



Agenda

Meeting Pension Fund Committee

To: Councillors Angus Thompson (Chair), Alyson Baker, Michelle Donohue-Moncrieff, Sam Gibbs, Mike Jordan, Cliff Lunn, David Noland, Dan Sladden, Neil Swannick and Peter Wilkinson .

Councillor Peter Kilbane – City of York Council

David Portlock – Chair of the Pension Board

John Fletcher - UNISON

Date: Friday, 22 May 2026

Time: 11.00 am

Venue: Brierley Room - County Hall

Business

1. Apologies for absence

2. Exclusion of the public

Members are recommended to exclude the public from the meeting during consideration of each of the items of business listed in Column 1 of the following table on the grounds that they each involve the likely disclosure of exempt information as defined in the paragraph(s) specified in column 2 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to information)(Variation) Order 2006.

Item number on the agenda	Paragraph Number
3b	Paragraph 3
9b	Paragraph 3
10	Paragraph 3
11	Paragraph 3

3a Minutes of the meeting held on 6 March 2026 (Pages 5 - 14)

3b Confidential minutes of the meeting held on 6 March 2026 (Pages 15 - 20)

4. Declarations of interest

5. Public questions and statements

Members of the public may ask questions or make statements at this meeting if they have given notice and provided the text to Democratic Services (DemocraticServices.Central@northyorks.gov.uk) no later than midday on Tuesday, 19 May 2026, three working days before the meeting takes place. Each speaker should limit themselves to 3 minutes on any item.

If you are exercising your right to speak at this meeting, but do not wish to be recorded, please inform the Chair who will instruct those taking a recording to cease while you speak.

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|------------|--|------------------------|
| 6. | Pensions Administration Report | (Pages 21 - 40) |
| 7. | Budget and Cashflow | (Pages 41 - 46) |
| 8. | Quarterly Funding and Investments Report (incl. Investments Update) - AON and Border to Coast | (To Follow) |
| 9a | Pension Board Draft Minutes of 2 April 2026 | (Pages 47 - 54) |
| 9b | Pension Board Draft Confidential Minutes of 2 April 2026 | (Pages 55 - 56) |
| 10. | Border to Coast Arrangements | (Pages 57 - 70) |
| 11. | Governance Arrangements | (Pages 71 - 98) |
| 12. | Any other items | |
| 13. | Date of next meeting | |
- Friday, 26 June 2026 at 10:00am in the Brierley Room, County Hall, Northallerton.

Members of the public are entitled to attend this meeting as observers for all those items taken in open session. You may be interested in [subscribing to updates](#) about this or any other North Yorkshire Council committee.

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Anyone wishing to record is asked to contact the Democratic Services Officer (details below) prior to the start of the meeting.

Contact Details

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Barry Khan
Assistant Chief Executive
Legal and Democratic Services
County Hall
Northallerton
Thursday, 14 May 2026

North Yorkshire Council

Pension Fund Committee

Minutes of the meeting held on Friday, 6 March 2026 commencing at 10.00 am.

Councillor Peter Wilkinson in the Chair plus Councillors Alyson Baker, Caroline Dickinson (as substitute for Sam Gibbs), Michelle Donohue-Moncrieff, Mike Jordan, Cliff Lunn, David Noland, Andy Paraskos (as substitute for Angus Thompson), Dan Sladden and Neil Swannick.

Councillor Peter Kilbane (City of York Council).

David Portlock (Chair of the Pension Board).

In attendance: Kenneth Ettles (Aon), Nick Conroy (Aon), Leslie Robb (Independent Investments Adviser), Rachel Elwell (CEO – Border to Coast), Peter Gent (Head of Investment Advisory – Border to Coast), and Dave Knight (Customer Relationship Manager – Border to Coast).

Officers present: Gary Fielding (Treasurer to the Pension Fund), Tom Morrison (Head of Investments), Amanda Alderson (Senior Accountant), Phillippa Cockerill (Head of Pensions Administration), Jo Foster-Wade (Pension Employer Relationship Manager), Amanda Jones (Pension Employer Relationship Officer), and David Smith (Senior Democratic Services Officer).

Copies of all documents considered are in the Minute Book

Councillor Angus Thompson, Chair of the Pension Fund Committee, had given his apologies for the meeting. It was explained that, at the previous meeting of the Pension Fund Committee, it had been agreed to recommend to Full Council that Councillor Peter Wilkinson be appointed as Vice-Chair. It was reported that this recommendation had not yet been considered by Full Council.

Therefore, in the absence of a Chair or Vice-Chair, proposals were sought for who should Chair the meeting. A nomination for Councillor Peter Wilkinson was proposed and seconded. A vote was taken, and the motion was carried unanimously.

Resolved

That Councillor Peter Wilkinson be elected as Chair for the meeting.

142 Apologies for absence

Apologies were received from Councillor Angus Thompson, with Councillor Andy Paraskos attending as his substitute; Councillor Sam Gibbs, with Councillor Caroline Dickinson attending as his substitute; and from John Fletcher.

143 Exclusion of the public

Resolved

That the public are excluded from the meeting during consideration of Item 10: Border to Coast Investments and Item 11: Investment Pooling and Governance Arrangements, due to the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of

Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to information)(Variation) Order 2006.

144 Minutes of the meeting held on 21 November 2025

Resolved

That the minutes of the meeting held on 21 November 2025 were confirmed as a correct record and signed by the Chair.

145 Declarations of interest

Councillor Alyson Baker declared an interest as she was in receipt of a widow's pension from North Yorkshire Council.

Councillor Cliff Lunn declared an interest as he was in receipt of a pension from North Yorkshire Council.

Councillor Mike Jordan declared an interest as he was in receipt of a private pension from Aon.

146 Public questions and statements

One public question was received.

Question from Richard Tassell on behalf of Fossil Free North Yorkshire:

We ask that the committee make the climate model that has been used by North Yorkshire Pension Fund and the resulting market analyses public, so that pension fund members can gain a greater understanding of how the fund intends to respond to the impacts of climate breakdown.

Supporting Evidence:

Three reports published in the last two years by eminent and trusted experts demonstrate that the climate modelling that pension funds and others have been using is dangerously flawed. In ignoring climate science, assertions about the impact of rising temperatures in these models bear no relation to fact. In grossly underestimating impacts, pension funds have tended to under react to the risks and to continue to invest in the fossil fuel industry which is the major cause of global heating. We trust that you are familiar with these reports (1, 2, 3).

Flooding in the UK that is now causing people's homes to be condemned and causing increasing alarm within the insurance industry; wildfires, such as those affecting the North Yorkshire moors last summer; drought conditions causing reduced crop yields and risks to farm animals — these are all impacts of an increasingly unstable climate. Our persistent wet weather over the past many weeks is made much more likely by temperature rise resulting from fossil fuel pollution (4).

The climate is changing. This is a scientific certainty and the cause is fossil fuel use. Every fraction of a degree increase in temperature makes a difference. We have the technology to move away from fossil fuels and that would bring many other benefits to human health and wellbeing. But political will is lacking. Your will is lacking.

You have to do more to address this. You have the facility to direct substantial fund monies into positive projects that foster thriving and wellbeing instead of into corporations that are delaying the necessary transition and in the meantime providing expensive and unstably priced energy and causing unacceptably low air quality in all UK urban centres.

1. Loading the DICE against pension funds. Flawed economic thinking on climate has put your pension at risk.
2. The Emperor's New Climate Scenarios. Limitations and assumptions of commonly used climate change scenarios in financial services.
3. Recalibrating Climate Risk. Aligning Damage Functions with Scientific Understanding
4. Why is the UK so rainy this year and how is the climate crisis making matters worse?

On page 4 of the BCPP Climate Change Policy, it states: "We understand that scenario analysis can be useful for understanding the potential risks and opportunities attached to investment portfolios and strategies due to climate change." Later, the document states: "We will be considering a 1.5°C disorderly scenario, 2.0°C scenarios (orderly and disorderly) and the 3.0°C 'Hot House World' scenario. We will initially conduct scenario analysis on our listed equity and investment grade credit funds."

Response to Richard Tassell:

Nobody doubts the seriousness of climate change. It is an issue that is discussed by the Committee often. This public statement is specifically about climate scenario models and the economic forecasts that they are based on.

The 2023 reports referred to in the question were discussed by the Committee at that time. They and the more recent report and article refer to economic projections on which climate models are based. As previously noted in our replies to public questions, these projections are just one source of information, where we recognise the limitations of their usefulness, and that they evolve over time.

The climate models used by our investment consultant Aon are their commercially sensitive intellectual property and therefore will not be made public. However, much of the output from the modelling, including the climate scenario analysis undertaken as part of the 2022 valuation, was included in the valuation report which is on the Fund's website. A similar level of detail will be included in the 2025 valuation report, which will be published on the website later this month.

The Fund's investment pooling company Border to Coast undertakes its own modelling as it relates to specific investment funds. Output from this is included in their Climate Change report, published on their website.

Richard Tassell asked a supplementary question, querying why the models could not be published publicly. Officers reiterated that the models are commercially sensitive intellectual property belonging to Aon and Border to Coast respectively and therefore could not be made public.

David Portlock, Chair of the Pension Board, noted that the draft minutes of the Board meeting on 15 January 2026 were included in the papers. He highlighted the Board's discussions on the 'Fit for the Future' proposals and the forthcoming requirement for an independent adviser and a senior LGPS officer.

