

Nottinghamshire Pension Fund Committee

Tuesday, 15 March 2016 at 14:00

County Hall, County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

- | | | |
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| 1 | Minutes of the last meeting held on 8 September 2015 | 3 - 4 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below)
(a) Disclosable Pecuniary Interests
(b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Local Government Pension Scheme Application for Admission Body Status | 5 - 6 |
| 5 | Pensions Board update | 7 - 8 |
| 6 | Asset Pooling Investment Regs | 9 - 18 |
| 7 | Conferences and Training | 19 - 20 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact David Forster (Tel. 0115 977 3552) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>



Meeting **NOTTINGHAMSHIRE PENSION FUND COMMITTEE**

Date **Tuesday, 8 September 2015 (commencing at 10.30 am)**

membership

Persons absent are marked with 'A'

COUNCILLORS

Reg Adair (Chair)
Mike Pringle (Vice-Chairman)

	Chris Barnfather	Ken Rigby
A	Ian Campbell	Parry Tsimbirdis
	Mrs Kay Cutts	John Wilkinson
	Sheila Place	

OFFICERS IN ATTENDANCE

Simon Cunnington (Resources)
Dave Forster (Resources)
Neil Robinson (Resources)
Sarah Stevenson (Resources)
Ciaran Guilfoyle (Resources)

MINUTES

The Minutes of the last meeting of the Committee held on 17 March 2015, having been previously circulated, were confirmed and signed by the Chair.

MEMBERSHIP

The Clerk reported orally that Councillor Mike Pringle had been appointed to the Committee in place of Councillor Darren Langton.

APOLOGY FOR ABSENCE

An apology was received from Councillor Ian Campbell (other)

DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

None

PENSION FUND ACCOUNTS 2014/15

Mr Cunnington introduced the accounts and took members through the report.

RESOLVED: 2015/007

That the accounts and draft audit report for 2014/15 are noted

LOCAL GOVERNMENT PENSIONS SCHEME POOLED INVESTMENTS

RESOLVED 2015/008

That the government announcement on pooling investments within the Local Government Pension Scheme be noted.

REFERRAL FROM PENSIONS SUB-COMMITTEE – WORKING PARTY RECOMMENDATIONS

RESOLVED 2015/009

That the recommendations listed at paragraph 4, points a) to g) of the report are approved

EXCLUSION OF THE PUBLIC

RESOLVED: 2015/010

That the public be excluded from the remainder of the meeting on the grounds that discussions are likely to involve the disclosure of exempt information described in paragraph 3 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

EXEMPT INFORMATION ITEM

LOCAL GOVERNMENT PENSIONS SCHEME POOLED INVESTMENTS APPENDIX

RESOLVED 2015/2011

That the appendix on pooling investments within the Local Government Pension Scheme be noted.

REFERRAL FROM PENSIONS SUB-COMMITTEE – WORKING PARTY RECOMMENDATIONS – APPENDIX

RESOLVED: 2015/012

That the exempt report be noted

The meeting closed at 11.10 am.

REPORT OF THE SERVICE DIRECTOR – CUSTOMERS & HR**LOCAL GOVERNMENT PENSION SCHEME - APPLICATION FOR
ADMISSION BODY STATUS****1. Purpose of the Report**

- 1.1. The purpose of this report is to inform the Pensions Committee of the proposed admission of Culture, Learning and Libraries (Midlands), trading as Inspire, into the Nottinghamshire Pension Fund under the provisions of Schedule 2 (part 3) of the Local Government Pension Scheme Regulations 2013.

