Northern Ireland Local Government Officers' Superannuation Committee

Minutes of the meeting of the Management Committee held at Templeton House on 25 August 2026 at 10:00am.

Members' Present

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

In Attendance

David Murphy (Secretary)
Nicola Todd (Deputy Secretary)
Sinead Heath (Chief Pensions Officer)
Anne Baird (Chief Finance Officer)
Louise Hickland (Head of Investment Services)
Ben Smith (Portfolio Services Manager)
Denise McElrea (Head of Governance and HR)
Catherine Whyte (Governance Manager)
Gemma Major (Governance Officer)
Gerard Murray (Department for Communities)
Andrew Skeat (T. Rowe Price)
Arif Husain (T. Rowe Price)

1 Declaration of Member Interests

1.1 Antionette McMillen and Alan Law declared an interest in risk O18 of the Risk Register Review Quarter Ended 30 June 2026 paper, and a section within the Annual Report Supplement 2025/26 which related to the McCloud and Thornhill legal cases. As these matters related to a previously declared interest arising with their employment by NIPSA, both members received redacted versions of each paper.

2 Chairperson's Business and Apologies

2.1 The Chair confirmed that Alan Law, Michael Rafferty and Ken Clayton would need to leave the meeting early.

3 Minutes of the previous meeting on 23 June 2026

3.1 The minutes of the meeting held on 23 June 2026, having been circulated, were agreed.

3.2 These minutes were signed by the Chair.

4 Matters Arising

4.1 The Secretary confirmed that the Governance Statement was amended to note where IDRC meeting attendance had been impacted by a member conflict.

4.2 The Committee noted the update.

5 Internal Dispute Resolution Committee

5.1 The Chair of the IDRC provided a brief overview of the meeting held on 10 August 2026.

5.2 The Committee queried the name mentioned within 4.2 of the report. The Chair of the IDRC confirmed this was the name of a healthcare professional and not the member.

5.3 The Committee noted the report.

6 Audit and Risk Assurance Committee

6.1 Report of Meeting held on 12 August 2026

6.1.1 The Chair of the ARAC provided an overview of the ARAC agenda and reports presented at the meeting held on 12 August 2026.

6.1.2 He reported that ARAC considered a number of key reports including the review of the Risk Register, an Internal Audit Progress Report, the Anti-Fraud and Raised Concerns Report, the Raising Concerns Policy, the NIAO Report to those Charged with Governance and the Annual Report and Accounts.

6.1.3 JJ Tohill extended his apologies for not attending the ARAC due to personal commitments.

6.1.4 The Committee noted the verbal report, presented by the ARAC Chair, of the meeting held on 12 August 2026.

6.2 2026/27 Risk Register Review for the Quarter Ended 30 June 2026

6.2.1 The Governance Manager presented the review of the risk register for the quarter ended 30 June 2026.

6.2.2 The Committee approved the outcome of the review of the Risk Register and approved the proposed change to risk C4.

Gerard Murray joined the meeting.

6.3 Report to those charged with Governance (RTTCWG) and Annual Report and Accounts 2025/26

6.3.1 The Chair of the ARAC presented the RTTCWG and Annual Report and Accounts, providing an overview of key results and noting that the ARAC had recommended them to the Management Committee for approval.

6.3.2 The Chair of ARAC highlighted that the RTTCWG contained a unqualified audit opinion and drew the Committee's attention to the three unadjusted misstatements identified in the report. He confirmed that two of the misstatements were considered potential differences rather than actual misstatements, as they related to pricing differences between custodian and investment manager valuations.

6.3.3 The Chief Finance Officer provided further background to the unadjusted misstatements and advised that the external auditors had confirmed that updated explanatory wording would be included in the final RTTCWG report, which is to be published by the Local Government Auditor following the certification of the 2025/26 Annual Report and Accounts.

6.3.4 Gerrard Murray queried the rationale behind the misstatement relating to the valuation of Level 3 investments. The Chief Finance Officer stated that there will always be a difference due to the timing and use of December valuations in the year end accounts. She advised that the NIAO had previously indicated that it was content with this approach, noting that an adjustment would be made if the difference exceeded agreed materiality thresholds.

6.3.5 The Chair of ARAC stated that there were no audit recommendations from NIAO and the Committee congratulated the Chief Finance Officer and Finance team on the outcome and thanked them for their hard work.