It was reported that, at its last meeting, the Board had considered an internal audit report on risk management. A substantial assurance opinion had been given, with one moderate finding relating to risk management training for Pension Fund Committee (PFC) members. The Board therefore considered that a pension fund-specific risk management workshop for PFC members, likely in Summer 2027, would be worthwhile. He emphasised that this would be distinct from the general risk management training provided to all councillors, as it would focus on risks associated with managing and investing the Fund.

It was also reported that the next internal audit review would focus on the role of the governing body.

Resolved

That the Pension Board draft minutes of 15 January 2026 are noted.

148 Pensions Administration Report

Phillippa Cockerill, Head of Pensions Administration, introduced the report, highlighting some of the work of the team.

- It was noted that the team maintain a two to three week work-in-progress position.
- It was reported that the new member platform, My Pension Online, had gone live on 15 January. Members of the former portal were required to re-register, and communications activity was underway to increase registrations.
- Regarding commendations and complaints, it was confirmed that no patterns had been identified. Two complaints related to the award of ill-health benefits, and no further action was required.
- The Committee were advised that the 2026 annual benefit statement exercise had begun, with a workshop arranged. The new online platform would allow statements to be displayed digitally rather than produced as documents, improving efficiency. The team had completed a comprehensive review of the online statements to ensure compliance.
- It was confirmed that no breaches had been reported in the quarter.
- It was reported that the triennial valuation was nearing completion, with employers to be notified of the new rates and payments monitored accordingly.
- An update was provided on the McCloud rectification phase. The number of pensioners who had received their uplifts, arrears and interest payments in February was reported, with a similar number planned for March. It was noted that the value of these payments varied significantly. Pensioner cases were expected to be completed by June, with a short pause in April to avoid overlap with the pension increase process. Deceased members and transfers out were expected to be completed by the end of the year.
- Three major regulatory changes expected during 2026 were outlined. The Fit for the Future reforms would significantly reshape LGPS governance and investment operations. Access and Fairness changes due from April would address historical inequalities in survivor benefits, death grants and unpaid leave; improve access to the scheme; support equality goals; and strengthen administrative accuracy and consistency. These were described as the most member focused regulatory improvements to LGPS benefits and protections in many years. Access and

Protections would further widen scheme access, strengthen member protections, and align the scheme with other public sector pensions, including changes such as the New Fair Deal. It was noted that these three significant areas of change would make it another busy year for the service.

In the discussion, the following points were made.

- The Committee commended officers for managing the workload, including tasks such as McCloud and the new platform. Officers were also commended for having no breaches.
- A question was asked about the management of the high number of telephone calls and how complex enquiries were handled. It was explained that all team members answered calls, and that staff refer complex enquiries to appropriate colleagues. Call volumes fluctuate but officers are able to progress their workload alongside dealing with queries. In addition to telephone enquiries, the team manages an inbox receiving a significant number of emails. The service had recruited additional personnel following a period where they were short-staffed and in response to a question about team size, it was reported that there were 41 staff across the systems, development and data, employer relationship, and member administration teams.
- The Committee asked about efforts to encourage members to use online options, noting that some might find it easier to contact by telephone. It was explained that a member platform had been in place for some time, enabling members to run their own estimates and update personal details, and that self-service continued to be promoted. It was reported that the new platform offered enhanced functionality and greater opportunities to automate processes. Work was also underway to implement 'Retire Online', allowing members to submit retirement requests through the portal rather than using a printed retirement pack, reducing time and cost. It was acknowledged that some members were less comfortable with online methods, although younger members generally preferred them. It was confirmed that online use was encouraged wherever possible, with alternative options remaining available.
- Details for the LGA Fundamentals training were requested and Officers said they would recirculate this information.
- An amendment to the November meeting date was noted, with the meeting now taking place on 13 November 2026.

Resolved

That the Committee notes the contents of the report and Breaches Log.

149 Business Plan, Budget and Cashflow

Tom Morrison, Head of Investments, introduced the report and highlighted the following points.

- The one outstanding activity on the 2025/26 Business Plan was noted.
- It was reported that significant activity was anticipated in 2026–27 in relation to investment pooling, changes to governance arrangements, and the continued development of self-service functionality. In relation to the forthcoming regulatory changes, officers indicated that they expected the regulations to be in place by 1 April 2026 and had a reasonable understanding of the likely content. It was noted that the changes would generate a substantial volume of work.
- It was reported that the budget for 2026/27 was broadly in line with the 2025/26 budget and aligned with expectations. It was noted that manager fees had been removed from the budget because most of these costs were now deducted directly from investment

values within Border to Coast and were therefore outside the Fund's direct control. Officers were considering how best to report these fees separately to allow comparison with the market, and further information would be brought back to the Committee in due course.

- The overspend on Pooling costs relating to the acquisition of a data platform required by Border to Coast to comply with the Fit for Future requirements was noted and had been discussed at the Committee meeting in November 2025.
- It was reported that the forecast indicated a growing negative cashflow position for operational purposes, estimated at between £60 million and £80 million per year. It was noted that this represented just over 1% of the Fund and was therefore not significant in the wider context. Officers informed the Committee that they had been exploring opportunities with Border to Coast to draw income from investments if required, taking account of the Fund's cash position and income received from other sources. It was confirmed that sufficient income was expected to be available to meet the shortfall for the foreseeable future.

During the discussion, the following points were made:

- Following a query relating to the forecasted worsening cashflow position, it was confirmed that there was sufficient income available but there was also sufficient flexibility to liquidate assets if required, to ensure continued pension payments. Officers highlighted that an increasing negative operational cashflow was part of the natural maturity of any pension fund. Arrangements for Border to Coast's public market investments typically allow trades to be placed with less than one week's notice. It was also noted that the increased allocation to index linked gilts following the recent strategy review would provide a hedge against short term inflationary pressures.
- Following a question about the removal of investment manager fees from the budget, it was explained that excluding them provided a clearer picture of controllable expenditure. It was confirmed that the fees are deducted from investment values and therefore are not in the Fund's direct control. Officers clarified that these costs would be separately reported to the Committee.
- A question was asked about the reduction in 'Other Admin Expenses' on page 55 of the papers. It was reported that this related to licensing costs for the pension software, which had been front loaded. Costs were now reducing but would increase again upon renewal in 2030.

Resolved

That the Committee:

- a) Notes the progress made against the 2025/26 Business Plan.
- b) Approves the draft 2026/27 Business Plan.
- c) Approves the draft 2026/27 Budget.
- d) Notes the 3-year cashflow projection for the Fund.

150 Quarterly Funding and Investments Report (incl. Investments Update) - AON

Kenneth Ettles and Nick Conroy from Aon introduced the report and provided an overview of key information, some of which is outlined below.

- It was reported that the Fund had returned 1.8% over the quarter, equivalent to an annualised return of 7.2%, which was above the discount rate. Positive absolute performance was noted across all periods, although there had been underperformance relative to the benchmark over one, three and five years. Over the longer term, performance was broadly in line with the benchmark.

- The portfolios that had underperformed relative to the benchmark were highlighted. It was noted that officers spent considerable time reviewing relative performance including through engaging with managers. It was reported that property managers had performed well, with both portfolios outperforming their benchmarks.
- It was noted that growth stocks, which had been performing strongly, had underperformed value stocks globally during the quarter. This resulted in poor performance of the Fund's equities investments.
- Within the Border to Coast portfolios, most active managers had underperformed their respective peer groups, with both growth and value managers lagging behind their peers.
- The Fund had been 1.5% behind benchmark overall for the quarter, but with a positive absolute return. Due to the strong absolute performance, the funding level was estimated to have improved to around 123%, an increase of approximately 3% since the valuation date.
- It was reported that the cumulative return on the portfolio since the valuation date had been 8.8%, which remained well above the discount rate.
- It was noted that some rebalancing had taken place, with assets moved from the Baillie Gifford Global Equities portfolio into the Border to Coast Index Linked Bond Fund. This transition had proved beneficial, as index linked gilts had outperformed the Baillie Gifford fund by approximately 13% over the quarter. It was highlighted that the most significant driver of overall returns was the Committee's decision on the strategic asset allocation.
- The expected long-term return on the portfolio at the end of December was 7.2% per annum, which remained well above the actuarial discount rate of 4.25%. The difference represented the margin for prudence built into the actuary's investment return assumption.
- It was reported that fixed income assets had delivered positive returns; however, credit spreads were at historically low levels – around 0.8% on investment grade credit. Aon noted that they would welcome consideration of this within the Border to Coast credit portfolios, and potentially an adjustment to reflect valuations in credit markets.
- It was reported that the value of the Fund had reached £5.1 billion, the highest level recorded.
- The current value at risk measure was noted to be approximately £940 million, broadly equivalent to the size of the Fund's surplus. It was also noted that the Fund had not previously reached a surplus of this level, having been in deficit for many years, and that this provided a strong cushion.
- It was advised that the five year performance figures incorporated the market effects of part of the COVID 19 period, and not the whole COVID-19 related cycle. Therefore, the three year and longer term numbers were considered more indicative of underlying performance.

In discussion, the following points were made:

- It was asked whether recent performance indicated that the Fund's equity approach needed to be reconsidered. In response, it was noted that the reduction in equities at the last strategy review had been appropriate and that the current allocation remained suitable. The next formal review of allocations was planned for 2028/29. It was explained that while passive equity investment was an option, the Fund had previously chosen active management aiming to add value over benchmarks. It was noted that the equity allocation would continue to require close monitoring.
- A question was asked about the Fund's approach to investing in UK infrastructure and what an appropriate level of allocation might be. The Fund's allocation to infrastructure was noted to be 15% of total assets. It was reported that investment in infrastructure

was regarded as positive, with significant global investment expected over the coming decades. A global approach was generally preferred, as limiting investment to UK projects could restrict opportunities, although the benefits of domestic investment and the Government's encouragement for UK pension funds to invest in UK assets were acknowledged. It was clarified that of the 15% overall allocation, 10% was invested in global infrastructure, 4% in global climate related opportunities, and 1% in UK opportunities.

