

Agenda

Meeting Pension Board

Venue: Brierley Room, County Hall, Northallerton, DL7 8AD

Date: Thursday, 24 October 2024

Time: 10.00 am

Independent Chair: Mr David Portlock (Chairman - Independent Member (Non-voting))

Employer Representatives: Councillor Steve Watson (NYC), Councillor Martin Rowley, BEM (City of York Council) and Emma Barbery (Askham Bryan College).

Scheme Member Representatives: David Houlgate (Unison), Simon Purcell (Unison - retired members), and Sam Thompson (NYC).

Business

1. **Welcome, introductions and apologies**
- 2(a) **Minutes of the Board held on 1st August 2024 (Pages 3 - 10)**
- 2(b) **Progress on issues raised by the Board (Pages 11 - 12)**
3. **Declarations of Interest**
4. **Public Questions and/or Statements**

Members of the public may ask questions or make statements at this meeting if they have given notice (including the text of the question/statement) to Stephen Loach of Democratic Services (contact details provided on the agenda) by midday on Monday 21st October 2024. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:-

 - at this point in the meeting if their questions/statements relate to matters which are not otherwise on the agenda (subject to an overall time limit of 30 minutes);
 - when the relevant agenda item is being considered if they wish to speak on a matter which is on the agenda for this meeting.
5. **Minutes of Pension Fund Committee held on 13th September 2024 (Pages 13 - 20)**
6. **Draft Annual Report - Report of the Assistant Chief Executive (Legal and Democratic Services) (Pages 21 - 30)**
7. **Pensions Administration - Report of the Treasurer (Pages 31 - 106)**

8. **Budget and Cashflow - Report of the Treasurer** (Pages 107 - 114)
9. **Internal Audit Reports** (Pages 115 - 116)
10. **Government Pensions Review and Pooling Update - Report of the Treasurer** (Pages 117 - 134)
11. **Training - Report of the Assistant Chief Executive (Legal and Democratic Services)** (Pages 135 - 138)
12. **Work Plan - Report of the Assistant Chief Executive (Legal and Democratic Services)** (Pages 139 - 142)
13. **Appointment to vacant position on the Board**
14. **Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances**

Barry Khan
Assistant Chief Executive
(Legal and Democratic Services)
County Hall
Northallerton

Wednesday, 16 October 2024

Enquiries relating to this agenda please contact Stephen Loach Tel: 01609 532216 or Email: stephen.loach@northyorks.gov.uk

North Yorkshire Council

Pension Board

Minutes of the meeting of the Pension Board held at County Hall, Northallerton on Thursday 1st August 2024 commencing at 10am.

Present: -

Members of the Board

David Portlock (Independent Chairman).

Employer Representatives:

Councillor Steve Watson (North Yorkshire Council)
Councillor Martin Rowley BEM (City of York Council)
Emma Barber (Askham Bryan College)

Scheme Members:

David Houlgate (Unison)
Sam Thompson (North Yorkshire Council)

Council Officers:

Steve Loach, Phillippa Cockerill, Stuart Cutts, Jo Foster-Wade and Karen Iveson.

In attendance:

Councillor George Jabbour was in attendance.

Copies of all documents considered are in the Minute Book

60. Welcome and apologies for absence

Apologies for absence were submitted by Simon Purcell (Unison). The Chair introduced Karen Iveson, the Assistant Director, Resources, who was attending the meeting for the first time.

61(a) Minutes of the meeting held on 18 April 2024

Resolved –

That the Minutes of the meeting held on 18 April 2024, having been printed and circulated, be taken as read, confirmed as a correct record, and signed by the Chairman, subject to the amendment detailed below:-

Minute No.53 Public Questions or Statements -

“Board members agreed to recommend that fossil fuel investments continue to be actively considered by the Pension Fund Committee.”

Remove “considered” and replace with “reviewed”.

61(b) Progress on Issues Raised by the Board

There had been no further development in relation to the Hymans Good Governance review since the previous meeting. The Chair of the Scheme Advisory Board had contacted the newly appointed Minister and had suggested that the issue should be dealt with as a priority. An update would be reported to the Board as soon as details were available.

There had been no further development in terms of a potential second phase of pooling by the Government and it was unclear as to whether a change in administration would alter that position. It was emphasised that the NYPF was in a good position should this be considered, going forward.

The updating of the Business Continuity/Disaster Recovery Plan was continuing with good progress being made.

The Pensions Regulator’s (TPR) new General Code of Practice was now operational.

Efforts continued to recruit to the Scheme Member and Employer representatives vacancies on the Board with a potential Scheme Member representative being provided with an application pack. Work would continue to recruit to these vacancies.

Resolved -

That the report be noted.

62. Declarations of Interest

There were no declarations of interest.

63. Public Questions or Statements

There were no public questions or statements.

64. Minutes of the Pension Fund Committee held on 24 May 2024 and draft Minutes of the Pension Fund Committee held on 28 June 2024

Considered

The Minutes of the Pension Fund Committee held on 24 May 2024 and draft Minutes of the Pension Fund Committee held on 28 June 2024

Resolved –

That the Minutes and draft Minutes be noted.

65. Draft Annual Report

The Board was provided with an initial draft of the 2023/24 Pension Board Annual Report for consideration, comment and amendment. A final version would then be produced for the October meeting of the Board for approval. The Annual Report will then go to the Pension Fund Committee, the Council's Executive and finally to Full Council for approval as the Administering Authority.

A number of minor errors were identified by members and the Chair stated that he would work with the Clerk to amend these. The amended version would be resubmitted to the October meeting.

Resolved –

That the draft Annual Report be amended in line with the issues raised at the meeting and a final version be submitted to the October meeting of the Board before being submitted to the Pension Fund Committee, the Council's Executive and finally to Full Council for approval.

66. Pension Administration

Phillippa Cockerill, Head of Pensions Administration, provided Members with an update on key initiatives undertaken by the Administration Team of the NYPF. The report included, as an Appendix, the report that was provided to the PFC at their June 2024 meeting.

The following issues were highlighted:-

PFC Report

The PFC report from 28 June 2024 meeting was provided as an Appendix.

A Member of the Board stated that he had been requested to raise the issue of the NYPF's Admissions and Terminations Policy, by Unison, in relation to the offering of incentives to leave the LGPS and the impact that this was having on Funds. It was stated, in response, that exits from the Fund were carried out in accordance with the LGPS Regulations, and that the Actuary carried out all exit calculations. It was stated that any issues relating to the exit regulations should be raised with the Government.

Breaches

There had been no new entries in the breaches log since the previous meeting of the Board.

Annual Benefits Statements (ABS)

The process for the 2024 ABS was well ahead of the position of previous years having been assisted by the number of employers now on i-Connect. As of 26 July, 27,969 active member statements of the 28,654 eligible, had been issued. It was expected that the process would be completed by the end of the month.

Legislation is expected stating that information regarding the McCloud judgement is not required to be included in the 2024 ABS, however, should this not materialise, a reportable breach of the regulations will occur. It was noted that the majority, if not all, of the LGPS funds would find themselves in this position. The possible sanctions

resulting from this could be an investigation or a fine. It was suggested that a further review of this situation should be undertaken at the October meeting of the Board. A complete re-issue of the ABS was untenable due to the impact this would have on resources.

Major projects

The i-Connect project continued to progress, with 196 employers onboarded. The majority of the remaining employers were smaller ones with multiple contracts meaning that quick progress should be made. The target completion date to have all employers onboarded was 31 March 2025.

The TPR General Code of Practice was now in effect, with the AON compliance checker tool being used. A further meeting with AON was planned to help facilitate an action plan and the Board would be updated on progress going forward. The majority of terms of the Code were already in place for the NYPF with just a few areas to firm up on. Training for members of the PFC and Pension Board would be provided in due course.

The McCloud project went live in May. Work was continuing to determine who was within the scope of the judgement and to provide rectification where appropriate. Guidance for this part of the process was currently being provided. Governance documents would be amended to reflect the impact of McCloud.

In relation to updating of the Disaster Recovery Plan, a number of useful meetings had taken place with the Resilience and Emergencies' team. The NYPF had been included within the overall Resilience Plan for the wider Council, with a bespoke plan currently being worked on. An Incident Management Team was now in place to assist with the development of the bespoke plan which was expected to be completed by the end of summer, dependent upon work priorities.

Local Government Pensions Committee (LGPC) Bulletins Log

Details of recent LGPC bulletins, and the response to those, were set out in the report.

It was asked what the current date was for the onboarding of the Pensions' Dashboard. In response it was noted that all Pension Schemes were expected to have this in place by 2026 but the LGPS had to have it in place by the end of October 2025. Follow up work with the ISP was being undertaken with the appropriate LGPS framework.

Draft Statement of Final Accounts 2023/24 – Update

It had been hoped that the Statement would have been published by the end of July, but this was not quite ready. Good progress had been made on the NYPF accounts, however. Work continued to provide the Final Accounts but there was no guaranteed date as to when these would be published, as the reconciliation of the Final Accounts of the eight previous Councils was included within this.

It was asked whether this was having an impact on the Finance Team. In response it was stated that the work was extensive, but the Team was well supported and was managing the work effectively. The main issue was the departure of some of the legacy staff from the previous Councils who held a great deal of knowledge in respect of the respective accounts. The loss of corporate knowledge had been flagged up on the Council's Risk Register

The Council continued to work closely with the External Auditor to support the process each were doing all they can to bring this to a conclusion as soon as possible.

It was noted that there were still outstanding Accounts yet to be signed off for a number of the legacy Councils, including 2022/23 for NYCC, for a variety of reasons, and every effort was being made to address this situation. It was emphasised that some of these would be concluded in the short term whereas others, due to more complex issues, would take much longer. A synopsis of the various outstanding accounts from the relevant legacy Councils was outlined.

Further updates would be provided to the next meeting of the Pension Board.

Resolved –

That the report be noted and the nil return for entries into the breaches log since the previous Board Meeting be welcomed.

57. Internal Audit Reports

Stuart Cutts, Assistant Director – Audit Assurance for Veritau, provided the Pension Board with an update on Internal Audit activity.

Details of the audit plan for 2023/24 were set out in the report with the audits of expenditure, income and investments taking place and reports from those audits expected later in the year. Progress on the audits had been limited due to working to priorities, however it was expected that a draft report on the expenditure aspects would be published later in August, and a meeting would be arranged with the relevant officers to discuss this. The meeting would also be utilised to discuss how to progress the other audits. In terms of a report back to Pension Board on each of the audits it was expected that the October meeting would be too soon, therefore, the January meeting was more realistic.

It was emphasised that the Work Programme for Internal Audits expected during 2025/26 should be provided to the January meeting of the Board, and it was asked whether the current delays would have an impact on next year's programme. It was emphasised that every effort would be made to address the outstanding audits within the relevant time-period so as not to delay the process next year. It was expected that at least one completed report would be available for the October meeting of the Board.

Resolved -

That the report be noted.

68. Annual Review of Dispute Cases and Exercises of Discretion

Phillippa Cockerill, Head of Pensions Administration, provided Members with details of the cases received via the Internal Dispute Resolution Procedure (IDRP) and those cases referred to the Pensions Ombudsman up to 31 March 2024.

There had been 8 IDRP cases between 1 April 2023 and 31 March 2024 with a summary of the resolution for each provided. There had been no referrals to the Ombudsman.

Employer discretions were exercised throughout the year on various issues.

A Member noted that the outcomes had been outstanding for some time for a number of the IDRPs and asked what was delaying these. In response it was noted that further details were awaited to allow a resolution to be provided.

It was asked if there was any further course of action that could be taken by the Scheme Member following the resolution provided. In response the process was outlined which provided for two stages within the IDRPs and, ultimately, referral to the Ombudsman, with a potential for this to be referred back.

Resolved -

That the report, and issues raised, be noted.

69. Training

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

It was requested that Members inform the Clerk of any training they had attended.

It was outlined that a number of Board Members had attended the AON webinar on 27 June 2024 relating to the new General Code of Practice. It was asked if the webinar was available on-line and, if so, whether this could be shared with those unable to attend. It was clarified that this was available and would be shared with Members accordingly.

Resolved -

- (i) That the Hymans Robertson online training package continue to be accessed by Members and reported back accordingly.
- (ii) That Members continue to provide details of any training they wish to be included on their training record:
- (iii) That further consideration be given to identifying training sessions immediately prior to Board Meetings.
- (iv) That the report, and issues raised, be noted.

70. Work Plan

Members considered the report of the Assistant Chief Executive (Legal and Democratic Services) detailing the areas of planned work of the Pension Board for the coming year and providing meeting dates for the Pension Board for 2024/25.

A minor change to the Work Programme would be implemented in relation to the review of the Risk Register, due to take place at this meeting would now be pushed back to the October meeting as the details were unavailable at this time.

The Chair noted that “deep dive” reviews by individual Board Members had been put on hold a number of years earlier due to resource implications in respect of officers’ time. It was stated that the time was still not right for these to recommence, but further consideration would be given to their re-introduction, going forward. In the meantime, any issues of concern could be referred to Veritau to include within their audit programme.

Resolved -

- (i) That the Work Plan, detailed in Appendix 1 to the report and as amended above, be noted.
- (ii) That the dates of ordinary meetings for 2024/25, as detailed in the report be noted as follows:-

Thursdays at 10am

24th October 2024

9th January 2025

3rd April 2025

71. Other Urgent Business

The Chair accepted the following matter as an item of urgent business due to the need for this to be addressed as soon as possible.

Appointment of Substitutes

Councillor Martin Rowley BEM (City of York) stated that he was unlikely to be available for meetings of the Board in 2025 and asked whether he was able to appoint a Substitute to take his place during his period of unavailability. In response it was stated that the current Terms of Reference did not allow for this to take place, but these were reviewed at the January meeting of the Board, each year, and further consideration would be given to this issue at that time.

Resolved –

That this issue be given further consideration at the January meeting of the Board when the Terms of Reference are reviewed.

The meeting concluded at 11.05pm.

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North Yorkshire Council

Pension Board

24 October 2024

Progress on issues raised by the Board

Report of the Assistant Chief Executive (Legal and Democratic Services)

1.0 Purpose of the report

1.1 To advise Members of:-

- Progress on issues raised at previous meetings;
- Issues that may have arisen, relating to the work of the Board, since the previous meeting

2.0 Background

2.1 This report is submitted to each meeting listing the Board's previous Resolutions where further information is to be submitted to future meetings. The table below represents the list of issues which were identified at previous Pension Board meetings and which have not yet been resolved.

Date	Minute No and subject	Resolution/Action	Comment/completed
3 October 2019 – ongoing – delayed by COVID 19	Minute no 223 – Governance of the Fund/ Minute no 231 (b) – progress on Issues raised / Minute no 289(b) – progress on Issues raised	Hymans Robertson Report on Good Governance in the LGPS – Members raised concerns regarding the potential for the creation of new local authority bodies and joint committees to oversee the LGPS, which had been raised as part of this study/consultation.	Members agreed to monitor developments in relation to any potential changes to governance arrangements from the Scheme Advisory Board, going forward. Advice is still awaited in relation to this matter. The issue was now progressing with the final implications awaited.
6 April 2023 - ongoing	Minute No. 6 - Annual Discussion with the Treasurer of the North Yorkshire Pension Fund	The Government had been considering a second phase of pooling as they are seeking enhanced economies of scale. At this stage it was unclear what the policy of the new Government would be on this issue. Further details were awaited.	Further details on the potential for this, including the possible amalgamation of existing polls, which could affect BCPP, are awaited and a response has been sent by the Fund to a consultation on this issue. Further developments on this issue are awaited and have been the subject of reports to both the PFC and PB. These will continue until the situation is clarified.

26 October 2023 - ongoing	Minute No.36 - Internal Audit Report	Business Continuity/Disaster Recovery – work was underway to update these processes with expert help having been obtained. The NYPF had been included within the overall Resilience Plan for the wider Council, with a bespoke plan currently being worked on.	The update of the NYPF bespoke Plan was continuing with good progress being made.
Subsequent to 11 January 2024 - ongoing	-	Gordon Gresty (Scheme Member Representative) and David Hawkins (Employer Representative) resigned from the Board.	Eddie Brass has applied to fill the vacant Scheme Member position as a deferred member. He will attend today's meeting. Recruitment to the vacant Employer Representative position is ongoing.
1 August 2024	Minute No. 66 - Pension Administration (Annual Benefit Statements - ABS)	Legislation was expected stating that information regarding the McCloud judgement was not required to be included in the 2024 ABS, however, should this not materialise, a reportable breach of the regulations would occur.	Further clarification of this situation would be undertaken and an update would be provided to the October meeting of the Board.
1 August 2024	Minute No. 66 - Pension Administration – Draft Statement of Final Accounts 2023/24	Work continued to provide the Final Accounts for 2023/24 but there was no guaranteed date as to when these would be published at the time of the August meeting of the Board.	An update on the latest position will be provided at this meeting.

3.0 Recommendation

3.1 That the report be noted and further action be undertaken where required.

North Yorkshire Council

Pension Fund Committee

Minutes of the meeting held on 13 September 2024 held at County Hall, Northallerton commencing at 10.00am.

Present:-

Councillors Angus Thompson (Chair), John Cattanach, Sam Gibbs, George Jabbour, Cliff Lunn, David Noland, Andy Paraskos (as a substitute for Mark Crane) Dan Sladden, Neil Swannick, and Peter Wilkinson.

In attendance: David Portlock (Chair of the Pension Board), Kenneth Ettles (Senior Consultant Aon), Nick Conroy (Aon), Leslie Robb (Independent Investment Advisor).

Apologies for absence: Councillors Mike Crane and Peter Kilbane (City of York Council)

Officers present: Gary Fielding (Treasurer to the Pension Fund), Karen Iveson (Assistant Director, Resources), Tom Morrison (Head of Investments), Phillippa Cockerill (Head of Pensions Administration), Jo Foster-Wade (Pension Employer Relationship Manager) and Harriet Clarke (Senior Democratic Services Officer).

Copies of all documents considered are in the Minute Book

65. Exclusion of Public and Press

Resolved -

There was no discussion of the exempt information in Minute no 75 – Investment Arrangements with Border to Coast - Appendix 3 and so no exclusion of the public or press was required.

66. Minutes of the Committee Meeting held on 28 June 2024

Resolved -

That the Minutes of the meeting held on 28 June 2024 were confirmed and were signed by the Chair as a correct record.

67. Declarations of Interest

Councillor George Jabbour declared the following non-registerable interest:-

I have been campaigning on issues involving the way public-sector organisations, pension funds and other institutions manage their finances.

The following Members declared a non-registerable interest in respect of them being in receipt of a pension from the North Yorkshire Pension Fund (NYPF):

- Councillor John Cattanach
- Councillor Cliff Lunn

Councillor Neil Swannick declared that he was in receipt of a pension from the Greater Manchester Pension Fund.

68. Public Questions or Statements

There were no public questions or statements.

69. Pension Board - Draft Minutes of 1 August 2024 - Report back by the Chair of the Pension Board

Considered –

The draft minutes of the Pension Board meeting held on 1st August 2024.

The Chair of the Pension Board highlighted the following minutes:

- Minute 61(b) - efforts continued to recruit to the Scheme Member and Employer representative vacancies on the Board with a potential Scheme Member representative being provided with an application pack. Work would continue to recruit to these vacancies.
- Minute 65 – the Draft Annual Report had been produced and would go to the October meeting of the Board for final approval.
- It was noted that nothing of material concern has come to the Pension Fund Committee (PFC).
- The Chair explained that the Terms of Reference of the Board did not allow substitutes to be appointed, unlike with the PFC, and that a request had been made by a member of the Board to appoint a substitute and that this matter would be considered going forward.

In response to a question concerning the impact on funds when individuals leave the NYPF, the Head of Pensions Administration explained that this related to employer exits, rather than members leaving, which in some instances caused employers to have a surplus on exit. It was noted that this was not currently an issue for the North Yorkshire Pension Fund. The exit of all employers was carried out in accordance with the Local Government Pension Scheme (LGPS) Regulations, with the Fund actuary carrying out the exit calculations.

Resolved –

That the contents of the report are noted.

