

**REPORT OF SERVICE DIRECTOR – FINANCE, PROCUREMENT & IMPROVEMENT****LOCAL AUTHORITY PENSION FUND FORUM BUSINESS MEETING****Purpose of the Report**

1. To report on the Local Authority Pension Fund Forum (LAPFF) business meeting and AGM held in London on 28 March 2018.

**Information and Advice**

2. The Local Authority Pension Fund Forum was formed in 1990 to provide an opportunity for the UK's local authority pension funds to discuss investment and shareholder engagement issues. LAPFF currently has 75 members (shown at Appendix A) with combined assets of well over £100 billion and is consequently able to exert significant influence over companies in which funds are invested.
3. LAPFF exists 'to promote the long-term investment interests of UK local authority pension funds, and in particular to maximise their influence as investors to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they invest'. It also:
  - a. Provides a forum for information exchange and discussion about investment issues.
  - b. Facilitates the commissioning of research and policy analysis of issues in a more effective manner than individual members could achieve.
  - c. Provides a forum for consultation on shareholder initiatives.
  - d. Provides a forum to consider issues of common interest to all pension fund administrators and councillors.
4. The business meeting (combined with the AGM) was attended on behalf of Nottinghamshire Pension Fund by an officer representative.
5. A revised Constitution was taken to the AGM which in future should allow local authority pension pools to join LAPFF alongside existing LGPS funds.
6. A verbal update on LAPFF's engagement work was provided, but the full report was not available since the quarter to March had not yet ended. However, a copy of the engagement report is now attached as background. For information, all LAPFF engagement reports can be found here:  
<http://www.lapfforum.org/publications/qrtly-engagement-reports/>

7. Paul Hunter of PIRC presented a paper on 'disruptive technology', that is, technological developments that have the potential to reshape markets in the long-term. For example, self-driving cars have the potential to upset the entire public transport and motor vehicle sectors, which in turn could severely impact the profitability of companies invested in these sectors. The meeting agreed that it is important for LAPFF to include questions relating to disruptive technologies when engaging with companies.

## **Statutory and Policy Implications**

8. 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 Pension Fund Committee members consider whether there are any actions they require in relation to the issues contained within the report.

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**For any enquiries about this report please contact: Ciaran Guilfoyle**

## **Constitutional Comments**

9. This is an updating information report and Pension Fund Committee is the correct body for considering that information and any further action which members may wish to take in light of that information.

## **Financial Comments (TMR 09/04/2018)**

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

## **Background Papers**

- LAPFF constitution
- LAPFF Quarterly Engagement Report January to March 2018