

MEETING	PENSIONS COMMITTEE
DATE	22 MAWRTH 2013
PURPOSE	UPDATE THE COMMITTEE ON THE WELSH PENSIONS COLLABORATION PROJECT
TITLE	WELSH LOCAL GOVERNMENT PENSION FUNDS - WORKING TOGETHER
AUTHOR	CAROLINE ROBERTS, INVESTMENT MANAGER

1. INTRODUCTION

- 1.1** The Committee is aware of the project undertaken by the Pensions Subgroup of the Society of Welsh Treasurers and a copy of the interim report was circulated to the members of the Committee on 1st March 2013. The report is currently out to consultation with interested parties including all employers in the Welsh local government funds.

2. CONSULTATION

- 2.1** The main recommendations of the report are as follows:
- Produce a full Business Plan for a common investment approach.
 - Create an appropriate and responsive governance structure to drive future collaboration.
 - Build on current collaboration to achieve improvements, consistency and efficiency in administration.
- 2.2** A copy of the consultation questions are attached as Appendix A.

3. RECOMMENDATION

- 3.1** The Committee will need to decide on its response to the report. **It is recommended** to wait until the results of the consultation are available and the resulting recommendation from the Pensions Subgroup before a decision is made.

APPENDIX A

Welsh Local Government Pension Funds - Working Together Consultation on the Interim Report

The Interim Report sets out the key conclusions and recommendations arising from the investigative work undertaken as part of this Collaboration Project. The Project Board is keen to gather the views of key stakeholders on these recommendations and would welcome feedback through this consultation survey. Should you have any queries please contact: Keely Jones (tel: 029 20909507, email: keely.jones@dataunitwales.gov.uk) - accessing and using the online survey or to request a paper copy Mari Thomas (email: mari.thomas@wlga.gov.uk) - consultation content

To start the survey, please click 'Next'.

Section 1: Preliminary Questions

1: In what capacity are you responding to this consultation?

Please tick one option only

- | | |
|---|--|
| <input type="checkbox"/> Local Government Pension Scheme (LGPS) Administering Authority | <input type="checkbox"/> County / County Borough Council (non-LGPS Administering Authority) |
| <input type="checkbox"/> Fire and Rescue Authority in Wales | <input type="checkbox"/> Police and Crime Commissioners in Wales |
| <input type="checkbox"/> National Probation Service in Wales | <input type="checkbox"/> Other scheduled and admitted bodies to the LGPS Funds in Wales |
| <input type="checkbox"/> Trade Unions / Employee representatives | <input type="checkbox"/> National body (including Welsh Government, WLGA, CIPFA in Wales, Association of Consulting Actuaries) |
| <input type="checkbox"/> Scheme Member / Pensioner | <input type="checkbox"/> Other |

1.1: Please Specify

2: Select the pension fund that your organisation is associated with:

Please tick one option only

- | | |
|---|--|
| <input type="checkbox"/> Gwynedd Pension Fund | <input type="checkbox"/> Clwyd Pension Fund (administered by Flintshire County Council) |
| <input type="checkbox"/> Powys Pension Fund | <input type="checkbox"/> Dyfed Pension Fund (administered by Carmarthenshire County Council) |
| <input type="checkbox"/> City and County of Swansea Pension Fund | <input type="checkbox"/> Rhondda Cynon Taf Pension Fund |
| <input type="checkbox"/> Cardiff and Vale of Glamorgan Pension Fund | <input type="checkbox"/> Greater Gwent (Torfaen) Pension Fund (administered by Torfaen County Borough Council) |
| <input type="checkbox"/> Not applicable (e.g. if responding on behalf of a national body) | |

Consultation Questions

3: Recommendation 1 states:

The "as is" or no change option is not supported. The pensions environment requires a more pro-active approach to managing service standards and costs within the LGPS within Wales.

Do you agree or disagree with this recommendation?

Please tick one option only

- | | |
|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> |
| Agree | Disagree |

4: **Please add comments if you wish:**

5: Recommendation 2 states:

Enhanced collaboration is seen as the area where medium term savings can be optimised. This is the option where the balance of service delivery and efficiency, cost of change, time and resource can be blended in the most effective way and should be pursued further.

Do you agree or disagree with this recommendation?

Please tick one option only

Agree

Disagree

6: Please add comments if you wish:

7: Recommendation 3 states:

To create a business case for a common investment approach to encompass the common attributes that appear to benefit larger funds with the aim of implementation thereafter.

Do you agree or disagree with this recommendation?

Please tick one option only

Agree

Disagree

8: Please add comments if you wish:

9: Please indicate whether you agree or disagree with the following aspects of Recommendation 4:

Please tick one option only in each row

Create an appropriate and responsive governance structure to drive and manage future collaboration initiatives within Wales

Agree

Disagree

Explore the potential in the longer term of consistent Valuation and funding assumptions and standards

Agree

Disagree

Develop minimum administrative service standards for Wales and an agreed measurement framework

Agree

Disagree

Take advantage of joint procurement initiatives to help consistency and efficiencies

Agree

Disagree

10: Please add comments if you wish:

11: Recommendation 5 states:

The prospect of merger to regional funds or a single Welsh Fund is both complex and the transition would be costly with a long lead- in time and a loss of local autonomy. Changing funding strategies could also have a destabilizing effect with a loss of local accountability. Whilst this may merit additional investigation in the future, it is not recommended for further work at this time, especially where it is believed that the most significant gains can be realised through greater collaboration and, specifically a common investment approach.

Do you agree or disagree with this recommendation?

Please tick one option only

Agree

Disagree

12: Please add comments if you wish:

About you

14: For validation purposes, please provide your name and contact details below.

Your name:

--

15. Your telephone number:: _____

16. Your email address::

17. If you do not wish to be contacted please tick this box:

Thank you.