

PENSION BOARD 3/11/25

Present:

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

Sioned Parry, Roland Thomas (Employer Representatives)

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

1. APOLOGIES

Apologies were received from Ned Michael and Cllr Elin Hywel (Chair of the Pensions Committee).

2. DECLARATION OF PERSONAL INTEREST

None to note

3. URGENT ITEMS

None to note

4. MINUTES

The Chair signed the minutes of the previous meeting of this committee held on 11 July 2025 as a true record.

5. MINUTES OF PENSIONS COMMITTEE

The minutes of the Pensions Committee held on 15 September 2025 were submitted for information.

6. GWYNEDD PENSION FUND DRAFT ANNUAL REPORT 2024/25

The annual report (draft) was submitted by the Investment Manager. It was explained that the report provided details of the activities of the Pension Fund during the year ending 31 March 2025 and was completed in accordance with statutory guidance. Changes were highlighted in the requirements of the Scheme Advisory Board to identify and present the information through three categories - must, should and may. It was ensured that everything known as 'must' and 'should' had been included, unless the information was not available. As a result, it was explained that the annual report had increased in size as it included annual reports from the Board, the Pensions Committee, further information on administration

statistics, and further information on pooling.

It was stated that the report was in the process of being reviewed by Audit Wales with a view to submitting it with the final accounts to the Pension Fund's annual meeting on 24 November 2025.

Gratitude was expressed for the report.

Observations arising from the ensuing discussion:

- That the situation was healthy.
- The team were congratulated on their good work.
- The situation was evidence of good governance in a challenging economic climate.
- The situation had improved significantly over the years - there was a need to try to avoid a situation of lowering and raising contributions.
- The report was thorough and easy to read.
- Accepted that it was not necessary to include the 'may' information category.

In response to an observation, that there were reductions for employers as a result of a valuation and if a buffer had been set, it was noted that the largest employers, given that the fund was 166% funded, had put in place a stabilisation mechanism and that other employers had an intention of doing something similar.

In response to a question that the Fund's direction was to reach a net zero target in 2050, but that the Council's Climate Strategy had set a net zero target by 2030 and why the conflict, it was noted that discussions had been held with officers, but that the Pension Fund's target was based on an in-depth analysis with a commitment to undertake reviews to try to bring the date forward. It was reiterated that 2030 was not an option for the Fund.

In response to a supplementary question as to whether there was a commitment to meet the 2050 target earlier, and if an interim target was considered, it was noted that further work was being carried out on the strategic objectives with Hymans looking at the assets to try to meet the target earlier. It was added that further adjustments would be likely following the establishment of an IMCo company that would take over the governance, advisory and value for money aspects. It was reiterated that there was no objection to the suggestion to consider an interim target as all pool members had the same attitude towards reaching the net zero target sooner.

In response to an observation that a record of the development of Pensions Committee members was included in the report and that a similar record should be implemented for members of the Pension Board, it was noted that a training scheme was in place for members of the Pension Board and that the Investment Manager kept a record of those developments. It was noted that the record of the Committee members was more formal.

In response to comments regarding the Fund's membership and the gap between contributors and the number of paid pensioners, and whether modelling work was being carried out on these trends, it was noted that Hymans was aware of the trends and was considering the impact of this into the future.

With reference to the key performance indicators (KPIs), it was questioned what was the reason for 'not reporting', and if there was a timetable/target to 'report'; it was noted that work was being done to meet the requirements. It was highlighted

that Gwynedd's performance reporting method did not follow a process of completing a KPI (Gwynedd reporting on continuous improvement) and therefore the task needed to be adapted to meet the requirements. It was reiterated that tasks were set in a specific manner, but that Gwynedd did not record in the same way as CIPFA requirements for information. It was confirmed that the performance was good and met the requirements, but that the system needed to be adjusted to better highlight the performance.

In response to a question about 'information not available', (Communications KPI) it was noted that an example of this would be the use of the Council's new telephone system which had not yet been set up. The information would be more complete for next year.

RESOLVED

To accept the report and note the information

7. LGC INVESTMENT AND PENSIONS CONFERENCE

An oral update was provided by Mr Anthony Deakin who had attended the conference in September 2025 on behalf of the Board. He explained that the conference gave attendees the opportunity to network, expand their knowledge and keep up with the work of the sector.

Gratitude was expressed for the information.

