

NORTH YORKSHIRE COUNTY COUNCIL

PENSION FUND COMMITTEE

23 NOVEMBER 2017

PERFORMANCE OF THE FUND'S PORTFOLIO FOR THE QUARTER
ENDING 30 SEPTEMBER 2017

Report of the Treasurer

1.0 PURPOSE OF REPORT

- 1.1 To report the investment performance of the overall Fund, and of the individual Fund Managers, for the period to 30 September 2017.

2.0 PERFORMANCE REPORT

- 2.1 The Fund Analysis & Performance Report (**Appendix 1**) produced by BNY Mellon Asset Servicing (MAS) provides a performance analysis of the North Yorkshire Pension Fund for the quarter ending 30 September 2017.
- 2.2 The report highlights the performance of the total Fund by asset class against the customised Fund benchmark. It also includes an analysis of the performance of each manager against their specific benchmark and a comparison of performance levels over time.

3.0 PERFORMANCE OF THE FUND

- 3.1 The absolute overall return for the quarter (+3.1%) was above the customised benchmark for the Fund (+1.5%) by +1.6%.
- 3.2 The 12 month absolute rolling return was +14.0%, 4.3% above the customised benchmark of +9.7%.
- 3.3 Absolute and relative returns over the rolling years to each of the last four quarter ends were as follows.

Year End	Absolute %	Relative %
30 September 2017	+14.0	+4.3
30 June 2017	+21.9	+5.9
31 March 2017	+24.7	+2.9
31 December 2016	+18.5	-1.5

- 3.4 The performance of the various managers against their benchmarks for the quarter ended 30 September 2017 is detailed on **page 8** of the MAS report and in **Section 4** below. This performance is measured on a time-weighted basis and expressed as a +/- variation to their benchmark.

- 3.5 The Appendices used in this report have been designed to present a fuller picture of recent investment performance.

Appendix 2 Fund Manager Performance over the three years to 30 September 2017 in absolute percentage terms from a starting point of “100”

Appendix 3 Solvency graph – this shows the key Asset, Liability and Deficit figures in a simple graphical format

Appendix 4 Solvency position (in % and £ terms) since the 2004 Triennial Valuation; this Appendix also shows in absolute terms the +/- in the value of assets and liabilities of the Fund

- 3.6 The separate report of the Investment Consultant explains developments in the financial markets and in NYPF’s investments, and also look ahead over the short, medium and longer term.

4.0 FUND MANAGER PERFORMANCE

- 4.1 In monetary terms, the absolute return of +3.1% in the Quarter increased the invested value of the Fund by £96.7m. This Quarter, 10 managers/funds outperformed their respective benchmarks and 4 underperformed against their respective benchmarks. At the end of the September 2017 quarter the value of the Fund was £440m above the value at the end of September 2016, an increase of 15.7%.

Overseas Equities

- 4.2 **Fidelity** produced a relative return in the quarter of +0.4% against the benchmark return of +2.4%. Relative performance over the year to September 2017 was +0.1% against the benchmark of +16.9%. Over the last 5 years the manager has exceeded the benchmark by +0.6% p.a. (gross of fees).

Global Equities

- 4.3 The Global Alpha fund managed by **Baillie Gifford** returned +3.9% for the quarter against a benchmark return of +1.9%. Relative performance over the longer term was +7.1% over 1 year and +3.7% p.a. over 5 years. Since inception in 2006, the Fund has outperformed the FTSE All World by 2.6% p.a.

The LTGG fund, also managed by **Baillie Gifford** produced a return for the quarter of +7.2% against a benchmark return of +1.9%. LTGG is a relatively concentrated fund and short term volatility is to be expected. Relative performance over the longer term was +12.8% over 1 year and +8.0% p.a. over 5 years.

The Global equity funds for **Veritas** and **Dodge & Cox** produced a relative return of -2.5% and +0.9% respectively against the MSCI All Country World benchmark of +2.0%. Both managers invest on a global unconstrained basis so this benchmark is for performance measurement purposes only. In absolute terms, since inception in April 2015, Veritas and Dodge and Cox have returned +13.6% p.a. and +12.0% p.a. respectively against the benchmark return of +11.6%.

UK Equities

- 4.4 **Standard Life** produced an absolute return of +8.7% for the quarter. This represents an outperformance of +5.2% against the benchmark. Relative performance for the year was +5.0% against the benchmark of +16.8%. Relative annualised performance over the longer term was -0.9% p.a. over three years and +1.4% p.a. over five years.

Fixed Income

- 4.5 The investment in Gilts with **M&G** outperformed against the liability matching benchmark of -1.0% for the quarter to September 2017 by +0.3%. Performance for the year was +0.8% above the benchmark return of -5.6%, and annualised performance since inception in 2010 was +0.9% pa above the benchmark of +10.3%.

Property

- 4.6 The investments with **Hermes, L&G and Threadneedle** produced +0.1%, -0.3% and +0.1% respectively in relative terms, against the property index for each manager in the quarter to September 2017.
- 4.7 Over the year to September 2017 **Hermes** outperformed against the benchmark, returning +10.5% in absolute terms against a benchmark of +9.5%. **L&G** underperformed against the benchmark, returning +8.5% in absolute terms against a benchmark of +9.3%. **Threadneedle** has met the benchmark of 9.3%.

Diversified Growth Funds

- 4.8 The Investment with the **Standard Life** Global Absolute Return Strategy (GARS) Fund produced a relative underperformance for the quarter of -0.3% against a cash benchmark of +0.1%. The **Newton Investments** Real Return Fund also produced a relative underperformance for the quarter of -1.0% against the same cash benchmark.
- 4.9 Over the period since inception in March 2013, in absolute terms, Standard Life returned +2.3% p.a. against cash of +0.4% and a performance target of +5.5%. Newton achieved +2.4% p.a. against cash of +0.4% and a performance target of +4.5%.

Private Debt

- 4.10 The Fund has recently made two Private Debt manager appointments. **Bluebay** have produced an absolute return of -0.4% against the benchmark of 2.2% for the quarter. **Permira** have produced an absolute return of +10.0% against a benchmark of 1.5% for the quarter to 30 September 2017.

5.0 RISK INDICATORS

- 5.1 The Report (**pages 10 and 11**) includes three long-term risk indicators.
- 5.2 The Fund's annualised **Standard Deviation**, which is a reflection of volatility, was 7.3% for the rolling three year period to 30 September 2017, 0.8% above the benchmark.
- 5.3 The **Sharpe Ratio** is a measure of how well the return compensates an investor relative to the risk taken. A higher Sharpe Ratio reflects a better return for a given level of risk or lower risk for a given level of return. The ratio for the Fund for the rolling three year period to September 2017 was +0.1% above benchmark at 1.7%.
- 5.4 The **Tracking Error** figure reflects how closely a fund manager's actual return follows their respective benchmark. As at September 2017 the figure was 2.6%.
- 5.5 The **Information Ratio** is a measure of excess returns in relation to the benchmark and the consistency of those returns. A high IR could be derived from a high portfolio return, a low benchmark return and a low tracking error. For the period up to September 2017 the ratio for the Fund was +0.8%.

6.0 SOLVENCY

- 6.1 The **solvency position** is presented in **Appendices 3 and 4**. As at 30 September 2017 the estimated solvency was 108%. This is an 18% increase from the solvency figure as at 31 March 2016, calculated by the Actuary during the 2016 Valuation process.
- 6.2 This increase in solvency is primarily due to asset outperformance over the period. Whilst these are very promising results for the Fund, it is important to note that this is not an indicator that contribution rates are likely to drop in the future.
- 6.3 This funding level update does not reflect the CPI increase of 3%, once it is confirmed that this will be used for pension increases it will be reflected in the funding level. It is expected that this will reduce the funding level by 1%.

7.0 REBALANCING

- 7.1 During the quarter to 30 September 2017 there was a rebalancing exercise carried out to bring equities back down to its target allocation of 62% from 65%, with the remaining balances going to the DGF funds and M&G.
- 7.2 In the quarter the Fund also fully disinvested from ECM and placed the funds with M&G until the private debt managers have fully drawn down funds.

8.0 MIFID II

- 8.1 At the PFC meeting in September Members approved the decision to opt up to professional status for all of our investments and delegated responsibility to the Treasurer to complete the application process for this.
- 8.2 All applications were sent out by the advised deadline of the 30 September 2017 and so far the Fund has gained professional status for five of our 14 investments. The Fund is awaiting responses for the remaining Managers prior to the 3 January 2018 deadline.

9.0 PROXY VOTING

- 9.1 The report from PIRC is available on request summarising the proxy voting activity in the period July 2017 to September 2017. This report covers the votes cast on behalf of NYPF at all relevant company AGMs in the period and includes an analysis of voting recommendations at selected meetings and responses to company engagement.

10.0 RECOMMENDATION

- 10.1 Members are asked to note the investment performance of the Fund for the period ending 30 September 2017.

GARY FIELDING
Treasurer
Central Services
County Hall
Northallerton

10 November 2017



BNY MELLON
ASSET SERVICING

North Yorkshire Pension Fund

3 Months Ending 30 September 2017

Fund Analysis & Performance Report



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Market Review

Market Briefing - Quarter Ended 30 September 2017

Market Summary

Most equities achieved positive returns during 3rd quarter of 2017 whereas Bond markets saw mixed returns over the quarter.

UK Equities

The FTSE 250 was the best performing index with a return of 3.5%, followed by the FTSE Small Cap with a return of 3.0%. The FTSE 100 showed the weakest performance with a return of 1.8%. Over the one year period ending 30th September 2017, the FTSE Small Cap was the best performing index with a return of 18.0%. The FTSE 100 was the weakest performing index with a return of 11.2%.

Basic Materials was the best performing industry sector with a return of 13.8% for the quarter. The weakest performing sector was Health Care with a return of -5.5%. Over the one year period returns ranged from 32.7% for Basic Materials to -10.2% for Utilities. Financials was the second best performing sector with a return of 22.3% over the year.

Overseas Equities

Most Overseas Equity markets achieved positive returns during the quarter.

Within Europe, Norway was the best performing country with a return of 15.6%. This was followed by Italy with a return of 10.1%. The weakest performing country was Greece with a return of -13.6%. Over the one year period, Austria was the strongest performing country with a return of 53.5% and Belgium the weakest with a return of 3.7%.

Outside Europe, Brazil was the best performing country with a return of 19.5% followed by Canada with a return of 4.5%. Mexico was the weakest performing country with a return of -2.3%.

Market Review

UK Bonds

For UK-Bonds the 3rd quarter returns were negative for most of the sectors. Non Gilts outperformed UK-Gilts with a return of 0.2% compared to a return of -0.5%. Within Gilts, Short-dated Gilts was the strongest performing sector with a return of -0.3%. Long-dated Gilts was the weakest performing sector with a return of -0.5%.

Over the one year period ending 30th September 2017, Non Gilts was the best performing sector with a return of -0.4% compared to the return of -3.6% for UK-Gilts. Within Gilts, Short-dated Gilts provided the strongest performance with a return of -0.7%, whilst the weakest came from Long-dated Gilts with -6.3%.

Overseas Bonds

Within Europe, Denmark was the best performing country with a return of 1.3%. Sweden was the weakest performing country with a return of 0.1%. Outside Europe, Canada was the best performing country with a return of -1.4%. Japan was the weakest performing country outside Europe with a return of -3.2%.

Over the twelve month period, most European Bonds saw negative returns. Spain provided the strongest performance with a return of -0.5%, followed by Denmark with a return of -1.3%. Outside Europe, the best performance came from the Australia with a twelve months return of -2.9%.

