

North Yorkshire Council

Pension Board

Minutes of the meeting held at County Hall, Northallerton on Thursday, 15 January 2026 commencing at 10.00 am.

Present:

Mr David Portlock (Independent Chair)

Employer Representatives:

Emma Barbery (Askham Bryan College)

Andrew Robinson (Ebor Academy Trust)

Scheme Members:

David Houlgate (Unison Retired Member)

Simon Purcell (Unison)

Sam Thompson (Active Member)

Officers:

Phillippa Cockerill, Head of Pensions Administration; Tom Morrison, Head of Investments; Qingzi Bu, Senior Accountant; Jo Foster-Wade, Pension Employer Relationship Manager; Amanda Jones, Pension Employer Relationship Officer; Stuart Cutts, Assistant Director – Audit Assurance (Veritau); and David Smith, Senior Democratic Services Officer.

Copies of all documents considered are in the Minute Book

144 Welcome by the Chair

The Chair welcomed all attendees to the meeting, wishing everybody a successful 2026.

145 Apologies for absence

Apologies for absence were received from Councillor Steve Watson, Councillor Martin Rowley and Eddie Brass.

146 Declarations of interest

There were no declarations of interest.

147 Exclusion of the public

The Chair advised that, should discussion be required in respect of Item 5b, the Board would be required to resolve whether to exclude the public.

148a Minutes of the Pension Board meeting held on 23 October 2025

It was noted that Minute 138 should record that 106 Annual Benefit Statements had not been issued, rather than the 160 stated on page 7 of the agenda papers. The Senior

Democratic Services Officer confirmed that the minutes would be amended accordingly.

It was noted that under Minute 144, the minutes should formally record the Board's thanks to Steve Loach for his support over the years.

Resolved

That, subject to the amendments referred to above, the minutes of the meeting held on 23 October 2025 be confirmed as a correct record and signed by the Chair.

148b Confidential minutes of the Pension Board meeting held on 23 October 2025

Resolved

That the confidential minutes of the meeting held on 23 October 2025 be confirmed as a correct record and signed by the Chair.

148c Progress on issues raised by the Board

The Chair introduced the item and advised that the action arising from Minute 110 would be considered under Item 11 on the agenda, Internal Audit – Progress Report 2025/26, and that the action arising from Minute 113 would be considered under Item 14, Training. The Chair further clarified that no further action was required in respect of Minute 124.

In relation to Minute 128, it was queried whether the 'Fit for the Future' proposals for the Local Government Pension Scheme required the appointment of an independent observer. It was noted that independent observers had been used to carry out periodic governance reviews to provide assurance but this had not been a statutory requirement. Under the new legislation, an independent governance review would be required every three years, and a suitable appointment would need to be made for this.

Regarding the appointment of an independent advisor, it was noted that the process would involve the development of a role specification and a decision on the recruitment approach. Members discussed the potentially limited pool of candidates and the challenges this could present, particularly given that consultancy firms undertaking the independent advisor role would be precluded from providing other services, such as actuarial or valuation work. It was further noted that the independent advisor would be required to be in post by 1 October 2026, and that all funds would be seeking to recruit from the same market. Concerns regarding the potential difficulty of recruiting to the role were noted, and Members discussed the risks, mitigations and consequences of not filling the position. Officers confirmed that, notwithstanding the proposed new requirements, the Fund currently had strong governance arrangements and access to appropriate advice, and therefore no significant risk was anticipated.

It was agreed that the action relating to Minute 128 could be removed from the table.

In addition to the above, Tom Morrison, Head of Investments, provided an update on the proposed expansion of the Border to Coast Pensions Partnership (BCPP). It was explained that agreement in principle had been given by the existing partner funds to expand from 1 April 2026 and that it was expected that the Partnership will expand to 18 funds, representing approximately £110 billion in assets and around 2 million members. Work is ongoing to update documentation, and discussions are taking place regarding the transition of the new funds.

Members were also advised that BCPP was expanding its capabilities as an investment pooling organisation, including the development of its capability to provide investment

advice. Members queried the Government's expectation that, from 1 April, investment advice would be provided by pools and that LGPS funds would not need to obtain advice from elsewhere. In response, it was explained that while pools are expected to provide advisory capability from that date, BCPP did not yet have a full advisory team and therefore some advisory capability would be available by April, but that it would take a few years for the function to be fully developed. It was noted that BCPP is likely to be further advanced than most other pooling arrangements.

Finally, Simon Purcell reported that he was now the regional representative for Unison.

Resolved

That the report and issues discussed are noted.

