

Nottinghamshire Pension Fund Committee

Thursday, 21 July 2022 at 10:30

County Hall, West Bridgford, Nottingham, NG2 7QP

AGENDA

- | | | |
|---|--|---------|
| 1 | Minutes of the last meeting held on 9 June 2022 | 3 - 6 |
| 2 | Apologies for Absence | |
| 3 | Declarations of Interests by Members and Officers:- (see note below) (a) Disclosable Pecuniary Interests (b) Private Interests (pecuniary and non-pecuniary) | |
| 4 | Update on the appointment of pensioner representatives | |
| 5 | Local Government Pension Scheme - Pension Administration Performance Report | 7 - 20 |
| 6 | LGPS Central Ltd presentation | 21 - 44 |
| 7 | Proxy Voting | 45 - 48 |
| 8 | Local Authority Pension Fund Forum business meeting | 49 - 52 |
| 9 | Work Programme | 53 - 58 |

Notes

- (1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting.
- (2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

- (3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules. Those declaring must indicate the nature of their interest and the reasons for the declaration.

Councillors or Officers requiring clarification on whether to make a declaration of interest are invited to contact Jo Toomey (Tel. 0115 977 4506) or a colleague in Democratic Services prior to the meeting.

- (4) Councillors are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.
- (5) This agenda and its associated reports are available to view online via an online calendar - <http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

| | |
|---------|--|
| 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

21 July 2022

Agenda Item: 5

REPORT OF THE SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND EMPLOYEES

LOCAL GOVERNMENT PENSION SCHEME (LGPS) – PENSION ADMINISTRATION PERFORMANCE REPORT

Purpose of the Report

1. The purpose of the report is to inform the Nottinghamshire Pension Fund Committee of the work of the Pension Administration Team for the period 1 April 2021 to year ending 31 March 2022.

Information and Advice

Background

2. The LGPS is a statutory scheme with regulations made under the Superannuation Act 1972 and the Public Service Pensions Act 2013. The LGPS is a defined benefits scheme based, since 1 April 2014, on 'Career Average Revaluated Earnings' (CARE). Members benefits are determined strictly in accordance with the scheme regulations and are not affected by the value of Fund assets. Where members joined the scheme before 1 April 2014, protections are in place for their benefits to be based on accrued scheme membership to that date and their full-time equivalent pensionable pay at retirement.
3. One of the of the main areas of focus across the Local Government Pension Scheme is always the performance of scheme employers providing their statutory data to Administering Authorities in a timely manner to enable the updating of member records. The Scheme Advisory Board along with the Local Government Association continues to highlight this matter.

Pension Benefits Administration

4. The Pensions Office undertakes the administration of the pension benefits of the scheme members against the regulations of the Local Government Pension Scheme, and the administration broadly comprises of maintaining a data base of:
 - Active members (i.e.) contributors
 - Pensioners, including widows, widowers, and dependants
 - Those with deferral benefits that will become payable in the future
 - Providing Annual Benefit Statements to active and deferred scheme members

- Providing estimates of benefits
 - The calculation and payment of retirement benefits
 - The calculation and payment of transfer values to other schemes
 - Processing transfer values from “club” and local government schemes
 - Providing valuations, a splitting of pensions in divorce cases
 - Communicating with employers and scheme members on scheme changes and pensions issues
 - Onboarding new scheme employers
 - Supporting employers to carry out their responsibilities under the LGPS Regulations
 - Reconciling employers’ monthly and annual contribution rates
 - Providing pension savings statements to scheme members as appropriate
 - Providing data for triennial valuations and the annual FRS102 for all but large bodies who report in accordance with AIS19
 - Replying to questions and issues raised by scheme members and employers
 - In addition, the office also undertakes some of the employer related work of the LGPS on behalf of Nottinghamshire County Council
5. The current Pension Team structure comprises of the, the following areas of work:
- a. Pensions Administration
 - b. Employer Support and Compliance
 - c. Technical/Communications
 - d. Technical/Performance
 - e. Temporary McCloud Project establishment
6. The following table details the Pension Administration establishment and occupied posts. There has been a number of staff movements during the 2021-2022 Financial Year, this has included 3 experienced members of staff either leaving, retiring or reducing their hours due to a change in personal circumstances. A number of staff have achieved promotion to higher graded posts. The impact of this means that there are currently vacancies at the Pensions Administrator Grade 3 level.
7. Following approval by Committee in July 2021 a number of temporary posts were establishment to support the pension team to respond to the McCloud National Project which will require the recalculation of member benefits. All posts have been advertised once but it is proving difficult to appoint in the current labour market. All funds are reporting some difficulty in recruiting staff, and this is being monitored by the LGA.

| | Establishment | As at 31.03.2021 | As at 31.03.2022 |
|--|--|------------------|------------------|
| Pension Team | 26.20 | 25.77 | 23.18 |
| Pension System Team | 4 FTE This includes 1 FTE FTC for McCloud | 3 | 4 |
| GMP Project Manager (Temporary post until 31.12.22) | 1 | 1 | 1 |
| McCloud Project – all posts current offered as fixed term contracts for 2 years | | | |

| | | | |
|-------------------------------|---|-----|---|
| Project Manager | 1 | 1 | 1 |
| Data Officer | 1 | N/A | 1 |
| Admin Team | 7 | N/A | 0 |
| Employer Support & Compliance | 1 | N/A | 0 |

8. Due to the current number of vacancies work has been undertaken to consider options for attracting new recruits to the pension administration team. A recruitment campaign was launched week commencing 11 July advertising all vacant posts through the Indeed and Pensions Career job board, a dedicated board for all types of pension roles. Job Boards enable adverts to be “pushed” directly to registered applicants. A review of the Authority’s application form has been completed, as the current form was considered as a potential barrier to applicants applying. A shortened application form has been developed which requires candidates to complete a reduced number of sections with other information being picked up from the applicants CV.
9. The vacant Training Officer post was being reviewed and the responsibilities of this post have been expanded to include the establishment of an apprenticeship programme within the Pension Administration team. The apprenticeship programme would engage individuals at the entry level into the team and provide them with a route to achieving a professional pension qualification. The professional qualification programme would also be made available to existing members of the team. Once scoped this will be the subject of a separate report to Committee. An initial discussion has also taken place with Nottingham Trent University with a view to working with them to advertise vacant post to their students. Similar discussions are planned with local colleges such as West Notts. An initial discussion has also taken place with the Authority’s graduate programme where the Pension Team would look to offer graduates a 6 month placement within the Pension Admin Team. This would provide the team with additional project management capacity which would accelerate the implementation of the transformation programme. We have also engaged one of our system partners in a pilot programme enabling them to undertake members transfer processes on behalf of the Fund. As part of this work an evaluation will be conducted where we will assess the feasibility of extending this engagement and widening the type of processes that our partner can undertake on behalf of the Fund. This too will be the subject of a separate report to Committee.
10. The Pension Team are also supported by a number of other teams within the Business Service Centre (BSC) whose work is recharged to the Pension Fund these include –
- Business Hub Team who undertake a range of clerical and administrative tasks on behalf of the Pension Administration Team.
 - The Authority’s Payroll Service who process the monthly Pensioners Payroll on behalf of the Nottinghamshire Pension Fund.
 - BSC Security and Authorisation Team who are undertaking a number of activities to support the Employer Portal rollout.
11. The total cost of administration expressed as a cost per member for the past five years is shown in the table below –

| £ per member | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------|--------|--------|--------|--------|--------|--------|
| The Fund cost per member | £15.93 | £11.18 | £14.23 | £13.59 | £14.37 | £14.08 | £14.08 |
| Average cost per member in the benchmarking club | £18.73 | £18.69 | £20.14 | £21.85 | £21.34 | £20.02 | £21.05 |

