



minutes

Meeting PENSIONS INVESTMENT SUB-COMMITTEE

Date Thursday 22nd March 2012 (commencing at 10:30 am)

membership

Persons absent are marked with `A`

COUNCILLORS

Michael J Cox (Chair)
S Smedley MBE (Vice-Chair)

Reg Adair
Mrs Kay Cutts
Carol Pepper
Sheila Place

A Ken Rigby
David Taylor
Les Ward

Nottingham City Council

A Councillor Alan Clark
A Councillor Thulani Molife
A Councillor Jackie Morris

Nottinghamshire Local Authorities' Association

A Executive Mayor Tony Egginton
A Councillor Milan Radulovic MBE

Trades Unions

A Mr J Hall
Mr C King

Scheduled Bodies

A Mr N Timms

Officers in Attendance

Simon Cunnington (Environment & Resources)
Chris Holmes (Policy, Planning and Corporate Services)
Neil Robinson (Environment & Resources)
Paul Simpson (Environment & Resources)

Also in Attendance

Mr E Lambert (Independent Advisor)

MINUTES

The minutes of the last meeting of the Sub-Committee held on 9th February 2012, having been previously circulated, were confirmed and signed by the Chairman.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor David Taylor (Personal), Councillor Alan Clark (illness), Councillor Thulani Molife and Councillor Jackie Morris (both other City Council business).

DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

None

PENSION FUND CASHFLOW FORECAST AND ALLOCATION

Consideration was given to a report detailing cash accrued into the Pension Fund during 2011/12 and 2012/13.

Members wanted more detail about the proposal to invest in a private equity fund to be set up to invest in businesses in Nottingham and Nottinghamshire before final approval was given.

RESOLVED: 2012/004

That it be recommended;

1. That the cash flow forecasts for the Fund be noted
2. That additional commitments continue to be made to private equity and Infrastructure within the allocation levels included in the Statement of Investment Principles
3. That it be agreed in principle to invest £10 million to a local private equity fund to be drawn up by Nottinghamshire County and Nottingham City Councils, subject to suitable due diligence of the fund and management arrangements once it is established; and that the proposal be brought back to the Subcommittee before any decision to proceed is taken

PENSIONS INVESTMENT BUSINESS PLAN

A report was considered which reviewed the 2011/12 Pensions Investment Business Plan and set out proposals for the 2012/13 Plan. The Chairman suggested that only one member and one officer attend each of the conferences during the year. Members expressed concern that the provision of training for members had not been provided as in previous years.

RESOLVED: 2012/005

That it be recommended;

1. That the actions on the 2011/12 Business Plan be noted
2. That the 2012/13 Pensions Investment Business Plan and budget be agreed
3. That the further property inspection be arranged in 2012 and approval sought for attendance at the key conferences shown in the report

CIPFA KNOWLEDGE AND SKILLS FRAMEWORK

Consideration was given to a report which outlined CIPFA's Knowledge & Skills Framework and the associated Code of Practice.

Members discussed whether to adopt the Code. There was a feeling that Subcommittee members were already carrying out the activities proposed under the Code and that adopting the code would merely add a level of bureaucracy. It was felt however that a training and development plan should be formulated and that appropriate records be kept of Member's training.

RESOLVED: 2012/006

That it be recommended that a training and development plan be formulated.

PROXY VOTING 2011

Consideration was given to a report which set out the voting of equity holdings in the calendar year 2011.

RESOLVED: 2012/007

That the report be noted.

LOCAL AUTHORITY PENSION FUND FORUM CONFERENCE

RESOLVED: 2012/008

That the report be noted.

PRESENTATION ON FINANCIAL MANAGEMENT IMPROVEMENT PLAN AND RESTRUCTURE PROPOSALS BY SERVICE DIRECTOR, FINANCE & PROCUREMENT

Paul Simpson, Service Director, Finance and Procurement gave a presentation to the Subcommittee on the Financial Management Improvement Plan and the restructure proposals as they would affect arrangements for pension matters.

He outlined the operational context of the proposed changes. He indicated that because of the current financial climate he was re-prioritising what finance did and was proposing a new finance structure. Amongst the new

changes there was increased capacity within pensions and treasury – up to 2 new posts.

Some members expressed concern that there was not a Chief Pensions Officer who was responsible for all aspects of pensions, and commented that responsibility for pensions had been a task which had been added on to different officer's tasks over the years. It was noted that the staffing support to the Fund was being increased.

RESOLVED: 2012/009

That the presentation be noted but that members indicated they had a preference for the appointment of a Chief Pensions Officer to be in charge of pensions.

EXCLUSION OF THE PUBLIC

RESOLVED: 2012/010

That the public be excluded for the remainder of the meeting on the grounds that the discussions are likely to involve the disclosure of exempt information as 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.

With regard to the position of those persons in attendance at the meeting it was further:-

RESOLVED: 2012/011

That arising from the above Mr E Lambert be authorised to remain in the meeting.

EXEMPT INFORMATION ITEM

EXEMPT MINUTES FROM THE LAST MEETING – 9TH FEBRUARY 2012

RESOLVED: 2012/012

That the exempt minutes of the last meeting of the subcommittee held on 9th February 2012 having been previously circulated were confirmed and signed by the Chairman.

The meeting closed at 11:45am.

CHAIRMAN

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