

CITY AND COUNTY OF SWANSEA

MINUTES OF THE PENSION FUND COMMITTEE

HELD AT COMMITTEE ROOM 6, GUILDHALL, SWANSEA ON
TUESDAY, 18 OCTOBER 2016 AT 10.00 AM

PRESENT: Councillor P Downing (Vice-Chair) presided

Councillor(s)

C E Lloyd

Councillor(s)

M Thomas

Officer(s)

Jeffrey Dong

Debbie Smith

Pamela Milford

Jeremy Parkhouse

Chief Treasury & Technical Officer

Directorate Lawyer

Senior Lawyer

Democratic Services Officer

Apologies for Absence

Councillor(s): J Newbury, P Rees, R C Stewart and D G Sullivan

26 **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

Councillor P Downing - agenda as a whole - my brother works for the Council and contributes to the Pension Fund.

NOTED that Councillor P Downing had received dispensation from the Standards Committee to stay and speak and vote on any item relating to general staff Employment, on Budget matters and any other matters that affect Corporate Building Services, other than matters that directly affect his brother with specific reference to his post.

Councillor C E Lloyd – agenda as a whole – my father is a member of the Local Government Pension Scheme – personal.

Councillor M Thomas - agenda as a whole - I and my wife are members of the Local Government Pension Scheme - personal.

NOTED that Councillor M Thomas had received dispensation from the Standards Committee to stay and speak but not vote on any item relating to general staff employment, on budget matters and any other matters that directly affect his wife by specific reference to her post.

27 **THE WALES INVESTMENT POOL : A MEMORANDUM OF UNDERSTANDING.**

The Chief Treasury and Technical Officer presented a report to approve the Memorandum of Understanding (MOU) between the 8 Welsh Pension Fund local authorities.

The Wales Investment Pool proposal included the establishment of a Joint Governance Committee which comprised of elected Members from each administering authority, supported by an Officer Working Group. It was also proposed to appoint a Financial Conduct Authority (FCA) regulated Operator to supply the necessary infrastructure for establishing a pooling vehicle and manage the pool on behalf of the 8 funds.

Work was ongoing within tight deadlines to establish the governance arrangements for the Pool including the drafting of a legally binding Inter-Authority Agreement (incorporating the Terms of Reference for the Joint Committee), the specification of the services to be provided by the Operator and the role of the Officer Working Group. Consideration was also being given to the needs of the Pool for specialist legal and investment advice.

It was anticipated that the Joint Committee would meet in a shadow form (i.e. without decision-making powers) as a Joint Chairs Group (JCG) during the remainder of 2016 and would be formally established early in 2017. The remit of the JCG was set out in the proposed Memorandum of Understanding (MOU) which was provided at Appendix 1. The JCG would oversee the procurement process for the Operator but the formal Joint Committee would make the final recommendation to appoint the bidder who best met the specification criteria.

It was proposed that the JCG and the Joint Governance Committee would include one representative from each of the eight Welsh Pension Funds. It was proposed that a representative from the City and County of Swansea be appointed.

Appendix 2 provided the schedule of meetings for the Pension Fund Committee which had been arranged to align with the project plan for the Pool.

The Committee asked questions of the Chief Treasury and Technical Officer, who responded accordingly.

RESOLVED that: -

- 1) The progress in the development of the Welsh investment pool be noted;
- 2) The draft Memorandum of Understanding be approved;
- 3) Authority be delegated to Section 151 Officer / Interim Head of Legal and Democratic Services to approve any amendments to the Memorandum of Understanding in consultation with the Chair;
- 4) Councillor P Downing be appointed to represent the Committee on the Joint Chairs' Group and subsequently on the Joint Committee.

The meeting ended at 10.15 am

CHAIR