

PENSIONS COMMITTEE 19.06.2018

Present: Councillors: Stephen Churchman, David Cowans (Conwy Borough Council), Simon Glyn, Peredur Jenkins, Aled Wyn Jones, Peter Read, John Pughe Roberts, Robin Williams (Anglesey Council) and Osian Richards (Pensions Board - Observing).

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

Councillor Stephen Churchman was thanked for his work as Chair of the Committee for 2016-2018. It was noted that the additions to the role's responsibilities were recently escalated following establishing the Pension Board and the All Wales Fund. He was thanked for his leadership, his tireless work at a challenging and innovative time, and for his work as the Chair of the Partnership's Joint Committee, where he represented the Gwynedd Fund with dignity.

In response, Councillor Stephen Churchman thanked everyone for the kind words. He noted that it had been a busy but interesting time. He gave tribute to the work of the officers who served the Wales Pension Partnership and gave a special thanks to the Council's officers for their commitment. He also thanked the Committee for their support.

Councillor Robin Williams (Anglesey representative) was welcomed to his first meeting. The previous Anglesey representative, Councillor John Griffith, was thanked for his service.

1. ELECTION OF CHAIR

It was decided to elect Councillor John Pughe Roberts as Chair of this Committee for 2018/19.

2. ELECTION OF VICE-CHAIR

It was decided to elect Councillor Peredur Jenkins as Vice-chair of this Committee for 2018/19.

3. APOLOGIES

An apology was received from Councillor John Brynmor Hughes.

4. DECLARATION OF PERSONAL INTEREST

None to note

5. URGENT ITEMS

The Head of Finance Department presented certificates to Councillors Simon Glyn and Aled W Jones for completing basic training.

6. MINUTES

The Chair signed the minutes of the meeting of this committee, held on 15 March 2018, as a true record.

7. ATTENDANCE AT CONFERENCES

Information was presented about relevant conferences in order to select representatives to attend them. It was reported that the Council sent representatives on a rota basis to a number of conferences during the year, in order to maintain and improve skills and knowledge.

RESOLVED to send the below representatives to the conferences:

- LAPF Strategic Investment Forum, Hertfordshire, July 2018
Councillors Simon Glyn and Peter Read to check whether they could attend, with Councillor Stephen Churchman as a reserve, and no officers.
- LGC Investment Summit, Newport, September 2018
Councillors John Pughe Roberts and Peredur Jenkins to attend, with the Head of Finance Department.
- Local Authority Pension Fund Forum (LAPFF) annual conference, Bournemouth, December 2018
Councillor John Pughe Roberts and Caroline Roberts (Investment Manager) to attend, with a representative of the Board.
- LGPS Governance Conference, Bristol, January 2019
Councillors John Brynmor Hughes and Robin Williams to attend, with an officer and a representative from the Board, and with Councillor John Pughe Roberts as a reserve.
- Russell Investments annual summit, London, November 2018
Councillors John Pughe Roberts and Peter Read to attend, with the Head of Finance Department.

8. PENSIONS MEETING DATES

Submitted, for information, a report by the Head of Finance Department, noting the dates of pensions meetings for the year 2018 / 2019 so that the members could note the dates in their diaries and plan ahead accordingly.

It was noted that the LGPS Governance Conference was held in Bristol on 17-18 January 2019 which conflicted with a meeting of the Pensions Committee. It was proposed to change the date of the Pensions Committee to 21 January 2019 so that Members and Officers could attend the conference.

Reference was made to the dates of the Investment Panel that was held every quarter to scrutinise the performance of the Pension Fund's investments. It was noted that these were held in London and Caernarfon and it was confirmed that the dates for the Caernarfon meetings would be 21 February 2019 and 16 May 2019.

RESOLVED to accept the information and to amend the date of the Pensions Committee in January 2018 to the 21st.

9. 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). 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. Publication of such information in relation to investment intentions and selection of proposed investment companies could have a negative impact on commercially sensitive activities. This would be contrary to the wider public interest of securing value for money and the best overall outcome and for those reasons the matter should be exempt in the public interest. For these reasons, the matter was closed for the public interest.

10. ASSET ALLOCATION TO THE WALES PENSION PARTNERSHIP GLOBAL EQUITY FUNDS

Submitted - a report of the Head of Finance Department, asking the Committee for the right to act, in consultation with the Committee Chair, on allocating assets to the global equity funds of the Wales Pension Partnership.

It was noted that regular updates had been submitted to the Committee on the progress of the Wales Pension Partnership (WPP) in setting up an investment pool, in accordance with the requirements of Westminster. It was explained that the aims of the Government were improved investment outcomes, reduced risk and reduced costs whilst enabling each constituent authority to implement its own investment strategy.

Following advice from the WPP Operator, and to demonstrate the scale of the pooling to the Government, actively managed global equity was chosen as the type of assets for the initial funds, and it was noted that Link and Russell gave a presentation to Committee members on 15 March, and informal meetings were held on 30 April and 17 May, where expert advice was received from the consultant Hymans Robertson on the matter.

RESOLVED:

- **In accordance with recommendation A, that the Pensions Committee supports the Wales Pension Partnership in setting up two funds, and to include those in the prospectus that will be presented to the Financial Conduct Authority.**
- **In accordance with recommendation B, that the Pensions Committee delegate the power to the Head of Finance Department to re-allocate 80% of the actively managed global equity by the Fund, equally between Fund 1 and Fund 2 of the Wales Pension Partnership.**

The meeting commenced at 2:00pm and concluded at 2:30pm.

The meeting commenced at 2:00pm and concluded at 2:30pm.