6.3.6 The Committee noted the 'Report to those charged with Governance', endorsed Management's rationale for not adjusting any misstatements and approved the Annual Report and Accounts 2025/26.

6.4 Raising Concerns Policy

6.4.1 The Governance Manager presented the report which set out the changes made to the Raising Concerns Policy following its most recent review, which was completed in line with the updated NIAO Raising Concerns – A Good Practice Guide for the Northern Ireland Public Sector – March 2026.

6.4.2 The Governance Manager advised that a new section had been added to the policy to include the six new NIAO principles and summarise how NILGOSC complies with each. She advised that other minor tracked changes were made to the document which were outlined in the attached policy.

6.4.3 The Committee queried the wording at point 2.4 of the policy and requested an amendment to the wording in order to cross reference a later section on confidentiality.

6.4.4 The Committee approved the Raising Concerns Policy subject to the proposed amendment.

7 Committee Member Representation On Sub-Committees

7.1 The Chair presented a paper to review the current representation on NILGOSC Sub-Committees and consider the additional sub-committee appointments of Cathy Matthews to the ARAC committee and Richard Baker to the Staffing Committee.

7.2 The Committee approved the new appointments of Cathy Matthews to the ARAC committee and Richard Baker to the Staffing Committee.

8 Committee Meeting Dates 2027

8.1 The Deputy Secretary presented a paper outlining the proposed Committee Meeting dates for 2027.

8.2 The Chair proposed that the May meeting date be moved to Friday 21 May 2027 to avoid a clash with the NIPSA annual conference.

8.3 The Management Committee agreed the proposed Committee meeting dates for 2027 subject to an amendment to the May meeting date from 25 May to 21 May.

9 Complaints Policy

9.1 The Governance Manager presented the revised Complaints Handling Procedure highlighting to the Committee the reason for the updates were to ensure compliance with the requirements of the Data (Use and Access) Act 2025.

9.2 JJ Tohill queried the need for the amendments. The Governance Manager confirmed that the updated policy recognised data protection complaints as a separate category and provided a clear channel for people to complain to NILGOSC in the first instance before going to the ICO.

9.3 The Committee approved the amendments to the complaints policy.

The Governance Manager left the meeting.

10 Property Management Service

10.1 The Head of Governance and HR presented paper which set out the need to procure a third-party Facilities Management provider to ensure NILGOSC's regulatory property obligations and corporate objectives are met. She provided a summary of the required procurement route via CPD, together with the proposed evaluation criteria and timeline.

10.2 The Committee raised a query around the proposed fee structure and asked whether a fixed fee would be more appropriate.

10.3 The Head of Governance and HR confirmed that the use of a fixed fee would be considered by the procurement team.

10.4 The Committee agreed the procurement and selection approach for a Facilities Management Provider.

The Chief Pensions Officer joined the meeting.

11 Actuarial Services

11.1 The Chief Pensions Office presented the paper setting out the business need for an Actuarial Services provider together with the proposed procurement approach via the National LGPS Framework.

11.2 The Chief Pensions Officer informed the Committee that the current provider of actuarial services to NILGOSC is Aon and their 7-year contract will cease on 30 June 2027.

11.3 The Chief Pensions Officer highlighted the four providers listed on the Framework and outlined expected service requirements, together with the proposed evaluation criteria, composition of the selection panel and the proposed timeframe.

11.4 The Committee agreed the procurement and selection approach for an actuarial services provider as set out in the report.

The Chief Pension Officer left the meeting, the Head of Investment Services joined the meeting and the Committee took a short break.

12 Performance Assessment of Investment Advisors

12.1 The Head of Investment Services presented the draft balanced scorecard and performance assessment of the investment advisors, Isio and Lothian Pension Fund, during the year ended 31 March 2026.

12.2 The Committee reviewed and agreed the balanced scorecard assessments of the performance of NILGOSC's investment advisory service partners, Isio and Lothian Pension Fund, against agreed Strategic Objectives for the year end 31 March 2026.

12.3 The Chairperson certified the Compliance Statement for onward submission to the CMA by the due date of 7 January 2027.