- Clarification was sought regarding the climate opportunities and UK opportunities allocations. It was confirmed that the actual allocations at the end of December were approximately 2% and 0.2% respectively, while the strategy set targets of 4% for climate opportunities and 1% for UK opportunities. It was explained that both funds were relatively new products and that, although commitments had been made, the allocations would take time to build up. For example, it was noted that the climate opportunities allocation was a recent addition and was expected to take five to seven years to go from zero to the 4% target.

Resolved

That the Committee notes the report.

151 Border to Coast Investments

The Committee went into exempt session for the duration of Item 10 because it was deemed likely that exempt information relating to the financial or business affairs of any particular person (including the authority holding that information), as described in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, would be discussed.

A separate confidential minute has been produced for this item.

The Committee took a break between 11:27am and 11:36am.

152 Investment Pooling and Governance Arrangements

The Committee went into exempt session for the duration of Item 11 because it was deemed likely that exempt information relating to the financial or business affairs of any particular person (including the authority holding that information), as described in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, would be discussed.

A separate confidential minute has been produced for this item.

Councillor Alyson Baker left the meeting at 12:00pm.

153 Any other items

The Committee and the Treasurer recorded their thanks to Jo Foster-Wade for her contribution to the work of the Pension Fund and expressed their best wishes to her for a happy retirement.

154 Date of next meeting

Friday, 22 May 2026 at 10:00am.

The meeting concluded at 12.53 pm.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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North Yorkshire Council

Pension Fund Committee

22 May 2026

Administration Report

Report of the Treasurer

1. Purpose of the Report

1.1. To provide Members with information relating to the administration of the Fund in the quarter and to provide an update on key issues and initiatives which impact the administration team.

2. Admission Agreements & New Academies

2.1. The latest position relating to admission agreements and academy conversions is shown in **Appendix 1**.

3. Administration

3.1. Membership Statistics

Membership Category	At 31/12/2025	+/- Change (%)	At 31/03/2026
Active	30,585	+0.40%	30,708
Deferred	38,486	-0.52%	38,284
Pensioner (incl spouse & dependant members)	34,578	+1.13%	34,968
Total	103,649		103,960

3.2. Throughput Statistics

- Period from 1 January 2026 to 31 March 2026

Case type	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	8	22	28	2
Transfer Out quotes	15	228	217	26
Employer & employee estimates	202	970	969	203
Retirement quotes	41	405	403	43
Preserved benefits	1,759	1,092	1,625	1,226
Death in payment or in service	149	773	753	169
Refunds	155	414	329	240
Actual retirement procedure	400	1,384	1,240	544
Interfund transfers	800	871	911	760
Aggregate member records	87	388	344	131
Others	326	2,304	2,284	346
Total Cases	3,942	8,851	9,103	3,690

- As well as processing the above cases, the Pensions team also handled 3,072 phone calls (average 60 per working day) in the quarter.

3.3. Performance Statistics

- The performance figures for the period 1 January 2026 to 31 March 2026 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	94%
Customers surveyed ranking service good or excellent	94%	95%
Increase numbers of registered self-service users by 700 per quarter (total registered users 16,455)	700	16,455

- We continue to focus on completing all our work within target and encouraging sign up for member self-service.
- The number of self-service registered users was reset to zero when the new platform went live on 16 January 2026. We are undertaking a number of campaigns to encourage members to re-register for the new platform.

3.4. Commendations and Complaints

- This quarter the following commendations and complaints were received:

Commendations

Date	Number	Summary
Jan	3	Exceptional service Professional
Feb	2	Extremely patient and helpful
Mar	1	Patience, kindness and understanding

Complaints

Date	Number	Summary
Jan	2	Admin – complaint about having to provide documentary evidence to change gender on pension record Regs – complaint about tier 3 ill health only being uplifted to a tier 2
Feb	0	
Mar	1	IHER – complaint against employer for declining ill health application

- The complaint categories are:
 - Admin - these can relate to errors in calculations, delays in processing and making payment of benefits.
 - Regs - these relate to a complaint where regulations prevent the member being able to do what they want to.
 - IHER - these are where members have been declined for early retirement on the grounds of ill health and are appealing the decision through the Internal Disputes Resolution Procedure.

Lessons Learned

Having reviewed the complaints received in the period there were no patterns identified requiring further attention. We have however, amended our processes for gender reassignment cases.

3.5. **Annual Benefit Statements 2026**

The preparatory work continues. Data has been received from 158 employers with 30 outstanding. These are being chased regularly.

A workshop was held in April with templates and processes reviewed and amended where required. Checking and testing work continues.

3.6. **Breaches Log**

Included at **Appendix 2** is the North Yorkshire Pension Fund's Breaches Log for review. There are no new entries this quarter.

4. **Issues and Initiatives**

4.1. **McCloud**

Pensioners continue to be processed with 161 already paid, 44 to pay in May and the final 33 to be paid in June. Work has now commenced on the final stage for deceased members and transfers out, of which there are 199 on the initial list.

4.2. **Regulation changes**

Work has begun on the regulation changes introduced by the Fit for the Future, Access and Fairness and Access and Protection changes. Each introduces a significant amount of change across various aspects of the governance and administration of the Fund, and we continue to evaluate and quantify the impact and numbers affected by the changes.

Employers have been notified of the necessary changes resulting from the Access and Fairness regulatory amendments, which came into force on 1 April 2026 and have immediate effect on pension scheme members.

5. **Member Training**

The Member training record showing the training undertaken up to the end of the relevant quarter is attached as **Appendix 3**.

Please contact Christian Brennan on 01723 232332 or email christian.brennan@northyorks.gov.uk with any details of training undertaken or conferences attended, and these will be added to the training record.

Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 4**.

Please contact the team on email pensionfund@northyorks.gov.uk for further information or DemocraticServices.West@northyorks.gov.uk or christian.brennan@northyorks.gov.uk to reserve a place on an event.

6. **Meeting Timetable**

The latest timetable for forthcoming meetings of the Committee is attached as **Appendix 5**.

7. **Recommendations**

8.1 Members to note the contents of the report.

8.2 Members to note the contents of the Breaches Log.

Gary Fielding
Treasurer of North Yorkshire Pension Fund
North Yorkshire Council
County Hall
Northallerton

14 May 2026

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Academy Conversions - 11 'in progress'

Name of School	Local Authority	Multi Academy Trust (MAT) Name	Target Conversion Date	Current Position
Masham CE VA Primary School	NYC	Yorkshire Causeway Schools Trust	1.2.2026	Completed
South York Multi Academy Trust		Merger with STAR Multi Academy Trust to create the Yorkshire Learning Trust	1.9.2025	In progress
Hensall Community Primary School	NYC	Pathfinder MAT	1.4.2026	In progress
Embsay CE Primary School	NYC	Yorkshire Causeway Schools Trust	1.5.2026	In progress
Gargrave CE Primary School	NYC	Yorkshire Causeway Schools Trust	1.6.2026	In progress
Scarborough Pupil Referral Service	NYC	Venn Academy Trust	1.7.2026	In progress
Scarow CE Primary School	NYC	Yorkshire Causeway Schools Trust	TBC	Will be progressed when conversion date confirmed
St Barnabas Church of England VC Primary School	COYC	Pathfinder Multi Academy Trust	TBC	Will be progressed when conversion date confirmed
Ebor Academy Trust	-	Merger with Nexus Multi Academy Trust	TBC	Will be progressed when merger has been confirmed
Great Ouseburn Primary School	NYC	Possibly with Pathfinder Multi Academy Trust	TBC	Will be progressed when conversion date confirmed
Whitby School	NYC	Possibly with Wonder Learning Partnership	TBC	Will be progressed when conversion date and academy trust confirmed
Gladstone Road Primary School	NYC	Possibly with Delta Academies Trust	TBC	Will be progressed when conversion date and academy trust confirmed

Admission Bodies - 3 'in progress'

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
Northern Star Academies Trust All schools	Aspens Services Limited	1.1.2026	Complete
Outwood Grange Academies Trust Outwood Academy Ripon	ISS Mediclean	9.8.2025	In progress
North Yorkshire Council Whitley and Eggborough Community Primary School	Crystal Facilities Management Ltd	1.4.2026	In progress
North Yorkshire Council Public Conveniences team	Marsden Contract Services	(tbc)	In progress

Exited Employers – 41

Name of Employer	Date exited the Fund
OCS Group UK Limited	31.3.2017
Superclean Services Limited	16.7.2017
Joseph Rowntree Charitable Trust	31.12.2017
York Arts Education (Community Interest Company)	31.3.2018
Be Independent	31.7.2018
Housing & Care 21	31.8.2018
Consultant Cleaners	31.10.2018 (voluntary liquidation)
The Wilberforce Trust	22.3.2019
Dolce Limited	14.4.2019
Schools Plus	30.4.2019
Sewells Facilities Management Limited	21.12.2020
Sheffield International Venues	31.1.2021
Caterservice Ltd	12.2.2021
Enterprise Managed Services Ltd (Amey)	28.2.2021
Streamline Taxis Limited	28.5.2021