UK Index-Linked Gilts

UK Index Linked-Gilts achieved a negative return of -0.7% for the 3rd quarter of 2017. Within this sector, Short-dated Index-Linked Gilts provided the strongest performance with a return of 0.1%. The weakest performance was provided by Long-dated Index-Linked Gilts with a return of -1.0%.

Over the one year period, on an overall basis UK Index-Linked Gilts achieved a return of -3.8%. Over the same period, Short-dated Index-Linked Gilts was the strongest performing sector with a return of 1.4%, whereas Short-dated Index Linked Gilts showed the weakest performance, returning -5.4%.

UK Cash

Cash achieved a return of 0.0% over the quarter and 0.1% over the last twelve months.

Fund Performance, Risk and Allocation Highlights

During the third quarter of 2017, the fund returned 3.08% versus its benchmark of 1.51%, thereby outperformed by 1.57%. In terms of longer period performance, the fund has outperformed over 3 years by 2.33% p.a.

At asset class level, the fund outperformed its blended benchmark in all asset classes. UK Equities is the best performing sector which outperformed its benchmark by 5.76%.

Over the quarter, majority of the accounts out-performed their benchmarks. The best performance (excluding the Cash Account) was shown by Permira Credit which out-performed its benchmark by 8.56%.

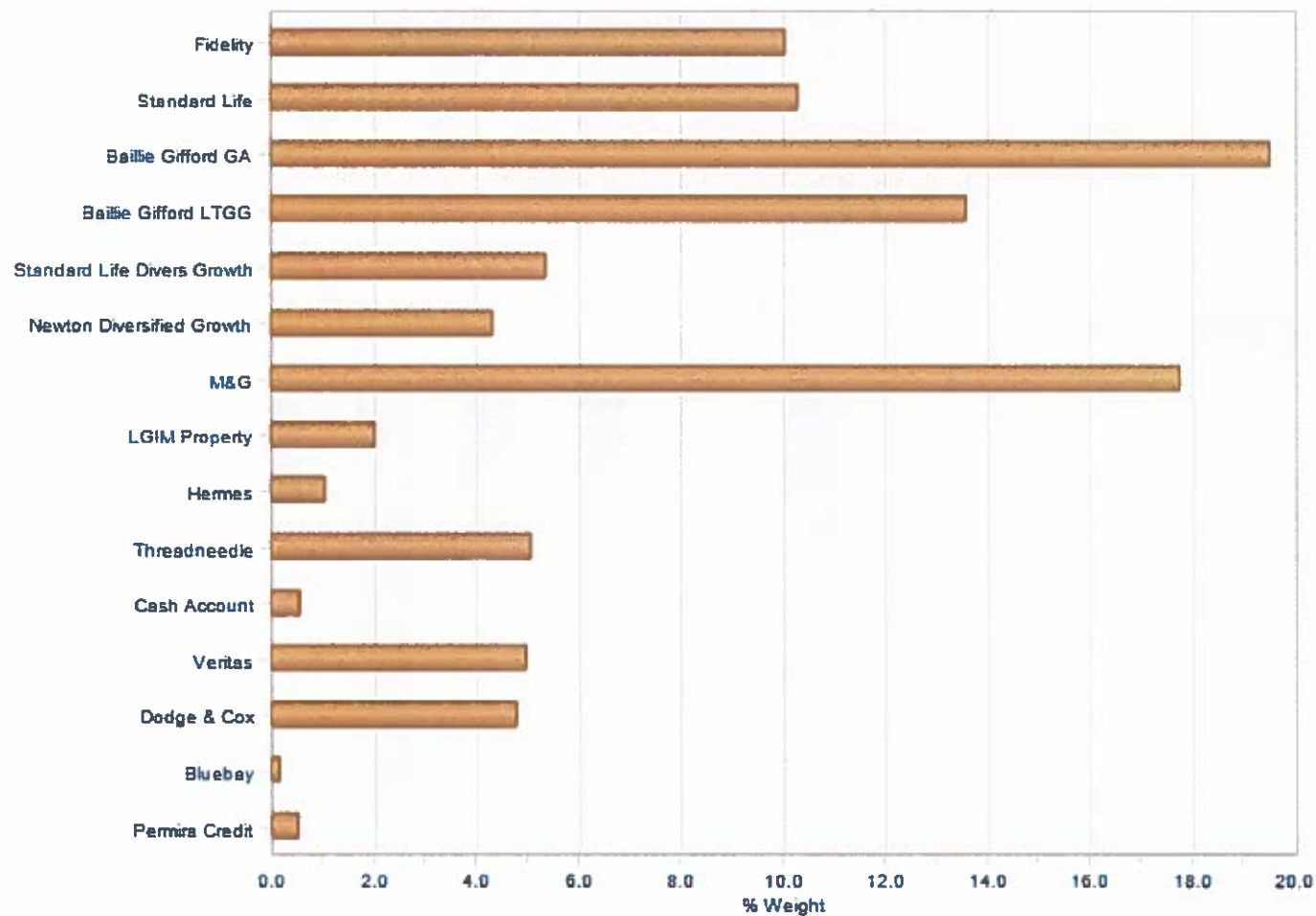
For asset allocation, the fund is closely matched to the benchmark with the largest variances being in Global Equity Units and Alternatives where the fund is 4.29% overweight and 6.38% underweight respectively.

Fund Allocation

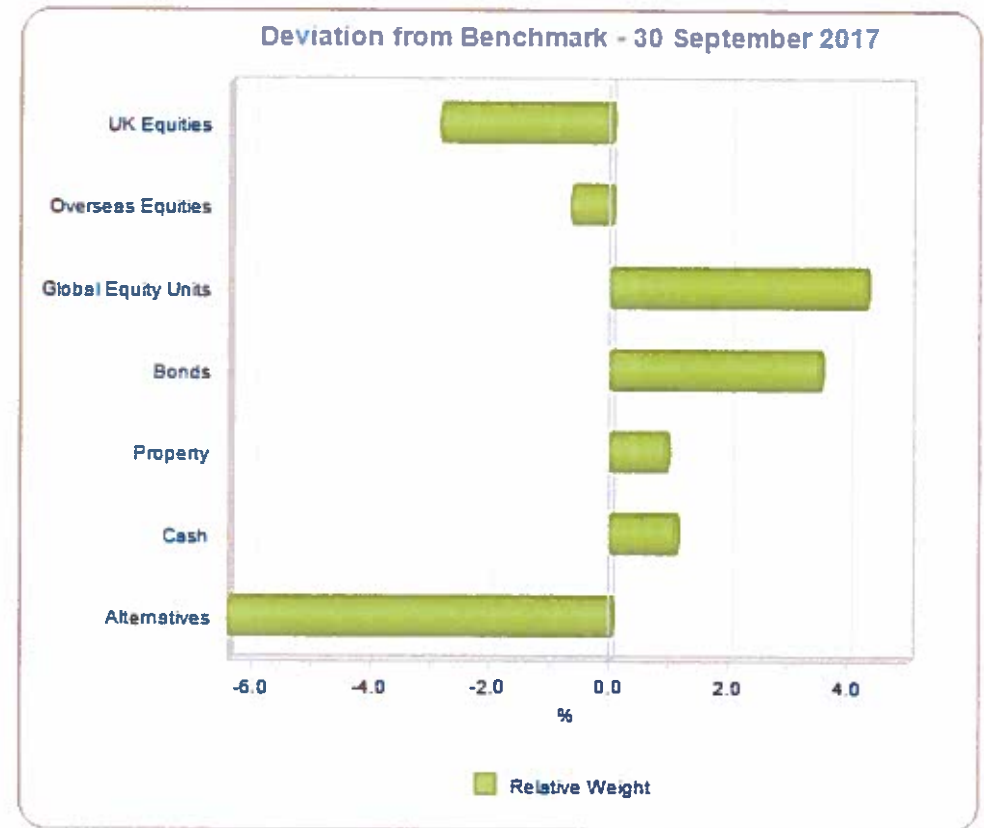
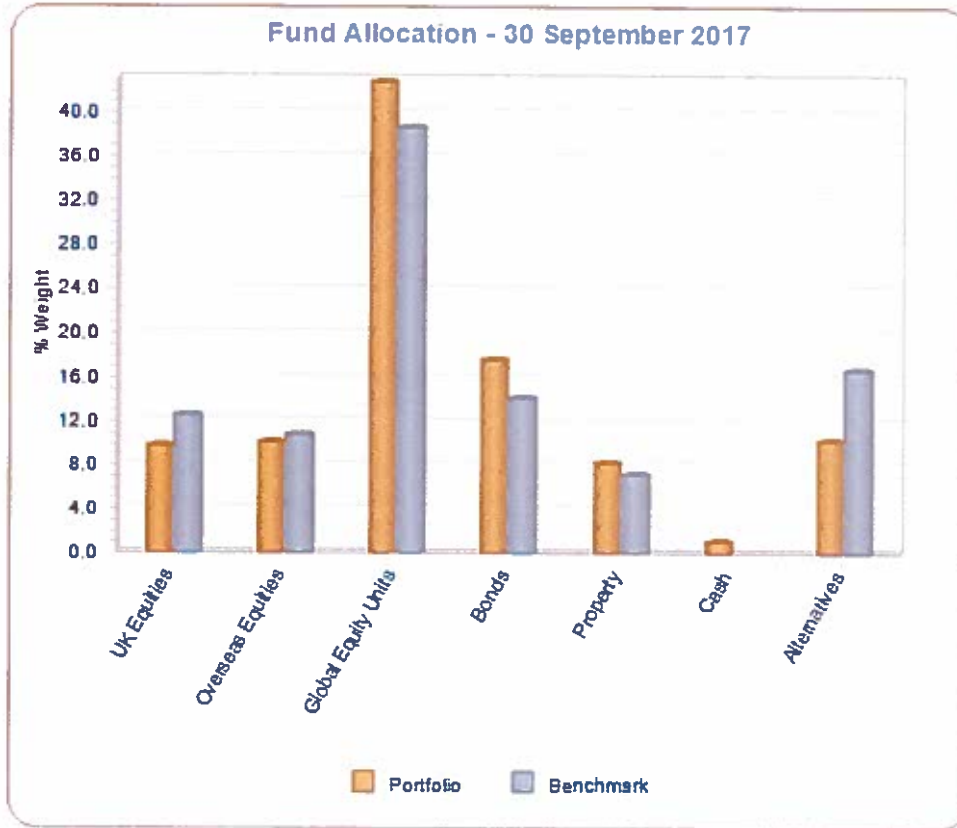


Fund Allocation - Managers

Manager Allocation - 3 Months Ending 30 September 2017



Manager	Weight (%)
Fidelity	10.04
Standard Life	10.31
Baillie Gifford GA	19.52
Baillie Gifford LTGG	13.57
Standard Life Divers Growth	5.36
Newton Diversified Growth	4.31
M&G	17.76
LGIM Property	2.00
Hermes	1.05
Threadneedle	5.09
Cash Account	0.54
Ventas	4.99
Dodge & Cox	4.81
Bluebay	0.16
Permira Credit	0.49

