Complete Agenda

Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Meeting

PENSIONS COMMITTEE

Date and Time

2.00 pm, MONDAY, 14TH SEPTEMBER, 2026

Location

Virtual Meeting

NOTE

*** For public access to the meeting, please contact us***

Contact Point

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(DISTRIBUTED 07/09/26)

PENSIONS COMMITTEE

MEMBERSHIP (9)

Plaid Cymru (4)

Councillors

Elin Hywel	Gwynfor Owen	Geraint Wyn Parry
Ioan Thomas		

Independent (2)

Councillors

John Pughe Roberts	John Brynmor Hughes

Gwynedd First (1)

Councillor Stephen Churchman

Co-opted Members (2)

Councillor Robin Wyn Williams	Isle of Anglesey County Council
Councillor Goronwy Owen Edwards	Conwy County Borough Council

Ex-officio Members

Chair and Vice-Chair of the Council

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 5 - 10

The Chairman shall propose that the minutes of the meeting of this committee held on 6th July 2026 to be signed as a true record

5. WALES PENSION PARTNERSHIP UPDATE 11 - 55

To receive and note the information.

6. TREASURY MANAGEMENT 2025/26 56 - 59

To consider and receive the report.

7. GWYNEDD PENSION FUND DRAFT ANNUAL REPORT 2025/26 60 - 122

To review and provide feedback on the report.

8. THE GOOD ECONOMY REPORT 123 - 133

To review and note the report.

9. PENSION ADMINISTRATION 134 - 141

To consider the report

10. PENSION FUND ADMINISTRATION POLICIES 142 - 148

To approve and adopt the Administration Policy set out in Appendix A with effect from the date of this meeting.

11. ADMINISTRATION DISCRETIONS POLICY 149 - 199

1. To consider the revised Administration Discretions Policy attached at Appendix 1

2. To note that the policy was reviewed by the Pension Board in July

2026 and that no amendments or improvements were requested.

3. To approve the Administration Discretions Policy as the Gwynedd Pension Fund's policy for the exercise of administrative discretions under the LGPS Regulations.

4. To authorise officers to publish and implement the policy and to undertake annual reviews to ensure that it remains compliant with legislative and operational requirements.

12. LOCAL AUTHORITY PENSION FUND FORUM (LAPFF)

To receive an oral update from Councillor Stephen Churchman on the activities of the Forum

13. EXCLUSION OF PRESS AND PUBLIC

The Chairman shall propose that the press and public be excluded from the meeting during the discussion on the following items due to the likely disclosure of exempt information as defined in Paragraph 14 of Schedule 12A of the Local Government act 1972 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial interests of public authorities that matters related to commercial information need to be discussed without being publicised. Publication of such commercially sensitive information would be inappropriate having regard to the legitimate interests of third parties and could undermine confidence to engage with the Council and therefore the Councils ability to make decisions on behalf of the fund. This would be contrary to the wider public interest of securing value for money and the best overall outcome. For those reasons the matter should be exempt in the public interest

14. ROBECO ENGAGEMENT SERVICE - ENGAGEMENT REPORT 01.01.2026 - 31.03.2026

To note the contents of the report

(copy for Members only)

15. PENSION FUND INVESTMENT PERFORMANCE UP TO 30TH JUNE 2026

To accept the information and note the contents of the report

(copy for Members only)

PENSIONS COMMITTEE 06-07-2026

Present:

Councillors:

Stephen Churchman, Goronwy Edwards (Conwy County Borough Council), John Brynmor Hughes, Elin Hywel, Gwynfor Owen, Geraint Parry, John Pughe Roberts, Ioan Thomas and Robin Williams (Isle of Anglesey County Council)

Officers:

Dewi Morgan (Head of Finance), Ffion Madog Evans (Assistant Head of Finance Department - Accountancy and Pensions), Delyth Jones-Thomas (Investment Manager), Meirion Jones (Pensions Manager) and Rhodri Jones (Democracy Services Officer)

Others invited:

Osian Roberts	(Audit Wales)
Ned Michael	(observing on behalf of the Pension Board)

1. **ELECTION OF CHAIR**

   Resolved to re-elect Councillor Elin Hywel as Chair of this Committee for 2026/27

2. **ELECTION OF VICE-CHAIR**

   Resolved to re-elect Councillor John Pughe Roberts as Vice-chair of this Committee for 2026/27

3. **APOLOGIES**

   None to note

4. **DECLARATION OF PERSONAL INTEREST**

   None to note

5. **URGENT ITEMS**

   None to note

6. **MINUTES**

   The Chair accepted the minutes of the meeting held on 26 February 2026 and 16 March 2026 as true records.

7. **WALES PENSION PARTNERSHIP (WPP) UPDATE**

   The Investment Manager highlighted that this was now a regular report that would be presented to Members to note the latest information on the Wales Pension Partnership's work along with the decisions of the March meeting of the Joint Governance Committee

(JGC - the Partnership's decision-making body made up of the Chairs of each fund). After an update at a recent information session following the establishment of the WPP IM Co, it was noted that this was the final Joint Governance Committee in its current form.

The Business Plan for 2025/26 was reviewed, and future business plans were submitted to the Joint Committee; the business plan which highlighted how the current Wales Pension Partnership would operate during the transitional period, as well as the WPP IMCo Business Plan for the 2026 year. These documents were approved at the Gwynedd Pensions Committee meeting on 16-03-2026.

An update was given on the operator's work and the funds established by the Partnership as well as details on the operator's work over the period and any market conditions that they monitor. In the context of the funds' performance, it was noted that they had faced challenging conditions with the volatile market during the period in question.

Reference was made to the work that the Wales Pension Partnership had made regarding the attitude towards exceptions, with responsible investment policies now updated to encompass many exceptions, such as power from thermal coal, controversial weapons and companies in persistent breach of rules.

The members thanked the officer for the report

Observations arising from the ensuing discussion:

- That the Committee's role would change substantially - the role appeared to be a scrutiny role instead of a responsible role.
- There was a need to ensure that the Fund's Members received good returns - was there a conflict here with the Westminster Government using Local Government Fund money for their own purposes? Needed to ensure that there was no conflict.
- That the Committee needs to be awake to its new role.
- A suggestion that Committee Members should have meetings with the Fund's Managers so that they could obtain current information about investments - concern, should IMCo mis-invest, the Committee Members would be likely to blamed for mis-investing the money of the Gwynedd Fund's participants.
- The Committee needed assurance that the interests of the Fund's Members were the priority.

In response to a question regarding 'the extraction of unconventional gas and oil reserves' and whether this included fracking, the Investment Manager noted that he would seek the information and report back to the Committee. Similarly, they would also seek to respond to a question about what the definition of the word 'controversial' in the context of prohibitions being applied to investments in companies relating to the production of controversial weapons. It was reiterated, with the Government intending to contribute an additional £15 billion towards the Transformation of the UK's Armed Forces, and similar opportunities arising for businesses and investing in technologies for the Armed Forces, it was considered that more information about the situation would be advantageous.

In response to a comment regarding the Wales Pension Partnership's ongoing use of the name *Operation Snowdon* instead of *Prosiect Yr Wyddfa*, it was noted that Members and Officers continued to push to highlight the change but that there was no action on the matter. The Head of Finance noted that this was frustrating, but with the project now over, the hope was that there would be no more mention of it in moving forward.

In response to a question regarding how to influence the spending on infrastructure and if opportunities come locally to invest in projects to improve the living standards of those areas that contributed to the Fund, it was noted that the main cornerstone of the Fit for the Future consultation was the use of the Fund members' money. It was reiterated that should opportunities arise, the role of the company would be to look at those opportunities, but the Committee would have to keep focus on returns; the Committee in its role as trustees would need to consider investments with fair returns, without raising hopes locally. The Chair noted that the Committee could identify its own investment opportunities.

RESOLVED

To accept and note the quarterly update of the Wales Pension Partnership.

8. LOCAL AUTHORITY PENSION FUND FORUM (LAPFF)

A report was submitted to explain the work of the Local Authority Pension Fund Forum (LAPFF) which did good work promoting the highest standard of corporate governance to protect the long-term value of Local Authority Pension Funds.

Councillor Stephen Churchman, a member of the Operational Board, was invited to elaborate on how the forum could support and assist the work of the Gwynedd Pension Fund.

Councillor Stephen Churchman explained that he had been a Member of the Forum for almost 8 months, and in that time, five meetings of the Forum had been held. It was noted that the meetings were split into two meetings - the first meeting was one for the Operators to discuss the content of the programme and the reports that would be submitted to the second meeting, i.e., the business meeting. It was considered that the procedure provided a good understanding of the context of the work with invitations being extended to the representatives of pension funds and pools; everyone was encouraged to participate in the discussions.

He reiterated that one matter that had been brought to their attention recently were considerations of the field of 'forever chemicals' - chemicals that are now almost invincible with millions of tonnes of them filtering into the ecosystem, creating a systemic environmental challenge, creating a risk to people's health (although the effects have not yet been proven), pollution and water contamination. He noted that LAPFF was engaging with those companies which produced materials (that included these chemicals - from clothing, to make-up, to kitchen equipment and others) and with water utility companies to discuss how they were attempting to address the problem which had the potential to lead to financial and legal risk that could ultimately affect investors. He suggested that the Committee should be awake to the issue.

To close, he noted that LAPFF was engaging on behalf of investors (very similar to the work of Robeco) and also acted as a body that trained and supported Committees - a very diverse organisation.

Thanks was expressed for the information.

Comments arising from the ensuing discussion,
- That the use made of the Forum was a good opportunity to receive feedback, guidance and information regarding engaging in specific matters.
- A request for the Councillor to ask the Forum about the way of engaging on the topic of forever chemicals - obviously this was an area of concern.

- Appreciation was expressed on hearing that the body worked on behalf of the Committee by ensuring that the Committee made responsible investments and stewardship.

RESOLVED

To accept the report and note the information.

9. GWYNEDD PENSION FUND'S DRAFT ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2026

For information, a report was submitted by the Investment Manager providing details of the financial activities of the Pension Fund during the year ending 31 March 2026. It was highlighted that the accounts (draft) were subject to audit and the audit would be undertaken by Audit Wales.

It was reported that the accounts followed the CIPFA statutory format, with the guidance interpreting what was submitted in the accounts and there was no change in the guidance from the previous year.

It was expressed that it had been a busy year for the Fund and work continued with wider investment with the Wales Pension Partnership. Reference was made to a summary of the Fund account, drawing attention to a few variations in the contributions and benefits. It was noted that there had been a reduction in management costs as various investments were introduced to the portfolio and by reducing investments with the Partners group, which had historically had higher management fees. It was reiterated that the investment income had increased as the Fund received a regular income from new investments such as infrastructure and private equity within the Wales Pension Partnership's funds with an increase of approximately £280 million in the fund's market value which was in accordance with the gradual annual increase.

Attention was drawn to the statutory notes which provided further details behind the figures, the activities of the Fund, and Wales Pension Partnership, as the Partnership was now a prominent part of the Fund's work.

As the Section 151 Officer, the Head of Finance Department reiterated that he had signed the draft accounts, accepting that they were a correct and fair reflection of the situation.

The officers were thanked for their work of bringing the accounts together - it was a substantial and complex task that had been presented well and professionally.

Gratitude was also expressed for the WPP's work for being mainly responsible for the progress.

In response to a question regarding the total net assets of the fund available to fund benefits at the end of the reporting period - the difference between 31 March 2025 and 31 March 2026 was £362 million, and if that, which was an incredible figure, was a correct figure, it was confirmed that since the fund's size was now £3.6 billion, the fund was now dealing with major sums - the figure represented a 10% growth which was in line with the progress seen over the past years. It was noted that an Annual Report would be submitted at the next Committee, supporting and explaining the figures in more detail and including Information on how the Fund had increased over the years.

In response to a question regarding the market value, it was confirmed that the figures had been based on market value as at 31 March 2026.

Observations arising from the ensuing discussion

- That the income had increased because of a change in the investments made (an increase from £65.8 million to £84.8 million) - which highlighted that the changes equated to the change of how pensions responded to situations.

RESOLVED

To accept and note the Pension Fund's Statement of Accounts (subject to audit) for 2025/26.

10. THE GWYNEDD PENSION FUND AUDIT PLAN FOR 2026

Osian Roberts (Audit Wales) was welcomed to the meeting.

In accordance with the statutory responsibility of External Auditors, a formal Detailed Audit Plan was submitted for the 2025-2026 accounts, which explained how Audit Wales would conduct the Audit.

Attention was drawn to the relevance levels of the financial statements, noting that Audit Wales did not seek a complete level of assurance regarding the accuracy and fairness of the statements, but adopted the concept of relevance - Planning relevance levels of 1% of the gross assessments based on the audited financial statements of 2024-2025. In the context of the relevance levels of associated party statements - chief management personnel, it was noted that the relevance levels had been set at £1,000.

Reference was made to the risks, noting that the 'risk of management override' was a compulsory risk included in every plan in Wales as part of the Audit Wales procedure. It was noted that there would also be a focus on the 'investment assets balances' because some balances were more difficult to evaluate than others - the same process had been followed over the years and were now long established. No additional risks had been identified.

It was highlighted that the work of auditing the financial statements would be completed during September, with the intention of submitting a report on the statements during November 2026. The audit team's names were presented, along with the estimated fee (which included an inflation increase) and the timeline of the work that would be completed during the year.

The members expressed their thanks for the report and to Osian Roberts for attending the meeting.

RESOLVED

To accept and note the contents of the Gwynedd Pension Fund Audit Plan 2026.

11. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following items due to the likely disclosure of exempt information as defined in paragraph 14, Schedule 12A of the Local Government Act 1972 - Information about the financial or business transactions of any specific person (including the authority that retains that information).

There is an acknowledged public interest in being open about the use of public resources and related financial issues. However, it is also acknowledged that there are occasions, in order to protect public financial interests, where

commercial information must be discussed without being publicised. The reports relate specifically to a proposed procurement process. Publishing such commercially sensitive information could be detrimental to the interests of the Council and its partners by undermining competition. This would be contrary to the wider public interest of securing the best overall outcome. For these reasons, the matter is closed in the public interest.

12. ROBECO ENGAGEMENT SERVICE – ENGAGEMENT REPORT 01.10.2025 – 31.12.2025

Submitted - a quarterly report summarising the work Robeco (WPP Voting and Engagement Provider) was carrying out on behalf of the Pension Fund on responsible investment issues. Reference was made to the areas that had received Robeco's attention during the quarter in question, which included information on the number of activities and engagements completed with some major companies of international importance. It was also noted that the quarter's engagement theme in question was Shareholders' Rights.

The information was discussed.

The members thanked the officer for the report.

Observations arising from the ensuing discussion
- Although accepting the nature of the work, it was difficult to see how the work related to the decisions of WPP and to see the impact of the work on the Committee's decisions.

RESOLVED

To accept and note the information.

13. GWYNEDD PENSION FUND INVESTMENT PERFORMANCE UP TO 31 MARCH 2026

A report was submitted by the Investment Manager, reporting on the performance of the Fund up to 31 March 2026. The performance of the Investment Managers was discussed in detail and the work that was underway to move towards the new asset allocation.

The members thanked the officer for the report.

The information was discussed.

Observations arising from the ensuing discussion
- Had been very happy with the performance although slightly behind the benchmark.

RESOLVED

To accept and note the information.

The meeting commenced at 14:00 and concluded at 15:00

MEETING	**PENSIONS COMMITTEE**
DATE	**14 SEPTEMBER 2026**
TITLE	**WALES PENSION PARTNERSHIP UPDATE**
PURPOSE	**To receive and note a quarterly update from Wales Pension Partnership**
RECOMMENDATION	**RECEIVE AND NOTE THE INFORMATION**
AUTHOR	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

1. INTRODUCTION

This is a regular report which provides the members of the Pensions Committee with an update on the work undertaken by the Wales Pension Partnership (WPP) on behalf of the eight LGPS funds in Wales.

The WPP's decision making body, the Joint Governance Committee (JGC), last met formally on 15 July 2026.

2. JGC QUARTERLY UPDATE

The host authority has provided a summary of the items discussed at that meeting which is attached as Appendix 1 to this report. The items discussed included the following:

- Annual Return 2025/26
- Confirmation that the WPP IM Co had received the 'Minded to Approve' letter from the FCA
- Responsible Investment update
- Risk Policy and Risk Register review

The Business Plan for 2025/26 has been reviewed and can be found at Appendix 2.

3. OPERATOR UPDATE

A copy of the latest quarterly update from the operator is attached under Appendix 3.

The update provides a snapshot of the full range of WPP investment sub-funds as at 31st March 2026.

Gwynedd Pension Fund currently has exposure to seven of the ten sub-funds and as of 31st March 2026, the sub fund values and percentage were as follows:

- **Global Opportunities - £403.9m (11%)**
- **Global Growth- £389.5m (10%)**
- **Emerging Markets - £82.7m (23%)**
- **Multi Asset Credit - £259.4m (27%)**
- **Absolute Return Bond- £554.3m (68%)**
- **Global Credit Fund - £347.9m (26%)**

- **Sustainable Equity Fund- £359.7m (21%)**

4. PERFORMANCE REPORTS AS AT 31st MARCH 2026

The performance reports can be seen in Appendix 4.

The MSCI World Net Index fell 3.6% (USD) in a volatile quarter for equities. Positive momentum in January and February turned sharply negative in March following US military attacks on Iran, which prompted geopolitical developments to dictate market sentiment. The UK was the best-performing market followed by Japan and Canada. Asia and emerging markets also outperformed the global index. The US was the worst performer due to worries over capital spending on artificial intelligence (AI) related activities and their potential disruptive influence. Rising geopolitical tensions along with heightened uncertainty over US trade policy added to the market jitters and strengthened the “sell the US” mood. Oil prices steadily increased, later soaring after the US strikes on Iran. Conflicting headlines thereafter prompted volatility in crude prices and widespread concerns about the economic impact. Gold peaked in January, breaching the $5,000 per troy ounce barrier, but dropped sharply towards quarter-end as expectations of further rate cuts diminished. The Federal Reserve, European Central Bank, Bank of England, Bank of Canada and the Bank of Japan all left interest rates unchanged. The Reserve Bank of Australia increased rates for the first time in two years.

