

## Northern Ireland Local Government Officers' Superannuation Committee

Minutes of the meeting of the Management Committee held at Templeton House on 25 February 2025 at 10am.

### Members Present

Mark McBride (Chair), Ken Clayton, Paul Francey, Dooley Harte, Alan Law (via MS Teams), Cathy Matthews (via MS Teams), Derek McCallan, Shane McCurdy, Heather McKinstry, Antoinette McMillen (via MS Teams), Peter Moore and Michael Rafferty.

### In Attendance

David Murphy (Secretary)  
Nicola Todd (Deputy Secretary)  
Maria Bowers (Head of Finance)  
Denise McElrea (Head of Governance and HR)  
Annie McElhatton (Investment Services Manager)  
Catherine Whyte (Governance Manager)  
Gerard Murray (Department for Communities)  
Chris Lyons (LGIM)  
Robert Dowling (LGIM)  
Anthony Pickering (BlueBay)  
Blair Reid (BlueBay)

### Invited but did not attend

J J Tohill

## 1 Declaration of Member Interests

- 1.1 The Secretary advised those members who were attending remotely that their cameras should remain turned on for the duration of the meeting, otherwise it would be assumed that they had left the meeting.
- 1.2 The Secretary informed the Committee that the TPR General Code of Practice required that the Committee's Register of Interest should be discussed as a standing item at the start of every meeting. He advised that going forward the Governance team would review the register in advance of the meeting and highlight to the Secretary any previously declared interests. The Secretary advised that he would present any such conflicts to the Committee at the start of each meeting. He proceeded to outline conflicts of interest recorded by Alan Law and Antoinette McMillen, advising that items relating to McCloud litigation would be heard in the absence of those members of the Committee employed by NIPSA.

- 1.3 Antoinette advised that the papers referred to an agreement with the Trade Union and therefore she may have a conflict should the matter be discussed further. There were no other declarations of interest received.

## **2 Chairperson's Business and Apologies**

- 2.1 The Chairperson reported that J J Tohill would be late to join the meeting.
- 2.2 There was no Chairperson's business.

## **3 Minutes of the Previous Meeting held on 28 January 2025**

- 3.1 The minutes of the meeting held on 28 January 2025, having been circulated, were agreed.

## **4 Matters Arising**

- 4.1 The Secretary advised the Committee that Derek McCallan had received his appraisal from DfC for his role as Interim Chair.
- 4.2 The Secretary advised that following the Committee's approval of NILGOSC's response to the DfC on their review of NILGOSC, this response had since been sent to DfC.
- 4.3 The Secretary informed the Committee that the secure electronic database would be launched with ARAC members this week and would be subsequently rolled out to the remaining Committee members.
- 4.4 The Secretary advised that the standstill phase of the tender process for an Investment Advisor had completed and ISIO had been informed of the intention to appoint, following the Committee's approval at their last meeting. He confirmed that contract negotiation was ongoing and that the intention remained to have the new adviser in place by 1 April 2025.

## **5 Staffing Committee**

- 5.1 The Chair of the Staffing Committee gave a verbal report on the meeting held on 28 January 2025.
- 5.2 The Committee noted the verbal report.

## **6 Audit and Risk Assurance Committee**

### **6.1 Report of the Meeting held on 5 February 2025**

- 6.1.1 The Chair of the ARAC gave a verbal report of the ARAC meeting held on 5 February 2025.

6.1.2 The Chair of the ARAC highlighted that, at the meeting, the new DfC Representative advised she was conflicted with matters relating to McCloud. The Head of Governance and HR advised that she had liaised with the Department, advising, that to promote transparency, NILGOSC would continue to provide a full copy of all ARAC papers to an unconflicted representative, who would be responsible for redacting any conflicting matters before providing to the ARAC attendee.

6.1.3 The Committee noted the report.

## **6.2 Risk Register 2024/25**

6.2.1 The Head of Governance and HR presented the review of the Risk Register as of 31 December 2024, noting that a redacted version of the report had been issued to conflicted members.

6.2.2 The Committee noted the review and approved the changes to risk O4 and risk O11.

6.2.3 The Committee requested that information on recruitment and retention figures continue to be monitored in order to assess the impact of the pay point adjustments implemented in November 2024.

6.2.4 Gerard Murray advised that he was liaising with CPD at Deputy Secretary level on the procurement difficulties faced by NILGOSC.

The Head of Finance joined the meeting.

## **7 Corporate Plan**

7.1 The Deputy Secretary presented the draft Corporate Plan for 2025/26 – 2027/28 and provided an overview of its contents.

7.2 The Deputy Secretary gave a summary of the key activities and challenges for the year ahead and outlined the proposed changes to the plan.

7.3 The Committee discussed the proposed amendments to the plan, focusing on recruitment challenges, a people strategy and suitability of Templeton House.

7.4 The Deputy Secretary advised that, once approved by the Committee, the Corporate Plan would be forwarded to the Department as the Minister is required to approve the strategic objectives.