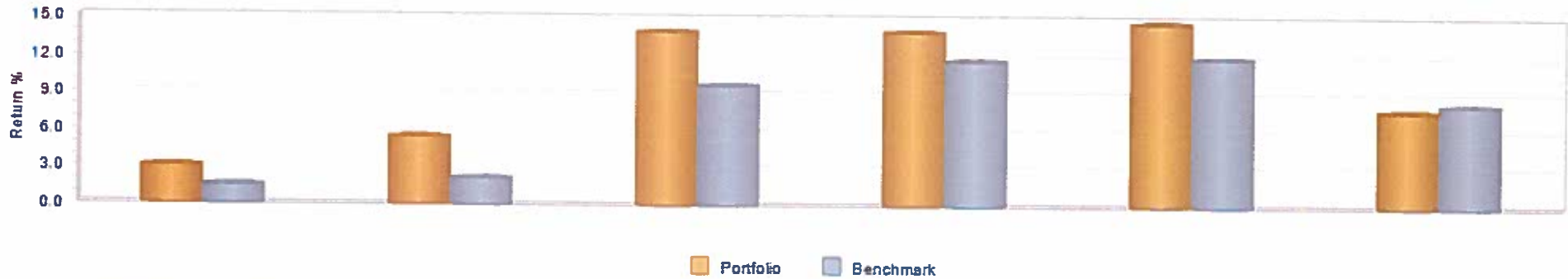


	UK Equities	Overseas Equities	Global Equity Units	Bonds	Property	Cash	Alternatives
Portfolio	9.78	10.16	42.89	17.63	8.14	1.09	10.32
Benchmark	12.60	10.80	38.60	14.10	7.20		16.70
Relative Weight	-2.82	-0.64	4.29	3.53	0.94	1.09	-6.38

Fund Performance



Periodic Performance



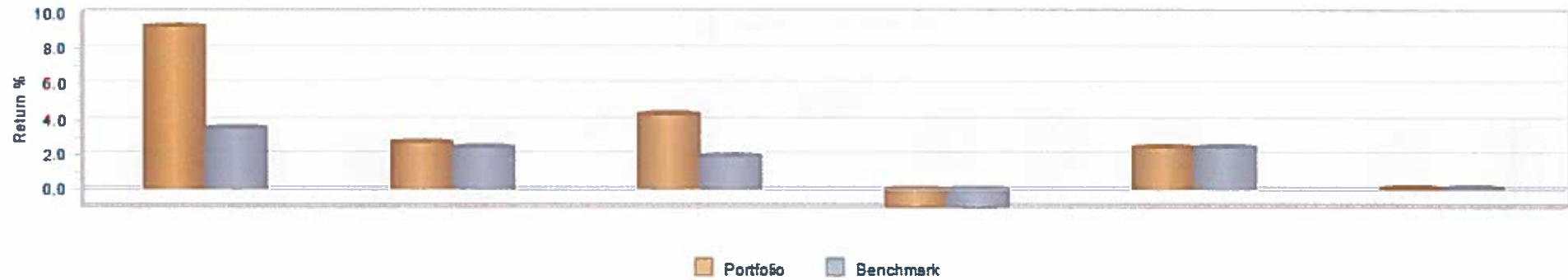
	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception (Ann)
Portfolio	3.08	5.47	14.04	14.03	14.80	7.76
Benchmark	1.51	2.20	9.71	11.70	11.85	8.28

Inception Date: 31 Jan 2002

Ann = Annualised

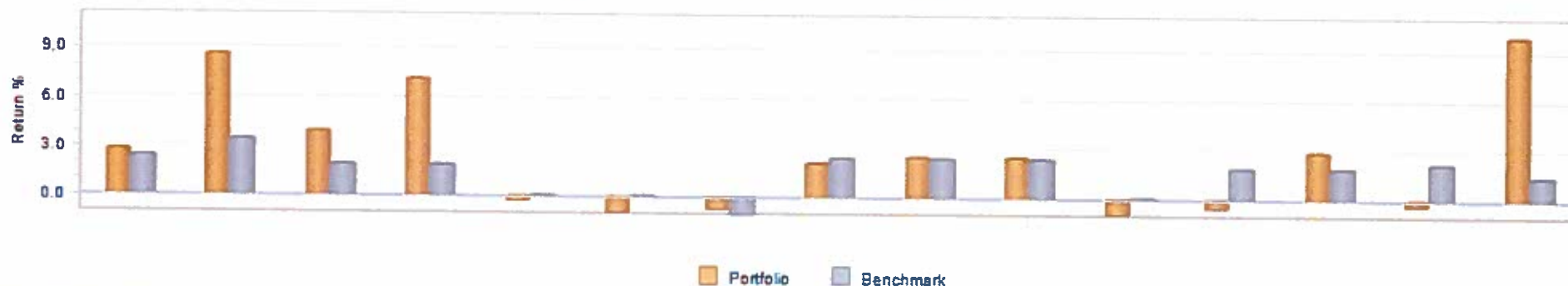
Fund Performance - Segment Analysis

Segment Performance - 3 Months Ending 30 September 2017



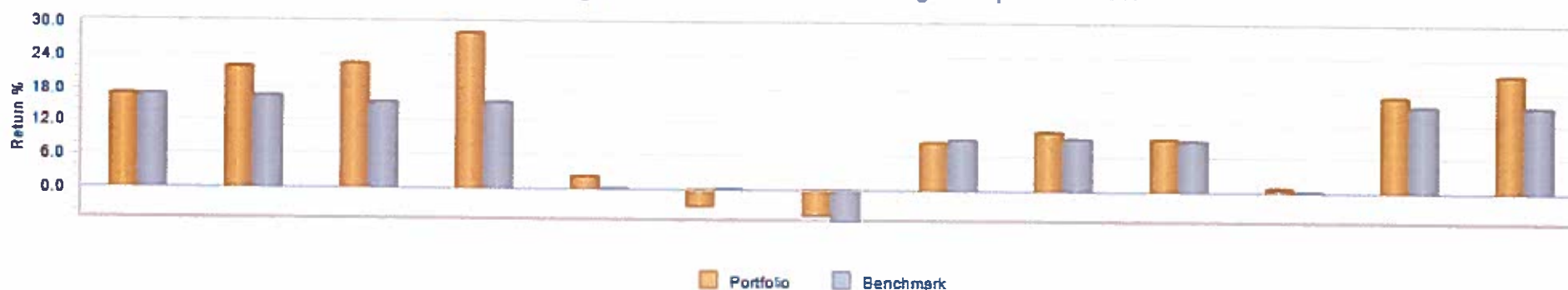
	UK Equities	Overseas Equities	Global Equity Units	Bonds	Property	Alternatives
Portfolio	9.25	2.66	4.32	-0.97	2.42	0.08
Benchmark	3.49	2.42	1.92	-1.02	2.38	0.06

Manager Performance - 3 Months Ending 30 September 2017



	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford	Standard Life Divers	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle	Cash Account	Veritas	Dodge & Cox	Bluebay	Permira Credit
Portfolio	2.76	8.66	3.92	7.18	-0.24	-0.91	-0.73	2.11	2.54	2.51	-0.91	-0.50	2.91	-0.37	10.03
Benchmark	2.42	3.49	1.90	1.90	0.06	0.06	-1.02	2.37	2.40	2.37	0.03	1.96	1.96	2.20	1.47

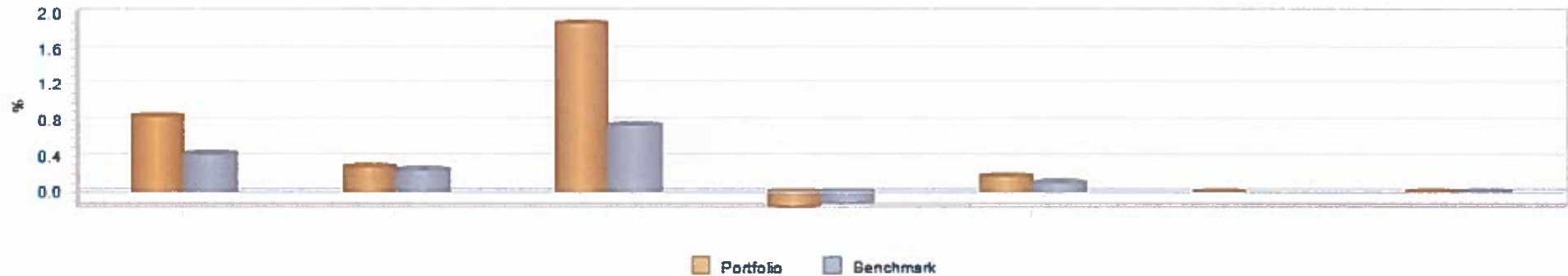
Manager Performance - 1 Year Ending 30 September 2017



	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford LTGG	Standard Life Divers Growth	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle	Cash Account	Veritas	Dodge & Cox
Portfolio	16.95	21.82	22.62	28.31	2.13	-3.08	-4.79	8.53	10.55	9.33	0.72	17.39	21.25
Benchmark	16.89	16.81	15.52	15.52	0.26	0.26	-5.56	9.26	9.47	9.26	0.12	15.49	15.49

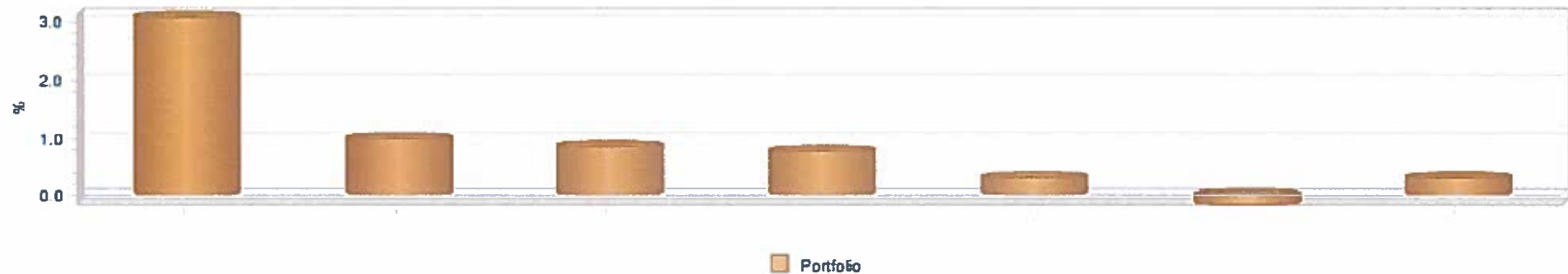
Fund Performance - Contribution Analysis

Source of Contribution - Quarter to 30 September 2017



	UK Equities	Overseas Equities	Global Equity Units	Bonds	Property	Cash	Alternatives
Portfolio	0.85	0.29	1.89	-0.15	0.19	0.00	0.01
Benchmark	0.44	0.26	0.75	-0.12	0.11		0.01

Top 5 Manager Contribution - Quarter to 30 September 2017



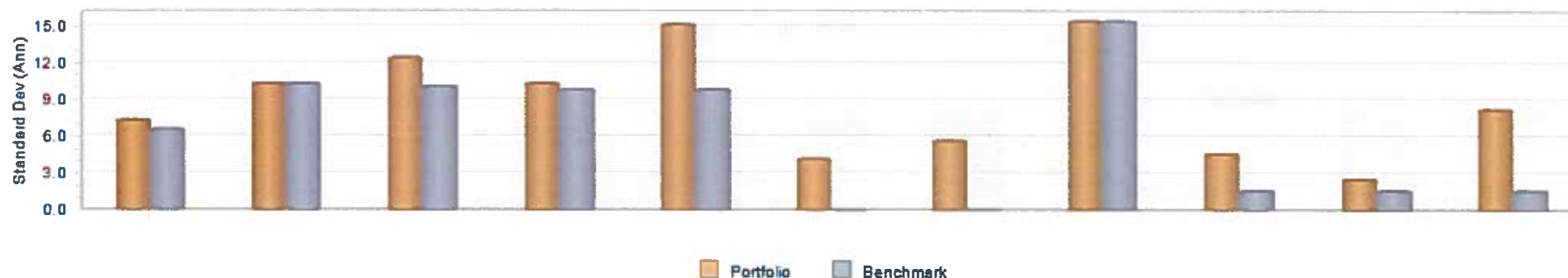
	Total Consolidation	Baillie Gifford LTGG	Standard Life	Baillie Gifford GA	Fidelity	M&G	Remaining Managers
Portfolio	3.06	0.99	0.84	0.78	0.30	-0.15	0.30