In the UK, gilt yield volatility was sparked by political uncertainty as speculation grew over a potential leadership challenge to Prime Minister Keir Starmer. Later, gilt yields climbed on expectations of interest rate rises as energy prices soared following the closure of the Strait of Hormuz. The impact was bigger than other developed markets as the BoE had been expected to lower rates more aggressively than other central banks. The 10-year UK gilt yield breached 5.0% later in March, reaching the highest since July 2008 as traders raised their bets on a series of rate increases, up to four, this year. Meanwhile, fresh data showed economic growth was flat in January versus the market forecast of 0.2% growth and December’s 0.1% uptick. The outcome was largely due to subdued service sector activity. Headline inflation fell to 3.0% YoY in January (from 3.4%) and was unchanged in February. Elsewhere, although January and February PMIs strengthened indicating that clarity following the November Budget may have boosted business activity, preliminary data for March showed slowing growth in both manufacturing and services. Over the quarter the yield on 10-year gilts climbed 44 bps to 4.92%.

5. WPP IM Co Update

WPP IM Co is the investment management company for the Wales Pension Partnership and was established in August 2025, with Rob Lamb appointed as the CEO in September 2025.

Rob Lamb provided a progress update (Appendix 5) summarising what the company has achieved since September 2025 in relation to Governance, People and Operations.

6. RECOMMENDATION

To receive and note the information.

Wales Pension Partnership (WPP) - JGC Update

JGC meeting date: Wednesday 15 July 2026

Location: Virtual meeting

Chair: Cllr Elin Hywel, Gwynedd

Vice Chair: Cllr Jayne Smith, RCT

Agenda item	Detail
Chair / Vice Chair	Cllr Elin Hywel and Cllr Jayne Smith were appointed as Chair and Vice Chair for 2026/27
Annual Return 2025/26	Chris Moore of the Host Authority and Jason Blewitt of Audit Wales presented the 2025/26 Annual Return and Audit letter. The audit is now complete and there were no issues raised.
Host Authority update	Chris Moore of the Host Authority provided an update in relation to the work that has been completed since the last JGC meeting and presented the 2025/26 Business Plan update as at 31 March 2026 (attached). Chris noted that the Minded to Approve letter has been received from the FCA. Rachel Barrack of Hymans Robertson provided an update in relation to Responsible Investment, presenting the RI annual progress update and Nature report.
Risk Policy and Risk Register Review	The OWG is responsible for maintaining the WPP Risk Policy and Risk Register and reporting back any changes or developments to the JGC on a quarterly basis. The OWG has a dedicated Risk Sub-Group to take ownership of these documents and the quarterly reviews of the Risk Register. During Q2 2026, both the risk register and risk policy have been reviewed and updated in line with the establishment of the WPP IM Co.

	It was noted that the WPP IM Co will maintain its own internal risk management framework and risk register. JGC approved the updated risk policy and risk register, both documents have been updated on the WPP website.
Operator Update	Waystone presented their quarterly update report as at 31 March 2026 (attached). This provides an update on WPP's sub funds and corporate and engagement activity.
Performance Reports as at 31 March 2026	Russell Investments presented a Q1 2026 performance summary paper (attached) summarising the performance of each individual ACS sub fund for the quarter ending 31 March 2026.
WPP IM Co update	WPP IM Co is the investment management company for the Wales Pension Partnership and was established in August 2025, with Rob Lamb appointed as the CEO in September 2025. Rob Lamb provided a progress update (attached) summarising what the company has achieved since September 2025 in relation to Governance, People and Operations.
Exempt Items – the following items were discussed during the non-public part of the meeting.	
Securities Lending Performance Review 2025/26	Stock Lending commenced in March 2020 and Northern Trust presented the Securities Lending Performance Review for the fiscal year 2025/26.
Robeco Engagement Report – Q1 2026	In March 2025, Robeco were re-appointed as WPP's Voting & Engagement Provider to undertake Voting and Engagement functions on behalf of the WPP. Robeco commenced their engagement service in April 2020, and they have provided an engagement report for Quarter 1 2026. The engagement theme chosen for Q1 2026 was Sovereign Engagement.

Responsible Investment and Climate Risk reports	Each quarter, Hymans Robertson produce quarterly Responsible Investment & Climate Risk Reports for the WPP's sub funds. For Quarter 1 2026 (quarter ending 31 March 2026), the Global Growth, Global Opportunities and Sustainable Active Equity reports were produced. Hymans presented the reports to the JGC members.

Webcast link for the 15 July 2026 JGC meeting below:

Agenda for Wales Pension Partnership Joint Governance Committee on Wednesday, 15th July, 2026, 10.00 am

WPP's website address - Wales Pension Fund | Home (walespensionpartnership.org)

Next meeting:

- Tuesday 22 September 2026 – Hybrid meeting, hosted by Carmarthen

Wales Pension Partnership

Business Plan

2025-2026

Q4 Review

(April 2025 to March 2026)

Governance

Work to be completed	Completed	Comments
• Legal Services provider procurement process	Yes	Approved at the September JGC meeting
• Delivery of Project Snowdon	In progress	
• Annual review of WPP's policies and plans	Ongoing	
• Quarterly reviews of the Risk Register	Ongoing	
• Respond to any pooling related consultations and carry out any necessary changes as a result of consultation outcomes	Ongoing	

Ongoing Investment Programme developments

Work to be completed	Completed	Comments
• Launch the real estate investment programmes	In progress	Schroders UK Fund launched 2 February 2026
• Launch additional Private Market vintages	Ongoing	
• Consideration of WPP's UK, local / impact opportunities and requirements	Ongoing	
• Evolution of existing Equity, Fixed Income and Passive Funds	Ongoing	
• Consult with CAs on need for further investment programmes, and develop as required	Ongoing	

Operator Services

Work to be completed	Completed	Comments
• Operator and Sub-Fund governance Oversight	Ongoing	

Investment Reporting

Work to be completed	Completed	Comments
• Develop & Implement Private Markets reporting	In progress	Private Markets reporting options being considered
• Stewardship Code reporting	Yes	2024/25 report submitted 31 October 2025
• Climate-related / TCFD reporting	Yes	AWCR published February 2026
• Nature-related / TNFD reporting	**Yes**	**To be taken to the July 2026 JGC meeting**
• Ongoing development, implementation and reporting of all stewardship activities	Ongoing	
• Ongoing communication and reporting of RI activity to all stakeholders	Ongoing	
• On-going Sub-Fund responsible investment and climate risk reporting	Ongoing	
• Annual performance review of WPP Sub-Funds	**Yes**	**To be taken to the September 2026 JGC meeting**
• On-going engagement with CA's regarding ESG standards and climate ambitions to meet evolving needs	Ongoing	

Communication and Training

Work to be completed	Completed	Comments
• Formulation of the WPP's Annual Responsible Investment Progress Report	Yes	Report presented at the July 2025 JGC and published on website
• Formulation of the WPP's annual training plan		The 2026/27 training plan will be formulated by IM Co
• Formulation of the WPP's Annual Update	Yes	2024/25 Annual Update published in July 2025
• Formulation of the WPP's Annual Report	Yes	2024/25 Annual Report published in October 2025

Resources, budget and fees

Work to be completed	Completed	Comments
• Annual review of resources and capacity	Yes	Reviewed when formulating the 2026/27 budget
• Formulation of Annual WPP Budget	Yes	Formulated and included in the 2026/27 Business Plan
• Review and Monitoring of Operator / external provider fees	Ongoing	

Training Plan

Training topics to be completed during 2025–2026 as per approved 2025-2026 Training Plan and progress to date:

	Completed	Comments
• Private Credit and Infrastructure asset classes	Yes	12 June 2025
• Local / Impact investments within the Private Market asset classes	Yes	12 June 2025
• Stewardship – Voting & Engagement	Yes	24 September 2025
• Stewardship – Stewardship Code and reporting requirements	Yes	24 September 2025
• RI – Biodiversity and Natural Capital	Yes	18 November 2025
• RI – Climate Scenarios and Fiduciary Duty	Yes	18 November 2025
• Pooling Consultation		Postponed to 2026/27
• Any new regulatory / guidance developments		Postponed to 2026/27

Budget

2025-2026 Budget Monitoring Report:

	Budget 2025 – 2026 £000	Outturn 2025 – 2026 £000	Variances 2025 – 2026 £000
Host Authority	241	194	47
External Advisors	1,376	1,160	216
Project Snowdon	2,915	2,091	824
TOTAL to be recharged *	**4,532**	**3,445**	**1,087**
Operator / Allocator Services	55,783	49,437	6,346
TOTAL to be deducted from the NAV **	**55,783**	**49,437**	**6,346**

**Host Authority, External Advisor and Project Snowdon costs are to be funded equally by all eight of the WPP's Constituent Authorities and these will be recharged on an annual basis.*

***Operator / Allocator Services costs are based on each Constituent Authority's percentage share of WPP assets and are deducted directly from the Net Asset Value (NAV) of the Constituent Authority's assets.*

