



City and County of Swansea

Minutes of the Pension Fund Committee

Multi-Location Meeting - Gloucester Room, Guildhall / MS

Teams

Wednesday, 15 March 2023 at 10.00 am

Present: Councillor M B Lewis (Chair) Presided

Councillor(s)

P N Bentu
W G Thomas

Councillor(s)

P Downing

Councillor(s)

M W Locke

Neath Port Talbot Council Co-opted Member

Philip Rogers

Advisors

Philip Pearson
Andre Ranchin

Advisor - Hymans Robertson
Advisor - Hymans Robertson

Officer(s)

Karen Cobb
Jeremy Parkhouse
Jeffrey Dong

Senior Accountant
Democratic Services Officer
Deputy Chief Finance Officer / Deputy Section 151
Officer
Principal Lawyer

Stephanie Williams

Also present

Ian Guy

Chair of the Local Pension Board

Apologies for Absence

None.

40 Winner of the Best Climate Change Strategy Award.

The Chair announced that the City and County of Swansea Pension Fund had recently won the Best Climate Change Strategy award at the Local Authority Pension Fund (LAPF) Investments Awards.

He added that the Fund was also shortlisted by LAPF for Pension Fund of the Year and Best Investment Strategy.

41 Disclosures of Personal and Prejudicial Interests.

In accordance with the Code of Conduct adopted by the City & County of Swansea, the following interests were disclosed:

Councillors P N Bentu, J P Curtice, P Downing, M B Lewis, P Rogers and W G Thomas declared personal interests in the agenda as a whole.

Officers:

K Cobb, J Dong, J Parkhouse and S Williams declared personal interests in the agenda as a whole.

42 Minutes.

Resolved that the Minutes of the Pension Fund Committee meeting held on 16 November 2022 be signed and approved as a correct record.

43 City & County of Swansea Pension Fund - Draft Funding Strategy Statement.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought approval to ensure compliance with the Local Government Pension Scheme Regulations, which require a funding strategy statement.

Appendix 1 provided the Draft Funding Strategy Statement.

It was added that the main purpose of the Funding Strategy Statement was to set out the processes by which the Administering Authority:

- established a clear and transparent funding strategy, specific to the Fund, which would identify how employer's pension liabilities were best met going forward.
- supported the regulatory requirement in relation to the desirability of maintaining as nearly constant a primary rate of contributions as possible.
- ensured that the regulatory requirements to set contributions as to ensure the solvency and long-term cost efficiency of the Fund were met.
- takes a prudent longer-term view of funding the Fund's liabilities.

It was noted that, whilst the funding strategy applicable to individual employers must be reflected in the Funding Strategy Statement / Investment Strategy Statement, its focus should at all times be on those actions which were in the best long term interests of the Fund.

Resolved that the funding strategy statement is approved.

44 AON Presentation - City & County of Swansea Pension Fund Actuarial Valuation as at 31 March 2022.

Laura Caudwell and Arkady Gibas of AON provided the Committee with a detailed valuation results presentation on the City and County of Swansea Pension Fund Actuarial Valuation as at 31 March 2022.

The presentation outlined the 2022 valuation results, the valuation process and assumptions. These results would be forwarded to DLHUC as required and would become in force from 1 April 2023.

The Chair thanked the AON representatives for the presentation.

Resolved that: -

- 1) The contents of the presentation be noted.
- 2) The triennial actuarial valuation / certification be approved.

45 City & County of Swansea Pension Fund Business Plan 2023/24.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought approval to provide a working framework for the Pension Fund's programme of work for 2023/24.

It was outlined that in line with best practice, the Pension Fund produced a business plan, risk register, budget and asset allocation to inform its work programme for the forthcoming 12 month period. The business plan, budget, risk register, asset allocation for 2023/24 were attached at Appendices 1,2,3 and 4 of the report.

The Pension Fund Committee were asked to approve the business plan, budget, risk register and asset allocation for the year 2023/24, noting the timescale and responsibility for key action points throughout the year. The document was a dynamic document and would be revised and amended throughout the year as necessary.

Resolved that the following be noted and approved: -

- 1) The City & County of Swansea Pension Fund Annual Business Plan 2023/24.
- 2) Risk Register 2023/24.
- 3) Asset Allocation.
- 4) Budget 2023/24.

46 Breaches Report.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report which presented any breaches which had occurred in the period in accordance with the Reporting Breaches Policy.

Appendix A provided the details of breaches that had occurred since the previous Pension Fund Committee in November 2022. The details of the breaches and the actions taken by Management were noted.

47 Trustee Training.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought to determine an annual training programme for Pension Fund Committee and Local Pension Board members and officers of the Pension Fund.

Resolved that the assessment and outline training plan in 3.7, 3.8 and 3.9 be approved and further opportunities which are identified during the year be delegated to the Deputy Section 151 Officer for approval.

48 Exclusion of the Public.

The Committee was requested to exclude the public from the meeting during consideration of the item(s) of business identified in the recommendation(s) to the report on the grounds that it / they involved the likely disclosure of exempt information as set out in the exclusion paragraph of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007 relevant to the item(s) of business set out in the report.

The Committee considered the Public Interest Test in deciding whether to exclude the public from the meeting for the items of business where the Public Interest Test was relevant as set out in the report.

Resolved that the public be excluded for the following items of business.

(Closed Session)

49 Wales Pension Partnership Update.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report to update the Pension Fund Committee on the progress and work of the Wales Pension Partnership (WPP).

Resolved that: -

- 1) The WPP Progress Report be noted.
- 2) Approval be delegated to the Deputy 151 Officer in consultation with the Chair of the Pension Fund Committee to progress Levelling Up / Local Investment Opportunities and report back to Committee.

50 Report of the investment Consultant.

Philip Pearson and Andre Ranchin, Investment Consultants, Hymans Robertson presented 'for information' the Quarter 4 2022 Investment Monitoring Report.

The content of the report was noted by the Committee and various questions were asked, which were responded to accordingly. The Investment Consultant was thanked for the report.

51 Investment Summary.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report which presented the asset valuation and investment performance for the quarter, year and 3 years ended 31 December 2022.

52 Fund Manager's Presentation(s):

A presentation was made by and Aidan Quinn, Paddy Bortoli, Gerald Fitzpatrick and Lewis Forman of Russell Investments.

Questions in relation to the content of the presentation were asked by the Committee and responses were provided accordingly.

The content of the presentation was noted and the Chair thanked the Fund Managers for attending the meeting.

The meeting ended at 12.27 pm

Chair