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## **PENSIONS COMMITTEE 8/11/18**

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**Present:** Councillors: Stephen Churchman, David Cowans (Conwy Borough Council), Simon Glyn, Peredur Jenkins, Aled Wyn Jones, John Brynmor Hughes, Peter Read, John Pughe Roberts (Chair), Robin Williams (Anglesey Council) and Sharon Warnes (Pensions Board - Observing)

**Officers:-** Dafydd Edwards (Head of Finance Department), Nicholas Hopkins (Pensions Manager), Delyth Wyn Jones-Thomas (Pensions and Treasury Management Accountant), Meirion Jones (Communication Officer - Pensions) 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, held on 19 June 2018, as a true record.

### **5. INVESTMENT STRATEGY STATEMENT**

Submitted – a report requesting the Committee to approve the Amended Investment Strategy Statement. It was noted that the Pensions Committee had adopted the Statement in March 2017 accordance with the new legislation. It was highlighted that the statement now included the investment principles that the Committee and the Pensions Board had discussed and agreed in previous meetings, as a result of the developmental session with Hymans Robertson consultants. It was reiterated that the principles highlighted the Fund's aspirations clearly, which in turn would give guidance to the Fund's Assets Managers, as well as set the direction for discussions with the Wales Pensions Partnership joint practitioner.

In response to a question, it was confirmed that, in accordance with the second principle in the paper, the Fund would seek to invest within the Wales area when non-financial investments could derive from this, on condition that they satisfy the requirements of the fiduciary duty.

**RESOLVED to approve the Investment Strategy Statement.**

## **6. TREASURY MANAGEMENT 2018/19 - MID YEAR REVIEW**

Submitted, for information, a report highlighting the Council's actual Treasury Management activity during the current financial year. It was highlighted that, during the six months between 1 April and 30 September 2018, the Council's borrowing activity had remained within the restrictions originally placed and there were no banks where the Council had deposited money that had failed to repay.

**RESOLVED to accept the information.**

## **7. GUARANTEED MINIMUM PENSION (GMP) RECONCILIATION**

Submitted, for information, an update for the Committee regarding the work that had been undertaken to reconcile the Guaranteed Minimum Pension. Members were reminded that a team of three had been set up in January 2016 under the leadership of the former Pensions Manager, Mr Gareth Jones. With the process drawing to an end in December 2018, the Committee was notified that the Gwynedd position was comparatively good and the team was praised for its good work. It was noted that the former Manager's expertise had secured a substantial saving for the Council and it had been given to understand that other pension funds were employing expensive consultants specialising in the field, or had not taken any action and were therefore open to financial risk.

The current situation was envied that the Gwynedd Pension Fund had 119 cases designated as stalemate where the Council and Her Majesty's Revenue and Customs (HMRC) disagreed with the information submitted. The Pensions Manager confirmed that HMRC had no grounds to challenge the Council's information and that the Council was certain that its information was accurate and had evidence to prove it. The officers confirmed that the Gwynedd stalemates would be resolved in 2019 - 2020, but that the general situation with the Guaranteed Minimum Pension and stalemates was currently the subject of a Westminster Government investigation.

With the formal process drawing to an end on 31 December 2018, it was noted that any unresolved work would be transferred to the day-to-day work of the Pensions Department.

**RESOLVED to accept the information and it was suggested that a letter be sent on behalf of the Committee to thank Mr Gareth Jones for the heroic work of the Reconciliation Team.**

## **8. EXCLUSION OF PRESS AND PUBLIC**

It was resolved that there is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial interests of public authorities that matters related to commercial information need to be discussed without being publicised. The report is specifically regarding receiving a specific offer for a software licence cost which is commercially sensitive information. Publishing commercially sensitive information of this type could undermine the provider's confidence in submitting prices to the Council and,

therefore, the Council's ability to procure successfully. This would be contrary to the wider public interest of securing value for money and the best overall outcome. For these reasons, the matter was considered closed for the public interest.

## **9. SELF SERVICE SYSTEM**

Submitted – a report requesting the Committee to approve additional funding to implement and run the new Members' Self-Service system. The main reasons for the need to update the system were highlighted, and a short presentation was given comparing the old and new, and it was noted that Gwynedd would choose to host the new software on hardware within the Council. It was reiterated that negotiations with the provider were continuing in order to lower the price.

During the ensuing discussion, it was agreed that a new system would offer value for money and addressed the Council's Language Policy requirements. The officers were encouraged to continue to negotiate the price and put pressure to be able to run the system on the Council's server.

**RESOLVED to approve the funding up to the total noted in the report**

The meeting commenced at 2.00 pm and concluded at 2.45 pm

**CHAIRMAN**