Investments as at 31 March 2026

Equity Sub-Funds

Global Growth Fund

Managed by: Russell Investments

Global Opportunities Fund

Managed by: Russell Investments

UK Opportunities Fund

Managed by: Russell Investments

Emerging Markets Fund

Managed by: Russell Investments

Sustainable Active Equity Fund

Managed by: Russell Investments

Fixed Income Sub-Funds

Absolute Return Bond Fund

Managed by: Russell Investments

Global Government Bond Fund

Managed by: Russell Investments

Multi-Asset Credit Fund

Managed by: Russell Investments

Global Credit Fund

Managed by: Russell Investments

UK Credit Fund

Managed by: Waystone Management (UK) Ltd

Private Markets

Infrastructure – closed ended

Managed by: GCM Grosvenor

Infrastructure – open ended

Managed by: CBRE, IFM and Octopus

Private Credit

Managed by: Russell Investments

Private Equity

Managed by: Schroders Capital

Real Estate

Managed by: Schroders Capital and CBRE

Wales Pension Partnership

https://www.walespensionpartnership.org/

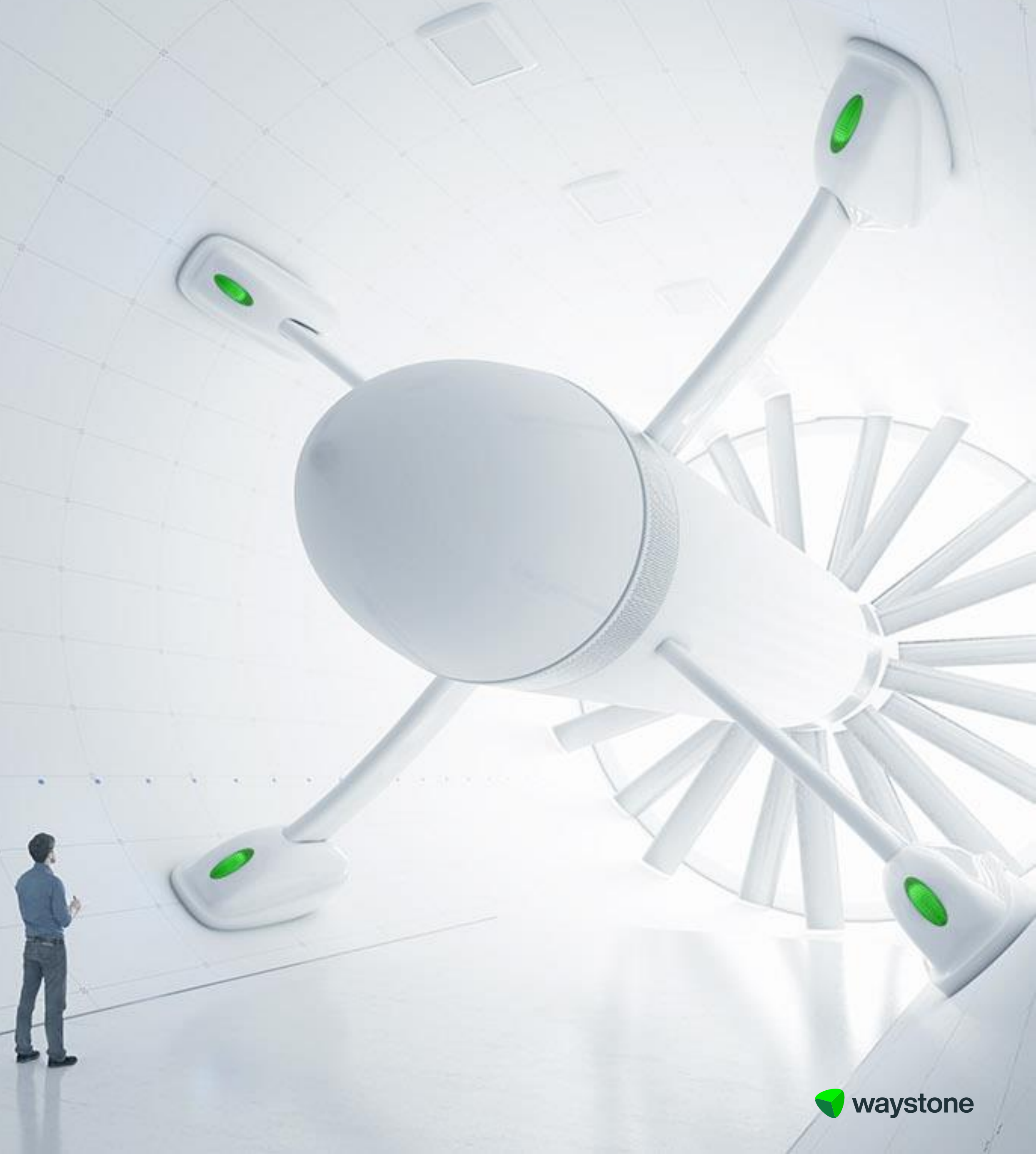
Wales Pension Partnership

Joint Governance Committee – Q1 2026 Review

15 July 2026

Presented by James Zealander

Agenda



Corporate Update

- Waystone has appointed James Bowers as Chief Executive Officer of our UK ACD business, Waystone Management (UK) Ltd, subject to regulatory approval.

  James has been with Waystone since November 2025, working with Karl Midl and the senior management team on a number of initiatives and the day to day running of the UK ACD business. Prior to that James held senior roles with Janus Henderson, Aviva Investors and most recently, Principal Asset Management where he was Managing Director, Head of Global Wealth Platforms.

  James also previously worked for the former Link UK ACD as Head of Product Governance.

  James will report into Karl Midl, who in his role as Country Head, UK will continue to focus on driving forward the broader UK business and engaging with our key clients.

- The Financial Conduct Authority (FCA) published final rules for the Consumer Composite Investments (CCI) regime on December 8 2025, designed to replace the existing PRIIPs and UCITS disclosure frameworks with a more flexible, consumer-focused approach. This regime, which aligns with the Consumer Duty, removes rigid templates to enable clearer, more tailored, and relevant product information, with mandatory application set for June 8 2027. The framework covers a wide range of retail investment vehicles, including investment trusts, which are brought into the scope of the new UK retail disclosure framework. Waystone and Broadridge hosted a CCI seminar to discuss the changes - one of the most significant changes to retail investment disclosure in over a decade.

- Waystone delivered a Cyber Security Awareness briefing covering Governance and Risk Framework, Staff Upskilling and Awareness, Vulnerability Management, Third-Party and Provider Oversight and Resiliency Planning. Looking Ahead we recognise this is a fast-moving area and are committed to continuous improvement. We are actively engaging with industry groups and regulatory guidance, to ensure our approach remains best practice.

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Compliance Updates

The below details recent regulatory compliance developments that are relevant to WMUK. Featured items are gathered from a variety of sources including consultation papers, press releases and speeches.

Key Regulatory Changes & Updates (Q1 2026)

LGPS "Fit for the Future" Reforms (Effective 1 April 2026)

Mandatory Asset Pooling: By 1 April 2026, administering authorities (AAs) are expected to complete the accelerated consolidation of assets, delegating investment strategy implementation to their pool.

FCA Regulation of Pools: Asset pools must operate as investment management companies authorised and regulated by the FCA.

Independent Advice: Mandatory appointment of an independent person to advise Pensions Committees.

Senior LGPS Officer: Mandatory appointment of a senior officer to ensure appropriate management and resources.

Revised Documents: Mandatory publication of updated Governance Strategies, Training Strategies, and Investment Strategy Statements (ISS)

Prospectus Regime & Listing Rules: On January 19, 2026, the Public Offers and Admission to Trading regime came into force, replacing the EU-derived UK Prospectus Regulation. The FCA updated its Knowledge Base to include new guidance on forward-looking statements.

Crypto Asset Regulation: In January 2026, the FCA announced CP26/4, setting out proposals for bringing stablecoin issuers and crypto asset custodians under the "Enhanced" SM&CR framework.

Appointed Representatives (ARs): Proposals were put forward for a new "principal permission" requirement, necessitating firms to get specific FCA approval before taking on ARs.

Stewardship Code: Revisions to the Stewardship Code came into force on January 1, 2026.

UCITS Concentration Limits: The FCA extended the transitional period for UCITS concentration limits until January 31, 2027.

The FCA published sector-specific 2026 priorities, shifting from portfolio letters to more consolidated reporting:

Consumer Investments: Focus on Model Portfolio Services (MPS), suitability of advice, and embedding the Consumer Duty.

Wholesale Markets & Buy Side: Focus on AI governance, private market valuations, and operational resilience.

Key Upcoming Consultations and Focus Areas

Consumer Duty: The FCA is focusing on the interaction between vulnerability, data sharing, and protection, promising further clarity in Q1 2026.

AI in Finance: The FCA is reviewing how firms use AI in underwriting and customer service, with a "good and poor practice" report planned for 2026.

Value for Money (Pension): A joint consultation with The Pensions Regulator (TPR) on a new Value for Money framework was issued, with responses due by March 8, 2026.

Non-Financial Misconduct: The FCA is extending rules on non-financial misconduct (bullying, harassment) to all firms, effective from September 1, 2026, with guidance provided in early 2026.

