

North Yorkshire County Council

Pension Board

Minutes of the meeting of the Pension Board held on Thursday 18 July 2019 at County Hall, Northallerton commencing at 10.00 am.

Present:-

Members of the Board

David Portlock (Independent Chairman).

Employer Representatives:

County Councillor Mike Jordan (North Yorkshire County Council), Councillor Anne Hook (City of York Council) and Louise Branford-White (Hambleton District Council).

Scheme Members:

David Houlgate (Unison), Gordon Gresty and Simon Purcell (Unison).

In attendance:-

The Treasurer of North Yorkshire Pension Fund (NYPF) - Gary Fielding.

The Independent Observer for the NYPF - Peter Scales.

County Council Officers:

Phillippa Cockerill, Steve Loach and Ian Morton.

Copies of all documents considered are in the Minute Book

County Councillor John Blackie

Members were informed of the recent death of longstanding Pension Fund Committee Member, County Councillor John Blackie, and stood in silence as a mark of respect.

201(a) Apologies for Absence

Apologies for absence had been submitted by Amanda Alderson due to her attending the BCPP AGM, and from Jo Foster-Wade who was also unable to attend.

201(b) Vacancies for Employer and Scheme Member Representatives

The Chairman introduced Councillor Anne Hook from City of York Council, who had been nominated to replace Councillor Ian Cuthbertson on the Pension Board, following Councillor Cuthbertson's appointment to the Pension Fund Committee (PFC). He stated that Councillor Hook had undertaken a preliminary discussion with him and the Clerk prior to her nomination being put before the Board.

It was noted that vacancies for both Employer and Scheme Member Representatives on the Board remained as before and efforts to recruit to the vacancies would continue.

Resolved -

That Councillor Anne Hook be appointed to the Pension Board as an Employer Representative.

202(a) Minutes of the Meeting held on 11 April 2019

Resolved -

That the Minutes of the meeting held on 11 April 2019, having been printed and circulated, be taken as read and confirmed by the Chairman as a correct record.

202(b) Progress on Issues raised by the Board

In relation to arranging a meeting between representatives from the various Pension Boards of the Pension Funds involved in BCPP, eight Chairmen had met on 22 May 2019, with the Chairman of the North Yorkshire Pension Board in attendance. Concern had been raised with regards to the large amount of information kept back by BCPP and not made available to Pension Boards, as it was deemed to be confidential. It was noted that the Scheme Member representative appointed to attend JC meetings had been unable to share much of the information discussed at those meetings due to the confidentiality imposed by BCPP. Most of the Chairs shared these concerns. The Chairman noted that since the matter had been raised, much of the information had now been shared with Pension Boards.

Members welcomed the provision of the papers, however, they considered that much of the detail within them should not be considered as confidential. The Treasurer of North Yorkshire Pension Fund (NYPF) emphasised that much of the information within the papers was considered to be either commercially confidential or confidential to the shareholders which was why BCPP were taking this stance.

It was noted that the Treasurer had now authorised the circulation of all JC papers, to Pension Board Members, that had been considered at the BCPP JC meetings and would discuss the provision of these papers with BCPP, going forward.

The current review of LGPS governance was discussed, with the Chairman noting that he had recently received a note on this matter from the Scheme Advisory Board. It was noted that a report on this was due out at the end of July and could determine an alternative structure for PFCs and Pension Boards, going forward. The Treasurer noted that he had been involved in three meetings in relation to this matter and had observed a range of options which had been fully considered. He noted that these related to the administration of the Local Government Pension Scheme and considered that many of the details under consideration were already in place for the NYPF.

In relation to the vacancies currently on the Pension Board, the Independent Observer noted that this was not unique to North Yorkshire with many other Pension Boards also carrying vacancies at this time. It was noted that, currently, there was a balance of representation on the Board, despite the vacancies. Efforts would continue in terms of trying to identify appropriate people to fill those vacancies.

