

PENSIONS COMMITTEE, 21.10.14

Present: Councillors: Trevor Edwards, Peredur Jenkins, Hywel E. Jones (Representative of Isle of Anglesey County Council), Dafydd Meurig, W. Tudor Owen and John P. Roberts.

Officers:- Dafydd Edwards (Head of Finance Department), Caroline Roberts (Investment Manager) and Lowri Haf Evans (Member Support and Scrutiny Officer).

Apologies: Councillors Stephen Churchman, Margaret Lyon (Conwy County Borough Council Representative) and Peter Read.

1. WELCOME AND APOLOGIES

Everyone was welcomed to the meeting by the Chairman, Tudor Owen. The above-mentioned apologies were noted.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chairman signed the minutes of the previous meeting of this committee, held on 17 June 2014, as a true record.

5. LOCAL PENSION BOARD

The Investment Officer submitted a report detailing the response to the Department for Communities and Local Government's consultation on the Draft Regulations on governing the scheme for the Local Government Pension Plan. Gwynedd's response to the consultation was referred to (as the administrative authority for the Gwynedd Pension Fund). It was noted that the results of the consultation and the final regulations had not yet been published.

The main requirement of the draft regulations was for every administrative authority to establish a Local Pension Board.

A request was made for the Committee to set a direction for the officers, so that it would be possible to propose possible options of membership and the

structure of the new Board to the Committee's next meeting in January. The aim was for the options to be submitted to the Full Council on 5 March 2015 where a final structure for the Local Pension Board was to be agreed. The Council's constitution would have to include the structure of the Board by 1.4.2015 with the Board's first meeting to be held in May/June.

The Local Pension Board's aim would be to help the administrative authority to ensure that they conform to all relevant regulations, legislations and requirements. The Board would scrutinise the authority's work by ensuring that there are effective and efficient governing and administration arrangements for the fund.

After the matter had been discussed, it was proposed that the officers should collect information from other funds to try to gain a general viewpoint and submit options to be discussed at the next meeting. Five people were suggested as suitable members for the Board. The Head of Finance added that he would discuss administration and support for the Board with the Monitoring Officer and the Head of Democratic Services.

RESOLVED TO ACCEPT THE INFORMATION AND ASK THE HEAD OF FINANCE AND THE INVESTMENT MANAGER TO COLLECT FURTHER INFORMATION BY SUBMITTING OPTIONS AND AN UPDATE ON THE SITUATION TO THE PENSIONS COMMITTEE'S NEXT MEETING WHICH WOULD BE HELD ON 6 JANUARY 2015.

6. WELSH LOCAL GOVERNMENT PENSION FUNDS – WORKING TOGETHER

The Investment Manager submitted a report updating Members on the Collaboration Project. At a meeting of this Committee that had been held on 22 March 2013 it was reported that every Pension Fund in Wales needed to contribute £5,000 towards the cost of preparing a report as part of a project that was undertaken by the Pensions Sub-group of the Society of Welsh Treasurers. The final report has since been submitted. One of the report's main recommendations was to produce a full Business Case to identify;

- a) how a general investment method could practically be implemented,
- b) improve the savings and financial costs and
- c) deal with any further practical difficulties that would have to be overcome.

The procurement process was undertaken to appoint advisors to undertake the work of creating a Business Case with the aim for the eight pension funds to fund the cost of the appointment. It was estimated that every fund would need to contribute up to £8,500. The result of the Business Case would be submitted to the committee when it was completed.

It was recommended that the Committee approved the contribution towards the cost of the Business Case.

RESOLVED TO ACCEPT THE RECOMMENDATION AND APPROVE THE CONTRIBUTION TOWARDS THE COST OF THE BUSINESS CASE UP TO A MAXIMUM OF £8,500.

7. TREASURY MANAGEMENT 2013/14

A report was submitted by the Investment Manager detailing how the Pension Fund's cash was invested along with the Council's money in 2013/2014. The report responded to the requirements of the Welsh Government's Statutory Guidance.

The report outlined how money was managed to maximise the benefits. In response to a question, an update was given by the Head of Finance on the reclaiming of the investments that had been made with Heritable Bank.

THE REPORT OF THE INVESTMENT MANAGER WAS RECEIVED FOR INFORMATION

8. CONFERENCE ATTENDANCE AT THE LOCAL AUTHORITY PENSION FUND FORUM (LAPFF) ON 3 -5 DECEMBER 2014

A request was made by the Investment Manager asking the Committee to nominate a representative to attend the conference in Bournemouth. Attention was drawn to the fact that a meeting of the Full Council would be held during the period of the conference.

It was proposed that the Chairman of the Committee, Councillor W. Tudor Owen would attend. He accepted the request.

RESOLVED THAT THE CHAIRMAN OF THE PENSIONS COMMITTEE WOULD ATTEND THE LAPFF CONFERENCE 3 - 5 DECEMBER 2014.

9. LGC INVESTMENT SUMMIT CONFERENCE (9 – 10 September 2014) 'INVESTING FOR GROWTH'

Submitted – the report of the Head of Finance Department notifying the committee of the benefits gained from attending the LGC Investment Summit. Councillors Margaret Lyon, John Pughe Roberts and the Head of Finance attended the conference in Newport. It was agreed that the conference provided very useful opportunities to hold discussions with investment managers and to network with representatives of other funds. It was pleasing to see Welsh produce from Gwynedd Fund's area being displayed in the conference and served by the hotel.

THE INFORMATION WAS ACCEPTED

Everyone was thanked for their contribution.

The meeting commenced at 2:00pm and concluded at 3:05pm.