Risk Profile



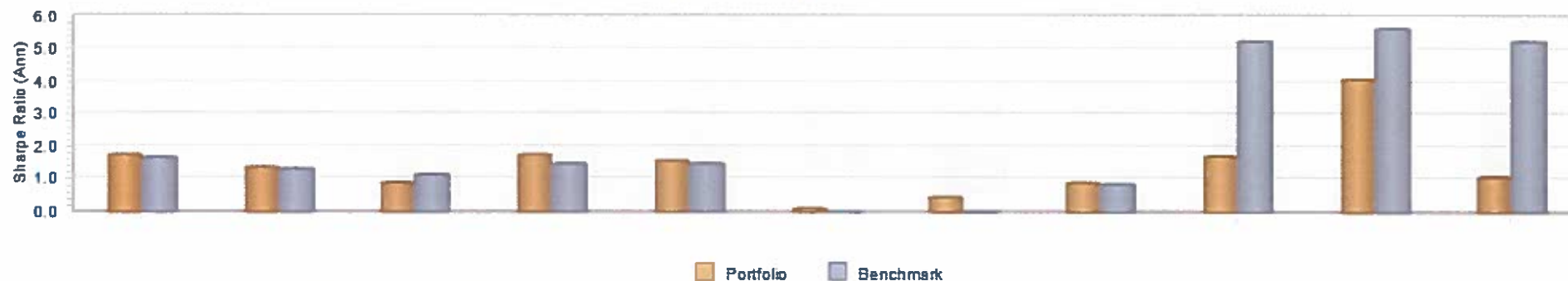
Risk Profile - Historic Risk

Standard Deviation - 3 Years (Ann) to 30 September 2017



	Total Consolidation	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford LTGG	Standard Life Divers Growth	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle
Portfolio	7.31	10.25	12.35	10.23	15.12	4.14	5.54	15.30	4.59	2.52	8.17
Benchmark	6.54	10.30	10.01	9.81	9.81	0.03	0.03	15.40	1.55	1.53	1.55

Sharpe Ratio - 3 Years (Ann) to 30 September 2017



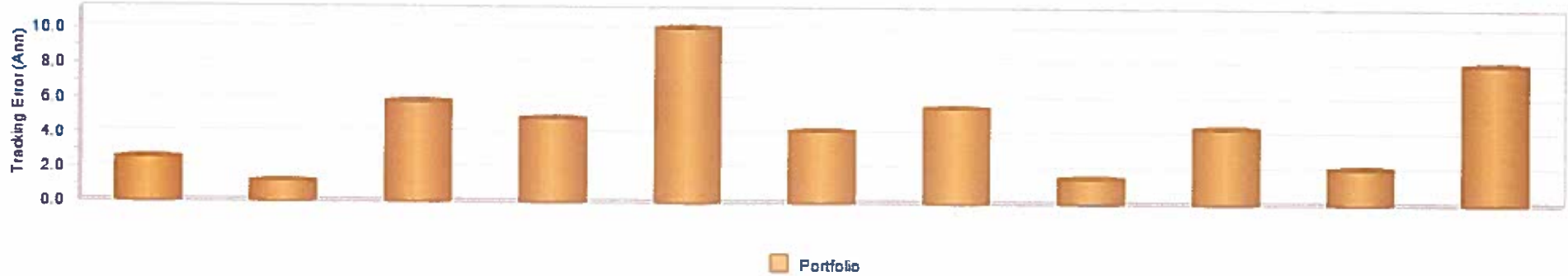
	Total Consolidation	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford LTGG	Standard Life Divers Growth	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle
Portfolio	1.78	1.37	0.87	1.78	1.54	0.12	0.44	0.90	1.69	4.12	1.07
Benchmark	1.67	1.31	1.13	1.45	1.45	0.00	0.00	0.83	5.26	5.64	5.26

Ann = Annualised

Risk Profile - Historic Risk

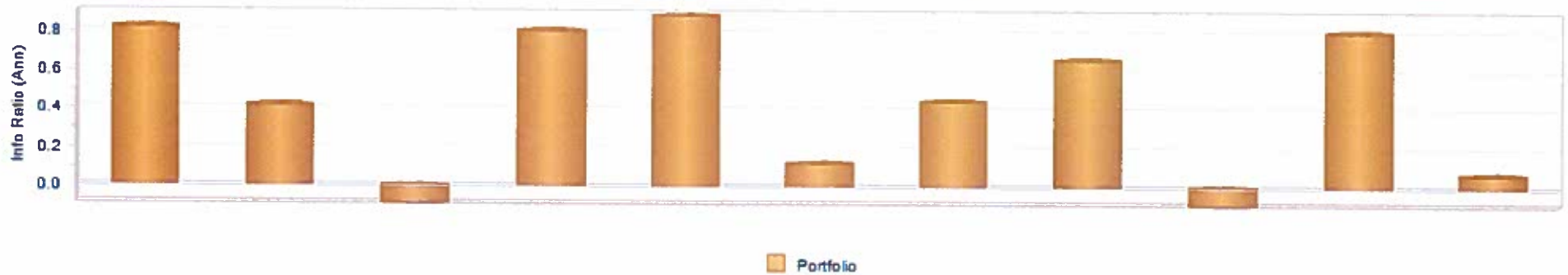


Tracking Error - 3 Years (Ann) to 30 September 2017



	Total Consolidation	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford LTGG	Standard Life Divers Growth	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle
Portfolio	2.59	1.16	5.81	4.87	10.13	4.15	5.54	1.47	4.40	2.11	8.10

Information Ratio - 3 Years (Ann) to 30 September 2017



	Total Consolidation	Fidelity	Standard Life	Baillie Gifford GA	Baillie Gifford LTGG	Standard Life Divers Growth	Newton Diversified	M&G	LGIM Property	Hermes	Threadneedle
Portfolio	0.83	0.42	-0.09	0.81	0.89	0.12	0.44	0.66	-0.09	0.81	0.07

Ann = Annualised

Risk Profile - Consistency Analysis

Manager	Active Number of Months	Number of Positive Months	Consistency Rate (%)	Benchmark Consistency (%)	Outperformance (%)
Total Consolidation	189	124	66	68	56
Fidelity	107	69	64	52	53
Standard Life	132	77	58	43	56
Baillie Gifford GA	132	84	64	46	57
Amundi	125	73	58		
Baillie Gifford LTGG	133	82	62	46	54
Standard Life Divers Growth	55	33	60	100	58
Newton Diversified Growth	55	30	55	100	55
M&G	70	38	54	59	57
LGIM Property	58	52	90	84	57
Hermes	67	54	81	82	57
Threadneedle	64	57	89	84	66
Veritas	30	20	67	67	47
Dodge & Cox	30	20	67	67	47
Bluebay	10	3	30	90	30
Permira Credit	7	4	57	100	57

Fund Profile



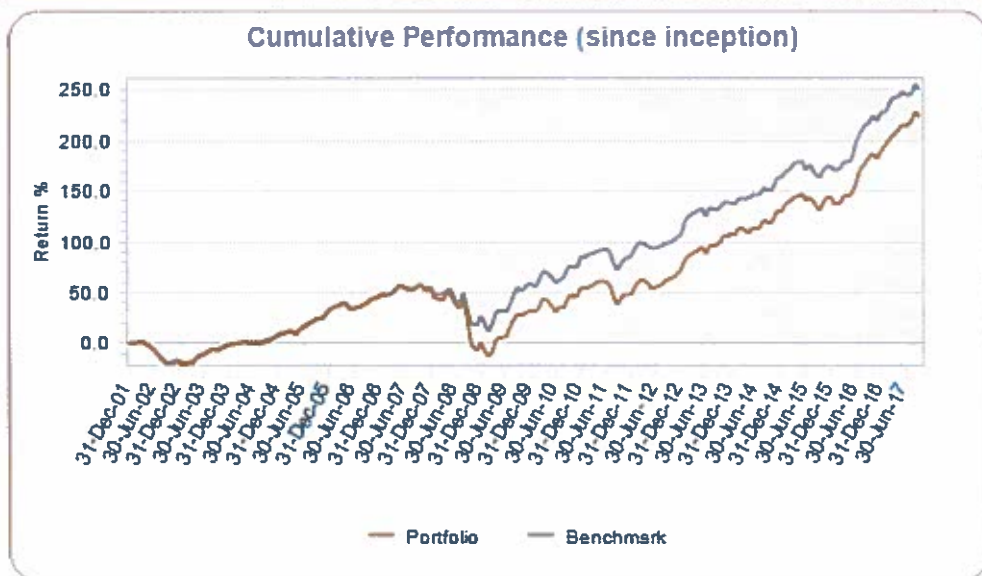
Fund Profile - Movement of Funds

Manager Name	Market Value 30-Jun-2017 (000's)	Net Contributions (000's)	Income (000's)	Gain/Loss (000's)	Market Value 30-Sep-2017 (000's)	% Change
Total Consolidation	3,144,107.65	-139.51	4,872.03	91,983.43	3,240,823.60	3.08
Total Consolidation	3,144,107.65	-139.51	4,872.03	91,983.43	3,240,823.60	3.08
Fidelity	346,704.91	-30,700.00	920.07	8,464.96	325,389.94	-6.15
Standard Life	307,592.27	0.00	2,119.29	24,527.50	334,239.06	8.66
Baillie Gifford GA	632,621.68	-24,400.00	0.00	24,476.04	632,697.72	0.01
Baillie Gifford LTGG	455,520.43	-47,000.00	0.00	31,161.79	439,682.22	-3.48
Standard Life Divers Growth	149,759.79	24,408.18	0.00	-545.09	173,622.89	15.93
Newton Diversified Growth	123,094.05	17,800.00	0.00	-1,147.98	139,746.07	13.53
M&G	414,254.48	166,048.56	539.86	-5,432.80	575,410.11	38.90
LGIM Property	63,345.42	0.00	0.00	1,336.48	64,681.90	2.11
Hermes	33,470.40	-311.05	311.05	534.48	34,004.88	1.60
Threadneedle	160,977.18	0.00	0.00	4,037.69	165,014.87	2.51
Cash Account	33,519.76	-15,800.93	-81.94	-0.31	17,636.57	-47.38
Veritas	162,509.48	0.00	0.00	-817.00	161,692.48	-0.50
Dodge & Cox	151,514.73	0.00	0.00	4,415.95	155,930.68	2.91
Bluebay	8,811.52	-3,569.98	88.69	-117.40	5,212.83	-40.84
Permira Credit	6,154.97	8,125.00	975.00	551.77	15,806.74	156.81

Manager Analysis



Manager Analysis - Total Consolidation



Inception Date: 31 Jan 2002

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	3.1	5.5	14.0	14.0	14.8	7.8
Benchmark	1.5	2.2	9.7	11.7	11.9	8.3

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	7.3	1.8	2.6	0.8
Benchmark	6.5	1.7		

Portfolio Size and Mandate

Portfolio Size (GBP)