70 Pensions Administration - Report of the Treasurer

Considered –

The report of the Treasurer providing Members with information relating to the administration of the Fund in the quarter and updates on key issues and initiatives which impact the administration team, including the following:-

Admission Agreements and New Academies

Administration

Membership Statistics

Throughput Statistics

Performance Statistics

Commendations and Complaints

Annual Benefit Statements 2024

Breaches Policy & Log

Issues and Initiatives

Ongoing projects

McCloud

Pensions dashboard

New The Pensions Regulator's (TPR) General Code of Practice

Business Continuity Plan

Risk Register

Member Training

Meeting Timetable

The Head of Pensions Administration introduced the report and the following issues were highlighted:-

- There appeared to be a false spike in active members as a result of the splitting of records for a leisure services employer that had come into the NYC administrative function.
- The Administration service continued to be busy, however a two week work in progress position had been maintained.
- There had been 13 commendations and 3 complaints during the quarter.
- A complaint received in June related to incorrect service history data being recorded on a member's record. The team had since carried out a data audit on the record to avoid this in the future. In response to a question raised by a PFC Member, officers were unable to confirm whether the data was incorrectly recorded by an NYPF employer or officer due to the age of the error.
- As of 8 August, only 49 Annual Benefit Statements remained out of 28,564. As of 11 September, only 6 remained.
- There had been no new breaches of the Regulations during the quarter.
- i-Connect continued to be rolled out with 198 employers now onboard with 45 remaining to be included, although a few were currently in progress.
- Good progress had been made with McCloud, and work continued to resolve the list of errors. On 28 August, the Ministry of Housing, Communities & Local Government confirmed that McCloud data did not need to be included in the 2024 Annual Benefit Statements, and instead would be included in the 2025 Statements.
- In response, one Member raised concerns that had the McCloud data needed to be included in the 2024 Annual Benefit Statements, a breach would have likely occurred. In response, it was explained that the majority of LGPS funds would have been in the same position. It was also noted that there was a typographical error in paragraph 4.2 of the report, where the year 2024 should be replaced with 2025.
- A contract variation had been signed to appoint Heywood as the Fund's ISP provider for the Pensions Dashboard.
- The TPR General Code of Practice came into effect on 28 March 2024. A remote workshop was held on 20 August with Aon to discuss the Fund's progress using Aon's compliance checker tool. Appendix 3 to the report includes an output report. A meeting on 25 October will be held to look at areas of development and to form an action plan.
- The first draft of the business continuity plan had been created and a workshop had been arranged for 8 October.

- It was noted that work in relation to the Pensions Dashboard Programme was behind schedule, and it was unlikely it would be completed in the specified time frame.
- In response, one Member asked whether anything could be done by NYPF to bring attention to this situation. It was explained that there was a statutory requirement to complete the work and that the issue had already been raised to the Scheme Advisory Board.
- The new General Code of Practice highlighted areas that PFC Members should be familiar with. Members would be requested to complete an LGPS National Knowledge Assessment run by Hymans Robertson in October.
- One Member raised concerns that the PFC had not been informed of the assessment prior to the meeting. Officers noted Members' frustrations but reminded the Committee that the assessment was voluntary and that the purpose was for officers to gain a better idea of the collective knowledge of PFC Members. It was also noted that the technical nature of the PFC and Pension Board meant that a higher level of knowledge was required of Members compared to other committees. The benefit of attending in-person conferences was also discussed.
- One Member suggested that the Border to Coast Pensions Partnership (BCPP) conference held in July be added to the table recording Member attendance at training on page 75 of the reports pack.
- The Risk Register was normally brought to the July meeting of the PFC however as the deadline had been missed, it had been brought to the subsequent meeting for review. A detailed report was included at Appendix 4, and a summary report was detailed at Appendix 5.
- The Key Personnel risk had worsened due to work pressures across the Council to deal with Local Government Reorganisation (LGR) issues and delays in the auditing of the NYPF accounts. 3 risks had lessened, whilst 7 risks had remained the same since the last report.
- The Head of Pensions Administration explained that the date completed was left blank as the risks were ongoing and therefore did not have an end date, but confirmed the risks would be reviewed.

Resolved –

That the contents of the report are noted.

71 Budget and Cashflow - Report of the Treasurer

Considered –

The report of the Treasurer outlining the following:-

- the 2024/25 budget and the cost of running the Fund
- the 4 year cashflow projection for the Fund
- an update on the Fund's final accounts and annual report

The main variances were outlined in the report with an estimated total running cost of £36.6m against a budget of £36.8m, giving a forecast underspend of £0.2m. This underspend related to a reassessment of performance fees payable to Baillie Gifford.

Following a review of audit fees by the Public Sector Audit Appointments, the fee for the external audit would be higher than usual at approximately £90,000 rather than £30,000. These higher fees were however considered a more realistic representation of the work involved.

The cash flow forecast remained largely the same as previously reported. The September CPI figure, which was anticipated to be around 2% and will be the increase

applied to pensions benefits from April 2025, would be confirmed at the meeting of the PFC in November.

The 2022/23 Statement of Accounts had still not been completed, and it was reported that the Council was in the process of trying to get a progress update from Deloitte, the Council's previous auditors. Good progress had been made with Mazars, the Council's new auditors, although the 2023/24 Accounts had been delayed due to LGR and the amalgamation of the seven former district and borough councils.

Members discussed the report and the following issues were raised:-

- One Member queried why the final sign-off of the Fund's Accounts could not be completed until the audit of the Council's Accounts was completed. The Treasurer of the Pension Fund explained that as the Council was the administering authority, the Fund Accounts formed part of the Council's Accounts and the two were therefore required to be signed off together as one.
- Members were pleased to hear about the Fund's positive relationship with Mazars.
- One Member commented on the impact of LGR on the cash flow position. In response, it was noted that redundancy levels were low, and mostly occurred in management, however where pay awards were given to those leaving, this caused some strain on the Fund, which was picked up by the Council, however it was immaterial.
- In response to a question, it was confirmed that funding deficits formed part of the investment strategy (a little over half a percent of the funds).
- The Fund currently had a significant cash balance. Officers reported that discussions were ongoing with BCPP on increasing the range of available options for income to be distributed from investments.

Resolved –

That the contents of the report are noted.

72 Public Service Pensions Act 2013 - Section 13 Report - Report of the Treasurer

Considered –

A report of the Treasurer presenting the background of the Section 19 Report regime, the findings of the review based on 2022 valuation positions, and the related RAG ratings and metrics for the North Yorkshire Pension Fund.

The Head of Investments outlined the report and explained that the Government Actuary's Department (GAD) had conducted a review in connection with the actuarial valuations of the funds in the LGPS, and other data provided by the funds. The latest report was based on the results of the LGPS fund valuations on 31 March 2022.

The review was attached at Appendix 1 to the report and included further detail.

The following issues were highlighted in the report:-

- 30% of funds were in a deficit, which was not the case for NYPF.
- Across all LGPS funds, the aggregate funding level was 106% at the 2022 valuation.
- An evaluation had been conducted across all LGPS funds in England, and as approaches varied from fund to fund, GAD use a best estimate basis of funding success at around 50% with a consistent set of assumptions.
- GAD had looked at surpluses, and at the moment no concerns had been raised in respect of any LGPS funds. Discussions had taken place with the previous

government prior to July 2024 on the use of surpluses in pension funds. It was also noted that GAD focused on contribution rate outcomes rather than placing too much weight on funding levels.

- Members debated what the appropriate level of surplus looked like. It was suggested that the aim should be to be over 100% funded, with 115/116% providing a good buffer. It was noted that if a surplus went too high, this would reduce employer contributions. Kenneth Ettles, Senior Consultant, Aon, highlighted the benefits of having a surplus, including reductions in employer contributions and confirmed that Aon would work with NYPF on managing employer surpluses.
- Overall, the results of the review were positive for NYPF, and the published Section 13 report formed a useful basis to see how NYPF compared to other funds.
- In response to a question raised by a Member, it was confirmed that Aon did not necessarily apply the same financial and other assumptions on all their pension fund clients as strategic asset allocations differed between funds, although assumptions for individual asset class returns were consistent.

Resolved –

That the contents of the report are noted.

73 Quarterly Funding and Investments Report (Including Investments Update) – Report of AON

Considered –

A report of the Investment Consultants, Aon, providing a high-level summary of NYPF's investments and funding during the second quarter of 2024/25.

Kenneth Ettles and Nick Conway of Aon presented the report and drew attention to the following points:

Funding:

- The funding level was 115% which was only 1% below the funding level at the 2022 valuation. Although asset returns had been below expectations, liability values had fallen as a result of higher forecast investment returns.
- The surplus had decreased by £52m.
- High interest rates remained an issue, however towards the end of the quarter inflation fell to close to the Bank of England's 2% target.
- The low risk funding position was high compared to history and would be considered as part of the next investment strategy review.
- It was noted that the funding position remained stable compared to most other LGPSs.

Asset allocation:

- Asset returns were lower than expected and had decreased by 0.3% per annum since the 2022 valuation.
- Forecast asset returns had increased from 6.1% to 7% per annum.

Market background and investment outlook:

- The economic challenges across the world, and the potential for a recession in the US.

Fund performance:

- The Total Fund performance snapshot was provided on page 19 of the report which highlighted that the Fund performed below the benchmark over the quarter.

- The Total Fund performance was ahead of the composite benchmark over the 5 year period, however over the last 3 years, the Fund had underperformed. The Independent Investment Advisor commented that a 5 year figure was a better indicator of progress, as it captured performance over the full period of the pandemic, which the 3 year figures did not.
- In terms of manager performance in the quarter, BCPP global equity was the biggest negative, alongside BCPP listed alts and BCPP multi asset credit.
- Baillie Gifford LTGG had performed well. The manager had taken some profits from well performing stocks.
- One Member commented that it would be helpful to include information on weighted performance attribution in order to see manager performance impact at a total Fund level.
- It was noted that the property portfolio continued to struggle, and one Member asked for some further detail about property fund managers. Kenneth Ettles explained that a combination of the pandemic accelerating a move away from office working to online shopping had contributed to negative returns over the last few years but that the returns had now started to stabilise. The Head of Investments also explained that property was an asset class that took time to perform and explained that BCPP were launching a UK property fund which would be considered as part of the investment strategy review.
- Members commented that the decision of the Fund to exit investment from Hermes was a good decision. One Member queried whether the PFC could be kept informed of urgent matters on occasions where there was not a scheduled PFC meeting. It was confirmed that the Chair and the Treasurer would usually be called on to make such decisions, although additional committee meetings could be convened if required.

Resolved –

That the contents of the report from Aon are noted.

74 Investment Arrangements with Border to Coast - Report of the Treasurer

Considered –

A report of the Treasurer setting out the legal requirement to pool pension fund assets and how NYPF addressed this through Border to Coast.

The Head of Investments outlined the report. The following points were highlighted:

- As part of the governance arrangements for Border to Coast, a Joint Committee had been established which was chaired by the PFC Vice-Chair. Members congratulated the PFC Vice-Chair on his appointment.
- The Fund's investments with Border to Coast had not changed much in the quarter, as indicated at paragraph 7.1 of the report.
- Section 8 of the report highlighted future investments with Border to Coast. One particular point raised was the launch of Border to Coast's UK Property fund in late 2024. It was noted that the fund had taken longer to get up and running than expected and that if NYPF were to invest, this would be from around April 2025.
- The change in Government was expected to impact on the timing of the updated guidance on pooling investments.
- On 16 August 2024, guidance was published in relation to the Government's pensions review. It was reported that the call for evidence was published the previous week, with a deadline of only 3 weeks, which was unusual.
- The Treasurer commented that the Fund had positively contributed to the pooling initiative.

- Members discussed the investment in the Border to Coast UK Opportunities fund. Some Members felt that aiming for non-financial benefits could be a diversion from the Fund's primary role in respect of pensions. However, officers noted that this fund has a financial target only, and no non-financial targets, so non-financial benefits were considered to be secondary.

Resolved –

That the contents of the report are noted.

75 Investment Arrangements with Border to Coast - Appendix 3 (Confidential)

Members did not discuss the confidential details of Exempt Appendix 3. Members did however note the change in reporting frequency to an annual rather than quarterly basis.

Resolved –

That the contents of the Exempt Appendix be noted.

76 Investment Strategy Review - introduction - Report of AON

Considered –

A report by Aon providing an overview of their investment strategy review.

Kenneth Ettles, Senior Consultant, Aon, presented the report which set out of the key considerations for the strategy review work that would be undertaken in the next 6 months. The following points were highlighted:

- The stages and timescales overview were outlined as per page 3 of the report:
 - **Stage 1** (Q3 and Q4 2024) – 'Discover and develop' would consist of high level objectives and discovering the PFC's views via an online questionnaire, which would be sent to Members shortly with a 4-5 week completion date.
 - **Stage 2** (Q4 2024) – 'Deliver initial strategies' would be discussed at the November 2024 meeting of the PFC and the workshop scheduled for 21 November 2024.
 - **Stage 3** (Q1 2025) – 'Deliver final strategy' at the February 2025 meeting of the PFC.
 - **Stage 4** (Q2 2025 onwards) – 'Implement strategy' by March 2025.
- In response to a question, it was confirmed that climate risks would be considered during stage 2.
- It was also confirmed that the outcome of the triannual valuation of 2025 would be available in September of that year.

Resolved –

That the contents of the report are noted.

77 Such other business as, in the opinion of the Chairman should, by reason of special circumstances, be considered as a matter of urgency

There was none.

The meeting concluded at 12.32 pm

NORTH YORKSHIRE COUNCIL

PENSION BOARD

24 October 2023

Pension Board Annual Report

Report of the Assistant Chief Executive (Legal and Democratic Services)

1.0 Purpose of Report

1.1 To consider the Annual Report of the Pension Board for 2023/24

2.0 Pension Board Annual Report

2.1 The Terms of Reference for the Pension Board require that an Annual Report is submitted to the Administering Authority each year.

2.2 At the previous meeting of the Board the draft Annual Report for 2023/24 was presented and, subject to some minor amendments and additional information, was approved. The amendments and additional information were added subsequently.

2.3 A completed version of the Annual Report will be submitted to the Pension Fund Committee on 22 November 2024 and is submitted to today's meeting for information (Appendix 1). The Appendices to the Annual Report have not been included, for efficiency, but can be provided to Board Members on request.

2.4 The Annual Report will now be submitted to the Council's Executive and then presented to Full Council, as Administering Authority, for approval.

3.0 Recommendations

3.1 Members are asked to note the final version of the Annual Report of the Pension Board 2023-24, and the process for the adoption of this, by the Administering Authority, be undertaken as outlined.

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)

County Hall

Northallerton

Author of Report; Steve Loach, Democratic Services

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NORTH YORKSHIRE LOCAL PENSION BOARD

ANNUAL REPORT FOR PERIOD 1 APRIL 2023 TO 31 MARCH 2024

Background

In June 2014 the Government published a consultation “The Local Government Pension Scheme (Amendment) Regulations 2014: draft Regulations on scheme governance”. These Regulations were essentially a crystallisation of the governance arrangements framework set out in the Public Service Pensions Act 2013.

The Regulations required Administering Authorities to each establish a Local Pension Board by 1 April 2015, being a formal body constituted by North Yorkshire Council (the Administering Authority for the North Yorkshire Pension Fund (NYPF)), and the Board to be operational by 1 August 2015.

The Terms of Reference for the Pension Board were drafted in February 2015 to comply with the draft Regulations and guidance, in consultation with the Chair and Vice-Chair of the Pension Fund Committee and the Assistant Chief Executive (Legal and Democratic Services). The document was approved by the Council on 18 February 2015.

The Pension Board was established and its membership developed, and it held its first meeting on 30th July 2015.

In April 2016, the LGPS Scheme Advisory Board (SAB) was established as a statutory body encouraging best practice, increasing transparency and co-ordinating technical and statutory issues at a national level. Alongside this the role of the Pensions’ Regulator had been extended to cover public sector schemes, and guidance has been introduced in the form of the Regulator’s Code of Practice 14, which includes the reporting of statutory and regulatory breaches, for example the late payment of contributions and the issue of Annual Benefit Statements after the statutory deadline.

In March 2024 the Pension Regulator’s new General Code of Practice was introduced replacing the previous Regulator’s Code, which now oversees the reporting of statutory and regulatory breaches.

Role

The role of the local Pension Board is defined by sections 5(1) and 5(2) of the Public Service Pensions Act 2013 as follows:

1. To assist the Council as Administering Authority in its role as Scheme Manager to:
 - secure compliance with the Local Government Pension Scheme (LGPS) regulations and any other legislation relating to the governance and administration of the LGPS;
 - secure compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator;
 - secure the effective and efficient governance and administration of the LGPS for the Pension Fund
 - assist in such other matters as the LGPS regulations may specify

2. To provide the Scheme Manager with such information as it requires to ensure that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest

It is not the role of the Pension Board to be involved in the day to day running of the NYPF.

The operation of the Pension Board is open and transparent, its meetings are open to the public and all required details relating to the Pension Board, including minutes of meetings, are on the North Yorkshire Council website.

Membership of the Board

The Board consists of 9 members, 4 scheme member representatives, 4 employer representatives and an independent chair. Changes to the Membership of the Board during 2023/24 are detailed in the table below. There are currently vacancies for an Employer Representative and a Scheme Member Representative.

The Membership during 2023/24 was as follows:-

PORTLOCK, David	Chairman - Independent Member (Non-voting)
WATSON, Steve (NYC Councillor)	Employer Representative – North Yorkshire Council – appointed to the Board in May 2023
JORDAN, Mike (NYC Councillor)	Employer Representative – North Yorkshire Council – left the Board in May 2023
HOOK, Anne (City of York Councillor)	Employer Representative – City of York Council – left the Board in May 2023
ROWLEY, Martin, BEM (City of York Councillor)	Employer Representative – City of York Council – appointed to the Board in November 2023
BARBERY, Emma	Employer Representative – Askham Bryan College
HAWKINS, David	Employer Representative – York College – Left the Board in February 2024
HOULGATE, David	Scheme Member Representative - UNISON
PURCELL, Simon	Scheme Member Representative - UNISON
THOMPSON, Sam	Scheme Member Representative – North Yorkshire Council
GRESTY, Gordon	Scheme Member Representative – Retired Members – Left the Board in January 2024

Local Government Re-organisation

A reorganisation of Local Government in North Yorkshire, amalgamating the County Council with the seven District/Borough councils took place on 1st April 2023. There was no major impact on the North Yorkshire Pension Board and relevant changes are detailed in this Annual Report.

Terms of Reference

A copy of the Board's Terms of Reference is attached at **Appendix 1**. The Terms of Reference, agreed by the Administering Authority in February 2015, are reviewed at least annually. The Terms of Reference have been altered to reflect the move from North Yorkshire County Council to North Yorkshire Council.

Attendance at Meetings

Attendance at meetings was as follows:-

6th April 2023 – Councillor Anne Hook and David Hawkins were absent. All other Members in attendance.

6th July 2023 – Councillor Anne Hook and Emma Barbery absent. All other Members in attendance. Pension Fund Committee Member Councillor George Jabbour attended as an observer.

26th October 2023 – Sam Thompson was absent. All other Members in attendance. City of York Council had not yet appointed a representative to the Board. Pension Fund Committee Member Councillor George Jabbour attended as an observer.

11th January 2024 – Councillor Steve Watson and David Hawkins were absent. All other Members in attendance. Pension Fund Committee Member, Councillor George Jabbour, attended as an observer.

Attendance at Pension Fund Committee

The Chair of the Board is an ex-officio, non-voting, Member of the Pension Fund Committee. Each ordinary Meeting of the Pension Fund Committee has an agenda item that provides an opportunity for the Chair of the Board to present feedback and the minutes of the previous meeting of the Board are submitted for information. The minutes of the Pension Fund Committee are also submitted to the Pension Board and, again, the Chairman provides feedback.

Members of the Pension Board attend meetings of the Pension Fund Committee, to observe proceedings, when available.

Issues Considered

The following have been considered by the Pension Board over the year:-

- NYPF draft Annual Report for the year ended 31 March 2023
- Draft unaudited Financial Statements for NYPF for the year ended 31 March 2023
- Review of Risk Register
- Internal Audit reports

- Funding Strategy Statement
- Publication of Pension Board Annual Report
- Pension Administration – including Breaches Log, Annual Benefit Statements, Data Quality, systems updates, major projects, Triennial Valuation, etc.
- Governance Documents Review
- Pensions Dashboard
- Investment Pooling Consultation
- Annual discussion with the Treasurer of the NYPF
- Feedback from training courses attended
- Management, administration and governance process and procedure
- Review of the Terms of Reference
- Responsible Investments' Policy
- Budget, accounts and Business Plan – including cash-flow position
- Annual Review of Dispute Cases and Exercise of Discretions
- Training
- The Pension Regulator's new General Code of Practice from March 2024

Details in relation to the discussions on these issues can be found in the minutes for the meetings which are available on the North Yorkshire Council website –

<http://democracy.northyorks.gov.uk/committees.aspx?commid=91>

The LGPS Pooling arrangements had previously been a major issue of consideration for the Pension Board. The NYPF was now committed to membership of the Border to Coast Pensions Pool, along with a number of other LGPS. The pool began operating in July 2018 and the Pension Board has been committed to scrutinising the governance arrangements for the pool.

Data Quality

In line with the requirement introduced by the Pensions Regulator, to include each Fund's data score in the annual return with effect from 2019, NYPF have submitted the following scores in 2023:

Common Data: 97.89%
 Conditional Data: 88.81%

Data from previous years is also provided to enable a comparison:-

Year	Common Data Score	Conditional Data Score
2018	93.47%	85.26%
2019	94.37%	93.52%
2020	95.97%	96.97%
2021	97.52%	94.95%
2022	97.64%	91.70%

Common data is that set of data that is defined as necessary and applicable to all members of all schemes. This data is that required to identify scheme members. For example, surname, date of birth, national insurance number, address, etc. There are 10 data items listed by the Pensions Regulator as being classed as common data.

Conditional data is that set of data that is defined as additional detailed data required for the administration of a pension scheme. This data is dependent on scheme type, structure and system design. For example, employer, salary history, contributions, transfer in details, etc.