Data Quality

12. The Pensions Regulator has continued to raise concerns across the LGPS Funds relating to data quality and the need for improvement. The Regulator requires all Funds to maintain accurate records. The Fund is required to have a data improvement plan as specified by the Regulator. Failure to do so can put the Pension Fund at risk of failing to meet its legal obligations, and the Regulator will take enforcement action where schemes are not meeting the standards expected and are taking appropriate steps to improve pension records.
13. Data is important to the Administering Authority for several reasons, the main reasons being:
- a. Members are paid the pensions they are entitled to
 - b. Employers' costs are reliable/correct
 - c. Investment and administration costs are reliable/correct
 - d. Fund valuations reflect true costs/ liabilities of the fund
 - e. Cost effective administration – less queries
 - f. Reduce Internal Dispute Resolution Procedure cases
 - g. Avoid the Pensions Regulator
 - h. Maintains the scheme's reputation
14. Members will be aware that the pension fund has an Administration Strategy which provides a framework for the management of scheme employer's responsibilities to ensure that the Administering Authority receives accurate data in a timely manner. Included in the Administration Strategy is a service level agreement, which is designed to enable the monitoring of activities, undertaken by scheme employers and the Administering Authority.
15. The Administration Team is continually updating records, chasing employers, and reminding members of the scheme to update the Fund of changes of personal circumstances, e.g. changes of address.
16. To meet the requirements set out by the Regulator the Fund reported the following:

| | 2019 Accuracy | 2020 Accuracy | 2021 Accuracy | 2022 Accuracy |
|----------------------------------|----------------------|----------------------|----------------------|---------------------------|
| Common Data | 59% | 76% | 85% | *Available September 2022 |
| Conditional/Scheme Specific Data | 60% | 43% | 54% | *Available September 2022 |

*It should be noted that the 2021-2022 figures will not be available until September due to a change in the timeline for the request for data by the Regulator

- **Common data** – Common data is the basic information which every scheme should hold for each member, such as name, address, and date of birth. It is the information that identifies their benefits and allows the scheme to keep in contact with them.
- **Conditional/Scheme specific data** – This is the data used for calculating pension benefits.

17. The Data Audit and Improvement workstream approved by Pension Committee in September 2019, is progressing and now enables us to measure our data more accurately. This has highlighted changes in our data scores with an increase in common data accuracy and following an initial decrease in the conditional/ scheme specific data score, this too has increased following the initial application of a range of rectification routines.

18. The Data Improvement Project is moving into the bulk data rectification phase. As part of this phase, we will be working with Civica to implement bulk data resolutions, as well as with individual Scheme Employers to update both common and scheme specific data at individual member level. A detailed transformation update report will be presented to Committee following the completion of additional data improvement activity.

Pension Fund Membership Statistics

19. On 31st March each year the Administering Authority report a set of figures that identify the number of members within the fund under certain categories.

These figures are used to populate the fund's annual report, along with other statistical reports including the Office of National Statistics, the Pension Regulator Scheme Return, and the Cifpa Benchmarking report

20. The following table details the membership of the Fund against each category and sets a context to the size of the fund.

| Type of Member | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Active Members | 44,436 | 46,350 | 47,841 | 43,957 | 44,299 |
| Deferred members | 46,448 | 47,365 | 56,068 | 60,935 | 62,501 |
| Pensioners | 35,245 | 37,157 | 38,923 | 40,481 | 42,715 |

| | | | | | |
|------------------|---------|---------|---------|---------|---------|
| Total Membership | 126,129 | 130,872 | 142,832 | 145,373 | 149,515 |
|------------------|---------|---------|---------|---------|---------|

21. In addition, it is important to understand the context of the number of employers in the Fund as this increases the complexity of managing the collection of data from different employers.

The following table gives a breakdown of the employers in the scheme. The headline figure in the table shows a net increase of 14 employer bodies which are mainly due to new admission bodies, but there has been a reduction in the number of active employers to 281. The reduction in numbers is due to the Fund continuing to consolidate academy trust schools into single employers. This trend will continue as academies continue to consolidate, and we anticipate further requests to the Secretary of State for other academies to transfer in and potentially out of the Fund. There is an advantage to the Fund for Academy Trusts to consolidate as it reduces complexity of administration along with reducing costs due to economies of scale.

22. The table (below) also shows the movement of employers in the Fund with employers withdrawing from the scheme, as they no longer have any active members of the scheme, which drives an employer closure.

| | 2020 | 2021 | | | 2022 | | |
|------------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| | as at 31/03/20 | Number Joined | Number Leaving | as at 31/03/21 | Number Joined | Number Leaving | as at 31/03/22 |
| Scheduled | | | | | | | |
| Local Authorities | 9 | 0 | 0 | 9 | 0 | 0 | 9 |
| Academies | 158 | 7 | 12 | 153 | 7 | 17 | 143 |
| Others - active | 56 | 3 | 5 | 54 | 0 | 1 | 53 |
| Others - closed | 97 | 17 | | 114 | 19 | 1 | 132 |
| Total Scheduled | 320 | 27 | 17 | 330 | 26 | 19 | 337 |
| Admitted | | | | | | | |
| Admission | 57 | 4 | 7 | 54 | 5 | 3 | 56 |
| Others - active | 22 | 0 | 0 | 22 | 0 | 2 | 20 |
| Others - defunct | 95 | 7 | 0 | 102 | 5 | 0 | 107 |
| Total Admitted | 174 | 11 | 7 | 178 | 10 | 5 | 183 |
| Total | 494 | 38 | 24 | 508 | 36 | 24 | 520 |

The following is a list of new scheme employers 2021-2022

| Scheme employer | Type of employer |
|------------------------|-------------------------------|
| Evolve Trust | Schedule 1 part 1 - Academies |
| Springbank Academy | Schedule 1 part 1 - Academies |
| John Clifford School | Schedule 1 part 1 - Academies |
| White Hills Park Trust | Schedule 1 part 1 - Academies |
| Abbey Primary School | Schedule 1 part 1 - Academies |

| | |
|--|-------------------------------|
| Churchill Contract Services Limited (Nova) | Admitted - Admission |
| Mellors Catering Services Limited (Evolve) | Admitted - Admission |
| Accuro FM Limited | Admitted - Admission |
| St Augustine's Academy | Schedule 1 part 1 - Academies |
| Mount C of E Primary | Schedule 1 part 1 - Academies |
| Cater Link Limited (National) | Admitted - Admission |
| Aspens Services Limited (Nova) | Admitted - Admission |
| | |

Complaints and Internal Dispute Resolution Procedure Appeals

23. Set out below are three tables which outline the number of written complaints received by the Administering Authority in 2021-2022 along with the number of formal appeals at stage 1 and stage 2 of the Internal Dispute Resolution Procedure process along with the number of appeals that the Administering Authority is aware of that have been submitted to the Pension Ombudsman in respect of cases escalated following the two stage adjudication process.

| Recorded Written Complaints | | | | | | |
|-----------------------------|-------|--------|-------------|-----------|-------------------|---------------|
| Date | Total | Closed | Outstanding | Justified | Partial Justified | Not Justified |
| 2021/22 | 31 | 15 | 16 | 7 | 6 | 4 |
| 2020/21 | 26 | 24 | 2 | 14 | 3 | 9 |
| 2019/20 | 25 | 23 | 2 | 4 | 6 | 13 |

Main Reasons

- Transfers in and out - timescales
- Deferred record future review dates
- AVC complaints related to the Prudential
- Benefit calculations

The Pension Fund continues to receive subject access requests made by claims companies seeking information relating to members who transferred their benefits out of the Pension Fund in past years. In 2020/21 we received 17 against 14 for 2021/22. We are currently reviewing our process to ensure that it is robust and in accordance with the regulations.

Independent Disputes Resolution Procedure (IDRP)

IDRP -Stage 1 Appeals against the Administering Authority and Employers 2021-2022

| Total | Appeals upheld | Appeals dismissed | Progressed to stage 2 | Awaiting Decision |
|-------|----------------|-------------------|-----------------------|-------------------|
| 11 | 2 | 5 | 3 | 1 |

IDRP - Stage 2 Appeals against the Administering Authority

| Total | Appeals upheld | Appeals dismissed | Progressed Ombudsman | Awaiting Decision |
|-------|----------------|-------------------|----------------------|-------------------|
| 3 | 0 | 0 | 0 | 3 |

Pensions Administration System

24. The Pension Administration system used by the Nottinghamshire Pension Fund is the Universal Pensions Management (UPM) system, provided by Civica UK. UPM was implemented in 2015 and is an 'on premise' system with the servers located at the County Hall Data Centre and the Node 4 site in Derby, for resilience. The infrastructure is managed by Nottinghamshire County Council ICT and regular co-ordination with the Pensions Systems team. Maintenance and upgrades are undertaken on a regular basis to ensure the system remains compliant. All new developments and upgrades from the software supplier are evaluated, tested, and deployed in line with the requirements of the Pension Office

25. The Employer portal is now live and has continues to be rolled out to scheme employers.

Employer Support and Compliance Team

26. The Pension Office Employer Support and Compliance team is responsible for liaison with scheme employers on a range of matters in relation to their responsibilities under the LGPs Regulations. This includes –

- Supporting employers in undertaking their responsibilities;
- Communicating Regulation and process changes to LGPS employers;
- Resolving problems in relation to the quality of information supplied by LGPS employers;
- The development of improved communication methods between the Pensions Office and LGPS employers;
- Work on Employer acceptance into the scheme, plus also employer closures.
- The review and improvement of information and administrative systems.