3,240,823,598

Portfolio Mandate

Total Plan

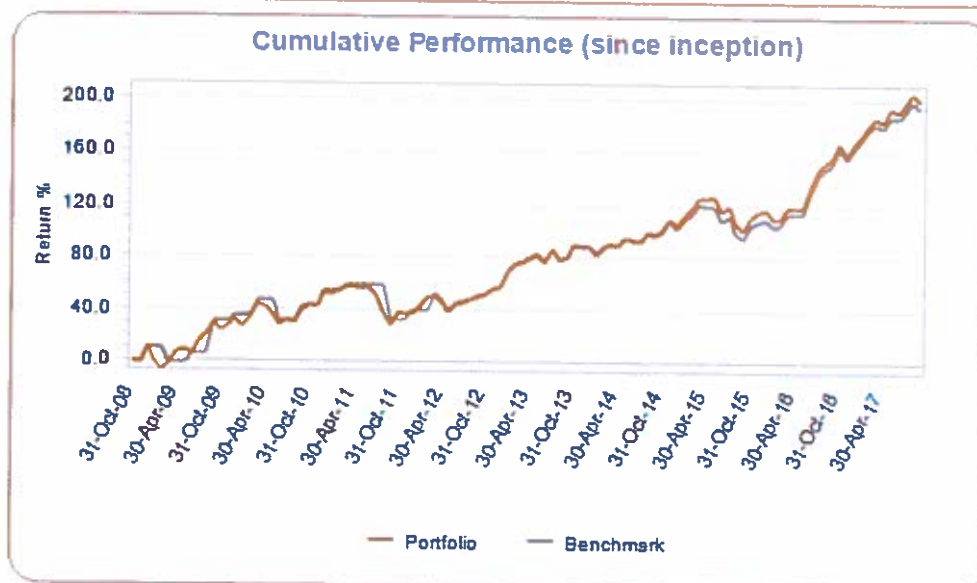
Allocation - 30 September 2017

	UK Equities	Overseas Equities	Global Equity	Bonds	Property	Cash	Alternative
Portfolio	9.78	10.16	42.89	17.63	8.14	1.09	10.32
Benchmark	12.60	10.80	38.60	14.10	7.20		16.70

Summary - 3 Months Ending 30 September 2017

The fund's relative performance of the Quarter and 1 Year was 1.6% and 4.3% respectively.

Manager Analysis - Fidelity



Inception Date: 30 Nov 2008

Portfolio Size and Mandate	
Portfolio Size (GBP)	Portfolio Mandate
325,389,939	Global Equities

Allocation - 30 September 2017			
	UK Equities	Overseas Equities	Cash
Portfolio	0.00	98.14	1.86
Benchmark		100.00	

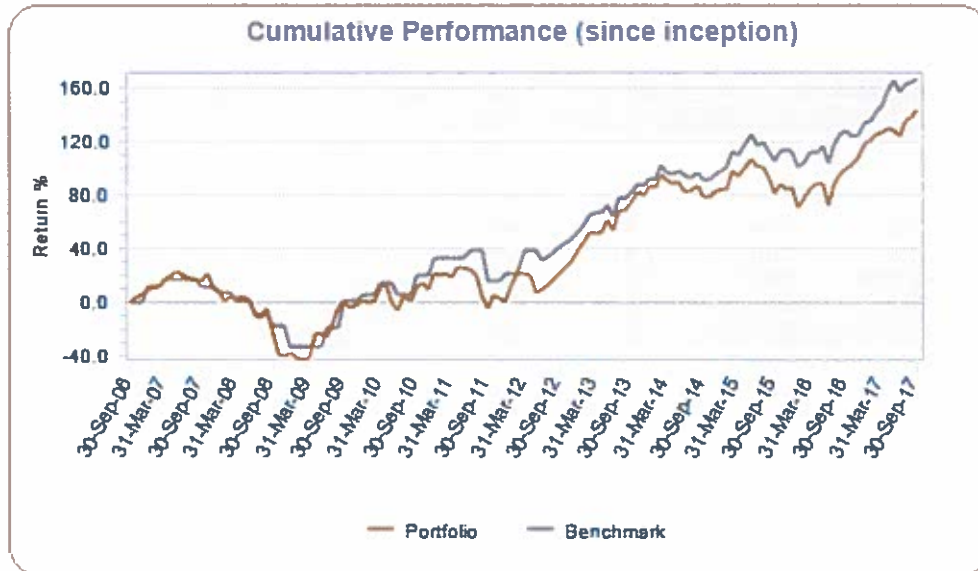
Periodic Performance						
	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	2.8	4.7	17.0	14.8	14.8	13.1
Benchmark	2.4	4.0	16.9	14.3	14.2	12.9

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 0.4% and 0.1% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017				
	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	10.3	1.4	1.2	0.4
Benchmark	10.3	1.3		

Manager Analysis - Standard Life



Inception Date: 31 Oct 2006

Periodic Performance						
	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	8.7	7.1	21.8	10.9	14.9	8.4
Benchmark	3.5	7.7	16.8	11.8	13.5	9.3

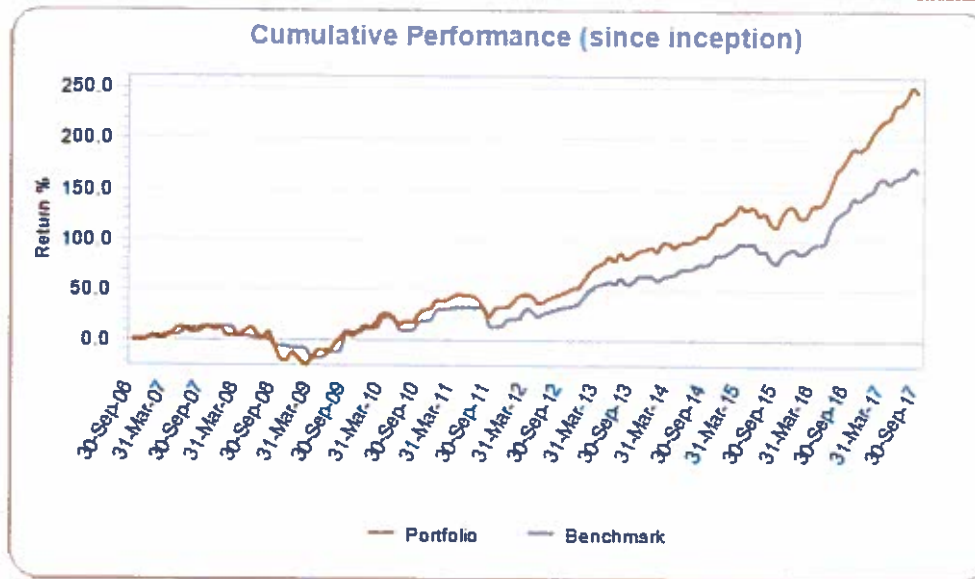
Risk Profile - 3 Years (Ann) to 30 September 2017				
	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	12.4	0.9	5.8	-0.1
Benchmark	10.0	1.1		

Portfolio Size and Mandate	
Portfolio Size (GBP)	Portfolio Mandate
334,239,058	UK Equities

Allocation - 30 September 2017			
	UK Equities	Overseas Equities	Cash
Portfolio	94.77	2.94	2.29
Benchmark	100.00		

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 5.20% and 5.0% respectively.



Inception Date: 31 Oct 2006

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	3.9	8.8	22.6	19.7	18.8	12.0
Benchmark	1.9	2.4	15.5	15.1	15.1	9.4

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	10.2	1.8	4.9	0.8
Benchmark	9.8	1.4		

Portfolio Size and Mandate

Portfolio Size (GBP)

632,697,723

Portfolio Mandate

Global Equities

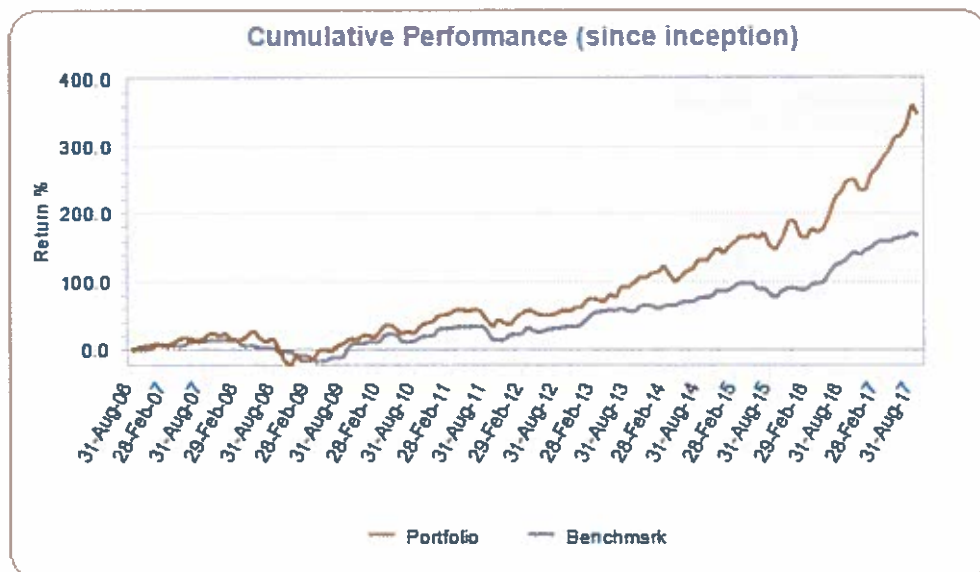
Allocation - 30 September 2017

	Global Equity Units	Cash
Portfolio	100.00	0.00
Benchmark	100.00	

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 2.0% and 7.1% respectively.

Manager Analysis - Baillie Gifford LTGG



Inception Date: 30 Sep 2006

Periodic Performance						
	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	7.2	16.7	28.3	25.0	23.1	14.5
Benchmark	1.9	2.4	15.5	15.1	15.1	

Risk Profile - 3 Years (Ann) to 30 September 2017				
	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	15.1	1.5	10.1	0.9
Benchmark	9.8	1.4		

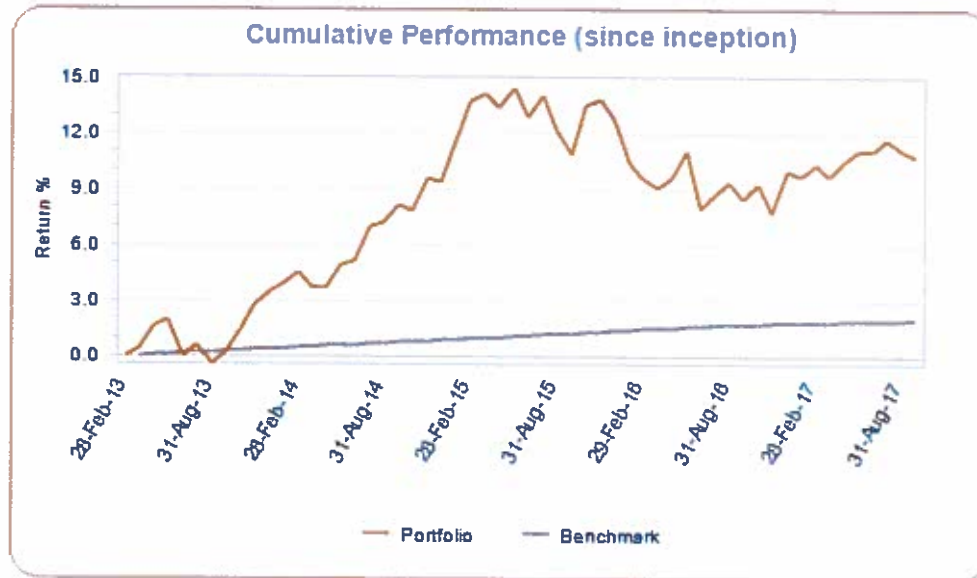
Portfolio Size and Mandate	
Portfolio Size (GBP)	Portfolio Mandate
439,682,219	Global Equities

Allocation - 30 September 2017		
	Global Equity Units	Cash
Portfolio	100.00	0.00
Benchmark	100.00	

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 5.3% and 12.8% respectively.