A suite of reports have been developed to enable the identification of data errors and calculation of the annual data score. These reports will form the basis of targeted data cleansing work.

A data improvement plan has been created to ensure quality and scores improve from year to year. Part of this plan is the ongoing rolling schedule of data quality checking and cleansing.

Conflicts of Interest

The Board adopted a Conflicts of Interest Policy, attached as **Appendix 2**, at its inaugural meeting on 30th July 2015 and this is reviewed annually. The requirement to declare Conflicts of Interest is an item on every agenda for Board meetings. No conflicts were identified nor disclosed in the period to 31 March 2024.

Skills and Development Activities

Board Members have undertaken a comprehensive range of training and development opportunities, as required by the Pension Regulator's Code of Practice. Appropriate skills and experience are evaluated to identify possible training requirements and areas where skills and knowledge require development.

It was agreed that some joint training would be arranged for either immediately prior to, or at the conclusion of, Board meetings, as time constraints was often an issue for Members undertaking training. These training sessions are being developed.

An online training was previously acquired for the Members of the Pension Board and Pension Fund Committee, from a third-party provider, Hymans Robertson. An update to this has subsequently been provided (version 2) with Members encouraged to complete the various modules. The available sessions are detailed below:-

1: Introduction to the LGPS

Stakeholders; local arrangements for committees, boards officers and advisers; regulatory framework.

2: Governance and oversight

Legislation and guidance; policy documents; roles and responsibilities of committees and board members; Code of Practice 14; pensions administration overview; Government oversight bodies; business plans.

3: Administration and fund management

Pension benefits and contributions; service delivery; administration and communication strategies and policy documents and processes; annual report and accounts; procurements.

4: Funding and actuarial matters

Role of the actuary; the funding strategy; valuations; employer issues; actuarial assumptions.

5: Investments

Investment strategy, asset class characteristics and investment markets; pooling investments; monitoring performance of investments and advisers; responsible investment.

6: Current issues

LGPS reform; McCloud; Goodwin; cost sharing.

Discussions have previously taken place, with the Pension Fund Committee, in relation to the requirement for Pension Fund Committee Members to undertake appropriate training and development in future, with a training policy having now being adopted. Members of the Committee had undertaken an evaluation of their skills, and a training plan was awaited.

The Board adopted a Training Policy, attached as **Appendix 3**, at its inaugural meeting on 30th July 2015.

Details of the training and development undertaken by Board Members are provided in **Appendix 4**.

Programme of Work

The Board has developed a programme of work which is reviewed and updated at every meeting of the Board. Details of the latest programme of work are provided in **Appendix 5**.

Pension Board Costs for 2023/24 and Budget for 2024/25

The Board's costs for 2023/24 were as follows:

	Costs	Budget
Chair's Allowance	£3078	£3,100
Travel	£ 162	£1,500
Skills development	£ 755	£5,000
Total	£3995	£9,600

The Board's budget for 2024/25 is as follows:

Chair's Allowance	£3200
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Travel	£1500
Skills development	£5000
Total	£9700

The above costs are borne by the Pension Fund.

In addition to the expenditure detailed above, the Board receives assistance and support from the Council's Legal & Democratic Services and Pension Fund Officers. An estimate of the cost and value of this assistance and support has not been calculated.

Pension Board self-assessment

The Board's terms of reference and guidance from the new Pension Regulator's Code of Practice, introduced in March 2024, require that the Board undertakes a review of its effectiveness and the knowledge and skills of Board members.

In relation to this, questionnaires have previously been circulated to Board Members to provide an evaluation of skills and experience. Details have been fed back into the Board accordingly and an appropriate joint training plan with members of the Pension Fund Committee will be developed. Consideration is currently being given to the provision of a dedicated training package to encompass both bodies and has resulted in the introduction of the online training package, as detailed above. Given the adoption of the training package and the number of continuing Members of the Board it was not considered necessary to undertake a further assessment during 2023/24.

Equality Impact Review

An Equality Impact Review is not required as there are no relevant decisions to be taken.

David Portlock

Independent Chair of the Local Pension Board - October 2024

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North Yorkshire County Council

Pension Board

24 October 2024

Administration Report

1. Purpose of the Report

To provide Pension Board members with an update on key initiatives undertaken by the administration team of the North Yorkshire Pension Fund.

2. Pension Fund Committee paper

Included for information at **Appendix 1** is the administration paper and appendices provided to the Pension Fund Committee for their September 2024 meeting.

3. Breaches Log

Included at **Appendix 2** is the North Yorkshire Pension Fund's Breaches Log for review. There are two new entries this quarter relating to the annual benefit statement exercise and the late issue of a Pension Savings Statement.

Date	Description	Cause	Regulation breached	Effect
31/08/2024	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)
06/09/2024	One 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.

The pension saving statement breach has been reported to HM Revenue & Customs.

4. Annual Benefit Statements

Active annual benefit statements were produced in July. By the statutory deadline of 31 August 28,382/28,388 statements had been issued leaving only 6 requiring further work to produce a statement when and if possible.

This is the best position we have ever been in and is an indication that the benefits of onboarding all employers to i-Connect are already being realised.

MHCLG laid regulations on 28 August that removed the requirement for Funds to include the McCloud information in the 2024 benefit statements. The Pensions Regulator have confirmed there will be no requirement to report a breach for not including the McCloud information in 2024.

5. Major Projects

i-Connect - Employer portal

198 employers now onboarded with 45 remaining. Now the year end processing has been completed the team can push ahead with onboarding the remaining employers before the final deadline of 31 March 2025.

New TPR General Code of Practice

Following completion of the Officers first assessment, AON have reviewed our responses and following discussion a baseline position has now been established. A copy of the baseline report provided to the Pension Fund Committee in their September meeting is included at **Appendix 3**.

Officers are meeting on 25 October to discuss next steps and create an action plan. Progress reports will be provided in future meetings so compliance with the new code can be monitored.

McCloud

Work continues to finalise the position for all members identified as being in scope to ensure everyone who is eligible for an underpin has their record updated correctly. As soon as that work has been completed the rectification phase can begin where members benefits will be uplifted and arrears of pension, additional transfer values or death benefits will be paid. Where we are unable to pay these benefits, compensation may need to be paid to the member, for example if a receiving scheme will not accept an additional amount of transfer value.

Pensions Dashboard

Our ISP provider has been appointed and a connection date of 31 May 2025 has been agreed and scheduled with them. Preparatory work on data cleansing is underway along with preliminary discussions regarding how Additional Voluntary Contribution data will be presented to the dashboard. There are three options available and Officers need to decide which one is the most appropriate.

Disaster Recovery and Business Continuity Plans

The pensions team incident management team met on 8 October to work through the draft business continuity plan and some initial scenarios. Further meetings are scheduled to finalise the plan and capture and test all scenarios.

6. Risk Register

The Fund risk register is reviewed twice a year in May and November and is normally brought to the July meeting. Unfortunately due to other work priorities the May review was not signed off in time so it is being brought to the subsequent meeting instead for review. The detailed report is included as **Appendix 4** and the summary report is **Appendix 5**.

There is one risk that has worsened, three that have lessened and seven risks that have remained the same since the last review.

Risk – RPF_9 Key Personnel has worsened due to work pressures across the Council, to deal with legacy local government reorganisation issues and the delays in the auditing of the Council's and Pension Fund's accounts as reported to the Committee. The probability has been changed to high from medium, reflecting the fact that this has happened. This risk is expected to reduce over time.

Risk – RPF_2 Pension Fund Solvency has improved due to a reassessment of the position. Solvency has remained over 100% since the 2019 valuation, despite the financial markets reacting badly to covid, the Russian invasion of Ukraine, and the Government's mini budget in September 2022. There has also been a sustained period of high interest rates and high inflation. The probability has been changed to low from medium.

Risk – RPF_8 Employer Contributions has improved due to the healthy solvency position of the Fund over a number of years (see Risk – RPF_2 Pension Fund Solvency) and the implementation of risk mitigation actions such as the roll out of i-Connect to employers and the application of the recently updated Charging Policy and Breaches Policy. The probability has been changed to low from medium.

Risk – RPF_3 LGPS Pooling Transition has improved as we are a significant way through this process and the management and monitoring of this process is well established. Approximately 75% of the Fund’s assets are now managed by Border to Coast. There have been no significant issues and the Fund continues to work with Border to Coast on ongoing management arrangements and up and coming fund launches. The probability and the impact have both been reduced to low from medium to reflect this.

7. Common and Conditional Data Scores

The Fund measures its data quality each year and provides the information to the Pensions Regulator in the annual return. Below is a table showing the data scores over the past three years.

Year	Conditional Score	Common Score
2022	91.70%	97.64%
2023	88.81%	97.89%
2024	98.88%	96.51%

The common data score has dropped due to the number of members we have with ‘gone away’ addresses. These are being data cleansed as part of our annual bulk tracing exercise.

8. LGPC Bulletins

The LGPC regularly issues bulletins, which can include actions for administering authorities. The NYPF reviews every bulletin and logs any actions highlighted. A log of the actions is included at **Appendix 6** to enable Pension Board Members to ensure appropriate activities are being undertaken

9. Recommendation

- 9.1. That Pension Board Members note the contents of this report.
- 9.2. That Pension Board Members note the contents of the Breaches Log and determine whether a report should be made to the Pensions Regulator.

Phillippa Cockerill
Head of Pensions Administration
County Hall
Northallerton

14 October 2024
Background Papers - Nil

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t Yo kshi e County Council

Pension Fund Committee

13 September 2024

Administ ation Report

Re ort of the Treasurer

1. Pu se f the Repo t

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 Ag eements & New Academies

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

3. Administration

3.1. Members ip Statistics

Membership Category	At 01/04/2024	+/- Change (%)	At 30/06/2024
Active	30,499	+6.54%	32,491
Deferred	39,865	-0.70%	39,587
Pensioner (incl spouse & dependant members)	30,776	+2.30%	31,486
Total	101,140		103,564

3.2. Thr oughput Statistics

- Period from 1 April 2024 to 30 June 2024

Case type	Cases Outstanding at Start	New Cases	Cases Closed	Cases Outstanding at End
Transfer In quotes	11	45	47	9
Transfer Out quotes	33	141	142	32
Employer & employee estimates	71	879	780	170
Retirement quotes	85	461	464	82
Preserved benefits	1,077	1,540	1,712	905
Death in payment or in service	130	684	680	134
Refunds	158	356	373	141
Actual retirement procedure	748	696	880	564
Interfund transfers	504	569	488	585
Aggregate member records	52	126	127	51
Others	405	412	458	359
Total Cases	3,274	5,909	6,151	3,032

- As well as processing the above cases, the Pensions team also handled 3,444 phone calls (average 56 per working day) in the quarter.

3.3. Performance Statistics

- The performance figures for the period 1 April 2024 to 30 June 2024 are as follows:

Performance Indicator	Target in period	Achieved
Measured work completed within target	98%	94%
Customers surveyed ranking service good or excellent	94%	96%
Increase numbers of registered self-service users by 700 per quarter (total registered users 48,348)	700	1,460

- We continue to focus on completing all of our work within target and encouraging sign up for member self-service.

3.4. Commendations and Complaints

- This quarter the following commendations and complaints were received:

Commendations

Date	Number	Summary
Apr	5	The pensions service excelled in their duties. A very professional service.
May	7	I found the pension team extremely helpful Very professional and kept me informed throughout the process
June	1	Quick response and help

Complaints

Date	Number	Summary
Apr	2	IHER – complaint against employer not informing them about IHER at date of leaving Regs – complaint about not being able to draw benefits or transfer out due to restrictions imposed by the regulations
May	0	
June	1	Admin – Retirement benefits were overquoted due to incorrect service history being recorded.

- 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.

3.5. **Annual Benefit Statements 2024**

Benefit statements for Active members were published online on 26 July with paper copies sent to the print unit the same day. This is 5 weeks ahead of the statutory deadline.

We issued 27,696 out of 28,564 statements which equates to 97.92%. The remaining 595 are being worked through and those that need to be issued will be completed before 31 August 2024.

3.6. **Breaches Policy & Log**

The North Yorkshire Pension Fund's Breaches Log is included at **Appendix 2** for review. There were no new entries in the quarter to 30 June 2024.

4. **Issues and Initiatives**

4.1. **Ongoing projects**

The latest position is 196 employers onboarded with 48 left who are mainly small contractors with multiple contracts of one or two members. The employer relationship team are now onboarding new employers as part of the admissions process. We are still aiming to fully complete this project by 31 March 2025.

4.2. **McCloud**

Good progress is being made and work continues with investigating and resolving the errors and queries from the go live. This will enable us to fully establish how many members and records are in scope and potentially have an underpin payable.

Once this work is completed the next stage is the rectification for those members who have already had benefits paid, pensioners, transfers out and deaths where a potential underpin has been identified.

It has been confirmed the McCloud data has to be included in the 2024 annual benefit statements so that has established a finite completion date for this project.

4.3. **Pensions Dashboard**

A contract variation has been submitted to appoint Heywood as our ISP provider. They are an alpha partner in the dashboards program and have already successfully connected to the dashboard ecosystem.

The connection deadline for the Local Government Pension Scheme is 31 October 2025. We are targeting a connection date of 31 May 2025 and a project team has been created to progress this.

4.4. **New TPR General Code of Practice**

Aon have reviewed the completed TPR compliance spreadsheet and a workshop was held on 20 August to discuss their findings and receive feedback. From this workshop a final baseline position has been created and actions agreed. A copy of the output report is included at **Appendix 3**.

From this baseline an action plan will be created to ensure progression towards full compliance and updates will be brought to future meetings. A schedule of reassessment will also need to be established.

4.5. **Business Continuity Plan**

The first draft of the business continuity plan (BCP) has been created and a workshop has been arranged with the incident management team to further develop and refine the plan. This will also involve working through various scenarios to ensure the plan is fit for purpose.

5 Risk Register

The Fund risk register is reviewed twice a year in May and November and is normally brought to the annual governance document review meeting. Unfortunately due to other work priorities the May review was not signed off in time so it is being brought to the subsequent meeting instead for review. The detailed report is included as **Appendix 4** and the summary report is **Appendix 5**.

There is one risk that has worsened, three that have lessened and seven risks that have remained the same since the last review.

Risk – RPF_9 Key Personnel has worsened due to work pressures across the Council, to deal with legacy local government reorganisation issues and the delays in the auditing of the Council's and Pension Fund's accounts as reported to the Committee. The probability has been changed to high from medium, reflecting the fact that this has happened. This risk is expected to reduce over time.

Risk – RPF_2 Pension Fund Solvency has improved due to a reassessment of the position. Solvency has remained over 100% since the 2019 valuation, despite the financial markets reacting badly to covid, the Russian invasion of Ukraine, and the Government's mini budget in September 2022. There has also been a sustained period of high interest rates and high inflation. The probability has been changed to low from medium.

Risk – RPF_8 Employer Contributions has improved due to the healthy solvency position of the Fund over a number of years (see Risk – RPF_2 Pension Fund Solvency) and the implementation of risk mitigation actions such as the roll out of i-Connect to employers and the application of the recently updated Charging Policy and Breaches Policy. The probability has been changed to low from medium.

Risk – RPF_3 LGPS Pooling Transition has improved as we are a significant way through this process and the management and monitoring of this process is well established. Approximately 75% of the Fund's assets are now managed by Border to Coast. There have been no significant issues and the Fund continues to work with Border to Coast on ongoing management arrangements and up and coming fund launches. The probability and the impact have both been reduced to low from medium to reflect this.

6 Member Training

The Member training record showing the training undertaken up to the end of the relevant quarter is attached as **Appendix 6**.

Please contact Stephen Loach on 01609 532216 or email stephen.loach@northyorks.gov.uk with any details of training undertaken or conferences attended and these will be added to the training record.

The new General Code of Practice refers to areas that Pension Fund Committee (and Pension Board) Members should be familiar with. They are pensions law and associated legislation, the scheme, scheme funding and investments, risk management, scheme administration and service providers, and scheme communications. These areas are all covered by the modules on the Aspire LGPS Online Learning Academy managed by Hymans Robertson, which is available to all Pension Fund Committee and Pension Board Members and appropriate pensions officers.

Hymans Robertson will soon be making available their latest version of their LGPS National Knowledge Assessment. This will serve a number of purposes:

- to help satisfy the requirements laid out in the General Code of Practice to support reporting on the knowledge and skill of individual Committee and Board Members
- to assess the collective knowledge of the Committee, as well as that of the Board
- to help identify any gaps in knowledge or areas of lower knowledge, on an individual and collective basis, to assist with the focus of training over the next 12-18 months
- to provide benchmarking against all other participating LGPS funds

All Pension Fund Committee and Pension Board Members will be asked to complete the Assessment.

The Knowledge Assessment has been deliberately aligned to the modules on Aspire, offering an easy first step to assist Committee and Board Members quickly develop knowledge in any weaker areas they may have. However, there would be a clearer picture for potential supplemental training if all Members completed all the Aspire modules before completing the Knowledge Assessment.

Upcoming courses, seminars and conferences available to Members are set out in the schedule attached as **Appendix 7**.

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

The views of Members will be sought on ideas for training but given the technical nature of some of the areas of responsibility, there will be a significant number of training events and it will be suggested that on-line training is made mandatory for all Members. It is recognised however that this will need to be done proportionately and over a period of time.

6 Meeting Timetable

The latest timetable for forthcoming meetings of the Committee is attached as **Appendix 8**.

7 Recommendations

7.1 Members to note the contents of the report.

Gary Fielding
Treasurer of North Yorkshire Pension Fund
NYCC
County Hall
Northallerton
05 September 2024

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Academy Conversions – 18 ‘in progress’

Name of School	Local Authority	Multi Academy Trust (MAT) Name	Target Conversion Date	Current Position
Threshfield Primary School	NYC	Yorkshire Collaborative Academy Trust	1.6.2024	Complete
Luttons Community Primary School	NYC	Ebor Academy Trust	1.7.2024	Complete
Sherburn CE Primary School	NYC	Ebor Academy Trust	1.7.2024	Complete
Sutton in Craven CE Primary School	NYC	Leeds Diocesan Learning Trust	1.7.2024	Complete
Cliffe VC Primary School	NYC	Selby Educational Trust	1.8.2024	Complete
Husthwaite CE VC Primary School	NYC	Elevate Multi Academy Trust	1.9.2024	In progress
Peasey CE VC Primary School	NYC	Elevate Multi Academy Trust	1.9.2024	In progress
Oakbridge Primary School	New school	Dales Academies Trust	1.9.2024	In progress
Hackness CE Primary School	NYC	Elevate Multi Academy Trust	1.10.2024	In progress
Wykeham CE Primary School	NYC	Elevate Multi Academy Trust	1.10.2024	In progress
Barlow CE VC Primary School	NYC	Pathfinder Multi Academy Trust	1.10.2024	In progress
Burton Salmon CP School	NYC	Pathfinder Multi Academy Trust	1.10.2024	In progress
Chapel Haddlesey	NYC	Pathfinder Multi Academy Trust	1.10.2024	In progress

Name of School	Local Authority	Multi Academy Trust (MAT) Name	Target Conversion Date	Current Position
Welburn Community Primary School	NYC	Pathfinder Multi Academy Trust	1.10.2024	In progress
Mowbray School	NYC	Ascent Academies Trust	1.11.2024	Will be progressed nearer the time
Osmotherley Primary School	NYC	Yorkshire Collaborative Academy Trust	1.11.2024	Will be progressed nearer the time
Broomfield Primary	NYC	Areté Learning Trust	1.12.2024	Will be progressed nearer the time
Fairburn Primary School	NYC	Selby Educational Trust	1.4.2025	Will be progressed nearer the time
St Barnabas Church of England VC Primary School	COYC	Pathfinder Multi Academy Trust	TBC	Will be progressed when Trust has been confirmed and conversion date known
Saltergate Junior School	NYC	Possibly with Ascent Academies Trust	TBC	Will be progressed when Trust has been confirmed and conversion date known
Saltergate Infant School	NYC	Possibly with Red Kite Learning Trust	TBC	Will be progressed when Trust has been confirmed and conversion date known
Saltergate Junior School	NYC	Possibly with Red Kite Learning Trust	TBC	Will be progressed when Trust has been confirmed and conversion date known
Masham CE VA Primary School	NYC	TBC	TBC	Will be progressed when Trust has been confirmed and conversion date known

Admission Bodies – 17 ‘in progress’

