

# Northern Ireland Local Government Officer's Superannuation Committee

Minutes of the meeting of the Management Committee held via videoconference on 25 August 2020 at 10.30am.

## Members Present:

Lindsay Todd (Chairperson), Peter Caldwell, Paul Francey, Tom Irvine, David Jackson, Mark McBride, Joan McCaffrey, Antoinette McMillen, Peter McMurray, Sharon McQuillan, Linda Neilan, Michael Rafferty and JJ Tohill.

## In Attendance:

David Murphy (Secretary)  
Nicola Todd (Deputy Secretary)  
Ciara Keenan (Head of Governance and Support Services)  
Maria Bowers (Finance Manager)  
Louise Hickland (Investment Services Manager)  
Helen McEvoy (Investment Services Manager)  
Caoimhe Fitzpatrick (Governance Manager)  
Catherine Whyte (Corporate Support Officer)  
Joanne Ferris (Corporate Support Officer)  
Anthony Carleton (Department for Communities)  
Moritz Valeriano (CBRE)  
Achal Gandhi (CBRE)  
Nandika Sharma (CBRE)  
Jasper Holst (CBRE)

## 1. Declaration of Member's Interests

1.1. No interests were declared.

## 2. Chairperson's Business and Apologies

(Anthony Carleton joined the meeting)

2.1. The Chairperson advised that he had completed the appraisal meetings for

Committee members and advised that his notes had been returned to the Governance team.

- 2.2. The Chairperson noted several recurring issues had been raised during appraisal discussions, specifically the process for ill-health appeals. He advised that the Secretary bring forward suggestions for improving the current process in due course.
- 2.3. The Chairperson advised that following news of recent appointments, four members of the current Committee would be leaving at the end of September. The Secretary confirmed he was exploring options to facilitate face-to-face introductions and farewells in line with current government restrictions. The Committee agreed to invite the newly appointed members to attend the September meeting as Observers.
- 2.4. The Secretary introduced two new officers who would be covering periods of maternity leave.

(Mark McBride joined the meeting)

### **3. Minutes of the meeting held on 23 June 2020**

- 3.1. The minutes of the meeting held on 23 June 2020, having been circulated were agreed. The minutes will be signed at the next suitable opportunity.

### **4. Matters Arising**

- 4.1. The Secretary confirmed that an item from the previous month's minutes had been actioned in that an analysis carried out by JJ Tohill on a Stage II request for member [REDACTED], had been circulated.
- 4.2. The Secretary advised that in relation to an item in the minutes, where a fee was queried for LaSalle, Aon Hewitt had provided clarification, and this had been circulated to the Committee.
- 4.3. The Secretary advised that NILGOSC had considered the possibility of holding meetings in person, but in line with current guidance it was not feasible at the current time. He confirmed that September's Committee meeting would be held remotely,

but consideration would be given to whether a physical meeting would be possible in November.

(The Governance Manager and Head of Governance and Support Services joined the meeting)

## **5. Audit and Risk Assurance Committee**

### **5.1. Report of Meeting held on 11 August 2020**

5.1.1. The Chairperson of the Audit and Risk Assurance Committee (ARAC) presented a verbal report on the meeting held on 11 August 2020. The Management Committee noted the verbal report.

### **5.2. 2020/2021 Risk Register Review for Quarter Ended 30 June 2020**

5.2.1. The Chairperson of the ARAC presented the Risk Register for the quarter ended 30 June 2020.

5.2.2. The Management Committee noted the outcome to the Risk Register review, approving one change to the Covid Risk Register.

### **5.3. Report to those charged with Governance and Annual Report and Accounts 2019/20**

5.3.1. The Chairperson of the ARAC presented the Report to those charged with Governance and the Annual Report and Accounts, advising that these both had been reviewed and scrutinised by the ARAC at their last meeting.

5.3.2. The Chairperson of the ARAC advised that the auditors were happy to issue an unqualified audit opinion with one priority 3 recommendation.

5.3.3. The Chairperson of the ARAC commended the Finance Manager and team for their positive audit result and thanked Tom Irvine for his services to the ARAC, noting that he had attended his last ARAC meeting.

- 5.3.4. The Committee queried a reference in the Letter of Representation as to what action could be taken against NILGOSC under insolvency legislation. The Secretary agreed to revert on this point.
- 5.3.5. The Committee approved the Annual Report and Accounts 2019/20 and noted the NIAO Report to Those Charged with Governance.