Manager Analysis - Standard Life Divers Growth



Inception Date: 31 Mar 2013

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	Since Inception (Ann)
Portfolio	-0.2	1.0	2.1	0.8	2.3
Benchmark	0.1	0.1	0.3	0.4	0.4

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	4.1	0.1	4.1	0.1
Benchmark	0.0	0.0		

Portfolio Size and Mandate

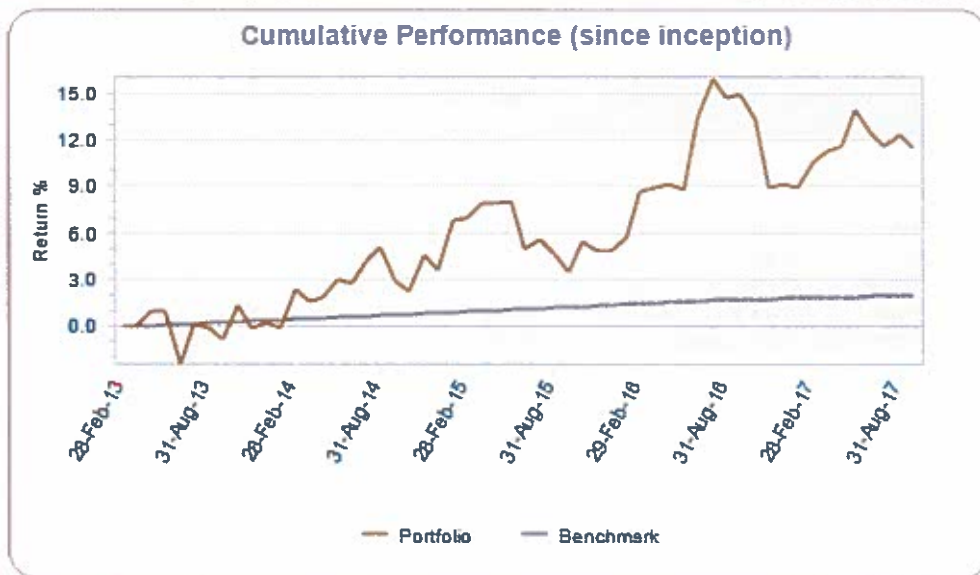
Portfolio Size (GBP)	Portfolio Mandate
173,622,892	Diversified Growth

Allocation - 30 September 2017

	Cash	Alternatives
Portfolio	0.00	100.00
Benchmark		100.00

Summary - 3 Months Ending 30 September 2017
 The manager's relative performance of the Quarter and 1 Year was and -0.3% and 1.8% respectively.

Manager Analysis - Newton Diversified Growth



Inception Date: 31 Mar 2013

Portfolio Size and Mandate

Portfolio Size (GBP)

139,746,075

Portfolio Mandate

Diversified Growth

Allocation - 30 September 2017

	Alternatives
Portfolio	100.00
Benchmark	100.00

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	Since Inception (Ann)
Portfolio	-0.9	0.2	-3.1	2.7	2.4
Benchmark	0.1	0.1	0.3	0.4	0.4

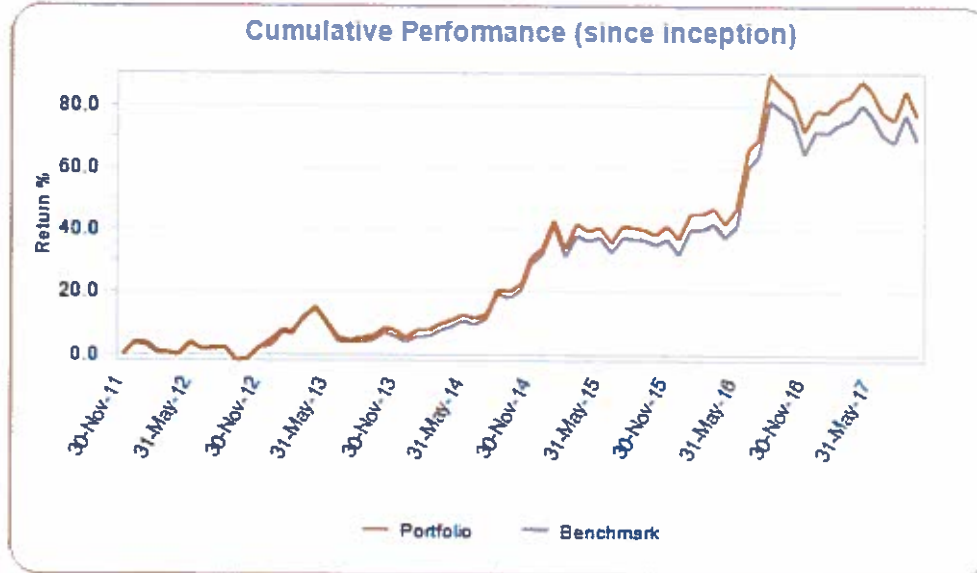
Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was -1.0% and -3.4% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	5.5	0.4	5.5	0.4
Benchmark	0.0	0.0		

Manager Analysis - M&G



Inception Date: 31 Dec 2011

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	-0.7	-3.7	-4.8	13.8	12.5	10.3
Benchmark	-1.0	-3.8	-5.6	12.7	11.5	9.4

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	15.3	0.9	1.5	0.7
Benchmark	15.4	0.8		

Portfolio Size and Mandate

Portfolio Size (GBP)	Portfolio Mandate
575,410,109	Global Bonds

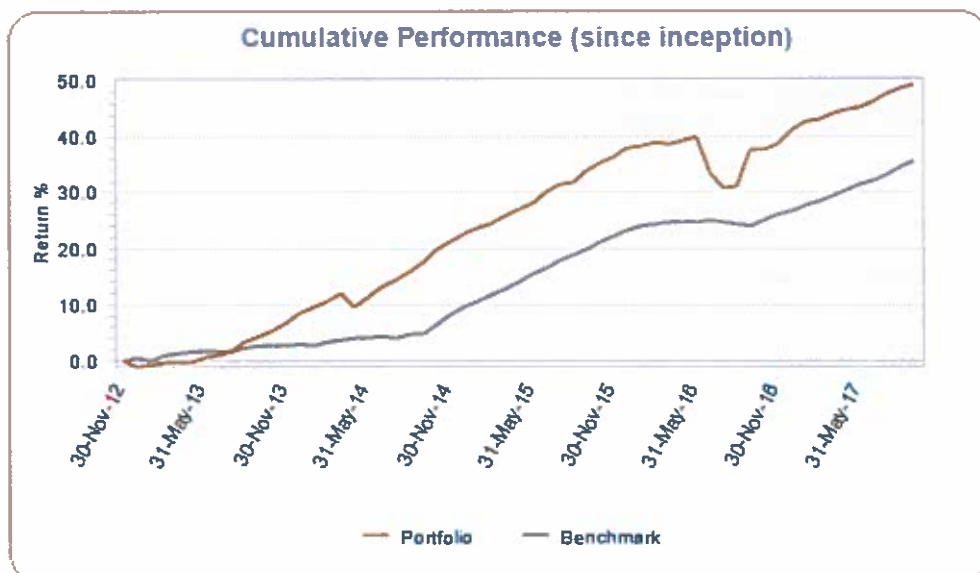
Allocation - 30 September 2017

	Bonds	Cash
Portfolio	99.31	0.69
Benchmark	100.00	

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 0.3% and 0.8% respectively.

Manager Analysis - LGIM Property



Inception Date: 31 Dec 2012

Portfolio Size and Mandate	
Portfolio Size (GBP)	Portfolio Mandate
64,681,904	Property

Allocation - 30 September 2017	
	Property
Portfolio	100.00
Benchmark	100.00

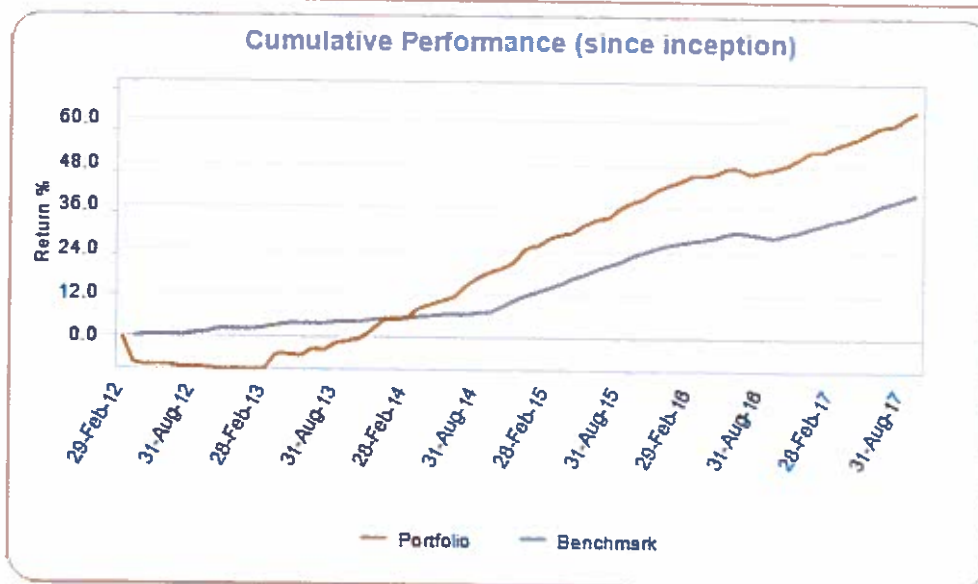
Periodic Performance					
	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	Since Inception (Ann)
Portfolio	2.1	3.6	8.5	8.4	8.7
Benchmark	2.4	4.7	9.3	8.9	6.5

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 year was -0.3% and -0.8% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017				
	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	4.6	1.7	4.4	-0.1
Benchmark	1.6	5.3		

Manager Analysis - Hermes



Inception Date: 31 Mar 2012

Portfolio Size and Mandate

Portfolio Size (GBP)

34,004,878

Portfolio Mandate

Property

Allocation - 30 September 2017

	Property
Portfolio	100.00
Benchmark	100.00

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	2.5	5.4	10.5	11.3	12.2	9.1
Benchmark	2.4	4.9	9.5	9.4	6.7	6.3

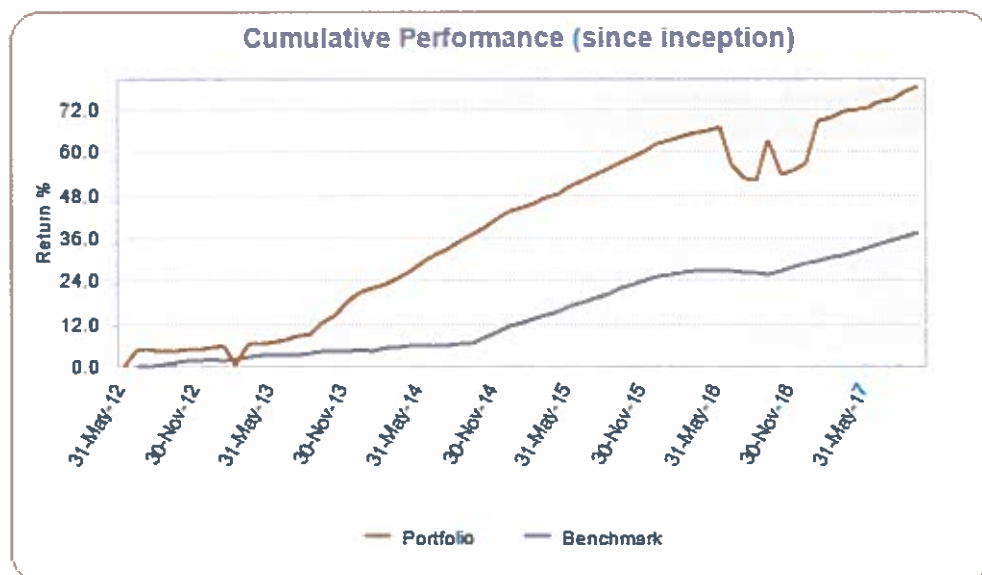
Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 0.1% and 1.0% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	2.5	4.1	2.1	0.8
Benchmark	1.5	5.6		

