

SECTION 2: THE SPECIFICATION

1. Background

Nottinghamshire County Council is the Administering Authority for the Local Government Pension Scheme (LGPS) within Nottinghamshire. The LGPS is a statutory scheme administered by individual pension funds. The benefits within the scheme are determined by regulation and are guaranteed by statute. The pension fund exists to help defray the cost of paying the pension benefits. Members make contributions to the Fund as specified in the regulations and employers make contributions as determined by the Fund's actuary as part of the triennial valuation of the Fund. All new employees are brought into the scheme automatically, unless a positive election not to participate is received from the employee.

The Authority administers the pension fund for over 300 participating employers and over 106,000 members. The employers include the County Council, the City Council, District Councils and organisations which used to be part of local government (such as Nottingham Trent University, Colleges, Police civilian staff and Academies). They also include organisations which satisfy the conditions to participate in the LGPS and have been admitted to the Fund by the Authority. In general, these organisations are non-profit making, or are undertaking a service which was, or could be, carried out by a local authority.

The operation of the Fund is set out in a number of published policy statements. Under the Governance Compliance Statement, the functions as administering authority of the Fund are delegated to the Nottinghamshire Pension Fund Committee supported by two advisory sub-committees.

The Funding Strategy Statement sets out the aims and purpose of the Fund and details the responsibilities of the administering authority as regards funding the scheme.

The Statement of Investment Principles sets out more detailed responsibilities relating to the overall investment strategy of the Fund including the proposed asset allocation, restrictions on investment types, the type of investment management used and performance monitoring. It also states the Fund's approach to responsible investment and corporate governance issues.

The Risk Management Strategy and Risk Register identify the main risks to the operation of the Fund, prioritise the risks identified and detail actions required to further reduce the risks involved.

The Communications Strategy Statement details the overall strategy for involving stakeholders in the Fund. A key part of this strategy is a dedicated Fund website (available at www.nottspf.org.uk).

A separate annual report for the Fund is also produced and this, along with previous years' reports, is accessible via the pension fund website. The annual report includes

the accounts and the published policies as well as information on the investment performance and administration of the fund.

2. Outline of the Council's requirements

The independent adviser shall provide advice on:

- the objectives and policies of the fund
- investment strategy and asset allocation
- the fund's approach to responsible investment
- choice of benchmarks
- investment management methods and structures
- choice of managers and external specialists
- activity and performance of investment managers and the fund
- the risks involved with existing or proposed investments
- the fund's current property portfolio and any proposals for purchases, sales, improvement or development
- new developments and opportunities in investment theory and practice

The role will involve attendance at:

- 4 meetings of the Pensions Investment Sub-Committee each year
 - The majority of meetings are expected to be held at County Hall with the remainder held at the offices of the principal fund managers
- 4 meetings of the Pensions Sub-Committee each year to be held at County Hall
- meetings of the Pensions Working Party as required
 - there are not expected to be more than three per year
- the annual meeting of the pension fund in Nottinghamshire
- the annual property inspection
 - to inspect a number of the fund's UK properties over 2 days
- occasional ad hoc meetings

Liaison will be required as necessary with:

- officers of the county council
- members of the Pensions Investment and Pensions Sub-Committees

The Contract Questionnaire should be completed to provide details of technical capacity, experience of working with pension funds and methods of working. CVs of key personnel and references are also required.