2. Information and Advice

- 2.1. The scheme regulations require LGPS Pension Funds to allow an admission to its scheme if the organisation is one that is providing or which will provide a service or assets in connection with the exercise of a function of a scheme employer, as a result of the transfer of the service or assets by means of a contract or other arrangement.
- 2.2. Where an admission body and the scheme employer undertake to meet the relevant requirements of Schedule 2 (part 3), an administering authority must admit to the LGPS the eligible employees of the admission body, and where it does so, the terms on which it does are noted in the admission agreement for the purposes of these Regulations.
- 2.3. Culture, Learning and Libraries (Midlands), a community benefit society, has a contractual agreement with Nottinghamshire County Council to undertake the Council's functions relating to libraries, archives, community learning and instrumental music teaching. The service transfer is to take place on 1st April 2016. The contract period is 5 years with the option to renew for a further 5 years. This arrangement will involve the TUPE transfer of circa 650 employees (of which 524 are active LGPS members) who are currently engaged in the delivery of the services.
- 2.4. Culture, Learning and Libraries (Midlands) intends to allow continuity of LGPS membership for transferring staff through an admission agreement with the Nottinghamshire Local Government Pension Fund. Investigations have been made and it can be confirmed that Culture, Learning and Libraries (Midlands) falls within the definition contained in Schedule 2 (part 3) of the Local Government Pension Scheme Regulations 2013 and as such will be eligible to become an admission body. Under Schedule 2 (part 3) (13), the administering authority must admit to the scheme the eligible designated employees of the admission body, provided the admission body undertakes to meet the relevant requirements of the regulations through an admission agreement.

- 2.5. The County Council will seek to sign an appropriate admission agreement to allow Culture, Learning and Libraries (Midlands) to be admitted to the Nottinghamshire Pension Fund. The admission agreement will be drafted as a 'closed' arrangement in accordance with the fund application, which means only staff subject to transfer will be eligible to join the scheme. When the admission agreement is formed Culture, Learning and Libraries (Midlands) will be required to pay contribution rates as determined by the Fund Actuary.

3. Statutory and Policy Implications

- 3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, 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.

4. Recommendation

- 4.1 The Pensions Committee is recommended to note the contents of the report.

MARJORIE TOWARD

SERVICE DIRECTOR – CUSTOMERS & HR

For any enquiries about this report please contact:

Andy Durrant, Technical & Performance Officer on 0115 9775690 or
andy.durrant@nottsccl.gov.uk

Human Resources Implications (JP)

As outlined within the body of the report, admission body status will allow transferring staff continued membership eligibility of the LGPS. Where the service transfer relates to Nottinghamshire County Council, full consultation has been undertaken with affected staff and the recognised trade unions in line with TUPE requirements. In respect of other service transfers the current employing body is responsible for undertaking the equivalent consultation.

Constitutional Comments (KK)

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

Financial Comments (SC)

There are no financial implications arising directly from this report. As noted in the report, employer contributions to be paid by admission bodies are determined by the Fund Actuary.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All

15 March 2016**Agenda Item:5****REPORT OF CORPORATE DIRECTOR RESOURCES****LOCAL PENSIONS BOARD - UPDATE****Purpose of the Report**

1. To provide a progress update on arrangements for the Local Pensions Board.

Information and Advice

2. County Council established the Local Pensions Board for Nottinghamshire on 26 March 2015. The Board is responsible for assisting the County Council in its capacity as pension scheme manager to secure compliance with pension legislation, and for ensuring the effective and efficient governance and administration of the local pension scheme.
3. The first meeting of the Board was held on 16 December 2015 and dealt with introductory matters regarding the establishment of the Board including the adoption of a Code of Practice and Work Programme. The next meeting, together with a training session, is scheduled for 19 April 2016.
4. All four 'employer' representatives were appointed prior to the first meeting; Councillor David Kirkham for Nottinghamshire County Council, Councillor Sarah Piper for Nottingham City Council, James Lacey for Nottingham Trent University and David Smith for Autism East Midlands. A Trade Union representative was also in attendance at the meeting as a 'member' representative.
5. Two further 'member' representatives have since been appointed. Both representatives are eligible for appointment as they are members of the Pension Scheme. Thulani Molife is considered suitable for appointment due to his previous experience as a member of the Council's pensions sub-committees in his capacity as a Nottingham City Councillor. Sue Maycock is considered suitable for appointment due to her qualifications and experience; she is the Head of Finance at Nottinghamshire Fire and Rescue Service. There is one further 'member' representative vacancy; efforts are being made to finalise this appointment before the April meeting.
6. John Raisin Financial Services Limited has been appointed to provide professional advisory support to the Board following a procurement process.

Other Options Considered

7. None; the report is for noting only.

Reason/s for Recommendation/s

8. To update Members on progress in relation to the new Local Pension Board.

Statutory and Policy Implications

9. 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 services), the public sector equality duty, safeguarding of children and adults at risk, 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 Committee notes progress in respect of arrangements for the Local Pension Board.

