



City and County of Swansea

## Minutes of the **Local Pension Board**

Committee Room 6, Guildhall, Swansea

Thursday, 13 February 2020 at 10.00 am

**Present:** I Guy (Chair) Presided

### **Employer Representatives**

D Mackerras Councillor T M White

### **Local Pension Board Member Representatives**

D White R Broad

### **Officer(s)**

Jeffrey Dong Deputy Chief Finance Officer / Deputy Section 151 Officer.  
Stephanie Williams Principal Lawyer  
Jeremy Parkhouse Democratic Services Officer

### **Apologies for Absence**

#### ***Employer Representatives***

Councillor A Lockyer

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## **29 New Local Pension Board Member.**

The Chair welcomed Rosemary Broad, GMB to her first Local Pension Board meeting.

## **30 Disclosures of Personal and Prejudicial Interests.**

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

R Broad – Agenda as a whole – GMB Full Time Officer – personal.

I Guy – Agenda as a whole – Member of Local Government Pension Scheme – personal.

D Mackerras – Agenda as a whole - Member of Local Government Pension Scheme – personal.

D White – Agenda as a whole – Member of Local Government Pension Scheme – personal.

Councillor T M White – Agenda as a whole – Member of Local Government Pension Scheme and my daughter is a Member of Local Government Pension Scheme – personal.

**Officers:**

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

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

J Parkhouse – Agenda as a whole – Member of Local Government Pension Scheme and Minute No.34 – Annual Report 2018/19 – Clerk of Llanrhidian Higher Community Council – personal.

**31 Exclusion on the Public.**

The Board 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 Board 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)**

**32 Report of the Appointed Actuary.**

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report which provided an overview of the 2019 Actuarial Valuation of the City & County of Swansea Pension Fund.

Chris Darby of AON presented the Actuarial Valuation as at 31 March 2019, which was provided at Appendix 1. The Board asked a number of questions of the AON representative, which were responded to accordingly.

It was also commented that feedback could be provided to Pension Fund members to highlight the work being done on their behalf.

The Chair thanked the AON representative for providing the report.

**Resolved** that additional communications to Pension Fund members regarding the performance of the Fund, be discussed at a later date.

**(Open Session)**

**33 Minutes.**

**Resolved** that the Minutes of the Local Pension Board meeting held on 15 October 2019 be signed and approved as a correct record.

**34 Annual Report 2018/19.**

The Deputy Chief Finance Officer / Deputy S151 Officer presented 'for information' the City & County of Swansea Pension Fund Annual Report 2018/19. It was explained that the Wales Audit Office had completed their audit of the Annual Report 2018/19 in line with their audit plan presented to Board earlier in the year. The City & County of Swansea Annual Report 2018/19 was provided at Appendix 1. The Board noted the very positive report.

**35 Competition and Markets Authority Report.**

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report on setting measurable objectives for appointed investment consultants as required by Competitions and Market Authority (CMA) requirements.

The report outlined CMA requirement, the importance of objectives, establishing objectives for consultants, measuring success in practice and reporting compliance.

The Chair highlighted that there was no reference to the Local Pension Board in the Investment Consultant Performance Objectives at Appendix 1.

**Resolved** that the Investment Consultant Performance Objectives at Appendix 1 be amended to integrate reference to the Local Pension Board throughout the document.

**36 Breaches.**

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 Local Pension Board meeting in October 2019. The details of the breaches and the actions taken by Management were highlighted.

It was added that in future, any GDPR breaches relating to the work of the Pension Section would also be reported.

**37 Administering Authority Resourcing.**

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report on the recommended resourcing enhancements outlined within the report. The different areas of work undertaken by the Pensions Administration and Pension Fund Investment Teams were explained.

It was outlined that the role of Senior Pensions Communications Officer would assist the Pensions Administration Section in addressing the evolving demands of the Service. It was explained that the role would be filled from internal resources, the role profile would be job evaluated and appropriate HR advised recruitment and selection processes would be adopted to appoint to this role.

In addition, it was explained that the creation of the role of Pension Fund Investment and Accounting Manager be created and filled from existing resources and would assist the Pension Fund Investment Section to help to address the increasingly complex workload. The subsequent role profile would be job evaluated and appropriate HR advised recruitment and selection processes would be adopted to appoint to this role.

The Board commented upon filling the posts in good time in order to support the Pensions Section.

**38 Exclusion of the Public.**

The Board 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 Board 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)**

**39 Wales Pension Partnership Update.**

The Deputy Chief Finance Officer / Deputy S151 Officer presented a 'for information' report, which updated the Board on the progress of the Wales Pension Partnership asset pooling.

Appendix 1 provided the progress and update report provided by the ACS Operator Link Asset Services.

Referenced within the update is the timeline for the launch of the tranche 3 fixed income fund, this has been rescheduled and will now take place in Q1 2020.

It was added that collective training for all Wales Pension Fund Committee and Local Pension Board members had been arranged at the end of February 2020 at Llandrindod Wells.

**Resolved** that details of the training be forwarded to Rosemary Broad, the new Local Pension Board member.

**40 Report of the Investment Consultant.**

The 'for information' report of the Investment Consultant presented the Quarter 3 2019 Investment Monitoring Report.

The content of the report was noted by the Board.

**41 Report of the Independent Advisor.**

The "for information" report presented the economic update and market commentary from the perspective of Mr Noel Mills, Appointed Independent Investment Advisor.

The quarterly report ending 30 September 2019 was attached at Appendix 1.

It was added that Noel Mills, Independent Advisor had retired from his role and the Council was considering its options at present in relation to appointing a replacement.

**42 Investment Summary.**

The Deputy Chief Finance Officer / Deputy S151 Officer provided a "For Information" report, which presented the investment performance for the quarter, year and 3 years ended 30 September 2019.

The quarterly investment summaries for the Pension Fund for the quarter, year and 3 years ended 30 September 2019 were attached at Appendix 1.

**43 Local Pension Board - Next Scheduled Meeting.**

It was requested that due to unavailability of members, the next Local Pension Board meeting be moved to May 2020.

**Resolved** that the Democratic Services Officer circulates a proposed date for the next meeting in May 2020.

The meeting ended at 12.08 pm

**Chair**