

**REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE &
IMPROVEMENT****WORKING PARTY****Purpose of the Report**

1. The Pension Fund Working Party meets twice a year or as required and is open to all Pension Fund Committee Members to attend. The purpose of the Working Party is to discuss key issues in more detail and to make recommendations to Pension Fund Committee. This report summarises the items discussed at the most recent meeting on 29 August 2019 and makes recommendations as follows:
 - a. To continue to monitor the performance of investment managers.
 - b. To continue to review the risks in the pension fund arising from climate change.
 - c. To continue engagement activity through our investment managers, LGPS Central, LAPFF, PIRC and other partners.

Information

2. The Working Party met on 29 August 2019.

Review of the Schroders portfolio

3. The Working Party considered a detailed presentation from Schroders.
4. The report looked at the Schroders investment strategy and performance in detail.
5. As a result of discussions Schroders have been asked to report back in around 6 months.

Investments in Fossil Fuels

6. Members and the council have received a number of emails, letters and FOI requests regarding the Pension Fund's investment in Fossil Fuel producers
7. The actions of the Pension Fund with respect to responsible investment, engagement, review of investment risk and investments in renewable energy and other infrastructure and low carbon investments were discussed.

8. Members were reassured that appropriate action is being taken by the pension fund.

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.

RECOMMENDATIONS

It is recommended that Committee:

1. Continues to monitor the performance of investment managers.
2. Continues to review the risks in the pension fund arising from climate change.
3. Continues engagement activity through our investment managers, LGPS Central, LAPFF, PIRC and other partners.

Report Author:

Tamsin Rabbitts – Senior Accountant – Pensions and Treasury Management

For any enquiries about this report please contact: Tamsin Rabbitts

Constitutional Comments (SLB 02/09/19)

Nottinghamshire Pension Fund Committee is the appropriate body to consider the content of the report.

Financial Comments (TMR 30/08/19)

There are no direct financial implications arising from the 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.

- None