8. PENSION ADMINISTRATION

A comprehensive report was submitted by the Pensions Manager providing a general overview of pension administration over the past year, along with information on the work carried out over the period and updates on various projects:

- Implementation of the McCloud obligation following a Supreme Court ruling.
- Work relating to the 2025 actuarial valuation, which included holding an Employers' Forum to share valuation results with employers. It was noted that the new contributions would be formally confirmed at the end of March 2026.
- Work relating to linking to the National Pension Dashboard ecosystem by 31/10/25.
- Preparation of a response (on an all-Wales basis) to the UK Government's consultation on improvements to the Local Government Pension Scheme which would modernise the scheme, improve fairness and strengthen long-term member protections.
- That work to ensure that the Gwynedd Pension Fund had met statutory requirements by issuing Annual Statements of Benefits had been completed at the end of July (before the closing date). Reference was also made to a presentation/avatar on the My Pension On-line portal which supported members to better understand the statements.
- That data quality remained a priority for the Fund and ongoing developments were being implemented to further improve the quality. Reference was made to an example where the Fund was working with a professional tracing service to try and find the contact details of family members who had passed away or appeared to be a 'gone away address'.

- Communication with members also remained a priority – a circular had been distributed with the 2025 Annual Statements of Benefits. It was noted that work was ongoing to redesign the Fund's website.
- It was explained that as a result of internal changes being implemented to tasks where comprehensive performance data was not available, the Fund was providing assurances that there was no indication that service performance was deteriorating, but that the information was intended to be submitted when the revised procedures had been completed.
- Work continued to ensure policies and compliance were in place in response to the requirements of Good Governance.

Reference was made to the continued success of 'My Pension On-line' noting that the portal's membership continued to grow steadily from month to month. It was reported that the Gwynedd Pension Fund had played a key role in supporting Heywood to develop a Welsh language version and that this version was to be rolled out to all Welsh LGPS funds by the end of the year.

Attention was drawn to the Service Satisfaction Survey which was sent to Members at the end of key processes, such as retirements and reimbursement payments, to gather views on the quality of service received. It was reported that 58 members had taken part in the survey between April 2025 and September 2025 with the result being very encouraging (95.13% of users strongly agreed or agreed that the quality was of a high standard and 97.26% strongly agreed or agreed that staff performance met a high standard).

Gratitude was expressed for the report.

During the ensuing discussion, the following observations were made by members:

- The team were congratulated on their work and commitment.
- Considerable work had been completed, and targets were being met.
- The introduction of the avatar to explain the benefits statements was a positive addition.
- Praised the work to ensure data quality – the standard was important for the order of the valuation.
- A suggestion to send the Statement of Benefits to staff to check their personal details – this would ensure accuracy and an exercise for staff to take note of the statements.

In response to a question about how the Unit would proceed to seek to get more Members to subscribe to the website and how it would be possible to ensure that older residents were not ignored, it was noted that the team continued to encourage staff to use the website, and that statements on paper payslips referred to the information available by using the website.

In response to a question about the likelihood that there would be fewer enquiries to staff which would potentially lead to job threats due to increased use of technology, it was noted that workload, currently, had increased with increased requirements for information about the use of the portal and general enquiries. It was reiterated that there were problems with e-mails from the Unit going to Members' junk mail folders with 'Yahoo' and 'AOL' and although enquiries had been made with the companies, there was no possible solution.

In response to a question on whether there was sufficient staff to complete the governance elements, it was noted that staff numbers for the administrative elements were sufficient but that further support for the basic governance element

could be considered.

RESOLVED

To accept and note the information.

9. DATA IMPROVEMENT PLAN

A report was submitted by the Pensions Manager detailing the key types of data held by the Fund highlighting the importance of data accuracy and clear and structured approaches to improving data quality. The Fund's data enhancement objectives were highlighted as well as the types of data that needed to be completed to protect Members' rights, to support operational efficiency and strengthen trust in the Fund's governance.

It was highlighted that there were two categories of data – common data and scheme-specific data, with targeting actions and approaches put in place for improving the quality of both categories. Attention was drawn to the use of the professional Tracing Service to try to reduce instances of the number appearing as 'moved' or outdated contact information in the common data category. It was reported that the service, although costly, had delivered good results so far and that the number of cases was decreasing.

It was considered that by following the Data Improvement Plan, the Fund would aim to significantly improve the data, ensuring compliance with regulatory requirements and improving the overall experiences of Members and employers.

Gratitude was expressed for the information.

In response to a comment that the Fund relied on Members to update their contact details and how the administration unit could do this using AI (artificial intelligence), and whether there were examples that could be trialled, it was noted that no consideration had been given to this and the one example of potential use was letters. In response to a supplementary question regarding an increase in the use of AI and whether the Fund had a specific policy, it was noted that Cyngor Gwynedd had an AI policy but that the Fund did not currently have a specific policy.

RESOLVED to accept and note the information.

The meeting commenced at 1.00 pm and concluded at 2.20 pm

CHAIRMAN