Relationship Overview

Relationship Overview

Client	Wales Pension Partnership	**AUM** (as at 31 March 2026)	**£14,808,186,750**	**Product Suite**	ACS – UK
Contract Start Date **Contract Renewal**	December 2017 December 2024	**Contract Expiry**	December 2029 (with further 2-year extension provision)	**Tenure of Relationship**	8 years

Fund Range

Wales Pension Partnership Sub-Fund Range

Equities

WS WPP Global Growth Fund
WS WPP Global Opportunities Equities Fund
WS Wales PP UK Opportunities Fund
WS Wales PP Emerging Markets Equity Fund
WS Wales PP Sustainable Active Equity Fund

Fixed Income

WS Wales PP Multi Asset Credit Fund
WS Wales PP Global Credit Fund
WS Wales PP Global Government Bond Fund
WS Wales PP Absolute Return Bond Fund
WS Wales PP Sterling Credit Fund

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WPP Sub Fund Values

AUM & Quarterly	
Fund	**AUM (£)***
Equities	
WS WPP Global Growth Fund	£3,777,537,588
WS WPP Global Opportunities Equities Fund	£3,518,893,787
WS Wales PP UK Opportunities Fund	£ 898,662,462
WS Wales PP Emerging Markets Equity Fund	£ 358,345,174
WS Wales PP Sustainable Active Equity Fund	£ 1,714,186,041
Fixed Income	
WS Wales PP Multi Asset Credit Fund	£974,693,925
WS Wales PP Global Credit Fund	£1,348,779,695
WS Wales PP Global Government Bond Fund	£ 515,954,704
WS Wales PP Absolute Return Bond Fund	£ 812,857,137
WS Wales PP Sterling Credit Fund	£888,276,237
Total	£14,808,186,750

* As at 31 March 2026

WPP Sub Fund Values & Percentage Ownership*

Fund name	Gwynedd	Powys	Clwyd	Swansea	Cardiff	Torfaen	RCT	Dyfed	Sub Fund Total
Equities									
WS WPP Global Growth Fund	£389,526,417 (10%)	£80,097,411 (2%)			£98,329,599 (3%)		£1,969,078,798 (52%)	£1,240,505,363 (33%)	**£3,777,537,588 (100%)**
WS WPP Global Opportunities Equities Fund	£403,965,786 (11%)			£1,066,946,272 (30%)	£663,207,246 (19%)	£801,099,226 (23%)	£583,675,257 (17%)		**£3,518,893,787 (100%)**
WS Wales PP UK Opportunities Fund					£185,695,631 (21%)	£712,966,831 (79%)			**£ 898,662,462 (100%)**
WS Wales PP Emerging Markets Equity Fund	£82,722,674 (23%)	£21,091,197 (6%)			£159,082,064 (44%)	£95,449,239 (27%)			**£ 358,345,174 (100%)**
WS Wales PP Sustainable Active Equity Fund	£359,703,094 (21%)	£78,504,962 (5%)	£406,087,436 (24%)	£180,270,002 (11%)	£161,200,634 (9%)	£193,461,651 (11%)	£128,969,191 (7%)	£205,989,071 (12%)	**£ 1,714,186,041 (100%)**
Fixed Income									
WS Wales PP Multi Asset Credit Fund	£259,414,801 (27%)	£38,575,187 (4%)	£422,126,056 (43%)	£76,391,013 (8%)	£178,186,868 (18%)				**£ 974,693,925 (100%)**
WS Wales PP Global Credit Fund	£347,865,479 (26%)	£17,935,715 (1%)		£155,570,756 (12%)	£152,214,992 (11%)	£277,581,624 (21%)		£397,611,129 (29%)	**£ 1,348,779,695 (100%)**
WS Wales PP Global Government Bond Fund					£247,362,334 (48%)	£268,592,370 (52%)			**£ 515,954,704 (100%)**
WS Wales PP Absolute Return Bond Fund	£554,278,284 (68%)	£25,220,032 (3%)		£233,358,821 (29%)					**£ 812,857,137 (100%)**
WS Wales PP Sterling Credit Fund			£79,987,235 (9%)				£808,289,002 (91%)		**£ 888,276,237 (100%)**
Constituent Authority Total	£2,397,476,535	£261,424,504	£908,200,727	£1,712,536,864	£1,845,279,368	£2,349,150,941	£3,490,012,248	£1,844,105,563	**£14,808,186,750**

* As at 31 March 2026

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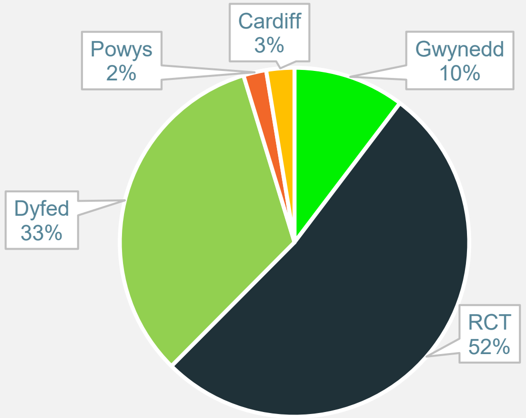
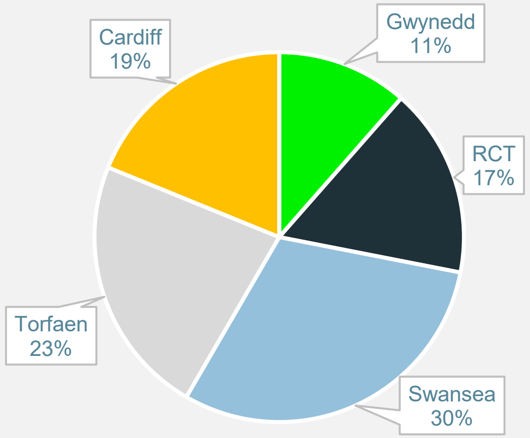
Fund Snapshot* – Equities

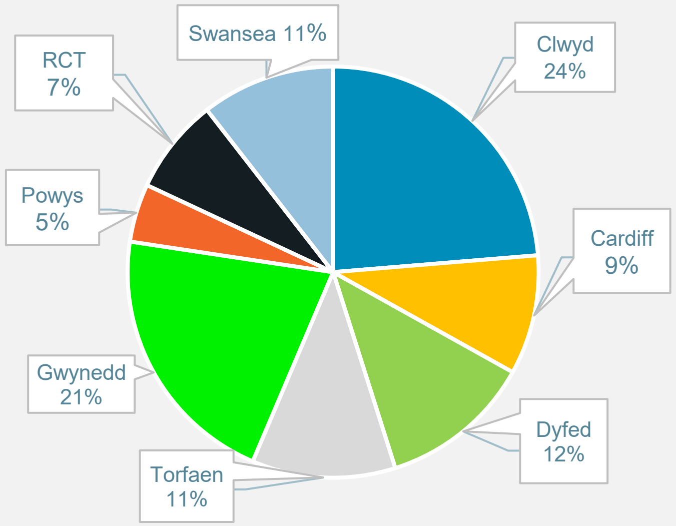
Global Growth



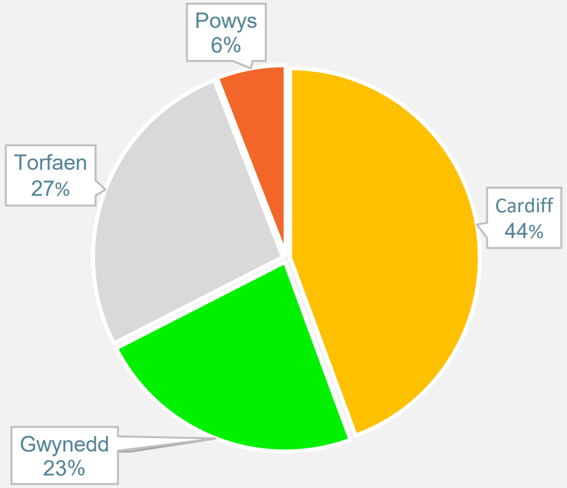
Global Opportunities



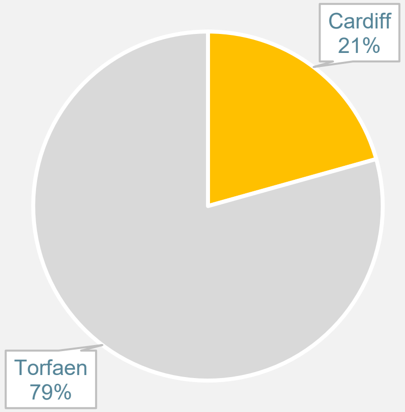
Sustainable Active Equity



Emerging Markets



UK Opportunities



* As at 31 March 2026

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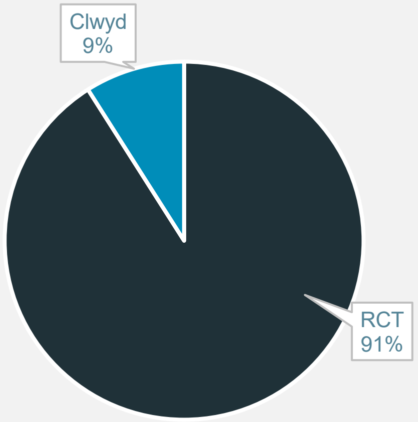
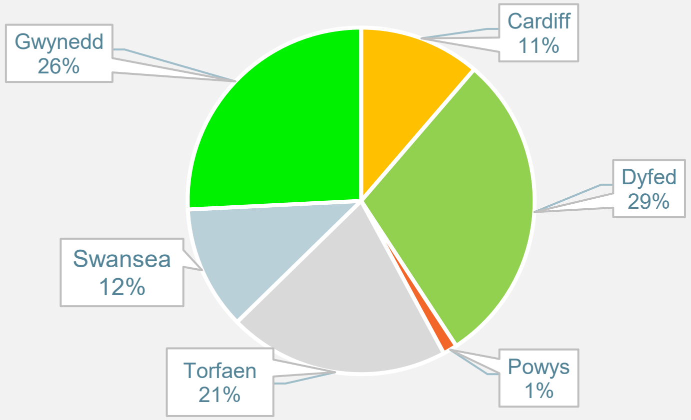
Fund Snapshot* - Fixed Income

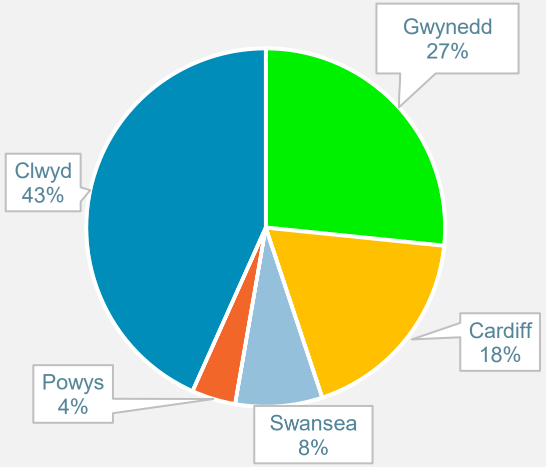
Sterling Credit



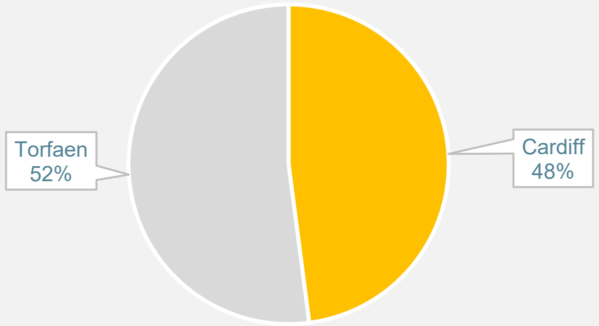
Global Credit



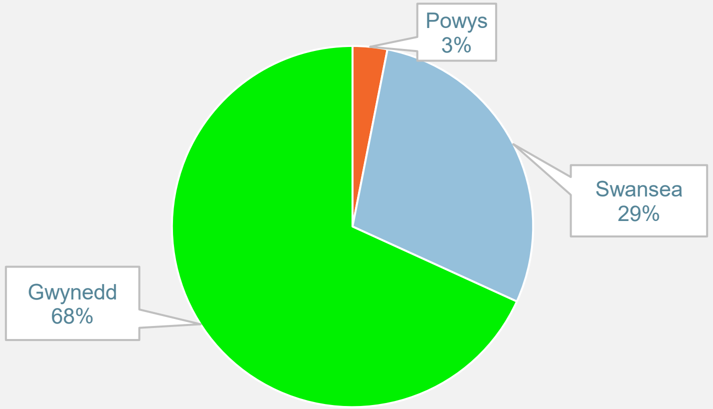
Multi Asset Credit



Global Gov. Bond



Absolute Return Bond



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* As at 31 March 2026

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Initiatives

Key Achievements & Updates

3 Manager updates Completed

WS Wales PP Global Sustainable Active Equity Fund Change of Sub Manager, removing Neuberger Berman replacing with Lazard.
WS Wales PP Multi Asset Credit Fund Change of Sub Manager, removing Voya replacing with Aegon and Invesco.
WS Wales PP Global Opportunity Equity Fund Change of Sub Manager, removing Nissay replacing with Lazard.

Fund Launches/Wind ups & Changes

	Overview	Status	Details	Owner
No current live changes				

Market Updates

	Activity	Status	Commentary
Russia / Ukraine	Impact to ACS sub-funds holding Russian companies	Ongoing	WMUK continue to monitor the situation and will advise Constituent Authorities of any developments. WMUK's Fair Value Pricing Committee regularly discuss this, and assets are still priced accordingly. There are no Russian holdings in any of the WPP funds.
	Activity	**Status**	**Commentary**
Middle East	Impact to ACS sub-funds holding Israeli companies	Ongoing	Currently 5 securities held in direct Israeli companies across two sub funds; Global Opportunities Fund - 4 companies with 0.46% exposure across the total AUM. Global Growth Fund – 1 companies with 0.03% exposure across the total AUM. BANK HAPOALIM BANK LEUMI ELBIT SYSTEMS LTD PHOENIX FINANCE LTD SHUFERSAL LTD One Bond held in the Global Government Bond Fund – Holding being a de minims position Total value of approx. £16.9m. Situation currently being monitored as part of the BAU oversight process. • Figures from end of 31 March 2026.

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Oversight – Third Party Monitoring

2026 Plan

Third Party Provider	Reporting Period	Sub Fund	Location	Status
Northern Trust				
Transfer Agency inc. Client Money Review	2026	All	Onsite, London – May 2026	Planning – Draft Terms of Reference with Northern Trust. Fieldwork to be completed 7th July 2026
Fund Administration & Financial Reporting	2026	All	Onsite, London – November 2026	Not started
Price Analysis	2026	All	Onsite, Limerick – May 2026	Not started
Other ‘Party’ Questionnaire	2026	All	Questionnaire – March 2026	Questionnaire Issued
IT Security Questionnaire	2026	All	Questionnaire – September 2026	Not started
Annual Due Diligence	2026	All	Questionnaire – Date to be agreed	Not started
Russell Investments				
Annual Due Diligence	2026	All	Portal – March 2026	Questionnaire Issued and RI have completed for WMUK To review. ETA to be determined based on responses.

WMUK Engagement

Key Q4 and future WPP Engagement

Waystone attendance at OWG/JGC meetings <u>in period</u>:

- OWG 2 February 2026
- JGC 10 March 2026

Waystone attendance at OWG/JGC meetings <u>in next quarter</u>:

- OWG 9 June 2026
- JGC 15 July 2026

Waystone attendance at Strategic Relationship Review:

- Date to be agreed

Waystone - Pension Committee attendance <u>in period</u>:

- None planned for this period

Waystone - Pension Committee attendance <u>in next quarter</u> :

- None planned for this period

WPP Pension Board Chairs Engagement meeting

- WMUK not required to attend

Other meetings in period

- Host Authority update – occurs bi-weekly

Other meetings in next quarter

- None planned for this period

Meeting Schedule

Executive Review	Frequency	Objective
	– Semi-annual	– Ensure strategic alignment – Mutual review of business and strategic goals, priorities and objectives

Attendees	
WPP	**Waystone Management (UK) Limited**
▪ Chris Moore, Anthony Parnell & Two Section 151 / Deputy Section 151 officers	– Karl Midl, Country Head, UK and CEO, Waystone Management UK – Rachel Wheeler, Global Product Head – Regulated Fund Solutions

Joint Governance Committee Meetings	Frequency	Objective
	– Quarterly	– Key metrics – Pertinent matters – Strategic deliverables

Attendees	
WPP	**Waystone Management (UK) Limited**
▪ Joint Governance Committee (JGC)	– Karl Midl, Country Head, UK and CEO, Waystone Management UK – Richard Thornton, Head of Relationship Management, Asset Owners – James Zealander, Senior Relationship Manager – Russell Investments

Officers Working Group Meetings	Frequency	Objective
	– Quarterly	– Identify and deliver on opportunities to improve and expand the relationship – Provide update on open projects or issues – Monthly KPI Review (Data supplied quarterly)

Attendees	
WPP	**Waystone Management (UK) Limited**
• Officers Working Group (OWG)	– James Zealander, Senior Relationship Manager – Richard Thornton, Head of Relationship Management, Asset Owners – Heidi Robinson, Relationship Manager – Ad-hoc Waystone attendance from functional departments (as required): - CIO Investment Management Supervision - Head of Product - Head of Compliance - Head of Oversight - Russell Investment

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Meeting Schedule continued

Host Authority Update	Frequency	Objective
	– Semi-weekly	– Regular Host Authority – WMUK to discuss deliverables and business updates

Attendees

WPP		Waystone Management (UK) Limited
▪ Anthony Parnell ▪ Tracey Williams		– Richard Thornton, Head of Relationship Management, Asset Owners – James Zealander, Senior Relationship Manager – Heidi Robinson, Relationship Manager – Client Service Manager (as required)

Pension Committee Meetings	Frequency	Objective
	– Annual	– General update on the ACS and planned initiatives

Attendees

WPP		Waystone Management (UK) Limited
▪ Individual Pension Fund Committee members		– Richard Thornton, Head of Relationship Management, Asset Owners – James Zealander, Senior Relationship Manager – Heidi Robinson, Relationship Manager – Russell Investments

Pension Board Chairs Engagement	Frequency	Objective
	– Semi-Annual	– General update on the ACS and planned initiatives

Attendees

WPP		Waystone Management (UK) Limited
• Pension Board Chairs of the Constituent Authorities • Host Authority		– Waystone Relationship Team – Russell Investments

Manager Engagement Days	Frequency	Objective
	– Annual	– Open day for presentations on strategy and performance (with IM)

Attendees

WPP		Waystone Management (UK) Limited
▪ Open to all involved parties with WPP		– Waystone Client Team including Exec Team – Northern Trust – Russell Investments and other Investment Managers – Other consultants as required (e.g. bFinance/Hymans)

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Thank you

Relationship Team

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Heidi Robinson
Relationship Manager
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Name: Richard Thornton
Role: Head of Relationship Management – Asset Owners
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Email: Richard.Thornton@waystone.com

Executive Contact

Name: Karl Midl
Role: Country Head, UK and CEO
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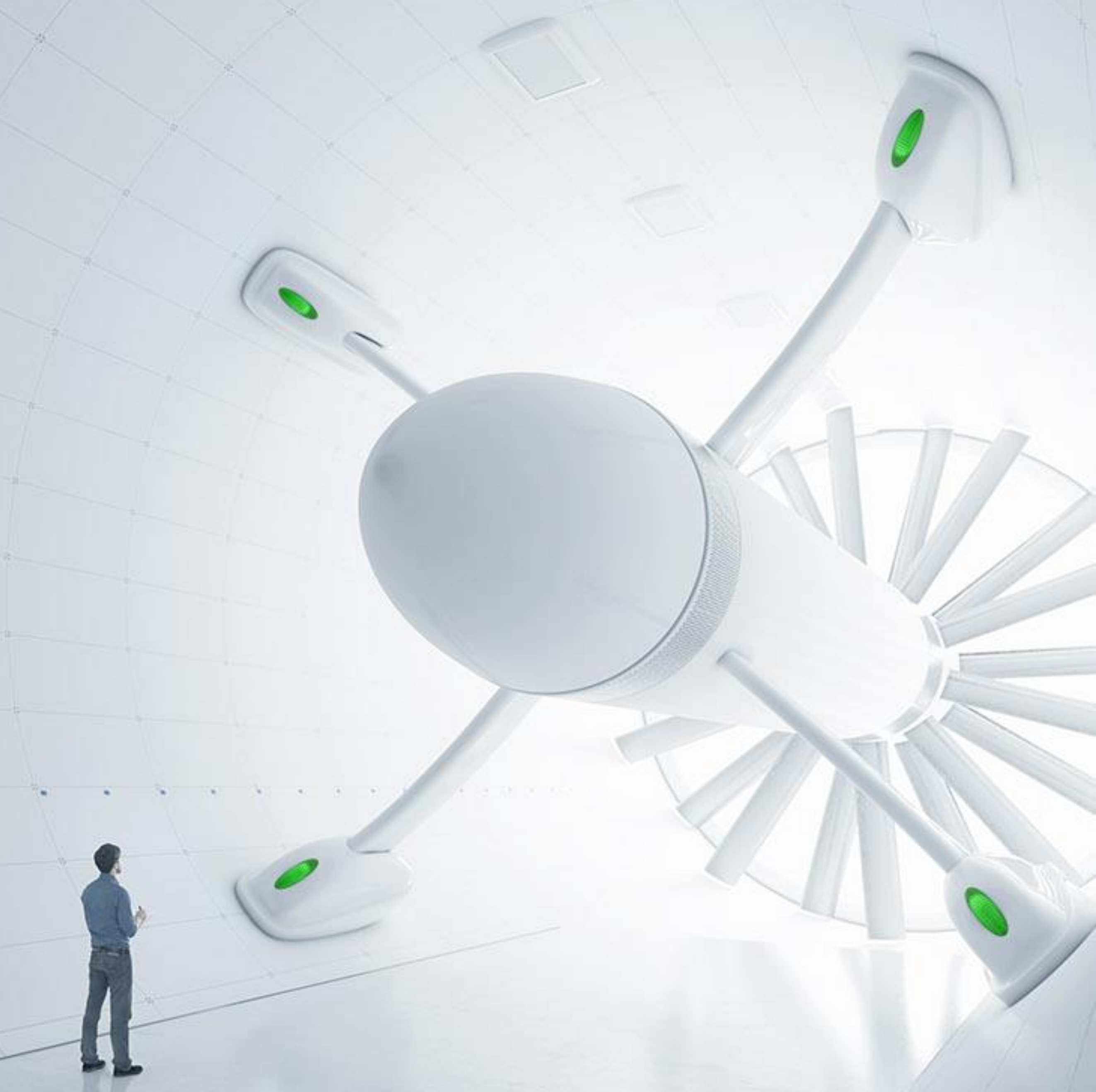
Email: karl.midl@waystone.com



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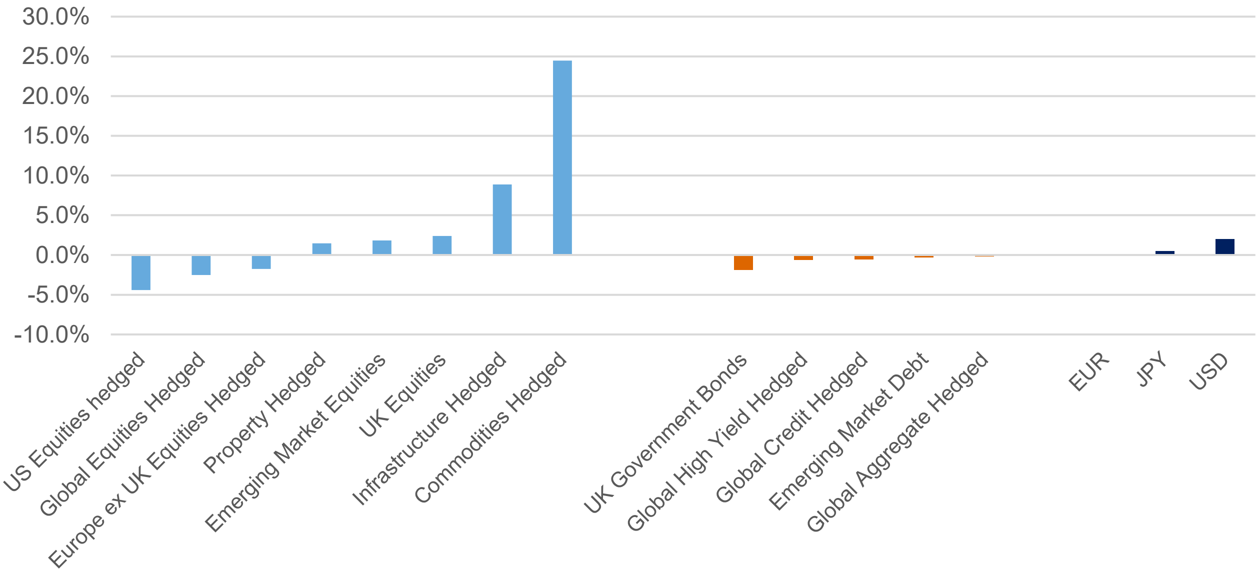
JGC - WPP Performance Summary Q1 2026

Global Market Commentary

The MSCI World Net Index fell 3.6% (USD) in a volatile quarter for equities. Positive momentum in January and February turned sharply negative in March following US military attacks on Iran, which prompted geopolitical developments to dictate market sentiment. The UK was the best-performing market followed by Japan and Canada. Asia and emerging markets also outperformed the global index. The US was the worst performer due to worries over capital spending on artificial intelligence (AI) related activities and their potential disruptive influence. Rising geopolitical tensions along with heightened uncertainty over US trade policy added to the market jitters and strengthened the “sell the US” mood. Oil prices steadily increased, later soaring after the US strikes on Iran. Conflicting headlines thereafter prompted volatility in crude prices and widespread concerns about the economic impact. Gold peaked in January, breaching the $5,000 per troy ounce barrier, but dropped sharply towards quarter-end as expectations of further rate cuts diminished. The Federal Reserve, European Central Bank, Bank of England, Bank of Canada and the Bank of Japan all left interest rates unchanged. The Reserve Bank of Australia increased rates for the first time in two years.

In the UK, gilt yield volatility was sparked by political uncertainty as speculation grew over a potential leadership challenge to Prime Minister Keir Starmer. Later, gilt yields climbed on expectations of interest rate rises as energy prices soared following the closure of the Strait of Hormuz. The impact was bigger than other developed markets as the BoE had been expected to lower rates more aggressively than other central banks. The 10-year UK gilt yield breached 5.0% later in March, reaching the highest since July 2008 as traders raised their bets on a series of rate increases, up to four, this year. Meanwhile, fresh data showed economic growth was flat in January versus the market forecast of 0.2% growth and December’s 0.1% uptick. The outcome was largely due to subdued service sector activity. Headline inflation fell to 3.0% YoY in January (from 3.4%) and was unchanged in February. Elsewhere, although January and February PMIs strengthened indicating that clarity following the November Budget may have boosted business activity, preliminary data for March showed slowing growth in both manufacturing and services. Over the quarter the yield on 10-year gilts climbed 44 bps to 4.92%.