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
Outwood Grange Academies Trust Outwood Primary Academy Aline	Cater Link Limited	1.9.2023	Complete
City of York Council (Young Persons Counselling Services)	York Mind Limited	1.1.2024	Complete
The York North Yorkshire Council Combined Authority	N/A	1.2.2024 & 7.5.2024	Complete
Dales Academies Trust	Aspens Services Ltd	26.2.2024	Complete
The North Yorkshire Council Sutton in Craven CP School	Carroll Cleaning Company Limited	1.4.2024	Complete
The City of York Council Wigginton Primary School	Synergy FM	1.4.2024	Complete
Outwood Grange Academies Trust Outwood Primary Academy Aline	Bulloughs Cleaning Services	1.4.2024	Complete
Outwood Grange Academies Trust Outwood Academy Ripon	Bulloughs Cleaning Services	1.4.2024	Complete
The North Yorkshire Council Saltergate Primary School (cleaning and caretaking service)	Bulloughs Cleaning Services	1.4.2024	Complete
The North Yorkshire Council Saltergate Primary School (catering service)	Hutchison Catering Limited	1.4.2024	Complete
Ryedale Learning Trust merger with Areté Learning Trust Novation of the admission agreement for the cleaning contract	Independent Cleaning Services Limited	1.4.2024	Complete
Elevate Multi Academy Trust Thornton Dale Cof E Primary School	Lark Cleaning Services (T/A Betterclean)	1.4.2024	Complete
Northern Star Academies Trust New Park Primary Academy, Harrogate	Bulloughs Cleaning Services Limited	29.4.2024	Complete

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
Craven College	Bulloughs Cleaning Services Limited	1.5.2024	Complete
The North Yorkshire Council	Align Property Services Limited	1.12.2023	In progress
David Ross Education Trust David Ross Education Trust Thomas Hinderwell Primary Academy (cleaning service)	Easy Clean Limited	1.4.2024	In progress
Elevate Multi Academy Trust Sowerby Primary Academy, Carilton Miniott Primary Academy, South Kilvington C of E Academy	Atlas Facilities Management	1.4.2024	In progress
Leeds Diocesan Learning Trust (cleaning contract) All schools (excluding Holy Trinity Infant & Junior schools)	Premier Support Services Limited	1.4.2024	In progress
Leeds Diocesan Learning Trust Holy Trinity Infant & Nursery & Junior schools	Premier Support Services Limited	8.4.2024	In progress
The North Yorkshire Council & the City of York Council	Veritau Public Sector Limited	1.7.2024	In progress
The City of York Council Ralph Butterfield Primary School	Dolce Limited	28.7.2024	In progress
Coast and Vale Learning Trust All schools (excluding Scalby School)	Taylor Shaw Limited	1.8.2024	In progress
South York Multi Academy Trust Bishopthorpe Infant School (cleaning service)	Crystal Facilities Management Limited	1.8.2024	In progress
St Cuthbert's Roman Catholic Academy Trust St Augustine's Catholic School Scarborough St George's Catholic Primary Scarborough St Peter's Catholic Primary Scarborough	Cater Link Limited	1.9.2024	In progress
The North Yorkshire Council Cliffe VC Primary School	Mellors Catering Services Limited	1.9.2024	In progress
Coast and Vale Learning Trust Catering contract at all schools	Taylor Shaw Limited	1.9.2024	In progress

Name of Employer	Name of Contractor	Staff Transfer Date	Current Position
Leeds Diocesan Learning Trust Dacre Braithwaite CE Primary School Fountains CE Primary School Grewelthorpe CE Primary School Roeliffa CofE Primary School Carleton Endowed CE Primary School North Stainley CE Primary School Christ Church, CE Primary School Holy Trinity CE Infants & Nursery Holy Trinity CE Junior School	Hutchison Catering Limited	1.9.2024	In progress
The North Yorkshire Council Grove Road Community Primary School - Catering Contract	Hutchison Catering Limited	1.9.2024	In progress
The North Yorkshire Council Hertford Vale CE Primary School	Hutchison Catering Limited	1.9.2024	In progress
The North Yorkshire Council Grove Road Community Primary School - Extra Care Contract	Premier Education	4.11.2024	In progress
The North Yorkshire Council Health and Adult Services - Extra Care Contract	Possibly Housing 21	TBC	In progress

Exited Employers – 32

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
Pogo 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
Lifeways 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
Urbarer Limited	31.3.2024
SBFM Limited	31.3.2024
Northallerton and Romanby Burial Board	31.3.2024
University of Hull	31.5.2024

Name of Employer	Date exited the Fund
Inspiring Healthy Lifestyles (Wigan Leisure & Culture Trust)	31.8.2024

	Title or Nature of Course	&Weighell J	Portlock D	A Thompson	@P Wilkinson	*D Sladden	%M. Crane	" S. Gibbs	G. Jabour	C. Lunn	D. Noland	#A. Williams	M. Walker	N. Swannick	^J. Cattnach	+J. Crawshaw	\$P Kilbane	Unison (Vacancy)	Unison (Vacancy)
30 June 2023	Investment Manager Workshop (Border to Coast)	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓	✓					
14 September 2023	Asset Allocation Workshop (Equities Review)	✓	✓						✓	✓	✓	✓		✓					
28-29 September 2023	BCPP Investment Conference						✓		✓	✓	✓		✓	✓					
26 October 2023	Impact and Factor Equities	✓	✓	✓			✓	✓	✓	✓	✓	✓		✓					
23 November 2023	Impact Equities, including presentation from Baillie Gifford					✓	✓	✓	✓	✓	✓	✓	✓	✓					
22 February 2024	UK Opportunities and Climate Opportunities workshop		✓				✓	✓	✓	✓	✓	✓	✓	✓	✓				
27 June 2024	General Code of Practice Workshop AON		✓	✓			✓	✓	✓	✓	✓			✓	✓		✓		

When Members have attended Workshops/Conferences/Training Events could you please inform Stephen Loach on stephen.loach@northyorks.gov.uk and these details will be included within this appendix for future meetings.

- “ – Cllr Sam Gibbs left the Committee on 17th July 2023 and was re-appointed from 15 November 2023
- ^ - Cllr John Cattanach appointed to the Committee on 17th July 2023
- + - Cllr Jonny Crawshaw appointed to the Committee May 2023 and left May 2024 following City of York Council elections
- & - Councillor John Weighell OBE left the Committee on 15 November 2023
- @ - Councillor Peter Wilkinon appointed to the Committee in May 2024
- * - Councillor Dan Sladden appointed to the Committee in May 2024
- # - Councillor Andrew Williams left the Committee in May 2024
- ~ - Councillor Matt Walker left the Committee in May 2024
- \$ - Councillor Peter Kilbane appointed to the Committee May 2024 following City of York Council elections

UPCOMING TRAINING AVAILABLE TO MEMBERS

Provider	Course / Conference Title	Date(s)	Location	Themes / Subjects Covered
PLSA	Annual Conference	15 – 17 October 2024	ACC, Liverpool	Empower yourself with the latest insights at the PLSA Annual Conference, the definitive gathering for the pensions community. Connect, learn, and shape the future of pensions through expert-led sessions, valuable networking, and access to the policy debate and ground-breaking practical solutions.
PLSA	Pensions' Policy Summit	28 November 2024	PwC 1 Embankment Place London WC2N 6RH	Pensions are once again at the forefront of political discourse. A two-part pensions review is underway and there are big questions on the role schemes can play in growing the UK economy and how to improve retirement adequacy. A growth-focused Budget could well impact schemes. This autumn, the PLSA's Pensions Policy Summit brings together political commentators, policymakers and the pensions industry to set out the future of pensions policy under the Labour Government.
LGA	LGPS Governance Conference 2025	30 January - 31 January 2025	Bournemouth Highcliff Marriott Hotel 105 St Michael's Rd W Cliff Rd Bournemouth BH2 5DU	Our conference is a must attend event for councillors and others who attend pension committees and local pension boards. The programme is designed to cover the key issues for the Local Government Pension Scheme (LGPS) and our speakers are all experts in their fields.

LGA Fundamentals training 2024

There are a few places left on the Fundamentals training programme, which starts in October. LGA are running the training in person in two locations (London and York) and separately online.

Fundamentals is a three-day training course aimed at councillors and other 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.

Day 1			
10 October	York	The Principal Hotel	
16 October	Westminster	LGA Offices	
23 & 30 October	Online		
Day 2			
5 November	York	The Principal Hotel	
13 November	Westminster	LGA Offices	
21 & 28 November	Online		
Day 3			
4 December	York	The Principal Hotel	
10 December	Westminster	LGA Offices	
12 & 17 December	Online		

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. The training modules are as follows:-

1: Introduction to the LGPS - Stakeholders; local arrangements for committees, boards, officers and advisers; regulatory framework.

- 2: Governance and oversight - Legislation and guidance; policy documents; roles and responsibilities of committees and board members; Code of Practice 14; pensions administration overview; Government oversight bodies; business plans.
- 3: Administration and fund management - Pension benefits and contributions; service delivery; administration and communication strategies and policy documents and processes; annual report and accounts; procurements.
- 4: Funding and actuarial matters - Role of the actuary; the funding strategy; valuations; employer issues; actuarial assumptions.
- 5: Investments - Investment strategy, asset class characteristics and investment markets; pooling investments; monitoring performance of investments and advisers; responsible investment.
- 6: Current issues - LGPS reform; McCloud; Goodwin; cost sharing.

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PENSION FUND COMMITTEE TIMETABLE FOR MEETINGS IN 2024/25

13 September 2024	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee
22 November 2024	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee
28 February 2025	10 am, Brierley Room, County Hall, Northallerton	Pension Fund Committee

Arrangements for Workshops are currently under consideration and will be published alongside meeting dates, when available.

A Committee Timetable for 2025/26 is currently being developed and details will be provided when this is available.

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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
31/08/17	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.			14/09/17	19/01/18	Noted the position, no requirement to report. Creation of Breaches Log to record position.	N
08/11/17	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			22/02/18	19/01/18	PB - Noted the position, no requirement to report. PFC - Noted the position, no requirement to report.	N
18/12/17	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.			22/02/18	19/01/18	PB - Noted the position, no requirement to report. PFC - Noted the position, no requirement to report.	N - Reported to HMRC
31/08/18	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			22/11/18	11/10/18	PB - noted the position, agreed not to report this time but will in 2019. PFC - noted position, agreed not to report this time.	N
31/08/19	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			22/11/19	03/10/19	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
09/04/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
11/05/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
15/05/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
15/05/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
26/05/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
27/05/20	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.			11/09/20	09/07/20	PB - July meeting, noted position, agreed not to report. PFC - September meeting, noted position, agreed not to report.	N
31/08/20	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.			27/11/20	29/10/20	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
30/11/20	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.			05/03/21	14/01/21	PB - Recognised the issue was an employer one rather than a Fund one. PFC - Recommended no report required	N
05/10/20	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.			05/03/21	14/01/21	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
05/02/21	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.	05/02/21	Score of 4 - low no further action	04/06/21	08/04/21	PB - April meeting, noted position, agreed not to report. PFC - June meeting, noted position, agreed not to report.	N
31/08/21	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	26/11/21	07/10/21	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
17/09/21	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	26/11/21	13/01/22	PFC - No report PB - No report	N
28/09/21	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	26/11/21	13/01/22	PFC - No report PB - No report	N
28/09/21	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	26/11/21	13/01/22	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
19/11/21	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	04/03/22	13/01/22	PB - No report PFC - No report	N
22/02/22	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	27/05/22	07/04/22	PB - No report PFC - No report	N
28/07/22	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	09/09/22	06/10/22	PFC - No report PB - No report	N
31/08/22	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	25/11/22	06/10/22	PFC - No report PB - No report	N
04/11/22	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	25/11/22	12/01/23	PFC - No report PB - No report	N
11/11/22	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	25/11/22	12/01/23	PFC - No report PB - No report	N
17/04/23	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	15/09/23	06/07/23	PFC - No report PB - No report	N
05/06/23	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	15/09/23	06/07/23	PFC - No report PB - No report	N
01/09/23	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	24/11/23	26/10/23	PFC - No report PB - No report	N
08/09/23	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	24/11/23	26/10/23	PFC - No report PB - No report	N
07/10/23	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	24/11/23	11/01/24	PFC - No report PB - No report	N
06/09/24	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.				24/10/24	PFC - PB -	

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
31/08/24	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.				24/10/24	PFC - PB -	



TPR General code of practice

North Yorkshire Pension Fund (NYPF) - Scheme Assessment

Prepared for: North Yorkshire Council
NYPF Pension Committee
NYPF Pension Board

Prepared by: Aon
Date: 21 August 2024

Introduction






TPR Code Compliance model

This report sets out how North Yorkshire Pension Fund (NYPF) complies with the Pension Regulator’s (TPR) General code of practice (the Code) in relation to the management of the North Yorkshire Pension Fund (NYPF) which is part of the Local Government Pension Scheme (LGPS).

Note that the Code applies to governing bodies of all occupational, personal and Public Service Pension Schemes and therefore it is generic in nature. This document highlights all the key elements of the Code relevant to Public Service Pension Schemes and sets out whether North Yorkshire Council is compliant in each of the Code’s modules. There may be a number of requirements relating to these elements that are specifically stipulated within LGPS legislation and it is not the purpose of this compliance model to consider that level of detail.

Key

-  Compliant
-  Compliant in some but not all areas
-  Not currently compliant
- PC** Pension Committee (or equivalent)
- PB** Local Pension Board
- TPR** The Pensions Regulator
- LGPS** Local Government Pension Scheme
- Code** TPR’s General code of practice

The governing body



The governing body – at a glance



Board Structure and activities

Fully compliant in 2 out of 5 modules



5 questions are red and 3 questions are amber out of 30 questions.

Knowledge and understanding requirements

Fully compliant in 0 out of 2 modules



2 questions are red and 5 questions are amber out of 20 questions.

Advisers and service providers

Fully compliant in 0 out of 1 module



No questions are red and 4 questions are amber out of 19 questions.

Risk Management

Fully compliant in 1 out of 6 modules



5 questions are red and 5 questions are amber out of 50 questions. 1 question is unanswered.

Essential actions

- Expected behaviours & standards to be included in future induction training
To be included in training policy/strategy document
Training policy currently being updated
- To reassess annually following reappointment to committee
To suggest training modules to complete based on skills gaps & meeting subject matter such as Valuations.
- Not in the constitution, possibly governance policy para in to cover. Democratic services discussion.
- Role of chair process not detailed enough, revisit whole section, speak to Democratic Services
- Role of chair process not detailed enough, revisit whole section, speak to Democratic Services
- Chair skills and behaviours, speak Democratic Services
- Additional question in skills gap analysis
What was given to new PFC chair?

Comments

Scheme governance

Fully compliant in 0 out of 1 module



2 questions are red and 8 questions are amber out of 24 questions.

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

The governing body

Board structure and activities



Essential Actions

Module	Question	Action
1 Role of the governing body	3	Expected behaviours & standards to be included in future induction training To be included in training policy/strategy document Training policy currently being updated
2 Recruitment and appointment to the governing body	4	To reassess annually following reappointment to committee To suggest training modules to complete based on skills gaps & meeting subject matter such as Valuations.
3 Recruitment and appointment to the governing body	6	Not in the constitution, possibly governance policy para in to cover. Democratic services discussion.
4 Appointment and role of the chair	1	Role of chair process not detailed enough, revisit whole section, speak to Democratic Services
5 Appointment and role of the chair	2	Role of chair process not detailed enough, revisit whole section, speak to Democratic Services
6 Appointment and role of the chair	3	Chair skills and behaviours, speak Democratic Services
7 Appointment and role of the chair	4	Additional question in skills gap analysis What was given to new PFC chair? Not technical skills but softer Chair training
8 Remuneration and fee policy	4	Remuneration & fees - include in Governance Compliance Statement. Page 440 & 444 of constitution

Other Actions

Module	Question	Action
1 Recruitment and appointment to the governing body	1	To review constitution - content about PFC may not be sufficient Governance Compliance Statement - more detail, speak to Democratic Services
2 Recruitment and appointment to the governing body	3	Anything in the EDI policy maybe helping diversity, EDI when appointing to committee
3 Meetings and decision-making	4	Rare occurrence, if decision outside meeting then will be included in subsequent meeting discussion and minutes
4 Remuneration and fee policy	1	Remuneration & fees - include in Governance Compliance Statement. Page 440 & 444 of constitution

Knowledge and understanding requirements

Essential Actions

Module	Question	Action
1 Knowledge and understanding	1	Make sure everything referenced in code is in the training policy
2 Knowledge and understanding	6	Revisit training policy
3 Governance of knowledge and understanding	3	to set up annual review process and training delivery from outcome Undertake skills gap analysis
4 Governance of knowledge and understanding	4	consider development plans
5 Governance of knowledge and understanding	10	to set up annual review process and training delivery from outcome Undertake skills gap analysis
6 Governance of knowledge and understanding	11	consider development plans

Other Actions

Module	Question	Action
1 No Actions		

Advisers and service providers

Essential Actions

Module	Question	Action
1 Managing advisers and service providers	7	Create Contract Management and Delegation document to handle asking of work from service providers link to Procurement manual
2 Managing advisers and service providers	9	conflict of interest - fund wide policy - managing ongoing contracts and senior staff
3 Managing advisers and service providers	16	BCP undergoing review

Other Actions

Module	Question	Action
1 No Actions		

Risk management

Essential Actions

Module	Question	Action
1 Identifying, evaluating and recording risks	5 k	To add conflicts of interest at next risk register review
2 Internal controls	6	Internal controls - include in risk policy each area of Fund documents own areas of responsibilities
3 Assurance reports on internal controls	3	Service providers to provide regular assurance reports, Heywood, Aon, Ward Hadaway, etc
4 Scheme continuity planning	1	Currently being reviewed and updated
5 Conflicts of interest	1	Conflicts of interest - nothing that covers officers. Requirement of good governance recommendations
6 Conflicts of interest	8	Need to write a Fund conflict of interests policy and it will follow the code

Other Actions

Module	Question	Action
1 No Actions		

Scheme governance

Essential Actions

Module	Question	Action
1 Systems of governance	1	Expected behaviours & standards to be included in future induction training
2 Systems of governance	4	Revisit training policy
3 Systems of governance	5	to set up annual review process and training delivery from outcome consider development plans
4 Systems of governance	7	Business continuity plan is in the process of being updated Bus Impact Assessment completed
5 Systems of governance	8	referred 1 question to Gary F
6 Systems of governance	10	Business continuity plan is in the process of being updated Bus Impact Assessment completed
7 Systems of governance	16	To create ESOG review policy To discuss with Veritau to include as part of internal audit program. To review an element each year.
8 Systems of governance	21	To create high level policy regarding cases of missing data but ultimately they need to be handled on a case by case basis

Other Actions

Module	Question	Action
1 No Actions		



The governing body

Modules

Board structure and activities

- Role of the governing body (1)
- Recruiting and appointment to the governing body (2,6)
- *Arrangements for member-nominated trustee appointments (7)*
- Appointment and role of the chair (5)
- Meetings and decision-making (1)
- Remuneration and fee policy (4)

Knowledge & understanding requirements

- Knowledge and understanding (3,6)
- Governance of knowledge and understanding (3,6)

Value for scheme members (DC only)

- *Value for members (7)*

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply

Advisers and service providers

- Managing advisors and service providers (4)

Risk management

- Identifying, evaluating and recording risks (1)
- Internal controls (1)
- Assurance reports on internal controls (1)
- Scheme continuity planning (4)
- Conflicts of interest (3,6)
- Own risk assessment (4)
- *Risk management function (7)*

Scheme governance

- Systems of governance (4)





Funding and investment

Funding and investment – at a glance



Investment

Fully compliant in 3 out of 4 modules



No questions are red and 1 question is amber out of 37 questions.

Essential actions

- RI policy - check it covers operational risk

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Funding and investment



Investment

Essential Actions

Module	Question	Action
1 Climate change	1	RI policy - check it covers operational risk

Other Actions

Module	Question	Action
1 No Actions		

Funding and investment



Modules

Investment

- Investment governance (4)
- *Investment decision making* (7)
- Investment monitoring (4)
- Stewardship (6)
- Climate change (3,6)
- *Statement of investment principles* (6)*
- *Default arrangements and charge restrictions* (7)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply

* Note that for the Statement of investment principles module the Code references good practice for PSPSs. However, due to the overriding legal requirement to have an Investment Strategy Statement (ISS) in place we have not included any questions on this module but have referred to the ISS within the Investment governance module.



Administration



Administration – at a glance



Scheme administration

Fully compliant in 0 out of 1 module



2 questions are red and 1 question is amber out of 16 questions.

Information handling

Fully compliant in 1 out of 4 modules



2 questions are red and 1 question is amber out of 42 questions.

Essential actions

- Admin responsibilities and tasks - Include in governance roles & responsibilities document
- Admin processes - ongoing project to create working processes
- BCP - currently in review
- Policy documented around when data can't be corrected - To create high level policy regarding cases of missing data but ultimately they need to be handled on a case by case basis
- Maintaining own IT - service providers - assurance reports.
- Cyber Policy review when results of cyber scorecard received
- Cyber Controls - service providers assurance reports
NYC, Heywoods, B2C, custodian
- Move to i-Connect remittance functionality would improve efficiency and accuracy
- Check what i-Connect does re contributions vs p.able pay. And what checks are done at year end
- Resolving Conts - Documented process needed for Finance actions on overdue contributions.

IT

Fully compliant in 0 out of 2 modules



3 questions are red and 1 question is amber out of 17 questions.

Contributions

Fully compliant in 1 out of 3 modules



No questions are red and 2 questions are amber out of 13 questions.

