

Meeting	NOTTINGHAMSHIRE PENSION FUND COMMITTEE
Date	Thursday 9 June 2022 at 10.30 am

membership

COUNCILLORS

Eric Kerry (Chairman)
Mike Introna (Vice Chairman)

André Camilleri	Sheila Place
John Clarke MBE – Apologies	Francis Purdue-Horan
Eddie Cubley	Tom Smith
Bethan Eddy	Lee Waters
Stephen Garner	

SUBSTITUTE MEMBERS

Councillor Anne Callaghan BEM substituted for Councillor John Clarke MBE

OTHER MEMBERS PRESENT

Councillor Bruce Laughton

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

Councillor Graham Chapman
Councillor Anne Peach
Councillor Zafran Khan - **Apologies**

District / Borough Council Representatives

Councillor David Lloyd, Newark and Sherwood District Council - **Apologies**
Councillor Gordon Moore, Rushcliffe Borough Council

Trades Unions

Alan Woodward - **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)
Sarah Stevenson	(Chief Executive's Department)
Jon Clewes	(Chief Executive's Department)
Tamsin Rabbitts	(Chief Executive's Department)
Jo Toomey	(Chief Executive's Department)

1. APPOINTMENT OF CHAIR AND VICE-CHAIR

Members noted the Council's appointment on 12 May 2022 of Councillor Eric Kerry as Chair and Councillor Mike Introna as Vice-Chair of the Committee.

2. TO NOTE THE MEMBERSHIP OF THE COMMITTEE FOR THE 2022/23 MUNICIPAL YEAR

The Committee's membership for the 2022/23 municipal year was noted.

In response to a requested update about the recruitment of the two pensioner representative vacancies, the Committee was advised that an advert had been included in the March pensioner payslips. Two applications had been received and were progressing through the process.

3. MINUTES OF THE LAST MEETING HELD ON 28 APRIL 2022

The minutes of the last meeting held on 28 April 2022 were confirmed as a correct record for signing by the Chair.

4. APOLOGIES FOR ABSENCE

- Councillor John Clarke MBE (other reasons)
- Councillor Zafran Khan (Nottingham City Council)
- Councillor David Lloyd (Newark & Sherwood District Council)
- Sue Reader, Scheduled Bodies Representative
- Alan Woodward, Trade Union Representative

5. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Councillor Purdue-Horan stated that he was the County Council member appointed to the Nottinghamshire Pensions Board.

6. INDEPENDENT ADVISER'S REPORT

10:38am – Councillor Peach entered the meeting

The Independent Adviser to the Committee presented his report and members were given an opportunity to ask questions.

During discussion Members:

- Asked about how RPI and CPI might impact on pensions in the coming years and the likelihood of the government breaking that link
- Noted that sustained high inflation was a threat for the Local Government Pension Scheme because its assets would not keep pace with RPI or CPI
- Were advised that the valuation process had just begun and in light of the outcome of that the Committee would have the opportunity to review the Fund's long-term liabilities, including the impact on inflation and likely investment returns

The contents of the Independent Adviser's report were noted.

7. WORK PROGRAMME

During discussion, reference was made to the work programme item on the review of the Pensions Committee and wider constitutional work. Members were assured that the item was listed for consideration and work was due to commence in the autumn.

RESOLVED 2022/021

That the work programme be agreed

8. FUND VALUATION AND PERFORMANCE

The report informed members of the Committee of the total value and performance of the Pension Fund to 31 March 2022.

During discussions, Members:

- Referred to the Fund's exposure to fossil fuels against investment in sustainables and renewables and asked for a further breakdown of these
- Noted that while some investments in fossil fuels in non-energy companies were not included in the overview of exposure, the reverse was also true
- Asked for information following the merging of BHP with Woodside Petroleum, including how the fund manager voted regarding the merger, how holding investments in a fossil fuel company fit with the sustainability aims of the fund and whether the fund would sell the holdings as they are a fossil fuel company with little scope for renewables
- Noted that the energy crisis had improved the value of stocks in fossil fuel companies and considered the Fund's sustainability aims against its fiduciary responsibilities

RESOLVED 2022/022

That no further actions were required in relation to the issues contained within the report.

9. EXCLUSION OF THE PUBLIC

RESOLVED 2022/023

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

RESOLVED 2022/024

That the contents of the exempt appendix be noted.

11. FUND MANAGER PRESENTATIONS

a) Aegon Sustainable Diversified Growth Fund

Colin Dryburgh provided a report to the Committee on the activities of Aegon Sustainable Diversified Growth Fund.

b) LGPS Central

Gordon Ross, Mark Davies and Jackril Hoque provided a report to the Committee on the activities of LGPS Central.

The meeting concluded at 13.01am

CHAIR