



City and County of Swansea

Minutes of the Pension Fund Committee

Multi-Location Meeting - Gloucester Room, Guildhall / MS

Teams

Thursday, 13 July 2023 at 11.00 am

Present:

Councillor(s)

P N Bentu
M W Locke

Councillor(s)

P Downing
W G Thomas

Councillor(s)

M B Lewis

Neath Port Talbot Council Co-opted Member

Philip Rogers

Advisors

Philip Pearson

Advisor - Hymans Robertson

Officer(s)

Karen Cobb
Jeremy Parkhouse
Jeffrey Dong

Investment & Accounting Manager
Democratic Services Officer
Deputy Chief Finance Officer / Deputy Section 151
Officer
Lawyer

Carolyn Isaac

Also present

Gillian Gillet
Ian Guy

Audit Wales
Chair of the Local Pension Board

Apologies for Absence

Councillor(s): J P Curtice

1 To Elect the Chair of the Pension Fund Committee for the 2023-2024 Municipal Year.

Resolved that Councillor M B Lewis be elected Chair for the 2023-2024 Municipal Year.

(Councillor M B Lewis presided)

2 To Elect the Vice-Chair of the Pension Fund Committee for the 2023-2024 Municipal Year.

Resolved that Councillor P Downing be elected Vice-Chair for the 2023-2024 Municipal Year.

3 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, P Downing, M B Lewis, P Rogers and W G Thomas declared personal interests in the agenda as a whole.

Ian Guy declared a personal interest in the agenda as a whole.

Officers:

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

4 Minutes.

Resolved that the Minutes of the Pension Fund Committee meeting held on 15 March 2023 be signed and approved as a correct record.

Noted - The Chair was pleased to announce that the City & County of Swansea Pension Fund had been shortlisted alongside other much larger LGPS funds (Greater Manchester, Lothian and South Yorkshire) in the LAMP Pension Fund of the Year 2023 > £2.5bn with the awards being announced on 14 September 2023.

The nomination was based largely on the LGPS League table topping investment return in the 3 years to 31/3/2023, where Swansea was the number 1 ranked LGPS fund, alongside the continued implementation of its net zero 2037 investment strategy.

5 2023 Audit Plan - City & County of Swansea Pension Fund.

Gillian Gillett, Audit Wales presented the Audit Wales 2023 Outline Audit Plan – City and County of Swansea Pension Fund.

The report outlined the high level areas and approach Audit Wales would adopt during 2023 to discharge its statutory responsibilities and changes in approach in respect of the newly introduced ISA 135 as external auditor and to fulfil its obligations under the Code of Audit Practice to examine and certify whether the Pension Fund accounting statements were 'true and fair'.

The usual detailed plan shall be presented at the Pension Fund Committee in Sep 2023. The purpose of the plan is to set out the proposed work, when it would be undertaken, how much it would cost and who would undertake it.

6 Breaches Report.

Jeff Dong, 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 March 2023. The details of the breaches and the actions taken by Management were noted.

7 Wales Pension Partnership (WPP) Business Plan 2023-2026.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought approval of the Wales Pension Partnership (WPP) Business Plan and to note the progress of the current year Business Plan.

It was outlined that in line with best practice, the WPP produced a business plan to inform its work programme for the forthcoming 36-month period. The Business Plan for 2023- 2026 was provided at Appendix 1.

Resolved that the Wales Pension Partnership Business Plan 2023-26 be approved and progress of the in-year plan be noted.

8 Admission Body Status.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought approval of the admission body application for Mrs Bucket.

It was outlined that the City & County of Swansea Pension Fund already had a number of such employers admitted into the scheme e.g. Tai Tarian, Celtic Leisure. All of these employers had completed Admission Agreements with associated sponsoring employer guarantee.

It was explained that Secondary Schools within the Swansea LEA are autonomous bodies with the discretion to commission certain services as they see fit. Following a service review exercise by YGG Tirdeunaw into school cleaning services, the school had determined to appoint Mrs Bucket (Commercial Cleaning Services) to undertake the cleaning services at the school. These cleaning services were previously provided by Swansea Council under service level agreement. A fact sheet on Mrs Bucket was provided at Appendix A.

Under the contract conditions, the current eligible (s) was transferred under TUPE arrangements from the current employer, Swansea Council to Mrs Bucket. In order to preserve the pension rights of the transferred member of staff, it was proposed that Mrs Bucket be granted Admitted Body status to the City & County of Swansea Pension Fund and that the admission be granted on a closed scheme basis, to include only the named staff in schedule 1 of the admission agreement.

It was noted that the admission agreement shall require the requisite indemnity bond or sponsoring employer guarantee to be secured by the sponsoring employer, Swansea Council. The Administering Authority shall also undertake the appropriate risk assessment of the admitted body Mrs Bucket as part of the Admission Body Agreement.

Resolved that: -

- 1) The Pension Fund Committee approves the Admission Body Application of Mrs Bucket, subject to completion of a satisfactory Admission Agreement (which recognises the start date of the contract).
- 2) The Deputy Chief Finance Officer is given delegated authority to finalise the Admission Agreement with appointed legal advisors as outlined in the report.

9 Pension Dashboard Preparedness Resourcing.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought approval of a report to ensure the Pension Fund Administration Section is appropriately resourced to deliver Pension Dashboard Preparedness.

The Committee were provided with the background, details regarding the pensions dashboard and actions required to be 'dashboard ready'.

It was added that in order to meet the preparedness and integration requirements demanded by the implementation of Pensions Dashboard for LGPS for the City & County of Swansea Pension Fund, it was recommended to appoint 1 Assistant Communications & Training Officer, with total costs (including on costs) being £34,093. The remit of the post was also outlined.

Resolved that: -

- 1) The resourcing identified in paragraph 4.1 of the report, be approved.
- 2) The Deputy Section 151 Officer be delegated to recruit and appoint the same.

10 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)

11 Wales Pension Partnership (WPP) Progress Update.

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

Resolved that: -

- 1) WPP RAID Log and JGC Update Report at Appendices 1 and 2, be noted.
- 2) The WPP Training Plan at Appendix 4, be approved.

12 Business Plan and Investment Strategy Update.

The Deputy Chief Finance Officer / Deputy S151 Officer presented a report which sought to update the Pension Fund Committee of the progress of some key objectives in the business plan and investment strategy.

Resolved that: -

- 1) the progress made to date on previously approved recommendations in section 2.1-2.4 of this report be noted and approved.
- 2) the commission of the formal investment strategy review in 2.5 be noted and approved.
- 3) the deferred timeline identified in 3.2 for the procurement of investment consultants be noted and approved.

13 Report of the Investment Consultant.

Philip Pearson, Investment Consultants, Hymans Robertson presented 'for information' the Quarter 1 2023 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.

14 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 March 2023.

15 Fund Manager's Presentation(s):

A presentation was made by and Aidan Quinn, Gerald Fitzpatrick and Will Pearce 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 12.40 pm

Chair