

Northern Ireland Local Government Officer's Superannuation Committee

Minutes of the meeting of the Management Committee held via teleconference on 23 March 2021 at 10.15 am.

Members Present:

Lindsay Todd (Chairperson), Ken Clayton, Paul Francey, Alan Law, Mark McBride, Joan McCaffrey, Shane McCurdy, Antoinette McMillen, Sharon McQuillan, Peter Moore, Linda Neilan, Michael Rafferty and JJ Tohill.

In Attendance:

David Murphy (Secretary)
Nicola Todd (Deputy Secretary)
Helen McEvoy (Investments Services Manager)
Patricia Managh (Legal Officer)
Joanne Ferris (Corporate Support Officer)
Pratik Patel (Aon)
Emma Perrin (Aon)
Anthony Carleton (Department for Communities)

1. Declaration of Member's Interests

1.1. No interests were declared

2. Chairperson's Business and Apologies

2.1. The Chair reported that interviews to appoint new Committee Members had taken place and that the results were currently with the Minister for Communities for consideration.

2.2. The Chair noted that the triennial strategic review workshop had been moved to May to facilitate the appointment of the two new members.

3. Minutes of the meeting held on 23 February 2021

3.1. The minutes of the meeting on 23 February 2021, having been circulated, were

agreed. These minutes will be signed at the next available opportunity.

4. Matters Arising

- 4.1. No matters arose for discussion.

5. Revised Staffing Committee Terms of Reference

- 5.1. The Committee discussed the proposed revision to the terms of reference of the Staffing Committee, to provide advice on the establishment of new permanent posts within NILGOSC not already included within the annual budget.
- 5.2. The Committee agreed that this remit would be expanded to include any new temporary posts included in the annual budget. It was noted that the Staffing Committee was due to meet on 27 April 2021 and would consider its Terms of Reference in its entirety at this meeting.
- 5.3. The Committee approved the addition to the terms of reference requesting that the Staffing Committee advise on the need for any new posts to be added to the annual budget.

6. Appointment of members to the Staffing Committee

- 6.1. The Chair noted that the imminent departure of two committee members meant that two vacancies had now emerged on the Staffing Committee including the position of chair of that sub-committee.
- 6.2. Expressions of interest were received from Shane McCurdy as an employer representative and from Kenneth Clayton and Alan Law as employee representatives. The Chair welcomed a balance in employer/ employee representation and, as there was more than one interested party for the employee representative position, asked Committee Members to indicate their vote preference to the Secretary before the end of the meeting.
- 6.3. At the end of the meeting, the Secretary announced that Alan Law had received the highest number of votes. Alan Law and Shane McCurdy were appointed to the staffing committee.

(Helen McEvoy joined the meeting)

7. Investment Monitoring Scorecard

- 7.1. The Investment Services Manager presented the Investment Monitoring Scorecard Report summarising the outcome of the investment manager reviews for the quarter ended 31 December 2020.
- 7.2. The Investment Services Manager advised that all Fund Managers except for Jupiter had an overall green rating, noting that the Jupiter Blended mandate had subsequently been terminated and the assets transferred to passive management.
- 7.3. The Committee considered the advice provided by Aon on the recommended way forward for the LaSalle Core UK property mandate and agreed the revised approach.
- 7.4. The Committee noted the Investment Monitoring Scorecard Report for the quarter and agreed to removed the LaSalle Core UK Property mandate from the Watchlist.

(Pratik Patel and Emma Perrin joined the meeting)

8. Presentation by Aon Hewitt

- 8.1. Pratik Patel provided a summary of Aon's discussions with LaSalle and provided further context to Aon's advice on the way forward for the Core UK Property mandate. He clarified matters surrounding the current fee arrangements in place and proposed performance objectives for the mandate.
- 8.2. Emma Perrin presented Aon's quarterly report on the performance of the Fund for the quarter ended 31 December 2020 highlighting the impact that Covid-19, continued fiscal easing, and the vaccine roll out has had on global markets.
- 8.3. Emma provided an update on global markets, asset class and manager performance and provided a verbal update on the funding position which had not been available at the date of the report.
- 8.4. Pratik drew the Committee's attention to Aon's revamped Board quarterly reporting format which had been included alongside the standard report and requested that

any feedback be provided via the officers.

