



meeting	PENSIONS INVESTMENT SUB COMMITTEE	
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REPORT OF THE SERVICE DIRECTOR (FINANCE)

UPDATING THE MYNERS PRINCIPLES – HM TREASURY RESPONSE TO CONSULTATION

Purpose of the Report

1. To inform the Sub Committee of the Treasury response to the consultation on the updating of the Myners Principles.

Information and Advice

2. Two previous reports have been presented to the Sub Committee on the recent review of the Myners Principles. In December 2007, the National Association of Pension Funds (NAPF) recommendations to the Treasury were detailed. In June 2008, a summary of the Treasury's proposals was considered by the Sub Committee and a response to these proposals was agreed. The Treasury has now issued its response to the consultation on the updating of the Myners Principles.
3. The Treasury has decided that:
 - there will be a smaller number of simplified, higher-level principles.
 - these principles will be linked to a body of higher quality, more selective and accessible guidance and trustee tools.
 - there will be greater industry ownership of the principles, guidance and trustee tools through the establishment of a joint Government-pension industry Investment Governance Group.
 - there will be a more robust approach to disclosure and industry debate, within a voluntary 'comply or explain' approach.

The Investment Governance Group is a pensions industry led body with its membership comprised of experienced figures directly involved in the governance of investment decision making. The Group will comprise of representatives from both the private and public sector and

will have a specific representative from the Local Government Pension Scheme (LGPS).

4. The Treasury has linked the updated principles to best practice and has identified potential training tools for trustees, as shown in the attachment to this report. Overall, the Nottinghamshire Pension Fund continues to comply well with the updated principles though there are some new areas introduced by the Treasury. CIPFA 's Pension Panel is in the process of issuing guidance specifically for LGPS Funds on the application of the updated Myners Principles and this is scheduled for publication in 2009. It is proposed to further review the Pension Fund's compliance with the Principles in more detail once the CIPFA guidance is published.

Statutory and Policy Implications

5. This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, crime and disorder, human rights and those using the relevant service. Where such implications are material, they have been described in the text of the report.

Recommendations

6. The Sub Committee notes the report.

ALAN SUMBY
SERVICE DIRECTOR (FINANCE)

Background Papers Available for Inspection

Updating the Myners Principles - a Consultation
Updating the Myners Principles – a Response to Consultation