The issues of the skills matrix/ self-assessment were highlighted by the Chairman and he noted the discrepancy between Pension Board Members requiring to have appropriate training, whereas Pension Fund Trustees did not have that requirement. The Independent Observer noted that a democratic structure made it difficult to impose such regulations on elected members as there was no expectation that they would have those skills when they were elected. With Pension Boards, Members were not democratically elected, per se, therefore it was more appropriate for them to have the knowledge and skills to serve on that body.

In terms of the report back from BCPP's JC it was noted that this was being developed and progress would continue to be monitored.

The Chairman noted that the terms of reference for the Board were on the agenda, enabling these to be discussed with the Treasurer and the Independent Observer.

In terms of the Board membership it was noted that Democratic Services would be undertaking a recruitment/re-appointment process to take account of the end of the terms of office for a number of Board Members, following the extension provided until January 2020.

Resolved -

That the report, and any further action undertaken, be noted.

203. Declarations of Interest

There were no declarations of interest.

204. Public Questions or Statements

There were no questions or statements submitted by members of the public.

205. Minutes of the Pension Fund Committee meeting held on 23 May 2019, the Special Meeting held on 20 June 2019 and the meeting on 4 July 2019

A Member noted a comment in the Minutes relating to a PFC Member suggesting that NYPF may have joined the wrong Pool. The Treasurer explained that this related to the global equity selection offered by BCPP and the non-selection, through their process, of the Fund Manager Baillie Gifford, who were highly rated by the PFC. There had been some concern regarding the process used for selecting Fund Managers, hence the concerns raised. The Treasurer emphasised that many of the characteristics of the Pool were not known upon joining, however, there would be no re-location to another Pool at this stage. The Chairman noted that the draft Minutes from the meeting held on 4 July 2019 were with officers and were not available for circulation at this meeting, however, he noted that the draft Pension Fund statement of final accounts had been submitted to that meeting and would be submitted to the County Council's Audit Committee for approval on 22 July 2019.

Other issues discussed at the Committee included the following:-

- ◆ Pensions Administration reports.
- ◆ Budget and statistics.
- ◆ Review of governance.
- ◆ Investment Strategy review.
- ◆ Consideration of a death grant payment.

Resolved -

That the Pension Fund Committee Minutes for the meetings held on 23 May 2019 and 20 June 2019 be noted.

206. Review of Terms of Reference

Considered -

The report of the Assistant Chief Executive (Legal and Democratic Services) providing Pension Board Members with an opportunity to review the Board's Terms of Reference.

It was noted that, at the meeting of the Pension Board held on 24 January 2019 Members agreed that the current Terms of Reference were no longer fit for purpose, given changes to the nature of the LGPS, particularly around the introduction of pooling arrangements, since Boards were first developed. It was agreed, therefore, that a fundamental review be undertaken at a meeting of the Board when both the Treasurer and Independent Observer of the NYPF could be in attendance, to assist with the review. Their attendance at today's meeting allowed the review to take place.

The NYPF Independent Observer, Peter Scales, highlighted the following issues in relation to the Terms of Reference:-

- ◆ There were no rights for Pension Boards to consider issues raised by the Pool's Joint Committee, however, a representative of Scheme Members had been appointed to report back to Pension Boards from BCPP's Joint Committee.
- ◆ The Pension Board was not responsible for investments, with the PFC maintaining responsibility, and giving consideration as to how BCPP undertake those investments on their behalf.
- ◆ Pension Boards were responsible for overseeing governance and ensuring that PFCs were undertaking their duties in accordance with the appropriate rules and regulations.
- ◆ The recent MHCLG consultation on pooling had attempted to impose additional responsibilities on Pension Boards, without clear guidance, and this had not been well received.
- ◆ A Member referred to the Pension Board monitoring the Investment Strategy of the PFC as well as the governance arrangements. He suggested that with BCPP taking on the role of Investment Manager for the PFC that there was a responsibility for the Pension Board to monitor their performance. In response the Independent Observer emphasised that there was no responsibility in law for a Pension Board to monitor investments, their role