27. The team also have the following contact with Nottinghamshire LPGS Scheme Employer representatives –

- Year-end meetings are undertaken yearly to support preparation for and understanding of reporting requirements at year end;
- Meetings with employer representatives to communicate changes to the LGPS Regulations and the impact on employer responsibilities;
- Ad hoc individual or group support and training sessions with LGPS Employers

28. The Team continue to monitor the performance of scheme employers to ensure that scheme employers meet their statutory requirements in the administration of the scheme.

29. The Team has continued to work with employers to improve the submission of pension data to the Fund.

30. In addition, there are also statutory requirements for participating scheme employers to provide timely and accurate year-end data. For the year 2020-2021, participating employers in the scheme were required to provide accurate year-end data by 14 May 2020.

The annual benefit statements were issued to deferred members of the scheme by July 2021 with all active benefit statements issued by the statutory date of 31 August 2021.

There was a further issue of benefit statements, where data was either provided late to the Fund or that there were queries with the submitted data which had to be rectified before benefit statements could be issued. The current year end processing is on going with employers having to provide their year end data by 14 May 2022. Evaluation of this data is currently on going.

31. Where employers fail to meet the requirements set out in the Administration strategy the Pension Fund reserves the right to charge the employer for additional administration time where appropriate. The fund also reserves the right to report employers to the Pension Regulator where there is a breach of statutory regulations.

32. The following table provides information on employer submissions to year end data over the last six-year ends.

| Year End | Number of submissions received by submission date | Accurate submissions received by submission date | Submission date | Number of Employer returns expected | Percentage of expected returns received by the deadline | Percentages of Accurate returns by the deadline |
|-----------------|--|---|------------------------|--|--|--|
| 2014-2015 | 112 | 92 | 31 May 2015 | 260 | 43% | 35% |
| 2015-2016 | 162 | 157 | 30 April 2016 | 276 | 59% | 57% |
| 2016-2017 | 253 | 166 | 2 May 2017 | 310 | 82% | 54% |
| 2017-2018 | 314 | 183 | 14 May 2018 | 337 | 93% | 54% |
| 2018-2019 | 272 | 162 | 13 May 2019 | 341 | 80% | 47.5% |
| 2019-2020 | 304 | 206 | 15 May 2020 | 342 | 88.0% | 60% |
| 2020-2021 | 261 | 138 | 14 May 2021 | 296 | 88% | 46.6% |
| 2021-2022 | 249 | 153 | 9 May | 286 | 87% | 53.5% |

33. The implications of not receiving data from scheme employers can be serious, potentially leading to incorrect pension calculations. Without the correct data, the Administering Authority may not be able to issue annual benefit statements to individual members where the scheme employer has failed to provide the required data. This type of situation would ultimately result in a breach of the statutory regulations and may result in the fund being subject to a fine. Any fines will be passed on to the appropriate non-compliant scheme employers

Performance Data

34. Performance statistics in the table below represent the 4th quarter of 2021/22 and compares the performance of the Administration Team fund KPI's against the Cipfa benchmark legal requirement. Overall, the fund performance average against our KPI's is 66.8% against 66.2% the previous year. This has been impacted by the increased activity in retirements, transfers, and deaths of pension members. The fund continues to receive increased deferred members taking their benefits, as well as increased activity with transfers. It must also be noted that the transfer process was changed in November 2021 due to changes in regulations on the monitoring of transfers, this has increased the time taken to undertake the transfer process.
35. As part of the pandemic response, advice from the Pension Regulator was to focus on the maintenance of benefits for pensioners, the payment of benefits to retiring members, and those of dependants of pensioners who had died. Several processes were put on hold and these included transfers of benefits.

| 4 Quarters 2021-2022 1.04.2021 to 31.03.2022 Pension Administration Cipfa Benchmark Key Performance Indicators | | | |
|---|---|------------------------------------|---------------------------------------|
| Process | Cipfa benchmark legal requirement (from notification) | No.cases completed within the Year | % of cases completed within CIFPA KPI |
| Deaths – All activities | 2 months | 1087 | 89.14 |
| Deaths – Acknowledging death of member letter | 2 months | 496 | 93.95 |
| Deaths – letter notifying amount of dependent's pension | 2 months | 591 | 85.11 |
| Deferments | 2 months | 4492 | 32.68 |
| Retirements- process and pay pension benefits (at next available payroll) | 2 months | 2521 | 84.85 |
| Retirement – Estimate of retirement benefits letter (CAT A) | 2 months | 1624 | 95.94 |
| Retirement – Estimate of retirement benefits letter (CAT B) | 2 months | 81 | 88.89 |
| Deferred Retirement Quotes | 2 months | 2449 | 95.1 |
| Transfer - Quotes | 2 months | 766 | 41.64 |
| *Transfers – actual – internal KPI no CIPFA KPI stated | 1 month | 433 | 44.11 |
| Divorce Quotes | 3 months | 282 | 98.58 |
| Divorce Settlement | 3 months | 15 | 40 |
| Refunds | 2 months | 639 | 99.22 |

36. Table 1 details the number of completed processes with the KPIs by Financial Year with the measurement commencing in 2017/2018. This table shows the increase in the number of completed processes year on year with the exception for 2020-2021, where a decrease was

recorded. This is inevitably due to the initial impact of the pandemic with the administration team moving to working from home, staff having to undertake home schooling, COVID related absence and staff turnover. However as can be seen from the figures for 2021-2022 the number of completed processes within KPIs has increased to 15,843 an increase of 4,120 completed processes or **35%**.