Jayne Francis-Ward Corporate Director Resources

For any enquiries about this report please contact:

Sue Bearman, Senior Solicitor
Susan.bearman@nottsc.gov.uk
0115 9773378

Constitutional Comments

10. As this report is for noting only constitutional comments are not required.

Financial Comments (SES 01/03/16)

11. There are no specific financial implications arising directly from this 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.

- Nottinghamshire Pensions Sub-Committee report dated 16 July 2015 as published
- Nottinghamshire Local Pension Board meeting reports dated 16 December 2015 as published

Electoral Division(s) and Member(s) Affected - ALL

15 March 2016**Agenda Item:6****REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT &
IMPROVEMENT****ASSET POOLING AND CONSULTATION ON REVISED INVESTMENT
REGULATIONS****Purpose of the Report**

1. To inform members of the Fund's initial response to the government's request for proposals on asset pooling and consultation on changes to investment regulations.

Information and Advice

2. In the July Budget 2015, the Government announced its intention to work with Local Government Pension Scheme (LGPS) administering authorities to ensure that they pool investments to significantly reduce costs while maintaining overall investment performance. In November 2015, the Department for Communities and Local Government (DCLG) published *Local Government Pension Scheme: Investment Reform Criteria and Guidance* alongside a consultation on revised LGPS Investment regulations.
3. Authorities were asked to submit their initial proposals on asset pooling to the Government by 19 February 2016. Refined and completed submissions are expected by 15 July 2016. The government will continue to engage with authorities as they develop their proposals for pooling assets, highlighting areas that may fall outside of the criteria or where additional evidence may be required.
4. The consultation on the investment regulations recognised that the existing regulations place restrictions on certain investments that may constrain authorities considering how best to pool their assets. It therefore proposed to move to a prudential approach to securing a diversified investment strategy that appropriately takes account of risk. In so doing, the government proposed to introduce a power to allow the Secretary of State to intervene to ensure that authorities take advantage of the benefits of scale offered by pooling and deliver investment strategies that adhere to regulation and guidance. Responses were sought to eight specific questions.
5. As members will be aware, the Nottinghamshire fund is involved in creating a Midlands based pool, to be known as "LGPS Central", with 8 other confirmed participants. The total value of the pool is around £35 billion and so easily meets the government's criteria on size.
6. The pool has developed a joint submission for use by participating funds in responding to the government's initial deadline. As the initial submission only required funds to show 'a commitment to pooling and a description of their progress towards formalising their

arrangements with other authorities' it was proposed to use this as the Nottinghamshire submission. This was discussed at the Pensions Sub-Committee meeting on 4 February 2016.

7. Given the timescale, the response to both documents issued by DCLG was finalised in conjunction with the Chairman and Vice-Chairman following comments made by members of the Pensions Sub-Committee. The final response was submitted on 15 February 2016 and is shown at Appendix A.

Statutory and Policy Implications

8. 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 report be noted.

Report Author:

Simon Cunningham

Senior Accountant – Pensions & Treasury Management

For any enquiries about this report please contact: Simon Cunningham

Constitutional Comments

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

Financial Comments (SRC 29/02/16)

10. There are no direct financial implications arising from this 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.

- DCLG: Local Government Pension Scheme: Investment Reform Criteria and Guidance
- DCLG Consultation: Local Government Pension Scheme: Revoking and replacing the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009

This matter is being dealt with by:
Simon Cunningham
 Reference:
 T 0115 977 2581
 E simon.cunnington@nottsc.gov.uk
 W nottinghamshire.gov.uk

LGPS Reform
 Department for Communities and Local Government
 2/SE Quarter, Fry Building
 2 Marsham Street
 London
 SW1P 4DF

11 February 2016

Dear Sir/Madam

Local Government Pension Scheme: Investment Reform Criteria and Guidance

Consultation on Local Government Pension Scheme: Revoking and replacing the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009

Thank you for the opportunity to bring forward proposals for pooling assets within the Local Government Pension Scheme (LGPS) and to respond to the consultation on the proposed Investment Regulations.

In framing the investment reform criteria, we are pleased to see that the government has recognised a number of strengths that have been present within the Nottinghamshire Fund for many years and that we have highlighted in our previous responses on LGPS reform:

- Strong and effective governance is key to long term performance
- Local fund authorities are best placed to determine asset allocation
- Returns are enhanced by adopting a long-term, responsible investment approach
- Internal investment management is low cost and performs strongly over the long-term
- Active management can add value over the long term

A key theme to these strengths is the focus on the long-term. It is also vital that the government recognises that there will be significant costs incurred in setting up the pools and resourcing them effectively and that cost savings on the scale envisaged may take a number of years to achieve.