being to ensure that there was compliance with the Investment Strategy, rather than monitor the investments themselves. The role for monitoring the performance of investments was that of the PFC. Members queried whether the Pension Board would have the responsibility to challenge the PFC should investment levels drop significantly, leading to solvency levels decreasing. It was emphasised that the Pension Board had a right to question the PFC over such matters but did not have a responsibility for that. The Treasurer emphasised that the role of the Pension Board was to ensure that the Investment Strategy was implemented properly and to carry out due diligence in relation to that, it was not their role to monitor the performance of Fund Managers directly. When NYPF switched to fund management through pooling undertaken by BCPP, the pool would be undertaking the role of the Fund Manager and the Pension Board's role would remain as of now. It was emphasised by other Members that this had always been the role of the Pension Board and care should be taken so as not to impinge on the role of the PFC. It would be more appropriate for the Pension Board to question the PFC around its confidence in respect of the implementation of the Investment Strategy, through investments made via BCPP.

- ◆ The Chair asked, bearing in mind the comments made on this matter, if the current Terms of Reference were, in fact, fit for purpose. In response the Independent Observer, suggested that they were, with the exception of paragraph 8, where reference to reviewing governance of the pooling arrangements could be included. It was noted that the original Terms of Reference for the Board were produced in line with guidance from the Scheme Advisory Board, but it was not a requirement that the details within the guidance were included in the Terms of Reference. It was noted, however, that the majority of Pension Boards had followed that guidance in terms of how they had produced their Terms of Reference.
- ◆ The Independent Observer suggested adding the following additional condition to section 8 of the Terms of Reference - Remit of the Board - as follows:

“Reviewing the governance of the new pooling arrangements, to assist in ensuring compliance, effective and efficient reporting, and the monitoring of investment management.”
- ◆ Alongside this, and taking account of the concerns raised by Pension Board Members in relation to the performance of the investments of the Fund and their input into those, the Treasurer suggested that an annual review of the Investment Strategy and performance of the Fund be delivered by him, to the Pension Board, to allow in-depth discussions on those matters.
- ◆ It was noted that the Pension Board currently carried two vacancies in terms of a Scheme Member representative and an Employer representative and consideration was given as to whether to alter the numbers stated in the Terms of Reference in relation to the constitution of the Board.

Resolved -

- (i) That the following condition be added to section 8 - remit of the Board - of the Terms of Reference for the Pension Board and be recommended to the County Council as a change to the Terms of Reference:-

“Reviewing the governance of the new pooling arrangements, to assist in ensuring compliance, effective and efficient reporting, and the monitoring of investment management.”

- (ii) That the offer from the Treasurer of the NYPF, to undertake an annual review of the Investment Strategy and performance of the Fund for the Pension Board, be welcomed and undertaken.
- (iii) That the membership numbers outlined within the Terms of Reference be maintained as currently stated.

207. Draft Annual Report

Considered -

The report of the Assistant Chief Executive (Legal and Democratic Services) requesting Members to consider the draft Annual Report of the Pension Board for 2018/19, and suggest any amendments, before this is submitted to the PFC, the County Council's Executive and finally presented to full County Council for approval.

It was noted that, following final approval by County Council, the Annual Report would be published on the NYPF website.

Resolved -

That the draft Annual Report of the Pension Board 2018/19 be approved and submitted to the PFC, the County Council's Executive and finally to full County Council for approval and publication.

208. Pensions Administration

Considered -

The report of the Head of Pensions Administration, Phillippa Cockerill, providing Members with an update on key initiatives undertaken by the Administration Team of the NYPF. The report included, as an Appendix, the report that was provided to the PFC on 4 July 2019.

The following issues were highlighted:-

- ◆ The Breaches Log was included as an Appendix to the report and there had been no new entries since the previous report.
- ◆ Work was well underway in processing the year end data for the Annual Benefits Statements. All files had now been received and work was being undertaken with employers regarding queries in relation to the data provided.