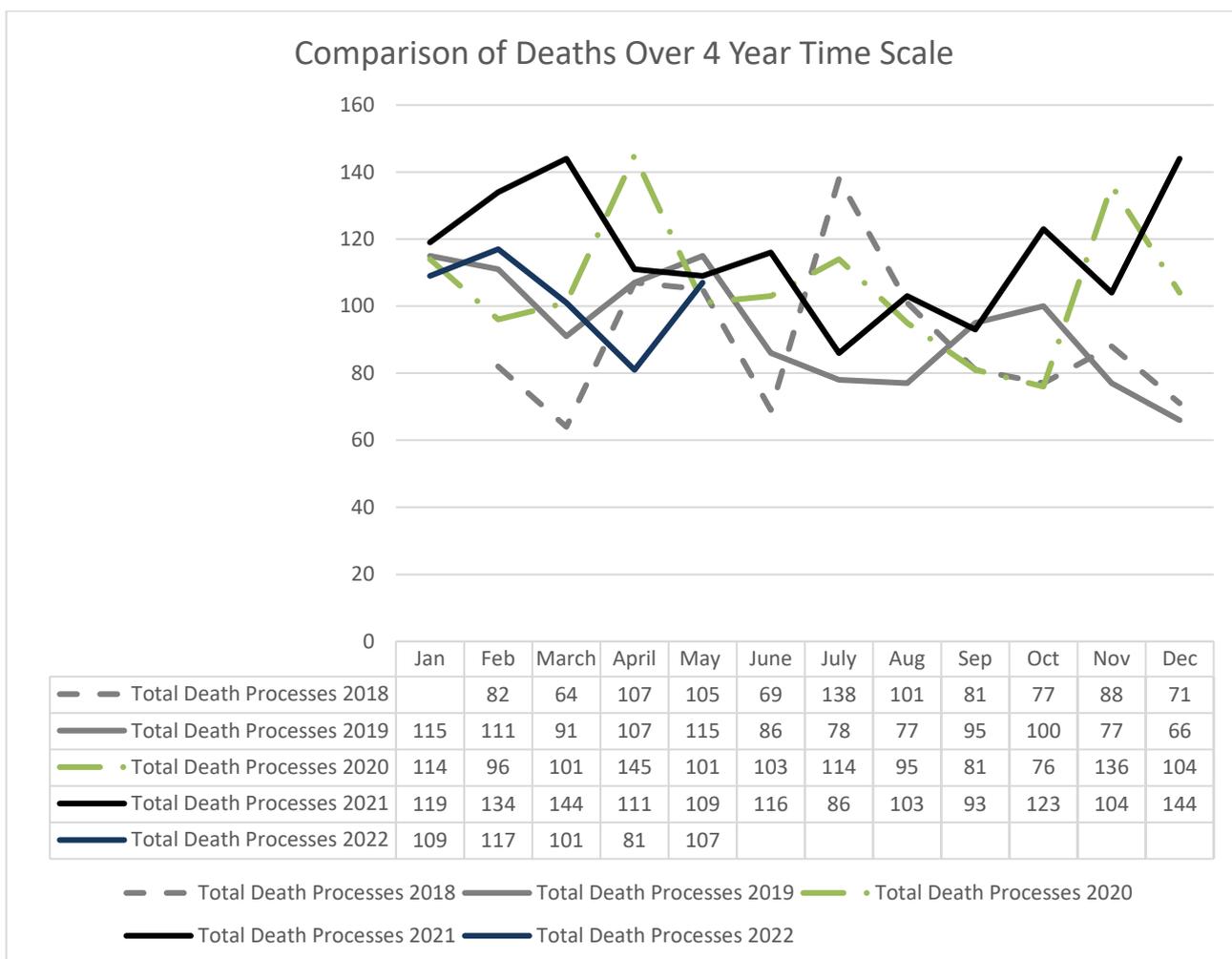
| Table 1 | | | | | |
|-------------------------------|---------|----------|----------|----------|----------|
| Years | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| No of KPI Processes Completed | 7,617 | 10,688 | 12,138 | 11,723 | 15,843 |
| Difference | 0 | 3,071 | 1,450 | -415 | 4,120 |
| % Change in difference | ⇒ 0.00% | ↑ 40.32% | ↑ 13.57% | ↓ -3.42% | ↑ 35.14% |

37. Table 2 gives a comparison of all activities reported in the Pension Administration System and again we see a slight decrease, in 2020-2021 due to COVID.

| Table 2 | | | | |
|---------------------------|---------|---------|----------|---------|
| Years | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| No of Processes completed | 51,976 | 56,722 | 53,121 | 56,900 |
| Difference | 0 | 4,746 | -3,601 | 3,779 |
| % Change in Difference | ⇒ 0.00% | ↑ 9.13% | ↓ -6.35% | ↑ 7.11% |

38. There continues to be a significant increase in requests from deferred pension members over 55 years of age to seek payment of their pension benefits. However, in table 2 above this shows there has been a 7.1% increase in the numbers of total processes across the fund being completed.
39. The member death process is the most difficult statistic to gather and measure. The difficulty is the date and timing of when the Pension Administration Team are informed of a death, against when the team receive all the necessary documentation. Where the relevant information is provided death in service grants are paid within 5 days to the next of kin.
40. Following a number of appeals to the Ombudsman across the LGPS relating to the release of death grants to the next of kin, the Fund now reviews each individual death grant payable, and where required seeks additional information prior to release of death grant benefits.
41. The following graph shows the number of deaths processed each year. These statistics include death in retirement, death in deferment, death in service and death of preserved refunds.
42. From January 2020 to April 2022 the average monthly deaths was 107 per month, Pre Pandemic the average death per month was approximately 91 deaths. However, the statistics, show that the Nottinghamshire Pension Fund has followed the national trends during the COVID waves.

43. Another trend that the fund has seen is the number of death in service cases in 2021/22 we saw 70 deaths which averaged 6 deaths per month, again this trend has increased from pre pandemic levels.



| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Average no of Deaths Per Month | 89 | 93 | 105 | 115 | 103 |

Other Options Considered

44. Work on developing the Service Level Agreement will continue, to ensure they provide a full range of benchmarking data for the coming financial year. This work will be done in conjunction with a national set of benchmarks across all LGPS schemes

Reason/s for Recommendation/s

45. This report has been compiled to inform the Nottinghamshire Pension Fund Committee of the activities being undertaken by the administration team to improve the performance of employers, and the administration of the fund.

Statutory and Policy Implications

46. 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

47. The administration of the Nottinghamshire Pension Fund is being delivered within existing resources at a cost of £3.2m including all costs and external fees.

RECOMMENDATION

It is recommended:

1. That the Nottinghamshire Pension Fund Committee consider the performance of the administration of the pension fund, and the continued development of systems and processes that will improve the service to members of the fund.

Marjorie Toward

Service Director – Customers, Governance, and Employees

For any enquiries about this report, please contact:

Jonathan Clewes, Pension Manager on 01159773434 or jon.clewes@nottsc.gov.uk

Constitutional Comments (KK 12.07.2022)

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

Financial Comments (KP 12.07.2022)

49. The cost of pension's administration is a valid charge to the pension fund and as set out in the report the costs are £3.2m at 2021-22 including all costs and external fees.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None



REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE & IMPROVEMENT

LGPS CENTRAL LTD PRESENTATION

Purpose of the Report

1. To inform Committee of a presentation to be delivered by LGPS Central Ltd.
2. The LGPS Regulations 2016 required administering authorities to pool investments from 2018. Eight LGPS funds chose to group together to create a jointly owned, FCA registered, limited company called LGPS Central to deliver pooling.
3. The presentation will inform Committee of progress to date and future plans.
4. The presentation is attached as appendix A.

Other Options Considered

5. None

Reason/s for Recommendation/s

6. None

Statutory and Policy Implications

7. 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.

RECOMMENDATION/S

- 1) That Committee considers whether there are any actions they require in relation to the issues raised in the presentation.

Nigel Stevenson
Service Director for Finance, Infrastructure & Improvement

For any enquiries about this report please contact: Keith Palframan

Constitutional Comments (KK 11/07/2022)

8. Pension Fund Committee is the appropriate body to consider the contents of the report.

Financial Comments (TMR 11/07/2022)

9. There are no financial implications.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All



Nottinghamshire Pension Fund

LGPS Central Limited Update

PRESENTED BY



JOANNE SEGARS
CHAIR



MIKE WESTON
CEO

24th June 2022



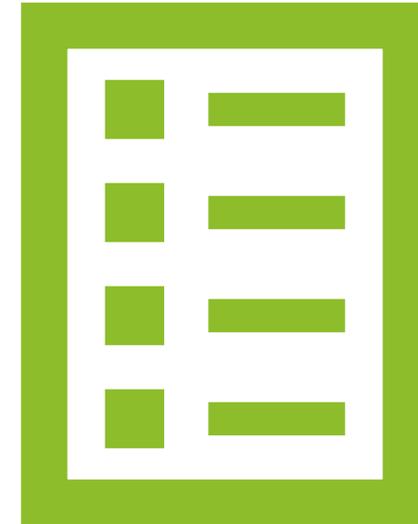
Page 23 of 58



Agenda:

AREAS FOR DISCUSSION

- Pooling and Company update
- Investment Funds
 - NPF's investments in LGPS Central funds
 - Product development
 - Levelling up
 - Responsible Investment and Engagement
- Staffing and recruitment
- Summary



