

Meeting	NOTTINGHAMSHIRE PENSION FUND COMMITTEE
Date	Thursday 14 September 2023 at 10.30 am

**membership****COUNCILLORS**

Eric Kerry (Chairman)  
Mike Introna (Vice Chairman)

André Camilleri - <b>Absent</b>	Sheila Place
John Clarke MBE - <b>Apologies</b>	Francis Purdue-Horan
Bethan Eddy	Tom Smith - <b>Apologies</b>
Stephen Garner	Lee Waters
Roger Jackson	

**SUBSTITUTE MEMBERS**

Councillor Pauline Allan for Councillor John Clarke MBE  
Councillor Chris Barnfather for Councillor Tom Smith

**NON-VOTING MEMBERS:****Nottingham City Council**

Councillor Graham Chapman  
Councillor Zafran Khan  
Vacancy

**District / Borough Council Representatives**

Councillor Davinder Viridi, Rushcliffe Borough Council - **Absent**  
Councillor Dan Henderson, Bassetlaw District Council - **Absent**

**Trades Unions**

Yvonne Davidson - **Apologies**  
Chris King

**Scheduled Bodies**

Sue Reader - **Apologies**

**Pensioners' Representatives**

Vacancy x 2

**Independent Adviser**

William Bourne

## **Officers in Attendance**

Keith Palframan	(Chief Executive's Department)
Tamsin Rabbitts	(Chief Executive's Department)
Nigel Stevenson	(Chief Executive's Department)
Jo Toomey	(Chief Executive's Department)

### **1. MINUTES OF THE LAST MEETING HELD ON 6 JULY 2023**

The minutes of the last meeting held on 6 July 2023 were confirmed as a correct record.

### **2. APOLOGIES FOR ABSENCE**

- Councillor John Clarke (other reasons) substituted by Councillor Pauline Allan
- Councillor Tom Smith (other County Council business) substituted by Councillor Chris Barnfather
- Yvonne Davidson (Trade Union representative)
- Sue Reader (Scheduled bodies representative)

### **3. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS**

None were disclosed.

### **4. DEPARTMENT OF LEVELLING UP, HOUSING AND COMMUNITIES CONSULTATION**

The Senior Accountant (Pensions and Treasury Management) presented the report, which informed members of a consultation that had been launched by the Department for Levelling Up, Housing and Communities (DLUHC). Topics covered in the consultation included asset pooling, levelling up, opportunities in private equity, investment consultancy services and the definition of investments.

During discussions, the following comments were raised:

- Concern was expressed that changes arising from the proposals could create a conflict with the Committee's duty to secure the best returns for the Fund and in the interests of scheme members.
- Proposed larger pools would prevent schemes levelling up in their area.
- Questions were raised around where accountability would sit and the autonomy of the Pension Fund to make decisions.
- Concerns were also expressed about larger pools diluting the Fund's influence.
- A comment suggested the need to clarify the legality of the proposals.
- Reference was made to the introduction of pooling and promised cost savings; a suggestion was made that performance information on how the current pooling arrangements were doing would provide useful context and that if savings had not yet been realised that the proposals might be premature.

The Chairman encouraged all members of the Committee to send him their comments on each of the consultation questions so that they could be incorporated into the response.

**RESOLVED 2023/030**

1. That comments and views expressed by Members are taken into account in drafting the consultation response.
2. That authority is delegated to the Section 151 Officer and the chair of the Nottinghamshire Pension Fund Committee to prepare, finalise and submit a response from the Nottinghamshire County Council Pension Fund by the consultation deadline.

## **5. PENSIONS AND LIFETIME SAVINGS ASSOCIATION LOCAL AUTHORITY CONFERENCE 2023**

The Service Director, Finance, Infrastructure and Improvement presented his report which gave an overview of the Pensions and Lifetime Savings Association Conference 2023.

During discussions, Members:

- Highlighted the section on currency risk and sought reassurance about measures the fund had in place to mitigate that risk.
- Suggested that additional information and training on currency risk would be of benefit to committee members.

### **RESOLVED 2023/031**

1. That Pension Fund Committee members continue to attend appropriate conferences to enable members to be kept up to date with the main national topics relating to pension administration and investments.
2. That the contents of the report be noted.

## **6. INDEPENDENT ADVISER'S REPORT**

The Independent Adviser to the Nottinghamshire Pension Fund Committee presented his report.

During discussions, Members:

- Asked about the risks around UK equities.
- Commented on investment in infrastructure and asked questions about such investments as a tool to mitigate inflation.

### **RESOLVED 2023/031**

That the report of the Adviser to the Nottinghamshire Pension Fund Committee be noted.

## **7. WORK PROGRAMME**

Members asked about the review of governance arrangements for the committee and whether this would be incorporated in the 'Good Governance' report that was scheduled for the Committee's meeting on 14 December 2023.

## **RESOLVED 2023/032**

That the work programme be agreed.

### **8. FUND VALUATION AND PERFORMANCE**

The Senior Accountant (Pensions and Treasury Management) presented the fund valuation and performance report which covered the period to 30 June 2023.

During discussions a question was raised about whether any of the properties in the Fund's Portfolio were constructed using Reinforced Autoclaved Aerated Concrete (RAAC). This followed incidents where RAAC had failed without warning. Members also sought reassurance about the actions being taken and whether appropriate insurance was in place. The Committee was advised that reviews were underway regarding direct infrastructure and property holdings and enquiries would be made about any indirect holdings.

## **RESOLVED 2023/033**

That the contents of the report be noted

### **9. EXCLUSION OF THE PUBLIC**

## **RESOLVED 2023/034**

That the public be excluded for the remainder of the meeting on the grounds that the discussions were likely to involve disclosure of exempt information described in schedule 12A of the Local Government Act 1972 and the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

### **10. FUND VALUATION AND PERFORMANCE – EXEMPT APPENDIX**

Members considered and noted the contents of the exempt appendix to the fund valuation and performance report.

### **11. INVESTMENT MANAGER PRESENTATIONS**

#### **a) Schroders**

Olivia Docker, Client Director and Sue Noffke, Head of UK Equities provided an update to the Committee on the recent activity of Schroders.

*11:20pm – Councillor Chapman left the meeting*

*11:24pm – Councillor Waters left the meeting and did not return*

#### **b) Abrdn**

James McLean (Fund Manager), Caroline Casson (Deputy Fund Manager) and Jon Holguin (Director – UK Institutional) provided updated the Committee on the recent activity of Abrdn.

*12:34pm – Councillor Chapman returned to the meeting*

*12:44-12:48pm – Councillor Garner left the meeting*

*1:00pm – Councillor Barnfather left the meeting and did not return*

The meeting concluded at 13:10.

## **CHAIR**