 - d. Provides a forum to consider issues of common interest to all pension fund administrators and councillors.
4. Membership of LAPFF is open to all administering authorities within the LGPS and includes two attendees at the annual LAPFF conference. In addition there are four business meetings each year to which the Fund can send a Member and an officer representative. The Forum's work programme is managed by the Forum Executive, comprising six elected members and three officers. It is recommended that approval is given for members to attend LAPFF business meetings. These meetings are held in London and the travel costs (approximately £160 per person per meeting) would be a legitimate charge to the Fund.
5. LAPFF produces research documents, consultation responses and reports on its activities together with its annual report and quarterly newsletters. Appendix A

provides a list of recent titles produced by LAPFF. Appendix B shows the current members of LAPFF.

Statutory and Policy Implications

6. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the Nottinghamshire Pension Fund Committee be recommended to give approval for members of the Sub-Committee to attend LAPFF business meetings.

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Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

RESEARCH REPORTS

Investor Stewardship

Local Authority Pension Funds: Investing for Growth

LAPFF ESG Policies - Executive Summary

Proxy Voting Disclosure by UK Asset Managers

LAPFF analysis of public disclosure of voting records by UK asset managers, April 2009.

Trustee Guide: Which Deals Create Value? Mergers and Acquisitions

Trustee Guide: Holding Fund Managers to Account

Corporate Governance

Expectations for Executive Pay

Trustee Guide: People & Investment Value

UK and Irish Banks Capital Losses - Post Mortem

LAPFF's view into banking failures in the UK and Ireland from the perspective of shareholders, September 2011.

A statement on the financial crisis by The Local Authority Pension Fund Forum

Environmental

Trustee Guide: Investing in a changing climate

LAPFF Statement on Climate Change

Note on Emissions Trading

Pension Funds and Climate Change

Climate Change - An Engagement Strategy

Reporting on Greenhouse Gas Emissions: Initial Company Responses

Social

Trustee Guide: Unlocking Human Capital: Engagement on Employment Best Practice

Trustee Guide: Labour Standards in China: Best Practice Guidelines

Labour Standards in China

Company Workforce Practices

QUARTERLY ENGAGEMENT REPORTS

2013

Q2: April to June Engagement Report

Highlights: Voting Alerts, QC opinion on IFRS, Associated British Foods, Centrica, Imperial Tobacco

Q1: January to March Engagement Report

Highlights: Expectations on Executive Pay, Lonmin AGM, Societe Generale, Comcast

2012

Q4: October to December Engagement Report

Highlights: News Corp AGM, People & Investment Value, IFRS, National Express, RBS.

Q3: July to September Engagement Report

Highlights: the banks & IFRS, Lonmin, News Corp and Rolls-Royce.

Q2: April to June Engagement Report

Highlights: Barclays, HSBC, Royal Bank of Scotland, News Corp, Goldman Sachs, BP, Shell.

Q1: January to March Engagement Report

Highlights: easyJet, Afren, Cable & Wireless Worldwide, Goldman Sachs, Heineken.

CONSULTATION RESPONSES

2013

IIRC consultation on draft of International IR framework

LAPFF response to the draft International IR framework

Letter to the UK Competition Commission on Auditor Rotation

FRC Consultation on Revision to ISA 700

LAPFF response to the FRC ISA 700 consultation

FRC Consultation on Sharman Implementation

LAPFF response to the FRC on the Sharman implementation

FRC Consultation on Financial Reporting Disclosure

LAPFF response to the FRC on Financial Reporting Disclosure

FSA Consultation on Listing Rules

Membership of LAPFF

Avon Pension Fund
Barking and Dagenham LB
Bedfordshire Pension Fund
Camden LB
Cheshire Pension Fund
City of London Corporation
Clwyd Pension Fund
Croydon LB
Cumbria Pension Scheme
Derbyshire CC
Devon CC
Dorset County Pension Fund
Dyfed Pension Fund
Ealing LB
East Riding of Yorkshire Council
Enfield
Falkirk Council
Greater Gwent Fund
Greater Manchester Pension Fund
Greenwich Pension Fund
Gwynedd Pension Fund
Hackney LB
Haringey LB
Harrow LB
Hounslow LB
Islington LB
Lancashire County Pension Fund
Lewisham LB
Lincolnshire CC
London Pension Fund Authority
Lothian Pension Fund
Merseyside Pension Fund
Newham LB
Norfolk Pension Fund
North East Scotland Pension Fund
North Yorkshire CC Pension Fund
Northamptonshire CC
Northern Ireland Local Government Officers Superannuation Committee
Nottinghamshire CC
Rhondda Cynon Taf
Royal Borough of Greenwich Pension Fund
Shropshire Council
Somerset CC
South Yorkshire Integrated Transport Authority
South Yorkshire Pensions Authority
Southwark LB
Staffordshire Pension Fund
Surrey CC
Teesside Pension Fund

Tower Hamlets LB
Tyne and Wear Pension Fund
Waltham Forest LB
Warwickshire Pension Fund
West Midlands PTA Pension Fund
West Midlands Pension Fund
West Yorkshire Pension Fund
Wiltshire CC
Worcestershire CC