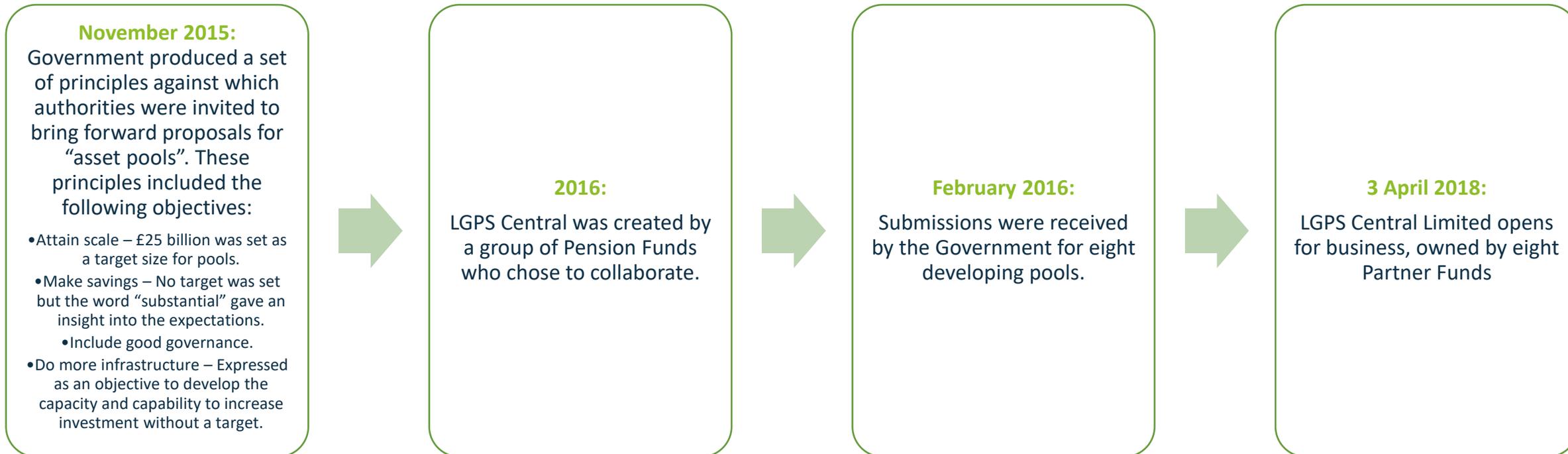
LGPS Central

Pooling and Company Update

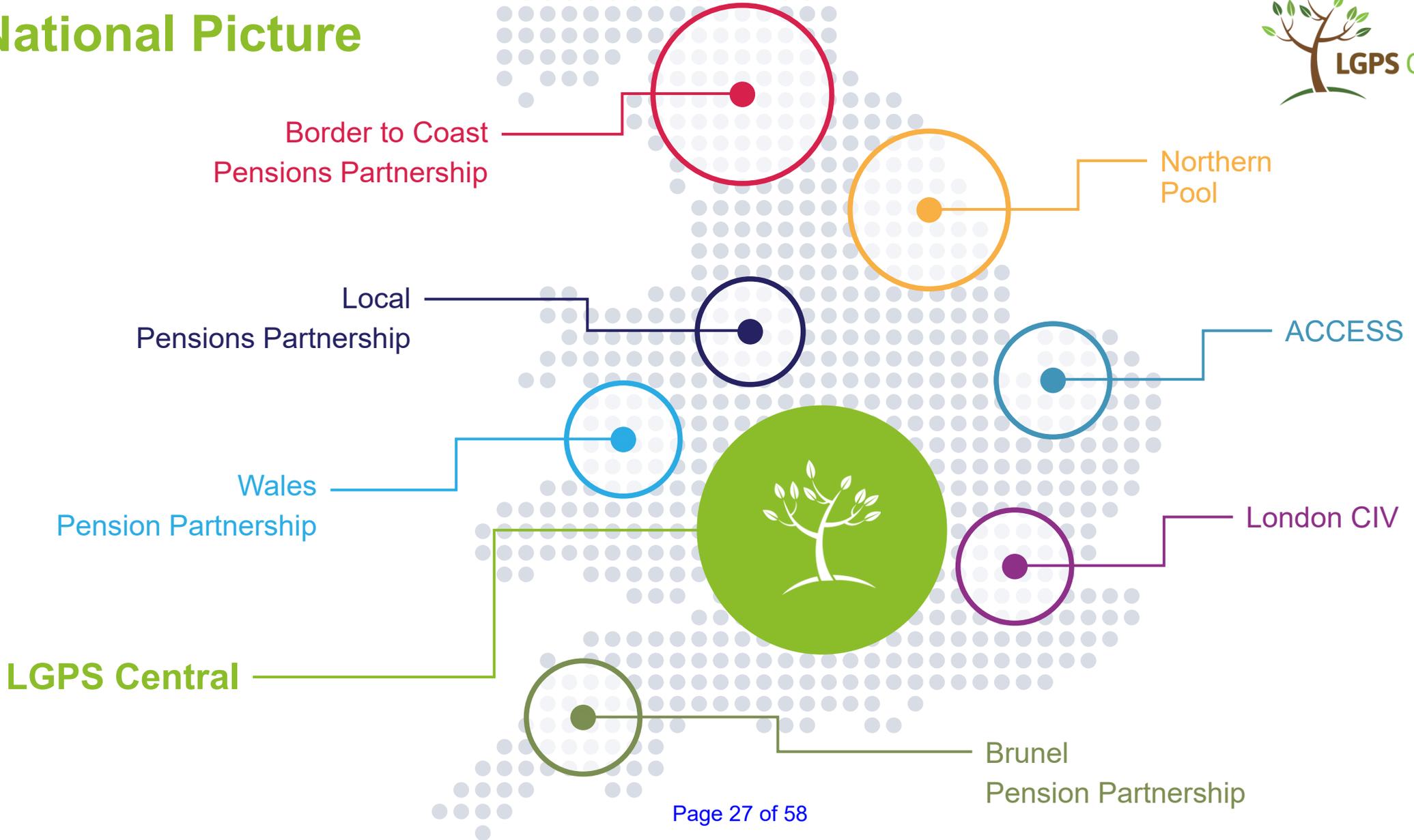
Joanne Segars



What is Pooling?



National Picture



Partner Funds

- Owned by 8 Partner Funds
- Designing the funds, appointing managers and on-going oversight of them with the aim of producing the stated level of investment performance
- Responsible Investment and Engagement integrated into all our decision making
- Focusing on the needs and expectations of our valued Partner Funds



LGPS Central – Key Themes for 2022/23



FOUR AREAS OF FOCUS FOR LGPSC BOARD AND MANAGEMENT TEAM



Fund Performance



Recruitment and Retention



Business Maturity



The Future

LGPS Central Update



£28.5bn*

Assets under our stewardship
As at 31/03/2022

£55.3bn

Collective assets of Partner Funds
As at 31/03/2022

52%

Partner Fund assets
As at 31/03/2022

£250m

Projected net savings by 2033/34



25 funds

Launched since 2018

13 funds

Launched this financial year

38

External managers

21.0%

Staff Turnover



100%

Responsible Investment Integrated Status

67

Employees

8

Partner Funds

Net Zero

Commitment on assets under our
stewardship 2050



UK
Stewardship
Code 2020

Signatory

3,326

Votes at meetings
(engagement activity)

Page 30 of 58

TCFD

Reports Prepared

Diversity
Project

Member

LGPS Central Funds Launched:



TOTAL OF 20 FUNDS LAUNCHED TO 30.06.22

| Fund | Launched |
|---------------------------------------|----------|
| UK Equity (Passive) | 2018 |
| ● Global Equity (Passive) | 2018 |
| Global Dividend Growth (Passive) | 2018 |
| Multi-Factor Fund (Passive) | 2021 |
| Climate Fund (Passive) | 2019 |
| ● Global Equity MM Fund (Active) | 2019 |
| ● EM Equity MM Fund (Active) | 2019 |
| ● Corporate Bonds MM Fund (Active) | 2020 |
| ● EM FI MM (Active) | 2020 |
| ● Global MAC MM Fund (Active) | 2021 |
| ● Private Equity - 2018 Primary | 2019 |
| ● Private Equity - 2018 Co-Investment | 2019 |
| ● Private Equity - 2021 Primary | 2021 |
| ● Private Equity - 2021 Co-Investment | 2021 |
| Private Inflation Credit Fund | 2021 |
| Private Lower Credit Fund | 2021 |
| Private Higher Credit Fund | 2021 |
| ● Infrastructure Core Fund | 2021 |
| ● Infrastructure Value Add Fund | 2021 |
| ● Infrastructure JPM Fund | 2021 |
| ● Global Sustainable Equity Fund | 2022 |
| ● UK Gilt Discretionary Mandate | 2020 |