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Administration



Scheme administration

Essential Actions

Module	Question	Action
1 Planning and maintaining administration	3	Admin responsibilities and tasks - Include in governance roles & responsibilities document
2 Planning and maintaining administration	14	Admin processes - ongoing project to create working processes
3 Planning and maintaining administration	15	BCP - currently in review

Other Actions

Module	Question	Action
1 No Actions		

Information handling

Essential Actions

Module	Question	Action
1 Data monitoring and improvement	6	Policy documented around when data can't be corrected - To create high level policy regarding cases of missing data but ultimately they need to be handled on a case by case basis

Other Actions

Module	Question	Action
1 No Actions		

IT

Essential Actions

Module	Question	Action
1 Maintenance of IT systems	8	Maintaining own IT - service providers - assurance reports.
2 Cyber controls	1	Cyber Policy review when results of cyber scorecard received
3 Cyber controls	9	Cyber Controls - service providers assurance reports NYC, Heywoods, B2C, custodian

Other Actions

Module	Question	Action
1 No Actions		

Contributions

Essential Actions

Module	Question	Action
1 Monitoring contributions	1	Move to i-Connect remittance functionality would improve efficiency and accuracy
2 Monitoring contributions	5	Check what i-Connect does re contributions vs p.able pay. And what checks are done at year end
3 Resolving overdue contributions	1	Resolving Conts - Documented process needed for Finance actions on overdue contributions.

Other Actions

Module	Question	Action
1 No Actions		

Administration



Modules

Scheme administration

- Planning and maintaining administration (1)

Information handling

- Financial transactions (1)
- Transfers out (2)
- Record-keeping (3,6)
- Data monitoring and improvement (1)

IT

- Maintenance of IT systems (1)
- Cyber controls (2,6)

Contributions

- Receiving contributions (3)
- Monitoring contributions (1)
- Resolving overdue contributions (1)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply



Communications and disclosure



Communications and disclosure – at a glance



Information to members

Fully compliant in 5 out of 5 modules



No questions are red and no questions are amber out of 22 questions.

Public information

Fully compliant in 1 out of 2 modules



No questions are red and 1 question is amber out of 14 questions.

Essential actions

None

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Communication and disclosure



Information to members

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

Public information

Essential Actions

Module	Question	Action
1 No Actions		

Other Actions

Module	Question	Action
1 No Actions		

Communication and disclosure



Modules

Information to members

- General principles for member communications (1)
- *Annual pension benefit statements (DC)* (7)
- *Summary funding and pension benefit statements (DB)* (7)
- Benefit information statements (PSPS) (1)
- Retirement risk warnings and guidance (1)
- Notification of right to cash transfer sum or contribution refund (2)
- *Chair's statement* (7)
- Scams (1)
- *Audit requirements* (7)

Public information

- Publishing scheme information (PSPS) (2,6)
- Dispute resolution procedures (2,6)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply



Reporting to TPR



Reporting to TPR – at a glance



Regular reports

Fully compliant in 1 out of 1 module



No questions are red and no questions are amber out of 3 questions.

Whistleblowing- Reporting breaches of the law

Fully compliant in 2 out of 4 modules



1 question is red and 1 question is amber out of 11 questions.

Essential actions

- Reporting Breaches - check what Hymans platform provides
- Reporting of Breaches - make sure Finance team are fully aware of requirements to report breaches.
- Contribution payment failures - Senior Fund accountant needs to ensure reporting mechanism is added to process and they are logged on the breaches log

Comments

The Administering Authority have selected to answer all questions within this section.

The Administering Authority have selected to include all questions when determining whether they comply with the Code within this section.

Reporting to TPR



Regular reports

Essential Actions

Module	Question	Action
1	No Actions	

Other Actions

Module	Question	Action
1	No Actions	

Whistleblowing - reporting breaches of the law

Essential Actions

Module	Question	Action
1	Who must report	4 Reporting Breaches - check what Hymans platform provides

Other Actions

Module	Question	Action
1	No Actions	

Reporting to TPR



Modules

Regular reports

- Registrable information and scheme returns (1)

Whistleblowing - reporting breaches of the law

- Who must report (1)
- Decision to report (1)
- How to report (1)
- Reporting payment failures (1)

Notes:

The numbers next to the module names above set out Aon's interpretation of the Code for Public Service Pension Schemes. Please note it should not be taken as legal advice.

- (1) Applies
- (2) Mostly applies
- (3) Partially applies
- (4) Good practice
- (5) Mostly good practice
- (6) Partially good practice
- (7) Does not apply



The information set out in this report is based on the expectations set out in the Code, compared to your current practice and it is not a regulatory and compliance audit. The information is based on the responses by the Administering Authority to questions set by Aon based on information contained in the Code.

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Risk Register: June 2024 Review – detailed
 Next Review Due: November 2024
 Report Date: 25th June 2024 (cpc)

Phase 1 - Identification						
Ref.	RPF_9	Title	Key Personnel	Risk Owner	CD RES	Risk Manager RES Head of Investments; RES Head of Pensions Administration
Risk Description	Loss and unavailability of key personnel, leading to potential knowledge gaps and delays to provision of advice as new personnel take on key roles resulting in reduced performance and complaints.			Risk Group	Staffing	Linked Risk(s)
Phase 2 - Current Assessment						
Current Control Measures						
Procedure notes; knowledge sharing; file management; deputies; co-operation between departments; pensions management meetings; comprehensive training matrix; PFC action notes; professional advisors; increase resources agreed in finance team; Joint Head of Investments with East Riding Pension Fund; Deputy Treasurer in place (AD RES);						
Current Probability	H	Current Impact	M	Current Risk Score	12	Current Risk Category Medium High
Phase 3 - Risk Mitigation Plan						
Reduction Action	Action Manager			Due Date and status	%	Date Completed
RR_RPF_38	Carry out appropriate induction and ongoing training for new PFC and Pension Board members			RES Head of Investments; RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	0%
RR_RPF_39	Ensure inclusion of key personnel with relevant external advisers or feedback from such meetings/telephone calls (on going)			RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	0%
RR_RPF_60	Ongoing review and update of procedure notes; ensure these are maintained and remain relevant and up to date			RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	0%
RR_RPF_61	Ensure succession planning is in place for key roles			RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	0%
RR_RPF_66	Ensure adequate finance capacity is available to support the Pension Fund in light of competing finance team demands			RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	0%
Phase 4 - Target Risk Assessment						
Target Probability	L	Target Impact	M	Target Risk Score	6	Target Risk Category Medium
Phase 5 - Fallback Plan						
Fallback Plan						
Identify temporary cover arrangements plus additional resources where required						

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_2	Title	Pension Fund Solvency		Risk Owner	CD RES	Risk Manager	RES Head of Investments	
Risk Description	Solvency deteriorates due to liability growth exceeding expectations and / or underperforming investment returns, inappropriate actuarial assumptions, adverse market conditions or legislative changes requiring a review of employer contributions, additional payments or extended recovery period				Risk Group	Financial	Linked Risk(s)		
Phase 2 - Current Assessment									
Current Control Measures									
Deficit recovery period; adopt prudent actuarial assumptions which are; reviewed every 3 years; employer contributions reviewed every three years; measure liabilities against investment returns on a quarterly basis; regular reports to PFC; data quality reviews undertaken; employer covenants completed as part of each triennial valuation and as required; DfE as guarantor of academies; continual programme of investment strategy reviews, every three years or more frequently as required (next in 2024/25)									
Current Probability	L	Current Impact	H	Current Risk Score	8	Current Risk Category	Medium		
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status		%	Date Completed
RR_RPF_3	Continue to monitor risk around unguaranteed funds				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_4	Monitor the legislative environment for any impact on funding and investment strategies and solvency and respond to consultations as and when appropriate				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_5	Continue with implementation of changes to investments to bring them in line with the new investment strategy				RES Head of Investments	30-Nov-2024		0%	
RR_RPF_6	Work through transition plan reflecting operational model for the pensions pool; contribute to the development of sub funds to allow further transfers; progress through the timetable				RES Head of Investments	30-Nov-2024		0%	
RR_RPF_7	Ensure post pooling go live reporting and information is as required; as and when we move funds the reporting will be checked and monitored				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	L	Target Impact	H	Target Risk Score	8	Target Risk Category	Medium		
Phase 5 - Fallback Plan									
Fallback Plan									
Increased contribution rate from employers and/or extend recovery period									

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_4	Title	Investment Strategy (including Responsible Investment)			Risk Owner	CD RES	Risk Manager	RES Head of Investments
Risk Description	Failure of the investment strategy to achieve sufficient returns from investments whilst responding to cash flows needs and maintaining assurances that investments are made in an environmentally and socially responsible manner			Risk Group	Strategic	Linked Risk(s)			
Phase 2 - Current Assessment									
Current Control Measures									
Strategy reviewed through asset/liability modelling; risk budgeting; experience and knowledge of the market and suitable forms of investment; Member training; Independent Investment Adviser and Consultant reports; PFC workshops and sign off of strategy; regular monitoring of investment performance; impact of MiFID2 monitored; full investment strategy review as part of the triennial review (next to be undertaken in 2024/25); Pool has a Responsible Investment Policy and Climate Change Policy; NYPF Investment Strategy Statement includes ESG policy; Cash Flow Policy; Responsible Investment Policy and Climate Change Statement for NYPF; climate scenario analysis.									
Current Probability	L	Current Impact	H	Current Risk Score		8	Current Risk Category	Medium	
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status	%	Date Completed	
RR_RPF_14	Ongoing monitoring of cash flow position and three year forward projection reports provided to PFC quarterly				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_15	Continue to work to understand impact of alternative investment payment schedules and ensure these are considered in cash flow projections				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_16	Continual review of the investment strategy and implement the recommendations, including availability of investment opportunities through Border to Coast				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_17	Quarterly monitoring of appropriateness of strategy against prevailing market conditions				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_18	Monitor the advisor and consultants reports and act on professional advice – ongoing given national and global issues				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_19	Increased focus on climate change: Climate Change Statement and Responsible Investment Policy published on the website; carbon footprint reported to PFC periodically, and published on Border to Coast's website. Ongoing engagement with border to Coast on the evolution of their suite of policies.				RES Head of Investments	30-Nov-2024		0%	
RR_RPF_5	Continue with implementation of changes to investments to bring them in line with the new investment strategy				RES Head of Investments	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	L	Target Impact	H	Target Risk Score		8	Target Risk Category	Medium	
Phase 5 - Fallback Plan									
Fallback Plan									
Review the strategy and implement changes as necessary based on the forward assessment of financial markets; media management through NYC press office for any reputational incidents									

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_6	Title	Resources		Risk Owner	CD RES	Risk Manager	RES Head of Investments; RES Head of Pensions Administration	
Risk Description	Insufficient staffing and system resources to adequately service the needs of the Fund resulting in delays, reduced performance and complaints			Risk Group	Staffing	Linked Risk(s)			
Phase 2 - Current Assessment									
Current Control Measures									
Pension fund administration team fully staffed; Pension fund team established and additional accountant brought into team.									
Current Probability	H	Current Impact	L	Current Risk Score	8	Current Risk Category	Medium		
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status	%	Date Completed	
RR_RPF_26	Ensure effective development of, and knowledge transfer to, newly appointed staff				RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_28	Continue to monitor workload demands to ensure effective resource allocation				RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_29	McCloud go live has happened, the errors have been worked through and resolved, outputs being checked and corrected as required, manual cases to be progressed, process changes made and ongoing processing includes McCloud where required				RES Head of Pensions Administration	31-Aug-2024		30%	
RR_RPF_31	Manage the impact of LGR on BAU;				RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_63	Issue required disclosure communications for McCloud				RES Head of Pensions Administration	31-Dec-2023		100%	11-Dec-2023
RR_RPF_66	Ensure adequate finance capacity is available to support the Pension Fund in light of competing finance team demands				RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	M	Target Impact	L	Target Risk Score	6	Target Risk Category	Medium		
Phase 5 - Fallback Plan									
Fallback Plan									
Obtain assistance from 3rd party administration provider. Escalate finance issues through the management structure									

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_12	Title	Investment Manager		Risk Owner	CD RES	Risk Manager	RES Head of Investments	
Risk Description	Failure of a pension fund investment manager (incl BCPP) to meet adequate performance levels resulting in reduced financial returns, leading to re-tendering exercise				Risk Group	Performance	Linked Risk(s)		
Phase 2 - Current Assessment									
Current Control Measures									
Qrtly review of investment mgr targets; std terms and conds re termination of contract; ext advisers monitor mgrs perf; qrtly repts to Pension Fund Comm; benchmarking against other approp comparators; investment strategy review; risk budgeting exercise via Aon; reporting by Custodian; fund mgr attend at PFC; Member training; best practice procurement process; diversified portfolio of investments;									
Current Probability	L	Current Impact	M	Current Risk Score	6	Current Risk Category	Medium		
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status		%	Date Completed
RR_RPF_48	Closer monitoring of the managers where NYPF funds are being reduced / removed.				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_49	Continue to monitor and report on investment returns on a regular basis				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_50	Continue to meet/report to PFC by Fund Managers and assess critical analysis by advisers				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_51	When pool options are unavailable, carry out a tender exercise and use best practice procurement process to ensure positive outcome re new investment manager(s)				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_7	Ensure post pooling go live reporting and information is as required; as and when we move funds the reporting will be checked and monitored				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	L	Target Impact	M	Target Risk Score	6	Target Risk Category	Medium		
Phase 5 - Fallback Plan									
Fallback Plan									
Change Fund Manager and redistribute funds, potentially transfer to temporary arrangements including passive Fund Manager									

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**
 Next Review Due: **November 2024**
 Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification								
Ref.	RPF_14	Title	IT Systems		Risk Owner	CD RES	Risk Manager	RES Head of Pensions Administration
Risk Description	Failure of the physical or digital security of the Pension IT system leaving it vulnerable to downtime or cyber crime attack (includes other IT systems on which pensions rely if affected for more than 2 days or at a critical time) resulting in financial loss, backlog, incorrect payments, increased overtime, criticism				Risk Group	Technological	Linked Risk(s)	
Phase 2 - Current Assessment								
Current Control Measures								
Manual payments; DR plan and tested; contracts for server maintenance; backups off site; major external providers have DR plans; manual calculation procedures, administration manuals, annual financial check, contingency plan in place, modern council; modern council working to aid resilience, mandatory training, tech and change security policies in place; incident management plan and business impact analysis completed, BCP being updated.								
Current Probability	L	Current Impact	M	Current Risk Score	6	Current Risk Category	Medium	
Phase 3 - Risk Mitigation Plan								
Reduction Action					Action Manager	Due Date and status	%	Date Completed
RR_RPF_53	Ensure cyber security training is up to date and that key messages on threats etc are distributed and discussed				RES Head of Pensions Administration	30-Nov-2024		0%
RR_RPF_54	Sense check and understand BCP of all internal and external service providers				RES Head of Pensions Administration	30-Nov-2024		0%
RR_RPF_55	Sense check any IT recovery assumptions with Technology; Resilience and Emergencies team are bringing together corporate plan which will assess call on resources including technology				RES Head of Pensions Administration	30-Nov-2024		0%
RR_RPF_65	Create and test updated business continuity plan; Ensure pensions is included in wider NYC planning				RES Head of Pensions Administration	30-Nov-2024		0%
Phase 4 - Target Risk Assessment								
Target Probability	L	Target Impact	M	Target Risk Score	6	Target Risk Category	Medium	
Phase 5 - Fallback Plan								
Fallback Plan								
Recourse to manual calculations and payments, Liaise with software provider to restore system, find alternative supplier								





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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification						
Ref.	RPF_8	Title	Employer Contributions	Risk Owner	CD RES	Risk Manager RES Head of Pensions Administration
Risk Description	Failure to maintain sustainability and affordability of employer contributions and ensure those contributions are efficiently collected at the required times			Risk Group	Financial	Linked Risk(s)
Phase 2 - Current Assessment						
Current Control Measures						
Ongoing communications with employers; manage employer contributions through the valuation process (next valuation at March 2025); assumptions used in triennial valuation, cost sharing mechanism, funding strategy statement; Contribution Deferral Policy						
Current Probability	L	Current Impact	M	Current Risk Score	6	Current Risk Category Medium
Phase 3 - Risk Mitigation Plan						
Reduction Action				Action Manager	Due Date and status	% Date Completed
RR_RPF_32	Continue to review the employer contributions collection process to seek to improve efficiency and reduce likelihood of late payments and potential breaches			RES Senior Accountant (Pensions)	30-Nov-2024	 0%
RR_RPF_33	Continue investigating the use of iConnect for monthly contribution collection has been investigated and solution proposal submitted (part of RR_RPF_32) – proposal submitted, waiting for project team			RES Head of Pensions Administration; RES Senior Accountant (Pensions)	30-Nov-2024	 0%
RR_RPF_34	Maximise investments / returns by evolution of the investment strategy			RES Senior Accountant (Pensions)	30-Nov-2024	 0%
RR_RPF_35	Enforce the penalty charging regime for late payment and late supporting documents			RES Senior Accountant (Pensions)	30-Nov-2024	 0%
Phase 4 - Target Risk Assessment						
Target Probability	L	Target Impact	M	Target Risk Score	6	Target Risk Category Medium
Phase 5 - Fallback Plan						
Fallback Plan						
Increased contribution rate from employers and/or extend recovery period						

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_10	Title	Benefit Payments		Risk Owner	CD RES	Risk Manager	RES Head of Pensions Administration	
Risk Description	Incorrect/late benefits and payments to members resulting in criticism, customer dissatisfaction, under/over payments				Risk Group	Performance	Linked Risk(s)		
Phase 2 - Current Assessment									
Current Control Measures									
Up to date procedures and procedural checking; pension software up to date; workflow system; authorisation procedures; pro formas; staff training; audit trail; internal and external audits; Pensions Administration Strategy; Manuals available for calculation procedure; action plan for clean data requirements; use of task checklists; ESS; payment timetable flowchart; new system process mapping completed									
Current Probability	L	Current Impact	L	Current Risk Score	4	Current Risk Category	Low		
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status		%	Date Completed
RR_RPF_40	Roll out the monthly online returns				RES Head of Pensions Administration	31-Mar-2025		90%	
RR_RPF_42	Maintain an open dialogue with employers, with particular regard to customer expectations; supported by the employer relationship role created in the team				RES Head of Pensions Administration	30-Nov-2024		0%	
RR_RPF_43	Regular liaison with ESS regarding operational arrangements; ongoing via employer relationship role				RES Head of Pensions Administration	30-Nov-2024		0%	
RR_RPF_44	Continue to manage the level of outstanding work; targeting a 3 week backlog				RES Head of Pensions Administration	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	L	Target Impact	L	Target Risk Score	4	Target Risk Category	Low		
Phase 5 - Fallback Plan									
Fallback Plan									
Correct errors and review and amend existing procedures									

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification										
Ref.	RPF_11	Title	Regulations and Legislation		Risk Owner	CD RES	Risk Manager	RES Head of Pensions Administration		
Risk Description	LGPS Regulations and Employer Related Legislation not interpreted and implemented correctly resulting in legal challenge; failure to comply sufficiently with the new General Code				Risk Group	Legislative	Linked Risk(s)			
Phase 2 - Current Assessment										
Current Control Measures										
Specialist knowledge; designated members of staff; regular updates & comms with CLG; LGPC; Actuarial advice; Employers Forums; NEPOF; section training by specialist staff; specialist software; advice on calculations interpretations; investment mgt agreement; awareness of overriding legislation; broadening of knowledge across MT; LGE advice; nat. technical pension group provide advice; Trustees knowledge and understanding toolkit; training feedback received in order to continually strengthen understanding; GDPR advice and training sessions; mandatory GDPR training for asset owners; impact of MiFID monitored; utilising third party GCOP compliance checker tool and will create an action plan										
Current Probability	L	Current Impact	L	Current Risk Score	4	Current Risk Category	Low			
Phase 3 - Risk Mitigation Plan										
Reduction Action					Action Manager		Due Date and status		%	Date Completed
RR_RPF_45	Implementation of staff training programme training schedule created				RES Head of Pensions Administration		30-Nov-2024		0%	
RR_RPF_46	Dashboard connection date released, project initiated, ISP provider agreed and target connection date set				RES Head of Pensions Administration		31-May-2025		0%	
RR_RPF_47	Continue to implement cross skilling within the section to improve resilience;				RES Head of Pensions Administration		30-Nov-2024		0%	
RR_RPF_64	Carry out a gap analysis of TPR General Code of Practice (specific to the LGPS) against existing policies and procedures; Create a checklist of policies, practices and procedures required by the new code; Draft new policies and procedures; Ensure compliance against the new code				RES Head of Investments; RES Head of Pensions Administration		31-Mar-2025		0%	
Phase 4 - Target Risk Assessment										
Target Probability	L	Target Impact	L	Target Risk Score	4	Target Risk Category	Low			
Phase 5 - Fallback Plan										
Fallback Plan										
Review existing interpretations, take legal advice and amend procedures as required										

