

**17 March 2022**

**Agenda Item: 5**

**REPORT OF SERVICE DIRECTOR, FINANCE, PROCUREMENT &  
IMPROVEMENT**

**LGPS POOLING UPDATE – PRESENTATION BY LGPS CENTRAL**

**Purpose of the Report**

1. To provide members with an update on LGPS pooling.

**Information**

2. Government instigated ‘pooling’ of pension funds in 2015 with the publication of criteria and guidance on pooling of Local Government Pension Scheme (LGPS) assets. Administering authorities formed their own groups and eight asset pools were formed, which are now all operational. The scale of each pool gives significant buying power in the investment market, that would not necessarily be accessible to individual funds.
3. The Nottinghamshire Pension Fund is a stakeholder in LGPS Central Ltd from two different perspectives:
  - a co-owner of the company (shareholder) alongside Cheshire Pension Fund, Derbyshire Pension Fund, Leicestershire Pension Fund, Shropshire Pension Fund, Staffordshire Pension Fund, West Midlands Pension Fund, and Worcestershire Pension Fund.
  - as a recipient of investment services
4. The presentation by LGPS Central provides information on the progress in pooling so far and an indication of future developments.
5. It should be noted that LGPS Central Ltd is only one of the investment managers utilised by Nottinghamshire Pension Fund, although the intention is that more investments will be transferred to LGPS Central Ltd as they develop products that meet the requirements of all the partners. The company also provides valuable assistance with matters around responsible investment and dealing with questions from fund members and others, particularly in the lead up to the Annual General meeting. The company is not involved in asset allocation decisions, pensions administration or treasury management.

**Other Options Considered**

6. None.

## **Reason for Recommendation**

7. To provide the Pension with further information in respect of LGPS Central Ltd.

## **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.

## **RECOMMENDATION/S**

That the contents of the presentation be noted

**Nigel Stevenson, Service Director, Finance, Procurement and Improvement**

**For any enquiries about this report please contact:**

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## **Constitutional Comments (KK 4/3/22)**

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

## **Financial Comments (KRP 2/3/22)**

8. There are no direct financial implications arising from the contents of this report.

## **Background Papers**

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

**For any enquiries about this report please contact:  
Tamsin Rabbitts.**

### **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