5 Passive funds
launched since
inception of
LGPS

6 Active funds
launched since
inception of
LGPS

- Nottinghamshire Pension Fund are investing in these Funds

Investment Funds

Mike Weston



NPF Investments in LGPS Central Funds



ASSETS UNDER MANAGEMENT 31 MARCH 2022

| Asset Class | Fund | NPF's Assets | Total Fund AUM | NPF % of Fund |
|------------------------------|---|----------------------|----------------------|--------------------|
| Passive Global Equity | LGPS Central Limited Global Ex-UK Passive Equity Fund | £13.1m | £2,767.9m | 0.5% |
| Active Global Equity | LGPS Central Limited Global Equity Active Multi Manager Fund | £29.0m | £3,172.8m | 0.9% |
| Active Global Equity | LGPS Central Limited Emerging Markets Equity Active Multi Manager Fund | £117.1m | £812.0m | 14.4% |
| Active Fixed Income | LGPS Central Limited Global Active Investment Grade Corporate Bond Multi Manager Fund | £299.2m | £1,608.8 | 18.6% |
| Active Fixed Income | LGPS Central Limited Global Active Multi-Asset Credit Multi Manager Fund | £114.7m | £741.9m | 15.5% |
| Active Fixed Income | LGPS Central Limited Global Active Emerging Market Bond Multi Manager Fund | £36.0m | £615.4m | 5.8% |
| Active Discretionary Mandate | LGPS Central Nottinghamshire Gilts Mandate | £195.2m | £195.2m | 100.0% |
| Private Equity | LGPS Central PE Co-Investment Partnership 2018 LP | £5.0m ¹ | £107m ¹ | 4.7% ¹ |
| Private Equity | LGPS Central PE Primary Partnership 2018 LP | £10.0m ¹ | £150m ¹ | 6.7% ¹ |
| Infrastructure | LGPS Central Value Add/ Opportunistic Infrastructure Partnership LP | £45.0m ¹ | £61.5m ¹ | 73.2% ¹ |
| Infrastructure | LGPS Central Core/Core Plus Infrastructure Partnership LP | £115.0m ¹ | £383.5m ¹ | 30.0% ¹ |

Over £800m assets invested with LGPSC

LGPS Global Sustainable Equity Active Funds



Successful new product launch

- ✓ LGPS Central Ltd and its Partner Funds collaborated on a product structure to satisfy their demand. Broad, Thematic and Targeted approaches.
- ✓ LGPS Central Ltd undertook rigorous three stage procurement process identifying best-in-class manager to delegate to in each Fund.
- ✓ All Stakeholders approved LGPS Central Ltd Business Case highlighting value for money, and significant cost savings.
- ✓ Transition of legacy asset to new Funds and delegated managers occurred within cost estimate and on time.
- ✓ Innovative three Fund approach launched and open to further investment.

Product Development:



FUTURE FUND LAUNCHES



Private Debt

Two sleeves: one is investment grade infrastructure debt (inflation linked) and the other, sub-investment grade infrastructure debt and real-estate debt with close expected towards the end of June



Targeted Return

Partner Funds engaged on strategies/managers to be included with launch expected October 2022



Direct Property

Finalising legal documents and FCA application with launch anticipated September 2022



Indirect Property

Agreement made to proceed with the Residential sleeve and potentially an Overseas sleeve

Levelling Up:

DISCUSSIONS HAVE COMMENCED



LGPS Central workshop held 18 May 2022



Multi-asset class approach discussed



Continue to consider options



Working with Partner Funds to assist and support with benchmarking current investments



Awaiting further guidance from Government

Responsible Investment & Engagement

SIGNIFICANT JOINT ACHIEVEMENTS OVER THE LAST 6 MONTHS

- Agreed Pool and Company Net Zero Targets
- Delivered Company Stewardship Code Report and assisted those Partner Funds that also wanted to report in Q1 2022
- Refreshed the Climate Risk Monitoring Service, with additional Net Zero Relevant Metrics
- RI due diligence on Private Market Fund Launches and ongoing monitoring of external managers
- Significant engagements
 - Credit Suisse and Glencore
 - Deforestation, Plastic pollution, Climate Change and Human Rights



Responsible Investment & Engagement

PRIORITIES FOR THE NEXT SIX MONTHS



Complete Climate Risk Monitoring for NPF (including the 1.5 degree scenario analysis)



Procurement of ESG tool and associated analysis



Extend Carbon Analysis to Private Markets



Recruitment to bring RI Team back to 6 people



Modern Slavery Statement



LGPS Central's ongoing assistance with proxy voting



Responsible Investment & Engagement



VOTING APPROACH AND PRINCIPLES

- LGPS Central sees voting as a core component of the Company's approach to Stewardship. Through voting, we aim to:
 - Support the long-term economic interests of our stakeholders
 - Ensure boards of directors are accountable to shareholders
- **UK securities** are voted based on internal voting principles which supplement the principles and provisions of the UK Corporate Governance Code
- **For non-UK securities** the Company currently applies the international voting guidelines of its chosen proxy research provider, EOS at Federated Hermes

Staffing and Recruitment

Recruitment Summary



POSITIVE INFLUX OF NEW AND REPLACEMENT HIRES

- Successful new hires who will join the business over the coming months:
 - Junior RIE Analyst: 20 June 2022
 - Portfolio Manager: 11 July 2022
 - Investment Operations Manager: 15 August 2022
 - Chief Stakeholder Officer: 06 September 2022
 - Chief Legal, Compliance & Risk Officer: 15 September 2022
- Recruitment under way for 3rd Graduate cohort to start in September

Summary

CONTINUING PROGRESS IN A CHALLENGING ENVIRONMENT

- Staff **retention** remains a key challenge and focus for the Board and Senior Management



- Responsibly achieved Investment **performance** is our top priority
- Continuing growth of **Private Markets** partnerships to facilitate increasing Partner Fund asset allocations
- **Cost savings** are being achieved

- Cumulative **breakeven** within sight for LGPS Central collectively
- **What next** once new fund launches and asset transitions plateau?

DISCLAIMER:



LGPS Central Disclaimer IMPORTANT INFORMATION

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Share Class and Benchmark performance displayed in GBP.

Performance is shown on a Net Asset Value (NAV) basis, with gross income reinvested where applicable.

All information is prepared as of **6 July 2022**

This document is intended for **PROFESSIONAL CLIENTS** only.

“One Central team, working in partnership to invest with purpose and deliver superior returns”



REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE & IMPROVEMENT

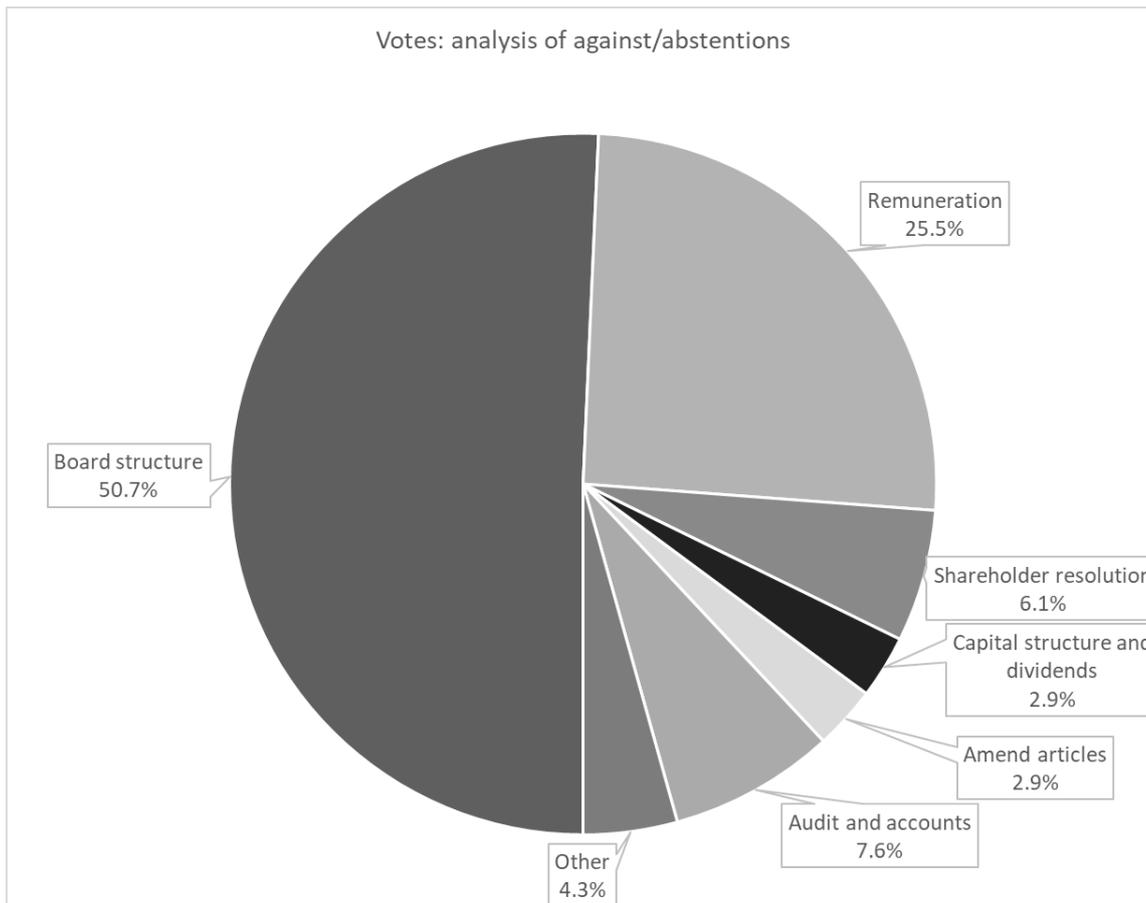
PROXY VOTING

Purpose of the Report

1. The Fund is committed to supporting best practice in corporate governance and has adopted the *UK Stewardship Code* as recommended by the CIPFA *Principles for investment decision making and disclosure*. This report is to inform members of the voting of equity holdings in the first quarter of 2022 (calendar year) as part of this ongoing commitment.

Information

2. The *UK Stewardship Code*, issued in September 2012 by the Financial Reporting Council, and revised in 2020, highlights the responsibilities of institutional investors such as the Nottinghamshire Pension Fund. It defines stewardship as ‘the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society’. Stewardship includes, among other things, having a clear policy on voting and on the disclosure of voting activity.
3. Alongside this the CIPFA *Principles for investment decision making and disclosure* require administering authorities to include a statement of their policy on responsible investment in the Investment Strategy Statement and report periodically on the discharge of such responsibilities. The Fund’s statement on responsible investment states that ‘the Fund continues to exercise its ownership rights by adopting a policy of actively voting stock it holds’.
4. The Fund retains responsibility for voting any directly held shares (rather than delegating this to investment managers) and votes the majority of its equity holdings in the UK, Europe, US and Japan. Since 1 January 2020 voting has been undertaken by Hermes EOS in line with the voting principles of LGPS Central.
5. Over the quarter to March 2022 Hermes EOS voted Nottinghamshire Pension Fund shares at 457 meetings (a total of 5,011 resolutions). Hermes opposed one or more resolutions at 230 meetings and voted with management by exception at 11 meetings and abstaining at 3. Hermes supported management on all resolutions at the remaining 213 meetings.
6. Hermes recommended voting against or abstaining on 656 resolutions over the last quarter. An analysis of the issues is shown below:



7. Most AGM votes relate to routine management items. Those relating to issues such as climate change will only form a small proportion of the total votes by number, even where they represent a substantial amount of engagement time and effort. An overview of the Hermes EOS voting activity and detailed analysis of the key issues during the quarter is published on the Fund website (<http://www.nottspf.org.uk/about-the-fund/investments>) and with the meeting papers on the Council Diary (<http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>).
8. Further detail on specific issues raised at company AGMs can be found in LGPS Central's quarterly *Stewardship Update*. The most recent *Update* (to March 2022) highlights remuneration issues at Apple Inc. and WH Smith. A link to this can be found on the Nottinghamshire Pension Fund 'Approach to Responsible Investment' webpage: <https://www.nottspf.org.uk/about-the-fund/responsible-investment/>

Statutory and Policy Implications

9. 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

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

Report Author:
Ciaran Guilfoyle
Investments Officer

For any enquiries about this report please contact Ciaran Guilfoyle

Constitutional Comments (KK 10/06/2022)

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

Financial Comments (TMR 13/06/2022)

12. There are no financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Hermes EOS – Nottinghamshire Pension Fund, Voting Report, Q1 2022
- [LGPS Central – Voting Principles \(March 2019\)](#)
- [Financial Reporting Council, *The UK Stewardship Code*, January 2020](#)



REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE & 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 held via Zoom on 13 April 2022.

Information and Advice

2. LAPFF was formed in 1990 to provide an opportunity for the UK's local authority pension funds to discuss investment and shareholder engagement issues. In 2018 membership was also extended to cover pension fund pools. LAPFF membership currently stands at 85 funds and 7 pools (shown at Appendix A) with combined assets of over £350 billion. It is consequently able to exert significant influence over companies in which funds are invested.
3. LAPFF exists 'to assist Administering Authorities discharge their statutory responsibilities and promote the long-term investment interests of UK local authority pension funds. In particular, it seeks to maximise their influence as investors to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they hold an interest, commensurate with statutory regulations'. 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 Forum 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 boards, committees and their supporting administrative staff, as well as to other interested parties from national, local and regional governments.
4. The business meeting agenda included, among other things, issues relating to concerns over deforestation by Industrial Livestock Companies, plus a presentation entitled 'Investor engagement on social protection' by the international union UNI Global, with whom LAPFF intends to work collaboratively in the future.
5. An update on LAPFF's engagement work in the previous quarter was presented. One engagement story in the quarter to March 2022 related to LAPFF's recent positive meeting with the Chair of AstraZeneca about how the company had not sought to profit from its vaccine in the same way that Pfizer and Moderna had.

6. Copies of the latest engagement reports are attached as background, but all LAPFF engagement reports can be found on the LAPFF website:
<https://lapfforum.org/publications/category/quarterly-engagement-reports/>

Statutory and Policy Implications

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

Nigel Stevenson

Service Director – Finance, Infrastructure and Improvement

For any enquiries about this report please contact: Ciaran Guilfoyle

Constitutional Comments (KK 10/06/2022)

8. This is an updating information report and Nottinghamshire 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 13/06/2022)

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

Background Papers

- LAPFF constitution
- [LAPFF Quarterly Engagement Report January to March 2022](#)

Membership of LAPFF as at June 2022

Funds

- 1 Avon Pension Fund
- 2 Barking and Dagenham (London Borough of)
- 3 Barnet LB
- 4 Bedfordshire Pension Fund
- 5 Bexley (London Borough of)
- 6 Berkshire Pension Fund
- 7 Brent (London Borough of)
- 8 Camden (London Borough of)
- 9 Cardiff and Vale of Glamorgan Pension Fund
- 10 Cambridgeshire Pension Fund
- 11 Cheshire Pension Fund
- 12 City and County of Swansea Pension Fund
- 13 City of London Corporation
- 14 Clwyd Pension Fund
- 15 Cornwall Pension Fund
- 16 Croydon LB
- 17 Cumbria Pension Scheme
- 18 Derbyshire County Council
- 19 Devon County Council
- 20 Dorset County Pension Fund
- 21 Durham Pension Fund
- 22 Dyfed Pension Fund
- 23 Ealing (London Borough of)
- 24 East Riding of Yorkshire Council
- 25 East Sussex Pension Fund
- 26 Enfield (London Borough of)
- 27 Environment Agency Pension Fund
- 28 Essex Pension Fund
- 29 Falkirk Council
- 30 Gloucestershire Pension Fund
- 31 Greater Gwent Fund
- 32 Greater Manchester Pension Fund
- 33 Greenwich Pension Fund
- 34 Gwynedd Pension Fund
- 35 Hackney (London Borough of)
- 36 Hammersmith and Fulham (London Borough of)
- 37 Haringey (London Borough of)
- 38 Harrow (London Borough of)
- 39 Havering LB
- 40 Hertfordshire
- 41 Hounslow (London Borough of)
- 42 Isle of Wight Pension Fund
- 43 Islington (London Borough of)
- 44 Kensington and Chelsea (Royal Borough of)
- 45 Kent Pension Fund
- 46 Kingston upon Thames Pension Fund