13 Manager Performance Briefing Note – T. Rowe Price

13.1 The Head of Investment Services presented a paper summarising the performance of the Absolute Return Bond Portfolio managed by T. Rowe Price for the year to 30 June 2026. She reminded the Committee that the Absolute Return Bonds allocation has been removed from the strategic allocation and accordingly the mandate would be terminated in line with the strategy implementation schedule.

13.2 The Committee noted the report and agreed to use it as a basis for discussion with T. Rowe Price.

The Portfolio Services Manager and the T. Rowe Price representatives joined the meeting.

14 Presentation By T. Rowe Price

14.1 The Chairperson welcomed the representatives of T. Rowe Price and invited them to present their report on the performance and activity of the absolute return bond portfolio throughout the year to 30 June 2026.

14.2 Arif Husain introduced the team and discussed their roles within T. Rowe Price, the portfolios overall performance this year, ESG and market outlook.

14.3 Arif Husain thanked the Investment team and Committee as NILGOSC prepare to move on from the mandate and recapped on the highlights from the past year.

14.4 The Committee raised a number of questions with T. Rowe Price including performance recovery, interest rate positioning, portfolio resilience, AI and ESG.

14.5 The Chair thanked Andrew Skeat and Arif Husain for their presentation and their engagement over recent years. The Committee noted the presentation.

The T. Rowe Price representatives and Michael Rafferty left the meeting.

15 Alternative Investments Briefing Note

15.1 The Portfolio Services Manager introduced himself to the Committee and presented an update on the alternative investments within the Fund's portfolio that are not reported through the quarterly investment monitoring scorecard process.

15.2 The Committee noted the report summarising the performance of alternative investments within the Fund's portfolio.

The Head of Investment Services, the Portfolio Services Manager and Alan Law left the meeting.

16 Annual Report Supplement 2025/26

16.1 The Deputy Secretary presented a report which provided information supplementary to the annual report, including comparative LGPS data on administrative and investment performance and costs; administration performance standards; outreach activities and a summary of on-going legal actions and complaint handling. She highlighted that section 8 of the report had been redacted for two conflicted members and the Chair requested that any queries on this section be deferred until the conflicted members stepped out after Any Other Business.

16.2 The Deputy Secretary confirmed that the additional resources agreed by the Committee in February have now been filled.

16.3 Gerard Murray queried the level of interest surrounding the job vacancies.

16.4 The Deputy Secretary confirmed that there was a good response to the jobs advertised both in terms of candidate numbers and quality.

16.5 The Committee noted the Annual Report Supplement for 2025/26.

17 Secretary's Report and Seal Log

17.1 The Secretary outlined important operational issues that have arisen since the last Committee meeting.

17.2 The Secretary provided an update to the Committee on the meeting with Gerard Murray of the Department for Communities on 20 August 2026, where they discussed the Department's consideration of whether to include the LGPS NI in the Executive Pensions Bill, which would have implications for pooling, governance and investment strategy including local investment.

17.3 The Secretary noted the Pre-Action Protocol (PAP) letter received from McIvor Farrell Solicitors regarding an application by a scheme member, for judicial review. He advised that the claim was accompanied by an extensive Freedom of Information request and he confirmed that a response has been issued.

17.4 The Committee discussed the application and implications for the risk register and queried whether the Head of Legal should be present for any future discussions.

17.5 The Secretary discussed updates on the investment side, stating that the Investment Management Agreement has been signed with Lazard Asset Management to manage the active Emerging Markets Equity mandate and the transition of assets is underway. He advised that increased property allocations had been notified to LaSalle and that LaSalle was currently exploring the establishment of a subsidiary company to efficiently manage residential property holdings. He further informed the Committee that NILGOSC was exploring a potential infrastructure co-investment opportunity alongside another LGPS fund, noting that the asset was located in Northern Ireland.

17.6 The Secretary informed the Committee that NILGOSC had retained its status as a signatory to the Financial Reporting Council (FRC) UK Stewardship Code.

17.7 The Secretary confirmed the receipt and implications of updated actuarial factors, following the revision of the SCAPE discount rate.

17.8 The Secretary's report and Seal log was noted by the Committee.

Ken Clayton left the meeting.

18 Any other business

18.1 It was noted that the next meeting will take place on Tuesday 22 September 2026.

18.2 There being no further business, the meeting was closed.

Chairperson (Signature). Date