Name of Employer	Date exited the Fund
Ringway Infrastructure Services Limited	31.5.2021
Churchill Security Solutions Limited	31.5.2021
Hexagon Care Services Limited	6.8.2021
Sanctuary Housing Association	20.12.2021
Atalian Servest Food Co Limited	31.12.2021
Elite Cleaning and Environmental Services	31.12.2021
4 Site Security Services Limited	11.4.2022
Welcome to Yorkshire	14.4.2022
Lonsways Community Care Limited	31.7.2022
Absolutely Catering Limited	25.7.2023
Atlas Facilities Management Limited	6.10.2023
York Archaeological Trust	31.1.2024
Urbaser Limited	31.3.2024
SBFM Limited	31.3.2024
Northallerton and Romanby Burial Board	31.3.2024
Churchill Contract Services Limited	31.3.2024

Name of Employer	Date exited the Fund
University of Hull	31.5.2024
Synergy FM Limited	14.6.2024
Compass Contract Services (U.K.) Limited	31.8.2024
Inspiring Healthy Lifestyles (Wigan Leisure & Culture Trust)	31.8.2024
Premier Support Services Limited	31.10.2024
Brimhams Active Limited	30.11.2024
Richmondshire Leisure Trust	28.2.2025
Barnsley Norse	31.8.2025
The Carroll Cleaning Company Limited	27.2.2026
York Mind (Incorporating our Celebration) Ltd	31.3.2026

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Date	Category	Description of Breach	Cause of Breach	Regulation being breached	Effect of Breach & Wider Implications	Response to Breach	Reported to DPO	DPO outcome	Referred to PFC	Referred to PB	Outcome of Referral to PFC & PB	Reported to Regulator
31/08/2017	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	Large backlog meant we were unable to establish which category members should fall into at statement date. Year End queries still outstanding at issue date.	Reg 89 of LGPS Regs 2013	85.88% of Active members received a statement = 14.12% did not 94.51% of Deferred members received a statement = 5.49% did not	Large backlog means we do not yet know actual total eligible for a statement. Continue to reduce the backlog with targeted initiatives. Target is to have a controlled work throughput by end 2018. Continue to work through errors & queries & issue ABS' when able to. Introduce monthly returns for our 2 largest employers by end of 2018 so that errors can be identified in real time rather than at year end.			14/09/2017	19/01/2018	Noted the position, no requirement to report. Creation of Breaches Log to record position.	N
08/11/2017	Administration	Statutory deadline for issuing Personal Savings Statements not met for all members	Human error		2 members received statements after the 6/10/2017 deadline. 192 manual calculations undertaken and 56 statements issued. 3.5% of members affected	Statements issued immediately. Process under review by team leader. Checklist created and process will be audited in 2018 to ensure checklist being used and process being robustly followed			22/02/2018	19/01/2018	PB - Noted the position, no requirement to report. PFC - Noted the position, no requirement to report.	N
18/12/2017	Administration	Incorrectly paid trivial commutation to a member who has benefits with another fund and had not commuted those benefits	Human error		Member received benefits he wasn't entitled to. No other member affected. Payment is an unauthorised payment & must be reported to HMRC, resulting in tax liability at 55% for the member & additional tax for the scheme.	As soon as realised payment was unauthorised, informed member and reported to HMRC. Awaiting confirmation of scheme tax liability.			22/02/2018	19/01/2018	PB - Noted the position, no requirement to report. PFC - Noted the position, no requirement to report.	N - Reported to HMRC
31/08/2018	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	Year End queries still outstanding at issue date.	Reg 89 of LGPS Regs 2013	86.52% of Active members received a statement = 13.48% did not 99.76% of Deferred members received a statement = 0.24% did not	Backlog has been reduced so in a better position regarding correct eligibility for statements. Significant year end queries (2,399) have impacted statement production. Ers being chased for response. Continue to work through errors & queries & issue ABS' when able to. Viability of monthly returns being investigated			22/11/2018	11/10/2018	PB - noted the position, agreed not to report this time but will in 2019. PFC - noted position, agreed not to report this time.	N
31/08/2019	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	Year End queries still outstanding at issue date. Clarification on members not worked in year still outstanding at issue date. Manual calculation of Annual Allowance figures still outstanding at issue date.	Reg 89 of LGPS Regs 2013	100% of Deferred members received a statement. 95.69% of Active members received a statement. (1,342 members did not)	Analysis of the 1,342 unissued statements undertaken to identify and isolate reasons. Each group being worked through to identify what is required to enable statement to be produced. Number reduced to 329 as at 9 October, work will continue until end of year to further reduce number unissued. Final position: 329 unissued			22/11/2019	03/10/2019	PB - discussed position, noted improvement from 2018, requested further analysis by employer to identify whether an issue exists at individual employer level. Following provision of above information both PFC & PB agreed not to report this time.	N
09/04/2020	Administration	A member's leaver statement was incorrectly sent to the wrong member.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
11/05/2020	Administration	A member's retirement statement was incorrectly sent to the wrong member.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
15/05/2020	Administration	A member's letter was incorrectly sent to the wrong member along with their own letter.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
15/05/2020	Administration	A member's calculation print was incorrectly sent to the wrong member.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
26/05/2020	Administration	A pensioner received a payslip which belonged to another pensioner.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
27/05/2020	Administration	A member received a letter meant for a solicitor dealing with the death of another member.	Due to Covid 19 printing and posting process had to be changed whereby 1 person was responsible for printing for the whole team. Human error.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to either destroy or return the information.Process and working practice was reviewed and changes put in place. Instructions issued to the staff responsible for printing and posting.			11/09/2020	09/07/2020	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
31/08/2020	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	Year End queries still outstanding at issue date. Manual calculation of Annual Allowance figures still outstanding at issue date. Issues with data quality, suppressed statements until data corrected and accurate statements can be issued.	Reg 89 of LGPS Regs 2013	100% of Deferred members received a statement. 94.21% of Active members received a statement. (1,784 members did not)	Analysis of the 1,784 unissued statements undertaken to identify and isolate reasons. Each group being worked through to identify what is required to enable statement to be produced. Number reduced to 274 as at 20 October, work will continue until end of year to further reduce number unissued.			27/11/2020	29/10/2020	PB - Oct meeting, noted position, agreed not to report. PFC - Nove meeting, noted position, agreed not to report.	N