All deferred Benefit Statements had been published.

The main issue for this year had been formatting errors within the data provided and the focus for next year would be ensuring that more data was correct.

- ◆ The letter review project was ongoing and work continued with Heywoods regarding a solution relating to extracting calculation results into the letters.

In the meantime letters would be rolled out once they were signed off and staff would manually input the figures required.

- ◆ GMP Reconciliation project - the rectification stage was now in progress and the PFC had provided a number of decisions to provide ITM, the contractor undertaking this project, with the parameters to progress this. The target completion date was March 2020 so that pensioner records were corrected before the pension increase due in April 2020.
- ◆ The Pension Team restructure had taken place on 28 May 2019 and coincided with the temporary relocation to White Rose House. Benefits to the service had been seen following the restructure and work was continuing to refine and develop the Team.
- ◆ Review of administration system software - the contract for the administration system software was due to come to an end shortly, therefore, this had been extended for a further year allowing time to test other systems and identify an appropriate, value for money system. This was progressing and further details would be provided in due course.

Following the initial presentation a number of issues and points were raised as follows:-

- ◆ A Member noted that actives had increased during the current year and he wondered whether that was due to an increase in part-time staff. In response it was stated that although the exact details had not been determined at this stage, the increase in actives was likely to be attributed to people having more than one role and being auto-enrolled onto the Pension Scheme. The Treasurer stated that the forthcoming triennial valuation would provide such information in more detail.
- ◆ The issue of the Fund falling into a cash-negative position was discussed. The Treasurer commented that whilst a negative cash flow was, in principle, a cause for concern, providing NYPF continued to be over a 100% funded any cash flow deficit could be funded by realising fund assets. Notwithstanding Members' concerns, it was emphasised that the Fund was in a good position and many Pension Funds within the LGPS operated with a cash-negative position.

Resolved -

- (i) That the contents of the report be noted.
- (ii) That the contents of the Breaches Log be noted.

209. Annual Review of the Internal Dispute Resolution Cases and of Cases Referred to the Pensions Ombudsman

Considered -

The report of the Head of Pensions Administration providing Members with details of the cases received via the Internal Disputes Resolution process and those cases referred to the Pensions Ombudsman in the Scheme year to 31 March 2019.

It was noted that there were 12 internal disputes resolution cases received in the period 1 April 2018 to 31 March 2019 with five relating to ill-health early retirement appeals against the relevant employers. A summary of each case, and the outcomes, was provided in an Appendix to the report.

There were three cases received from the Pensions Ombudsman in the period 1 April 2018 to 31 March 2019 and a summary of each case, and the outcomes, was provided in an Appendix to the report.

The Chairman noted that the report contained information that was regularly reported to the PFC and would be provided to the Pension Board as an annual update.

Resolved -

That the contents of the report and Appendices be noted.

210. Risk Register and Governance Documents - Review

Considered -

The report of the Treasurer providing Pension Board Members with the opportunity to review the Risk Register and the suite of governance documents of the NYPF.

It was noted that the documents were reviewed on an annual basis by the PFC as regulations required that certain governance documents and the Pension Fund final accounts form part of the annual report of the Fund. In addition to those documents all other governance documents were also approved annually for reasons of good practice. The documents were reviewed and approved by the PFC on 4 July 2019 and those were included with the report. Changes could be seen in tracked changes in the appropriate appendices.

The following documents were included as appendices to the report:-

- ◆ Governance Compliance Statement.
- ◆ Funding Strategy Statement.
- ◆ Communications Policy.
- ◆ Admissions and Terminations Policy.
- ◆ Risk Register.
- ◆ Risk Management Policy.
- ◆ Pensions Administration Strategy.
- ◆ Administering Authority Discretions Policy.
- ◆ IDRP Guide.
- ◆ Governance roles and responsibilities.
- ◆ Charging Policy.
- ◆ GDPR Memorandum of Understanding.
- ◆ Breaches Policy.
- ◆ GDPR Privacy Notice.

The Chairman noted that the full suite of documents, and the Risk Register, were given careful consideration by the PFC at its meeting on 4 July. Members also noted that the Investment Strategy was due to be reviewed and updated in September 2019 and would therefore come to the Board for further consideration.

Resolved -

That the contents of each governance document, as updated in the report, be noted.

211. Internal Audit Reports

Considered -

The report of Audit Manager, Ian Morton, providing the Pension Board with an update on Internal Audit activity.

The report highlighted the current status of the Audit Plan for 2018/19 previously approved by the Pension Board as follows:-

- ◆ Pension Fund investments - delayed until June following a request from Senior Accountant (Pensions).
- ◆ Pension Fund income - draft.
- ◆ Pension Fund expenditure - final - limited assurance.

A copy of the final Pension Fund expenditure report was attached to the report as an Appendix. The implementation of agreed actions for 2017/18 audits was shown in summary, also an Appendix to the report.

The proposed Audit Plan for 2019/20 was attached as an Appendix to the report.

Discussions took place in relation to the Pension Fund expenditure audit with particular reference to the limited assurance given.

It was explained that the key issue in relation to this matter was the relationship between the County Council's ESS service and the passing of data onto the NYPF. The Administration Team at the NYPF were not getting the details they expected in terms of accuracy and the audit report highlighted that and sought to undertake action to address the matter. The Head of Pensions Administration emphasised that a great deal of work had been undertaken to address these matters since the report had been published and noted that the consideration behind obtaining a new administration system resulted from these issues. She noted that the process during the current year had been much more comfortable than previously.

Members highlighted their concerns with regards to the limited assurance rating noting that this meant that there were major risks to the service. The Audit Manager clarified that the risks highlighted were to the specific issues outlined which had been addressed, however, at the time, there was an inefficient process in place, which was cause for concern. It was emphasised that there had been substantial improvements during 2019 in the process of providing the data. The Audit Manager stated that, as the audit had highlighted this matter as limited assurance, the issue would be built into the forthcoming Audit Plan and would be reconsidered as part of that Plan to ensure the systems had been addressed according to the actions required and a different opinion would be sought.

In relation to this matter it was asked how this compared to previous reports, whether the situation had been ongoing for some time and whether, if that was the case, this would be sorted out by next year. In response it was noted that when audits were undertaken, the limitations of the Service resulted in specific issues being targeted at the time of the audit. Therefore this matter may not have been the subject of an audit

in the previous year and the results from when this was previously audited were likely to have been different. It was again emphasised that, as this had been given limited assurance there would be a focus on ensuring that this was addressed, through the following year's audit. If a matter received higher than limited assurance it would not necessarily be followed up in the following year's audit. It was emphasised that other issues would be covered within the audit but it would also be ensured that the recommended actions had been undertaken and that the issues had been resolved. Members suggested that the matter be given further consideration, next year, to ensure that appropriate progress had been made.

The Chairman stated that he expected the issues that had arisen to be addressed at a high level, due to the limited assurance classification.

Resolved -

That the report, and concerns highlighted, be noted.

212. Board Evaluation and Skills Matrix Questionnaires

The Chairman noted that Pension Board Members had completed skills matrix and self-assessment questionnaires with a view to developing an appropriate training programme, going forward. He stated that the recently appointed Employer representative, Councillor Anne Hook, would be provided with a copy of the questionnaires to complete and return for use in the development of that training programme.

The Chairman stated that the details contained within the completed questionnaires would be evaluated and an appropriate training programme developed from those. He requested the NYPF's Independent Observer to provide some details in respect of how best to develop this training.

The Chairman considered that holding all the necessary skills, collectively, was appropriate in terms of the knowledge and skills basis for the Board. In relation to that the Independent Observer emphasised that each individual Member should have the appropriate skills, as indicated by the CIPFA guidance and that it was not appropriate to have a collective skill base.