#### 5.4. **Revised Risk Management Policy**

- 5.4.1. The Governance Manager presented the revised Risk Management Policy and Risk Evaluation Guidance advising the addition of a new section on setting and defining risk.
- 5.4.2. The Committee approved the proposed changes to the Risk Management Policy and Risk Evaluation Guidance.

(The Finance Manager, Governance Manager and Head of Governance and Support Services left the meeting. Moritz Valeriano, Achal Gandhi, Nandika Sharma and Jasper Holst of CBRE joined the meeting)

### 6. **Presentation by CBRE**

- 6.1. The Chairperson welcomed the representatives from CBRE to their first meeting at NILGOSC and invited them to report on activity since inception in February 2020 and future prospects for the Global Property Portfolio.
- 6.2. Achal Gandhi introduced himself and the rest of the team to the Committee, giving an insight into their different roles, the organisational structure and global logistics of CBRE.
- 6.3. Achal Gandhi summarised the mandate and strategy, noting there had been two investments to date. He provided a market overview including current return forecasts for 2020 and beyond and noted expected value corrections in the coming year.

- 6.4. Moritz Valeriano provided a summary of recent and planned investment activity, including the expected commitment and deployment schedule. It was noted that full deployment is expected to be delayed by approximately six months from initial projections.
- 6.5. Jasper Holst presented an overview of target opportunities.
- 6.6. The Committee questioned CBRE on several areas including team location, supermarkets and the retail sector, fee structure, uninvested cash and the continued implications of Covid-19.
- 6.7. Nandika Sharma gave an overview of CBRE's commitment to ESG and its integration within the strategy.
- 6.8. The Chair noted the presentation and thanked the CBRE representatives for their presentation.

(Moritz Valeriano, Achal Gandhi, Nandika Sharma and Jasper Holst of CBRE left the meeting)

## **7. Public Sector Pension Report**

- 7.1. The Secretary presented the Public Sector Pension Update.
- 7.2. The Secretary advised that the UK government has published its proposed remedy for the McCloud case within the LGPS and that the consultation for the LGPS NI was expected in September.
- 7.3. The Secretary discussed the implications of the proposed remedy and advised that he will bring NILGOSC's draft response before the Committee as it would involve policy decisions as well as administrative matters.
- 7.4. The Secretary updated the Committee on the Goodwin case and confirmed that NILGOSC will require amending regulations in order to implement the Court's decision regarding survivor benefits.

7.5. The Committee noted the Public Sector Pensions Update.

## **8. Secretary's Report and Seal Log**

8.1. The Secretary presented a report outlining operational issues that have arisen since the last Committee meeting.

8.2. The Secretary gave an update on recent direction from the Permanent Secretary relating to procurement. He confirmed that NILGOSC will be complying with the direction but highlighted several concerns, most notably the potential impact on global investment activity and the increased costs and administration burden that the new approach will bring. The Secretary confirmed that he will write to the Permanent Secretary setting out these concerns.

8.3. The Secretary gave an update on NILGOSC's current working arrangements during COVID-19 restrictions, noting the return to normal office and telephone operating hours.

8.4. The Committee enquired whether a printed version of the Annual Report and Accounts would be available this year and were advised it would be printed as per normal business.

8.5. The Secretary explained the reasons for the decrease in Scheme membership during June and July related to the updating of membership information via the Annual Returns.

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

## **9. Alternative Investments Briefing Note**

9.1. The Investment Services Manager presented a summary and update on the alternative investments within the Fund's portfolio that are not reported through the quarterly investment monitoring scorecard.

9.2. The Committee noted the report summarising the Alternative Investments within the Fund's portfolio.

## **10. Annual Report Supplement 2019/20**

- 10.1. The Deputy Secretary presented the Annual Report Supplement, highlighting comparative information on other LGPS funds. She drew attention to the annual report on administration performance standards set out in the report. The Chair noted that it was pleasing to see the improvement and high level of achievement against service standards.
- 10.2. The Committee noted the Annual Report Supplement.

## **11. Summary of Invested Funds**

- 11.1. The Committee noted the summary of the Fund's Market Value on 31 July 202

## **12. Committee Meeting Dates**

- 12.1. The Committee agreed the proposed meeting dates for 2021 and requested that these were circulated by email following the meeting.

## **13. Any Other Business**

- 13.1. The Committee praised recent On-Board training and requested that details of other training opportunities were recirculated following the meeting.

## **14. Date of Next Meeting**

- 14.1. The date of the next meeting is Tuesday, 22 September 2020 at 10.30am with arrangements to be circulated nearer the time.

There being no further business, the meeting was closed.

---

CHAIRPERSON (signature):

---

DATE: