

REPORT OF SERVICE DIRECTOR – FINANCE & PROCUREMENT**LOCAL PROPERTY INVESTMENT****Purpose of the Report**

1. To present the process for identifying and approving direct property investments in Nottinghamshire.

Information and Advice

2. Some information relating to this report is not for publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972. Having regard to the circumstances, on balance the public interest in disclosing the information does not outweigh the reason for exemption because divulging the information would significantly damage the Council's commercial position in relation to the Pension Fund. The exempt information is set out in the exempt appendix.
3. At its meeting on 16 September 2014, the Nottinghamshire Pension Fund Committee agreed to make a specific allocation to local direct property investment, to be invested by Aberdeen Asset Management alongside their main portfolio.
4. As the risk/return profile would be the same as the main portfolio, the Fund is able to consider focusing the investment locally and remain in compliance with its fiduciary duties. Having an agreed process for recommending purchases and sales will ensure that the Fund can demonstrate that the investment continues to be made in the best interest of the scheme members.
5. The process will involve the following stages:
 - Identification of opportunities
 - Assessment against agreed criteria
 - Consultation with nominated members

Statutory and Policy Implications

6. 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/S

- 1) That the report be noted and that Members comment on the outlined investment process.

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Constitutional Comments

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

Financial Comments (SRC 22/10/14)

8. An allocation to local direct property investment has been agreed by the Nottinghamshire Pension Fund Committee and purchases identified through the process described within the report will fall within this allocation.

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

Local Property Investment Process flow for potential purchases