It was suggested that the key areas, with lower results, be identified to establish where training was required, together with a weighting in terms of the depth of knowledge required on those items to serve on the Pension Board. In terms of that it was suggested that the Clerk and the Chairman consider the outcomes from the questionnaires and highlight issues to Members of the Board at the next meeting with a view to a training plan being developed accordingly.

The Independent Observer suggested that demonstrating that there was access to the regulations and guidance indicated an adequate level of knowledge in most cases and that Members were kept updated on those issues, going forward.

Other required knowledge could adequately be demonstrated through receiving papers from the PFC and obtaining explanations and details from those connected to the NYPF, such as explanations as to how the funding strategy works from the actuary. He stated that he would provide details to the Chairman in terms of how to access the appropriate information and what would be of use in terms of developing the knowledge and skills of the Pension Board.

A Member noted that Audit Committee held briefing sessions/training sessions 30 minutes prior to its meetings and this could be an appropriate method for the Pension Board of obtaining appropriate knowledge, with different topics considered at relevant times.

It was suggested that, to ensure that there was an appropriate entry level of skills for Pension Board members, the online Pensions Regulator fundamental training could be utilised as an indicator for levels of knowledge. In response the Independent Observer stated that this could be used, however, the online fundamentals training may not be fully related to service on the Pension Board as it covered all public sector schemes.

A Member noted that, initially, an interview was undertaken by the Chairman, with prospective members, to determine the levels of knowledge and skills that they would bring to the Board. It was emphasised that it was difficult to recruit people to the Pension Board and extensive skills requirements could deter them further.

It was noted that the LGPS website gave access to all appropriate information and had links to the Pensions Regulator training modules and the Independent Observer stated that he would provide these for circulation to Members of the Board.

A Member noted that the PFC Members obtained professional advice and training from Fund Managers and technical advisers, which allowed them to enhance their knowledge appropriately. In relation to this it was noted that Pension Board Members were able to attend that training and it would be ensured that details of when and where this was taking place were circulated to Board Members. All PFC meetings, other than when confidential issues were discussed, were open to Pension Board Members to attend and could be utilised as training opportunities.

Resolved -

That the Clerk and the Chairman undertake an evaluation of the completed skills matrix and self-assessment questionnaires and take account of details and links provided by the Independent Observer, to develop a training programme for consideration at the next meeting of the Pension Board.

213. Training

Considered -

The report of the Assistant Chief Executive (Legal and Democratic Services) providing an update on Pension Board Member training.

Appendix 1 to the report detailed training events attended and activities undertaken by Pension Board Members and it was noted that this was up-to-date.

It was noted that a number of Board Members would be attending the Annual LGPS Conference and courses later in the year and these would be reflected in the training record when they had taken place.

The Chairman noted that the BCPP Annual Conference would be taking place on 10 October 2019 and some Members of the Board would probably have an opportunity to attend that. It was noted that there were 10 available places for the NYPF at the Conference, with first opportunity offered to the PFC Members. A Member noted that the Conference was a good opportunity for networking with other Pension Fund representatives.

Other potential courses offered by the Local Government Association, CIPFA and Unison were outlined.

Resolved -

That the report be noted.

214. Pooling

Considered -

The report of the Treasurer providing Pension Board Members with an update on the progress made towards the LGPS pooling arrangements.

The report provided details in relation to the transition of funds, forthcoming meetings and next steps in the pooling process. A copy of the report submitted to the PFC on 23 May 2019 regarding the NYPF's Investment Strategy review and how that correlated to pooling, was appended to the report.

The following issues and points were raised in relation to the report:-

- ◆ A Member noted the large increase in the budget for BCPP, in comparison to the original budget, and asked whether the PFC had raised concerns in relation to that. In response the Treasurer noted that the increase in budget required 75% approval from shareholders and this was achieved. He emphasised, however, that the NYPF, as a shareholder, did not approve the increase in budget and, therefore, the issue had not been to the PFC for discussion. In respect of this the NYPF had contacted BCPP to raise concerns regarding the increased budget and responses were awaited in respect of that. It would be determined whether a report would be submitted to the PFC when those responses were received. He noted that the Fund management aspect of the budget was fully costed and was correct, however, the concerns arose around staffing and bureaucracy, which appeared to be over-weighted, in terms of the budgets, in the opinion of the NYPF. He highlighted a number of other issues of concern regarding the governance of BCPP and how those matters had been questioned by the NYPF.
- ◆ Members expressed their disappointment regarding the increased budget, particularly as pooling had been proposed as a low cost method of undertaking Fund management. It was accepted that there would inevitably be investment fees, but full transparency would be requested to enable a comparison of costs for investments undertaken by the NYPF to be compared to those for BCPP.
- ◆ The Treasurer noted that officers had done a large amount of work in obtaining a full picture of investment fees from current Fund Managers, with those now significantly more transparent. He emphasised, however, that the comparison of fees could only be undertaken once the investments had been transferred to BCPP and there had been an appropriate length of time elapsed to determine an appropriate comparison of the fees.
- ◆ It was noted that the NYPF had now undertaken investments in UK equities, and committed to infrastructure investment, with BCPP.

- ◆ In terms of the performance of the Funds the Treasurer stated that it would be difficult to prove that a poor return from investments with BCPP was due to their involvement or related to the Investment Strategy of the NYPF.
- ◆ Members noted the issues raised and stated that the Pension Board would continue to monitor this position going forward.
- ◆ A Member noted that there had been a major issue in relation to the NYPF investing in global equities with BCPP, with a decision made by the PFC to retain some of the NYPF's funds in relation to that outside of the pooling arrangements. He asked whether this was allowed and whether there would be any repercussions in relation to this.

In response it was explained that should the Pool not offer an investment opportunity that matched the Investment Strategy of a Pension Fund then investments could take place outside the pooling arrangements to meet that Strategy. This had arisen in the case of the global equities mandate for the NYPF. The issue would be fully reflected in the Minutes of the PFC meeting held on 4 July 2019. It was asked whether the Government could step in and intervene in this position. The Treasurer noted that this was a risk that had been recognised by the PFC, but given the position outlined by BCPP in relation to the matter it was considered to be an unlikely scenario. It was noted that, going forward, should BCPP offer an investment opportunity that matched the Investment Strategy of the NYPF, then this would be transitioned into. The Chairman noted that the PFC had produced an appropriate response in relation to this matter should a challenge be forthcoming.

Resolved -

That the content of the report be noted.

215. Work Plan

Considered -

The report of the Assistant Chief Executive (Legal and Democratic Services) detailing the areas of planned work by the Pension Board.

Resolved -

- (i) That the current Work Plan be approved.
- (ii) That the dates of ordinary meetings as detailed be noted.

216. Attendance of Treasurer and Independent Observer

The Chairman wished to place on record his, and the Board's, thanks for the attendance of the Treasurer and Independent Observer to the NYPF at this meeting.

Resolved -

That the Treasurer and Independent Observer to the NYPF be thanked for their attendance at this meeting of the Pension Board.

217. Other Business

Sixth Form Colleges - Non-Transferral of Staff to LGPS

A Member raised an issue regarding staff within independent sixth form colleges not transferring over to the LGPS and the potential impact that this could have on Pension Funds.

In relation to this the Treasurer stated that he had taken account of the figures in respect of this matter and did not consider that, as a standalone issue, this would have a significant impact on the Fund. The matter would continue to be monitored and, should this lead to a snowball effect in terms of staff in the education sector, then further consideration would be given to its impact on the sustainability of the Fund. He re-emphasised, however, that at this stage there was no significant impact.

Resolved -

That this be noted.

The meeting concluded at 12.25 pm

SL/JR