



Complete Agenda

Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Meeting

PENSIONS COMMITTEE

Date and Time

2.00 pm, THURSDAY, 18TH JANUARY, 2018

Location

**Ystafell Gwyrfai, Council Offices,
Caernarfon, Gwynedd. LL55 1SH**

Contact Point

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(DISTRIBUTED 10/01/18)

PENSIONS COMMITTEE

MEMBERSHIP (7)

Plaid Cymru (4)

Councillors

Aled Wyn Jones
Peter Read

Simon Glyn

Peredur Jenkins

Independent (2)

Councillors

John Brynmor Hughes

John Pughe Roberts

Lib / Lab (1)

Councillor

Stephen W. Churchman

Co-opted Members

Councillor David Cowans
Councillor John Griffith

Conwy Borough Council
Anglesey Council

Ex-officio Members

Chair and Vice-Chair of the Council

A G E N D A

1. APOLOGIES

To receive any apologies for absence

2. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest

3. URGENT ITEMS

To note any items which are urgent business in the opinion of the Chairman so that they may be considered

4. MINUTES

4 - 6

The Chairman shall propose that the minutes of the meeting of this committee held on 9 November 2017 to be signed as a true record

5. RESPONSIBLE INVESTMENT

A verbal item on consensus conclusions (of Pensions Committee and Local Pension Board members from the informal morning session with Fund advisers) regarding Environmental, Social and Governance (ESG) factors, to direct the Committee Chairman and Fund officers, to enable them to represent the Gwynedd Fund view at relevant Wales Pension Partnership discussions with the Operator on the establishment of appropriate pooled investment sub funds.

6. WALES PENSIONS PARTNERSHIP

To receive a verbal update from the Head of Finance on recent developments

PENSIONS COMMITTEE 09.11.2017

Present: Councillors: Stephen Churchman (Chair), David Cowans (Conwy Borough Council), Simon Glyn, John Griffith (Anglesey Council), Peredur Jenkins, Aled Wyn Jones, Peter Read, John Pughe Roberts a Osian Richards (Observing)

Officers:- Dafydd Edwards (Head of Finance Department), Nicholas Hopkins (Pensions Manager) and Lowri Haf Evans (Member Support Officer)

1. APOLOGIES

None to note

2. DECLARATION OF PERSONAL INTEREST

None to note

3. URGENT ITEMS

None to note

4. MINUTES

The Chair signed the minutes of the meeting of this Committee, that took place on 29 September 2017, as a true record.

5. RECONCILING MEMBERS' GUARANTEED MINIMUM PENSIONS (GMP)

The Pensions Manager presented a report requesting that the Committee approve an additional cost total for the Pensions Administration Unit to continue with its work of reconciling the Guaranteed Minimum Pensions (GMP) of individual members in line with HMRC (HM Revenue and Customs). It was reported that there had been a delay in HMRC's response to enquiries and that HMRC intended to close all reconciliation work by 31.12.18. It was stated that extending the term of the project team to respond to the additional work would ensure that the work was completed within the timetable.

It was highlighted that other Authorities used external companies and that an opportunity existed in Gwynedd to continue to benefit from the expertise of internal resources and avoid using expensive external consultants.

The reasons for the additional work was explained to Members and that reconciling the minimum guaranteed pensions was very technical work and the information had to be up-to-date, inconsistencies corrected, and risks solved.

Proposed and seconded - to approve the additional expenditure, and the project team was thanked for its thorough work

RESOLVED to approve an additional budget of £50,994 to the Pensions Administration Unit, in order to fund the continuation of the team until 31 December 2018 (the HMRC deadline).

6. PENSION BOARD - EXPENSE REIMBURSEMENT, REMUNERATION AND ALLOWANCES

The Head of Finance Department submitted a report in consultation with the Head of Legal Services requesting that the Committee consider paying an allowance to Employer Representatives and Scheme Member Representatives for attending Pension Board meetings and training sessions. It was stated that rates of allowance would be in accordance with the rates set for the Independent Members of Gwynedd Council's Standards Committee and the Lay Member of Gwynedd Council's Audit and Governance Committee. It was highlighted that costs would be incurred by the Pensions Fund and that the Pensions Committee had budgetary control powers over the Fund.

In response it was noted that the recommendation was fair and that paying an allowance would reflect the valuable contribution and good work of the Pensions Board.

RESOLVED

- i. An allowance will be paid to both Employer Representatives and Scheme Member Representatives for attending meetings relating to Pension Board business (including attending training) at the rates set for co-opted members of Gwynedd Council's Standards Committee and the lay member of Gwynedd Council's Audit and Governance Committee.**
- ii. No allowance will be paid if the Board member is performing this role within their normal working day without a reduction in pay. For Councillors who are appointed to the Board, the role would be part of the various council appointments they take on. Therefore, it is a matter for the particular Council making the appointment to consider how the responsibilities of membership should be dealt with as part of their relevant Members Allowance Scheme.**
- iii. All Pension Board members will also be entitled to claim travel and subsistence allowances at rates for co-opted members of Gwynedd Council's Standards Committee and the lay member of Gwynedd Council's Audit and Governance Committee. All costs (allowances for attending Pension Board meetings, where appropriate, along with travel and subsistence allowances) will be charged to the Pension Fund.**

7. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following item due to the likely disclosure of exempt information as defined in paragraph 14, Schedule 12A of the Local Government Act 1972 - information about the financial or business transactions of any specific person (including the authority that retains that information). The Operator Selection Report provides a summary of the procurement exercise to appoint an operator for the Wales Pensions Partnership conducted by the eight Welsh pension funds. This information includes commercially sensitive information about applicants' comparative strengths and weaknesses and their submissions, and the scores awarded to the applicants.

8. PROCUREMENT RECOMMENDATION OF THE WALES PENSION PARTNERSHIP

Submitted – the report of the Head of Finance Department reporting on the progress made with procuring the operator services for the Wales Pension Partnership for the purpose of managing the investment assets of eight Local Government Pension Schemes in Wales on a collaborative basis. It was highlighted that the successful bidder would be recommended to the Wales Pension Partnership Governance Joint Committee and the eight pension

schemes would be required to confirm through their local approval process that they would commit to the contract with the Operator.

It was reported that the successful bidder would be announced once the Governance Joint Committee had officially confirmed the appointment.

It was proposed and seconded to approve recommendations 1 and 3 of the report (recommendation 2 had been deleted because further clarification was needed).

It was accepted that the procurement process had been long and complex, but that it was vital and valuable.

RESOLVED

- **to appoint Bidder 1 as the successful bidder for the Wales Pension Partnership (reference number OJEU 2017/S 050-092093), and**
- **subject to the completion of the standstill period and the finalisation of the Operator Agreement, appoint Bidder 1 as the Operator under the Operator Agreement.**

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