

NORTHUMBERLAND

Northumberland County Council

Your Ref:
Our Ref:
Enquiries to: Nichola Turnbull
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Date: 29 June 2017

Dear Sir or Madam,

Your attendance is requested at a meeting of the **PENSION FUND PANEL** to be held in Committee Room 1, County Hall, Morpeth on **Friday, 7 July 2017 at 9.30 a.m.**

Yours faithfully,



Interim Chief Executive

To the members of the Pension Fund Panel

Daljit Laly, Interim Chief Executive

County Hall, Morpeth, Northumberland, NE61 2EF

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AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. APOLOGIES FOR ABSENCE

2. MINUTES

- (a) Minutes of the meeting of the Pension Fund Panel, held on Monday, 5 June 2017, as circulated, to be confirmed as a true record, and signed by the Chairman.
- (b) Minutes of the LGPS Local Pension Board, held on Tuesday, 24 April 2017, as circulated, *to be received for information*.

3. DISCLOSURES OF INTEREST

Unless already entered in the Council's Register of Members' interests, members are required to disclose any personal interest, (which includes any disclosable pecuniary interest), they may have in any of the items included on the agenda for the meeting in accordance with the Code of Conduct adopted by the Council on 4 July 2012, and are reminded that if they have any personal interests of a prejudicial nature (as defined under paragraph 17 of the Code of Conduct) they must not participate in any discussion or vote on the matter and must leave the room.

N.B. Any member needing clarification must contact the Legal Services Manager, Liam Henry, on telephone 01670 623324. Please refer to the guidance on disclosures at the rear of this agenda letter.

4. REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

The Panel is invited to consider the following reports, enclosed as Appendix A:-

1. External audit of Northumberland County Council Pension Fund 2016/2017 accounts – Planning Report

The purpose of this report is to provide the external auditors' Planning Report for the 2016/2017 Pension Fund audit to the Panel in advance of this meeting. EY will present the Planning Report to the Panel at the meeting.

2. Disclosure of members' interest in the Scheme at Pension Fund Panel meetings

The purpose of this report is to provide information about individual Panel members' Local Government Pension Scheme membership.

3. Formal assessment of the performance of the investment adviser

The purpose of this report is to inform Panel members of the results of the 2016/2017 annual formal assessment of the performance of the Pension Fund Panel adviser, Mercer.

4. Action Plan 2017 for NCC Pension Fund

The purpose of this report is to provide the NCC Pension Fund Action Plan 2017 for members' consideration.

5. Annual report of the NCC LGPS Local Pension Board

The purpose of this report is to provide the 2016/2017 report of the NCC LGPS Local Pension Board (LPB) to the Panel, for information.

6. Training

This report reminds Pension Fund Panel members of forthcoming training events and provides information about recent training events held.

7. Reporting breaches: progress and quarterly monitoring report

This report provides information about breaches of the law which have occurred in the quarter to 31 March 2017.

8. Key Performance Indicators (KPIs) for LGPS administration

The purpose of this report is to provide information to the Panel about the KPIs in the quarter to 31 March 2017.

9. Judicial review re DCLG statutory guidance on pension exclusion policies

This report provides information about the judicial review in relation to DCLG guidance which prevented LGPS administering authorities from pursuing pension exclusion policies which were contrary to UK foreign policy or UK defence policy.

10. Options for academies in the LGPS

This report provides information about the PwC report "*Options for Academies in the LGPS*" published in May and commissioned by the LGPS Scheme Advisory Board (SAB) to explore the scope for resolving issues within the LGPS.

11. Fund performance and total Fund value

The purpose of this report is to provide information to the Panel about the Fund performance in the quarter to 31 March 2017 and the total Fund value at that date.

5. URGENT BUSINESS (IF ANY)

To consider such other business as, in the opinion of the Chairman, should, by reason of special circumstances, be considered as a matter of urgency.

PART II

It is expected that matters included in this part of the Agenda will be dealt with in private. Reports referred to are enclosed for members and officers only, coloured pink and marked "Not for Publication".

6. EXCLUSION OF PRESS AND PUBLIC

Members of the Pension Fund Panel are invited to consider passing the following resolution:

- (a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
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Information relating to the financial or business affairs of any particular person (including the Authority holding that information).

AND The public interest in seeking this exemption outweighs the public interest in disclosure because;-

- (i) it contains information that, if in the public domain, could affect the preferential rates the Fund is charged;
- (ii) because the information would not be provided at future meetings if it were considered in public; and
- (iii) because the industry standard is to keep this information confidential.

7. REPORTS OF THE CHIEF EXECUTIVE

The Panel is invited to consider the following reports, enclosed as Appendix B:-

1. Current estimated funding position for Northumberland County Council Pension Fund

The purpose of this report is to present the latest quarterly update on the actuarial funding position for the Pension Fund as a whole to Panel members.

