



**REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE &
IMPROVEMENT**

PENSION FUND INDEPENDENT ADVISER

Purpose of the Report

1. To provide information on the result of the procurement of an independent adviser to the Pension Fund Committee.

Background

2. The previous contract for the Independent Adviser ended in October 2019. The contract was originally let in October 2015 for 3 years and was extended in 2018, as permitted by the original contract, for a further year. The contract has been novated from the original provider company, but the actual advice has been provided by William Bourne for the duration of the contract.

Information

3. The LGPS Pension Regulations 2016 set out that Administering Authorities must take “proper advice” in the formulation of the Investment Strategy Statement and the taking of investment decisions. “Proper Advice” is defined as the advice of a person whom the authority reasonably considers to be qualified by their ability in and practical experience of financial matters. For Nottinghamshire Pension Fund this requirement has been met by letting a contract to receive advice from an Independent Adviser employed to support both officers and the Pension Fund Committee.
4. The previous contract was let as a 3-year contract with the option of a 1-year extension. The new contract is let as 3 years plus a possible 2-year extension. This will ensure consistency of advice but allow for a change, if deemed appropriate, after the initial 3 years.
5. Support was provided by Corporate Procurement throughout the tender process. Evaluation of tenders took place against the specification agreed at the committee meeting in July. The final evaluation was based on an assessment of quality and price.
6. As a result of the procurement process Linchpin Advisory Ltd were reappointed as Independent Adviser to the fund.

Other Options Considered

7. None. Independent advice is essential to ensure the Pension Fund Committee receives appropriate advice when making key decisions.

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

9. The cost of the contract is circa £32k p.a. The cost of the adviser will be charged to the pension fund.

RECOMMENDATION/S

It is recommended that Members:

- 1) Endorse the appointment of the Independent Adviser as a result of the recent procurement exercise.

Nigel Stevenson

Service Director for Finance, Infrastructure & Improvement and Section 151 Officer

For any enquiries about this report please contact: Tamsin Rabbitts

Constitutional Comments (KK 21/10/2019)

10. The proposal in this report is within the remit of the Nottinghamshire Pension Fund Committee.

Financial Comments (TMR 21/10/19)

11. As noted in the report the estimated cost of the independent adviser is £32k p.a. This cost is a valid charge to the pension fund.

Background Papers and Published Documents

None.

Electoral Division(s) and Member(s) Affected

All