Date	Category	Description of Breach	Cause of Breach	Regulation being breached	Effect of Breach & Wider Implications	Response to Breach	Reported to DPO	DPO outcome	Referred to PFC	Referred to PB	Outcome of Referral to PFC & PB	Reported to Regulator
30/11/2020	Administration	A member contacted us to advise she had received the starter pack for another member but with her address on it. The member also advised there were 2 other members affected.	Employer submitted starter file and the data has been mixed up for a number of members, address 26 records, date of birth 11 records, payroll no 21 records, date joined 8 records and school name 18 wrong	Data Protection Act 2018	Accidental disclosure of personal data for a number of members to another member. It is highly likely that the recipient knows the person whose information was disclosed. The 3 original members had discussed it.	Reported to Veritau. They assessed it as Low risk level and did not need to be reported to the ICO. Data sent back to employer to provide corrected information. Employer advised we have reported the data breach and we've asked for clarification of what process changes they have made to prevent it recurring. Replacement starter packs issued with correct details on and covering letter advising reason for disclosure and contact details for employer.			05/03/2021	14/01/2021	PB - Recognised the issue was an employer one rather than a Fund one. PFC - Recommended no report required	N
05/10/2020	Administration	Failure to issue 3 members with annual Pension Saving Statements (PSS) in the relevant years. One member was missing a PSS for the 18/19 year, one was missing a PSS for 16/17 and one was missing a PSS for 16/17, 17/18, 18/19 & 19/20.	There are two main causes as follows: missing data and staff not realising a statement should have been issued when the record was recalculated.	Finance Act 2004	When the member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. They can elect to either pay the tax charge via a Scheme Pays option or directly to HMRC. Because the PSS haven't been issued members are now late submitting to HMRC. We are aware of members who have ignored the information we have sent for a number of years, when they do contact HMRC they are advised to just pay what is due. There appear to be no penalties applied. Because we haven't advised members at the correct time they have been unable to take action to mitigate the impact in subsequent years. Members in this position often switch to the 50/50 section to reduce their pension accrual. A penalty of up to £300 for failure to provide the required information on time may be levied on NYPF when we resubmit our annual returns for the relevant years.	We have issued the relevant PSS to all 3 members and have had discussions with them regarding the actions they now need to take. We have struggled to establish how to report the breach to HMRC but will resubmit the annual HMRC returns for the relevant years. We will then respond to HMRC accordingly. We have reviewed our internal processes and are taking steps to educate the wider team and address some of the issues at source rather than waiting until year end. A targeted working group will be established in the summer to address the backlog of changes we get each year. This will involve training a small number of staff on the whole Annual Allowance process, what it is, why it's important, the impact on affected members and how to update and maintain records correctly. This taskforce will take responsibility for updating member records. Once knowledge is established and embedded further staff will be trained until the whole team knows what is expected.			05/03/2021	14/01/2021	PB - Require further information on mitigating actions taken to prevent recurrence before reaching a decision about reporting to tPR. Confirmed by email 01/03/2021 no need to report to tPR. PFC - Recommended no report required	N
05/02/2021	Administration	A member contacted us to advise she had received a transfer letter addressed to another member enclosed with her own letter.	Member of staff on post duty that day did not follow the agreed process put in place to prevent breaches from happening.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient was asked to destroy the information. Process and working practice was reviewed to ensure it remained relevant. Staff were reminded of the correct process. Individual member of staff was spoken to personally to stress importance of following the correct process.	05/02/2021	Score of 4 - low no further action	04/06/2021	08/04/2021	PB - April meeting, noted position, agreed not to report. PFC - June meeting, noted position, agreed not to report.	N
31/08/2021	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	Calculation failing to run on system. Year End queries still outstanding at issue date. Manual calculation of Annual Allowance figures still outstanding at issue date. Issues with data quality, suppressed statements until data corrected and accurate statements can be issued.	Reg 89 of LGPS Regs 2013	99.78% of Deferred members received a statement. (87 members did not) 96.06% of Active members received a statement. (1,158 members did not)	87 Deferred members missing a statement are being worked through, these failed due to the system calculation not running, analysis has identified these failed due to data related issues. Analysis of the 1,158 Active members missing a statement is being undertaken to identify and isolate reasons. Each group being worked through to identify what is required to enable statement to be produced.	N/A	N/A	26/11/2021	07/10/2021	PB - No report for deferred ABS but decision delayed on active awaiting outcome of review of missed ones. PFC - Agreed with PB recommended course of action. Further update on Active statements is required. 13/01/22 no report	N
17/09/2021	Administration	McCloud data sent to the City of York Council (CYC) for three schools that no longer use CYC to provide their payroll service (although they have in the past). Data for an NYCC school (that has opted out of NYCC's payroll service) also sent to CYC as it was incorrectly coded on our database.	The way the data was held on the administration system did not enable the 3rd party to identify the members affected.	Data Protection Act 2018	Information for 330 data subjects was wrongly disclosed to the City of York Council (CYC). CYC is a trusted external organisation and information was only disclosed to a small number of staff.	A new process has been implemented so that the data can be easily identified on the database going forward. The process change has been communicated to the wider team. Veritau response - notification to the ICO is not recommended as the reporting threshold has not been reached.	N/A	N/A	26/11/2021	13/01/2022	PFC - No report PB - No report	N
28/09/2021	Administration	McCloud data sent to City of York Trading (CYT) in error for one City of York Council (CYC) employee, the employer code on our database had been set up incorrectly. The same data fields as the incident number 101008635966 are involved.	Member record created on the administration system but the wrong employer code was applied	Data Protection Act 2018	Information for one data subject was wrongly disclosed to City of York Trading Limited	The data has now been coded correctly on the administration system Veritau response - notification to the ICO is not recommended as the reporting threshold has not been reached.	N/A	N/A	26/11/2021	13/01/2022	PFC - No report PB - No report	N
28/09/2021	Administration	A member's letter was found on a printer but was not printed by member of pensions team.	Believe issue was caused by network and system issues experienced on that particular day and as a result the letter printed directly out and didn't queue.	Data Protection Act 2018	One letter produced, contained within NYCC. No other letters affected.	Letter was destroyed internally and a replacement was re-issued to the member. Reported to Veritau, awaiting outcome.	N/A	N/A	26/11/2021	13/01/2022	PFC - No report PB - No report	N

Date	Category	Description of Breach	Cause of Breach	Regulation being breached	Effect of Breach & Wider Implications	Response to Breach	Reported to DPO	DPO outcome	Referred to PFC	Referred to PB	Outcome of Referral to PFC & PB	Reported to Regulator
19/11/2021	Administration	One Pension Savings Statement (PSS) issued after statutory deadline of 6 October 2021	Record was inhibited from bulk annual allowance run whilst a query on another record was resolved	The Registered Pension Scheme Regulations 2006 Finance Act 2004	When a member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. The deadline for a paper annual tax return was 31 October 2021 so the member could not use this option. However, the deadline for an online tax return is 31 January 2022.	Senior officer review of annual process	N/A	N/A	04/03/2022	13/01/2022	PB - No report PFC - No report	N
22/02/2022	Administration	5 letters were included in the same envelope to a single recipient who was the next of kin of a deceased member	Staff member on post duty did not follow the agreed process	Data Protection Act 2018	Accidental disclosure of personal data for 4 members to another. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient confirmed destruction of 4 letters received in error. Staff reminded again of correct process to follow. Staff involved spoken to directly. Alternative printing and posting arrangements being investigated. Reported to Veritau. They assessed it as Low risk level and did not need to be reported to the ICO.	N/A	N/A	27/05/2022	07/04/2022	PB - No report PFC - No report	N
28/07/2022	Administration	5 Pension Savings Statements (PSS) issued after statutory deadline of 6 October 2021	Records were not selected in the bulk annual allowance process as the year end pay information used in the calculation had not been updated on the records	The Registered Pension Scheme Regulations 2006 Finance Act 2004	When a member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. None of the members have advised if they have a tax charge yet, there could possibly be two. The deadline for an online tax return was 31 January 2022 so affected members will need to contact HMRC.	Senior officer review of annual process. Has been established the cause of the breach different to previous breach in 2020. Process amended so that future similar cases can be identified earlier in the process.	N/A	N/A	09/09/2022	06/10/2022	PFC - No report PB - No report	N
31/08/2022	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	120 – have outstanding year end tasks 201 – have "other" outstanding administration tasks on record 56 – are x'd out, no outstanding task, prohibits statement creation due to error on record 295 – pending further investigations as to why statement not produced	Reg 89 of LGPS Regs 2013	100% of Deferred members received a statement. 97.73% of Active members received a statement. (672 members did not of which only 295 were eligible to receive one)	Of the 672 active members missing a statement only 351 are eligible to receive one. These are being worked through to identify what is required to enable statement to be produced.	N/A	N/A	25/11/2022	06/10/2022	PFC - No report PB - No report	N
04/11/2022	Administration	2 Pension Savings Statements (PSS) issued after statutory deadline of 6 October 2021	Human error. One record had a data error which resulted in the PSS being suppressed but when issue was fixed the marker wasn't removed. Relevant tax year 18/19 One record had been updated incorrectly following receipt of a transfer from another Fund. Relevant tax year 19/20	The Registered Pension Scheme Regulations 2006 Finance Act 2004	When a member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. None of the members have advised if they have a tax charge yet, there could possibly be two. The deadline for an online tax return was 31 January 2022 so affected members will need to contact HMRC.	Training for wider administration team is already scheduled so errors like these can be prevented and corrective action taken at the time rather than being left to year end.	N/A	N/A	25/11/2022	12/01/2023	PFC - No report PB - No report	N
11/11/2022	Administration	One member's documentation was sent in error, password protected, to another Fund.	Human error. The wrong attachment was added to the email.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to staff at another Fund. It is highly unlikely that the recipient knows the person whose information was disclosed.	Other Fund deleted email and attachment. Reported to Veritau. They assessed it as Very Low risk - minimal risk of any detriment to the data subject & sent to a trusted partner organisation	N/A	N/A	25/11/2022	12/01/2023	PFC - No report PB - No report	N
17/04/2023	Administration	Email querying pay and CARE was sent to the wrong Adam. It contained name, NINO & Pay information. Recipient is a senior officer at CYC.	Human error	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to staff at another employer. It is highly unlikely that the recipient knows the person whose information was disclosed.	Requested recipient to delete email Reported to Veritau	N/A	N/A	15/09/2023	06/07/2023	PFC - No report PB - No report	N
05/06/2023	Administration	A member received another member's pension payslip in the same envelope as her own. The envelope wasn't sealed either.	Machine jam and human error in the print unit. Not checking the machine was fully cleared before restarting the print and insert process.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another member. It is highly unlikely that the recipient knows the person whose information was disclosed.	Recipient posted payslip on. Made print unit aware of error and received confirmation of refreshed instructions to the print team. Reported to Veritau Veritau have confirmed it has been classed as a print unit breach	N/A	N/A	15/09/2023	06/07/2023	PFC - No report PB - No report	N
01/09/2023	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	114 – have outstanding year end tasks 268 – have "other" outstanding administration tasks on record	Reg 89 of LGPS Regs 2013	100% of Deferred members received a statement. 98.71% of Active members received a statement. (382 members did not, of which only 114 were eligible to receive one)	Of the 382 active members missing a statement only 114 are eligible to receive one. These are being worked through to identify what is required to enable a statement to be produced.	N/A	N/A	24/11/2023	26/10/2023	PFC - No report PB - No report	N
08/09/2023	Administration	Email was sent to a member with a password protected attachment but the document was for another member.	Human error	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another member. It is highly unlikely that the recipient knows the person whose information was disclosed.	Requested recipient to delete email Reported to Veritau	N/A	N/A	24/11/2023	26/10/2023	PFC - No report PB - No report	N
07/10/2023	Administration	1 Pension Savings Statements (PSS) issued after statutory deadline of 6 October 2022	Human error. Error in manual calculation of Annual Allowance at retirement.	The Registered Pension Scheme Regulations 2006 Finance Act 2004	When a member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. This member has sufficient carry forward from previous years so we believe there is no tax charge due. The deadline for an online tax return was 31 January 2023 so the affected member will need to contact HMRC.	Refreshers training for retirement team for the specific scenario applicable in this case.	N/A	N/A	24/11/2023	11/01/2024	PFC - No report PB - No report	N
06/09/2024	Administration	1 Pension Savings Statements (PSS) issued after statutory deadline of 6 October 2023	Human error. Record not fully updated when an interfund in was completed.	The Registered Pension Scheme Regulations 2006 Finance Act 2004	When a member receives a PSS they have to declare the tax liability to HMRC via an annual tax return. This member has sufficient carry forward from previous years so we believe there is no tax charge due. The deadline for an online tax return was 31 January 2024 so the affected member will need to contact HMRC.	Reminder circulated to the transfers team to ensure records are fully updated when interfundns and transfers are completed.	N/A	N/A	22/11/2024	24/10/2024	PFC - No report PB - No report	N

