

29 September 2016**Agenda Item: 5****REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT &
IMPROVEMENT****PENSION FUND ANNUAL REPORT AND ACCOUNTS 2015/16****Purpose of the Report**

1. To present the Nottinghamshire Pension Fund Annual Report for 2015/16.

Information and Advice

2. The Nottinghamshire Pension Fund Annual Report for 2015/16 is attached. This includes the annual accounts and shows the value of the fund as at 31 March 2016 to be £4,067 million with net returns on investments for 2015/16 of £227 million and net nil transactions from dealings with members. The overall value of the fund is has marginally changed from last year, reflecting the slight fall in asset values due to sluggish global economic growth.
3. The Fund achieved an overall return of -0.3% on its investments over the year, with Property returning 11.1% as an asset class, and Equities returning -2.8%.
4. The Scheme Administration Arrangements (page 11) section gives a breakdown of all the non-investment work that is undertaken to ensure the proper functioning of the Fund's dealings with its members.
5. The external auditors, KPMG, have completed their audit work and anticipate issuing an unqualified audit opinion. No material misstatements or uncorrected audit differences were identified. The auditor's ISA260 report is also attached for information.

Reason/s for Recommendation/s

6. The Pension Fund accounts are approved by Nottinghamshire County Council as part of the Council's overall accounting responsibility. The accounts are also presented to the Nottinghamshire Pension Fund Committee for noting. The Annual Report, including the accounts, is therefore presented to the Local Pensions Board also for noting.

Statutory and Policy Implications

7. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service

users, sustainability and the environment and ways of working 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 Annual Report, annual accounts and draft audit report for 2015/16 be noted.

Report Author:

Ciaran Guilfoyle

Investments Officer – Pensions & Treasury Management

For any enquiries about this report please contact: Simon Cunningham

Constitutional Comments

8. Because this report is for noting only no Constitutional Comments are required.

Financial Comments (SRC 25/08/2016)

9. 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.

- 'None'