Our Fund has been active in progressing a pool of Midlands based funds, known as LGPS Central. This collaboration will see the creation of a multi asset investment pool of around £35 billion in size that will meet all of the criteria set by government in terms of:

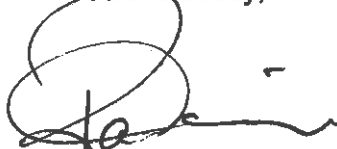
- Asset pools that achieve the benefits of scale
- Strong governance and decision making
- Reduced costs and excellent value for money
- An improved capacity to invest in infrastructure

A joint submission has been agreed by all the LGPS Central participating funds and this is attached as our response.

Also attached is our response to the consultation on the revised investment regulations. The Nottinghamshire Fund has always taken a prudent approach to its investments and this will not change under the proposed new regulations. In terms of the new powers of intervention, it is vital that measures are put in place to ensure that these are justified and proportionate in all cases. It is hoped that the wealth of published information available on the LGPS is used as evidence to support intervention and that appropriate expert advice is sought by the Secretary of State.

There is a huge amount of work to do to prepare for the detailed submissions in July and then to implement the new asset pool. We look forward to working with the government through this period to ensure the long term sustainability of the LGPS in continuing to provide decent, affordable pensions to the thousands of members within the scheme.

Yours faithfully,



Cllr Reg Adair
Chairman
Nottinghamshire Pension Fund Committee



Cllr Mike Pringle
Vice-Chairman
Nottinghamshire Pension Fund Committee



Joint submission to government in response to the DCLG issue of *Local Government Pension Scheme: Investment Reform Criteria and Guidance*

5 February 2016

In the July Budget 2015, the government announced its intention to work with Local Government Pension Scheme (LGPS) administering authorities to ensure that they pool investments to significantly reduce costs while maintaining overall investment performance. In November 2015, the government published *Local Government Pension Scheme: Investment Reform Criteria and Guidance* which asked for submissions from funds on their proposals to meet the four specified criteria.

Initial submissions should include a commitment to pooling and a description of progress towards formalising arrangements with other authorities. This is a joint submission on behalf of LGPS Central, a collaboration of nine LGPS Funds, all based in the Midlands, who are working together to create an investment pool of around £35 billion.

The following funds have committed to be involved in the creation of LGPS Central:

- Cheshire Pension Fund
- Derbyshire County Council Pension Fund
- Leicestershire County Council Pension Fund
- Nottinghamshire County Council Pension Fund
- Shropshire County Pension Fund
- Staffordshire Pension Fund
- West Midlands Pension Fund
- West Midlands ITA Pension Fund
- Worcestershire County Council Pension Fund

Six of the funds involved have already collaborated on a joint procurement exercise, realising significant savings on passive investment fees. This demonstrates the ability to work together and achieve agreement through open and constructive discussion. This approach forms a firm basis for the creation of LGPS Central.

Officers of the participating funds have been meeting regularly since November 2015 and are continuing to meet on a fortnightly basis to ensure the tight timescales for establishment of the pool are met. An event was held in January 2016 for the Chairs, Vice-Chairs and chief finance officers of each participating fund to meet and talk through progress to date and how it is envisaged that the pool will meet the criteria set by government.



A. Asset pool(s) that achieve the benefits of scale

The collaboration will see the creation of a multi asset investment pool of around £35 billion in size, meeting the scale sought by the Government in its investment pooling criteria. It is expected that all investment will be made through the pool over time although the transition period for illiquid assets will extend beyond 2018. Participating funds will consider if they propose to hold assets outside the pool where this can demonstrate clear value for money. Any assets that are held outside of the pool will be kept under review.

The pool will aim to deliver cost savings and to build on the individual participating funds' strong investment knowledge and performance by providing scale, increased resilience and knowledge sharing. The new investment pool will offer access to both internal and external investment expertise.

