

Northern Ireland Local Government Officers' Superannuation Committee

Minutes of the meeting of the Management Committee held at Templeton House on 30 September 2025 at 10:15am.

Members Present

Mark McBride (Chair), Ken Clayton, Michael Rafferty (Via MS teams), Richard Baker, Alan Law (Via MS teams), Shane McCurdy, Heather McKinstry (Via MS teams), Peter Moore, Paul Francey, Dooley Harte, Cathy Matthews and JJ Tohill.

In Attendance

David Murphy (Secretary)
Nicola Todd (Deputy Secretary)
Sinead Health (Chief Pensions Officer)
Zena Kee (Head of Pensions Policy) (Via MS teams)
Maria Bowers (Head of Finance)
Denise McElrea (Head of Governance and HR)
Helen McEvoy (Investment Services Manager)
Gemma Major (Governance Officer)
Gerard Murray (Department for Communities)
Moritz Valeriano (CBRE)
Steven Storrs (CBRE)
Andrew Singh (Isio)
Jonny Moore (Isio)
Laura Caudwell (Aon)
Becky Durran (Aon)

Apologies

Antoinette McMillen

Louise Hickland

Invited but did not attend

John Smith

1 Declaration of Member Interests

- 1.1 The Secretary provided a summary of member interests as previously declared by Antoinette McMillen and Alan Law, noting that there were no relevant issues identified with the September Management Committee meeting agenda.

1.2 The Secretary reminded Committee Members that the physical Register of Interests is available for review in the boardroom at Templeton House.

2 Chairperson's Business and Apologies

2.1 Apologies were received from Antoinette McMillen, and it was noted that John Smith, DfC, was not in attendance.

2.2 The Chair and the Committee welcomed back Paul Francey, following a period of ill health.

2.3 The Chairperson reported that JJ Tohill would be late to join the meeting.

2.4 Multiple Committee Members declared they would need to leave the meeting early. Alan Law needed to leave at 12:30pm. Heather McKinstry at 1pm, Paul Francey would need to leave at lunchtime and Richard Baker needed to leave at 2pm. Gerard Murray from the Department also announced he needed to leave at 2:30pm.

2.5 The Chair acknowledged the successful event held at Stormont on 25 September to mark NILGOSC's 75th anniversary and thanked the Head of Governance and HR for organising it. Gerard Murray stated that the Minister for Communities and the Department wanted to thank NILGOSC for the invitation to the 75th anniversary event at Stormont, adding that the feedback on the event was very positive.

3 Minutes of the previous meeting on 26 August 2025

3.1 The minutes of the meeting held on 26 August 2025, having been circulated, were agreed subject to the correction of a typo at 16.3.

3.2 The Chair signed the updated minutes from the June meeting and confirmed he would sign the August minutes once amended.

4 Matters Arising

4.1 There were no matters arising.

5 Internal Dispute Resolution Committee

5.1 As Chair of the Internal Dispute Resolution Committee (IDRC), Ken Clayton presented a report of the IDRC Meeting held on 8 September 2025.

5.2 The Management Committee noted the report.

The Investment Services Manager joined the meeting.

6 Climate Related Disclosure Report

- 6.1 The Head of Investment Services presented a paper which summarised NILGOSC's fifth voluntary Climate Related Disclosure Report for the year ended 31 March 2025.
- 6.2 She outlined key metrics, highlighting ongoing challenges with asset coverage and comparability.
- 6.3 The Committee acknowledged the favourable comparison against the MSCI World index across all three reported emissions metrics.
- 6.4 The Committee noted the Climate-related Disclosures Report as at 31 March 2025.

7 Manager Performance Briefing Note – CBRE

- 7.1 The Investment Services Manager expressed apologies on behalf of the Head of Investment Services who could not attend the meeting.
- 7.2 In her absence, the Investment Services Manager provided an overview of the performance of the CBRE Investment Management's (CBRE) global property portfolio for the year to 30 June 2025.
- 7.3 The Committee noted the report and agreed to use it as a basis for discussion with CBRE.

