



25 March 2014

Agenda Item:4

REPORT OF SERVICE DIRECTOR – FINANCE & PROCUREMENT

REFERRALS FROM PENSIONS SUB-COMMITTEE

Purpose of the Report

1. To seek the approval of the Nottinghamshire Pension Fund Committee to the recommendations from the Pensions Sub-Committee on the Fund's property investments.

Information and Advice

2. At its meeting on 6 February 2014, the Pensions Sub-Committee considered a report on recommendations from the Working Party regarding the Fund's property investments.
3. This report is attached as an annexe. The other reports provided to the Working Party (and referred to in the annexe) are not attached but are available as background information.

Statutory and Policy Implications

4. 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) It is recommended that the following are approved:
 - a. The long term return expectation for the property portfolio should be 6.5% pa net of fees.
 - b. Aberdeen should be instructed to manage the main property portfolio as a 'Core' portfolio within their specified investment approach, with target asset category ranges as shown in table 1 of the attached annexe.

- c. Proceeds from sales of assets within the main property portfolio should continue to be re-invested in line with this strategy.

Report Author: Simon Cunnington
Senior Accountant – Pensions & Treasury Management

For any enquiries about this report please contact: Simon Cunnington

Constitutional Comments (KK 17/03/14)

1. The proposals in this report are within the remit of the Nottinghamshire Pension Fund Committee.

Financial Comments (SRC 17/03/14)

2. There are no direct costs associated with the recommendations.

Background Papers and Published Documents

Background reports from Aberdeen Asset Management