B. Strong governance and decision making

The pool will ensure robust governance and decision making arrangements with equal say in the oversight of the new entity to each participating Fund. Preliminary investigations have been made into the process and possible structures for the pool and discussions are being held with the other emerging pools on procuring joint external advice. At this stage, no decision has been made over the structure but options being considered include:

- A joint committee
- FCA regulated operating company overseeing pooled vehicles including authorised contractual schemes (ACS), unit trusts and limited partnerships

The final structure will ensure a clear link between the pool and the governance structures in each participating fund. Decisions over investment strategy and strategic asset allocation will remain with individual funds.

A "Statement of Commitment" has been agreed to outline the key characteristics and investment beliefs of the pool, and this is attached below. A detailed work plan is being formulated to determine the structure of the pool, the internal and external resources required and the timescales for establishing the pool and moving assets.

C. Reduced costs and excellent value for money

The pool has already begun to collate data on costs incurred by participating funds for years ending 31 March 2013 and 31 March 2015. This is being collected on a consistent basis and will be analysed to inform the detailed submissions required in July. The pool is expected to generate savings over the long term but implementation and transition costs are likely to be significant.

The size of the pool will enable significant savings to be made on external management fees. A number of participating funds have internal investment expertise which is recognised to be relatively low cost and it will be difficult for these funds to achieve cost savings. However, additional savings will be realised through stronger procurement of supporting services and the building and sharing of expertise across funds, particularly in alternative asset classes.

The pool intends to work collaboratively with the Local Government Pension Scheme more widely and with the other emerging pools. Procurement will be undertaken where possible through the LGPS National Frameworks, other approved frameworks or jointly with other LGPS pools.

D. An improved capacity to invest in infrastructure

Consideration will be given to participating funds' current asset allocation and the best ways to access all asset classes including infrastructure. It is recognised that infrastructure has a role to play for many LGPS funds given their long term liabilities and the nature of returns from infrastructure. Analysis of participating funds' current allocations to infrastructure shows that LGPS Central already has a higher than average allocation to the asset class and that this has increased substantially since 2013. Funds also invest in infrastructure assets (in areas such as energy, utilities, logistics and housing) through their allocations to property, bonds and listed equities.

Participating funds within LGPS Central have different funding levels and deficit recovery profiles and so have differing risk appetites and return requirements from infrastructure. It is expected that an LGPS infrastructure platform will be set up that will allow all LGPS funds to access the asset class in a manner that is low-cost and also allows individual funds to match their required risk/return profiles. LGPS Central will ensure that appropriate cost-effective ways of accessing infrastructure are available, which may include building on internal expertise.



STATEMENT OF COMMITMENT

LGPS Central is investigating the opportunities for investment collaboration between like-minded Local Government Pension Scheme funds against the background of the government's proposals for pooling LGPS investments. The Group has a regional identity but collaboration with other LGPS pools will be welcomed. **One fund, one vote**, will be an overriding principle of any resulting pooling arrangement. Recognising that Funds have different funding levels and deficit recovery profiles; the pool's structure will aim to meet the Funds' needs in this respect.

Characteristics

- Assets will be managed by both internal and external investment managers
- The split between internal and external management will vary over time
- The internal investment resource and resilience will be developed where appropriate
- Knowledge and expertise will be shared
- Participants will be open to challenge and change
- Participants will listen and be constructive
- Strong governance, based on openness and transparency, within the pool will be paramount
- Costs will be actively managed and transparent, and will be shared fairly between participants
- Responsible investment will be an integral part of the investment process
- Collaboration with other LGPS pools will be encouraged

Investment Beliefs

- A long term approach to investment will deliver better returns
- The long term nature of LGPS liabilities allows for a long term investment horizon
- Asset allocation is the most important factor in driving long term investment returns
- Liabilities influence the asset structure; funds exist to meet their obligations
- Risk premiums exist for certain investments and this can help to recover funding deficits
- Markets can be inefficient; therefore there is a place for both active and passive management
- Diversification across investments with low correlation improves the risk/return profile
- Secure and growing income streams underpin the ability to meet future liabilities
- Responsible investment can enhance long term investment performance

Measurement of Success

- Successful delivery of the pool against the government's published criteria

5 February 2016

Response to Local Government Pension Scheme: Revoking and replacing the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009

