



City and County of Swansea

Minutes of the Pension Fund Committee

Committee Room 5 - Guildhall, Swansea

Thursday, 5 July 2018 at 10.00 am

Present: Councillor C E Lloyd (Chair) Presided

Councillor(s)

J P Curtice
D G Sullivan

Councillor(s)

P Downing
P Rees (NPT CBC)

Councillor(s)

M B Lewis

Also Present: -

I Guy
N Mills
W Marshall

Chair of Local Pension Board
Independent Investment Advisor
Hymans Robertson

Officer(s)

Karen Cobb
Jeffrey Dong

Jeremy Parkhouse
Stephanie Williams

Senior Accountant
Chief Treasury & Technical Officer / Deputy Section 151
Officer
Democratic Services Officer
Principal Lawyer

1 Election of Vice Chair for the 2018-2019 Municipal Year.

Resolved that Councillor P Downing be elected Vice Chair for the 2018-2019 Municipal Year.

2 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 J P Curtice - agenda as a whole – member of the Local Government Pension Scheme - personal.

Councillor P Downing - agenda as a whole - my brother is a member of the Local Government Pension Scheme – personal.

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

Councillor C E Lloyd – agenda as a whole – Both myself and my father are members 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 D G Sullivan - agenda as a whole – Daughter-In-Law works for the Authority - personal.

Officers:

K Cobb – Agenda as a whole – Member of Local Government Pension Scheme – personal.

J Dong – Agenda as a whole – Member of Local Government Pension Scheme – personal.

J Parkhouse – Agenda as a whole – Member of Local Government Pension Scheme – personal and Minute No. 4 – Draft Statement of Accounts 2017/18 – Clerk to Llanrhidian Higher Community Council – personal.

S Williams – Agenda as a whole – Member of Local Government Pension Scheme – personal.

3 Minutes.

Resolved that the Minutes of the Pension Fund Committee meetings held on 15 March and 4 May 2018 be signed and approved as a correct records subject to the following amendment: -

15 March 2018

Add the following Declaration of Interest: -

Councillor D G Sullivan – Daughter-In-Law is a member of the Swansea Local Government Pension Scheme - personal.

4 Draft Statement of Accounts 2017/18.

The Chief Treasury and Technical Officer presented the City and County of Swansea Pension Fund Statement of Accounts 2017/18. He thanked staff within the Treasury and Technical Team for their work in producing the accounts.

It was stated that the City and County of Swansea Pension Fund Accounts formed a distinct and separate component of the Statement of Accounts of the City and County of Swansea as a whole. The Wales Audit Office had audited the Pension Fund Statement of Accounts 2017/18 in line with their report would be presented to Pension Fund Committee at the conclusion of the audit later in the year.

He provided a detailed and informative analysis of the Accounts, highlighting the positive return and stated that the long-term cash flow projections were positive for the Fund into the medium term. He added that the net assets of the Fund has risen to £1,914,031 at 31 March 2018.

The City & County of Swansea Pension Fund Draft Statement of Accounts 2017/18 were attached at Appendix 1.

The Committee asked questions of the Officer who responded accordingly.

Resolved that the Draft Statement of Accounts 2017/18 be approved.

5 Breaches Report.

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

Appendix A provided the details of breaches that had occurred since the previous Pension Fund Committee in March 2018. The details of the breaches and actions undertaken by the Management were highlighted.

6 General Data Protection Regulations (GDPR) Update.

The Chief Treasury & Technical Officer provided a 'for information' report which presented an update on the City & County of Swansea Pension Fund's action plan to comply with GDPR requirements.

Appendix 1 provided a Practical Guide to GDPR and Appendix 2 provided the full GDPR Privacy Notice, Employer's Memorandum of Understanding and Member frequently asked questions.

7 Business Plan.

The Chief Treasury & Technical Officer reported for approval the Pension Fund Committee Business Plan 2018-2019 to provide a working framework for the Fund's programme of work.

Appendix 1 provided the Annual Business Plan 2018-2019, Appendix 2 the Pension Fund Risk Register and Appendix 3 the Pension Fund Budget 2018-19.

The Chair requested that reference to the Well-being of Future Generations (Wales) Act 2015 be added to the Plan.

Resolved that: -

- 1) The City & County of Swansea Pension Fund Annual Business Plan 2018-19 is noted and approved;
- 2) The Chief Treasury & Technical Officer includes reference to the Well-being of Future Generations (Wales) Act 2015 in the Business Plan.

8 Training Plan.

The Chief Treasury & Technical Officer reported the Pension Fund Committee Member Training Plan for approval.

The training undertaken during 2017-2018 and the proposed training for 2018-2019 was provided.

Resolved that the training identified for Members in Section 3.7 of the report be approved.

9 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)

10 Wales Pension Partnership Update.

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

Appendix 1 provided the latest timetable and progress update for the implementation of the Wales Pension Partnership ACS.

11 Environmental Social Governance (ESG) Policy Update.

The Chief Treasury & Technical Officer provided a 'for information' report which presented an update on low carbon indices.

Appendix 1 provided the Blackrock MSCI Low Carbon Index Factsheet.

12 Report of the Investment Consultant.

A 'for information' report presented the quarterly report to summarise the Fund's asset valuations and performance over periods to 31 March 2018.

The quarterly report from Hymans Robertson was attached at Appendix 1.

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

13 Report of the Independent Advisor.

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

The quarterly report ended 31 March 2018 from the independent investment advisor, Mr Noel Mills was attached at Appendix 1.

The content of the report was noted by the Committee and the independent investment advisor was thanked for his report.

14 Investment Summary.

The Chief Treasury & Technical Officer provided a 'for information' report which presented the investment performance for the quarter, year and 3 years ended 31 March 2018.

The quarterly investment summaries for the Pension Fund for the quarter, year and 3 years ended 31 March 2018 were attached at Appendix 1.

15 Fund Manager's Presentations:

A presentation was made by Chris Head and Funmi Osiyemi of Blackrock.

The managers provided the Committee with information regarding passive mandate and fund of hedge funds. 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 Manager(s) for attending the meeting.

The meeting ended at 12.30 pm

Chair