



City and County of Swansea

Minutes of the Pension Fund Committee

Committee Room 6 - Guildhall, Swansea

Thursday, 30 November 2017 at 10.00 am

Present: Councillor P Downing (Vice-Chair) presided

Councillor(s)

M B Lewis

Councillor(s)

M Thomas

Councillor(s)

W G Thomas

Neath Port Talbot County Borough Council Councillor:

P A Rees

Officer(s)

Karen Cobb

Jeffrey Dong

Senior Accountant

Chief Treasury & Technical Officer / Deputy Section 151
Officer

Jeremy Parkhouse

Stephanie Williams

Democratic Services Officer

Principal Lawyer

Also Present:

N Mills

V Furniss

S Donaldson

Independent Investment Advisor

Independent Investment Advisor

Hymans Robertson

Apologies for Absence

Councillor(s): C E Lloyd

Independent Member(s):

38 Disclosures of Personal and Prejudicial Interests.

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

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

Councillor M B Lewis - agenda as a whole – member of the Local Government Pension Scheme - personal.

Councillor P Rees - agenda as a whole – Daughter-In-Law is a member of the Local Government Pension Scheme - personal.

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

Councillor W G Thomas - agenda as a whole – member of the Local Government Pension Scheme - personal.

39 Minutes.

Resolved that the Minutes of the Pension Fund Committee held on 14 September 2017 be signed and approved as a correct record.

40 Breaches Report.

The Chief Treasury & Technical Officer presented a 'for information' report which provided details of breaches which had occurred in the Pension Fund in accordance with the Reporting Breaches Policy.

Appendix A provided the Breaches Report including details of breaches that had occurred since the previous Pension Fund Committee in September 2017. The details of the breaches and actions undertaken by the Pension Fund were highlighted.

41 Wales Pension Partnership - Progress Update.

The Chief Treasury & Technical Officer presented a 'for information' report which updated the Committee on the progress of the Wales Pension Partnership.

The Committee were updated regarding the submission in respect of the 8 Welsh Pension Funds, governance and procurement progress, including the reporting procedure of the Joint Governance Committee.

Appendix 1 provided the Welsh Pension Fund Partnership Local Government Pension Scheme Pooling: Progress Report October 2017.

42 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)

43 Wales Pension Partnership - Recommendation to Appoint an ACS Operator.

The Chief Treasury & Technical Officer presented a report which sought approval of the recommendation of the Joint Governance Committee of the Wales Pension Partnership to appoint the Operator of the Authorised Contractual Scheme (ACS).

Resolved that: -

- 1) Bidder 1 is appointed as the preferred bidder for the Wales Pension Partnership Procurement for an Operator;
- 2) Subject to the completion of the standstill period and the finalisation of the Operator Agreement, Bidder 1 is appointed as the Operator under the Operator Agreement.

44 Investment Beliefs.

Hymans Robertson, Investment Consultants provided a 'for information' report which presented the recommended next steps in respect of developing and formalising the Committee's investment beliefs.

Appendix 1 provided a summary report from Hymans Robertson of the investment beliefs summarised from both the questionnaire and the training day.

45 Environmental, Social & Governance Issues.

Hymans Robertson, Investment Consultants provided a 'for information' report which presented the recommended next steps in respect of the Committee's policies on environmental, social and governance issues.

Attached at Appendix 1 was the summary report of next steps from Hymans Robertson.

46 Investment Review.

Hymans Robertson, Investment Consultants provided a 'for information' report which presented the quarterly investment and market update.

Attached at Appendix 1 was the quarterly report from Hymans Robertson.

47 Report(s) of the Independent Advisors.

The 'for information' report presented the economic update and market commentary from the perspective of the appointed independent investment advisors.

Attached at Appendix 1 were the quarterly reports ended 30 September 2017 of the two independent advisors, Mr Noel Mills and Mr Valentine Furniss. Mr Furniss provided an amended update.

The content of each report was noted by the Committee and the independent advisors were thanked for their reports.

48 Investment Summary.

The Chief Treasury and Technical Officer provided a 'for information' report which presented the investment performance for the quarter, year and 3 years ended 30 September 2017.

Attached at Appendix 1 were the quarterly investment summaries for the Pension Fund for the quarter, year and 3 years ended 30 September 2017.

49 Fund Manager's Presentation(s):

A presentation was made by David Thomas and Jason Smith of Goldman Sachs Asset Management.

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 12.20 pm

Chair