1. Does the proposed deregulation achieve the intended policy aim of removing any unnecessary regulation while still ensuring that authorities' investments are made prudently and having taken advice?
<p>The Nottinghamshire Fund has always taken a prudent approach to its investments, seeking appropriate advice from officers and independent advisers. The Fund has an approved Risk Management Strategy and Risk Register and manages the investment risk by ensuring an adequate number of suitably qualified investment managers and by requiring managers to hold a diversified spread of assets.</p> <p>This will continue to work well within a "prudential" approach to investment.</p>
2. Are there any specific issues that should be reinstated? Please explain why.
No
3. Is six months the appropriate period for the transitional arrangements to remain in place?
Six months is appropriate.
4. Should the regulation be explicit that derivatives should only be used as a risk management tool? Are there any other circumstances in which the use of derivatives would be appropriate?
One of the concerns over the existing regulations is that they are not clear. The new regulations should therefore be explicit. Derivatives are currently used by some of the Fund's investment managers for purposes other than risk management.
5. Are there any other sources of evidence that the Secretary of State might draw on to establish whether an intervention is required?
There is a wealth of published information available on the LGPS and individual funds and this should provide sufficient evidence to support a belief that intervention may be required. It should be expected that, where intervention is being considered, funds are contacted in advance of a final decision to intervene in order to present additional evidence or justification for their position.
6. Does the intervention allow authorities sufficient scope and time to present evidence in favour of their existing arrangements when either determining an intervention in the first place, or reviewing whether one should remain in place?
The timescale for authorities to respond is unclear. A period of 3 to 6 months would be appropriate.

7. Does the proposed approach allow the Secretary of State sufficient flexibility to ensure that he is able to introduce a proportionate intervention?

The proposals give sufficient flexibility. It is hoped that appropriate expert advice is sought by the Secretary of State in all cases of intervention to ensure that it is justified and proportionate.

8. Do the proposals meet the objectives of the policy, which are to allow the Secretary of State to make a proportionate intervention in the investment function of an administering authority if it has not had regard to best practice, guidance or regulation?

If the Secretary of State seeks appropriate expert advice in all cases of intervention (as stated at question 7) then the proposals meet the policy objectives.

15 March 2016

Agenda Item:7

REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT & IMPROVEMENT

CONFERENCES AND TRAINING

Purpose of the Report

1. To seek approval for attendance at conferences and training in 2016/17.

Information and Advice

2. The Fund is committed to ensuring those charged with decision-making and financial management have effective knowledge and skills and this is achieved through attendance at key conferences and the provision of specific training and information for members. Attendance at conferences and training was considered by the Pension Sub-Committee on 4 February 2016.
3. It is proposed to arrange a further property inspection in 2016/17 and to continue to attend key pension conferences. The LGA's LGPS Fundamentals course is well regarded by those who have attended and it is proposed to continue to offer this course to new members of the Committees or those wishing to refresh existing knowledge. Approval is sought for attendance at the following conferences and training in 2016/17.

Conference	Location	Date	Attendance
PLSA Local Authority Conference (formerly NAPF)	Cotswolds	16 th – 18 th May 2016	2 Members 1 Officer
LGA LGPS "Trustees" Conference	Manchester	23 rd – 24 th June	2 Members 1 Officer
LGC Investment Summit	Celtic Manor	7 th – 9 th Sep 2016	2 Members 1 Officer
LAPFF Annual Conference	Bournemouth	7 th – 9 th Dec 2016	1 Member 1 Officer
Property Inspection	Various	October	Available to all members of Sub-Committees
LGA LGPS Fundamentals Course	Various	October to December	New Members and Members requiring refresher training

Reason/s for Recommendation/s

4. Under the terms of the Council's constitution, the Nottinghamshire Pension Fund Committee is responsible for the administration of the Nottinghamshire Pension Fund and it is best practice to ensure that those charged with decision-making and financial management have effective knowledge and skills.

Statutory and Policy Implications

5. 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 attendance at conferences and training as shown at paragraph 3 be approved.

Report Author:

Simon Cunnington

Senior Accountant – Pensions & Treasury Management

For any enquiries about this report please contact: Simon Cunnington

Constitutional Comments (KK 29/02/16)

6. The proposal in this report is within the remit of the Nottinghamshire Pension Fund Committee.

Financial Comments (SRC 25/02/16)

7. Costs associated with attending conferences and other training events are a legitimate charge to the Fund in accordance with governing regulations.

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'