CBRE & Isio representatives joined the meeting.

8 Presentation by CBRE

- 8.1 The Chair welcomed the representatives of CBRE and invited them to present their report on the Global Property Portfolio.
- 8.2 The Portfolio Manager, Moritz Valeriano and the Head of Portfolio Management, Steven Storrs from CBRE introduced themselves to the Committee. Steven Storrs provided an overview of the macro environment together with expectations and outlook for regional property markets. Moritz Valeriano provided a summary of performance over the last twelve months, noting key contributors and detractors.
- 8.3 Moritz provided a summary of sustainability initiatives, noting CBRE's strong GRESB performance and the use of the Climate X tool to guide engagement on climate exposures.

- 8.4 The Committee raised a number of questions with CBRE including the performance of the portfolio, the key market trends over the past 6 months, the impact of American tariffs on the portfolio, the structure of the management team and further information on Climate X.
- 8.5 The Committee noted the presentation given by CBRE on the performance of the global property fund and the Chair thanked Moritz and Steven for attending.

The CBRE representatives left the meeting, and the Committee had a short break.

9 Presentation by Isio

- 9.1 The Chair and the Committee welcomed back the Isio representatives Andrew Singh and Jonny Moore, and invited them to present Isio's quarterly report on the performance of the Fund for the quarter ended 30 June 2025.
- 9.2 Andrew Singh and Jonny Moore provided a market overview together with the fund's total performance, including both manager and asset level performance for the quarter ended 30 June 2025.

JJ Tohill joined the meeting.

- 9.3 The Chair requested if the Manager Rating Summary table could be presented differently in order to better reflect the different rating systems in operation. This was noted by Isio who confirmed it will be reviewed for the next quarterly report.
- 9.4 The Committee noted the report.

10 Investment Monitoring Scorecard

- 10.1 The Investment Services Manager presented the Investment Monitoring Scorecard Report for the quarter ended 30 June 2025.
- 10.2 The Investment Services Manager advised that whilst Isio's specialist research team does not formally rate all of NILGOSC's mandates, it completed initial 'red flag' reviews for each mandate and the outcome of these reviews has been included in the scorecard report.
- 10.3 She advised that the Unigestion, T. Rowe Price and PIMCO mandates have retained their overall amber rating and remain on the Watchlist pending further review. All other mandates have been awarded an overall green rating for the quarter.

- 10.4 The Management Committee noted the overall ratings for the quarter ended 30 June 2025 and agreed that Unigestion, T Rowe Price and PIMCO all remain on the Watchlist as at 30 June 2025 pending assessment of the long-term suitability of the mandates as part of the 2025 investment strategy review.

The Investment Services Manager, Isio, and Alan Law left the meeting. The Head of Finance joined the meeting.

11 Purchasing Policy and Delegation of Authority

- 11.1 The Head of Finance presented the revised Purchasing Policy and corresponding amendments to the Delegation of Authority for approval.
- 11.2 The Head of Finance outlined the changes that were required as a result of the introduction of the Procurement Act 2023 (effective from February 2025) and revised procurement guidance issued by the Department of Finance in June 2025.
- 11.3 Gerard Murray advised that the Gateway Review process could still be utilised for risky or complex projects falling below the threshold.
- 11.4 The Secretary proposed a minor amendment to section 15.3 of the policy to state that NILGOSC will 'normally apply' the de minimis limit of £5m when determining whether a Gateway Review is appropriate.
- 11.5 The Committee approved the revised Purchasing Policy and agreed to amend para 1.6.1(v) of the Delegations of Authority to read 'Approval of single tender actions exceeding £10,000'.

12 Public Sector Pensions Report

- 12.1 The Secretary presented the Public Sector Pensions Update which covered various different areas including an extension in the scope of the pooling elements of the Pensions Bill to include Scotland and amendments to the Bill to provide a remedy for all UK schemes in relation to the Virgin Media judgment.
- 12.2 The Management Committee noted the update.

