

14 March 2017**Agenda Item:8****REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT &
IMPROVEMENT****STRATEGIC LAND - BASILDON****Purpose of the Report**

1. To approve the setting up of a wholly owned company to protect the Pension Fund investment in strategic land at Basildon.

Information and Advice

2. Nottinghamshire Pension Fund purchased land at Basildon a number of years ago. The intention is to promote the land for future development and generate a return to the Pension Fund by increasing the value.
3. A consultancy firm was appointed to manage the promotion and to manage the land prior to any future development. This included leasing the land to tenants.
4. Aberdeen Asset Management (AAM) informed Nottinghamshire County Council (NCC) prior to Christmas that they were retendered the contract following changes to the personnel at the original consultant.
5. As part of this process AAM obtained legal advice which highlighted a potential financial risk to the Pension Fund during this process. The advice given was that NCC should set up a wholly owned limited company to hold the leases and manage the land. This company would simply be in place to replicate the arrangements previously agreed. It would not carry out any other activities.
6. NCC Legal Service have advised that the decision to set up such a company should be taken by Pension Fund Committee, however as there was a period when the Pension Fund was exposed to the risk prior to any suitable meeting, it was proposed that Nigel Stevenson as the S151 Officer, in consultation with Legal Services and the Chair and Vice Chair of Pension Fund Committee, should approve the setup of a company to hold the leases until the new consultant is in place. This was subject to a report to this meeting explaining what has been done and requesting approval of the arrangements.

Statutory and Policy Implications

7. 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

- 1) That the action taken to protect the interests of the Pension Fund in setting up a company to hold the property leases be approved.

Nigel Stevenson

Service Director – Finance, Procurement and Improvement

For any enquiries about this report please contact:

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Constitutional Comments ()

The proposals in this report are within the remit of the Nottinghamshire Pension Fund Committee.

Financial Comments (KRP 27/02/17)

There are no direct financial implications arising from the report.

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.

Copy of Legal advice note