2. Shared pensions administration service with Tyne and Wear Pension Fund

The purpose of this report is to provide an update on progress towards a shared pensions administration service with Tyne and Wear Pension Fund.

3. Private equity investment with Pantheon

The purpose of this report is to inform Panel members of the decision made by the Chief Executive in consultation with the Chairman and Vice Chairman of the Panel to commit to a private equity investment with Pantheon's Global Select 2017 private equity investment portfolio.

4. Assessment of newly forming academies

This report provides information about four proposed academy conversions of NCC schools, namely Ashington High School and Sports College, Bedlingtonshire Community High School, Ponteland Community Middle School and Whitfield Church of England Primary School.

5. Border to Coast Pensions Partnership (BCPP) pooling arrangement

This report updates the Panel on progress by the BCPP collaboration of funds in establishing the BCPP Pool entity and its governance arrangements, together with commentary on the implications for NCC Pension Fund, where known.

6. Potential further joint working with Tyne and Wear Pension Fund

This report provides a brief update for Panel members on the stage reached, prior to the May 2017 local election, by the Panel in considering further joint working of NCCPF with Tyne and Wear Pension Fund (TWPF).

7. Transaction costs

The purpose of this report is to provide Panel members with information about the transaction costs incurred by the fund managers in the quarter to 31 March 2017.

8. Mercer's ratings of NCCPF's investment managers

The purpose of this report is to provide Panel members with Mercer's ratings of all of the Fund's investment managers.

9. Presentation by Portfolio Evaluation

The purpose of this report is to provide Panel members with information in advance of the meeting, which will be presented by Nick Kent, of Portfolio Evaluation, the Fund's performance measurement service provider.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name (please print):
Meeting:
Date:
Item to which your interest relates:
Nature of Registerable Personal Interest i.e either disclosable pecuniary interest (as defined by Annex 2 to Code of Conduct or other interest (as defined by Annex 3 to Code of Conduct) (please give details):
Nature of Non-registerable Personal Interest (please give details):
Are you intending to withdraw from the meeting?

1. Registerable Personal Interests – You may have a Registerable Personal Interest if the issue being discussed in the meeting:

- a) relates to any Disclosable Pecuniary Interest (as defined by Annex 1 to the Code of Conduct);
- or
- b) any other interest (as defined by Annex 2 to the Code of Conduct)

The following interests are Disclosable Pecuniary Interests if they are an interest of either you or your spouse or civil partner:

(1) Employment, Office, Companies, Profession or vocation; (2) Sponsorship; (3) Contracts with the Council; (4) Land in the County; (5) Licences in the County; (6) Corporate Tenancies with the Council; or (7) Securities - interests in Companies trading with the Council.

The following are other Registerable Personal Interests:

(1) any body of which you are a member (or in a position of general control or management) to which you are appointed or nominated by the Council; (2) any body which (i) exercises functions of a public nature or (ii) has charitable purposes or (iii) one of whose principal purpose includes the influence of public opinion or policy (including any political party or trade union) of which you are a member (or in a position of general control or management); or (3) any person from whom you have received within the previous three years a gift or hospitality with an estimated value of more than £50 which is attributable to your position as an elected or co-opted member of the Council.

2. Non-registerable personal interests - You may have a non-registerable personal interest when you attend a meeting of the Council or Cabinet, or one of their committees or sub-committees, and you are, or ought reasonably to be, aware that a decision in relation to an item of business which is to be transacted might reasonably be regarded as affecting your wellbeing or financial position, or the wellbeing or financial position of a person described below to a greater extent than most inhabitants of the area affected by the decision.

The persons referred to above are: (a) a member of your family; (b) any person with whom you have a close association; or (c) in relation to persons described in (a) and (b), their employer, any firm in which they are a partner, or company of which they are a director or shareholder.

3. Non-participation in Council Business

When you attend a meeting of the Council or Cabinet, or one of their committees or sub-committees, and you are aware that the criteria set out below are satisfied in relation to any matter to be considered, or being considered at that meeting, you must : (a) Declare that fact to the meeting; (b) Not participate (or further participate) in any discussion of the matter at the meeting; (c) Not participate in any vote (or further vote) taken on the matter at the meeting; and (d) Leave the room whilst the matter is being discussed.

The criteria for the purposes of the above paragraph are that: (a) You have a registerable or non-registerable personal interest in the matter which is such that a member of the public knowing the relevant facts would reasonably think it so significant that it is likely to prejudice your judgement of the public interest; **and either** (b) the matter will affect the financial position of yourself or one of the persons or bodies referred to above or in any of your register entries; **or** (c) the matter concerns a request for any permission, licence, consent or registration sought by yourself or any of the persons referred to above or in any of your register entries.

This guidance is not a complete statement of the rules on declaration of interests which are contained in the Members' Code of Conduct. If in any doubt, please consult the Monitoring officer or relevant Democratic Services Officer before the meeting.