

# North Yorkshire Council

## Pension Fund Committee

Minutes of the meeting held on Friday, 21 November 2025 commencing at 10.00 am.

Councillors Angus Thompson (Chair), Alyson Baker, Mark Crane, Sam Gibbs, David Noland, Andy Paraskos (as substitute for Cliff Lunn), Neil Swannick, Matt Walker (as substitute for Dan Sladden) and Peter Wilkinson

Councillors Peter Kilbane (City of York Council)

David Portlock – Chair of the Pension Board

In attendance: Kenneth Ettles (Senior Consultant Aon), Nick Conroy (Aon) and Leslie Robb (Independent Investments Adviser)

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

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**Copies of all documents considered are in the Minute Book**

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### **130 Apologies for absence**

Apologies for absence were received from Councillors Mike Jordan, Cliff Lunn and Dan Sladden and John Fletcher – UNISON.

It was noted that this was the first meeting of Councillor Alyson Baker since her appointment to the Committee.

It was noted that Brian Hazeldine (UNISON retired members) had resigned from the Committee due to ill health.

### **131 Exclusion of the Public and Press**

#### **Resolved –**

That the public and press be excluded from the meeting during consideration of Items 3(b) Confidential Minutes of 12 September 2025, 10(b) - Investment Pooling - Appendices and 11(b) Confidential Minutes of the Pension Board of 23 October 2025 on the grounds that these include the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) Order 2006

There was no discussion at the meeting in relation to the confidential items listed above, therefore, there was no requirement for additional confidential minutes.

### **132a Minutes of the meeting held on 12 September 2025**

#### **Resolved –**

That the Minutes of the meeting held on 12 September 2025 were confirmed and were signed by the Chair as a correct record.

**132b Confidential Minutes of the Meeting held on 12 September 2025**

**Resolved –**

That the Confidential Minutes of the meeting held on 12 September 2025 were confirmed and were signed by the Chair as a correct record.

**133 Declarations of interest**

Councillor Alyson Baker declared a non-registerable interest in respect of her being in receipt of a widow's pension from the North Yorkshire Pension Fund (NYPF).

**134 Appointment of Vice-Chair**

**Resolved –**

That Councillor Peter Wilkinson be appointed Vice-Chair of the Committee until the meeting following the Annual Meeting of the Council in May 2026.

**135 Public questions or statements**

There were no public questions or statements.

**136 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 (ABS) 2025

Breaches Log

Business Plan Update

Governance Documents -

General Data Protection Regulations (GDPR) Privacy Notice – requires Member approval

Issues and Initiatives - Ongoing projects:-

Triennial Valuation

McCloud

Pensions dashboard

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

Common and Conditional Data Scores

Member Training

Meetings Timetable

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

- The throughput of work during the period had increased with specific work carried out on deferred pensions, and the data in relation to those.
- Telephone queries increased during the quarter.
- The use of online self service facilities was being promoted extensively to encourage less calls directly. A replacement platform was currently being tested.
- There were three new breaches of the regulations during the quarter, including a technical ABS breach due to 100% not being issued by the of 31 August deadline. However, as of 31 August, 99.6% of statements had been issued; the highest number for many years.  
The other two breaches involved sending personal data to the wrong person due to human error. Both breaches had been reported to Veritau and assessed as low impact. Staff had been reminded of the importance of exercising care when handling personal data.
- Of the 12 key actions set out in the Business Plan agreed in March 2025, four had been completed, with the remainder in progress. Any actions not completed by the end of the financial year would be carried forward into the next Business Plan.
- The updated GDPR Privacy Notice was included for Members to approve to ensure continued compliance.
- A virtual employers' event to discuss the results of the triennial valuation, had been held on 13 November, with 16 representatives attending. Feedback was invited during the event and was currently being reviewed.
- The team were still working through the data for McCloud to ensure compliance with all relevant regulations and directives.
- The requirements for the Pensions Dashboard had been completed ahead of the deadline for Local Government Pension Scheme (LGPS) Funds. The system continued to be tested ahead of the announcement of when this would go public.
- The new Pension Regulator's (TPR) General Code of Practice was compliant in most area. Ongoing compliance would be reviewed at future Committee meetings when Governance Documents were considered.