Date	Category	Description of Breach	Cause of Breach	Regulation being breached	Effect of Breach & Wider Implications	Response to Breach	Reported to DPO	DPO outcome	Referred to PFC	Referred to PB	Outcome of Referral to PFC & PB	Reported to Regulator
31/08/2024	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members	6 – have outstanding year end tasks	Reg 89 of LGPS Regs 2013	100% of Deferred members received a statement. 99.98% of Active members received a statement. (6 members did not)	The 6 remaining members are being worked through to identify what is required to enable a statement to be produced.	N/A	N/A	22/11/2024	24/10/2024	PFC - No report PB - No report	N
26/11/2024	Administration	Retirement options were sent out to 2 separate members and they both received each other's information as well as their own.	Human error - software used to combine documents wasn't closed down between processing members and so it appended documents together.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another member. It is highly unlikely that the recipient knows the person whose information was disclosed.	Reminder issued round team to be extra careful and double check before clicking print or send Advised to pause and sense check everything.	N/A	N/A	28/02/2025	09/01/2025	PFC - No report PB - No report	N
31/08/2025	Administration	Statutory deadline for issuing of Annual Benefit Statements not met for all eligible members.	106 active members have outstanding data queries	Reg 89 of LGPS Regs 2013	100% met for deferred members 99.64% met for active members (106 did not)	The 106 remaining members are being worked through to identify what is required to enable a statement to be produced.	N/A	N/A	21/11/2025	23/10/2025	PFC - No report PB - No report	N
18/09/2025	Administration	Certificates and ID documents returned to the wrong member.	Human error - Two lots of ID docs were received on the same day, only one set was returned as they were originals but to the wrong member.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another member. It is highly unlikely that the recipient knows the person whose information was disclosed.	Team reminded about taking more care when returning ID docs, take time, slow down and double check before sealing the envelope. Member returned incorrect ID docs and apology issued.	N/A	N/A	21/11/2025	23/10/2025	PFC - No report PB - No report	N
26/09/2025	Administration	Member received an email attachment containing payroll information for another member. Initials, surname, pay ref and pay info was disclosed.	Human error - The incorrect attachment was added to the email instead of refund claim forms.	Data Protection Act 2018	Accidental disclosure of personal data for 1 member to another member. It is highly unlikely that the recipient knows the person whose information was disclosed.	Team reminded about taking more care when sending emails especially any with attachments. Told to pause and double check everything is correct before clicking send.	N/A	N/A	21/11/2025	23/10/2025	PFC - No report PB - No report	N

	Title or Nature of Course	A. Thompson	P. Wilkinson	D. Sladden	M. Jordan	M. Crane	S. Gibbs	G. Jabbour	C. Lunn	D. Noland	N. Swannick	J. Cattnach	A. Baker	M. Donohue-Moncrieff	D. Portlock	P. Kilbane	Unison – J. Fletcher
24/26 September 2024	Baillie Gifford Investment Conference	✓															
21 November 2024	Investment Strategy Workshop	✓	✓	✓	✓		✓	✓	✓	✓	✓				✓		
15 January 2025	Fit for the Future consultation review	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	
23 January 2025	Baillie Gifford Workshop – approach to climate risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	
22 May 2025	BCPP Global Alpha Equities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				✓	✓	
11 September 2025	Triennial Valuation – Actuary - AON	✓	✓	✓	✓	✓	✓		✓	✓	✓				✓	✓	✓
22 September 2025	Investment Strategy Workshop	✓	✓	✓	✓	✓	✓		✓	✓	✓				✓	✓	✓
20 November 2025	Border to Coast - Global Equities	✓			✓		✓			✓	✓				✓	✓	
12 January 2026	Global Sustainable Bonds	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓		✓	✓	✓

20 January 2026	Currency Hedging	✓	✓	✓	✓	✓	✓		✓	✓	✓		✓		✓	✓	✓
17 February 2026	Hymans Robertson: Good Governance – Requirements & Implementation														✓		
5 March 2026	North Yorkshire Council – Fit for the Future	✓	✓	✓	✓		✓		✓	✓	✓		✓	✓	✓	✓	✓
12 March 2026	AON – Building “Fit for the Future” LGPS Teams: Senior Roles, Pay and Governance				✓										✓		
7 May 2026	NYC Treasury Management Training								✓		✓		✓	✓	✓		

When Members have attended Workshops/Conferences/Training Events, please inform David Smith on david.smith1@northyorks.gov.uk and these details will be included within this appendix for future meetings.

- Councillor John Cattanach was appointed to the Committee on 17th July 2023 and left the Committee in November 2024
- Councillor Dan Sladden was appointed to the Committee on 15 May 2024
- Councillor Mike Jordan was appointed to the Committee on 13 November 2024
- Councillor George Jabbour left the Committee on 3 September 2025
- Councillor Alyson Baker was appointed to the Committee on 12 November 2025
- Councillor Mark Crane left the Committee on 13 February 2026
- Councillor Michelle Donohue-Moncrieff was appointed to the Committee on 13 February 2026

UPCOMING TRAINING AVAILABLE TO MEMBERS

<i>Provider</i>	<i>Course / Conference Title</i>	<i>Date(s)</i>	<i>Location</i>	<i>Themes / Subjects Covered</i>
LGPS / Chair of the Public Sector CIPP	Local Authority Pensions Administration Summit	3 June 2026	London	<p>The event will bring together the LGPS administration community at a time of increasing operational complexity, new legislative requirements and rising member expectations. Sector experts will explore what the next phase of LGPS administration is likely to involve, with a focus on preparation, challenges and opportunities for improvement.</p> <p>The programme will feature contributions from LGA pension specialists Clair Alcock, Rachel Abbey and Sophia Chivandire (SAB), offering insight from their work. Delegates will also hear from Guy Opperman, the longest-serving parliamentary pensions minister, who will provide a perspective on policy development and the wider direction of pensions reform.</p> <p>The event will provide an opportunity for colleagues across the sector to come together to consider the evolving landscape, share experience and strengthen understanding of the issues shaping the future of LGPS administration.</p>
Pensions UK – formerly PLSA	Local Authority Conference	15 June to	Wyboston Lakes, Bedfordshire	<p>The UK's largest event dedicated to the Local Government Pension Scheme is returning on 15-17 June 2026.</p> <p>The LGPS community will be getting together to discuss government reforms, regulation change, practical challenges including administration and communications,</p>

Provider	Course / Conference Title	Date(s)	Location	Themes / Subjects Covered
		17 June 2026		and the big picture issues shaping the future of a unique pension scheme.
Pensions UK – formerly PLSA	Annual Conference 2026	13 October to 15 October 2026	Liverpool (venue tbc)	The UK’s largest conference for the pensions industry. We will bring you a programme covering the issues that matter most across DB, DC, master trusts and the LGPS, thought-provoking speakers from business, the media and academia, and opportunities to make connections with professionals from across pensions.

Border to Coast’s conference will be in Leeds on 24 and 25 September.

Booking for the Fundamentals training, which starts in October, opens in the summer. LGA are running the training in London and separately online.

Fundamentals is a three-day training course aimed at councillors and others who attend pension committees/panels and local pension boards. Attending all three days will help delegates meet the required knowledge, skills and understanding. All sessions are delivered by experts in their field. The event also provides delegates with valuable networking opportunities.

Hymans Robertson package (Aspire) of on-line training can now be utilised by Members - “bite-size” sessions that can be dipped in and out of at Members convenience. There are now two packages available with package two being the most up to date version.

PENSION FUND COMMITTEE TIMETABLE FOR MEETINGS IN 2026/27**The dates for meetings of the Pension Fund Committee are as follows:**

26 June 2026	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee
11 September 2026	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee
13 November 2026	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee
25 February 2027	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee

Arrangements for Workshops will be provided directly to Members when available.

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NORTH YORKSHIRE COUNCIL

PENSION FUND COMMITTEE

22 MAY 2026

BUDGET AND CASHFLOW

Report of the Treasurer

1. Purpose of the Report

1.1. To report on the following:

- i) The 2025/26 budget and cost of running the Fund
- ii) The 3-year cashflow projection of the Fund

2. 2025/26 & 2026/27 Budget

2.1. The draft outturn position against the 2025/26 budget is presented in **Appendix 1**. It shows the total draft running costs of £40.9 million against a budget of £40.7 million. The draft overspend is therefore £0.2 million for the financial year. The final position will be confirmed on completion of the 2025/26 Accounts.

2.2. The draft outturn for 2025/26 includes a few notable variances. The overspend on Pooling costs is due to North Yorkshire's share of a one-off cost for the acquisition of a data platform required by Border to Coast to comply with the Fit for the Future requirements, which the Committee was informed of at the meeting in November 2025. There is also a forecast overspend of investment base fees due to a higher-than-expected increase in the value of the Fund's assets over the year, and lower performance fees due to a reduction in the allocation to a manager with a performance related fee arrangement. The final position on manager fees will also be confirmed on completion of the 2025/26 Accounts.

