



# Complete Agenda

**Democratic Service**  
Swyddfa'r Cyngor  
CAERNARFON  
Gwynedd  
LL55 1SH

Meeting

**PENSION BOARD**

Date and Time

**1.00 pm, TUESDAY, 4TH FEBRUARY, 2025**

Location

**Virtual Meeting**

Contact Point

**Lowri Haf Evans**

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(DISTRIBUTED 27/01/25)

# **PENSION BOARD**

## **MEMBERSHIP**

### **EMPLOYER REPRESENTATIVES**

**Sioned Parry (Conwy County Borough Council)**

**Edward Michael (Isle of Anglesey County Council)**

**Vacant seat (Cyngor Gwynedd)**

### **MEMBER REPRESENTATIVES**

**Hywel Eifion Jones (retired – formerly Isle of Anglesey County Council)**

**Osian Richards (Gwynedd Council)**

**Anthony Deakin (retired – formerly Cartrefi Conwy)**

# **A G E N D A**

## **1. APOLOGIES**

To receive any apologies for absence

## **2. DECLARATION OF PERSONAL INTEREST**

To receive any declaration of personal interest

## **3. URGENT ITEMS**

To note any items which are urgent business in the opinion of the Chairman so that they may be considered

## **4. MINUTES**

4 - 7

The Chairman shall propose that the minutes of the meeting of this committee held on 14 October 2024 be signed as a true record.

## **5. REVIEW OF STRATEGIC OBJECTIVES FOR THE FUND'S INVESTMENT CONSULTANTS**

8 - 13

To report progress against current objectives and to note future objectives

## **6. BUDGET FOR 2025/26**

14 - 15

To note the 2025/26 financial year budget for the Pensions Administration and Investment sections.

## **7. PENSION FUND ADMINISTRATION POLICIES**

16 - 37

To review and feedback on the policies to ensure they meet the highest standards of practice. Scrutiny and approval are essential for the successful implementation of these policies.

## **8. RESULTS OF THE LGPS NATIONAL KNOWLEDGE ASSESSMENT 2024**

38 - 63

To consider the report

## **9. AMENDED WORK PLAN**

64 - 65

To consider the above program and suggest additional items or changes

## PENSION BOARD 14-10-24

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### **Present::**

Anthony Deakin, Eifion Jones and Osian Richards (Member Representatives)

Ned Michael, Sioned Parry (Employer Representatives)

**Officers:** Dewi Morgan (Head of Finance Department), Ffion Madog Evans (Assistant Head of Finance – Accountancy and Pensions), Delyth Jones Thomas (Investment Manager), Meirion Jones (Pensions Manager) and Lowri Haf Evans (Democracy Services Officer)

### **OTHERS INVITED**

Cllr Medwyn Hughes (Chair of the Pensions Committee) – observing

#### **1. APOLOGIES**

None to note

#### **2. DECLARATION OF PERSONAL INTEREST**

None to note

#### **3. URGENT ITEMS**

The Head of Finance Department stated that he had received a message of resignation from the Board from Cllr Beca Roberts, who conveyed her gratitude for the opportunity to serve on the Pension Board and for the support of the members and officers during her time as a Board Member. He reiterated that steps had been taken to find a New Member – in line with the terms of reference the appointment (as an employer representative) would be restricted to Cyngor Gwynedd Members and staff only.

#### **4. MINUTES**

The Chair signed the minutes of the previous meeting of this committee held on 8 July 2024 as a true record.

#### **5. PENSIONS COMMITTEE MINUTES**

Submitted for information – the minutes of a Pensions Committee held on 16 September 2024. Ned Michael had attended the meeting on behalf of the Board.

In response to a question regarding an item on Treasury Management and the Council's continued investment with other Local Authorities and whether there was any risk with this bearing in mind that some Authorities were announcing that they were unable to balance their budgets without support, it was noted that Arlingclose were employed by the Council to monitor the investment work and they highlighted those Local Authorities with whom the Council should not invest. He added that this list was updated regularly.

In response to a question regarding the tendering processes for appointing a new Investment and Actuarial Consultant for the Fund, and the number who had applied, it was confirmed that four companies out of the seven on the LGPS national framework had applied for the investment consultant tender and two companies out of four on the framework had applied for actuarial services.

## **6. RELEVANT AUDIT OF THE GWYNEDD PENSION FUND ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2024**

A (draft) annual report was submitted by the Investment Manager, detailing the activities of the Pension Fund during the year ending on 31 March 2024. The report included the financial statements that had been audited by Audit Wales and approved by the Pensions Committee at its meeting on 16 September 2024.

The Members were reminded that a draft of the accounts had been presented to them in July 2024, and although there were no changes to the main statement, she highlighted some statements in the notes that corresponded to the core accounts. She reiterated that the Annual Report, in accordance with the CIPFA guidance, included details of membership, administration, investments, financial performance, the actuary's report, accounts, and a reference to the five standard statements.

She also presented the ISA260 report on behalf of the Auditor General for Wales, which detailed the findings of the audit.

It was noted that the report would be submitted in its final form to the Fund's Annual General Meeting on 25 November 2024, and the Members were encouraged to attend that meeting.

The members expressed their gratitude for the report and to the staff associated with preparing the work – it was a clean and timely statement.

**RESOLVED to note the ISA260 report by Audit Wales and the Gwynedd Pension Fund Annual Report for 2023/24.**

## **7. WALES PENSION PARTNERSHIP UPDATE**

The Investment Manager submitted a report, providing a formal update to members on the work of the Wales Pension Partnership (WPP). She noted that the report was now a regular report for the Board and was a very important element of the Gwynedd Pension Fund where 85% of the fund had now been pooled.

She reported that the Head of Finance Department and the Investment Manager represented the Fund in all the pool's meetings, and that the joint-working continued to work well on matters such as responding to freedom of information requests, voting and engagement and generally sharing good practice across the funds.

She drew attention to the funds, highlighting that the funds' performance overall had lagged behind the benchmark since the beginning, specifically because the benchmark that had been set was challenging e.g. for the Sustainable Equity Fund, the benchmark used was the MSCI All Country World Index, which included all the companies, but the Fund was restricted in terms of which companies it could invest in them. It was explained that the Global Growth Fund had been in existence for over five years and had been underperforming the benchmark. Subsequently, it was reported that it would be timely to review this fund. It was noted that Russell

Investments were looking at the structure of this fund and were changing the managers within the portfolio – Gwynedd officers, the Fund's advisers, Hymans Robertson and WPP officers would closely monitor the funds in future.

In the context of developments in the property field, it was noted that the procurement process for appointing property investment managers had been completed. Attention was drawn to the requirements of establishing a property investment portfolio which included the requirement to develop an investment programme that used funds' investments and direct investments in strategies that made a difference in the UK, with a minimum of 50% of assets located in Wales. She added that the Gwynedd Pension Fund would consider its property portfolio in due course, and would take full advantage of these options.

Reference was made to a very recent development, which was the 'Call for Evidence' pensions review with the Chancellor launching a landmark pensions review to boost investment, increase savings pots and tackle waste in the pensions system. The first stages of the review would ask funds to consider whether the number of active pools should be reduced, and the Gwynedd Pension Fund's response had been included as an appendix to the report, which expressed that the partnership between Gwynedd and the Wales Pension Partnership worked well, and that there were advantages of working together within Wales e.g. the Welsh Language, the Future Generation Act, and also the fact that the partnership had established a number of sub-funds that met the needs of the funds, and that they were keen to make local investments – interfering with this would divert this money to the UK instead of Wales.

Feedback was received from Sioned Parry and Osian Richards who had attended a recent engagement meeting with the other pension boards from Wales, which had been arranged by the WPP Host Authority (Carmarthenshire County Council). Osian Richards noted that he had suggested that a policy officer should be appointed to develop policies and work with the officer of the operational group, rather than appointing an external consultant. It was considered that this would be a good opportunity for Wales to show good governance, would reinforce the reasoning for the Wales pool to remain in Wales, and show that the WPP had prepared in advance to prove the value of keeping the pool in Wales.

The members thanked the officer for the report

Observations arising from the ensuing discussion:

- It was good to see that investments in the Fund were continuing to increase
- Agreed with the comments of the Council and the Partnership regarding the 'Call for Evidence' review, particularly the comment about the Welsh language
- Pensions were just deferred salaries and not government money – although there was incentive to invest, it must be ensured that the money was safe
- Wales Pension should stay in Wales and be invested in Wales
- The funds within the partnership were still working together – there was concern that political discussions were emerging from this rather than financial discussions.

In response to a question as to whether the Chancellor had consulted with the Welsh Government, the Head of Finance Department stated that the Welsh Government had been part of the discussions, but he was not aware of the Welsh Government's response to the consultation. He added that the consultation was open for anyone to make representations – there was no restriction on it.

**RESOLVED to note the information.**

## **8. LAPF STRATEGIC INVESTMENT FORUM AND THE LGC INVESTMENT AND PENSIONS SUMMIT**

The Investment Manager highlighted that a LAPF Strategic Investment Forum and the LGC Investment and Pensions Summit had been held in recent months, and that Anthony Deakin had attended on behalf of the Board. Tony was invited to give feedback to the Members from the two conferences and from the information sessions that had been of interest to him, such as:

- The potential effect that geopolitical factors had on the world e.g. USA policies, and China's economic trajectory.
- An overview of the investment market conditions suggested that there were better opportunities for small and medium-sized businesses
- Investing for positive social outcomes in the UK – what kind of incentive can the Government offer to boost markets
- Responsible investment and disinvestment – a discussion about fossil fuels
- New emerging investment trends – he referred to 'Blue Bonds' which offer long-term sustainability objectives and benefits in biodiversity issues

## **9. HYMANS ROBERTSON NATIONAL KNOWLEDGE ASSESSMENT**

A report was submitted by the Pensions Manager providing information about the National Knowledge Assessment which was a valuable resource developed by Hymans Robertson for stakeholders to improve their understanding and have the required knowledge to navigate the complexities of pension schemes. It was highlighted that the assessment would provide the fund with an insight into the knowledge levels of the Pensions Committee and the Pension Board as well as benchmarking scores against other participating Funds. It was noted that the assessment included eight key areas for achieving a standard of good governance and that the assessment was in the form of an online questionnaire.

It was reiterated that the results will be useful for creating targeted training schemes for Members in the future, and he encouraged everyone to get involved.

**RESOLVED to note the content of the report.**

## **10. PENSION CONFERENCES**

A report listing pensions conference dates for 2025 was submitted. It was noted that the dates had already been shared with the Members of the Pensions Committee and that the conferences gave the Committee and Board Members an opportunity to enhance their knowledge and discuss current affairs. The Members were asked to consider the dates and express their interest to the Investment Manager in those events that were convenient for them. It was reiterated that they planned to formalise the attendance list, so as to have a system that was fair to everyone, with fair representation.

The members expressed their thanks for the report.

**RESOLVED to note the list of conferences for 2025.**

The meeting commenced at 1.00pm and concluded at 1.35pm.

MEETING: **PENSION BOARD**

DATE: **4 FEBRUARY 2025**

TITLE: **REVIEW OF STRATEGIC OBJECTIVES FOR THE FUND'S INVESTMENT CONSULTANTS**

PURPOSE: **To report progress against current objectives and to note future objectives**

AUTHOR: **DELYTH JONES-THOMAS, INVESTMENT MANAGER**

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## 1. INTRODUCTION

At the end of 2018, following a review of the investment consulting and fiduciary management markets, the Competition and Markets Authority (“CMA”) stipulated that Pension Scheme Trustees should set objectives for their investment consultants. These objectives are set and reviewed each year.

## 2. ESTABLISHING OBJECTIVES FOR INVESTMENT CONSULTANTS

The CMA states that objectives for consultants should include a clear definition of the outcome expected, and should be:

- ‘closely linked’ to the pension scheme’s strategic objectives
- reviewed at least every three years, and after a significant change to the investment strategy or objectives

Establishing long term objectives is part of a well organised governance approach. The extension to set objectives for investment consultants could be regarded as a natural progression towards all stakeholders being aligned towards a common goal.

## 3. GWYNEDD PENSION FUND OBJECTIVES FOR INVESTMENT CONSULTANTS

The objectives for Gwynedd Pension Fund can be found in Appendix 1, with the progress reported against them during 2024.

## 4. FUTURE OBJECTIVES

The future objectives have been noted in Appendix 2. They remain broadly similar but the following have been added:

- Triennial valuation
- Establishing a net zero date and steps to reduce carbon emissions
- Developing knowledge of the government’s consultation on the future of the LGPS and how this will affect the operation of the fund

## 5. RECOMMENDATION

The Board is asked to note the progress report and the Investment Consultants’ objectives for the upcoming year.



<b>Consultant's Objectives</b>	<b>Progress report during 2024</b>
<p>1. Advise on a suitable investment strategy, and amendments to the strategy, to deliver the required investment returns from the Fund's investments to support progress towards a long-term steady state of funding.</p>	<p>The Fund receives advice on commitments to private market mandates in order to maintain target allocations.</p> <p>The Fund has carefully considered options available to it as the Lothbury Property Fund terminated, receiving advice throughout. Ultimately, the holdings will be liquidated and proceeds returned directly to the Fund.</p> <p>The Fund received advice on the evolution of the WPP active equity mandates.</p> <p>The Fund received advice in support of indicative allocations to passive equity solutions via BlackRock and WPP Property solutions.</p> <p>The Fund received advice on forecasting of private market capital requirements to aid liquidity needs.</p> <p>The Fund's returns over 12 months to 30 September 2024 were in excess of 12%, and remain above 7.5% since inception.</p>
<p>2. Deliver an investment approach that reflects the Fund's cashflow position, and likely evolution, and minimises the risk of forced disinvestment.</p>	<p>Advice was provided on a cashflow waterfall to ensure there is sufficient liquidity to meet private market commitments. A framework has been agreed and liquidity needs continue to be monitored based on the managers' capital call projections.</p> <p>The 2022 actuarial valuation indicated the Fund is expected to be cashflow positive (annual income exceeds annual outgo) for a number of years. This will be reviewed at the 2025 actuarial valuation.</p>
<p>3. Advise on the cost efficient implementation of the Fund's investment strategy as required, taking into account the evolution of the Wales Pension Partnership.</p>	<p>WPP develops investment mandates, and the Fund takes advice from its investment consultant on their use in the Fund's investment strategy, though the Fund may consider non-pool investment mandates where suitable oversight is provided through WPP.</p>

	<p>Private market allocations continue to run off for non-pooled holdings and draw down for pooled solutions.</p> <p>Initial advice was received by the Fund in preparation for pooling of property mandates.</p> <p>The Fund continues to assess the evolution of passive equity solutions that embed WPP's responsible investment (RI) expectations.</p>
<p>4. Ensure advice complies with relevant pensions regulations, legislation and supporting guidance.</p>	<p>All arrangements remain compliant.</p> <p>There have been no recent regulatory changes that the Fund needed to be aware of, although the Fund continues to monitor expected legislative changes (e.g. TCFD and LGPS asset pooling). Guidance is provided by the investment consultant as seen fit by the Fund in relation to pooling of assets as noted in 3, above.</p>
<p>5. Develop the Committee's policies and beliefs, including those in relation to Responsible Investment.</p>	<p>The Fund updated its Investment Strategy Statement over the year.</p> <p>The Investment Consultant supported CIPFA risk reporting as requested.</p> <p>The Fund developed a RI policy in 2022 which continues to guide its investment decision-making and evolve as appropriate.</p>
<p>6. Ensure our advice reflects the Committee's own policies and beliefs, including those in relation to Responsible Investment considerations.</p>	<p>Advice has been provided on new investments, to ensure these are consistent with the Fund's investment strategy and RI policy. The Fund will be undertaking further work in relation to climate related risk and net zero over 2025.</p>
<p>7. Provide relevant and timely advice. Services shall be proportionate and competitive in terms of costs relative to consultant peer group. Services should adhere to agreed budgets and be transparent, itemising additional work with fees in advance.</p>	<p>The Fund undertook a retender for investment consultancy services over 2024, and reappointed Hymans Robertson. Costs and quality of services were components of this assessment.</p> <p>Timely advice and regular updates are given, including quarterly performance monitoring, advice on rebalancing and support on asset transitions.</p> <p>Hymans' fees are in line with peer group, with fixed fees for certain core tasks, and time-cost</p>

	<p>fees for additional tasks. Large project fees are agreed in advance.</p> <p>Hymans provide annual scope plans, use pre-agreed budgets and itemise where possible.</p> <p>Hymans is working with the Fund to establish a scope and plan for 2025.</p>
<p>8.Help the Committee develop knowledge and understanding of investment matters.</p>	<p>Hymans have not provided any direct training on new asset classes but support in this regard is provided through WPP.</p> <p>The investment consultant keep the Panel updated on market developments via presentation of the quarterly performance reports.</p> <p>The investment consultant joins and supports meetings with investment managers to ensure the Panel maintain and develop understanding of its allocations.</p> <p>Hymans support as required in relation to pooling, following government consultation on the LGPS.</p>
<p>9. Develop the Committee’s knowledge on ESG and climate risk.</p>	<p>Hymans continue to incorporate ESG and climate risk considerations in its advice.</p> <p>Over the period this included initial discussion on the evolution of WPP active equity mandates, and passive solutions provided by BlackRock that integrate the pool’s RI beliefs.</p> <p>The Fund continues to monitor the requirements relating to TCFD, measurement of carbon emissions for the portfolio and net zero targets.</p> <p>Further work on climate related risk and net zero alignment is planned for early 2025.</p>
<p>10. The investment consultant works collaboratively with the Fund’s actuary, asset managers, and custodian, as well as with other third parties including the pool’s operator and advisors.</p>	<p>Hymans work with the Fund’s actuary (also Hymans) as appropriate. Over the year this has included identifying an improvement in the Fund’s funding level and following up with investment advice. Hymans work with investment managers where relevant for performance reporting, and also projection of private market commitments to support efficient cashflow management.</p>



<b>Consultant's Objectives 2025</b>
1. Advise on a suitable investment strategy, and amendments to the strategy, to deliver the required investment returns from the Fund's investments and support progress towards a long-term steady state of funding. This includes advice following triennial actuarial valuation as appropriate.
2. Deliver an investment approach that reflects the Fund's cashflow position, and likely evolution, and minimises the risk of forced disinvestment.
3. Advise on the cost efficient implementation of the Fund's investment strategy as required, taking into account the evolution of the Wales Pension Partnership, and reform to LGPS pooling requirements.
4. Ensure advice complies with relevant pensions regulations, legislation and supporting guidance.
5. Develop the Committee's policies and beliefs, including those in relation to Responsible Investment.
6. Ensure our advice reflects the Committee's own policies and beliefs, including those in relation to Responsible Investment considerations.
7. Provide relevant and timely advice. Services shall be proportionate and competitive in terms of costs relative to consultant peer group. Services should adhere to agreed budgets and be transparent, itemising additional work with fees in advance.
8. Help the Committee develop knowledge and understanding of investment matters.
9. Develop the Committee's knowledge on ESG and climate risk, leading to establishing a net zero target date and a climate transition action plan setting out the actions the Committee will take to reduce carbon emissions.
10. The investment consultant works collaboratively with the Fund actuary, asset managers, and custodian, as well as with other third parties including the pool's operator and advisors.
11. Develop the Committee's knowledge of the government consultation on the future of the LGPS and how this will impact the operation of the Fund.

# Agenda Item 6

MEETING: **PENSION BOARD**

DATE: **4 FEBRUARY 2025**

TITLE: **BUDGET FOR 2025/26**

PURPOSE: **To present the 2025/26 financial year budget for the Pensions Administration and Investment sections.**

AUTHOR: **DELYTH JONES-THOMAS, INVESTMENT MANAGER**

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## 1. INTRODUCTION

- 1.1 The purpose of this report is to present the 2025/26 financial year budget for the Pensions Administration and Investment sections.
- 1.2 The budget was approved by the Pensions Committee at their meeting on 27th January 2025.

## 2. PENSIONS ADMINISTRATION SECTION

	<b>Final 2024/25 £</b>	<b>Inflation £</b>	<b>Adjustments £</b>	<b>Budget 2025/26 £</b>
Employees	982,800	43,280	(1,350)	1,024,730
Travel and Subsistence	1,440	0	0	1,440
Supplies and Services	298,220	6,590	0	304,810
Central Services	138,810	4,160	0	142,970
<b>Total</b>	<b>1,421,270</b>	<b>54,030</b>	<b>(1,350)</b>	<b>1,473,950</b>

### 2.1 Employees, travel and subsistence

The budget for this section consists of 23 full time posts (4 of which are temporary) and 2 part time posts.

Due to ongoing changes in the LGPS regulations, we have recently updated a small number of job descriptions. These updates are currently undergoing the job evaluation process.

At this stage, it is unclear whether these changes will result in an increase in salaries. However, should this occur, we will need to consider an increase in the budget to accommodate these adjustments.

### 2.2 Supplies and Services

The supplies and services include mainly printing, office materials and software costs.

### 2.3 Central Services

Central services comprise an element of the Head of Finance and ancillary staff costs, and support from Council services such as information technology, corporate and legal.

## 3. INVESTMENT SECTION

	<b>Final 2024/25 £</b>	<b>Inflation £</b>	<b>Adjustments £</b>	<b>Budget 2025/26 £</b>
Employees	133,060	5,810	0	138,870

### 3.1 Employees

This section is located within the main Central Finance department and therefore only an element of the posts is funded by the Pension Fund.

There are 3 full time posts with officer time divided between the Gwynedd Pension Fund and Cyngor Gwynedd. The following percentages of posts are funded by the Pension Fund:

- Investment Manager (90%)
- Pensions and Investment Officer (85%)
- Pensions and Treasury Management Assistant Accountant (50%)

## 4. WALES PENSION PARTNERSHIP, FUND MANAGER AND CONSULTANCY FEES

4.1 There is no budget set at this stage as the expenditure can vary significantly, but the expenditure is reported fully in the Fund's financial statements and Annual Report.

## 5. RECOMMENDATION

5.1 The Board is asked to note the 2025/26 financial year budget for the Pensions Administration and Investment sections.

<b>Meeting:</b>	<b>Pension Board</b>
<b>Date:</b>	<b>04/02/2025</b>
<b>Title:</b>	<b>PENSION FUND ADMINISTRATION POLICIES</b>
<b>Purpose:</b>	<b>To receive feedback on the new administration policies</b>
<b>Author:</b>	<b>Meirion Jones, Pensions Manager</b>

## 1. Introduction:

Over the years, our pension fund has operated with certain administrative policies that have guided our decisions and actions. However, these policies have not been formally documented. In alignment with the Pension Regulator General Code of Practice, we are now initiating the process of documenting these policies to ensure clarity, consistency, and compliance.

## 2. Purpose:

The purpose of this report is to present six key administration policies to the Pension Fund Board for scrutiny. These policies are crucial for the effective management and administration of the pension fund. Following the Board's review, it is anticipated that these policies will be approved by the Pensions Committee in March 2025.

## 3. Policies Presented:

### A. Proof of Life Policy for Pensioners Living Abroad (Attachment A):

- This policy outlines the procedures for verifying the existence of pension fund members residing outside the country to prevent fraudulent claims.

### B. Overpayment of Pension Policy (Attachment B):

- This policy details the steps to be taken in the event of pension overpayments, including recovery methods and member communication.

### C. Language Communication Policy (Attachment C):

- This policy establishes guidelines for accommodating members' language preferences in all communications to ensure inclusivity and accessibility.

### D. Gwynedd Pension Fund Document Distribution Policy (Attachment D):

- This policy defines the various methods of communication to be used with members, including digital and traditional channels, to ensure effective and timely information dissemination.

### E. Pension Fund Payslip Issuance Policy (Attachment E):

- This policy specifies the procedures for distributing payslips to members, including frequency, format, and delivery methods.

### F. Payment of Pension Benefits and Lump Sum Policy (Attachment F):

- This policy outlines the processes for the timely and accurate payment of pensions to members, ensuring compliance with regulatory requirements.



#### **4. Conclusion:**

The documentation of these policies marks a significant step towards enhancing the governance and administration of our pension fund. We seek the Board's thorough review and feedback on these policies to ensure they meet the highest standards of practice. Your scrutiny and approval are essential for the successful implementation of these policies.



# Cronfa Bensiwn **GWYNEDD** Pension Fund

## **Administration Policy Statements**

**Title:** Proof of Life Policy for Pensioners Living Abroad

### **1. Purpose**

Gwynedd Pension Fund has a duty to make sure that all pensions in payment are being received by the intended recipient. We need to try and identify any possible fraudulent claims or any overpayments of pensions to members who may have passed away, but we have not been notified.

For pensioners living in the United Kingdom, the Fund has numerous mortality screening options available. However, tracking mortality for members residing abroad is more challenging.

This policy outlines the procedures for verifying the entitlement of pensioners living abroad to continue receiving their pensions. The Gwynedd Pension Fund will conduct an annual proof of life process to ensure that pensioners are still alive and eligible for their pension payments.

### **2. Scope**

This policy applies to all pensioners of the Gwynedd Pension Fund who reside outside the United Kingdom.

### **3. Policy Statement**

Pensioners living abroad are required to participate in an annual proof of life exercise to confirm their continued entitlement to pension payments. This process is essential to prevent fraudulent claims and ensure the integrity of the pension fund.

### **4. Procedure:**

The Fund will implement the following procedure:

#### **Annual Verification**

- The Gwynedd Pension Fund will undertake an annual proof of life exercise for all pensioners residing abroad.
- The work will be conducted annually from January to March, with a completion deadline set for March 31st.

#### **Default Method**

- The default method for proof of life is through the Crown Agent's Bank's EMpower Pensions digital portal. Pensioners are required to complete the verification process using this portal.

#### **Paper-Based Option**

- A paper-based option is available for pensioners who are unable to use the digital portal.

- Pensioners opting for this method must complete and return the provided paper forms directly to the pension fund within the specified timeframe.
- The paper-based option will also be used for UK-based pensioners if information suggests that a pensioner may have died, but the Fund cannot verify this information

#### **Non-Response and Suspension of Pension**

- If a pensioner does not respond to the proof of life exercise within the specified timescale, their pension payments will be suspended.
- A reminder notice will be sent to pensioners before any suspension of payments occurs, urging them to complete the verification process.
- Pension payments will be reinstated once the pensioner completes the proof of life exercise.

#### **5. Review and Amendments**

This policy will be reviewed annually and amended as necessary to ensure its effectiveness and compliance with relevant regulations.

#### **6. Contact Information:**

For assistance with this policy, members can contact the Fund at any time.

- **Phone:** 01286 679982
- **Email:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)
- **Website:** [www.gwynedd-pensionfund.wales](http://www.gwynedd-pensionfund.wales)

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**Approved by:** [Name] [Title] Gwynedd Pension Fund

Date:



## **Administration Policy Statements**

**Title:** Pension Overpayment Policy

### **1. Introduction**

This is the Overpayment of Pension Policy for Gwynedd Pension Fund, which is managed by Cyngor Gwynedd (the Administering Authority).

Whilst measures are in place to mitigate such instances, overpayments of pension can still occur for a variety of reasons. It is important that the Fund has a clear operational policy on how overpayments of pension are managed once they are identified.

Gwynedd Pension Fund also recognises the need to take a pro-active approach to identifying potentially fraudulent activity and overpayments.

### **2. Policy objectives**

The policy objectives aim to ensure that the Fund:

- Has robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies, and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance;
- Is managed in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers;
- Ensures benefits are paid to, and income collected from, the right people at the right time in the right amount;
- Identifies errors as soon as possible;
- Rectifies overpayments with the cooperation of the individual;
- Encourages individuals to take an active role in checking payslips/payments for obvious errors; and
- Avoids the Internal Dispute Resolution Procedure (IDRP), where possible, by managing the process effectively.

### **3. Purpose of the policy**

The policy is designed to provide assurance to the Fund's stakeholders that:

- all overpayments are treated in a fair and equitable manner;
- the Fund seeks to recover overpayments that have occurred but acknowledges that there may be legal reasons and/or other circumstances which mean that an overpayment may not, in practice, be able to be recovered (in whole or in part); and
- has steps in place to prevent and investigate potentially fraudulent activity with support from the Council's Corporate Fraud Team.

#### **4. Effective date and reviews**

This operational policy was first approved by the Pension Committee on XXXXXXXX and was effective from 01/04/2025.

This policy will be reviewed annually, and if necessary, more frequently to ensure it remains accurate and relevant.

#### **5. Scope**

The policy applies to:

- All members and former members, which in this policy includes survivor and pension credit members of the Gwynedd Pension Fund who have received one or more payments from the Fund;
- Executors of the Estates of deceased Gwynedd Pension Fund members;
- Beneficiaries of Gwynedd Pension Fund members where those beneficiaries have received one or more payments from that Fund.

#### **6. Managing overpayments of pension on the death of a scheme member**

Most overpayments occur when a pensioner member dies before the end of the month that the pension is paid, but the Pension Fund is not made aware of the death before payment is made into the deceased member's bank account.

The Fund undertakes a number of procedures to identify deaths before payments are made and prevent any such payments. These procedures include:

- The Fund regularly reviews its processes to minimise the risk of overpayments occurring;
- The use of Heywood's ATMOS Monthly Mortality Screening, which identifies a potential death within the month or the following month, limiting the overpayment period;
- Taking part in the National Fraud Initiative (NFI), which is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud;
- The Tell Us Once system is checked daily to identify deaths of any pension fund members;
- Annual proof of life exercise for overseas pensioners and dependants through Crown Agents Bank;
- The Fund investigates any returned pensioner payslips and pension payments returned by banks and building societies to ensure the welfare of the scheme member and to protect payment of the Fund's money. If a forwarding address is not found the pension is suspended pending contact by the pensioner.

Even with these checks in place notification of a death of a pensioner member of the scheme does not always happen immediately and as such it is not always possible to stop payment of the pension after a point in the payroll month.

Should an overpayment of pension occur because of the death of a pensioner member, a death grant may be payable. In such cases the overpayment of pension is deducted from the death grant.

Should an overpayment of pension occur as a result of the death of a scheme member, and no death grant is payable, the Fund will generally seek to recover overpayments that are

greater than £250.00 (gross) in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 or less in the instance of the death of a scheme member has been deemed by the Fund as uneconomical to pursue. In such circumstances, the Fund's approach will be that the sum written off is treated as a liability against the scheme member's former employer. However:

- If a dependents pension is payable, the overpayment will be recovered from that dependents pension regardless of the amount.

All correspondence regarding an overpayment will be handled sensitively in the initial stages due to the circumstances surrounding how the overpayment has occurred.

An invoice will be raised by the Fund to recover an overpayment which is greater than £250.00 upon the death of a scheme member.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

## **7. Managing overpayments of children's pensions failing to cease at the appropriate time**

An eligible child as defined by the LGPS Regulations 2013, is entitled to receive a pension until such a time as their circumstances change and they are no longer eligible to receive a pension from the Fund.

An eligible child is:

- a natural child born before, on or within 12 months of a member's death
- an adopted child born before or on the date of the member's death
- a step-child or a child accepted by the deceased member as a member of the family who was dependent on the member at the date of death.

A child sponsored by the member through a registered charity is not an eligible child.

An eligible child must also be:

- under age 18, or
- aged under 23 and in full-time education or vocation training, or
- under age 23 and unable to engage in gainful employment because of physical or mental impairment, or
- over age 23, unable to engage in gainful employment because of permanent physical or mental impairment and the child was dependent on the member at the date of death because of that impairment. An independent registered medical practitioner must give their opinion on whether the impairment is likely to be permanent.

In these cases the individual in receipt of the pension is responsible for informing the Fund of a change in circumstances to ensure the pension is ceased at the appropriate time, failure to do so would result in an overpayment.

A report is run annually on the pension administration system to identify individuals in receipt of a child's pension, further investigations are then carried to ensure they are still entitled to receive a pension.

Should an overpayment of pension occur because of late notification of change of circumstances, the Fund will generally seek to recover overpayments that are greater than

£250.00 (gross) in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 or less has been deemed by the Fund as uneconomical to pursue. In such circumstances, the Fund's approach will be that the sum written off is treated as a liability against the scheme member's former employer.

An invoice will be raised by the Fund to recover the overpayment which is greater than £250.00 as a result of the late notification of the change in circumstances. The invoice will be sent to the individual whose bank account the child's pension was being paid into.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

### **8. Managing overpayments of pension following incorrect information supplied by the employer in respect of the scheme member**

Should an overpayment of pension occur as a result of inaccurate information provided by the scheme member's employer on retirement, the Fund will generally seek to recover monies that are greater than £250.00 in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 (gross) or less has been deemed by the Fund uneconomical to pursue due to the administrative time involved.

Overpayments that are greater than £250.00 in value will be recovered through the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will be reduced to the correct level for the next available monthly pension payment after a 6 week notice period. The scheme member will be notified in writing of the error and the course of action to be taken.

Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £250.00 in value.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

### **9. Managing overpayments of pension as a result of the incorrect rate of pension paid by the Fund and the member can be said to be reasonably aware of the overpayment.**

There are a number of reasons why a pension could be paid at an incorrect higher rate. The most common reasons are detailed in the table below, but it should be noted that this is not an exhaustive list.

<b>Type of overpayment</b>	<b>How overpayment has occurred</b>
Administration error upon creation of payroll record.	Incorrect (overstated) rate of pension inputted onto payroll record, but member informed in writing of the correct rate of pension to be paid.
Entitlement to pension ceasing.	Non notification that a child's pension is no longer payable as the child aged 18 or above is no longer in full time education or vocational training.

Entitlement to current rate of pension ceasing.	A Pension Sharing Order or Earmarking Order being received after the implementation date meaning that the pension has been overpaid since that implementation date.
Failure to action an alteration to the payroll record/reduction in pension.	Failing to implement the change from the higher short term dependents pension to the lower long-term rate.
Failure to action an alteration to the payroll record/reduction in pension.	Failing to implement a reduction to a pension because of National Insurance Modification (at State Pension Age for those members who both left the LGPS before 1 April 1998 <b>and</b> had membership before 1 April 1980).

If the scheme member has been notified of the correct rate of pension in writing and is receiving a higher amount, it can be said that the member can reasonably be aware that they are being overpaid as the scheme member has been notified of the correct rate in writing.

The Fund will therefore generally seek to recover monies that are greater than £250.00 gross in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 or less has been deemed by the Fund as uneconomical to pursue due to the administrative time involved.

The amount will be recovered from the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will also be reduced to the correct level for the next available monthly pension payment after a 6 week notice period and will be notified in writing of the error and the course of action to be taken.

Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £250.00 in value.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

### **10. Managing overpayments of pension following an incorrect rate of pension being paid by the Fund and it can be said that the member cannot have known of the overpayment**

The table below illustrates how an overpayment of a member's pension can occur without the member being aware. It should be noted that the table below is not an exhaustive list.

<b>Type of overpayment</b>	<b>How overpayment has occurred</b>
Administration error upon calculation and notification of benefit entitlement (includes dependants' pensions)	Incorrect (overstated) rate of pension inputted onto payroll record and member informed in writing of the incorrect rate of pension to be paid.
Incorrect level of Guaranteed Minimum Pension (GMP) being	New information from HMRC leads to a revised rate of GMP to be used which, due



paid	to the different way cost of living increases are applied to GMP and the excess over GMP, means that, overall, a lower level of pensions increase should have been paid.
Pensions Increase	Pensions Increase inaccurately applied to the elements of a pension in payment.

In these circumstances the Fund will generally seek to recover monies that are greater than £250.00 gross in value unless there are legal reasons and/or other circumstances which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part). A value of £250.00 or less has been deemed by the Fund as uneconomical to pursue due to the administrative time involved.

The amount will be recovered from the scheme member's ongoing pension as this allows for the appropriate adjustment for tax. The pension will also be reduced to the correct level.

Where there is no ongoing pension from which to deduct the overpaid amount, an invoice will be arranged by the Fund to recover the overpayment which is greater than £250.00 in value.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

### **11. Discretion to write off overpayments**

For all scenarios mentioned above, the Fund can exercise discretion due to legal reasons and/or exceptional circumstances to ensure no individual is unfairly treated. If pursuing the recovery of an overpayment would cause significant distress or if there are legal reasons preventing the recovery (in whole or in part), these factors will be considered, along with the cost-effectiveness of recovery. All applications to write off an overpayment will be investigated on a case-by-case basis, with the final decision made by the appropriate officer listed in section 16, depending on the amount potentially being written off.

Gwynedd Pension Fund has discretion to write off any amount under £250.00 in line with HM Revenue and Customs authorised payments limits and the analysis of the cost effectiveness of pursuing the claim conducted by the Fund.

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

### **12. Recovery**

The Limitation Act 1980 states that "*An action founded on simple contract shall not be brought after the expiration of six years from the date on which the cause of action accrued*". However, section 32(1) of the Act effectively 'postpones' the date by which an administering authority may make a claim to recover monies in certain circumstances. It states "*the period of limitation shall not begin to run until the plaintiff has discovered the fraud, concealment or mistake (as the case may be) or could with reasonable diligence have discovered it*". The potential effect of section 32(1) in relation to any overpayment and its recovery will be considered on a case-by-case basis.

Therefore, the Fund will generally seek to recover overpayments **that have been discovered within the last 6 years** with the relevant postponement applied if applicable in line with the Limitation Act unless there are legal reasons and/or other circumstances

which mean that the overpayment may not, in practice, be able to be recovered (in whole or in part).

It should be borne in mind that where the Fund seeks to recover overpayments, there may be arguments raised as to why the overpayment should not be recovered (in whole or in part). These will need to be considered on a case-by-case basis and, if successful, may affect the ability of the Fund to recover the overpayment (in whole or in part).

### **13. Length of time to recover overpayment**

The Fund will allow a pension overpayment to be recovered over the same amount of time as the overpayment occurred. For example, if overpayments were made for a 3-month period, the recovery period to repay the overpayment will be 3 months. If reasonable arguments are advanced that the recovery period should be extended, the Fund can at its discretion allow an extension based on the individual's circumstances; such an extension would generally not exceed a further 50% of the period in which the overpayment occurred with scope for this period to be extended based on the scheme member's circumstances.

### **14. Claims of inability to repay overpayments**

In cases where it is claimed that an overpayment cannot be repaid, the Council's Credit Management team on behalf of and liaising with the Fund will enter into negotiations with the scheme member/next of kin and an analysis of the cost effectiveness of pursuing the overpayment will be undertaken on a case-by-case basis. For large overpayments, where appropriate the Fund will seek legal advice in accordance with the Council's own debt recovery practice. This approach will reduce the number of Internal Dispute Resolution Procedures applications and referrals to the Pensions Ombudsman. For any cases that do reach the Pensions Ombudsman, Gwynedd Pension Fund would have demonstrated engagement and negotiation with the complainant.

### **15. Monitoring repayments**

In cases where recovery is not being made through the payroll and an invoice has been raised, the responsibility for chasing the payment rests with the Cyngor Gwynedd's Income department. If a final reminder is issued, officers are notified and a decision is made by the Head of Finance as to whether to take legal action, taking into consideration the amount and circumstances against the potential of legal action.

If it is deemed necessary to take Legal Action, a Statement of Truth and necessary evidence of how the debt occurred will be prepared by the Pension Fund for review by Legal Services.

### **16. Authority to write off overpayments**

In line with the Council's Scheme of Delegation and the Administering Authority's 'Pension Fund' delegated authority in respect of operational matters, the Fund will apply the following levels of authority when writing off overpayments:

<b>Total value of overpayment</b>	<b>Authority to write off overpayment</b>
No more than £250.00 (gross) on death of a pensioner or any other overpayment type	Automatic write off
Up to no more than £5,000.00 (gross)	Head of Finance
£5,001.00+ (gross)	Cyngor Gwynedd's Pension Committee

The overpayment threshold value will be adjusted each April to reflect inflation, based on the Consumer Price Index (CPI) from the previous September.

## **17. Reporting to the HM Revenue and Customs and effects on the Fund and individual**

Administering authorities are obliged to correct any error they discover within a reasonable period of time. To do otherwise would render payments unauthorised under Section 14 of the Registered Pension Scheme (Authorised Payments) Regulations 2009. The HM Revenue and Customs have a clear steer with regards to timing, in so much that "*When a scheme discovers an overpayment it immediately becomes unauthorised and is subject to an unauthorised tax charge*".

Regulation 13 says that a payment made in error will be an unauthorised payment if the:

- Payment was genuinely intended to represent the pension payable to the person;
- Administering authority believed the recipient was entitled to the payment and;
- Administering authority believed the recipient was entitled to the amount of pension that was paid in error.

In addition to the above, there is a further exemption where the overpayment is a 'genuine error' and the aggregate overpayment (paid after 5th April 2006) is less than £250.00. In such circumstances, if the overpayment is not recovered it remains an unauthorised payment but it does not have to be reported to HM Revenue and Customs and HM Revenue and Customs will not seek to collect tax charges on it.

The Finance Act 2004 also sets out a list of the payments which a registered pension scheme is authorised to make to members. Payments which do not fall within the list will become unauthorised payments and could result in up to three tax charges applying:

- 1) an authorised payments charge on the recipient of the payment;
- 2) an unauthorised payments surcharge on that recipient; and
- 3) a scheme sanction charge on the scheme.

Payments made in the period between notifying the member of an overpayment and the point at which the correction to the right level of pension is made will be regarded under the above legislation as an unauthorised payment. If the total amount of pension paid at the incorrect rate from point of notification to date of reduction to the correct rate is greater than £250.00 (gross) it would be subject to tax charges 1) and 3) and possibly 2 as set out above.

## **18. Prevention**

The Fund has in place processes in order to minimise the risk of overpayments occurring.

The National Fraud Initiative is conducted every two years; it compares files of pensioners with the Department for Work and Pensions database of the deceased and highlights matches for investigation. Gwynedd Pension Fund actively participates in this initiative.

Gwynedd Pension Fund participates in overseas life existence checks to ensure only legitimate pensions are being paid and to reduce the likelihood of fraudulent activity.

Mortality screening checks are carried out on a monthly basis through Atmos.

Monthly notifications are received from the DWP 'Tell us Once service', a service that allows individuals to easily inform multiple public departments that someone has died.

A report is run periodically on the pension administration system to identify individuals in receipt of a child's pension, further investigations are then carried out for children that are identified as over the age of 18 to ensure they are still entitled to receive a pension.

Gwynedd Pension Fund includes reminders in its correspondence that the Fund must be advised of changes in circumstances or the death of a scheme member. The Fund also investigates any returned pensioner payslips and pension payments returned by banks and building societies to ensure the welfare of the scheme member and to protect payment of the Fund's money.

Fund officers have a robust system in place for identifying changes to the payroll that need to be processed for a particular payroll month. The process incorporates payroll deadlines and ensures changes are made in a correct and timely manner. This would be in circumstances such as a change from a short-term dependant's pension to a long-term pension.

## **Contacts**

Any questions, queries or observations on this document should be addressed to:

The Pensions Manager  
Gwynedd Pension Fund  
Stryd y Jêl  
Caernarfon  
Gwynedd  
LL55 1SH

**Tel:** 01286 679982

**E-mail:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)

**Website:** [www.gwyneddpensionfund.wales](http://www.gwyneddpensionfund.wales)



# Cronfa Bensiwn **GWYNEDD** Pension Fund

## Administration Policy Statements

**Title:** Language Communication Policy

### 1. Purpose:

The purpose of this policy is to ensure that all communications from the Gwynedd Pension Fund are delivered in the preferred language of our members, promoting inclusivity and accessibility.

### 2. Scope:

This policy applies to all members of the Gwynedd Pension Fund.

### 3. Policy Statement:

The Gwynedd Pension Fund is committed to ensuring that all communications from the Gwynedd Pension Fund are delivered in the preferred language of our members, promoting inclusivity and accessibility. This policy outlines the procedures that the Fund will take in respect of a members language preference.

### 4. Policy Details:

This is the policy that the Fund follows:

#### 4.1 Default Language:

- The Gwynedd Pension Fund aims to correspond with members in their preferred language whenever possible. Members are encouraged to inform the Fund of their language preference to facilitate this.
- If a member's language preference is not known, all documents and communications will be sent in Welsh in accordance with Cyngor Gwynedd's policy.

#### 4.2 Requesting English Copies:

- Members who have received correspondence in Welsh are welcome to contact the Fund to receive an English copy. The Fund will send the English copy without delay.

#### 4.3 Updating Language Preference:

- Members can update their language preference at any time through the following methods:
  - **Starter pack:** Each member can select their language preference whilst completing the starter form that is sent out as part of the starter pack upon joining the scheme.
  - **Online:** By logging into their My Pension Online account and updating their language preference settings.

- **Direct Contact:** By contacting the Gwynedd Pension Fund directly via phone or email to request a change in their language preference.

#### **4.4 Accessible Formats:**

- Communications are available in accessible formats, including braille, large print, and audio, upon request to ensure that all members can access the information they need.
- Requests for accessible formats can be made by contacting the fund and will be fulfilled promptly.

#### **5. Review and Revisions:**

This policy will be reviewed annually to ensure it continues to meet the needs of our members and complies with any changes in relevant regulations or organisational policies.

#### **6. Contact Information:**

For assistance with updating language preferences or accessing documents, members can contact the Fund at any time.

- **Phone:** 01286 679982
- **Email:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)
- **Website:** [www.gwyneddpensionfund.wales](http://www.gwyneddpensionfund.wales)

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**Approved by:** [Name] [Title] Gwynedd Pension Fund

Date:



# Cronfa Bensiwn **GWYNEDD** Pension Fund

## Administration Policy Statements

**Title:** Gwynedd Pension Fund Document Distribution Policy

### 1. Purpose

This policy outlines the procedures for distributing documents to members of the Gwynedd Pension Fund, ensuring efficient and secure communication while promoting environmental sustainability.

### 2. Scope

This policy applies to all members of the Gwynedd Pension Fund.

### 3. Policy Statement

The Gwynedd Pension Fund aims to utilise digital communication methods to enhance efficiency, reduce environmental impact, and provide timely information to members. This policy specifies the conditions under which documents will be posted to the member's My Pension Online accounts or sent via postal mail.

### 4. Document Distribution Guidelines

- **Digital Distribution:** Any documents that do not require a reply will be uploaded to the member's My Pension Online account if the member has logged in to the site within the last six months. An email will be sent to the member whenever a new document is available for viewing.
- **Postal Distribution:** If a document requires a form to be completed and returned, or if a member has not logged on to their My Pension Online account in the last 6 months, a physical copy will be sent to the member via postal mail.

All mail sent out by the Pension Fund will be sent via second class mail.

### 5. Future Developments

The Gwynedd Pension Fund is committed to developing online forms to enable more documents to be uploaded online. This initiative aims to reduce our carbon footprint and ensure quicker distribution of information to members.

## 6. Member Responsibilities

- **Online Account Access:** Members are encouraged to regularly log in to their My Pension Online account to stay informed and access important documents.
- **Contact Information:** Members should ensure that their contact information is up to date to receive timely notifications about document postings.

## 7. Implementation and Review

This policy will be reviewed annually to ensure it remains relevant and effective. Any changes to the policy will be communicated to members in a timely manner.

## 8. Contact Information

For any questions or further assistance regarding this policy, members can contact the Fund at any time.

- **Phone:** 01286 679982
- **Email:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)
- **Website:** [www.gwyneddpensionfund.wales](http://www.gwyneddpensionfund.wales)

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**Approved by:** [Name] [Title] Gwynedd Pension Fund

Date:





# Cronfa Bensiwn **GWYNEDD** Pension Fund

## Administration Policy Statements

**Title:** Pension Fund Payslip Issuance Policy

### 1. Purpose:

This policy outlines the regulations and procedures for issuing payslips to pensioners of the Pension Fund. It aims to ensure timely and accurate distribution of payslips while transitioning to electronic delivery.

### 2. Scope:

This policy applies to pensioners and dependents of the pension fund who receive a monthly pension from the Pension Fund.

### 3. Policy Statement:

All new pensioners retiring from the Gwynedd Pension Fund will receive their payslips electronically through the My Pension Online portal. This initiative is part of the fund's ongoing efforts to enhance efficiency and sustainability.

For pensioners who have already retired, paper payslips will continue to be issued if there is a difference of £10 or more compared to the previous month. However, the fund strongly encourages all existing members to transition to electronic payslips to benefit from quicker access and reduced environmental impact.

### 4. Background

In the UK, there is no specific legal requirement to issue payslips to pensioners. The Employment Rights Act 1996 mandates that employers must provide itemised payslips to employees and workers, but this requirement does not extend to pensioners.

However, the Gwynedd Pension Fund has chosen to issue payslips to pensioners as part of its internal policies to ensure transparency and clarity regarding pension payments.

The only legal requirement is to provide a P60 to pensioners who are receiving payments from a pension provider. The P60 form summarises the total pension payments and tax deductions for the tax year, and it must be issued by 31st May each year.

## **5. Procedures:**

The procedures to be followed are:

### **5.1 Electronic Payslips for new members retiring**

- Effective immediately, all payslips will be issued electronically.
- Payslips will be uploaded monthly to the 'Documents and uploads' section of the Fund's 'My Pension On-line' portal, with an e-mail notification being sent to the member.
- Pensioners are responsible for ensuring their contact information is up to date.
- Members can opt out of electronic payslips by writing in to the Pension Fund to request to receive payslips by post.

### **5.2 Paper Payslips for Historic Members**

- Historic members who previously received paper payslips will continue to receive them only if there is a net pay difference of £10 or more compared to the previous month.
- If there is no significant change (less than £10), no paper payslip will be issued.
- Historic members are encouraged to transition to electronic payslips for faster and more efficient service.

### **5.3. Notification of Changes**

- Pensioners will be notified of any changes to their payslips via email.
- The Pension Fund will provide support to pensioners who need assistance with accessing electronic payslips.

### **5.4 Data Security**

- The Pension Fund is committed to protecting the personal information of its pensioners.
- Electronic payslips are uploaded to a secure channel to ensure confidentiality and data protection.

## **6. Review and Revisions:**

This policy is effective immediately and applies to all future pensioners and dependents.

This policy will be reviewed annually and amended as necessary to ensure compliance with regulatory requirements and to improve service delivery.

## **7. Contact Information:**

Members can contact the Fund at any time for assistance with this policy.

- **Phone:** 01286 679982

- **Email:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)
- **Website:** [www.gwyneddpensionfund.wales](http://www.gwyneddpensionfund.wales)

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**Approved by:** [Name] [Title] Gwynedd Pension Fund

Date:



# Cronfa Bensiwn **GWYNEDD** Pension Fund

## **Administration Policy Statements**

**Title:** Payment of pension benefits and lump sum policy

### **1. Purpose:**

This policy sets out the guidelines the pension fund will follow to ensure that the pension benefits are paid into the right bank account.

### **2. Scope:**

This policy applies to members of the pension fund where a pension and/or lump sum payment are due.

### **3. Policy Statement:**

The Gwynedd Pension Fund is committed to ensuring the secure and accurate disbursement of pension benefits and lump sums to its members. This policy outlines the procedures for the payment of these funds into bank accounts.

### **4. Procedures:**

At retirement, this is the procedure to be followed:

#### **4.1 Payment to Member-Named Accounts Only:**

- Member will be required to complete a retirement form. This form will ask members to confirm their bank account details.
- Pension benefits and lump sums will only be paid into bank accounts where the member is the named account holder.
- Payments will only be made into accounts held in the member's name. Exceptions will be made if the account is held by an individual with a valid Power of Attorney for the member, regardless of their relationship.

#### **4.2 Bank Account Verification:**

- A bank account verification check will be conducted each time a payment is made.
- This verification process ensures that the account details provided match the member's information on record.

### **5. Responsibilities:**

#### **5.1 Member Responsibilities:**

- Members must provide accurate and up-to-date bank account details to the Gwynedd Pension Fund.
- Any changes to bank account information must be communicated promptly to avoid payment delays.

#### **5.2 Fund Responsibilities:**

- The Gwynedd Pension Fund will ensure that all bank account verification checks are carried out efficiently and securely.
- The Fund will maintain the confidentiality and security of members' bank account information.

#### **6. Compliance and Monitoring:**

- Regular audits will be conducted to ensure compliance with this policy.
- Any discrepancies or issues identified during the verification process will be addressed promptly.

#### **7. Review and Revisions:**

This policy is effective immediately and applies to all current and future pension and lump sum payments.

This policy will be reviewed annually to ensure its effectiveness and compliance with relevant regulations.

#### **8. Contact Information:**

Members can contact the Fund at any time for assistance with this policy.

- **Phone:** 01286 679982
- **Email:** [pens@gwynedd.llyw.cymru](mailto:pens@gwynedd.llyw.cymru)
- **Website:** [www.gwyneddpensionfund.wales](http://www.gwyneddpensionfund.wales)

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**Approved by:** [Name] [Title] Gwynedd Pension Fund

Date:

<b>Meeting:</b>	Pension Board
<b>Date:</b>	04/02/2025
<b>Title:</b>	RESULTS OF THE LGPS NATIONAL KNOWLEDGE ASSESSMENT 2024
<b>Author:</b>	Meirion Jones, Pensions Manager
<b>Purpose:</b>	For information only

## 1. Introduction

The Hymans Robertson National Knowledge Assessment (NKA) is a comprehensive evaluation designed to assess the knowledge and skills of key decision makers and supervisory bodies within pension funds. Participants respond to a range of questions across different topics, and their scores are used to effectively tailor training sessions.

In 2024, the Gwynedd Pension Fund took part in this assessment, with the results benchmarked against those from other funds. After completing the assessment, each participant received an individual results report detailing their performance.

The assessment covers a range of areas, including technical expertise, roles and responsibilities, and decision-making processes. It provides valuable insight into members' knowledge in alignment with the CIPFA Knowledge and Skills Framework and the Pensions Regulator's Code of General Practice, thereby promoting compliance and improving performance.

This report summarises the results for the Pension Board and discusses possible options to address any training needs identified. For a detailed overview of the results, please refer to **Appendix A**. In addition, a national report offering a wider perspective will be published by Hymans Robertson in the coming months.

### 1. Why is the assessment important?

While the day-to-day running of the fund is handled by fund officials, Board members play a vital role in the scheme as decision makers.

To carry out their roles effectively, Board members must be able to address all relevant topics such as investment issues, pension finance issues, pension administration and governance.

Similarly, Pension Board members must have sound knowledge of these topics to be able to mount a critical challenge in overseeing the Fund's decisions.

## 2. The assessment

Members and the Gwynedd Pension Fund Board were invited to complete an online information assessment.

There was a total of 9 respondents from the Committee and 5 respondents from the Board.

Each respondent was given the same set of 48 questions on the following 8 areas:

**Section 1:** Pensions Legislation and the Role of the Committee

**Section 2:** Pension Governance

**Section 3:** Administration of Pensions

**Section 4:** Pension Accounting and Auditing Standards

**Section 5:** Procurement and Relationship Management

**Section 6:** Investment Performance and Risk Management

**Section 7:** Financial Markets and Product Information

**Section 8:** Actuarial Methods, Standards and Practices

Under each subject heading, there were 6 multiple choice questions to answer. Each question had 4 possible answers, and one answer was correct.

Participants were also given the option of selecting "I have no knowledge of this area", where they weren't sure.

This allows Hymans to build a picture of each individual member's levels of knowledge in each of the subjects, but is essential to help inform the pool of the overall levels of knowledge in each field.

### 3. Results

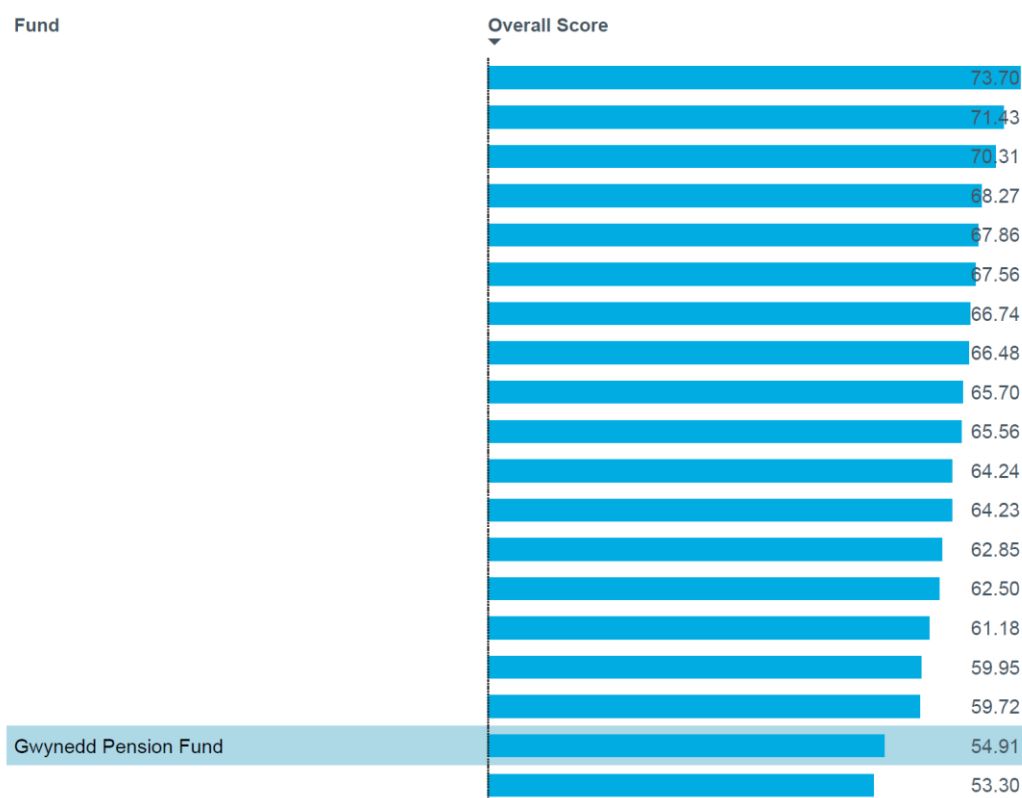
The responses for all members who participated have been collated and analysed. For each section Hymans have shown:

- The average score for each of the 8 subject areas, for both the Committee and Board.
- Each score compared with the results of the previous assessment taken by the fund, to show growth or regression in each area.
- Engagement levels for both the Committee and Board and how these levels rank against other LGPS funds.
- The most requested topics for training.

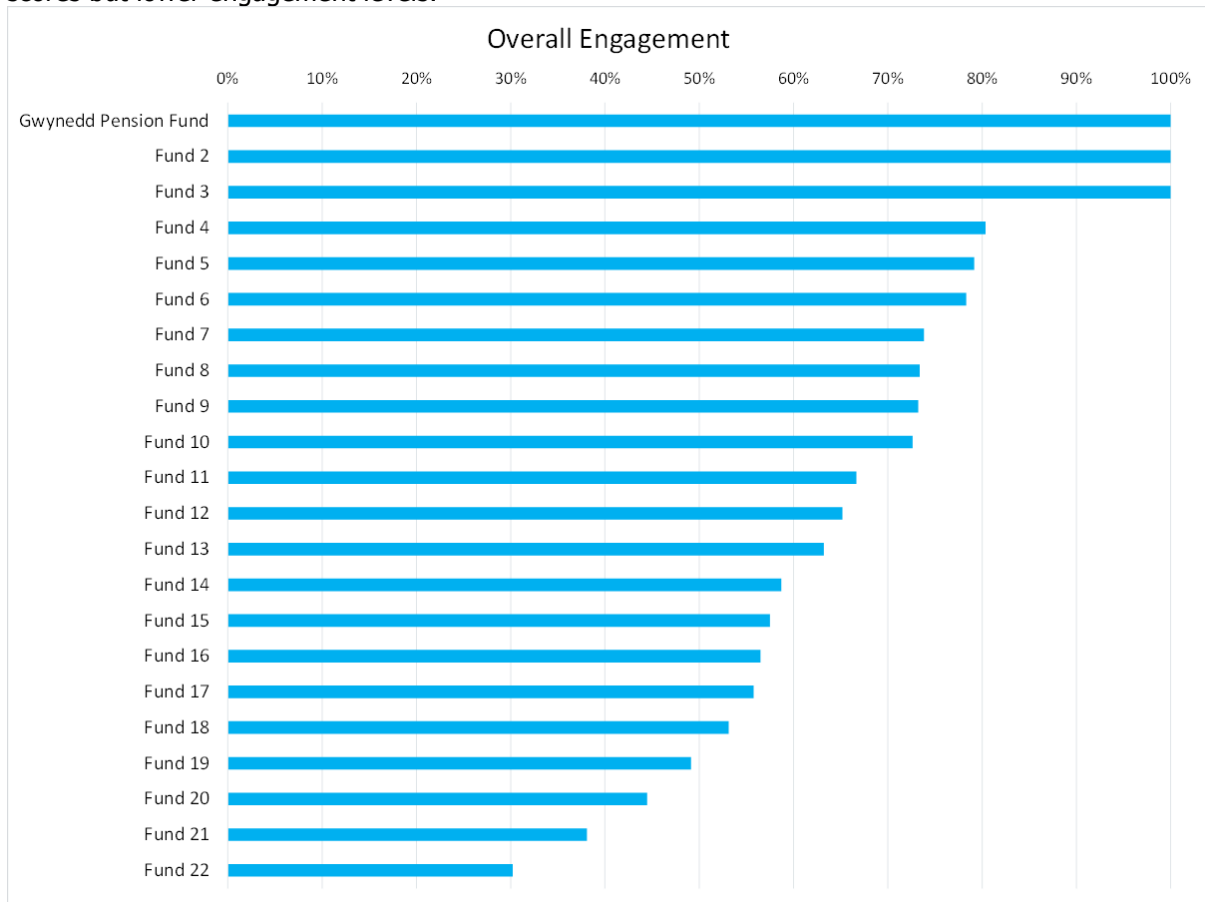
### 4. Overall results

The chart below shows how the overall average score for the Fund compares with that of all other funds who took part in the Assessment. The "score" shown is the average score of all participating Committee and Board members from each Fund.

Gwynedd Pension Fund ranked 18th out of 19 Funds.

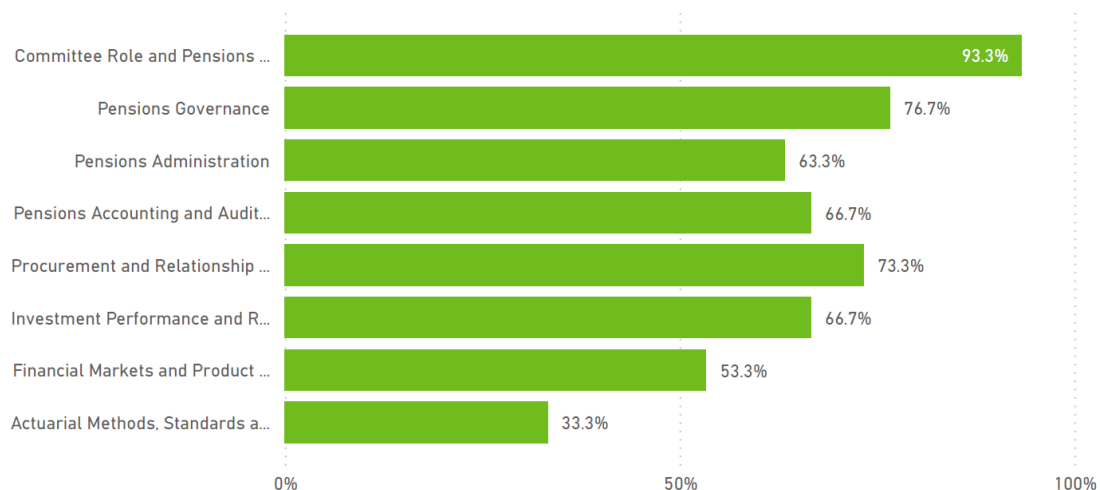


Although the Fund ranked relatively low overall, it achieved a high ranking in the engagement table. This indicates that our fund's results are more accurate compared to some funds with higher overall scores but lower engagement levels:



## 5. Results of the Board

The following table shows how the Board has scored on the various sections:



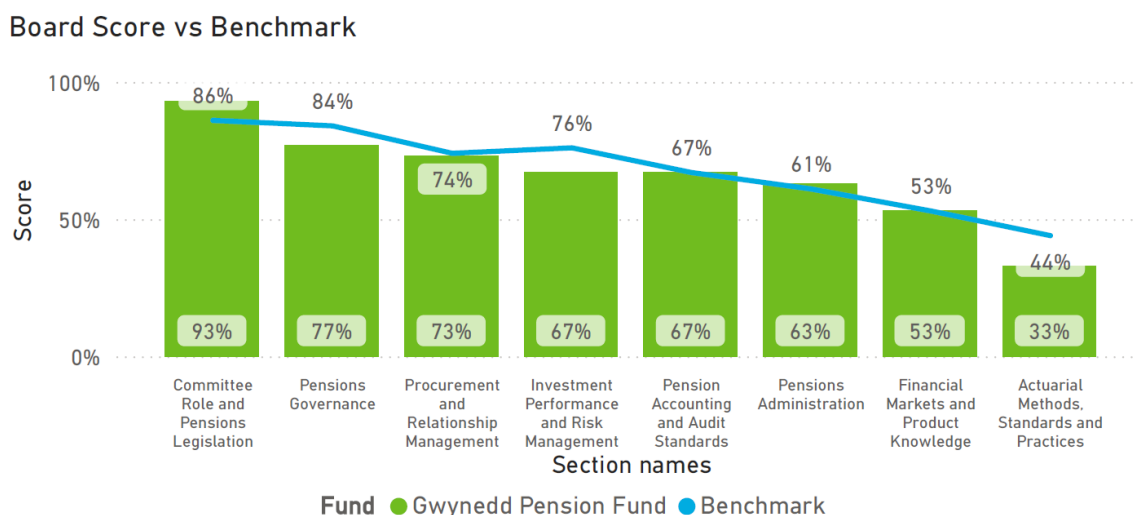
The results show that the Board has performed well in the Role of the Committee and Pensions Regulations, Pensions Governance and Procurement and Relations Management sections.

But the areas to focus any specific training on may be Actuarial Methods, Standards and Practices, as well as Financial Markets and Product Information for the Board.



As this assessment is carried out at a national level across a number of LGPS funds, Hymans is able to provide details of how the Fund's results compare to the average of all participating funds to date.

The chart below compares the Board's results, against the average scores nationally for each group. This gives an idea of the knowledge levels across these groups, relative to the national average:



It is pleasing to see that the Committee's Role and Pensions Regulations, Pensions Governance and Procurement and Relationship Management sections have scored well for the Board.

There are clearly some areas where knowledge levels are lower, and these areas would be a sensible focus of training for the Board.

## 6. Hyman Robertson's comments on the results

Here are Hymans Robertson's insights on the results:

*"It's very encouraging that 14 participants from your Fund took part in the assessment. Overall, the results were reasonably positive and it's clear that there are areas of greater knowledge levels as well as areas in which knowledge should be developed over time.*

*We would fully expect there to be gaps in the knowledge of all members, no matter their role on the Committee/Board, their tenure or indeed their background in terms of Pensions experience. The most important thing to emphasise is that not everybody needs to be an expert in all areas, rather there should be a spread of knowledge across your Committee and Board which is supported by advice from officers and professional advisors.*

*Just as important as gaining the relevant knowledge and understanding expected of a Pension Committee or Board, is the application of that knowledge and understanding, including the utilisation of an individual's own background and perspective."*

## 7. Collective knowledge

Beyond overall average scores, it's crucial to consider the collective knowledge of Committee and Board members. Each member brings unique experiences and perspectives, contributing more effectively to areas they are knowledgeable about. Therefore, understanding how many members scored highly in each topic is important to gauge the breadth of knowledge. A well-rounded Committee or Board should have several members excelling in each topic, ensuring they can provide guidance and challenge when needed. This is measured by analysing members who correctly answered at least 5 out of 6 questions in each topic, indicating their expertise.

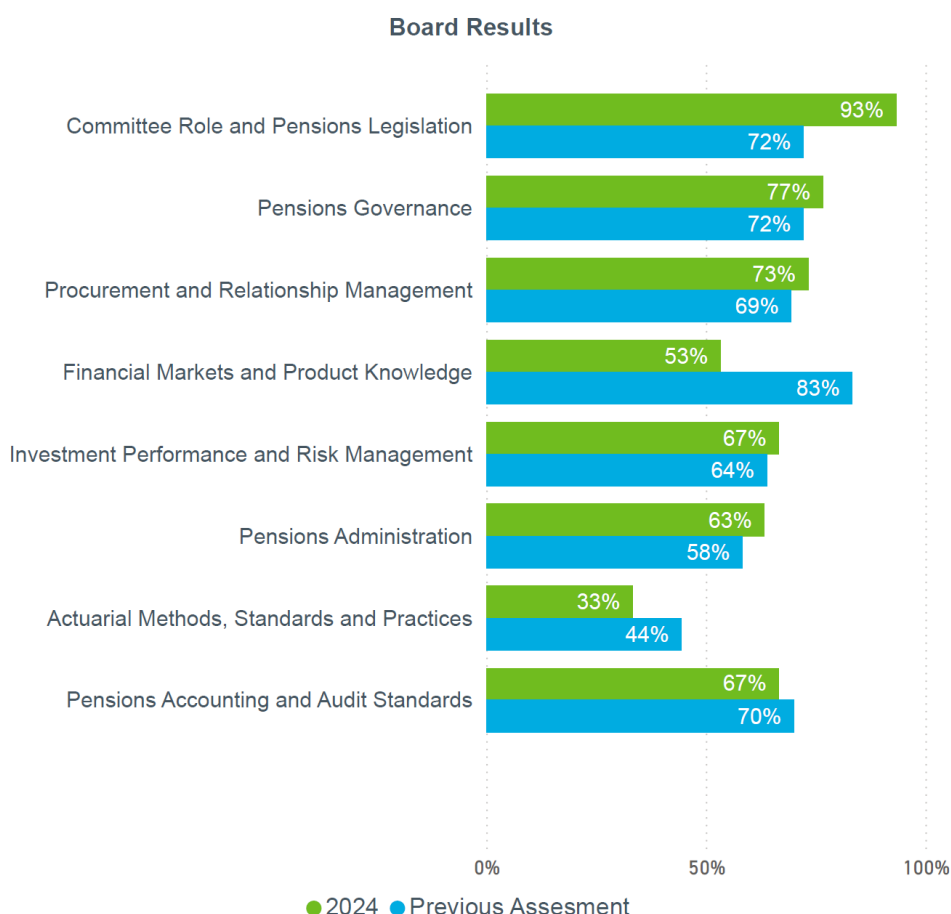
The chart below shows the percentage of members who correctly answered at least 5 out of 6 questions in each topic:



## 8. Comparison with previous assessment

The Fund also participated in a previous assessment. The results for each of the 8 subjects can be compared to measure progress in each area.

This is shown in the following chart:



The average score for each subject this year is compared to the score from the previous assessment.

It is worth noting that while there will be differences in the members who took part in each assessment, it is the collective knowledge of each group that matters.

The area where information seems to have developed most for the Board is the Role of the Committee and the Pensions Regulations which are encouraging.

On the other hand, knowledge levels seem to have regressed in several areas.

## 9. Training

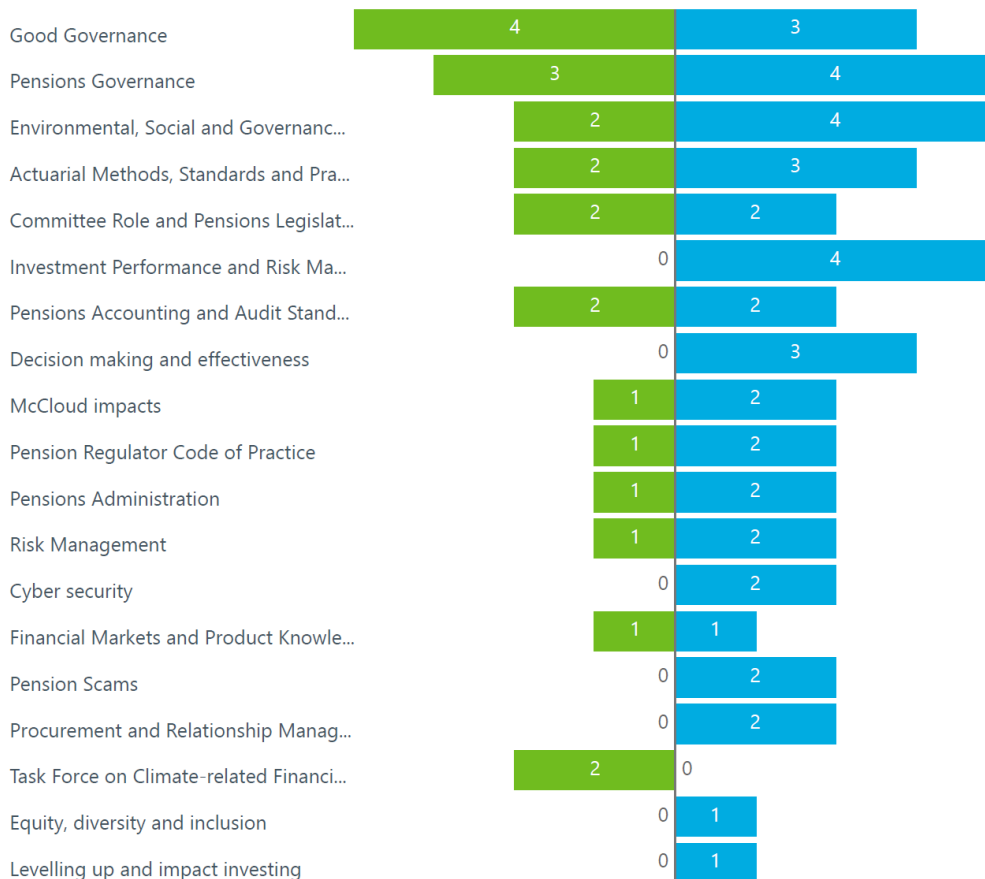
One of the final sections of the survey asked participants to identify which subjects they would like to receive training on.

A list of options was available, covering a broad spectrum of topics that we believe are most relevant to allowing Committee and Board members to perform their roles effectively. Members were also given the option to identify any other areas where they would benefit from further training.

The table below summarises the areas where members indicated that training would be beneficial.

### Training requirements

● Board ● Committee



As you can see the most popular topics for the Board were:

- Pension governance;
- Good governance;

## 10. Training opportunities

There are several training opportunities available for LGPS pension committee and board members:

- **Fundamentals Training:** An A-Z bespoke LGPS training course designed for elected members and others who attend pension committees and local pension boards. It runs from October to December each year in three different locations and provides the necessary knowledge and skills to carry out their duties effectively.
- **Conferences:** Annual conferences related to LGPS, and public sector pensions can provide valuable insights into emerging trends, best practices, and networking opportunities with other professionals in the field.
- **Online Training Modules:** E-learning platforms e.g. The Pension Regulator's Trustee toolkit provides online courses covering topics of interest to committee members.
- **Local Government Association (LGA) Training:** The LGA offers various training and events related to the LGPS, including the fundamentals training and the annual governance conference.
- **Bespoke Training Sessions by Fund Actuary:** Customised training sessions are available, tailored to the specific needs of the fund. These can be short sessions or full training days, focusing on fewer subject matters in more detail.
- **Welsh Pension Partnership (WPP) Training:** The WPP offers a training plan designed to supplement existing Constituent Authority training plans. This includes quarterly training sessions covering major areas such as investments, administration, regulation requirements, government guidance, and market developments.
- **Webinars:** Many organisations offer webinars that address current issues facing pension committees, providing flexibility for members to participate remotely.
- **Membership in Professional Organisations:** Joining organisations such as the Local Authority Pension Fund Forum (LAPFF) or the Society of Pension Professionals can provide access to resources, training, and networking.
- **Reading Materials and Guidance Notes:** Many pension authorities and professional bodies publish guidance notes, best practice documents, and other reading materials that can serve as valuable resources for committee members.
- **Regulatory Updates:** Training sessions focused on the latest regulatory changes and compliance requirements can help ensure committee members are up-to-date with their legal obligations.

## 11. Next step – Training Plan

The next step in our work includes the development of a comprehensive training plan for the Pension Board, focusing on improving members' understanding and capabilities in critical areas identified in the recent National Knowledge Assessment.

The training plan will prioritise topics identified in the assessment, such as Actuarial Methods, Standards and Practices, as well as Financial Markets and Product Information, ensuring board members are well placed to make informed decisions. This will include a combination of workshops, seminars, and practical exercises led by industry experts, as well as opportunities for peer learning and discussions.

In addition, the plan will include ongoing assessments to measure the effectiveness of the training and adjust content as needed, fostering a continuous learning environment that keeps up with evolving pension fund challenges and legislative changes.

Below is a draft version of the training plan. We invite all Board members to share their comments and suggestions to help us refine and complete the plan.

## **Training Plan Overview**

### **1. Objectives:**

- Equip Board members with a deep understanding of Actuarial Methods, Standards, and Practices.
- Enhance knowledge of Financial Markets.
- Foster informed decision-making through practical applications and peer discussions.

### **2. Key Topics:**

- **Actuarial Methods:**

- Fundamentals of actuarial science.
- Risk assessment and management techniques.
- Valuation of pension liabilities.

- **Standards and Practices:**

- Overview of relevant regulatory frameworks.
- Ethical standards in actuarial practice.
- Best practices for compliance and governance.

- **Financial Markets and Product Knowledge:**

- Introduction to financial instruments and markets.
- Investment strategies for pension funds.
- Analysis of market trends and their impact on pension planning.

### **3. Training methodology:**

- **Workshops:**

- Hands-on sessions focusing on practical applications of actuarial methods.
- Real-life case studies to illustrate the complexities of pensions administration.

- **Seminars:**

- Expert-led presentations on current trends and innovations in the industry.
- Interactive Q&A sessions to promote engagement and clarity.

- **Practical Exercises:**

- Simulations of decision-making scenarios relevant to committee responsibilities.
- Group activities to encourage collaboration and peer learning.

- **Peer Learning and Discussions:**

- Facilitated discussion groups to share experiences and best practices.
- Networking opportunities to build relationships and share insights.

#### **4. Evaluation and Feedback:**

- Regular assessments to gauge understanding and retention of knowledge.
- Feedback sessions to continuously improve the training program based on participant experiences.

#### **5. Timeline:**

- A structured timeline outlining the frequency and duration of workshops, seminars, and exercises, ensuring a balanced approach throughout the training period.

#### **6. Resources:**

- Access to online materials, guides, and industry reports to support learning.
- A repository of recorded sessions and supplementary resources for ongoing reference.

By implementing this training plan, committee members will be better prepared to navigate the complexities of their roles, fostering a culture of informed decision-making and continuous professional development.

2024 LGPS National  
Knowledge Assessment  
Gwynedd Pension Fund

## Overview

This National Knowledge Assessment (NKA) allows a direct insight into the knowledge and skills of their key decision makers and oversight body.

Participants answer a series of questions covering a broad spectrum of topics, for which they should be familiar to effectively perform their role. Based on their responses, a score is recorded for each member, and also collectively for both the Committee and Board.

This information can be incredibly valuable in helping shape and plan training sessions at both group and individual level.

This report includes benchmarking against the results of all other participating Funds. The assessment will help your Fund assess and report on the Knowledge and Skills of Committee and Board members, demonstrating they're meeting the requirements laid out in The Pensions Regulator's General Code of Practice.

## Background

The Gwynedd Pension Fund agreed to participate in the NKA using our online assessment. This report provides an overview of the participants' results broken down into 8 key areas.

The online assessment opened in September, and there were weekly progress updates provided to the Fund confirming participation levels.

Each participant received their individual results report following completion of the assessment.

A national report will be produced aggregating all participating Fund's results.

The questions posed in the assessment are split into 3 categories:

- Technical questions
- Roles and responsibilities
- Decision making

Technical questions, made up around two thirds of the questions. The remaining questions were split between the categories of Roles and Responsibilities as well as Decision Making. This helps to provide more in-depth analysis of the results and provides further context to the proposed training plans.

The National Knowledge Assessment is a challenging multiple-choice assessment of participants' knowledge and understanding of key pension areas. There was no expectation that participants would score 100% on each subject area tested. Rather, the goal was to gain a true insight into members' knowledge in the areas covered by the CIPFA Knowledge and Skills Framework and the recently launched Pensions Regulator's (TPR) General Code of Practice.

## Why Does this Matter?

While fund officers may deal with the day-to-day running of the funds, members of the Committee play a vital role in the scheme as decision makers.

To execute their roles effectively, Committee members must be able to address all relevant topics such as investment matters, issues concerning pension funding, pension administration and governance. All topics which require a level of knowledge and understanding from the Committee.

Similarly, the Pension Board members must have a sound knowledge of these topics in order to be able to offer critical challenge in the oversight of Fund decisions.



## The Assessment

The members of the Gwynedd Pension Fund Committee and Board were invited to complete an online knowledge assessment. In total there were 9 respondents from the Committee and 5 respondents from the Board.

Each respondent was given the same set of 48 questions on the 8 areas below:

Section	Names
Section 1	Committee Role and Pensions Legislation
Section 2	Pensions Governance
Section 3	Pensions Administration
Section 4	Pensions Accounting and Audit Standards
Section 5	Procurement and Relationship Management
Section 6	Investment Performance and Risk Management
Section 7	Financial Markets and Product Knowledge
Section 8	Actuarial Methods, Standards and Practices

Under each subject heading, there were 6 multiple choice questions to answer. Each question had 4 possible answers, of which one answer was correct.

Participants were also given the option of selecting “I have no knowledge of this area”, where they were unsure.

This allows us to build a picture of the knowledge levels of each individual member in each of the topics, but crucially to help inform you of the overall levels of knowledge in each area.

## Results

The responses for all members who participated have been collated and analysed. For each section we have shown:

- The average score for each of the 8 subject areas, for both the Committee and Board.
- Results split by the categories of “**technical**”, “**roles and responsibilities**” and “**decision making**”.
- Each score compared with the results of the previous assessment taken by the fund, to show growth or regression in each area.
- Engagement levels for both the Committee and Board and how these levels rank against other LGPS funds.
- The most requested topics for training.

Based on the results and the responses received from participants, we have also completed a proposed training plan for the Fund over the next 18 months, as well as some other “next steps” to consider.

# Overall Results

The chart on the right shows how the overall average score for your Fund compares with that of all other funds who took part in the Assessment. The “score” shown is the average score of all participating Committee and Board members from each Fund.

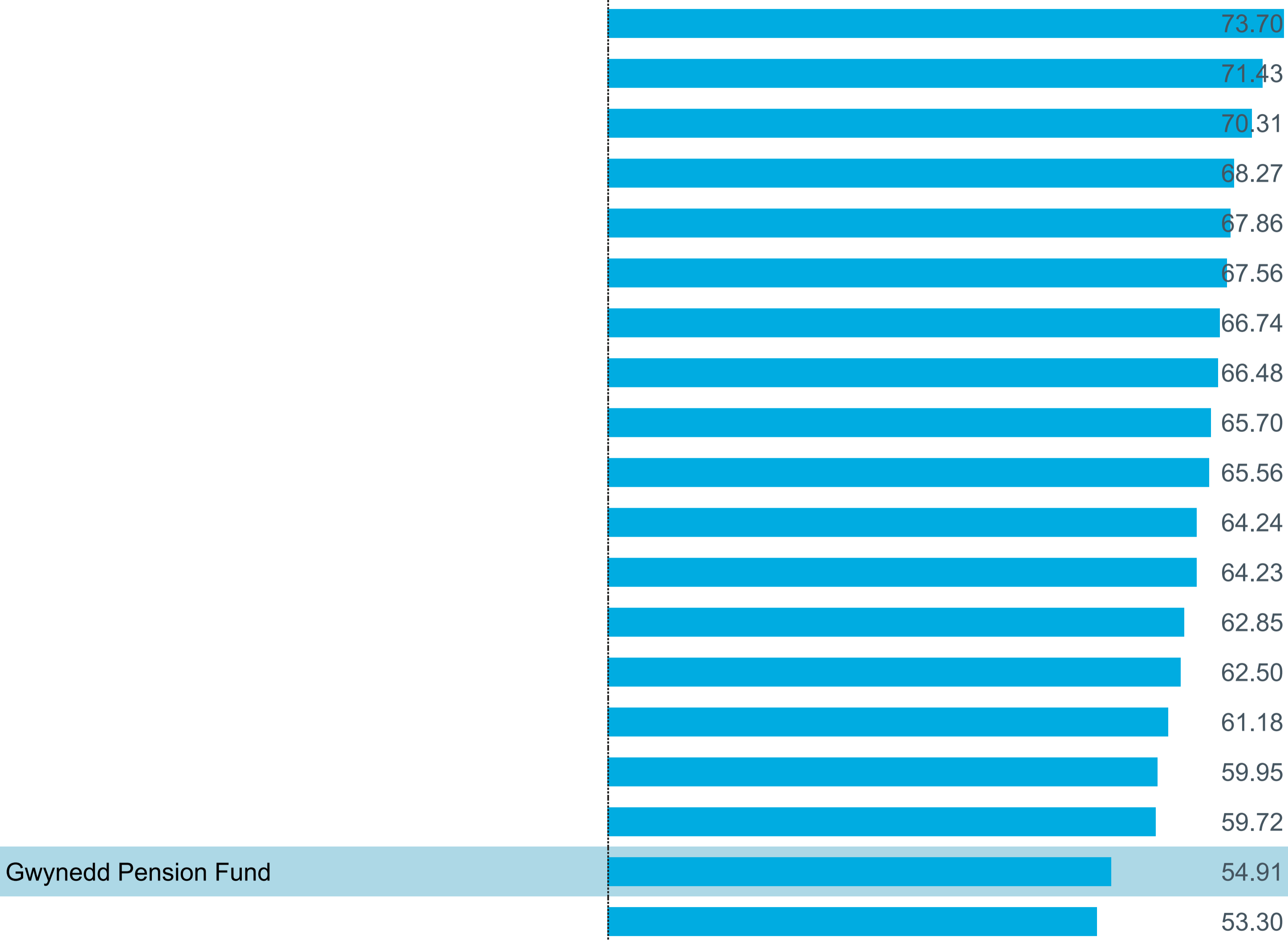
Gwynedd Pension Fund ranked 18th out of 19 Funds

For each of the assessment’s 8 areas we have shown the results of both the Committee and Board.

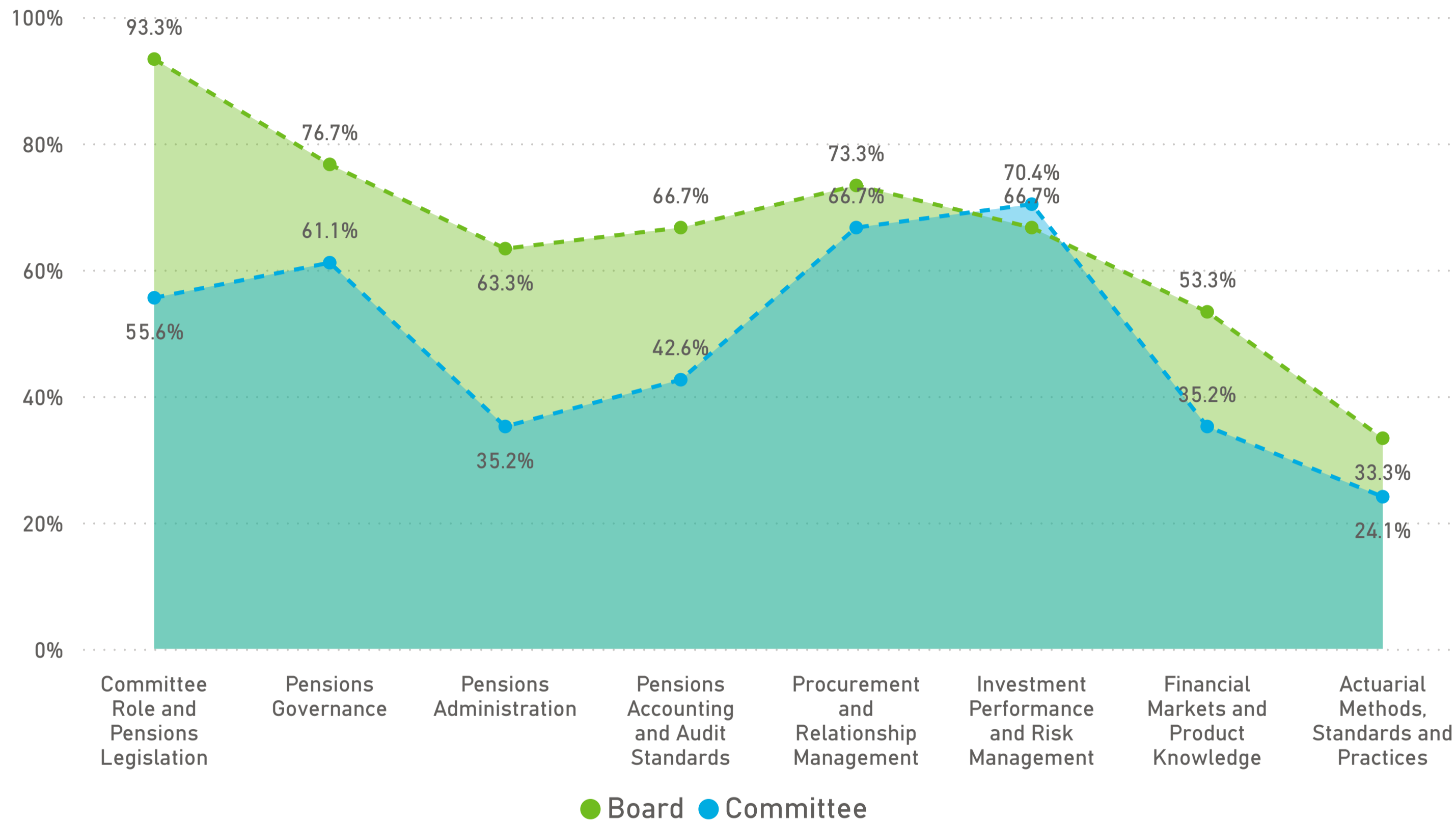
There is also a summary showing the average scores across all sections for the Committee and Board.

Fund

Overall Score



## Average Score for Board & Committee



For each of the assessment's 8 areas we have shown the results of both the Committee and Board.

These have been shown in the order in which the sections appeared in the survey.

There is also a summary showing the average scores across all sections for the Committee and Board.

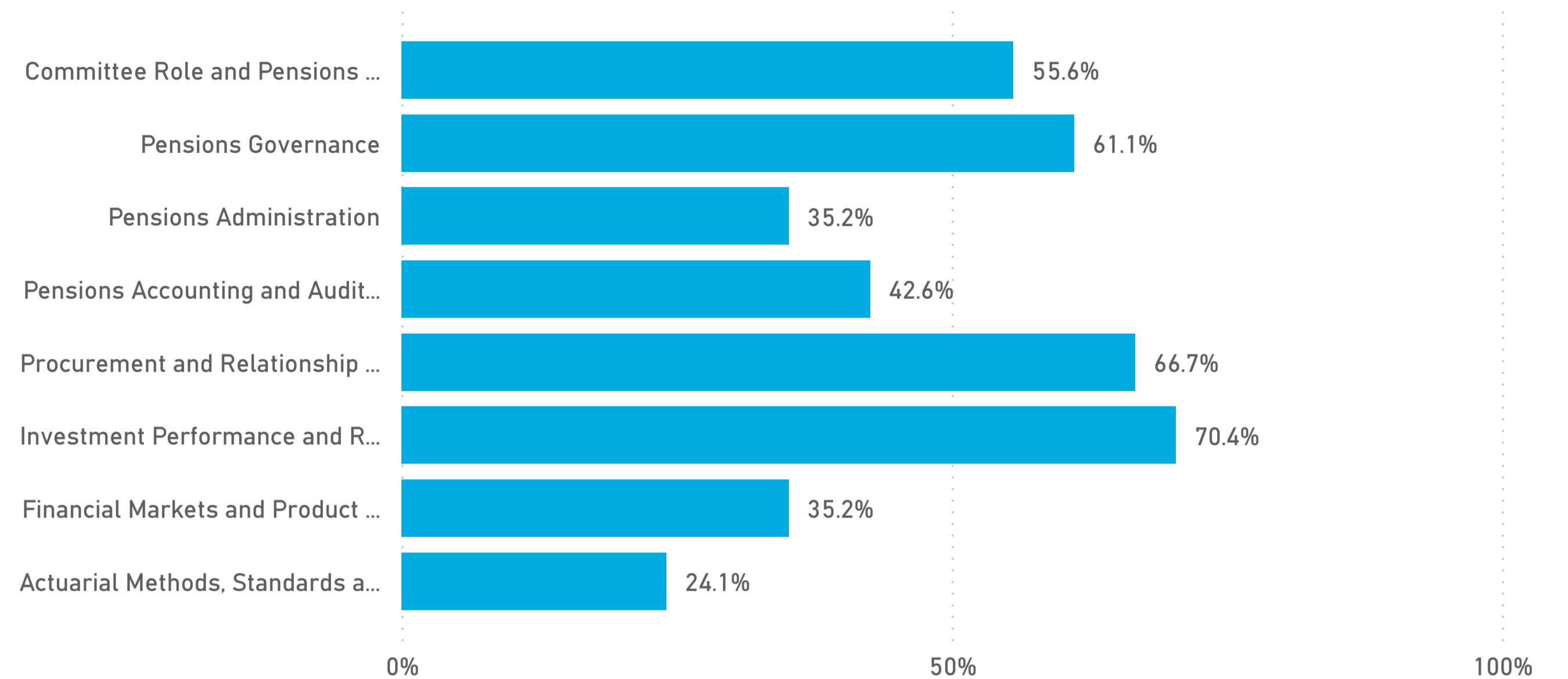
- The performance of the Board (average overall score of 65.8 %) was stronger than that of the Committee (average overall score of 48.8 %).
- The performance for the Committee and Board diverged the most in the Committee Role and Pensions Legislation section, when Board were 37.8 % higher than the Committee.
- The Committee performed most strongly in the areas of Investment Performance and Risk Management and Procurement and Relationship Management.

The Board areas of strongest knowledge were Committee Role and Pensions Legislation and Pensions Governance.

### Committee

The results show that Investment Performance and Risk Management and Procurement and Relationship Management have the highest levels of knowledge. But the areas to focus any specific training on might be Actuarial Methods, Standards and Practices, as well as Pensions Administration and Financial Markets and Product Knowledge for the Committee.

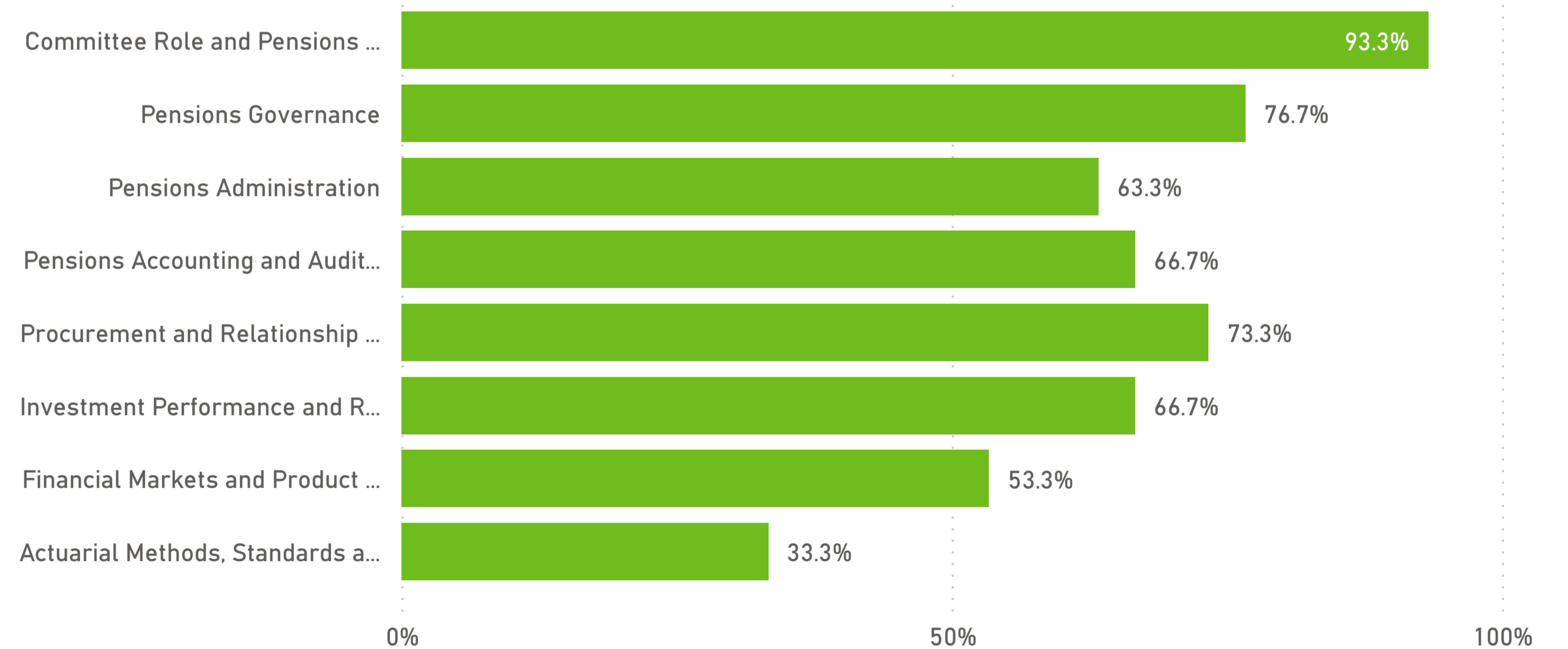
While the Committee’s performance was strong in some areas, there are areas which could be improved on with focused training as outlined above.



### Local Pension Board

The results show that Committee Role and Pensions Legislation and Pensions Governance have the highest levels of knowledge, but the areas to focus any specific training on might also be Actuarial Methods, Standards and Practices for the Board.

The next step would be to try and develop the knowledge of the lower scoring areas. You might already have a training plan in place, in which case we recommend using these results to tailor the specific training support ensuring it aligns with your priorities.



# Benchmarking

As this assessment is being conducted at a national level across numerous LGPS funds, we are able to provide details of how your Fund's results compare to those across the average of all funds who have taken part to date.

We've provided a comparison of the results for both your Fund's Committee and Board, versus the average scores nationally for each group. This gives an idea of the knowledge levels across these groups, relative to the national average.

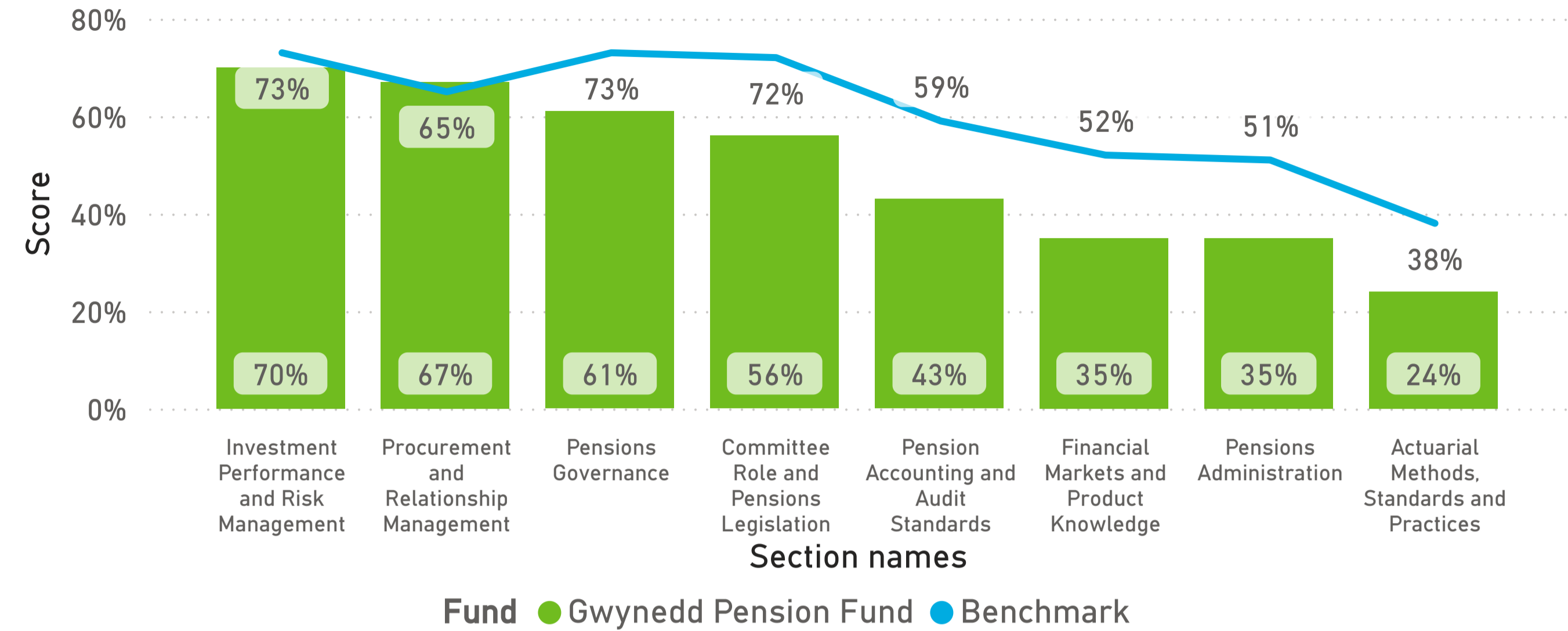
The intention is that training plans and/or timetables can be tailored to focus on the areas of least knowledge, whilst ensuring the Committee and Board maintain the high level of knowledge in the stronger areas.

It's pleasing to see that the areas of Investment Performance and Risk Management and Procurement and Relationship Management scored well for the Committee.

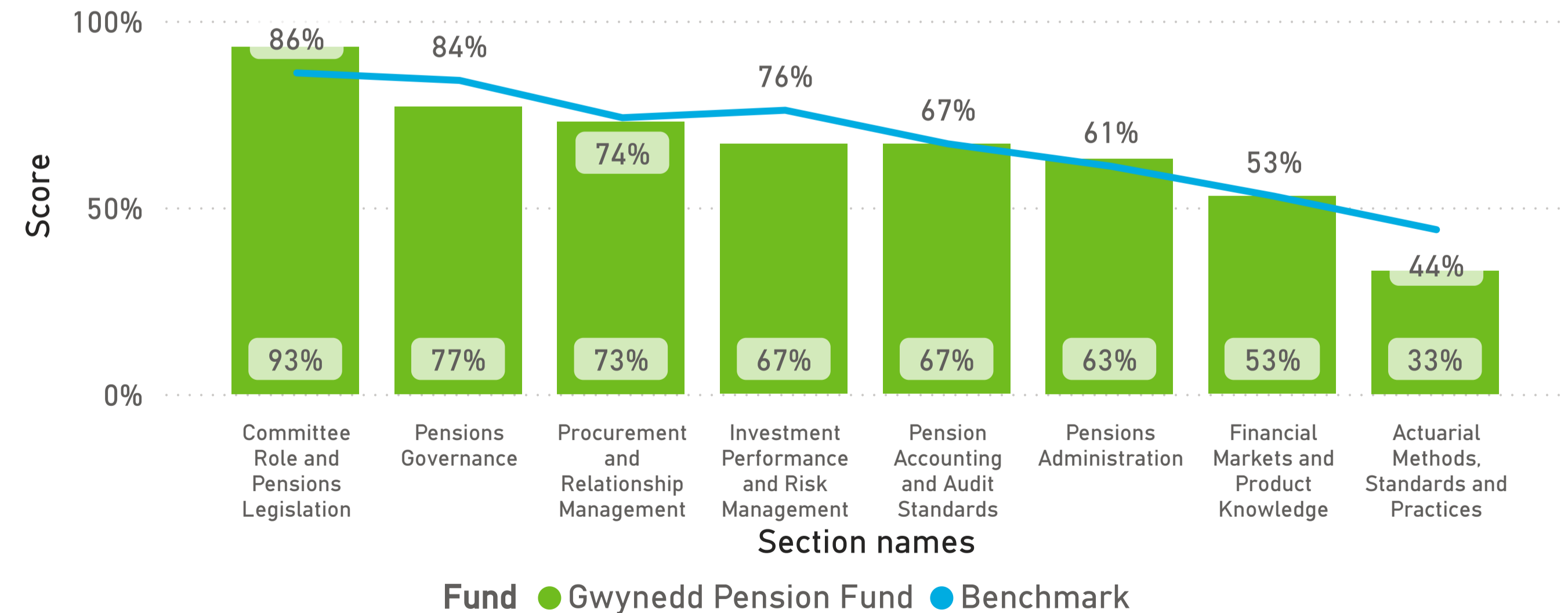
It's clear that there are some areas where knowledge levels are lower, and these areas would be a sensible focus of training for the Committee.

Similarly, from the Board chart it can be seen that the highest scoring areas were Committee Role and Pensions Legislation and Pensions Governance, and the scores for most areas were in line with the overall average.

## Committee Score vs Benchmark



## Board Score vs Benchmark



## Commentary on results

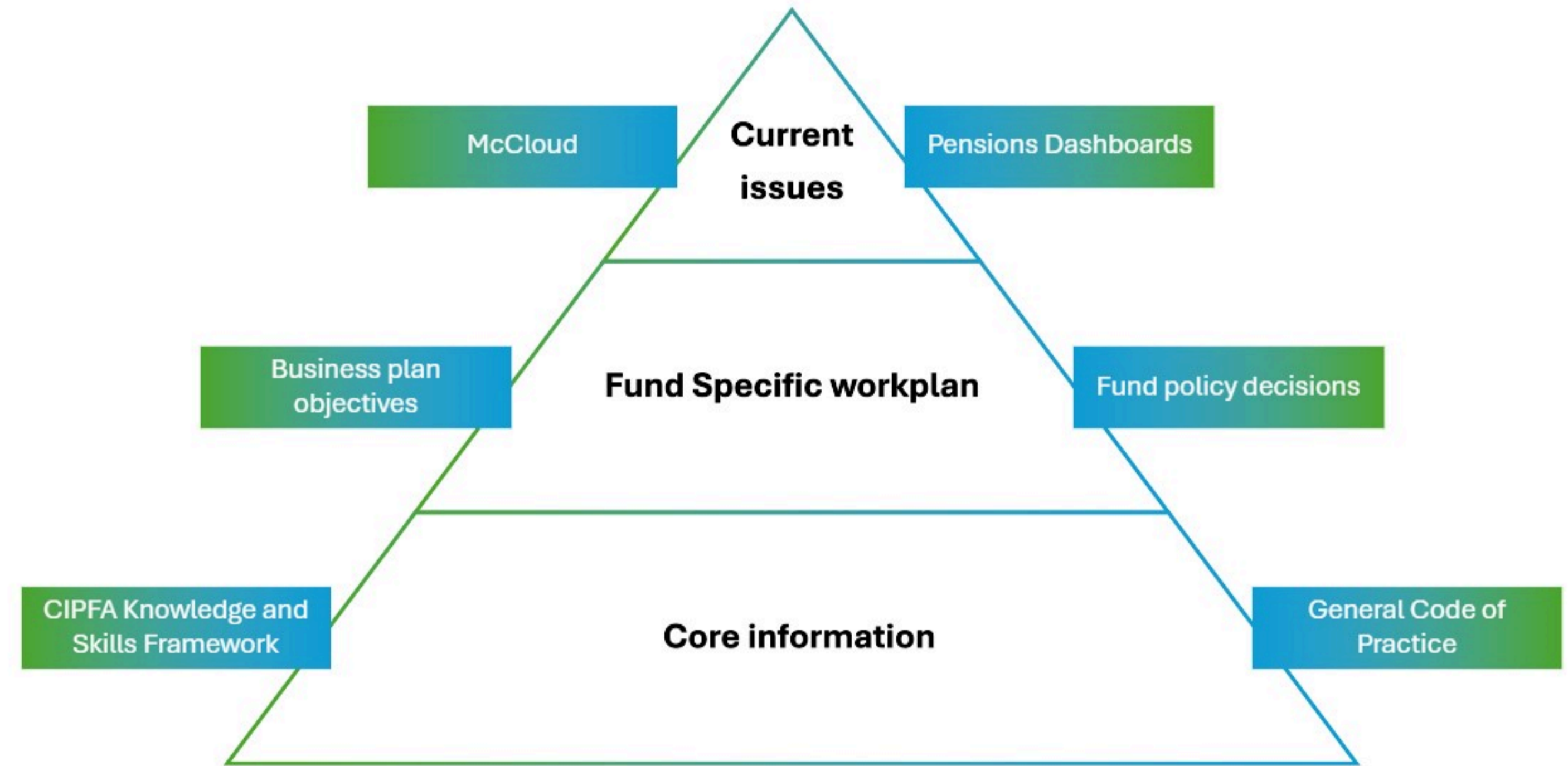
It's very encouraging that 14 participants from your Fund took part in the assessment. Overall, the results were reasonably positive and it's clear that there are areas of greater knowledge levels as well as areas in which knowledge should be developed over time.

We would fully expect there to be gaps in the knowledge of all members, no matter their role on the Committee/Board, their tenure or indeed their background in terms of pensions experience.

The most important thing to emphasise is that not everybody needs to be an expert in all areas, rather there should be a spread of knowledge across your Committee and Board which is supported by advice from officers and professional advisors.

Just as important as gaining the relevant knowledge and understanding expected of a Pension Committee or Board, is the application of that knowledge and understanding, including the utilisation of an individual's own background and perspective.

Many funds have implemented training plans that follow the pyramid diagram of LGPS training areas. Fundamentally, a plan based on this example pyramid would provide a LGPS fund with a robust training program for its Committee and Board.



## Further Analysis

In order to gain further insight into the knowledge and understanding, the questions posed covered 3 distinct areas. These were:

- **Technical** – 66% of questions
- **Decision Making** – 17% of questions
- **Roles and responsibilities** – 17% of questions

The purpose of this was to drill deeper into the collective understanding of these categories, and to provide further analysis on which areas to target when creating training plans. The following chart shows the average score for each of these sections, for the Committee and Board combined.



From this chart, the lowest scoring area was Technical . Bearing this in mind, a particular focus could be put on this over the coming months.

Some next steps to consider are:

**Decision making** – A review of the Fund's decision-making procedures, and updating/creating a decision-making matrix, and sharing this with the Committee and Board to ensure visibility of the role of each group in across a broad spectrum of potential decisions.

**Roles and responsibility** – A specific training session covering the roles and responsibilities of different parties covering different points in the annual cycle of the Fund. This could include preparation of annual report, annual benefit statements, business planning and investment performance reviews for example. It would also be good to cover more niche topics such as the IDR process, review of suppliers and cyber risk.

**Technical** – The majority of the questions in the assessment were technical and related to core areas of knowledge and skills for Committee and Boards. We would expect the Fund's training strategy and training plan to reflect requirements here.

## Collective Knowledge

It is not just the overall average scores which are important, we realise that you need to be aware of the collective knowledge of your members. All Committee and Board members will bring different experience and perspectives, and will feel more comfortable providing challenge in areas they are more knowledgeable in. As such, the spread of detailed knowledge in each subject is important.

For this reason we feel it is important to understand how many members scored highly in each of the topics, to provide an insight into the breadth of knowledge across topics. Where a Committee or Board have individuals with high knowledge levels in each of the topics, you can feel more assured that members will be able to provide challenge or guidance to the rest of the group, as and when required.

A well rounded Committee or Board will have a number of members scoring highly in each topic. To measure this, we have analysed the number of members who correctly answered at least 5 of the 6 questions in each topic. The assumption is that these members are particularly knowledgeable in these areas, and can lead the group in these topics. This is shown in the chart below.

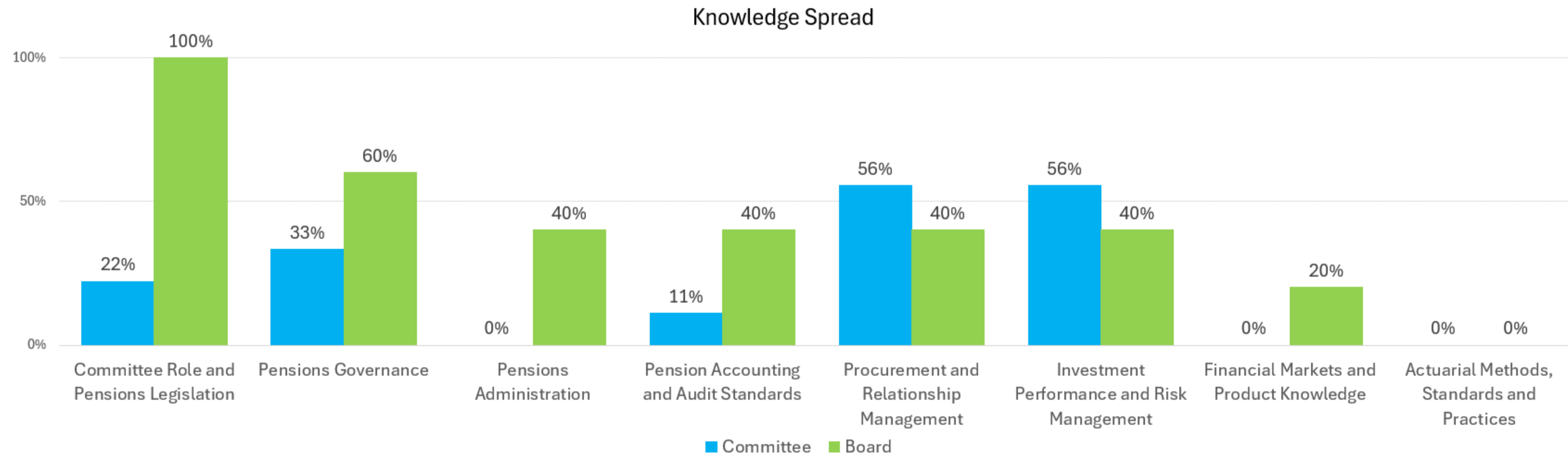
It is also important that it is not just the same individuals who score highly in each topic. A spread of individuals with detailed knowledge across different topics, is more likely to create an effective Committee or Board.

### Methodology

We have analysed the number of members who correctly answered 5 or 6 questions in at least one topics. This gives an indication of the spread of knowledge.

For the Committee there were 6 members who scored highly in at least 1 topic. All 5 Board members who scored highly in at least 1 topic.

This is a positive result, as you would hope that most members would have specialist, detailed knowledge in at least one subject area





## Comparison with previous results

The Gwynedd Pension Fund also took part in a previous Assessment. The results for each of the 8 topics can be compared to measure progress in each area.

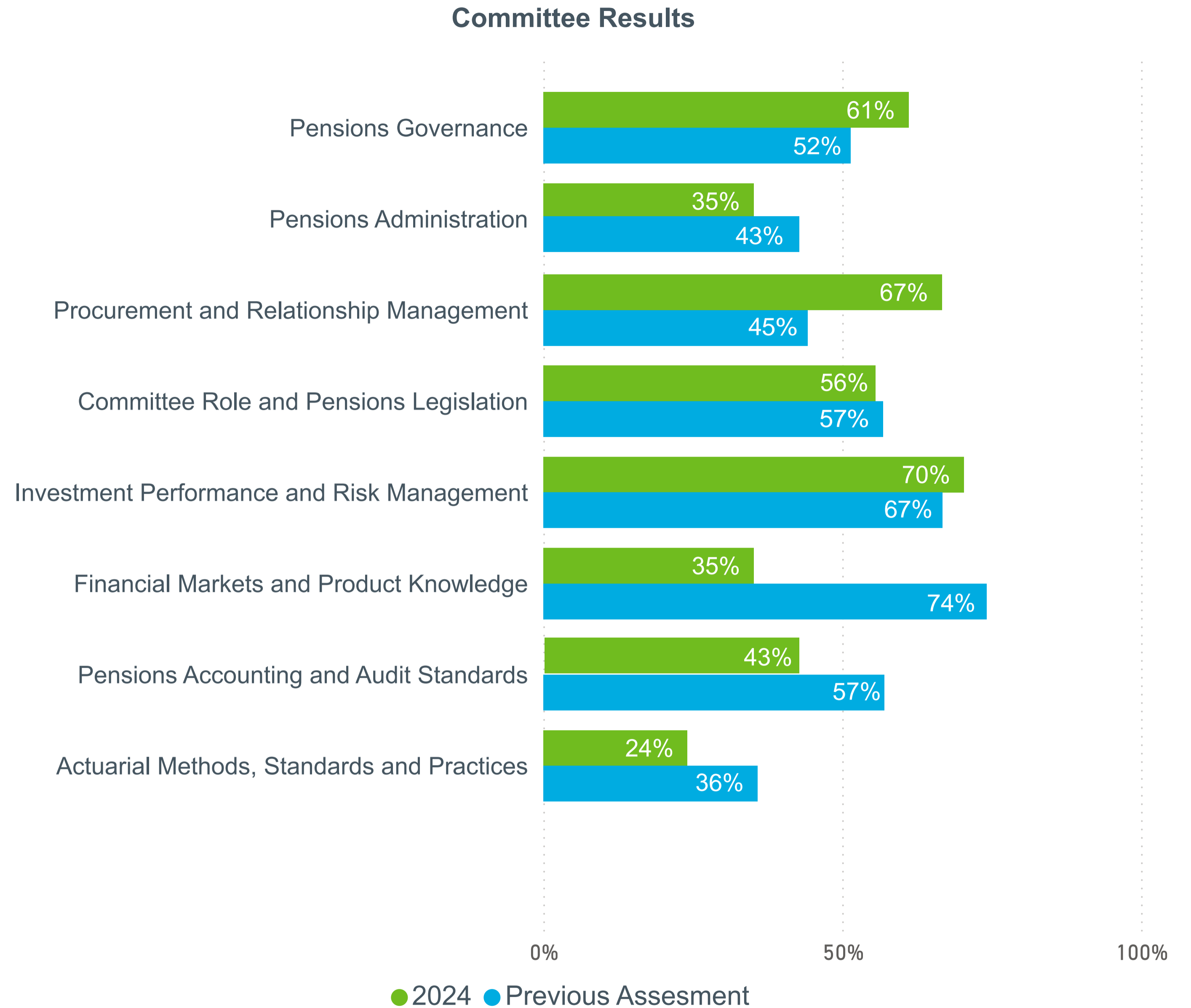
This is shown in the following chart.