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification										
Ref.	RPF_5	Title	Fraud		Risk Owner	CD RES	Risk Manager	RES Head of Investments; RES Head of Pensions Administration		
Risk Description	Internal and/or external fraud as a result of inappropriate pension administration, investment activity and cash reconciliation results in financial loss, loss of reputation				Risk Group	Financial	Linked Risk(s)			
Phase 2 - Current Assessment										
Current Control Measures										
Internal and external Audit; internal checking and authorisation procedures and levels in both pension section and finance; split between administration and finance; all third parties have regular audits and regulated by FCA; legally binding contracts in place; governance arrangements for the delegation of duties; use of BACS payments; monthly mortality monitoring; participate in National Fraud Initiative										
Current Probability	VL	Current Impact	H	Current Risk Score	4	Current Risk Category	Low			
Phase 3 - Risk Mitigation Plan										
Reduction Action					Action Manager		Due Date and status		%	Date Completed
RR_RPF_20	Veritau get the output from National Fraud Initiative and pursue any cases of concern for fraud				RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_21	Increase awareness within the teams of potential for pension scams including cash equivalent transfers,				RES Head of Pensions Administration; RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_22	Continually review processes and procedures including authorisation levels;				RES Head of Pensions Administration; RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_23	Ongoing internal audit assessment				RES Head of Pensions Administration; RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_24	Annual independent external audit of pension fund (separate from NYC) and carry out appropriate recommendations; initial report produced				RES Head of Pensions Administration; RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_25	Continue to review external manager audit and risk reports				RES Senior Accountant (Pensions)		30-Nov-2024		0%	
RR_RPF_62	Continue to carry out a monthly mortality screen across pensioner population				RES Head of Pensions Administration		30-Nov-2024		0%	
Phase 4 - Target Risk Assessment										
Target Probability	VL	Target Impact	H	Target Risk Score	4	Target Risk Category	Low			
Phase 5 - Fallback Plan										
Fallback Plan										
Review incident and update procedures/processes accordingly										

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North Yorkshire Pension Fund





Risk Register: **June 2024 Review – detailed**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Phase 1 - Identification									
Ref.	RPF_3	Title	LGPS Pooling Transition		Risk Owner	CD RES	Risk Manager	RES Head of Investments	
Risk Description	Failure to transition effectively to new pooling arrangements (and consider the impact of proposed super-pooling arrangements) resulting in poorer value for money; lower investment returns; and inability to effectively execute investment strategy.				Risk Group	Change Mgt	Linked Risk(s)		
Phase 2 - Current Assessment									
Current Control Measures									
Pension Fund Committee involvement in key pooling decisions; NYPF officer involvement in pooling working groups; Periodic reporting of updates to the Pension Fund Committee; further detail behind the plans received; providing updates to the Pension Board on a quarterly basis around governance; legal advice on behalf on partner funds; pooling briefing provided to members; responded to consultation on super pooling (sep 23)									
Current Probability	L	Current Impact	L	Current Risk Score	4	Current Risk Category	Low		
Phase 3 - Risk Mitigation Plan									
Reduction Action					Action Manager	Due Date and status	%	Date Completed	
RR_RPF_10	Ensure that as the sub-funds are set up that we can invest into and the process of transition is developed, NYPF have as much involvement as possible to shape this and ensure that it is suitable for our needs; continue to establish due diligence prior to fund transfer for each asset class				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_11	Continue to ensure that pooling transitions are made at optimum time to reduce exposure to market volatility and costs impact				RES Head of Investments	30-Nov-2024		0%	
RR_RPF_12	Ensure that PFC continue to be involved in key pooling decisions and informed of transition progress				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_7	Ensure post pooling go live reporting and information is as required; as and when we move funds the reporting will be checked and monitored				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_8	Consultation with advisors on the implication of pooling and advice on setting up arrangements including sub funds; ongoing fund advice being sought				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
RR_RPF_9	Ensure PFC, Pension Board and employers are kept up to date on pooling progress; pooling update on PFC agenda each quarter;				RES Senior Accountant (Pensions)	30-Nov-2024		0%	
Phase 4 - Target Risk Assessment									
Target Probability	VL	Target Impact	L	Target Risk Score	2	Target Risk Category	Very Low		
Phase 5 - Fallback Plan									
Fallback Plan									
No current alternative to pooling									

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Risk Reduction Action Status Key	
Symbol	Meaning
	The risk reduction action is overdue for completion or review.
	The risk reduction action is approaching its expected completion or review date.
	The risk reduction action is on target.
	The risk reduction action has been completed.

North Yorkshire Pension Fund

Risk Register: **June 2024 Review – summary**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Risk Trend	Risk	Description	Risk Owner	Risk Manager	Curr Prob	Curr Imp	Current Risk Score	Current Category	Targ Prob	Targ Imp	Target Risk Score	Target Category	FB Plan?
↑	RPF_9 Key Personnel	Loss and unavailability of key personnel, leading to potential knowledge gaps and delays to provision of advice as new personnel take on key roles resulting in reduced performance and complaints.	CD RES	RES Head of Investments; RES Head of Pensions Administration	H	M	12	Medium High	L	M	6	Medium	✔
↓	RPF_2 Pension Fund Solvency	Solvency deteriorates due to liability growth exceeding expectations and / or underperforming investment returns, inappropriate actuarial assumptions, adverse market conditions or legislative changes requiring a review of employer contributions, additional payments or extended recovery period	CD RES	RES Head of Investments	L	H	8	Medium	L	H	8	Medium	✔
▢	RPF_4 Investment Strategy (including Responsible Investment)	Failure of the investment strategy to achieve sufficient returns from investments whilst responding to cash flows needs and maintaining assurances that investments are made in an environmentally and socially responsible manner	CD RES	RES Head of Investments	L	H	8	Medium	L	H	8	Medium	✔
▢	RPF_6 Resources	Insufficient staffing and system resources to adequately service the needs of the Fund resulting in delays, reduced performance and complaints	CD RES	RES Head of Investments; RES Head of Pensions Administration	H	L	8	Medium	M	L	6	Medium	✔
▢	RPF_12 Investment Manager	Failure of a pension fund investment manager (incl BCPP) to meet adequate performance levels resulting in reduced financial returns, leading to re-tendering exercise	CD RES	RES Head of Investments	L	M	6	Medium	L	M	6	Medium	✔
▢	RPF_14 IT Systems	Failure of the physical or digital security of the Pension IT system leaving it vulnerable to downtime or cyber crime attack (includes other IT systems on which pensions rely if affected for more than 2 days or at a critical time) resulting in financial loss, backlog, incorrect payments, increased overtime, criticism	CD RES	RES Head of Pensions Administration	L	M	6	Medium	L	M	6	Medium	✔
↓	RPF_8 Employer Contributions	Failure to maintain sustainability and affordability of employer contributions and ensure those contributions are efficiently collected at the required times	CD RES	RES Head of Pensions Administration	L	M	6	Medium	L	M	6	Medium	✔
▢	RPF_10 Benefit Payments	Incorrect/late benefits and payments to members resulting in criticism, customer dissatisfaction, under/over payments	CD RES	RES Head of Pensions Administration	L	L	4	Low	L	L	4	Low	✔
▢	RPF_11 Regulations and Legislation	LGPS Regulations and Employer Related Legislation not interpreted and implemented correctly resulting in legal challenge; failure to comply sufficiently with the new General Code	CD RES	RES Head of Pensions Administration	L	L	4	Low	L	L	4	Low	✔

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North Yorkshire Pension Fund

Risk Register: **June 2024 Review – summary**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Risk Trend	Risk	Description	Risk Owner	Risk Manager	Curr Prob	Curr Imp	Current Risk Score	Current Category	Targ Prob	Targ Imp	Target Risk Score	Target Category	FB Plan?
↔	RPF_5 Fraud	Internal and/or external fraud as a result of inappropriate pension administration, investment activity and cash reconciliation results in financial loss, loss of reputation	CD RES	RES Head of Investments; RES Head of Pensions Administration	VL	H	4	Low	VL	H	4	Low	✔
↓	RPF_3 LGPS Pooling Transition	Failure to transition effectively to new pooling arrangements (and consider the impact of proposed super-pooling arrangements) resulting in poorer value for money; lower investment returns; and inability to effectively execute investment strategy.	CD RES	RES Head of Investments	L	L	4	Low	VL	L	2	Very Low	✔

Risk Trend Key	
Symbol	Meaning
↑	Risk ranking has worsened since the last review.
↔	Risk ranking is the same as at last review.
↓	Risk ranking has improved since the last review.
new	Risk is new or has been significantly altered since the last review.

Abbreviations		Classifications	
CD RES	Corporate Director Resources	Curr Prob	Current Probability
RES	Resources Directorate	Curr Imp	Current Impact
FB Plan	Fallback Plan	Targ Prob	Target Probability
LGPS	Local Government Pension Scheme	Targ Imp	Target Impact
IT	Information Technology	FB Plan	Fallback Plan

North Yorkshire Pension Fund

Risk Register: **June 2024 Review – summary**

Next Review Due: **November 2024**

Report Date: **25th June 2024 (cpc)**

Probability	Description
Very High	Over 80% chance; Almost certain; regular occurrence.
High	60-80% chance; Probable; has happened within the last 12 months.
Medium	40-60% chance; Possible; likely to happen at some point in the next one to three years.
Low	10-40% chance; Unlikely; only likely to happen once every three or more years
Very Low	Less than 10% chance; Highly unlikely; has happened rarely or never

Impact	Financial	Objectives	Service Delivery	Reputation
Very High	Major / Over 3.0% increase in contribution rate or loss of major opportunity.	All four of the Fund's key objectives adversely impacted.	Widespread impact multiple services affected. Requires Corp Director involvement.	External enquiry; Major legislative breach; Significant, prolonged national media coverage.
High	Significant / 2.0% - 3.0 % increase in contribution rate or loss of significant opportunity	Three of the Fund's key objectives adversely impacted.	Notable impact on service delivery, significant project slippage. Requires Assistant Director involvement.	Some national media coverage; Minor legislative breach; Significant Member / Employer complaints.
Medium	Notable / 1.0% - 2.0 % increase in contribution rate or loss of notable opportunity	Two of the Fund's key objectives adversely impacted.	Moderate impact on service delivery, declining performance. Requires Head of Service involvement.	Notable Member / Employer complaints; Regional media.
Low	Some / 0.5% - 1.0 % increase in contribution rate or loss of some opportunity	One of the Fund's key objectives adversely impacted.	Some impact on service delivery. Resolved by local manager.	Minor local media coverage; some Member / Employer complaints.
Very Low	Minor / Up to 0.5% increase in contribution rate or loss of minor opportunity.	None of the Fund's key objectives adversely impacted.	Little or no impact on service delivery.	Sporadic complaints, little impact outside the Council

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North Yorkshire Pension Fund
LGPC Bulletins Log

Bulletin Number	Action	Response
215 – Oct 2021	Pensions Dashboards Start preparing for dashboard on-boarding by considering whether we wish to use an ISP to connect to the dashboard ecosystem, cleansing our data and ensuring we have adequate resources to prepare for the dashboard connection.	In progress – ISP provider chosen, data cleansing commenced, monthly project meetings commenced, connection date set.
218 – Dec 2021	Pensions dashboards – A to Z industry guide Review the guide and start preparing for pensions dashboards. Pensions dashboards – data matching guidance Review the accuracy of the personal data values held for all active and deferred members	In progress – as above
231 – Nov 2022	Pensions Dashboards Programme (PDP) publishes updated standards Administering authorities should consider how they will comply with the standards. We recommend discussing the standards with their software provider or third party administrator, for those funds administered externally.	In progress – as above
243 – Oct 2023	McCloud compensation cases DLUHC would like to know if administering authorities receive any applications for McCloud compensation. Send depersonalised details of each case to lgpensions@levellingup.gov.uk . Interfund transfers and the McCloud underpin Apply the approach set out by DLUHC for interfund transfers.	Ongoing activity Ongoing activity
244 – Nov 2023	McCloud technical guide for administrators Use the McCloud technical guide to help you implement the McCloud remedy. LGPS Pensions Dashboard connection guide Review the LGPS Pensions Dashboards connection guide and start preparing to implement dashboards.	In progress In progress – as above
246 – Jan 2024	New GAD guidance Review the new guidance and amend your processes accordingly. Discuss the changes with your pensions administration software supplier.	Ongoing
247 – Feb 2024	2024/25 Pension scheme return On 12 February 2024, HMRC published guidance for administrators preparing for the new 2024/25 pension scheme return. Review the guidance and complete the steps set out in it to prepare.	Ongoing

249 – Mar 2024	<p>Annual Report Guidance 2024 Review the new guidance and implement the new requirements when producing and publishing your Fund's Annual Report.</p> <p>Abolition of the LTA administrator guide On 22 March 2024, Jayne Wiberg emailed administering authorities about the release of an administrator guide on the 'Abolition of the LTA' and a draft 'Previous pension benefits declaration form'. Review the new guidance and amend your processes accordingly.</p>	<p>In progress</p> <p>In progress</p>
250 – Apr 2024	<p>LGA standard McCloud wording for 2024 annual benefit statements Consider using the standard wording in the 2024 annual benefit statements</p> <p>Impact of the abolition of the lifetime allowance on the McCloud remedy Make further enquiries if you receive a transitional tax-free amount certificate application for a member who has previous benefits in a different public service pension scheme.</p> <p>Temporary unavailability of HMRC's remedy adjustment online service If you are aware of any members who need to calculate and report an annual allowance or lifetime allowance adjustment due to the McCloud remedy to HMRC, share this article with them.</p>	<p>In progress – part of McCloud project</p> <p>In progress – part of McCloud project</p> <p>No members affected yet</p>
251 – May 24	<p>Pensions dashboards On 30 April 2024, the Pensions Dashboards Programme published version 1.2 of the data standards. Discuss the data standards with your integrated service provider to ensure your administering authority is compliant.</p> <p>Consultation on the Pensions Scams Industry Group Consider responding to the consultation.</p> <p>LGA previous pension benefits declaration form version 1.1 Review and consider using the updated form and the accompanying notes.</p> <p>LGA Employer role training (England and Wales) Share information about the employer role training with your Scheme employers. Discuss potential for commissioned training at Pension Officer Group meetings.</p>	<p>In progress – see above</p> <p>No capacity to respond to consultation</p> <p>Completed</p> <p>Completed - email sent 31/05/2024</p>
252 – June 24	<p>Aggregation and concurrency Review our concurrent aggregation processes to ensure they are in line with the regulations.</p> <p>TPR nudge campaign Make sure we have registered our 'key dashboards contact' and use the link within our first nudge email to nominate further contacts.</p> <p>Non-Club CETVs for members with McCloud protection Review our transfer, divorce and interfund processes to make sure our non-Club CETV calculations are correct for members with McCloud protection</p> <p>New LGPS informer document launched Share the new audit informer document (published by SAB and the Institute of Chartered Accountants in England and Wales) with Scheme employers and ask them to share it with their auditors.</p> <p>LGA Employer role training (England and Wales) Share information about the employer role training with your Scheme employers. Discuss potential for commissioned training at Pension Officer Group meetings.</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed – email sent 28/06/2024</p> <p>Completed – email sent 31/05/2024</p>

NORTH YORKSHIRE COUNCIL

PENSION BOARD

24 October 2024

BUDGET AND CASH FLOW REPORT

Report of the Treasurer

1.0 PURPOSE OF REPORT

- 1.1 To provide Pension Board members with an update on the Pension Fund's
- (a) 2024-25 budget and costs of running the Fund
 - (b) the cashflow projection for the Fund
 - (c) 2022/23 and 2023/24 Statutory Accounts and Annual Reports

2.0 PENSION FUND BUDGET AND CASH FLOW

- 2.1 Each quarter a report is taken to the Pension Fund Committee (PFC) to update Members on the current and forecast income and expenditure position against the budget, and the latest cash flow forecast.
- 2.2 The cash flow forecast gives an indication of the expected position for the Fund for the next few years and is based on latest assumptions on inflation, transfers, investment asset values and other matters.
- 2.3 An update on audit progress on the accounts and is also provided.
- 2.4 The report taken to the September 2024 PFC meeting is attached as **Appendix 1** for Board members to consider.
- 2.5 At the time of writing, the audit of the Council's and the Fund's 2023/24 Statement of Accounts is still ongoing. A verbal update will be provided at the meeting.

3.0 RECOMMENDATIONS

- 3.1 Pension Board members to note the content of this report.

GARY FIELDING
Treasurer to North Yorkshire Pension Fund
North Yorkshire Council
County Hall
Northallerton

14 October 2024

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NORTH YORKSHIRE COUNCIL**PENSION FUND COMMITTEE****13 September 2024****BUDGET AND CASHFLOW****Report of the Treasurer****1.0 PURPOSE OF THE REPORT**

1.1 To report on the following:

- | | |
|---|-----------------|
| (a) the 2024/25 budget and the cost of running the Fund | (see section 2) |
| (b) the cashflow projection for the Fund | (see section 3) |
| (c) update on the Fund's statutory accounts and Annual Report | (see section 4) |

2.0 2024/25 BUDGET - THE COST OF RUNNING THE FUND

- 2.1 The forecast outturn position against the 2024/25 budget is presented in **Appendix 1**. It shows an estimated total running cost of £38.6m for the Fund against a budget of £38.8m. The early estimate of the underspend for the year is therefore £0.2m.
- 2.2 The underspend is primarily due to a reassessment of performance fees payable to Baillie Gifford. Also of note, the fee for the external audit will be significantly higher than budgeted. This follows a review of audit fees by the PSAA (Public Sector Audit Appointments) where fees have been reset across the public sector market. This review followed recommendations from an [independent review into the oversight of local audit and the transparency of local authority reporting](#) undertaken by Sir Tony Redmond. The Fund has arguably benefited from unexpectedly low audit fees for many years, and the higher fees are considered a more realistic representation of the necessary work involved.

3.0 4 YEAR CASHFLOW PROJECTION

- 3.1 The cash position of the Fund is presented in **Appendix 2**. The table shows the projected cash flows of the Fund for the current financial year and the following three years. This cash flow includes the contribution income and benefits payable, being the main inflows and outflows of the Fund, which are the two key determining factors for when the Fund will turn cash flow negative.
- 3.2 The forecast for pension benefits payments is based on revised assumptions on annual increases in pensioner numbers and inflation. CPI in July 2024 was 2.2% and this rate has been assumed for September, which is the rate which will be applied to

uplift pension benefits in April 2025. 2% has been assumed thereafter. The assumptions including inflation will continue to be reviewed and updated regularly to reflect any new information that becomes available.

- 3.3 The forecast for contribution income is based on the employers' current contribution rates and takes into account active member numbers and any expected changes in this regard. Assumptions on pay awards are in line with those of the Fund's largest employer, North Yorkshire Council, in its budget and medium-term financial strategy.
- 3.4 The overall cash flow position is expected to be a series of steadily increasing deficits from 2024/25 into the future. This is to be expected as the Pension Fund continues to mature.
- 3.5 Due to disinvestment activities over the course of the 2023/24 financial year, the Fund held cash well above the usual level in the early part of 2024/25. At the end of June 2024, the cash balance was £120 million or 2.6% of the total value of the Fund. The high rate of interest available in the market has provided a good investment return, with very little risk. As the year progresses, the Fund's cash balances are expected to reduce closer to more normal levels, as the money is used to meet capital calls for infrastructure and private credit investments, as well as support the operational cash requirements.
- 3.6 Discussions are ongoing with Border to Coast on increasing the range of available options for income on investments to be distributed to investors. Currently, few options exist, but this will change ahead of the Fund needing to avail itself as required.

4.0 UPDATE ON THE FUND FINAL ACCOUNTS AND ANNUAL REPORT

- 4.1 At time of writing, the audit of the 2022/23 Statement of Accounts for North Yorkshire County Council, and North Yorkshire Pension Fund, is still not complete. Audit of the Fund's accounts is at the final review stage with the Audit Manager at Deloitte, with few, if any, queries expected. However, as the Fund Accounts form part of the wider Council Accounts, final sign-off of the Fund Account's cannot be completed until the audit of the Council Accounts is also completed. It is understood that Deloitte has now allocated some additional resources to the audit. This should help bring the process to an end, but the timescale is still unclear.
- 4.2 Once the audit of the 2022/23 Statement of Accounts has been completed, this will allow the audit of the Fund's Annual Report to be finished off. The necessary work has been completed some time ago. Then, a final version of the Annual Report 2022/23 will be published on the Fund's website, replacing the draft version.
- 4.3 The Draft 2023/24 Statement of Accounts for both the Fund and North Yorkshire Council were published on the Council's website on 23 August 2024. The Draft Accounts will be presented for consideration at the next meeting of the Council's Audit Committee, on 23 September 2024.