- 8.5. The Committee thanked Pratik and Emma for their presentation.

(Pratik Patel and Emma Perrin left the meeting)

(The Chair proposed a ten-minute break from 11.30am to 11.40am)

(Helen McEvoy left the meeting)

9. Public Sector Pensions Report

- 9.1. The Secretary presented an update on Public Sector pensions including a consultation issued by HM Treasury on raising the minimum pension age, the revocation of exit cap regulations in GB and changes introduced as a result of the 2021 Budget announcement and the Pension Schemes Act 2021.

- 9.2. The Committee noted the report.

10. Secretary's Report and Seal Log

- 10.1. The Secretary presented his report outlining important operational matters arising since the last meeting. He reminded members that the Public Sector Pensions Conference was taking place on 24 March and informed the Committee that the Department was currently undertaking an external quality assessment of NILGOSC's internal audit function. He further advised that NILGOSC had recently attained Cyber Essentials accreditation and would be working towards Cyber Essentials Plus recognition.
- 10.2. The Committee noted recent correspondence with Fermanagh and Omagh District Council regarding divestment from Fossil fuels, tobacco, and arms.
- 10.3. The Secretary drew the Committee's attention to a delay in the procurement timeframe for the print contract which is being managed by CPD. He advised that the tender has not yet gone live pending CPD approvals and, as a consequence, it was unlikely that Committee approval could be sought at the May meeting as planned. Given the importance of having this contract in place to allow NILGOSC to meet its statutory deadlines for pension benefit statements, the Secretary sought the

Committee's agreement to provide approval outside of the normal monthly meeting. The Committee agreed that this was acceptable should timeframes not permit the matter to be considered at the May meeting. The Secretary and Deputy Secretary highlighted some of the practical challenges NILGOSC was experiencing around various Departmental approvals and delays following the direction to use CPD. The Committee requested that officers continue to escalate such issues with the sponsoring Department and the Secretary noted that this would be raised as part of the Partnership Agreement discussions.

10.4. The Committee noted the Secretary's Report and Seal Log.

(Patricia Managh joined the meeting)

11. Investments

11.1. The Committee noted the summary of the Fund's Market Value as at 28 February 2021.

12. Stage II Review Member [REDACTED]

12.1. The Legal Officer presented an application from a member for a review of the decision taken by the Secretary not to allow a Stage I review to proceed as the request was outside the time frame permitted.

12.2. The Committee discussed the application, referencing the evidence provided in advance of the meeting and the advice provided by the Legal Officer.

12.3. The Chair called the Committee to vote.

12.4. A majority of the Committee members agreed to uphold the appeal on the basis that there were reasonable grounds to extend the timeframe set out in the Regulations.

13. Any Other Business

13.1. The Chair asked the Committee to submit nominations for the Chair of the Staffing Committee to the Secretary, to be confirmed by vote if multiple nominations are received. Subsequent to the meeting, 3 nominations had been received by 29 March 2021 being Alan Law, JJ Tohill and Shane McCurdy. Alan Law received the most

votes by 31 March 2021 and was elected chairperson.

- 13.2. The Chair also asked the Committee to submit nominations for the position of deputy Chair of the Management Committee to the Secretary. In the event of multiple nominations, the matter will be put to a vote. Subsequent to the meeting 3 nominations had been received by 29 March 2021 being JJ Tohill, Joan McCaffrey and Mark McBride. JJ Tohill and Mark McBride received the most initial votes. As there were equal votes cast, the Chairperson exercised a second vote as a casting vote in accordance with Standing Orders. As a result, Mark McBride received the most votes and was elected as Deputy Chairperson.
- 13.3. The Chair acknowledged that this would be the last meeting for Linda Neilan and Sharon McQuillan. He noted their respective service to the Management Committee and sub-committees and thanked both for their consideration contribution. Other Members reiterated these comments and the Committee wished Sharon and Linda well for the future.

There being no further business, the meeting was closed.

CHAIRPERSON (signature):

DATE: