Northern Ireland Local Government Officers' Superannuation Committee

Minutes of the meeting of the Management Committee held at Templeton House on 17 June 2025 at 10.15am.

Members Present

Mark McBride (Chair), Richard Baker, Ken Clayton, Dooley Harte, Alan Law, Cathy Matthews, Shane McCurdy, Heather McKinstry, Antoinette McMillen, Peter Moore and Michael Rafferty (via MS Teams) and JJ Tohill.

In Attendance

David Murphy (Secretary)
Nicola Todd (Deputy Secretary)
Denise McElrea (Head of Governance and HR)
Louise Hickland (Head of Investment Services)
Catherine Whyte (Governance Manager)
Gerard Murray (Department of Communities)
Sophie Simmonds (La Salle)
John Longworth (La Salle)
Andrew Singh (Isio)
Jonny Moore (Isio)

Invited and did not attend

Paul Francey was unable to attend.

1 Declaration of Member Interests

1.1 The Secretary presented the standing item of the Committee's Register of Interest. He informed the Committee that the Governance team had considered the Register in advance of the meeting and had highlighted various conflicts relating to the McCloud and NIPSA litigation. He advised that redacted copies had been issued to Alan Law, Antoinette McMillen and JJ Tohill. He informed the Committee that JJ Tohill's conflict had been resolved following the issue of papers, and so he had since received an unredacted copy.

1.2 Alan Law queried if a redacted item on the agenda was relating to him and drew the Committee's attention to minute 19.3 from August 24 which made reference to NILGOSC seeking legal advice on a conflict of interest, asking was the redacted item relating to this same legal advice. He advised that he wished to have access to the redacted item.

1.3 Antoinette McMillen asked if the redacted item was regarding her and stated that she had a right to know due to natural justice and human rights. She advised that a conflict was a matter that should be declared by the individual and not something that could be deemed by a Committee or other.

1.4 Ken Clayton informed the Committee of the nature of the redacted item, advising that he felt the item shouldn't be discussed and that he wouldn't be making a decision on this item unless the subject of the item had the opportunity to voice their case.

1.5 Mark McBride reminded the Committee that they couldn't enter into discussions about the redacted item as some members were conflicted.

1.6 The Secretary advised that he could not respond to queries about the item as it was deemed to be a conflicting item and had been redacted for some members.

1.7 The Secretary informed the subject of the redacted item that they were conflicted due to their employment. He advised that he would need to seek legal advice before any more information would be shared.

1.8 The Committee discussed the sanction of the report.

1.9 JJ Tohill gave a recount of a previous instance whereby the Committee had requested Legal advice on potential or perceived conflicts and stated that he felt the Committee should have been aware of this report being commissioned.

1.10 The Secretary confirmed that he had made the decision to redact the papers and to obtain the legal advice which was done in the best interests of the Committee. He suggested that Committee members could decide whether they wished to defer this item.

1.11 Antoinette McMillen left the room to allow the Committee to discuss the appropriate course of action regarding the redacted item. Alan Law objected to the decision that he should have to leave the room as he did not believe he had a conflict. Mark Mcbride advised that he didn't ask him to leave the room.

1.12 The Secretary suggested that he sought legal advice on whether there was any significant impediment in the redacted item being shared with Antoinette McMillen and Alan Law and the item was deferred to a later meeting.

1.13 The Committee agreed to seek advice from NILGOSC's Legal team as to whether the report could be shared with Antoinette McMillen and Alan Law without causing any significant impediment, and to defer the item to a later meeting but without undue delay.

Antoinette McMillen rejoined the meeting.

1.14 The Secretary advised Antoinette McMillen that the item would be deferred pending legal advice regarding its release.

2 Chairperson's Business and Apologies

2.1 It was noted that Paul Francey was not in attendance.

3 Minutes of the previous meeting on 27 May 2025

3.1 The minutes of the meeting held on 27 May 2025, having been circulated, were agreed. These minutes were signed by the Chair.

4 Matters Arising

4.1 Alan Law asked for an update regarding conference attendance. The Secretary advised that suitable conferences would be circulated via email when made available.

5 Audit and Risk Assurance Committee

5.1 Report of Meeting held on 4 June 2025

5.1.1 The Committee noted the verbal report, presented by Michael Rafferty, of the meeting held on 4 June 2025.

5.2 2024/25 Risk Register Review for the Quarter Ended 31 March 2025

5.2.1 The Governance Manager presented the review of the risk register for the quarter ended 31 March 2025.

5.2.2 The Committee noted the review of the Risk Register.

5.3 Annual Review of the Risk Register 2024/25

5.3.1 The Governance Manager presented the Annual Review of the Risk Register.

5.3.2 The Committee approved the Risk Register for the period 2025/26.

5.4 Assurance map and framework

5.4.1 The Head of Governance and HR presented a paper providing an overview of NILGOSC's approach to mapping assurances across critical risks and key services and processes.

5.4.2 The Committee noted the 2025/26 Assurance map.

5.5 Annual Report of the Audit and Risk Assurance Committee

5.5.1 The Governance Manager presented the annual report of the ARAC for 2024/25.

5.5.2 The Committee noted the report and endorsed it for inclusion in the Annual Report.

6 Manager Performance Briefing Note – La Salle

6.1 The Deputy Secretary provided a report to the Committee which summarised the performance of both the core property and index-linked property portfolios for the year to 31 March 2025.

6.2 The Committee noted the Manager Briefing report.

The Head of Governance and HR left the meeting. The Committee had a short break and the Head of Investment Services and the representatives from La Salle and Isio joined the meeting.

7 Presentation by LaSalle

7.1 The Chair welcomed Sophie Simmonds and John Longworth to the meeting and invited them to present their reports.

7.2 Sophie Simmonds provided an overview of the UK property market and presented an overview of the performance of the Core property portfolio.

7.3 John Longworth presented a summary of asset management techniques and outlined the objectives for the year ahead.

7.4 Sophie Simmonds gave a summary of performance against targets and sustainability.

7.5 The Committee raised several questions relating to UK property valuations, acquisitions, concentration risk, disposals and residential sectors.

7.6 The Departmental Representative queried if there was any planned investment for Northern Ireland.

7.7 The Chair thanked LaSalle for their reports, and the Committee noted the presentation.

The LaSalle representatives left the meeting.

8 Investment Monitoring Scorecard

8.1 The Head of Investment Services presented the outcome of the investment manager review for the quarter ended 31 March 2025.

8.2 The Head of Investment Services informed the Committee that with three exceptions, all mandates had been awarded an overall green rating. She advised that [redacted] and [redacted] mandates remained on the watchlist and that the [redacted] mandate had joined the watchlist.

8.3 The Committee noted the overall ratings for the quarter ended 31 March 2025.

8.4 The Committee agreed that the [redacted] mandate would remain on the watchlist pending review of the suitability of a low volatility equity allocation within the Fund's Investment Strategy as part of the 2025 Investment Strategy Review.

8.5 The Committee agreed that the [redacted] mandate remained on the watchlist at 31 March 2025, pending review of the suitability of a higher risk ARB strategy allocation within the Fund's Investment Strategy as part of the 2025 Investment Strategy Review.

8.6 The Committee agreed to add [redacted] to the watchlist with effect from 31 March 2025, pending further investigation.

9 Presentation by Isio

9.1 The Chair welcome Andrew Singh and Jonny Moore to their first Committee meeting and invited them to present Isio's quarterly investment report to the Committee. Andrew introduced himself and Jonny to the Committee and provided a short career biography, explaining their roles within Isio and with the NILGOSC fund.

9.2 Andrew Singh provided a market overview together with the fund's total performance for the quarter ended 31 March 2025.

9.3 Jonny Moore discussed the Investment strategy and plans for the coming months as well as giving an overview of the market environment and fund managers.

9.4 The Committee noted the report.

10 Appointment of an Emerging Markets Manager

10.1 The Head of Investment Services presented a paper setting out the proposed course of action for selecting a suitable active Emerging Market Equity Manager.

10.2 The Committee agreed the approach adopted by Isio in compiling its Select List of Emerging Market Equity Managers.

10.3 The Committee approved the use of the selection criteria for the selection of an Emerging Market Equity Manager, suitable for NILGOSC's investment strategy.

10.4 The Committee delegated the administration of the selection process to Isio and the Selection Panel.

Michael Rafferty, the Head of Investment Services and the Isio representatives left the meeting.

11 Audit and Risk Assurance Committee

11.1 Departmental Assurance Report

11.1.1 The Secretary presented the Departmental Assurance Statement for the six months ended 31 March 2025.

11.1.2 The Secretary advised that overall assurance was provided during the reporting period.

11.1.3 The Committee noted the completed Departmental Assurance Statement for the six-month period ended 31 March 2025. The Chair agreed to sign the Departmental Assurance Statement.

11.2 Draft Governance Statement as at 31 March 2025

11.2.1 The Secretary presented the Accounting Officer's Governance Statement for the financial year ended 31 March 2025, and gave a summary of the key points and updates.

11.2.2 The Committee agreed to endorse the Accounting Officer's Governance Statement for the financial year ended 31 March 2025.

12 NILGOSC Board Effectiveness Review

12.1 The Head of Governance and HR presented a paper, outlining the rationale and approach to be taken in the externally facilitated Board Effectiveness review.

12.2 Gerard Murray advised that he or Jeff Glass would participate.

12.3 The Committee noted the approach outlined and their role in the process.

Antoinette McMillen left the meeting.

13 Public Sector Pensions Report

13.1 The Secretary provided the Committee with an update on Public Sector Pensions.

13.2 The Secretary updated the Committee on the LGPS (England and Wales) Fit for the future consultation and the LGPS (Miscellaneous amendments) Regulations 2025.

13.3 The Committee noted the update on Public Service Pension Schemes.

14 Secretary's Report and Seal Log

14.1 The Secretary presented his report to the Committee outlining important operational issues that had arisen since the last Committee Meeting.

14.2 The Secretary advised that since his last update he had met with DfC on two occasions, highlighting the communication between NILGOSC and DfC.

14.3 The Secretary updated the Committee on a TPR breach relating to reassessments not being completed within timescales.

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

15 Any Other Business

15.1 JJ Tohill advised he would be unable to attend the Investment training in August and asked if it could be recorded.

There being no further business, the meeting was closed.

Chairperson (Signature).

Date