

minutes

Meeting NOTTINGHAMSHIRE PENSION FUND COMMITTEE
VIRTUAL MEETING

Date Thursday 11 March 2021 at 10.30 am

membership

Persons absent are marked with `A`

COUNCILLORS

Eric Kerry (Chairman)
Stephen Garner (Vice Chairman)

Reg Adair
Chris Barnfather
Tom Hollis
Sheila Place

Mike Pringle
Francis Purdue-Horan
Parry Tsimbiridis

Non-voting members:

Nottingham City Council

Councillor Graham Chapman
A - Councillor Anne Peach
A - Councillor Sam Webster

Nottinghamshire Local Authorities' Association

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

Trades Unions

A - Mr A Woodward
Mr C King

Scheduled Bodies

Mrs Sue Reader

Pensioners' Representatives

Mr T Needham
Vacancy

Independent Adviser

William Bourne

Officers in Attendance

Pete Barker	(Chief Executive's Department)
Jon Clewes	(Chief Executive's Department)
Ciaran Guilfoyle	(Chief Executive's Department)
Keith Palframan	(Chief Executive's Department)
Tamsin Rabbitts	(Chief Executive's Department)
Nigel Stevenson	(Chief Executive's Department)
Sarah Stevenson	(Chief Executive's Department)

1. MINUTES

The minutes of the last meeting held on 10 December 2020, having been circulated to all Members, were taken as read and were confirmed and signed by the Chair.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Lloyd, Councillor Peach, Councillor Webster and Mr Woodward.

3. DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

There were no declarations of interest.

4. PENSION ADMINISTRATION SYSTEM UPDATE

Mrs Stevenson introduced the report and on a motion by the Chairman, duly seconded it was:

RESOLVED 2021/001

That the awarding of the contract to Civica be endorsed.

5. TREASURY MANAGEMENT MID-YEAR REPORT 2020-21

Mr Guilfoyle introduced the report and on a motion by the chairman, duly seconded it was:

RESOLVED 2021/002

That the actions of the Section 51 Officer be approved.

6. TREASURY MANAGEMENT STRATEGY STATEMENT 2021-22

Mr Guilfoyle introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/003

That the Strategy Statement be approved.

7. CONFERENCES AND TRAINING

Mrs Rabbitts introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/004

That attendance at conferences and training as set out in the report be approved.

8. WORKING PARTY

Mrs Rabbitts introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/005

That Committee:

- 1) Move to the long-term Strategic Asset Allocation (SAA)
- 2) Make a 5% allocation to sustainable mandate when available
- 3) Set a standard agenda item at the annual SAA review to monitor climate change science developments
- 4) Add consideration of a reduction in the UK listed equity allocations to 35% to the Work Plan for the July Committee meeting.
- 5) Add 4% small cap allocation to Schroders benchmark and consolidate small cap under this mandate
- 6) Formalise a 65/35 active/passive principle for listed equities
- 7) Increase SAA Private Equity allocation to 6.5%
- 8) Change the liabilities benchmark to the actuarial return target

9. CLIMATE STRATEGY REPORT

Following Mrs Rabbitts' introduction to the report the Chair proposed an alteration, duly seconded by the Vice Chair, to add the following statement to Section 5.3 of the Climate Strategy:

"For clarity, divestment is an option as part of our long-term investment strategy"

During the debate, Councillor Hollis moved an amendment, seconded by Councillor Pringle, to add a second Recommendation to read:

"That members use the Climate Strategy as a means to consider divestment from fossil fuels"

At this point the meeting was adjourned to allow members to consider the amendment.

In response to the amendment, Councillor Barnfather moved that the wording of the proposed 2nd Recommendation be added to Section 5.3 of the Climate Strategy as a means of enshrining it within the body of the document, instead of it only being captured within the minutes of the meeting.

Councillor Hollis' amendment was then put to the vote and was not carried.

The proposal moved by Councillor Barnfather was seconded by Councillor Adair and was accepted by Councillor Kerry. This therefore became an alteration to the recommendation which did not require a vote.

The altered substantive motion was then put to the vote and it was:

RESOLVED 2021/006

That the Nottinghamshire County Council Pension Fund Climate Strategy be approved with the addition of the following statement to Section 5.3:

"That members use the Climate Strategy as a means to consider divestment from fossil fuels"

10. WORK PROGRAMME

Mrs Rabbitts introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/007

- 1) That a report considering a reduction in the UK listed equity allocations to 35% be brought to the July Committee meeting.
- 2) That greater detail on performance reporting be included in the regular reports to Committee.

11. FUND VALUATION AND PERFORMANCE

Mrs Rabbitts introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/008

That no further actions are required as a direct result of the contents of the report.

12. INDEPENDENT ADVISER'S REPORT

Mr Bourne introduced the report and on a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/009

That no further actions are required as a direct result of the contents of the report.

13. EXCLUSION OF THE PUBLIC

On a motion by the Chairman, duly seconded it was:-

RESOLVED 2021/010

That the public be excluded for the remainder of the meeting on the grounds that the discussions are 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 outweighs the public interest in disclosing the information.

And that Mr William Bourne, the Independent Adviser, be permitted to stay in the meeting during consideration of the exempt items.

14. PENSION ADMINISTRATION SYSTEM UPDATE

Mrs Stevenson introduced the report and on a motion by the chairman, duly seconded it was:

RESOLVED 2021/011

That no further actions are required as a direct result of the contents of the report.

15. FUND VALUATION AND PERFORMANCE

Mrs Rabbitts introduced the report and on a motion by the chairman, duly seconded it was:

RESOLVED 2021/012

That no further actions are required as a direct result of the contents of the report.

16. FUND MANAGERS' PRESENTATIONS

This was the last meeting for Mr Geoff Day of Schroders who was retiring and on behalf of the Committee the Chair thanked Mr Day for his support over the years.

On a motion by the chairman, duly seconded it was:

RESOLVED 2021/013

That no further actions are required as a direct result of the contents of the presentations made by Aberdeen Standard Investments and Schroders Investment Management.

The meeting concluded at 2.03pm

CHAIR