7.5 The Committee approved the Corporate Plan 2025/26 – 2027/28.

## **8 Annual Budget**

8.1 The Head of Finance presented the Annual Budget for the administration of the scheme for 2025/26 of £8,233,000, together with planned capital spend of £507,000.

- 8.2 The Head of Finance explained the variance between projected expenditure for 2024/25 and actual spend. She further outlined forecast expenditure for the year ahead, providing the rationale for any significant variances on the prior year.
- 8.3 The Committee noted the increase of £865k on the 2025/26 Administration budget and the explanations provided. The Committee noted the assumptions adopted for staff salaries and acknowledged that further in-year approval may be required if the 2025/26 pay settlement exceeds those assumptions.
- 8.4 The Committee approved the annual budget for 2025/26 of £8,233,000 together with planned capital spend of £507,000.

Alan Law and Antoinette McMillen left the meeting.

- 8.5 The Head of Finance presented a separate budget paper on Additional Legal Services required to secure specialist legal services to assist NILGOSC in defending multiple compensation claims made by NIPSA members for injury to feelings.
- 8.6 The Committee approved the specific legal budget as presented for 2025/26.
- 8.7 The Committee requested an update on the status of the NIPSA cases. The Secretary advised an update would be provided from a legal representative as part of the Annual Report Supplement presented at the August meeting.

The Head of Finance left the meeting. The Committee had a short break. Alan Law and Antoinette McMillen rejoined the meeting. The Investment Services Manager joined the meeting.

## **9 Manager Performance Briefing Note – Legal and General**

- 9.1 The Investment Services Manager provided a report which summarised the portfolio performance of Legal and General for the year to 31 December 2024.
- 9.2 The Committee noted the Manager Briefing Report.

The Legal and General representatives joined the meeting.

## **10 Presentation by Legal and General**

- 10.1 The Chair welcomed the representatives of Legal and General to the meeting and invited them to present their report on the investment process, performance and updates for the passively managed portfolio for the year to 31 December 2024.
- 10.2 Chris Lyons gave an overview of the index management business at LGIM and current assets under management.

- 10.3 Robert Dowling gave an overview of the low carbon transition fund and its performance over the period under review.
- 10.4 Robert Dowling gave an update on the performance of the index linked gilt portfolio, together with the market outlook.
- 10.5 The Committee raised a number of questions with Legal and General on the performance of the fossil fuels sector, engagement with higher emitting companies, shifts in regulatory environment, tracking of emerging markets and liquidity in the index linked gilts market.

Alan Law left the meeting.

- 10.6 The Chair thanked the representatives of Legal and General for their presentation and the Committee noted the presentation.

The Legal and General representatives left the meeting. Heather McKinstry left the meeting.

## **11 Manager Performance Briefing Note – BlueBay**

- 11.1 The Investment Services Manager provided a report which summarised the portfolio performance of BlueBay for the year 31 December 2024.
- 11.2 The Committee noted the Manager Briefing Report.

The BlueBay representatives joined the meeting.

## **12 Presentation by BlueBay**

- 12.1 The Chair welcomed the representatives of BlueBay to the meeting and invited them to present their report on the performance and activity of the portfolio throughout the year to 31 December 2024.
- 12.2 Anthony Pickering gave an overview of the mandate. Blair Reid provided a summary of the market over the last year and gave an overview of the portfolio's performance, current positioning and outlook.
- 12.3 The Committee raised a number of questions with BlueBay on areas of relative value, cash interest rates, ESG characteristics, the recent UK Securitisation Regulation breach and the outlook for emerging markets.
- 12.4 The Chair thanked BlueBay for their presentation and the Committee noted the presentation.

The BlueBay representatives and the Investment Services Manager left the meeting. Derek McCallan left the meeting.

## **13 Secretary's Report and Seal Log**

- 13.1 The Secretary presented his report outlining important operational issues that had arisen since the last Committee meeting.

- 13.2 He advised that the Management Committee had been redesignated as NILGOSC's Pension Board for a further period of five years from 1 April 2025.
- 13.3 The Secretary updated the Committee that DfC's recruitment exercise for an Employer Representative was active and would close on 3 March. He confirmed that an email link had been sent to all scheme employers.
- 13.4 The Secretary advised the Committee that the Internal Audit tender exercise was published by CPD on 28 January with a closing date of 4 March. He confirmed that it was likely that a new contract will not now be in place before 1 April and the team were exploring options to cover any gap.
- 13.5 The Secretary advised that CPD had proposed to revise Procurement Control Limits and Procedures, although this would require approval at Executive level.
- 13.6 The Secretary gave an update on the automatic response to NILGOSC's response to the HMRC consultation on 'Bringing pension death grants within scope of inheritance tax'.
- 13.7 The Committee noted the Secretary's Report and Seal Log.

#### **14 Any Other Business**

- 14.1 The Chair reminded the Committee that an actuarial workshop would follow the March meeting.
- 14.2 Dooley Harte gave his apologies for the March meeting.

There being no further business, the meeting was closed.

---

Chairperson (Signature)

---

Date