Manager Analysis - Threadneedle



Inception Date: 30 Jun 2012

Portfolio Size and Mandate

Portfolio Size (GBP)	Portfolio Mandate
165,014,866	Property

Allocation - 30 September 2017

	Property
Portfolio	100.00
Benchmark	100.00

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	3 Years (Ann)	5 Years (Ann)	Since Inception
Portfolio	2.5	4.3	9.3	9.2	11.3	11.5
Benchmark	2.4	4.7	9.3	8.9	6.4	6.3

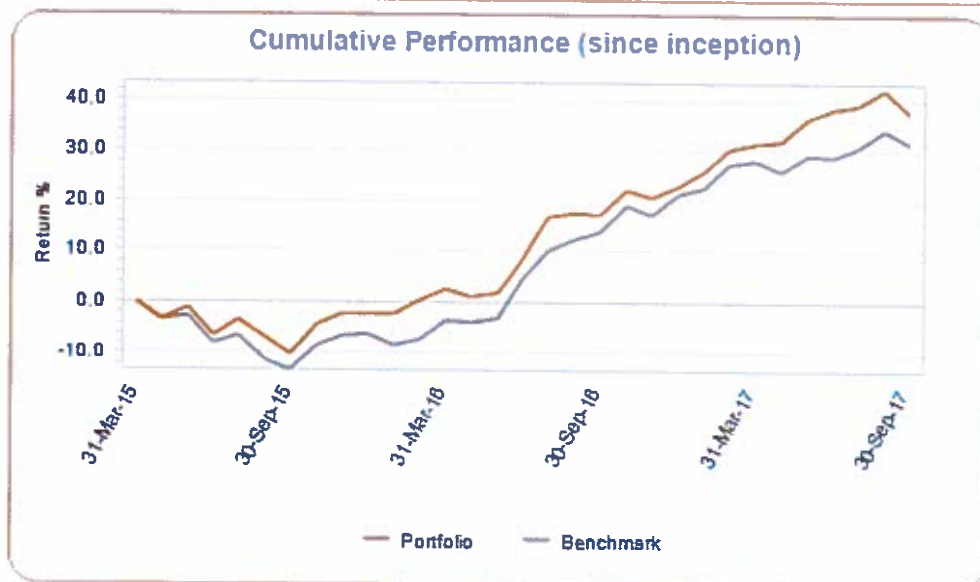
Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 0.1% and 0.0% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio	8.2	1.1	8.1	0.1
Benchmark	1.6	5.3		

Manager Analysis - Veritas



Inception Date: 30 Apr 2015

Portfolio Size and Mandate

Portfolio Size (GBP)

161,692,478

Portfolio Mandate

Global Equities

Allocation - 30 September 2017

Global Equity Units

Portfolio
Benchmark

100.00
100.00

Periodic Performance

	Quarter	Fiscal Year To Date	1 Year	Since Inception (Ann)
Portfolio	-0.5	4.6	17.4	13.6
Benchmark	2.0	2.5	15.5	11.6

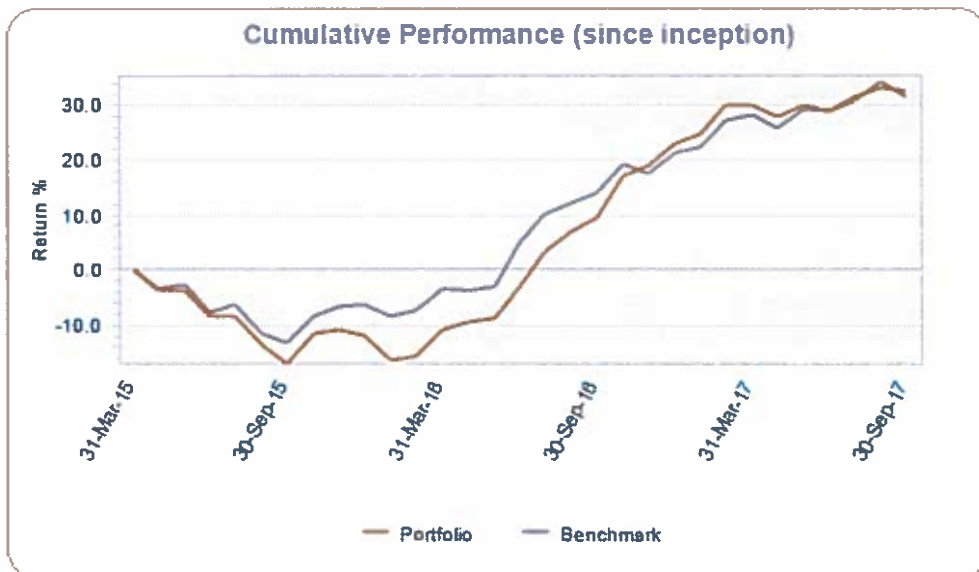
Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was -2.5% and 1.9% respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio				
Benchmark				

Manager Analysis - Dodge & Cox



Inception Date: 30 Apr 2015

Periodic Performance				
	Quarter	Fiscal Year To Date	1 Year	Since Inception (Ann)
Portfolio	2.9	1.9	21.3	12.0
Benchmark	2.0	2.5	15.5	11.6

Risk Profile - 3 Years (Ann) to 30 September 2017				
	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio				
Benchmark				

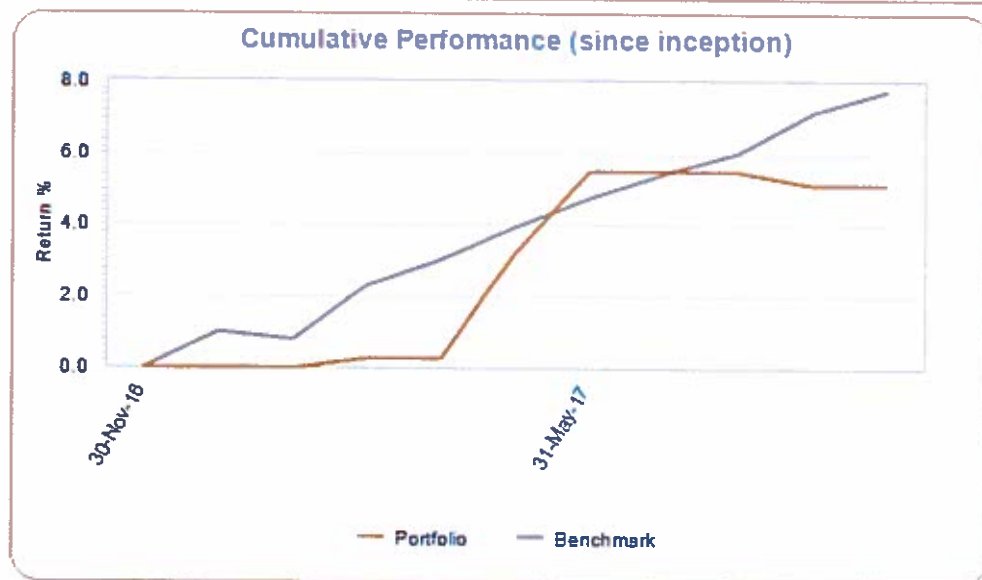
Portfolio Size and Mandate	
Portfolio Size (GBP)	Portfolio Mandate
155,930,675	Global Equities

Allocation - 30 September 2017	
	Global Equity Units
Portfolio	100.00
Benchmark	100.00

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter and 1 Year was 0.9% and 5.8% respectively.

Manager Analysis - Bluebay



Inception Date: 31 Dec 2016

Portfolio Size and Mandate

Portfolio Size (GBP)

5,212,830

Portfolio Mandate

Alternatives

Allocation - 30 September 2017

Alternatives

Portfolio
Benchmark

100.00
100.00

Periodic Performance

	Quarter	Fiscal Year To Date	Since Inception (Ann)
Portfolio	-0.4	4.9	5.1
Benchmark	2.2	4.6	7.8

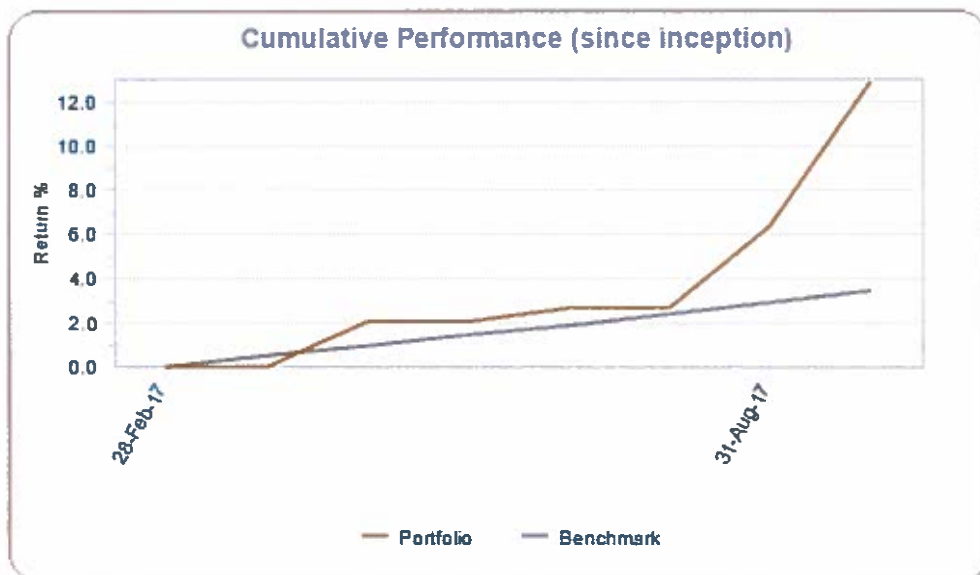
Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter was -2.6 respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio				
Benchmark				

Manager Analysis - Permira Credit



Inception Date: 31 Mar 2017

Portfolio Size and Mandate

Portfolio Size (GBP)	Portfolio Mandate
15,806,740	Alternatives

Allocation - 30 September 2017

	Cash	Alternatives
Portfolio	0.00	100.00
Benchmark		100.00

Periodic Performance

	Quarter	Fiscal Year To Date	Since Inception (Ann)
Portfolio	10.0	13.0	13.0
Benchmark	1.5	3.0	3.5

Summary - 3 Months Ending 30 September 2017

The manager's relative performance of the Quarter was 8.5 respectively.

Risk Profile - 3 Years (Ann) to 30 September 2017

	Standard Deviation	Sharpe Ratio	Tracking Error	Information Ratio
Portfolio				
Benchmark				

Appendix



Appendix - Glossary

Risk

Standard Deviation - Standard Deviation measures the variability (or volatility) of a fund's return over a specified time period.

Tracking Error - Tracking Error measures the variability of a fund's returns relative to its benchmark over a time period.

Information Ratio - Information Ratio is a measure of performance adjusted for the level of (active) risk.

Sharpe Ratio - Sharpe Ratio relates a portfolio's reward (determined as the portfolio's return minus risk free return) to the portfolio's variability (as measured by its standard deviation).

Active Number of months - Number of complete months of performance

Number of Positive Months - number of complete months the portfolio has produced a positive return

Consistency Rate (%) - Number of Positive Months/Active Number of Months

Benchmark Consistency (%) - Number of Positive Benchmark Months/Active Number of Months

Outperformance (%) - Percentage of months the portfolio has outperformed the benchmark

Attribution

Allocation Effect - Measures the impact of decisions to allocate assets differently from the benchmark.