149 Public questions and statements

No public questions or statements were received.

150 Draft Minutes of the Pension Fund Committee meeting held on 21 November 2025

Resolved

That the draft minutes of the Pension Fund Committee meeting held on 21 November 2025 be noted.

151 Review of the Terms of Reference

The Chair introduced the annual review of the Terms of Reference.

An amendment to the 'Reporting Breaches' section was suggested to reflect that the draft Code of Practice 14 had been superseded by the Pensions Regulator (TPR) General Code of Practice.

It was queried whether the Terms of Reference reflected that Pension Board members could resign before the completion of their four-year term. Reference was made to a previous discussion at which this flexibility had been agreed, however, it was noted that the current wording appeared to suggest that resignation was only possible at the end of the four-year term. It was confirmed that this provision had been included within the Constitution, and that it should also be reflected in the Terms of Reference.

Resolved

That the above minor amendments be made to the Terms of Reference.

152 Administration Report

Phillippa Cockerill, Head of Pensions Administration, presented the report and provided updates on the following areas.

Annual Benefit Statements

It was reported that the 2025 Annual Benefit Statements had been completed and that work had commenced on the 2026 statements. Members were informed that a new member platform was due to go live, enabling benefit statement information to be viewed

online in a better format, with options available for PDF download and paper statements. It was confirmed that online benefit statements satisfy regulatory requirements.

Triennial Valuation

It was reported that the triennial valuation process was nearing completion, with the consultation period for the final group of employers due to close on 3 February. Final contribution rates would then be certified and published by 31 March.

Members were informed that there had been no significant pushback from employers, only reasonable and constructive queries. It was further reported that one small employer and one larger employer had opted to pay more than the required contribution rate, primarily for accounting and budgeting reasons to smooth future contributions. This was noted as a positive outcome of the valuation.

TPR General Code of Practice

It was reported that the Pensions Regulator's General Code of Practice was now considered business as usual and would be incorporated into the annual governance review. A report would be presented to the June meeting of the PFC and to a future meeting of the Pension Board.

McCloud

It was reported that work on McCloud implementation is continuing. Of approximately 450 cases where an underpin adjustment was due, 107 had been processed, including arrears and interest payments. The backlog was expected to be cleared by the summer, after which deaths and transfers would be processed.

It was clarified that the total of approximately 450 underpin cases related to a wider pensioner population of around 30,000. It was also confirmed that the minimum underpin payment was £0.01. For payments below £10, members would not be contacted due to postage costs, however, records would be updated and arrears and interest would still be paid.

Pensions Dashboard

Members were advised that the dashboard (MoneyHelper) was expected to go live in 2027. Officers had been advised that they would receive six months' notice prior to launch and that further testing was expected to begin in the summer.

Data Scores

Data scores for 2025 were reported to be in the 90s, with ongoing data-cleansing work. A query was raised regarding the slight reduction in the score. In response, it was explained that this was due to the use of a more detailed valuation data extract, which had enabled deeper analysis and the identification of additional items for correction.

LGPC Bulletins

It was reported that actions arising from LGPC Bulletins were up to date, although a number of regulatory changes were anticipated from April.

Pension Board Knowledge and Skills Assessment

The forthcoming Knowledge and Skills Assessment would be considered under the Training item.

Business Plan

It was reported that an update to the Business Plan was scheduled to be presented to the PFC in March and to the Pension Board thereafter.

Resolved

That the report and breaches log is noted.

153 Pension Fund Risk Register

Phillippa Cockerill, Head of Pensions Administration, presented the report and highlighted that the Solvency and Investment risks had improved, with all other risks remaining at the same level. It was confirmed that the Risk Register would be reported to the next meeting of the PFC in March, due to an adjustment to the review timetable.

A query was raised regarding the definition of 'adequate performance level' in RPF 12. Officers explained that this generally referred to achieving overall benchmark levels. It was suggested that the definition might benefit from being more specific, for example by linking it to the discount rate, and officers agreed to consider this refinement in future updates.

Further clarification was sought on RPF 6 and the rationale for reducing the target risk score from 8 to 6, given previous references to resource pressures. Officers expressed confidence in the revised score, citing successful succession planning and recent recruitment to key roles.

Resolved

That the Pension Fund Risk Register be noted.

154 Internal Audit - Progress Report 2025/26

Stuart Cutts, Assistant Director – Audit Assurance, presented the report and confirmed that the Risk Management audit had been completed and would be considered under the next item. He also reported that the Income (Contributions) audit was scheduled for Quarter 4, and that work on the Role of the Governing Body audit was expected to begin in April 2026. It was noted that internal audit activity continued to be aligned with the Pensions Regulator's guidance on Effective Systems of Governance (ESOG).