5.0 **RECOMMENDATIONS**

5.1 Members to note the contents of the report.

GARY FIELDING
Treasurer to North Yorkshire Pension Fund
North Yorkshire Council
County Hall
Northallerton

4 September 2024

**North Yorkshire Pension Fund - 2024/25 Budget - Cost of
Running the Pension Fund**

	Budget 2024/25 £k	Forecast 2024/25 at Q1 £k	Variance £k
EXPENDITURE			
Admin Expenses			
Finance and Central Services	490	490	-
Provision of Pensioner Payroll (ESS)	76	76	-
Pensions Administration Team	1,570	1,570	-
McCloud	116	116	-
Other Admin Expenses	662	662	-
Total Admin Expenses	2,914	2,914	-
Oversight and Governance			
Actuarial Fees	65	65	-
Custodian Fees	75	75	-
Consultants Fees	160	160	-
Pooling Operational Charge and Project Costs	540	540	-
Other O & G Expenses	110	170	60
Total Oversight and Governance	950	1,010	60
Investment Fees			
Performance Fees	2,540	2,280	(260)
Investment Base Fees	32,400	32,400	-
Total Investment Fees	34,940	34,680	(260)
TOTAL	38,804	38,604	(200)

North Yorkshire Pension Fund - Cash Flow

	2024/25 £k	2025/26 £k	2026/27 £k	2026/27 £k
SCHEME PAYMENTS				
Benefits				
Pensions	(136,000)	(144,000)	(152,000)	(161,000)
Lump Sums	(39,000)	(40,000)	(41,000)	(42,000)
	(175,000)	(184,000)	(193,000)	(203,000)
Transfers out	(21,500)	(21,800)	(22,100)	(22,400)
Refunds to leavers	(800)	(900)	(1,000)	(1,100)
	(22,300)	(22,700)	(23,100)	(23,500)
Operational Expenses				
Admin Expenses	(2,800)	(2,900)	(3,000)	(3,100)
Oversight and Governance	(1,000)	(1,000)	(1,000)	(1,000)
	(3,800)	(3,900)	(4,000)	(4,100)
TOTAL PAYMENTS	(201,100)	(210,600)	(220,100)	(230,600)
SCHEME RECEIPTS				
Employer and Employee Contributions	149,600	154,000	158,700	163,400
Transfers in	24,100	24,400	24,700	25,000
TOTAL RECEIPTS	173,700	178,400	183,400	188,400
SCHEME DEFICIT	(27,400)	(32,200)	(36,700)	(42,200)

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INTERNAL AUDIT PROGRESS REPORT

Date: 24 October 2024





BACKGROUND

- 1 The internal audit programme of work was approved by the Pensions Board on 11 January 2024. The purpose of this report is to update members on the internal audit activity since that meeting, and to the 14 October 2024.



INTERNAL AUDIT PROGRESS UPDATE

- 2 A progress update on each audit included in the programme of work is included in the table below.

Area	Position	Further information
Expenditure	Draft report issued (14 October 2024)	No adverse findings were reported. We expect to finalise the report shortly with officers.
Income	Fieldwork completed.	Quality Assurance and review procedures are about to start. We expect a draft report to be issued by the end of October 2024.
Investments	Planning completed	Fieldwork is about to start and is planned to be completed by the end of November 2024.
Procedures and resilience	Not yet started	We have prioritised work on the above areas. We will discuss scope and timings further with the Pensions Investment Manager and Senior Accountant.

- 3 At this time no changes to the programme of work are proposed.

NORTH YORKSHIRE COUNCIL

PENSION BOARD

24 OCTOBER 2024

GOVERNMENT PENSIONS REVIEW AND POOLING UPDATE

Report of the Treasurer

1. PURPOSE OF REPORT

- 1.1. To set out the legal requirement to pool pension fund assets and how North Yorkshire Council is addressing this through Border to Coast.
- 1.2. To update the Pension Board on Government pronouncements on fund consolidation, domestic investment, and other aspects of the LGPS.

2. BACKGROUND

- 2.1 In November 2015, the Government issued an Investment Reform Criteria and Guidance document inviting proposals for pooling. This required all LGPS administering authorities to submit to Government initial and detailed proposals by 19 February 2016 and 15 July 2016 respectively.
- 2.2 On 1 November 2016, the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 came into force. These Regulations mandate that the separate Local Government Pension Scheme Funds in England and Wales combine their assets into a small number of investment pools.
- 2.3 The Secretary of State has direction and intervention powers if not satisfied that an administering authority is complying with its obligations in relation to the Regulations.
- 2.4 To meet the requirements of these regulations, North Yorkshire Council was involved in the creation of Border to Coast Pensions Partnership Limited (Border to Coast).
- 2.5 Border to Coast is an alternative investment fund manager, authorised by the Financial Conduct Authority (FCA) and wholly owned by eleven Local Government Pension Scheme (LGPS) administering authorities, including North Yorkshire Council, each with an equal share.
- 2.6 Border to Coast operates investment funds for these local authorities to invest pension fund assets, to assist in the implementation of their investment strategies and asset allocation requirements. The assets under management across the eleven partner funds are valued at approximately £60 billion.

- 2.7 In 2019 the Ministry of Housing Communities and Local Government (MHCLG) consulted with selected interested parties on updated guidance. The response on this consultation was never published.
- 2.8 Another consultation was published by the Government on 11 July 2023, *Local Government Pension Scheme (England and Wales): next steps on investments*. The Fund submitted a response by the deadline of 2 October 2023.
- 2.9 On 22 November 2023 the Government published [Local Government Pension Scheme \(England and Wales\): next steps on investments – government response](#). This reflected on the 152 responses received and set out their plans to:
- set out in revised investment strategy statement guidance that funds should transfer all assets to their pool by 31 March 2025, and set out in their ISS assets which are pooled, under pool management and not pooled and the rationale, value for money and date for review if not pooled
 - revise pooling guidance to set out a preferred model of pooling including delegation of manager selection and strategy implementation
 - implement a requirement in guidance for administering authorities to set a training policy for pensions committee members and to report against the policy
 - revise guidance on annual reports to include a standard asset allocation, proportion of assets pooled, a comparison between actual and strategic asset allocation, net savings from pooling and net returns for each asset class against their chosen benchmark
 - make changes to LGPS official statistics to include a standard asset allocation and the proportion of assets pooled and the net savings of pooling
 - amend regulations to require funds to set a plan to invest up to 5% of assets in levelling up the UK, and to report annually on progress against the plan
 - revise ISS guidance to require funds to consider investments to meet the government’s ambition of a 10% allocation to private equity
- 2.10 Barring a few minor details, these intentions were in line with the consultation document. New guidance was expected to be published before the summer recess, but this did not happen.
- 2.11 On 28 March 2024 the Government published [Preparing the Pension Fund Annual Report Guidance for Local Government Pension Scheme Funds April 2024](#). This guidance document introduced a range of new requirements

including those aimed at addressing some of the aims detailed in the pooling consultation. They include reporting on investments inside and outside of pooling arrangements, the proportion of assets invested in private equity, and the proportion of assets supporting the Government's Levelling Up agenda.

- 2.12 Under pooling arrangements, the Pension Fund Committee remains responsible for setting the funding strategy and the high-level investment strategy, including the appropriate asset allocation for the Fund. The main difference with pooling is that the Fund will not be directly making its own investments unless it is not possible to do this through Border to Coast. Instead, the Fund will be monitoring the performance of the investments in the Pool.

3 RECENT DEVELOPMENTS

- 3.1 On 15 May 2024, DLUHC (Department for Levelling Up Housing and Communities, which was the name for the renamed MHCLG between September 2021 and July 2024) wrote to LGPS administering authorities asking them to comment on the themes of economies of scale, efficiency and governance. The Minister's letter was circulated to Pension Board members and is attached as **Appendix 1**.
- 3.2 Although there has been a change of Government, it was considered appropriate to reply. The letter to the new Minister is attached as **Appendix 2**. It was approved by the Fund's Treasurer and the Chair of the Pension Fund Committee.
- 3.3 This reply is broadly consistent with the replies from the other partner funds in Border to Coast, and with a reply sent by the Joint Committee.
- 3.4 On 17 July 2024 the King's Speech included a few issues which might be relevant, although there was no specific mention of the LGPS.
- The National Wealth Bill will be aimed at delivering growth and a greener economy. A £7.4 billion capital injection was mentioned. Other than a reference to the UK Infrastructure Bank there was no information on where the funding would come from.
 - The Pension Schemes Bill will "enable consolidation and more productive investment of funds". The focus is to be on private pensions market consolidation.
- 3.5 On 20 July 2024 the Government issued a press release "[big bang on growth](#)" on boosting investment and savings and tackling waste in the pensions system. The key points were:
- action will be taken to unleash the £360 billion of LGPS investments and make it an engine for UK growth

- pooling would enable investment in a wider range of UK assets and further mandating of pooling will be considered if insufficient progress is made by March 2025 (which is the same deadline posed by the previous Government)
 - further consolidation would be explored, with the focus seemingly on funds rather than pools
 - fees and costs would also be explored
- 3.6 On 7 August 2024 the Chancellor met with representatives of the major Canadian public pension funds. In a statement ahead of the meeting the Chancellor said “the size of Canadian pension schemes means they can invest in far more productive assets like vital infrastructure than ours do. I want British schemes to learn lessons from the Canadian model and fire up the UK economy”.
- 3.7 Hymans Robertson has published a useful policy briefing note, [The Canadian Model](#). It’s interesting to note that that the arrangements were established with certain principles including alignment of interest and collaboration between stakeholders without political interference.
- 3.8 However, there is an ongoing heated debate in Canada between the Government and the funds about the low level of domestic investment, which is amongst the smallest domestic allocations in the world. The Financial Times article [Canada’s pension spat exposes global institutional capital fight](#) illustrates this.
- 3.9 On 16 August 2024 the [Terms of Reference for Phase 1 of the Government’s Pensions Review](#) was released. This will focus on defined contribution schemes and the LGPS, and findings are expected to be reported this year, ahead of the introduction of the Pension Schemes Bill. The aims are aligned with the Government’s pronouncements above.
- 3.10 On 4 September 2024 the Government published a [Pensions Investment Review: Call for Evidence](#) which was aimed at private sector defined contribution schemes and the LGPS. This talked about investing at scale, LGPS consolidation, costs and investing in the UK. The Fund’s response is attached as **Appendix 3**.
- 3.11 As part of the Government’s information gathering exercise, officers of the eleven partner funds met with HM Treasury, MHCLG and GAD on 8 October 2024. This helped to reinforce the messages in the written responses to the Call for Evidence.
- 3.12 The Government is expected to publish its findings before the Autumn. It is also possible that LGPS arrangements will feature in the Autumn Budget.
- 3.13 The second phase of the review is expected to start later this year, with a focus on improving pension outcomes alongside investment, including

assessing retirement adequacy. It is not known whether the LGPS will be in scope.

4. GOVERNANCE – JOINT COMMITTEE

- 4.1 As part of the Governance arrangements for Border to Coast, a Joint Committee has been established. It's primary purpose is to exercise oversight over investment performance of the funds managed by Border to Coast.
- 4.2 The Joint Committee is comprised of one member from each of the eleven partner funds. They are typically the Pensions Committee Chairs, but not in every case. Councillor George Jabbour from North Yorkshire was appointed as the Chair at the meeting on 20 June 2024. Councillor Doug McMurdo from Bedfordshire was appointed as Vice Chair at the meeting on 26 September 2024.
- 4.3 Also, on the Joint Committee, but in a non-voting capacity, are two scheme member representatives nominated by the eleven partner fund Pension Boards. Nicholas Wirz from Tyne and Wear was reappointed for a further three-year term. The second representative is Lynda Bowen from East Riding
- 4.4 The Joint Committee arrangements are hosted by South Yorkshire. The most recent meeting was on 26 September 2024. Agenda papers and minutes are available at <https://meetings.sypensions.org.uk/mgGeneric.aspx?MD=bordertocoast&bcr=1&zTS=D>. The confidential papers have been circulated to Pension Board members separately.

5. GOVERNANCE – THE COMPANY

- 5.1. The current Board of Directors of the company is made up as follows.
 - Chris Hitchen, Non-Executive Chair
 - Rachel Elwell, Chief Executive Officer (CEO)
 - Fiona Miller, Chief Operating Officer (COO)
 - Kate Guthrie, Non-Executive Director (NED)
 - Tanya Castell, Non-Executive Director (NED)
 - Andrew November, Non-Executive Director (NED)
 - Richard Hawkins, Non-Executive Director (NED)
 - John Holtby, Non-Executive Director (NED)
 - David Coupe, Non-Executive Director (NED)
- 5.2. Councillor John Holtby (East Riding), and Councillor David Coupe (Teesside) are the two Partner Fund nominated Non-Executive Directors (NEDs) on the Board. The appointments to these two positions followed recommendations by the Joint Committee, approval by the Board of Border to Coast, and approval by the Financial Conduct Authority (FCA).

5.3. North Yorkshire Council, as the administering authority of the North Yorkshire Pension Fund, is the named shareholder in Border to Coast, owning a 1/11th share of the company.

6. NORTH YORKSHIRE'S INVESTMENTS WITH BORDER TO COAST

6.1. To date, the Fund has invested approximately 76% of the total value of the Fund with Border to Coast, as detailed below.

Border to Coast fund	Investment Inception	30 June 2024 £ million
UK Equities	April 2019	187
Global Equities	October 2019	1,377
Private Credit	October 2019	154
Infrastructure	July 2019	330
Climate Opportunities	April 2022	54
UK Opportunities	-	0
Listed Alternatives	February 2022	271
Multi Asset Credit	November 2021	243
Corporate Bonds	March 2020	338
Index Linked Bonds	October 2020	553
Total		3,507

7. CONCLUSION

7.1. The launch of new funds continues broadly in line with expectations. Border to Coast has been focussing resources on developing a small number at any one time, rather than try to do too much too quickly. Understandably, the pace of fund launches has slowed, with Border to Coast now managing approximately £40 billion of partner fund assets.

7.2. The change in Government is expected to impact on the timing and content of updated guidance on pooling investments. However, at this stage, compliance with the requirements is not expected to lead to material changes to the approach North Yorkshire has been taking with Border to Coast.

8. RECOMMENDATIONS

8.1. Pension Board members are recommended to note the report.

GARY FIELDING
 Treasurer to North Yorkshire Pension Fund
 North Yorkshire Council
 County Hall
 Northallerton
 15 October 2024



Department for Levelling Up, Housing & Communities

Simon Hoare MP
Minister for Local Government
2 Marsham Street
London
SW1P 4DF

Chief Executives and Section 151 Officers of
Administering Authorities in England

By email

15 May 2024

Dear Colleagues,

Efficiencies in local government and the management of Local Government Pension Scheme (LGPS) funds

I wrote to all chief executives on 16 April setting out my expectations for the productivity plans to be developed by each authority as announced at the local government finance settlement. In this, I asked for plans covering service transformation, better use of technology and data and reduction of wasteful spend as well as views on barriers which government could remove (letter at annex A).

I am now writing to you to ask you to set out your approach to efficiencies in the management, governance and administration of your LGPS fund and asset pool in a separate letter. I am interested in what is happening across local government to deliver efficiencies in the management of the £359 billion of pension assets you hold, and in your administration of pension benefits for the 6.6 million members.

Since taking on ministerial responsibility for the LGPS I have been grateful for the generous engagement I have received, and I have been struck by the generally strong financial position of the scheme, as well as the strong commitment to serving scheme members. However, it is clear that there is also a need for improvements, including to meet the expectations set out on asset pooling and investments set out at the [Autumn Statement](#). More efficiencies in fund administration and management should also be achieved: across the scheme in 2022-3 investment management costs were £1.7 billion and £280 million on administration and governance.

Your response should consider the following themes on pensions.

- 1. How your fund will complete the process of pension asset pooling to deliver the benefits of scale.**
 - What proportion of assets have been pooled in your chosen LGPS asset pool? Is your fund on track to pool all listed assets by March 2025, and if not, what are the barriers to this?
 - Is there scope for minimising waste and duplication by making use of your LGPS asset pool's services and expertise in reporting and development of the pensions investment strategy? What is your expenditure on pensions investment consultancy?
 - Does your LGPS asset pool have an effective, modern governance structure in place, which is able to deliver timely decisions and ensure proper oversight? If not, what steps are you taking to make your pool's governance more effective?

2. How you ensure your LGPS fund is efficiently run, including consideration of governance and the benefits of greater scale.

- Does your LGPS fund have effective and skilled governance in place, which is able to hold officers, service providers and the pool to account on performance and efficiency?
- Would you be likely to achieve long-term savings and efficiencies if your LGPS fund became part of a larger fund through merger or creation of a larger pensions authority?

As set out in my previous letter I do not wish to impose excessive burdens. I expect your letter to be no more than two pages in length. Your plans must be returned by 19 July 2024, by email to lgpensions@levellingup.gov.uk. We will review your responses and consider the issues emerging and the implications for future national policy.

I look forward to working with you to deliver the best outcomes.

SIM
Minister for Local Government



North Yorkshire Council
Resources
County Hall
Northallerton
North Yorkshire

Ministry of Housing, Communities and Local Government
2 Marsham Street
London
SW1P 4DF
By email: lgpensions@levellingup.gov.uk

14 July 2024

Dear Minister

This letter responds to the issues raised in the previous Minister's letter of 15th May 2024, titled *Efficiencies in Local Government and the Management of the Local Government Pension Scheme*.

Introduction

North Yorkshire Council is the administering authority of the North Yorkshire Pension Fund. As of 31 March 2024, the Fund had assets of around £4.6 billion, with 100,000 members and 130 contributing employers. The Council is one of 11 partner funds that make up the Border to Coast Pensions Partnership pooling arrangement.

We believe that the Border to Coast pool is an example of best practice in partnership working. It has required commitment and dedication from across our partnership to achieve this. We also recognise this in an ongoing journey. Indeed, this year we refreshed our partnership principles which guide how we work together, reflecting our approach to continuous improvement.

Pooling progress

As of 31st March 2024, 75% of the Fund's assets had been pooled with Border to Coast. The majority of investments which have not been pooled are in assets classes where Border to Coast does not yet have an equivalent investment vehicle. A minority is invested in legacy private market holdings, which will be gradually recycled into Border to Coast over the next few years.

Governance

The pool's governance arrangements reflect the best practice model identified in the Government's 2023 consultation. They are periodically reviewed, with Border to Coast and the partner funds working together on this.

We are currently undergoing a review of the Fund's governance arrangements and the extent to which they meet the principles of the new General Code of Practice. The evidence so far is very positive. A further review will take place once the Government has concluded the long-awaited Good Governance

Review, following recommendations having been made by the Scheme Advisory Board several years ago.

Advice

It is recognised that the success of an investment strategy is primarily attributed to asset allocation. Pooling investments allows the Fund to concentrate on this, while utilising Border to Coast to deliver through implementation of the strategy. It is essential that the Fund retains responsibility for the strategy, asset allocation and oversight of Border to Coast, which inevitably carries a cost. The Fund spends approximately £180,000 each year on external advice to support this work. This is 0.004% of the value of the Fund's investments.

Border to Coast is looking to develop the capacity to advise on and support the development of investment strategies, which is something we are supportive of, with appropriate safeguards to manage any potential conflict of interest.

Mergers

We continue to be open to working collaboratively with other LGPS funds to deliver efficiencies, both as part of our Border to Coast partnership and in separate arrangements. Mergers between pools or funds may provide cost benefits, however further consolidation early in the investment pooling journey has the potential to damage some of these developing arrangements.

Yours sincerely

Gary Fielding
S151 Officer and Corporate Director, Resources

Integrated Finance, Resources, County Hall, Northallerton, North Yorkshire, DL7 8AL

Emma Reynolds MP
Minister for Pensions
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

24 September 2024

Dear Minister,

Local Government Pension Scheme: Next steps on investments

North Yorkshire Council (North Yorkshire) welcomes the opportunity to respond to the Call for Evidence made in support of the first phase of the Pensions Investments Review.

North Yorkshire is the Administering Authority for the North Yorkshire Pension Fund (the Fund) which is part of the LGPS. The Fund has assets of approximately £5 billion and has over 130 employers.

In 2018, North Yorkshire's jointly owned pooling company, Border to Coast Pensions Partnership Limited (Border to Coast) began managing investments on behalf of the 11 Partner Funds and their 1.1 million members and 3,100 employers.

We have delivered against the original policy intent of pooling, to improve investment outcomes and develop the capacity and capability to support infrastructure investment, which has contributed to UK growth. Of the £45 billion of investments pooled through Border to Coast, over £10 billion is currently invested in the UK.

Examples of current UK investments include:

- Through a £90m commitment to the Quinbrook Renewables Impact Fund (QRIF), we are supporting the largest portfolio of stability pathfinder synchronous condenser assets in the UK as part of the continued decarbonisation of the electricity supply grid.
- Through a £90 million commitment to Macquarie GIG Renewable Energy Fund II, we are supporting Gwynt y Môr, a £2 billion wind farm, providing 1,950 GWh of renewable power a year to the grid; enough to power 430,000 households.
- An investment from which we have recently exited was through Endless, who invested £17m in Findel Education, based in Cheshire. They successfully doubled the business over three years through developing the management team, aligning employees, and focusing business models.

In setting those outcomes, Government can build on available foundations. The pathway to completing pooling was set out in response to the 2023 *Local Government Pension Scheme: Next steps on investments* consultation. Implementing the Good Governance recommendations would support targeted action where needed to drive higher standards.

Pools, whether LGPS or wider asset owners, working at sophisticated scale can engage and work with the Government to address long-term brakes on UK growth and disincentives to domestic investment.