- 47 Lambeth (London Borough of)
- 48 Lancashire County Pension Fund
- 49 Leicestershire
- 50 Lewisham (London Borough of)
- 51 Lincolnshire County Council
- 52 London Pension Fund Authority
- 53 Lothian Pension Fund
- 54 Merseyside Pension Fund
- 55 Merton (London Borough of)
- 56 Newham (London Borough of)
- 57 Norfolk Pension Fund
- 58 North East Scotland Pension Fund
- 59 North Yorkshire County Council Pension Fund
- 60 Northamptonshire Pension Fund
- 61 Nottinghamshire County Council
- 62 Oxfordshire Pension Fund
- 63 Powys County Council Pension Fund
- 64 Redbridge (London Borough of)
- 65 Rhondda Cynon Taf
- 66 Shropshire Council
- 67 Somerset County Council
- 68 South Yorkshire Pensions Authority
- 69 Southwark (London Borough of)
- 70 Staffordshire Pension Fund
- 71 Strathclyde Pension Fund
- 72 Suffolk County Council Pension Fund
- 73 Surrey County Council
- 74 Sutton (London Borough of)
- 75 Teesside Pension Fund
- 76 Tower Hamlets (London Borough of)
- 77 Tyne and Wear Pension Fund
- 78 Waltham Forest (London Borough of)
- 79 Wandsworth (London Borough of)
- 80 Warwickshire Pension Fund
- 81 West Midlands Pension Fund
- 82 West Yorkshire Pension Fund
- 83 Westminster CC
- 84 Wiltshire Pension Fund
- 85 Worcestershire County Council

Pools

- 1 Border to Coast Pension Partnership
- 2 Brunel
- 3 LGPS Central
- 4 Local Pensions Partnership
- 5 London CIV
- 6 Northern Pool
- 7 Wales Pension Partnership



**REPORT OF THE SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE
AND EMPLOYEES**

WORK PROGRAMME

Purpose of the Report

1. To consider the Committee's work programme.

Information

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme has been drafted in consultation with the Chair and Vice-Chairs, and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.

Other Options Considered

4. None.

Reason/s for Recommendation/s

5. To assist the committee in preparing its work programme.

Statutory and Policy Implications

6. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working 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

That the Committee considers whether any amendments are required to the Work Programme.

Marjorie Toward
Customers, Governance and Employees

For any enquiries about this report please contact:

Jo Toomey, Advanced Democratic Services Officer

E-mail: jo.toomey@nottsc.gov.uk

Tel: 0115 977 4506

Constitutional Comments (HD)

7. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (NS)

8. There are no direct financial implications arising from the contents of this report. Any future reports to Committee on operational activities and officer working groups, will contain relevant financial information and comments.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All

PENSION FUND COMMITTEE – WORK PROGRAMME (updated 13 July 2022)

| Report Title | Brief summary of agenda item | Report Author |
|--|--|-------------------------------------|
| September 2022 | | |
| Pensions and Lifetime Savings Association (PLSA) Local Authority Conference 2022 | Key themes from the conference | Nigel Stevenson |
| Local Authority Pension Fund Strategic Investment Forum | Update of key themes from the conference | Tamsin Rabbitts |
| Local Pensions Board Annual Report 2021/22 | To receive the Local Pensions Board's Annual Report for 2021/22 | Adviser to the Local Pensions Board |
| Fund Valuation & Performance – Qtr 1 | Summary of quarterly performance | Tamsin Rabbitts |
| Independent Adviser's Report | Independent Adviser's review of performance | Independent Adviser |
| Fund Valuation & Performance | Detailed review of quarterly performance (exempt) | Tamsin Rabbitts |
| Managers Presentations | Presentations by Fund Managers (exempt) | Schroders and Abrdn |
| November 2022 | | |
| Climate risk metrics | Analysis from LGPS Central on position as at 31/3/22 | Tamsin Rabbitts |
| Review of progress on the Climate Risk Action plan | 6 monthly report | Tamsin Rabbitts |
| Proxy Voting | Summary of voting activity | Ciaran Guilfoyle |
| LAPFF Business Meeting | Report from LAPFF Business Meeting | Ciaran Guilfoyle |
| Treasury Management mid-year report 21/22 | Summary of TM activity to 30 September 2022 | Ciaran Guilfoyle |
| Presentation of the Pension Fund accounts | Formal presentation of the Pension Fund accounts to Committee before the AGM | Tamsin Rabbitts |
| Pensions Administration – Tracing Service | | Sarah Stevenson / Jon Clewes |

| | | |
|---|---|-----------------------|
| Pension Administration and transformation update report | | Sarah Stevenson |
| Working Party report | A report to consider any recommendations arising from a working party of the Nottinghamshire Pension Fund Committee | Tamsin Rabbitts |
| December 2022 | | |
| Fund Valuation & Performance – Qtr 2 | Summary of quarterly performance | Tamsin Rabbitts |
| Independent Adviser’s Report | Independent Adviser’s review of performance | Independent Adviser |
| Fund Valuation & Performance | Detailed review of quarterly performance (exempt) | Tamsin Rabbitts |
| Managers Presentations | Presentations by Fund Managers (exempt) | LGPS Central and LGIM |
| January 2023 – Nottinghamshire Pension Fund Annual General Meeting | | |
| Actuarial Issues | Barnett Waddingham LLP presentation | |
| Management and Financial Performance | Financial management presentation | |
| Investment Performance | Pensions and treasury management presentation | |
| Pensions administration | Presentation from the Pensions Administration team | |
| March 2023 | | |
| Fund Valuation & Performance – Qtr 3 | Summary of quarterly performance | Tamsin Rabbitts |
| Independent Adviser’s Report | Independent Adviser’s review of performance | Independent Adviser |
| Fund Valuation & Performance | Detailed review of quarterly performance (exempt) | Tamsin Rabbitts |
| Managers Presentations | Presentations by Fund Managers (exempt) | Schroders and Abrdn |
| Strategic Asset Allocation Working party report | Report on the discussions and any decisions arising from the January working party meeting on our Strategic Asset Allocation and Investment Strategy and any other issues discussed | Tamsin Rabbitts |
| Treasury Management Strategy 23/24 | Strategy for forthcoming financial year | Ciaran Guilfoyle |

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| Conferences and training report | Planned training and conferences for 22/23 | Tamsin Rabbitts |
| April 2023 | | |
| Review of progress on the Climate Risk Action plan | 6 monthly report | Tamsin Rabbitts |
| Climate Stewardship Report | Progress on the Fund's climate stewardship strategy | Tamsin Rabbitts |
| Treasury Management outturn 21/22 | Summary of TM activity for year ended 31 March 2022 | Ciaran Guilfoyle |
| Proxy Voting | Summary of voting activity | Ciaran Guilfoyle |
| LAPFF Business Meeting | Report from LAPFF Business Meeting | Ciaran Guilfoyle |
| Report on the LAPFF conference | Report on the presentations attended at the LAPFF conference in December | Keith Palframan |
| Results of the triennial valuation | Report on the outcome of the triennial valuation | Tamsin Rabbitts / Jon Clewes |
| June 2023 | | |
| Fund Valuation & Performance – Qtr 4 | Summary of quarterly performance | Tamsin Rabbitts |
| Independent Adviser's Report | Independent Adviser's review of performance | Independent Adviser |
| Fund Valuation & Performance | Detailed review of quarterly performance (exempt) | Tamsin Rabbitts |
| Managers Presentations | Presentations by Fund Managers (exempt) | LGPS Central |
| July 2023 | | |
| Proxy Voting | Summary of voting activity | Ciaran Guilfoyle |
| LAPFF Business Meeting | Report from LAPFF Business Meeting | Ciaran Guilfoyle |
| Annual Administration Performance Report | | Jon Clewes |
| To be placed | | |
| Monitoring of the Fund Membership Death Process | Update report | Jon Clewes |

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| Review of Work of the Pension Fund Committee and Pension Board | <i>Review to be conducted during Autumn 2022 with the aim of an outcome by the end of the year, subject to any impacts which may need to be addressed as a result of Government response to the Good Governance in the LGPS proposals</i> | Heather Dickinson / Marjorie Toward |
| McCloud Judgment update report | | Jon Clewes |
| Results of GMP reconciliation | | Jon Clewes |
| Pension Fund Review of Cyber Security – Pension Regulator Requirement | | Sarah Stevenson / Jon Clewes |