A query was raised regarding the timing of the Role of the Governing Body audit, as it appeared this work would fall into the 2026/27 financial year. In response, it was explained that while the intention was to complete one audit per quarter, priorities and resourcing sometimes required audits to roll forward. Members were informed that the Role of the Governing Body audit would examine governance structures and member knowledge.

It was confirmed that an outline audit programme for 2026/27 would be presented at the April meeting and would include the Role of the Governing Body audit together with three additional audits. Officers commented that, given the recent introduction of the General Code of Practice and the fact that officers had self-assessed against it, this would be a valuable area for audit focus to provide independent assurance.

Resolved

That the Internal Audit Progress Report be noted.

155 Internal Audit - Risk Management Audit Report

Stuart Cutts, Assistant Director – Audit Assurance, presented the completed audit report on Risk Management. He reported that a substantial assurance opinion had been given, with one moderate finding, which officers had accepted.

A query was raised regarding whether the Fund had a formal document setting out its risk appetite and tolerance across different areas. In response, officers explained that while

there was no standalone document, risk appetite was implicitly incorporated into individual work areas without being formally documented.

A query was raised regarding the moderate finding on risk management training for PFC members. Officers reported that Councillors receive general corporate risk management training, but that pension-specific training might be beneficial, despite not being explicitly required. It was suggested that a session could be delivered as part of a pre-meeting workshop. Concern was raised that Councillors don't have to be trained in order to act as a substitute on the PFC.

It was also noted that officers would continue to signpost members to the online training resources.

Resolved

That the Internal Audit Risk Management Report be noted.

156 Budget, Cashflow and Annual Report

Qingzi Bu, Senior Accountant, introduced the report, informing the Board that for Quarter 1, the cost of running the Pension Fund showed no variance against budget. Quarter 2 showed a small underspend variance of 0.3%, attributable to lower investment performance fees arising from in-quarter rebalancing activity. Members were advised that the three-year cashflow forecasts would be updated once employer contribution rates were confirmed following the valuation. Initial estimates suggested a reduction in cashflow of approximately £40 million although some employers had elected to pay contributions above the required level and the actual impact was therefore expected to be lower. Finally, it was reported that the North Yorkshire Council audit was still ongoing, due to additional work being undertaken by the auditor Mazars in relation to harbour accounts. As the Council is the administering authority, the Pension Fund accounts could not be signed off until the matter is resolved. Members were advised that completion by the backstop date is expected.

A query was raised regarding the reference to 'short tenure' in relation to Mazars. Officers clarified that this referred to Mazars being in their second year of auditing the accounts, rather than indicating that their contract was short or due to end. Some of the issues being experienced were linked to Local Government Reorganisation and to wider audit challenges affecting councils nationally.

Members queried whether the ongoing delays would affect the timetable for the 2025/26 accounts. Officers confirmed that audit planning would commence shortly and expected that the process would return to normal following the current year. It was reiterated that no issues had been identified with the Pension Fund accounts, but that they could not be signed-off until the NYC accounts had been finalised.

Resolved

That the report be noted.

157 Training

Tom Morrison, Head of Investments, introduced the report, recommending that Board and PFC members refresh their knowledge by reviewing modules on the training platform, ideally on a three-year cycle. He also suggested that members consider additional training opportunities.

A query was raised regarding feedback provided at the previous meeting about the quality of earlier online training sessions. Officers confirmed that this feedback had been shared with the provider, who had apologised and advised that similar feedback had been received from other funds. Reassurance was provided that the quality of future training sessions would improve. Dissatisfaction with previous sessions was expressed, with quality of material and a lack of meaningful learning being key concerns.

The Chair noted that the results of the knowledge assessment survey indicated that Board members generally demonstrated a high level of knowledge.

Members queried whether refresher reminders could be built into the training platform, suggesting that a calendar-based reminder system would be useful to prompt periodic refreshers. Officers advised that notifications were issued when content was updated.

Resolved

That the report, availability of the online training package and feedback on the knowledge assessment survey are noted.

158 Work programme

Resolved

That the work programme is noted.

159 Any other items

The Board expressed their thanks to Jo Foster-Wade for her support and guidance over the years and wished her an enjoyable retirement.

160 Date of next meeting

Thursday, 2 April 2026 at 10:00am.

The meeting concluded at 11.35 am.