Selection Effect - Measures the impact of decisions of selecting securities different from those held in the benchmark.

Currency Effect - Measures the impact of deviating from the benchmark currency position.

Management Effect - Measures the combined impact of allocation, selection and currency effects. At the total level, this represents the fund's relative performance against the benchmark.

Interaction Effect - Measures the combined impact of an investment manager's selection and allocation decisions within a segment.

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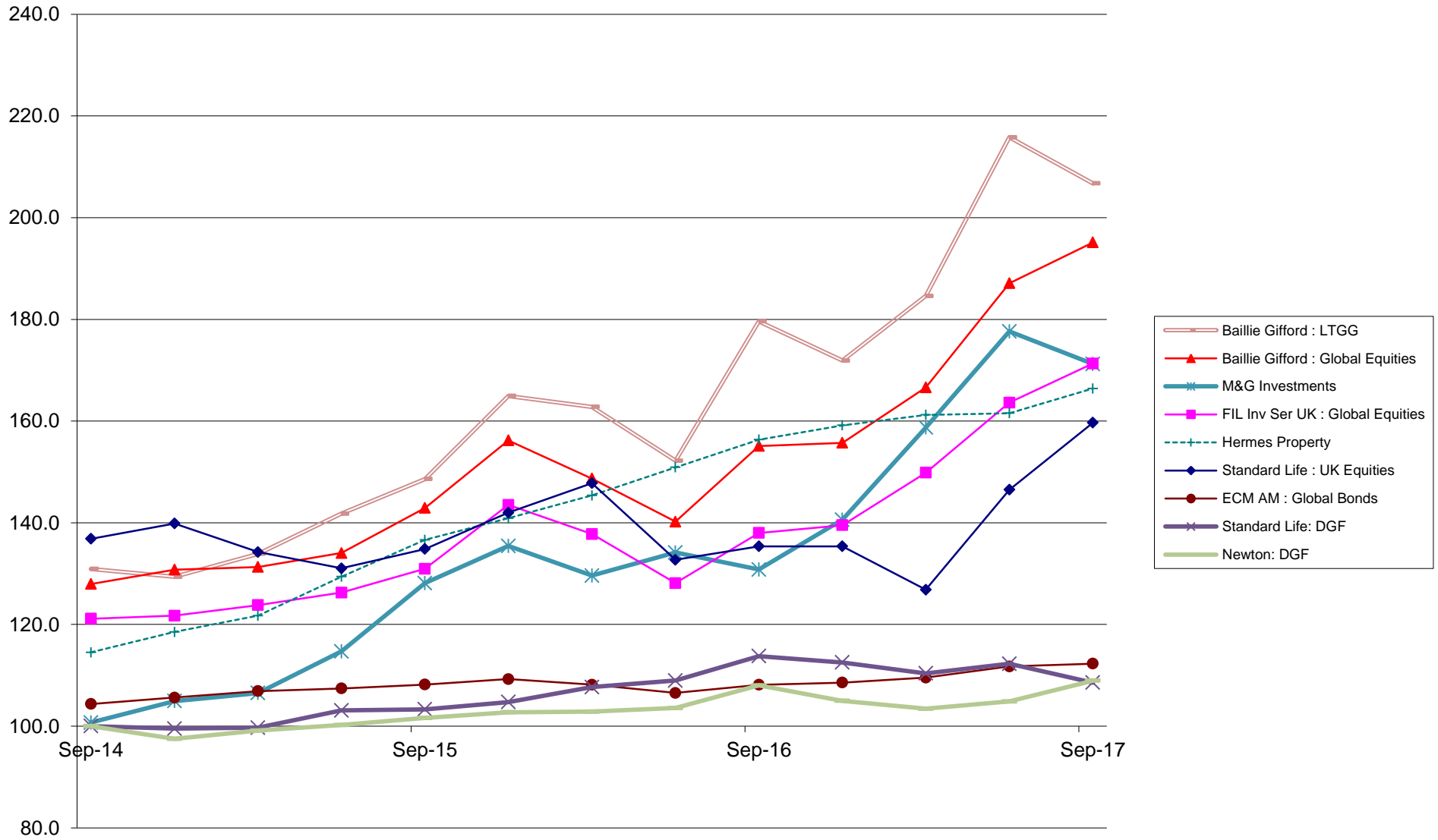
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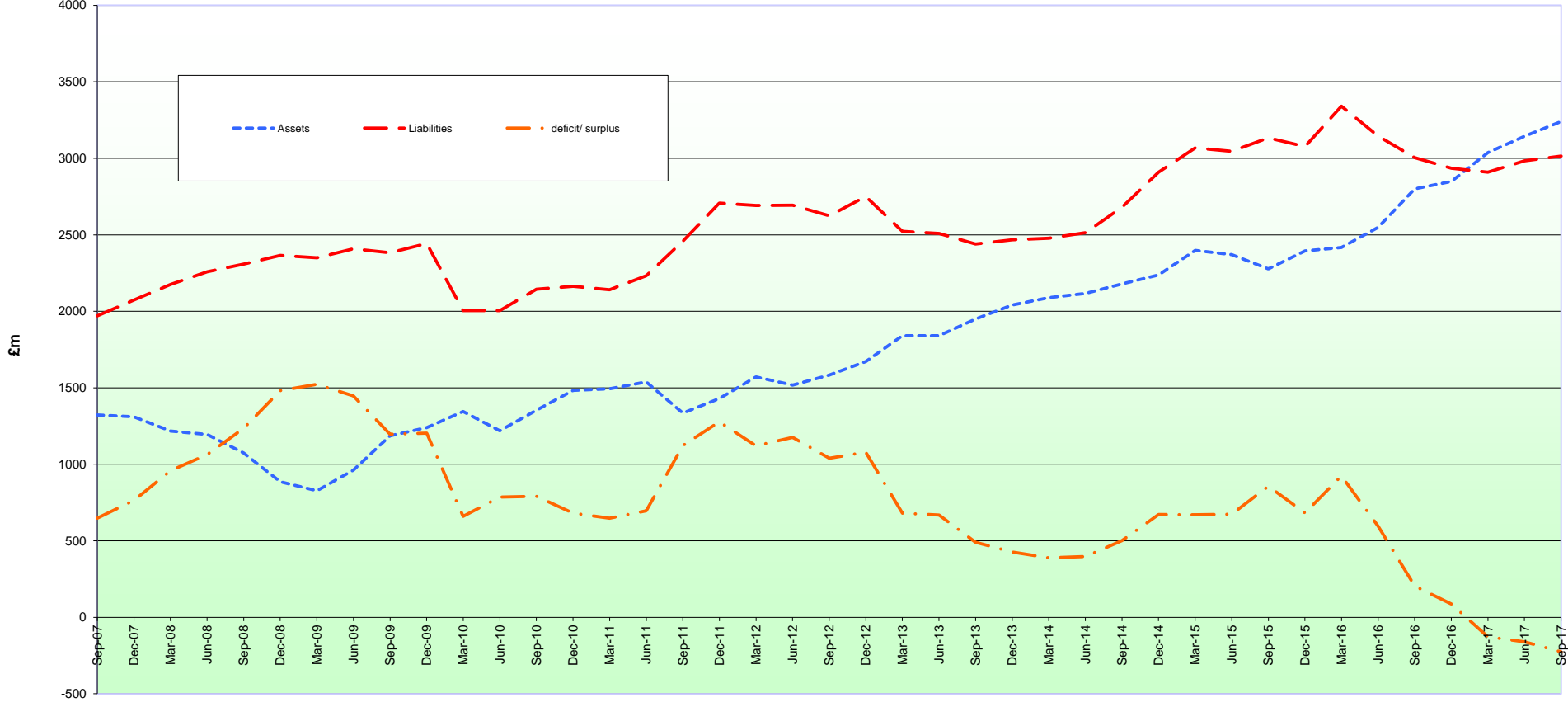
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Investment Manager Performance - cumulative absolute performance 3 years to September 2017



North Yorkshire Pension Fund Assets, Liabilities and Deficit



Actuarial Model of Quarterly Solvency Position

Date	Solvency	Deficit £(M)	Fund Value £(M)	FTSE 100
March 31, 2001	73%	187	724	5,634
June 30, 2001	82%	162	740	5,643
September 30, 2001	71%	265	650	4,903
December 31, 2001	74%	245	702	5,217
March 31, 2002	75%	245	732	5,272
June 30, 2002	60%	450	670	4,656
September 30, 2002	56%	435	574	3,722
December 31, 2002	58%	478	597	3,940
March 31, 2003	55%	478	584	3,613
June 30, 2003	61%	423	662	4,031
September 30, 2003	63%	408	695	4,091
December 31, 2003	65%	402	747	4,477
March 31, 2004	58%	524	767	4,386
June 30, 2004	61%	498	778	4,464
September 30, 2004	60%	524	799	4,571
December 31, 2004	62%	533	854	4,814
March 31, 2005	61%	563	879	4,894
June 30, 2005	61%	592	924	5,113
September 30, 2005	65%	542	1005	5,478
December 31, 2005	65%	585	1075	5,619
March 31, 2006	69%	523	1150	5,965
June 30, 2006	68%	531	1121	5,833
September 30, 2006	66%	595	1163	5,961
December 31, 2006	69%	561	1233	6,221
March 31, 2007	67%	619	1266	6,308
June 30, 2007	72%	522	1316	6,608
September 30, 2007	67%	648	1322	6,467
December 31, 2007	63%	763	1310	6,457
March 31, 2008	56%	959	1217	5,702
June 30, 2008	53%	1064	1195	5,625
September 30, 2008	47%	1235	1074	4,902
December 31, 2008	37%	1481	895	4,434
March 31, 2009	35%	1522	827	3,926
June 30, 2009	40%	1447	972	4,249
September 30, 2009	50%	1196	1187	5,134
December 31, 2009	51%	1204	1239	5,413
March 31, 2010	67%	659	1345	5,680
June 30, 2010	61%	785	1219	4,917
September 30, 2010	63%	791	1354	5,549
December 31, 2010	68%	681	1483	5,900
March 31, 2011	70%	648	1493	5,909
June 30, 2011	69%	695	1538	5,946
September 30, 2011	54%	1123	1335	5,129
December 31, 2011	53%	1277	1430	5,572
March 31, 2012	58%	1121	1571	5,766
June 30, 2012	56%	1176	1517	5,571
September 30, 2012	60%	1040	1584	5,742
December 31, 2012	61%	1079	1672	5,896
March 31, 2013	73%	679	1836	6,412
June 30, 2013	78%	518	1840	6,215
September 30, 2013	80%	490	1949	6,462
December 31, 2013	83%	427	2040	6,749
March 31, 2014	84%	389	2089	6,598
June 30, 2014	84%	397	2117	6,744
September 30, 2014	81%	500	2179	6,623
December 31, 2014	77%	671	2238	6,566
March 31, 2015	78%	669	2399	6,773
June 30, 2015	78%	674	2371	6,521
September 30, 2015	73%	857	2277	6,062
December 31, 2015	78%	682	2394	6,242
March 31, 2016	72%	923	2418	6,175
June 30, 2016	81%	596	2549	6,504
September 30, 2016	93%	203	2801	6,899
December 31, 2016	97%	86	2849	7,143
March 31, 2017	104%	-127.2	3036	7,323
June 30, 2017	105%	-160.2	3144	7,313
September 30, 2017	108%	-225.6	3241	7,373

Triennial valuation results highlighted in grey

Movement in Assets and Liabilities