2.3. The 2026/27 Budget was approved by the Committee at the March 2026 meeting. To remind Members, this operational budget of £3.8 million, also presented in **Appendix 1**, no longer includes the investment management fees as they are monitored but not managed by the Fund and mainly change in line with the value of the Fund's assets.

2.4. There are no variances to report against the budget at this stage, however it will be monitored throughout the year and reported to the Committee. In line with normal practice, the Budget may be revised during the year if material changes are required, subject to approval by the Committee.

3. Cashflow Projection

3.1. The latest forecast cash position of the Fund is presented in **Appendix 2**. The table shows the draft cashflow position of the Fund for 2025/26 and the projected cashflow position over the following three years.

- 3.2. The table shows the position in relation to the Fund's non-investment operations and includes the relevant figures when assessing whether the Fund is in a cash surplus or deficit position.
- 3.3. The main inflows and outflows of the Fund are the contribution income from employers and active members, and benefits payments to retired members. They effectively determine the Fund's surplus or shortfall position.
- 3.4. The forecast is sensitive to the estimate of inflation, which continues to be a subject of active debate among economists. Up until a few months ago inflation was predicted to gradually reduce over the next few years, but the Iran war has caused additional inflationary pressure. It is too early to say how much of an impact this will have and for how long. Assumptions for inflation and other key metrics impacting the cashflow projection will be periodically reassessed and incorporated into future updates.
- 3.5. At the last Committee meeting, Members were presented with an updated three-year cashflow position reflecting the results from the 2025 valuation. The overall funding level of the Fund has improved, resulting in lower employer contributions being required over the next three years. This has led to a decrease in the forecast contribution income in 2026/27 of approximately £32 million compared with 2025/26 and is the main change in the cashflow forecast between years.
- 3.6. The forecast annual operational deficit of £66.5 million in 2026/27 is significant but is only around 1.3% of the value of the Fund. In the past, almost all income generated by investments has been automatically reinvested as it was not needed for operational cashflow purposes. However, in light of the increasing deficit position this will need to change. Officers have reviewed the available income generation options, which are in the form of dividends from equities, coupon payments from bonds and rental income from property.
- 3.7. Based on the current value of the Fund, there is an estimated £70-75 million of income available, and this will grow as the total value of the Fund grows. All the available income generation options have therefore been switched on.

4. Recommendations

- 4.1. Members to note the contents of the report.

Gary Fielding
Treasurer of North Yorkshire Pension Fund
North Yorkshire Council
County Hall
Northallerton

13 May 2026

North Yorkshire Pension Fund- 2025/26 & 2026/27 Budget - Cost of running the Fund

	Budget 2025/2026 £k	Q4 Provisional Outturn 2025/2026 £k	Variance	Proposed Budget 2026/2027 £k
EXPENDITURE				
<u>Admin Expenses</u>				
Finance and Central Services	510	467	- 43	530
Provision of Pensioner Payroll (ESS)	79	80	- 1	83
Pensions Administration Team	1,680	1,564	- 116	1,663
McCloud	30	30	-	15
Other Admin Expenses	619	514	- 105	483
Total Admin Expenses	2,918	2,654	- 263	2,774
<u>Oversight and Governance</u>				
Actuarial Fees	102	73	- 29	70
Custodian Fees	79	56	- 23	53
Investment Consultant Fees	200	244	44	150
Pooling: Governance & Projects	578	738	160	564
Other O & G Expenses	162	149	- 13	162
Total Oversight and Governance	1,121	1,260	139	999
<u>Investment Fees</u>				
Performance Fees	1,966	1,829	- 137	
Investment Base Fees	34,700	35,205	505	
Total Investment Fees	36,666	37,034	368	-
TOTAL	40,705	40,949	244	3,773

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North Yorkshire Pension Fund - Cash Flow Forecast

	2025/2026 forecast Outturn £k	2026/2027 Forecast £k	2027/2028 Forecast £k	2028/2029 Forecast £k
SCHEME PAYMENTS				
Benefits				
Pensions	(141,200)	(152,100)	(161,500)	(171,500)
Lump Sums	(39,700)	(42,800)	(45,500)	(48,300)
	(180,900)	(194,900)	(207,000)	(219,800)
Transfers out	(26,400)	(27,300)	(28,100)	(28,900)
Refunds to leavers	(600)	(600)	(600)	(600)
	(27,000)	(27,900)	(28,700)	(29,500)
Operational Expenses				
Admin Expenses	(3,028)	(2,774)	(2,885)	(3,000)
Oversight and Governance	(1,276)	(999)	(1,039)	(1,081)
	(4,304)	(3,773)	(3,924)	(4,081)
TOTAL PAYMENTS	(212,204)	(226,573)	(239,624)	(253,381)
SCHEME RECEIPTS				
Employer and Employee Contributions	163,900	133,600	137,600	141,700
Transfers in	38,700	26,500	27,300	28,100
TOTAL RECEIPTS	202,600	160,100	164,900	169,800
SCHEME SURPLUS/ (DEFICIT)	(9,604)	(66,473)	(74,724)	(83,581)

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North Yorkshire Council

Pension Board

Minutes of the meeting held on Thursday, 2 April 2026 commencing at 10.00 am.

Present:

David Portlock (Independent Chair)

Employer Representatives:

Councillor Steve Watson (North Yorkshire Council)

Scheme Members:

Eddie Brass (Deferred Member)

David Houlgate (Active Member)

Simon Purcell (Retired Member)

Sam Thompson (Active Member)

Officers present:

Gary Fielding, Treasurer of the Pension Fund

Phillippa Cockerill, Head of Pensions Administration

Amanda Jones, Pension Governance and Employer Relationship Manager

Qingzi Bu, Senior Accountant

Amanda Alderson, Interim Head of Finance

Stuart Cutts, Assistant Director of Audit Assurance (Veritau)

David Smith, Senior Democratic Services Officer

Copies of all documents considered are in the Minute Book

161 Welcome by the Chair

The Chair welcomed all attendees to the meeting.

162 Apologies for absence

Apologies for absence were received from Councillor Martin Rowley BEM, Emma Barbery and Andrew Robinson.

163 Declarations of interest

Sam Thompson declared that she was now a member of the North Yorkshire Police Pension Board and sits on the North Yorkshire Fire and Rescue Pension Board, although is not a member.

164 Exclusion of the public

The Chair advised that, should discussion be required in respect of Item 8b, the Board would be required to resolve whether to exclude the public.

The Board resolved to exclude the public from Item 14 on the agenda.

Resolved

- a) That the public are excluded from the meeting during consideration of Item 14: Investment Pooling and Governance Arrangements, due to the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to information)(Variation) Order 2006.

165 Minutes of the meeting held on 15 January 2026

Resolved

- a) That the minutes of the meeting held on 15 January 2026 be confirmed as a correct record and signed by the Chair.

166 Progress on issues raised at previous meetings

The Chair introduced the report and noted that the actions relating to Minutes 110, 113, 151 and 154 had been completed and would be removed from the report for the next meeting.

Regarding the outstanding action from Minute 155, officers clarified that a workshop date in June 2027 would be used to provide risk management training to Pension Fund Committee and Pension Board Members. It was noted that this action arose from the moderate internal audit finding relating to risk management.

Resolved

- a) That the report is noted.

167 Public questions and statements

No public questions or statements were received.

168 Annual discussion with the Treasurer of the Pension Fund

The Chair explained that there was no accompanying report and that the item provided an opportunity for Board Members to raise questions of Gary Fielding, Treasurer of the Pension Fund. The Treasurer then provided an update which is summarised below.

The Treasurer reported that the past year had been particularly busy, including work on investment matters, administrative changes, and the triennial valuation. He advised that the valuation outcome had been positive, with the Fund currently reported as around 123% funded and valued at approximately £5.2 billion, which had resulted in reductions in contribution rates for the majority of employers. The year was described as successful, albeit one of significant and continuing change.

The Treasurer outlined anticipated changes arising from the Fit for the Future agenda, including continued Government focus on increased pooling and governance reform. He advised that Border to Coast (B2C) had expanded to include additional partner funds and that, although this reduced the relative influence of individual funds, it was not expected to materially affect engagement or oversight. Over 80% of the Fund's assets were currently managed through B2C, with the long-term expectation that this proportion would increase

to 100%. Certain property funds and the Baillie Gifford mandate were not presently pooled, and it was felt that property assets were relatively straightforward to transition, while Baillie Gifford would be reconsidered if an appropriate alternative sub-fund became available. As B2C also used Baillie Gifford as an underlying manager, care was required to avoid duplication of investment exposure. Relationships with B2C remained constructive, with challenge continuing, particularly in areas such as global equity performance and product availability.

The Treasurer also referred to emerging proposals affecting investment advice, officer roles, training requirements, governance arrangements and potential future consolidation within the Local Government Pension Scheme (LGPS). He emphasised that officers were closely monitoring developments and that the Pension Fund Committee retained fiduciary responsibility throughout. The Board was assured that officers were on top of the proposed changes and preparing accordingly.

After the Treasurer's update, the following discussion took place.

In response to a question regarding whether contribution reductions applied to all employers, officers clarified that employee contribution rates were set nationally and that employer contributions could increase or decrease under cost-cap arrangements.

Members queried the Fund's continued investment in Baillie Gifford. The Treasurer advised that this remained under regular review by the Pension Fund Committee and that exposure was carefully managed. Any future change would depend on suitable alternatives becoming available and on the Fund's strategy, taking account of its strong funding position.