The average score for each topic this year is compared with that from the previous assessment. This has been broken down to show the results for the Committee and Board separately.

It's worth noting that while there will be differences in the members who actually participated in each assessment, it's the collective knowledge of each group which is important.

The area in which knowledge appears to have developed most for the Committee is Procurement and Relationship Management which is encouraging.

On the other hand, knowledge levels seem to have regressed in a number of areas

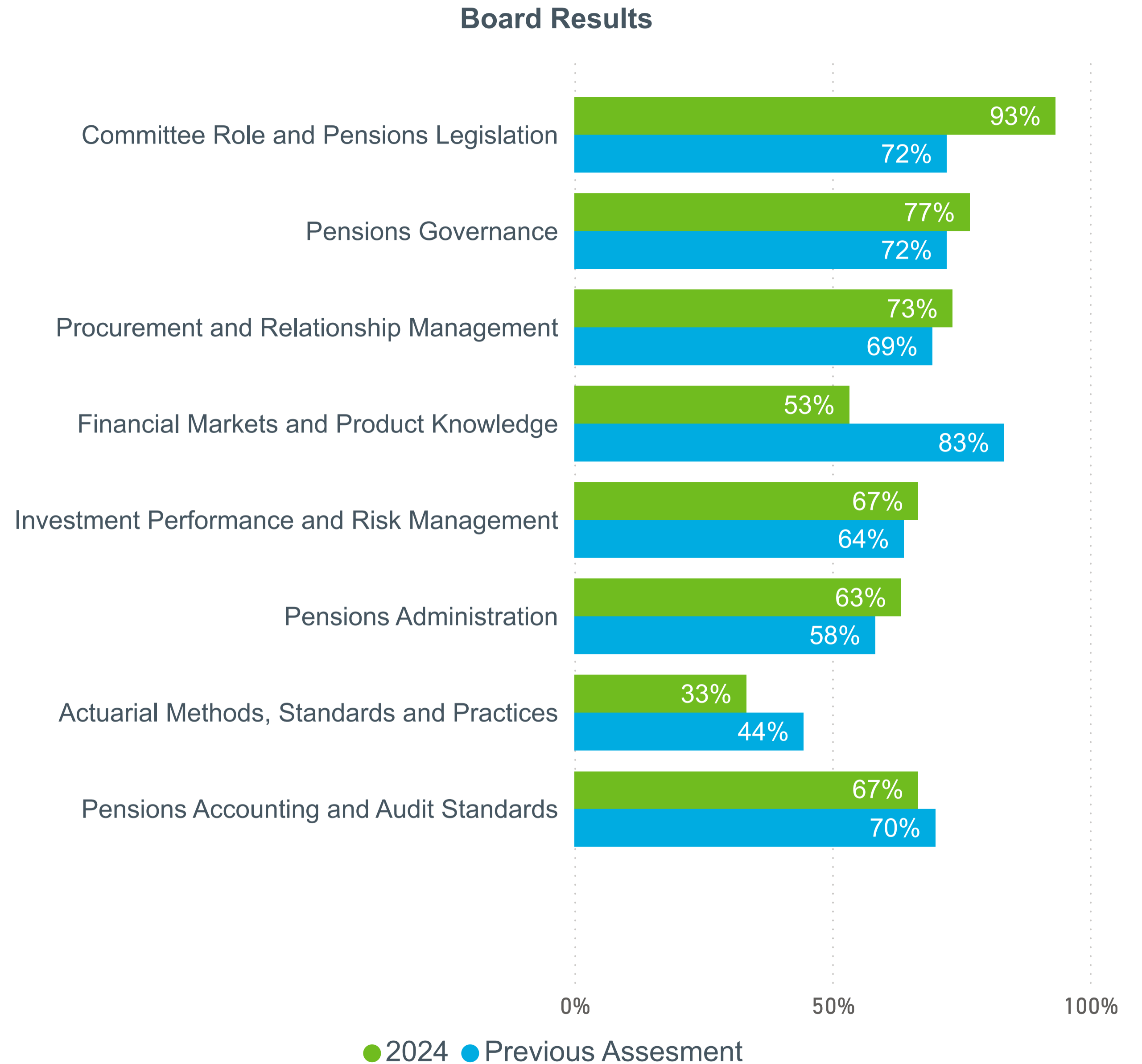


The same comparison can be made for the Board. The chart on the right shows these results.

The area in which knowledge appears to have developed most for the Board is Committee Role and Pensions Legislation which is encouraging. On the other hand, knowledge levels seem to have regressed in Financial Markets and Product Knowledge.

It's worth noting that the underlying questions have changed between both assessments, and for the 2024 assessment there was an additional option given to answer "I have no knowledge of this area", whereas in the previous assessment that option was not there.

This might account for some small differences in the results.



## Engagement

One of the key areas that we recommend funds focus on is Committee and Board training engagement.

With the ever-increasing pace of change in the pensions and investments world, engagement is critical to maintaining strong collective knowledge. There is an expectation that they need not only be willing, but keen to develop their knowledge and understanding across the raft of topics upon which they will need to make, or ratify, decisions.

One measure of the engagement of members is their willingness to participate in training. As such, we have used the participation level of this survey to measure the engagement of your Committee and Board members.

The chart below shows the breakdown of the total number of participants from the Gwynedd Pension Fund, as a proportion of those who could have responded.

Role	Participants	Sum of Possible Participants	Participation Rate
Board	5	5	100.00%
Committee	9	9	100.00%
<b>Total</b>	<b>14</b>	<b>14</b>	<b>100.00%</b>

That 14 participants from your Fund took part in the assessment is highly encouraging. This makes you one of the few Funds where all eligible members participated.

With the number of changes to the LGPS in recent years, it is vital that Committee and Board members remain abreast of the latest developments and feel confident that they have the knowledge required to make the decisions required of them.

Their level of engagement is a key driver of this. Overall engagement seems to be at a good level; however, it is important to maintain this. The combination of in-person, online and hybrid meetings might be one way of achieving this.

One of the biggest challenges in this area is how to improve engagement. The move to online learning and tackling topics in bitesize chunks can help.

The way in which information is shared with the Committee and Board can also promote engagement.

There have been moves by some funds to issuing short timely bulletins and newsletters to increase training knowledge and engagement, which we very much encourage.

## Training Feedback from Participants

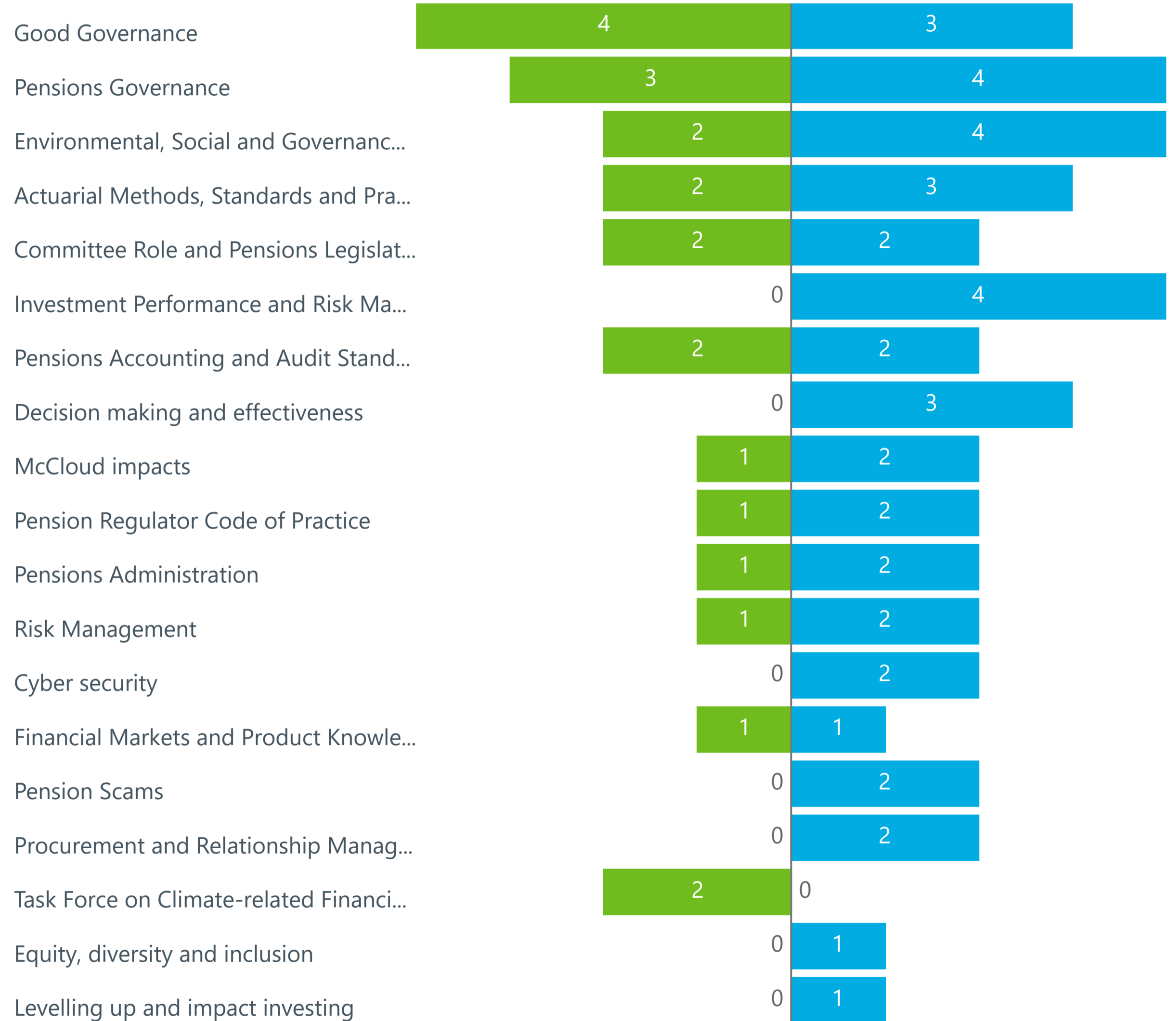
One of the final sections of the survey asked participants to indicate which topics they would like to receive training on.

There was a list of options available, covering a broad spectrum of the topics we believe are most relevant to allowing Committee and Board members to effectively perform their roles. Members were also given the option to indicate any other areas in which they would benefit from further training.

The table on the right summarises the areas in which members indicated training would be beneficial.

### Training requirements

● Board ● Committee



## Training plan

Based on the results from this assessment, we have prepared the adjacent training sources that you may wish to adopt or include as part of your training plans.

This has been prepared based on what we believe would be most valuable to your Fund at the current moment.

The intention is to make the planning and delivery of these sessions more efficient for the Fund.

You may want to create separate plans for the Board and Committee - further *tailoring* the training plan to their distinct priorities.

We would be happy to discuss the options for delivery of any of these training sessions. Hymans can support in the preparation of this suite of sessions.

As detailed on the page '**Commentary on results**', we recommend that training plans include elements on:

- Core information
- Fund specific workplan
- Current issues / Hot topics

The key output for your Fund is to have a clear training plan and the delivery dates (or delivery vehicle i.e. training paper) set aside for these sessions.

### Feedback from participants

We also asked the participants to provide comments on the areas they would most appreciate training in. Based on these comments, the most requested areas for training were Good Governance and Pensions Governance. These are both very topical issues presently.

More detail is shown in the chart on the previous page.

## Training Sources

### Recommended LGPS Online Learning Academy Modules & Videos

We offer an on-demand package of training videos covering the majority of the topics contained within this assessment. These videos provide the key details we would expect members to be familiar with in each of the topics. There is also supplementary information and learning aids provided.

### Webinar Library

We have a bank of webinars available. Some webinars which might prove useful to help develop knowledge in the lower scoring areas would be:

- Managing risk in the LGPS - a spotlight on administration risk
- LGPS 2022 Valuation - the big picture
- The LGPS Investment Outlook series

### Training Sessions

There are also some in-person training sessions we can deliver which may be of interest to Committee and Board member based on both the results of this assessment and their individual training requests. These include:

- TPR's general code of practice
- Pension scams
- Good Governance
- The role of the Actuary

If you would like access to any of the above or to discuss training plans and/or training strategy, please get in touch.

## Next Steps

Based on the results, we would suggest that there should be consideration to the following next steps:

- This report should be **reviewed** by the Fund's officers and results shared with the Committee and Board.
- Set up a **structured training plan** or adjust the existing training plan for the next 18 months covering the main areas highlighted in this report.
- Plan for the **delivery** of training over the immediate 6-month period following these results and communicate that intention with the Committee and Board.
- Consider the most **pressing** training requirements in the coming months. Importantly, look at the **frequency** of training engagement with your Committee and Board.
- **Assess** the tools available to the Fund to assist with training, and whether any new methods should be deployed.
- Consider ways of **maintaining** and **increasing** the engagement of both the Board and Committee. This could include providing them with more information, training materials, briefing notes etc.
- Ensure that the Fund's training strategy is up to date and **appropriate** for purpose.

We will be producing a national LGPS report on the results of these assessment, which will aid Scheme Advisory Board LGPS training discussions.

A copy of this will be made available to the Fund when that report is complete.

If you wish to discuss the contents of this report further, please get in touch.

Prepared by Hymans Robertson LLP.

**Alan Johnson**



LGPS Governance, Administration and Projects (GAP) Consultant

**Calum Robertson**



Trainee LGPS Governance, Administration and Projects (GAP) Consultant

## Reliances and Limitations

This report has been prepared for the Gwynedd Pension Fund.

This report must not be released or otherwise disclosed to any third party except with our prior written consent, in which case it should be released in its entirety.

Hymans Robertson LLP do not accept any liability to any party unless we have expressly accepted such liability in writing.

This report has been prepared by Hymans Robertson LLP, based upon its understanding of legislation and events as of November 2024.

<b>Meeting:</b>	<b>Pension Board</b>
<b>Date:</b>	<b>04/02/2025</b>
<b>Title:</b>	<b>AMENDED WORK PLAN</b>
<b>Purpose:</b>	<b>To form the Work Plan for the 2025/26 year</b>
<b>Author:</b>	<b>Meirion Jones, Pensions Manager</b>

## 1. Introduction

Following setting the last work plan in February 2024 we now need suggestions for items to be included for the 2025/26 work plan.

## 2. Draft Work Plan

The work programme below has been drafted and includes the matters identified following consideration by the Board in previous meetings and matters arising.

### WORK PLAN 2025/26

#### 7 April 2025

- Pension Fund Discretionary Policies.
- The Pensions Regulator's General Code of Practice.
- The Board's Report for the 2024/25 Annual Report of the Pension Fund.
- Update on the Wales Pension Partnership.
- Matters arising from the Pensions Committee (if applicable).
- Review of SAB meetings (if applicable).
- Breaches of the law (if applicable).
- Report changes to the risk register (if applicable).

#### October 2025

- General update on Pensions Administration.
- Pensions Dashboard.
- Gwynedd Pension Fund Annual Report
- Gwynedd Pension Fund investment performance update.
- Final Accounts for the year ended 31 March 2025.
- Valuation 2025.
- Matters arising from the Pensions Committee (if applicable).
- Review of SAB meetings (if applicable).
- Breaches of the law (if applicable).
- Report changes to the risk register (if applicable).

#### December 2025



- General update on Pensions Administration.
- Update on the Wales Pension Partnership.
- Risk register
- Matters arising from the Pensions Committee and the Annual General Meeting (if relevant).
- Review of SAB meetings (if applicable).
- Breaches of the law (if applicable).
- Report changes to the risk register (if applicable).

## **February 2026**

- General update on Pensions Administration.
- Gwynedd Pension Fund investment performance update.
- Budget 2026/27.
- Business Plan 2026/27.
- Training Plan 2026/27.
- Work plan for 2026/27.
- Matters arising from the Pensions Committee (if applicable).
- Review of SAB meetings (if relevant).
- Cases of breach of law (if applicable).
- Reporting changes to the risk register (if applicable).

Issues arising during the year can be added to the programme as required e.g. internal audit reports or changes in regulations. Doubtless, there will be ideas from members who have attended relevant training and events.

### **3. Recommendation**

Board members are asked to consider the above program and suggest additional items or changes