The benefits of scale

There is a considerable body of evidence that scale in relation to pensions investments supports efficiency, greater expertise (including in-house investment capabilities) and access to a broader range of opportunities, including private markets investment. Border to Coast is a great example of scale being deployed effectively to support Partner Funds.

Investing at scale has delivered cost savings for the level of commitments made. As Border to Coast continues to develop capabilities, the expertise they deploy is allowing approaches such as Climate Opportunities and UK Opportunities to be developed, enabling support of smaller scale investments and more targeted strategies. Larger pools of assets enable greater sophistication, which in turn enables better engagement and influence to make the market, not just be a passive recipient.

It is also essential that achieving investment scale is not pursued in the absence of consideration of the administration of pensions and the quality of service that must be delivered to members and employers.

Partnership

Our success through Border to Coast is not simply based on scale and expertise, but on the strength of the partnership. Pooling successfully requires committed, capable, and dedicated LGPS funds with a shared vision.

Our partnership approach is reflected in our approach to UK investment, which enables the skills within Border to Coast to be combined with the local knowledge and connections of Partner Funds.

Benchmarking the success of pooling solely through sums pooled and deployed neglects the broader benefits our partnership delivers, including working together as active stewards and meeting reporting requirements. As we further develop our partnership, we are building additional resilience, capacity, and capability that will strengthen the affordability and sustainability of the LGPS.

Policy supportive of investment

Whether through creating larger pools of capital or incentivising investment decisions, the success of any attempt to increase UK investment, whilst honouring fiduciary duty, will be constrained by the extent to which there are sufficient investment opportunities and a policy and regulatory environment which can be relied upon over the long term.

We welcome initiatives the Government is undertaking to address long-term challenges in relation to planning, infrastructure and skills, as well as building capabilities, including through the UK Infrastructure Bank, British Bank, and National Wealth Fund, that are needed to support a pipeline of investable projects and create sustainable public-private partnership models. However, the impacts of these will be realised in the longer term; addressing disincentives in the tax system, including stamp duty on UK equities and reform of ISAs, may have shorter term benefits.

Yours sincerely

For and on behalf of
Councillor Angus Thompson
Pension Fund Committee Chair
North Yorkshire Pension Fund

Call for Evidence answers

Scale and consolidation

What are the potential advantages, and any risks, for UK pension savers and UK economic growth from a more consolidated future DC market consisting of a higher concentration of savers and assets in schemes or providers with scale?

In relation to pensions investments, scale has the potential to deliver significant benefits for savers and asset owners. Properly structured, it can deliver specific goals, such as more diverse capital allocation across private and public markets, accompanied by the tools necessary for success: notably, strong governance and oversight; investment expertise; and sophisticated procurement methods.

In 2022 [The Case for Scale](#) by CEM looked at the case for scale for pension schemes. Its findings were that asset pooling led to lower staff costs per assets invested (due to the ability to internalise certain investment capabilities) and to lower external management fees (due to the negotiating strength that comes from the value of mandates being placed, negotiated by professional investors whose interests are fully aligned with the ultimate asset owners).

The study found the most important features of funds for determining value added are:

- Active management, in that investors with more actively managed portfolios have created more value add.
- Internalisation, in that investors that manage more of their assets in-house rather than with external managers have produced more value add.
- Economies of scale, in that all other things being equal, larger investors have outperformed smaller investors.

This is supported by “Scale Economies, Bargaining Power, and Investment Performance: Evidence from Pension Plans” (March 2023)¹. This demonstrates the benefits of economic scale in pension plan investments (particularly those with in-house investment capabilities): large plans have stronger bargaining power over their external managers in negotiating fees as well as access to better-performing funds, relative to small plans. They use this power to produce higher gross and net-of-fee return performance, particularly in private asset classes. Economies of scale in investment costs are particularly large for passively managed accounts and for publicly traded assets and are significantly lower for actively managed accounts and alternative (private) asset classes.

In seeking to harness the benefits of investing at scale, Government must carefully consider the implications of consolidation for pension fund administration for members and employers.

Government should also be clear that LGPS funds do not just manage assets, they administer pensions, and therefore the risk that ill-considered scale poses to the quality of service that can be delivered to members and employers.

To what extent has LGPS asset pooling been successful, including specific models of pooling, with respect to delivering improved long-term risk-adjusted returns and capacity to invest in a wider range of asset classes?

¹ [Scale Economies, Bargaining Power and Investment Performance: Evidence from Pension Plans](#)

Pooling successfully has required committed and capable LGPS funds with a shared vision, where all Partner voices are heard and recognise the power of compromise when setting policy and direction.

The key to long term success is good governance; this is highlighted by the World Bank's study of the Canadian system². The "governance premium" is currently thought to be c.0.6% pa additional return (and could be as high as 1-2% p.a.); this relates primarily to the clear delegation of investment decision-making with strong oversight and scrutiny³. As much as 90% of long-term investment performance is driven by asset allocation. As such, value is driven by Partner Funds focussing on Strategic Asset Allocation, with implementation delivered through Border to Coast.

Our pooling model is built to deliver the objectives of the Partner Funds as long-term investors. As such, Responsible Investment principles are embedded into the investment approach. Strategies are launched with a focus on long-term outcomes such as Climate Opportunities, investing £2.6bn in projects and businesses that are expected to make a material contribution to decarbonising the global economy.

As an open DB scheme, illiquid assets such as Private Markets have a clear role in the LGPS investment strategy. However, historically many LGPS Funds were either too small or didn't have the capabilities to invest in private markets. For example, prior to pooling the 11 Partner Funds had invested c.£2.3 billion in infrastructure; since launch, they have committed over £5 billion. Border to Coast's private markets programme has received Partner Fund commitments totalling £16 billion.

We believe the best way to deliver long-term sustainable value on behalf of multiple Funds is through the creation of an FCA-regulated organisation. This enables provision of investment management, associated tax efficient pooled vehicle operations, and advisory services through a centre of expertise focussed on and delivering for LGPS. It also enables stability of governance structures for investment decision-making.

Research into value for money by asset management data company ClearGlass Analytics⁴, ranked Border to Coast number one in its efficiency index of over 1,000 pension schemes globally. Their leading position is due to scale, governance and blend of internal and external management.

Costs versus Value

Is there a case for Government interventions, aimed at employers or other participants in the market, designed to encourage pension schemes to increase their investment budgets in order to seek higher investment returns from a wider range of asset classes?

In general, a shift away from a focus on cost towards the value delivered and net of fees risk adjusted returns would be welcomed across the industry as enabling a shift away from lowest common denominator investment strategies.

Border to Coast has delivered over £100 million in savings since its launch in 2018 launch and is on track to deliver over £500 million by 2032. However, the continued benchmarking of savings against 2016 is increasingly irrelevant, both in terms of the changing economic environment in which the LGPS operates and the evolving policy objectives for pooling, including greater UK and private markets investment, with its widely recognised higher cost in delivering improved outcomes.

² <https://documents1.worldbank.org/curated/en/780721510639698502/pdf/121375-The-Evolution-of-the-Canadian-Pension-Model-All-Pages-Final-Low-Res-9-10-2018.pdf>

³ <https://www.pensionspolicyinstitute.org.uk/research-library/research-reports/2017/2017-02-13-briefing-note-89-defined-benefits-the-role-of-governance/>

⁴ <https://henrytapper.com/2023/06/03/how-pooling-can-deliver-vmf-chris-sier-looks-at-border-to-coast/>

The success of pooling should be benchmarked against a framework focused on value for money both in terms of net of fees investment performance and the broader contribution made by the pool to the capacity, capability, and resilience of the LGPS. Should the Government seek to measure commitments to 'productive assets', the term should be clearly defined. We would highlight that as an FCA regulated asset manager, Border to Coast already complies with the FCA's Assessment of Value requirements.

As the private DB market continues to mature and become a smaller part of the pensions landscape, it is essential that regulation (and guidance for the LGPS) continues to recognise the need and desirability of the remaining open DB and LGPS funds to continue to take appropriate risk. We would welcome thoughtful guidance to support the LGPS in considering the appropriate level of investment risk.

Investing in the UK

What is the potential for a more consolidated LGPS and workplace DC market, combined with an increased focus on net investment returns (rather than costs), to increase net investment in UK asset classes such as unlisted and listed equity and infrastructure, and the potential impacts of such an increase on UK growth?

As is widely understood, and underlined in recent Pensions Policy Institute research⁵, asset allocation is primarily driven by desired member outcomes and the membership and maturity of a scheme. It is important that any measure to drive investment in particular asset classes or geographies is understood in that wider context.

Increased scale can deliver specific goals, such as more diverse capital allocation across private and public markets, accompanied by the tools necessary for success: notably, strong governance and oversight; investment expertise; and sophisticated procurement methods.

Scale has a clear link with the ability to invest in a wider set of asset classes. Data from CEM highlights that a typical £1 billion Fund invests 11% in private markets; a £20 billion fund invests 20%; and a £100 billion Fund invests 23%.

Scale and sophistication have enhanced our ability to deliver productive finance in the UK. In May 2024 Border to Coast launched 'UK Opportunities' which is designed to deliver this. Workshops have been held with Border to Coast and Local Authority economic development offices, Home England, and British Business Bank, seeking to build a two-way flow of information and engagement with investment managers, and with local stakeholders to create opportunities for investment. Larger pools of assets enable greater sophistication, which in turn enables better engagement and influence to make the market, not just be a recipient.

It is important that each Fund has the appropriate resource and capability to succeed - which tends to be associated with scale. The final draft of Good Governance provisions set out a mechanism for assessing individual funds on a range of factors through a biennial Independent Governance Review (IGR). The introduction of an IGR can enable the identification of poorly governed Funds. Those Funds that fail to meet the high standards expected would be expected to find a solution or be the subject of targeted action.

Local accountability is a key principle of the LGPS and Government should be mindful that LGPS Funds are responsible for the administration of pensions which must be carefully considered as part of any structural change.

⁵ ['Pension scheme assets – how they are invested and how and why they change over time'](#)

What are the main factors behind changing patterns of UK pension fund investment in UK asset classes (including UK-listed equities), such as past and predicted asset price performance and cost factors?

The LGPS is already a significant investor in the UK. For Partner Funds in border to Coast, of the £45 billion of pooled investments, over £10 billion is currently invested in the UK and this will increase with the imminent launch of the UK Real Estate fund which is expected to grow to £4 billion.

The long-term decline in domestic investment in the UK market, particularly in relation to UK-listed equities, has been well-chronicled and factors include:

- Long term historic underperformance. The average annual total return from 1998 to 2023 for the FTSE All Share was 5.2%, and the MSCI World was 7.7%, due to the mix of relative valuation, multiple contraction, and earnings growth.
- Structure. The UK market is skewed to old economy sectors (Energy, Materials, Financials) with less exposure to growth (Tech, Healthcare).
- Lack of dynamism. There have been minimal IPOs, overseas takeovers of growth companies, and companies moving listings to higher valued markets.
- Complex and expensive listing requirements. Listing requirements should be consistent with international standards and balance interests of both business owners, operators and equity market investors.
- Stamp Duty on share transactions. This currently raises c.0.3% of UK Tax revenue but has a disproportionate negative impact on the economy. Revenues on this duty have remained broadly flat for 25 years⁶. There is a material cost disadvantage vs the US and several major European markets (UK: 0.5%, US and Germany: 0%, France: 0.3%).

There are also challenges in the planning system, which have long acted as a disincentive to UK investment. The lack of long-term policy certainty, particularly in the case of infrastructure, has further been a hindrance. We hope the Government's proposals to strengthen the National Infrastructure Commission delivers progress. Government also has a fundamental role to play in supporting a pipeline of investable projects and creating sustainable public-private partnership models. Clear and stable industrial and skills strategies will also be important.

Domestic allocation by pension funds is a matter of debate globally. Recent research examined the decrease in domestic investments by Canadian pension funds over the last decade and risks identified with mandating domestic investment.⁷ Similarly, to focus overly on domestic investment is to ignore the benefits the UK enjoys from being part of a global investment ecosystem. Indeed, research highlights that while enforced domestic investment can deliver a short-term boost, it can ultimately harm local markets⁸.

Is there a case for establishing additional incentives or requirements aimed at raising the portfolio allocations of DC and LGPS funds to UK assets or particular UK asset classes, taking into account the priorities of the review to improve saver outcomes and boost UK growth? In addition, for the LGPS, there are options to support and incentivise investment in local communities contributing to local and regional growth. What are the options for those incentives and requirements and what are their relative merits and predicted effectiveness?

⁶ <https://www.peelhunt.com/news-insights/articles/stamp-out-stamp-duty/>

⁷ ['Should Canada Require Its Pension Funds to Invest More Domestically?'](#)

⁸ ["Is locking domestic funds into the local market beneficial? Evidence from the Polish pension reforms", Anna Zalewska, 9 Nov 2006](#)

The LGPS has a fiduciary duty to scheme members and employers and must ensure the sustainable and affordable payment of pensions. Requirements to invest in specific geographies or asset classes risks infringing on that. Given the factors set out above, no credible asset allocation model would result in dramatic short-term increases in UK allocations – particularly for listed markets. As highlighted above, enforced domestic investment can ultimately be detrimental for the domestic market.

Further, such requirements would drive unfavourable outcomes including distorting effects as capital is driven into markets that are not ready to receive it, negatively impacting returns, and is withdrawn from other asset classes in a way that incurs potential loss of value and additional costs. Imposing requirements also fails to address whether funds have the capacity and capabilities to meet them.

The geographies the Partner Funds in Border to Coast represent include seven of the ten most deprived areas in the Index of Multiple Deprivation, with a consequent motivation to channel investment which drives job creation, productivity, and improved quality of life. However, 'local' impact needs to be delivered through a strategic and sustainable programme of investment.

Far from inhibiting local investment, Partner Funds have concluded directing such investment through Border to Coast brings the benefits of their investment expertise, and the potential to "crowd in" investment from investors in the LGPS. This approach also reduces the concentration risk associated with Funds investing in the same region that ultimately provides the tax base for that local authority. Our partnership approach also facilitates relationship building between local authorities, funds, and investors, with opportunities to raise the profile of local investment.

We strongly recommend any Government definition of local investment stresses investment in physical, social, or intellectual capital in the UK, achieving the required investment returns for an appropriate level of risk. Any requirement in relation to private markets should encompass the whole range of private asset classes and across the capital structure, including real estate, private credit, and infrastructure in addition to private equity.

Policy certainty, building capabilities and addressing tax disincentives (such as those outlined above in Investing in the UK, and additionally with respect to differences in the treatment of SDLT across Scotland, England, and Wales) are more likely to have positive impacts. For example, in terms of building capabilities, the National Wealth Fund (NWF) represents a potential partner for the LGPS. If the NWF can de-risk new projects with its catalytic capital, LGPS partners could potentially provide the next wave of capital into those projects.

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North Yorkshire Council

Pension Board

24 October 2024

Training

1.0 Purpose of the Report

To provide an update on Pension Board member training.

2.0 Background

The Training Policy was adopted by the Pension Board at its inaugural meeting in July 2015. This set out the knowledge and understanding requirements of members of the Pension Board, routes to obtaining training, and training review arrangements.

It states that the suitability of training events and activities should be based on a self-assessment carried out by each Pension Board member. The regulations place the responsibility for making this assessment, and subsequent action to ensure Pension Board members have an appropriate level of knowledge and understanding, on the individual members. In addition, the Pensions Regulator requires that Pension Board members invest time in learning and development.

3.0 Training Activity

Further to a discussion undertaken at the April 2021 meeting of the Pension Board Members were requested to identify issues relevant to the Pension Board that could be the subject of future training sessions. It was also agreed that, where possible, some training events were provided immediately prior to the commencement of scheduled meetings of the Board. The following issues have been identified by Board Members, further to that discussion:-

- Goodwin
- Administering Authority discretions
- Risk Register and risk management
- GMP
- Investment classes
- Pooling and BCPP
- Valuation of assets by Actuary

Following discussions related to the development of training at both the Board and Pension Fund Committee, the provision of a package of online training sessions has been obtained from a third-party provider, with Hymans Robertson. A number of issues highlighted above as issues that may require further consideration for training purposes, are addressed in this on-line package. Module 6 is continually updated and, therefore, should be repeated by Members at regular intervals to ensure the most up to date information and issues are being taken account of.

A Version 2 of the package is now in place and Members will be given advice as to how to access this. It should be noted that Version 2 supersedes the original package, and requires Members to complete the package, whether or not they completed Version 1.

Members are encouraged to take part in these sessions which are detailed below:-

1: Introduction to the LGPS

Stakeholders; local arrangements for committees, boards officers and advisers; regulatory framework.

2: Governance and oversight

Legislation and guidance; policy documents; roles and responsibilities of committees and board members; Code of Practice 14; pensions administration overview; Government oversight bodies; business plans.

3: Administration and fund management

Pension benefits and contributions; service delivery; administration and communication strategies and policy documents and processes; annual report and accounts; procurements.

4: Funding and actuarial matters

Role of the actuary; the funding strategy; valuations; employer issues; actuarial assumptions.

5: Investments

Investment strategy, asset class characteristics and investment markets; pooling investments; monitoring performance of investments and advisers; responsible investment.

6: Current issues

LGPS reform; McCloud; Goodwin; cost sharing.

Details of training events attended and activities undertaken by Pension Board members are contained in a report that is now published on-line with the documents, but is no longer circulated with the papers. Board members are asked to review the training record and advise officers if updates are required.

Pension Board members may wish to discuss the merits of any recently undertaken training activity and, where appropriate, the pros and cons, to inform other Board members of its usefulness.

It is recognised that Members of the Board have constraints on their time and may have difficulty in undertaking the necessary training in view of this. Members agreed, therefore, that Board meetings should allow time for Members to undertake training, either individually or collectively.

4.0 Recommendations

- (i) That Members note the availability and details of the Hymans Robertson online training package;

- | | |
|-------|---|
| (ii) | That Members provide details of any training they wish to be included on their training record: |
| (iii) | That Members provide details of any issues relevant to the Pension Board, that could be the subject of future training sessions and note those highlighted in the report. |

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)
County Hall
Northallerton

October 2024

Background Documents: Pensions Regulator on-line training modules
Hymans Online Learning platform

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North Yorkshire Council

Pension Board

24 October 2024

Work Programme

1.0 Purpose of the Report

To detail the areas of planned work by the Pension Board

2.0 Future Activity

Previous reports to the Board have set out a number of areas that could be identified as potential priority areas of work for Board Members to provide scoping reports to subsequent meetings. At previous meetings it was suggested that consideration be given as to how to progress project work more effectively before undertaking any further projects. Further consideration will be given to this matter, going forward.

Resources would need to be available, via relevant officers, to assist Board Members with their approach to the development of projects subsequently identified.

3.0 Meeting Dates

2024/25 – all Thursday at 10am

9th January 2025

3rd April 2025

Proposed dates for 2025/26 – all Thursday at 10am

3rd July 2025

23rd October 2025

15th January 2026

2nd April 2026

4.0 Recommendations

That Members:

- i) Review and agree any updates to the Work Plan (as set out in Appendix 1);
- ii) Note the dates of ordinary meetings for 2024/25 and the proposed dates for 2025/26, as detailed.

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)
County Hall
Northallerton
Background Papers - None

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PENSION BOARD WORK PLAN

APPENDIX 1

		04-Apr-24	01-Aug-24	24-Oct-24	9-Jan-25	03-Apr-25
1	Agree plan for the year				✓	
2	Review Terms of Reference				✓	
3	Review performance against the plan	✓	✓	✓	✓	✓
4	Report to the PFC / NYCC – Minutes and Chair’s feedback/Annual Report	✓	✓	✓	✓	✓
5	Report to Scheme Advisory Board / MHCLG – via Annual Report		✓	✓		

Compliance checks

6	Review such documentation as is required by the Regulations	✓	✓			✓
7	Review the outcome of internal audit reports	✓	✓	✓	✓	✓
8	Review the outcome of external audit reports				✓	
9	Review Pension Board Annual Report		✓			
10	Review the compliance of particular issues on request of the PFC – as required					
11	Review the process and note the outcome of actuarial reporting and valuations – every three years					

Administration procedures, performance and Communication

12	*Review and assist with admin/governance procedures/processes-including monitoring performance admin/governance and employers	✓	✓	✓	✓	✓
13	Annual review of the Internal Dispute Resolution Process, Policy and cases		✓			
14	Annual review of cases referred to the Pensions Ombudsman		✓			
15	*Review the exercise of employer and administering authority discretions		✓			
16	Assist with the development of improved customer services					
17	Review the risk register and management of risk processes and procedure		✓		✓	
18	*Assist in assessing process improvements on request of PFC					
19	Pooling – governance, reporting and transparency	✓	✓	✓	✓	✓
20	*Review scheme member and employer communications					

Training

21	Review Pension Board knowledge and skills self-assessment	✓	✓		✓	✓
22	Review training log	✓	✓	✓	✓	✓
23	Review training arrangements for the Board and other groups	✓	✓	✓	✓	✓

***Project Work – to be undertaken by individual Members – dependent upon available time and resources – based on relevant issues within the Work Programme**