A question was raised regarding Government expectations on local investment. The Treasurer advised that there remained a clear agenda to encourage investment in UK-based and local infrastructure, primarily through pools which are better placed when it comes to engagement. He emphasised that any such investment would need to meet appropriate risk-adjusted return criteria and that fiduciary duty remained with the Pension Fund Committee.

Members discussed the impact of pooling on decision-making, noting that while increased pooling and less operational management were expected, the Pension Fund Committee remained responsible for monitoring pool performance and were ultimately accountable for the performance of the Fund.

The expansion of B2C's advisory role was discussed. The Treasurer confirmed that this could reduce reliance on external investment consultants over time, though independent advice would still be required. It was noted that conflicts of interest already existed within current arrangements and would need to be clearly managed as roles evolved, with the Pension Board providing oversight.

The Board considered forthcoming governance and training requirements, including proposals for mandatory skills and knowledge standards for Pension Fund Committee Members and the designation of a Senior LGPS Officer. Mandatory training was acknowledged as a significant commitment, particularly given the responsibilities involved, but it was noted that Committee membership changes following elections could affect knowledge levels. While the proposals were supported in principle, it was felt to be important that expectations remained proportionate and achievable. The changes were not expected to materially affect day-to-day operations but would require clear documentation and evidence of compliance. It was noted that, as the proposed reforms progressed and governance expectations evolved, it might be necessary to review and update the Pension Board's Terms of Reference to ensure they remained appropriate and clearly reflected the Board's oversight role.

In response to queries about longer-term LGPS reform, the Treasurer advised that Government interest in further consolidation, including potential mergers of funds or administrative functions, remained under discussion. Members expressed concern regarding the capacity and cost implications of ongoing regulatory change. It was noted that, while pooling had been intended to reduce costs, the increasing range of governance, oversight and compliance requirements could make this difficult to achieve in practice.

The Board thanked the Treasurer for his update and for his support to both the Pension Board and the Pension Fund Committee. It was noted that this was his final Pension Board meeting, and Members offered their best wishes for the future.

Resolved

- a) That the update provided by the Treasurer of the Pension Fund be noted.

169 Draft minutes of the Pension Fund Committee meeting held on 6 March 2026

The Chair introduced the draft public minutes of the Pension Fund Committee meeting held on 6 March 2026 and invited the Board to raise any questions. No questions were raised.

Resolved

- a) That the draft public minutes of the Pension Fund Committee meeting held on 6 March 2026 be noted.

170 Draft confidential minutes of the Pension Fund Committee meeting held on 6 March 2026

The Chair introduced the draft confidential minutes of the Pension Fund Committee meeting held on 6 March 2026 and advised that any discussion on the content would need to take place in private session. The Board highlighted that the confidential minutes demonstrated the Pension Fund Committee's active role in overseeing investment strategy and performance.

Resolved

- a) That the draft confidential minutes of the Pension Fund Committee meeting held on 6 March 2026 be noted.

171 Pension Fund Administration Report

Phillippa Cockerill, Head of Pensions Administration, introduced the report and highlighted the following key points.

In relation to the Annual Benefit Statements exercise for 2026, it was reported that, following the introduction of the revised member platform in January, a decision had been taken to revert to issuing the Fund's online and paper Annual Benefit Statements, in line with the approach taken in previous years. This was due to outstanding functionality issues with the system, which were not expected to be resolved in time for this year's exercise. Officers confirmed that the system supplier continued to address these issues, with the intention of enabling online statements in future years once the outstanding matters had been resolved.

Officers advised that the actuarial valuation had now been completed, with updated contribution rates issued to employers and published on the Fund's website.

It was also reported that work on the McCloud remedy was nearing completion, with the majority of affected pensioners expected to be paid by summer. Work was ongoing in relation to a small number of cases involving deaths and transfers, with completion anticipated later in the year.

The Board was informed that the Pensions Regulator's public sector governance and administration survey had been completed and submitted by officers within the required timescales. No areas of concern had been identified as part of that process, and officers were awaiting any formal feedback.

It was noted that the Pension Fund Committee had approved the 2026/27 business plan and budget at its March meeting. Officers explained that the business plan set out key priorities for the coming year, with a focus on forthcoming regulatory changes, and provided an indicative view of activity over the following years. Officers acknowledged that the Administration team continued to operate in a challenging environment, managing competing demands arising from regulatory change and ongoing casework, but confirmed that workloads were being managed, with no immediate service risks or emerging backlogs identified.

During the discussion, Members raised questions about the Fund's current cashflow position, particularly in the context of geopolitical uncertainty. Officers advised that the Fund's cash position was actively monitored and managed, and that there was no concern regarding the Fund's ability to meet its liabilities in the short or medium term.

Members also discussed work underway to encourage scheme members to keep their death benefit nominations up to date. Officers explained that this remained a challenge across the sector, noting the additional administrative complexity that arose where nominations had not been completed. It was confirmed that reminders were included within routine communications, including annual benefit statements, and that further targeted activity would be progressed when capacity allowed.

In response to queries about future regulatory change, officers noted that further developments were anticipated across the LGPS, although detailed requirements were not yet confirmed. Officers advised that emerging guidance and proposals were being monitored closely, and updates would be brought forward as appropriate once greater clarity was available.

Resolved

- a) That the Pension Fund Administration Report be noted.

172 Internal Audit Progress Report

Stuart Cutts, Assistant Director of Audit Assurance at Veritau, introduced the Internal Audit Progress Report advising that it provided an overview of progress against the internal audit plan, before raising the following key points.

In relation to the audit of income, it was reported that fieldwork had been completed in line with the agreed timetable and that a draft report had been issued to officers. It was explained that finalisation of the report had taken slightly longer than anticipated to allow for feedback and refinement of wording, but this did not reflect any delay in the audit work itself.

Members asked whether any significant issues had been identified as part of the Income (Contributions) audit. Stuart confirmed that there were no major concerns and that the overall conclusion was expected to be substantial assurance. It was explained that one lower-priority finding had been identified, relating to the application of the Fund's policy for managing late employer contributions.

Further clarification was provided that the finding did not relate to material sums of money and did not indicate a significant risk to the Fund. The issue concerned whether existing processes for monitoring and escalating late employer returns and payments were being applied consistently in line with policy. It was noted that challenges around late employer contributions and engagement were common across the LGPS sector. It was also noted that the matter involved both internal processes and engagement with employers and that additional contextual information was being incorporated into the final report to reflect the practical challenges involved.

Members discussed the operation of the charging and escalation policy for late contributions. Officers clarified that the policy provided discretion to apply charges and that, in practice, engagement and support were usually the preferred first step, particularly for smaller employers or those with limited administrative capacity. It was noted that escalation and charging remained available as a last resort, and that the policy could be reviewed through the Pension Fund Committee's annual policy review process if changes were deemed necessary.

Members were reassured that the audit finding did not raise concerns about the Fund's cash position or employer compliance overall. Stuart confirmed that no issues of materiality had been identified and that the audit outcome did not indicate systemic weaknesses.

Resolved

- a) That the Internal Audit Progress Report be noted.

173 Internal Audit 2026/27 Audit Plan

Stuart Cutts, Assistant Director of Audit Assurance at Veritau, introduced the Internal Audit Plan for 2026/27.

The Board was advised that the plan had been developed with an increased emphasis on governance, reflecting emerging requirements within the LGPS, including new expectations set out in the Pensions Regulator's Code of Practice. It was acknowledged that the Code of Practice set a high bar for governance, covered a wide range of requirements, and that working through it would take time. Stuart explained that a number of the proposed audit areas linked directly to governance responsibilities and that the plan had been designed to provide assurance in those areas considered most relevant to the Pension Fund at this stage.

The Board acknowledged that it would not be practical or proportionate to cover all aspects of the Code of Practice within a single audit. Instead, the intention was to agree a focused and proportionate scope, targeting priority areas and providing meaningful assurance, potentially across more than one audit cycle.

The Board was advised that some elements of the plan would require further scoping and discussion with officers before detailed audit work could commence. It was confirmed that auditors would return with further detail once scope and timing had been agreed.

The Board discussed the proposed timing and sequencing of audits within the year and sought clarification on when reports were likely to be brought back to the Board. Stuart

explained that audit delivery was planned on a rolling basis and that detailed timescales would depend on the agreed scope of individual pieces of work, officer availability, and wider audit priorities. It was confirmed that the audit plan would be kept under review and could be adapted if risks or priorities changed. Further clarity on timing would be provided through future Internal Audit Progress Reports after individual audits had been scoped.

The importance of ensuring that audit work was appropriately timed, particularly in the context of potential changes to Pension Fund Committee membership following elections, was highlighted, and the flexible and proportionate approach proposed was welcomed.

Resolved

a) That the Internal Audit Plan for 2026/27 be approved.

174 Training

The Chair introduced the report, noting that it was a regular update on the Board's training. Members were reminded to notify the Democratic Services Officer of any training they had undertaken so that records could be updated.

Resolved

That the report be noted.

175 Work programme

The Chair introduced the item and invited Members to suggest amendments or additions to the work programme. No additions were proposed.

Resolved

That the work programme be noted.

176 Investment Pooling and Governance Arrangements

The Committee went into exempt session for the duration of Item 14 because it was deemed likely that exempt information relating to the financial or business affairs of any particular person (including the authority holding that information), as described in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, would be discussed.

A separate confidential minute has been produced for this item.

177 Any other items

There were no other items.

178 Date of next meeting

Thursday, 2 July 2026 at 10:00am in the Brierley Room, County Hall, Northallerton.

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