Members discussed the following in relation to the report:-

- The Chair of the Pension Board stated that the three breaches highlighted above had been considered by the Board at their meeting in October and, as a result, it was recommended to the Pension Fund Committee (PFC) that no reports were required to the Pensions' Regulator.
- Members welcomed the positive feedback provided within the report in terms of the service, and praised the pro-active approach undertaken.

**Resolved –**

- (i) that the contents of the Breaches Log be noted and no further action be taken;
- (ii) that the General Data Protection Regulations (GDPR) Privacy Notice be approved; and
- (iii) that the contents of the report be noted.

## **137 Budget, Cashflow and Annual Report - Report of the Treasurer**

Considered –

The report of the Treasurer providing the following -

- the 2025/26 budget and the cost of running the Fund
- the cashflow projection for the Fund
- an update on the Fund's Annual Report 2024/25

The initial estimate on the budget for 2025/26 showed a total running cost of £40.6m for the Fund against a budget of £40.7m. The forecast underspend for the year was £116k. which related to a reduction in performance related fees payable to Baillie Gifford following a disinvestment. There are bound to be some variances by the end of the year, but at this stage nothing material was predicted.

Details of the cashflow position of the Fund were set out in the report for the current year and the two years going forward. The assumptions including inflation would continue to be reviewed and updated regularly. The CPI figure for September 2025 was 3.8% and the forecast reflects the impact this would have on benefits from April 2026. The cashflow situation would continue to be monitored. The 2025 Valuation was expected to have a significant impact on the amount of income receivable from April 2026. New employer contribution rates were not yet finalised but the current estimate was approximately £40 million per annum from 2026/27. Options to receive income from the Fund's investments with Border to Coast were also being reviewed. It was noted that the table detailed within the report would be updated when contribution rates had been set.

The Draft 2024/25 Statement of Accounts for both the North Yorkshire Pension Fund and North Yorkshire Council were published on the Council's website on 27 June 2025. Delays to the completion of the Final Accounts were impacting upon the deadline for the publication of the Annual Report and Accounts for 2024/25 which was 1 December. In view of this, and similar to the previous year, the Committee was asked to approve the draft Annual Report and Accounts for 2024/25 so that it could be published on the Fund's website by the deadline.

Members discussed the report and the following issues were raised:

- It was noted that representations had been sent to the Local Government Association by a former Member of the Committee regarding the possibility of separating the accounts from the Pension Fund from those of the Administering Authority and it was asked whether there were to be consultations regarding this.
- The figures relating to investment pooling operations for 2025/26 had not been updated to reflect recently agreed additional costs. These were necessary for Border to Coast to comply with the expected requirements in the 2026 regulations. It was stated that this would be amended when next reported to the Committee.

**Resolved –**

- (i) that the contents of the report be noted
- (ii) that the draft Annual Report and Accounts 2024/25 for publication on the Fund's

website be approved.

### **138 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 third quarter of 2025/26.

The triennial actuarial valuation was currently underway. Once the valuation and funding strategy had been finalised, expected to be available for the March 2026 Committee meeting, the update provided at that point will show how the funding position has moved since 31 March 2025. This Funding and Investments report covers the position at 30 September 2025.

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

The funding position had improved by 1% over the quarter and was now at an estimated 121% funded.

Overall the asset allocation was in a good position. Discussions at the recent Workshop outlined further consideration of the rebalancing of investments.

The key statistics for the period were outlined including investment returns and the potential risks to the funding position, going forward.

Details of the performance of the various Funds and fund managers were provided.

Equities had provided a strong performance over the quarter.

It was noted that at the time of the previous valuation an exceptionally high inflation rate led to late changes being made to the inflation assumption. It was not expected that this would be the case this time.

Details of the development of investments in Artificial Intelligence, and the prospects for those, were discussed.

The higher funding levels of some other LGPS Funds was discussed. It was noted that funding levels were calculated in different ways, depending upon the actuary and on local circumstances, therefore, it was difficult to make comparisons. It was suggested that a better comparison would be available through the Government's Section 13 report, where a standard set of assumptions would be used.

The current market conditions and the affect these were having on the Fund's investments were detailed. The current asset allocation was considered.