13 Secretary's Report and Seal Log

- 13.1 The Secretary's Report and Seal Log was presented to the Committee by the Secretary.

- 13.2 The Secretary stated that the Financial Reporting Council (FRC) confirmed that, following its review of NILGOSC's fourth Stewardship Report, NILGOSC was successful in remaining listed as a signatory to the UK Stewardship Code.
- 13.3 The Secretary advised that the Annual Report and Accounts 2024/25 that were approved by the Management Committee on 26 August 2025 were laid before the Northern Ireland Assembly on 12 September 2025.
- 13.4 The Secretary reported that 98.8% of active member annual benefit statements were issued by the statutory deadline of 31 August 2025.
- 13.5 The Secretary provided an update on the Dashboard project and confirmed that NILGOSC expected to be connected to the dashboard by its due date.
- 13.6 The Seal log was presented to the Committee showing all documents which the seal has been applied and witnessed by the Secretary, Deputy Secretary, or acting Secretary.
- 13.7 The Committee noted the Secretary's report and Seal log.

14 Any Other Business

- 14.1 JJ Tohill declared that he can no longer attend the Edinburgh LGC Conference which is to be held at the end of October. It was agreed that his place would be offered to other Committee Members. The Governance Officer will action this.
- 14.2 The Chair advised that John Smith could not attend the meeting, but it is hoped he will attend the Management Committee meeting scheduled in November.
- 14.3 The Chair advised that the draft report on the Board Effectiveness Review has been received and the intention is that the final report will be presented at the November meeting.

Paul Francey & Heather McKinstry left the meeting. The Committee had a short break.

Laura Caudwell, Becky Durran and Zena Kee joined the meeting.

15 Actuarial Valuation 2025

15.1 The Chair welcomed and introduced representatives from the Scheme Actuary, Laura Caudwell and Becky Durran, to the Management Committee.

15.2 The Scheme Actuary presented the initial valuation results and sought agreement from the Committee on the assumptions and risk appetite to be adopted for the 2025 Actuarial Valuation. The Scheme Actuary provided a recap of the valuation process and key assumptions, together with provisional results at a total Fund and Main Group level. The Scheme Actuary outlined her advice and recommendations in respect to the various key assumptions.

Richard Baker left the meeting.

15.3 The Committee considered the impact the various options would have on the funding level and stability for employers inside and outside of the Main Group.

Gerrard Murray, Peter Moore and Ken Clayton left the meeting.

15.4 The Committee noted the advice provided by the Scheme Actuary with respect to a proposed surplus buffer of 110% and expressed its desire to increase the buffer further to reflect its belief that further prudence was required to maintain stability in employer contribution rates in the future. The Committee expressed its concerns around inflation and the potential for future market correction. Shane McCurdy proposed to increase the surplus buffer to 115% to reflect the Committee's concerns. JJ Tohill seconded the motion.

15.5 The Scheme Actuary advised that they would be comfortable with the 115% proposed albeit it a large increase from the previous valuation and it would leave NILGOSC at the prudent end of the range. The Actuary also noted that climate risk was an additional factor to consider when considering prudence in assumptions.

15.6 The Committee noted the advice provided and agreed the following key assumptions for the 2025 valuation:

CPI	2.1%
Pension Increases	CPI
Pay Increases	3.6%
Discount rate (Grouped Employers)	4.7%
Discount rate (Intermediate employers)	In Service 4.7% Left Service 4.5%
Discount rate (Orphan employers)	In Service 4.7% Left Service 4.3%
Life Expectancy age 65 Men/Women	21.4/25.2

- 15.7 The Committee agreed to increase the Probability of Funding Success to 82.5% and to increase the surplus buffer to 115%. It further agreed to disapply the stepping mechanism used when contribution rates are increasing, given the current strong funding position.
- 15.8 The Committee requested that the Scheme Actuary rerun the numbers based on its decision to increase the surplus buffer to 115%.
- 15.9 The Chair thanked Aon for their time, and the meeting was concluded.

Chairperson (Signature).

Date