The performance of Global Equities held by Baillie Gifford and BCPP were compared.

It was noted that some investments required a substantial time to deliver returns particularly in the private credit and infrastructure funds.

Members discussed the possibility of undertaking currency hedging given the current instability in the currency markets. The complications and issues around hedging were outlined, with positives and negatives identified. It was suggested that a future Workshop on hedging and the practical options for undertaking that.

## **Resolved –**

- (i) That the contents of the report from AON be noted.
- (ii) That arrangements be made for a future Workshop on hedging and the practical options for undertaking that.

## **139 Investment Pooling and Governance Arrangements - Report of the Treasurer**

Considered –

The report of the Treasurer

Setting out the legal requirement to pool pension fund assets, how North Yorkshire Council is addressing this through Border to Coast, and how these requirements are changing following the Fit for the Future consultation.

Updating the Committee on the investment arrangements with Border to Coast.

Presenting annual reviews of the Global equity Alpha fund and the Alternatives programme, in which North Yorkshire Pension Fund (NYPF) invests.

The Fit for the Future consultation would introduce new pooling legislation in 2026 as part of the Pension Schemes Bill.

As part of this the Government stated that ACCESS and Brunel had failed to submit satisfactory plans. As a result seven of the ACCESS funds would join Border to Coast, these being the Cambridgeshire, East Sussex, Essex, Hertfordshire, Kent, Northamptonshire and West Sussex funds.

All of the 11 existing partner funds and these 7 new partner funds had completed the required governance process to expand the partnership and the total assets of the new partnership will be around £110 billion, on behalf of almost 5,000 employers and 2 million members.

The partnership's governance arrangements would need to evolve, to accommodate such a large number of partner funds and work on this was underway. Detailed work on the investment arrangements was also underway, covering new capabilities for Border to Coast such as the provision of investment advice and the management of investments currently held outside of the pool; consideration of new investment funds as may be required by the 7 new partner funds; and planning for large scale asset transitions which will take several years to complete.

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

- The potential for a conflict of interests for BCPP when they begin to provide investment advice and how that could be avoided. Members considered it important that they continued to receive independent advice in terms of investments.
- It was emphasised that BCPP would be required to ensure that the investments arrangements for the existing partners in the pool were fully focussed on whilst they were onboarding the new partner Funds.
- Members were keen to receive confirmation that the HQ for BCPP would remain at the Leeds offices. It was noted that there were no indications that the HQ might be moved.
- Concern was raised in respect of the amount of autonomy BCPP would obtain through the new arrangements thereby reducing the fiduciary duty of the PFC. In response it was acknowledged that BCPP would have a greater say over investments, however,

the role of the Committee to monitor, scrutinise and question the decisions made would continue.

- The expansion of the pool may bring further investment opportunities. The potential additional products that could be of benefit were discussed.

**Resolved –**

That the contents of the report and issues raised be noted.

**140 Pension Board - Draft Minutes and Confidential Minutes of 23 October 2025**

Considered –

The draft minutes and Confidential Minutes of the Pension Board meeting held on 23 October 2025 were provided. There was no discussion of the Confidential Minutes.

The Chair of the Pension Board highlighted the following:

- The employer representative vacancy on the Board had now been filled by Andrew Robinson of the Ebor Academy Trust following his appointment at Full Council.
- The Board's Annual Report 2024/25, as provided in the papers for this meeting, had been approved by Full Council. It was noted that the Annual Report was required to be approved by NYC due to them being the Administering Authority. Full details of the Report were available on the NYPF website.
- As discussed earlier at this meeting the three breaches of the regulations had been considered and it was agreed that it be recommended to the PFC that these should not be reported to the Regulator.
- Consideration of the Internal Audit work carried out on the NYPF continued to be reported to the Board. The report on ICT Controls and Systems was submitted to the meeting with a finding of substantial assurance. Further reports would come to the Board in due course and their findings would be fed back to the PFC.
- Board Members undertook a knowledge and skills assessment earlier this year. The results were being analysed to determine if any training opportunities were required.

**Resolved –**

That the contents of the Minutes be noted.

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

The forthcoming retirement of Democratic Services Officer, Steve Loach, was acknowledged by Members.

The meeting concluded at 12.35 pm.