Asset class performance – Quarter to Date (March 2026)



Benchmarks : Global equity hedged (MSCI World ACWI), UK equity (FTSE All Share), US equity hedged (Russell 1000 Net GBPH), Europe ex UK equity (MSCI Europe ex UK Equity Net GBPH), Japan equity (TOPIX Net GBPH), Emerging equity (MSCI Emerging Markets Net), Global HY bonds (BofAML Global High Yield 2% Constrained Index), EMD LC (JP Morgan GBI-EM Global Diversified Index), Global credit hedged (Bloomberg Barclays Global Aggregate Credit Index), Global aggregate hedged (Bloomberg Barclays Global Aggregate Bond Index GBPH), UK Government Bonds (ICEBofAML UK Gilts All Stocks (GB), Property hedged (FTSEEPRA Nareit Dev Re GBP)

This document is prepared for officers of the WPP based on performance from Northern Trust. Inception dates are based on the starting NAV for the sub-fund. Inception dates (and therefore performance) may differ from the investment manager, who typically takes over following a transition period.

WPP Sub-fund Summary (Gross):

WPP Gross Performance	Q1 2026			1 Year			3 Year			Since Inception			Inception Date
	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	
Global Growth Equity Fund	-2.7	-1.3	**-1.4**	14.2	17.5	**-3.3**	10.4	13.5	**-3.1**	10.1	11.6	**-1.5**	31/01/2019
Global Opportunities Equity Fund	-1.1	-1.3	**0.2**	17.3	17.5	**-0.2**	14.5	14.1	**0.4**	12.8	11.9	**0.9**	31/01/2019
Sustainable Active Equity Fund	-1.6	-1.3	**-0.3**	13.7	17.5	**-3.8**	-	-	**-**	10.5	14.8	**-4.3**	23/06/2023
Emerging Markets Equity Fund	2.3	1.8	**0.5**	32.0	27.2	**4.8**	13.3	12.6	**0.7**	6.1	5.3	**0.8**	20/10/2021
UK Opportunities Equity Fund	-0.3	2.4	**-2.7**	17.9	21.5	**-3.6**	11.7	13.3	**-1.6**	7.3	8.4	**-1.1**	23/09/2019
Global Government Bond Fund	-0.8	-0.2	**-0.6**	2.8	2.6	**0.2**	2.6	2.7	**-0.1**	-0.4	-1.1	**0.7**	30/07/2020
Global Credit Fund	-0.5	-0.5	**0.0**	4.5	4.5	**0.0**	4.7	4.7	**0.0**	0.1	0.1	**0.0**	27/07/2020
Multi Asset Credit Fund	-0.5	1.9	**-2.4**	7.6	8.3	**-0.7**	8.6	9.0	**-0.4**	4.2	7.1	**-2.9**	27/07/2020
Absolute Return Bond Strategy Fund	0.9	1.4	**-0.5**	4.5	6.2	**-1.7**	6.4	6.9	**-0.5**	4.4	5.1	**-0.7**	30/09/2020
Sterling Credit Fund	-1.6	-1.6	**0.0**	4.3	4.3	**0.0**	4.9	4.3	**0.6**	0.0	-0.8	**0.8**	27/07/2020

WPP Sub-fund Summary (Net):

WPP Net Performance	Q1 2026			1 Year			3 Year			Since Inception			Inception Date
	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	Sub Fund	Bench-mark	Excess	
Global Growth Equity Fund	-2.8	-1.3	**-1.5**	13.9	17.5	**-3.6**	10.0	13.5	**-3.5**	9.7	11.6	**-1.9**	31/01/2019
Global Opportunities Equity Fund	-1.1	-1.3	**0.2**	17.0	17.5	**-0.5**	14.2	14.1	**0.1**	12.5	11.9	**0.6**	31/01/2019
Sustainable Active Equity Fund	-1.7	-1.3	**-0.4**	13.3	17.5	**-4.2**	-	-	**-**	10.1	14.8	**-4.7**	23/06/2023
Emerging Markets Equity Fund	2.1	1.8	**0.3**	31.5	27.2	**4.3**	12.9	12.6	**0.3**	5.6	5.3	**0.3**	20/10/2021
UK Opportunities Equity Fund	-0.4	2.4	**-2.8**	17.6	21.5	**-3.9**	11.4	13.3	**-1.9**	6.9	8.4	**-1.5**	23/09/2019
Global Government Bond Fund	-0.8	-0.2	**-0.6**	2.5	2.6	**-0.1**	2.4	2.7	**-0.3**	-0.7	-1.1	**0.4**	30/07/2020
Global Credit Fund	-0.5	-0.5	**0.0**	4.3	4.5	**-0.2**	4.6	4.7	**-0.1**	-0.1	0.1	**-0.2**	27/07/2020
Multi Asset Credit Fund	-0.6	1.9	**-2.5**	7.3	8.3	**-1.0**	8.2	9.0	**-0.8**	3.9	7.1	**-3.2**	27/07/2020
Absolute Return Bond Strategy Fund	0.8	1.4	**-0.6**	4.2	6.2	**-2.0**	6.2	6.9	**-0.7**	4.2	5.1	**-0.9**	30/09/2020
Sterling Credit Fund	-1.7	-1.6	**-0.1**	4.2	4.3	**-0.1**	4.8	4.3	**0.5**	-0.1	-0.8	**0.7**	27/07/2020

Note: Inception date is based starting NAV for the sub-fund. This inception date (and therefore actual performance) may differ from the investment manager, who typically takes over following a transition period.

Global Growth Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-2.7	14.2	10.4	6.6	10.1
Net	-2.8	13.9	10.0	6.2	9.7
MSCI AC World Index Net*	-1.3	17.5	13.5	10.1	11.6
Excess returns (gross)	-1.4	-3.3	-3.1	-3.5	-1.5
Excess returns (Net)	-1.5	-3.6	-3.5	-3.9	-1.9

Inception Date: 18th November 2024
Source: Northern Trust as of 31 March 2026
Benchmark: MSCI AC World Net Total Return Index GBP
***Figures include a performance holiday in November 2024 around the transition of the Fund.**

Please note that Russell Investments took over the Global Growth Equity Fund mandate on 18 November 2024.

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund registered negative absolute returns over the first quarter and finished behind the benchmark on a relative basis.

In this market environment the Fund's value exposure was helpful. At the sector level, underweight exposure to and stock selection within the energy sector was the main detractor as this was the best-performing sector in the period. This included underweights to Exxon Mobil and Chevron. Stock selection in the industrials sector was also ineffective (overweight SS&C Technologies Holdings). In financials overweight exposure to Moody's Corporation and Mastercard detracted. Allocations to and stock selection within utilities were also unhelpful. On the positive side, stock selection within information technology was rewarded (overweight TSMC, Samsung Electronics). Overweight exposure to and stock selection within materials was also effective (overweight Dow, BASF). Elsewhere, in consumer discretionary an underweight to Tesla was beneficial while overweights to luxury goods names LVMH and Richemont detracted.

Global Opportunities Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-1.1	17.3	14.5	10.9	12.8
Net	-1.1	17.0	14.2	10.6	12.5
MSCI AC World Index Net	-1.3	17.5	14.1	10.5	11.9
Excess returns (gross)	-0.2	-0.2	0.4	0.4	0.9
Excess returns (Net)	-0.2	-0.5	0.1	0.1	0.6

Inception Date: COB 31st January 2019
Source: Northern Trust as of 31 March 2026
Benchmark: MSCI AC World Net Total Return Index GBP

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund registered negative absolute returns over the first quarter but finished ahead of the benchmark on a relative basis.

In the market environment, the Fund’s tilt to value and small caps was rewarded. In sectors, underweight exposure to and stock selection within information technology was a key contributor to excess returns. This included overweight exposure to Seagate Technology Holdings, Samsung Electronics and TSMC. An overweight to and stock selection within industrials was also effective (off-benchmark position in Toto; overweight Comfort Systems, Hyundai Engineering & Construction). Elsewhere, an overweight to materials, one of the best-performing sectors in the period, was beneficial. In energy, an underweight to the sector detracted while stock selection was helpful, including an off-benchmark position in Noble Corporation and an overweight to BP. On the negative side, stock selection in financials detracted (overweight Deutsche Bank, Commerzbank). Underweight exposure to the utilities sector was also detrimental.

Sustainable Active Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	Since Inception
Gross	-1.6	13.7	10.5
Net	-1.7	13.3	10.1
MSCI AC World Index Net	-1.3	17.5	14.8
Excess returns (gross)	-0.3	-3.8	-4.3
Excess returns (Net)	-0.4	-4.2	-4.7

Inception Date: COB 23rd June 2023
Source: Northern Trust as of 31 March 2026
Benchmark: MSCI AC World Net Total Return Index GBP

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund underperformed in the first quarter.

The Fund's factor selections were marginally unrewarded within this environment. On a regional basis, stock selection was negative within Japan and the UK and included exposure to Japan-based Recruit Holdings (overweight) and UK-based Shell (underweight). At the sector level, an underweight to energy and stock selection within industrials and within consumer staples detracted further relative performance. Ineffective selection within the health care (overweight to Danaher) sectors was also unrewarded. However, selection within information technology and consumer discretionary offset the negative performance to some level.

EM Market Commentary

Emerging markets (EM) outperformed the global index with huge divergence among markets. Colombia and Peru were the best-performing markets followed by Brazil and South Korea. Colombia and Peru benefitted from climbing commodity prices (oil, copper) translating into higher mining shares. South Korea's market performed strongly in January and February, driven by chipmakers and engineering names, but suffered dramatic falls in March. Brazil's equity market hit fresh highs, helped by encouraging inflation data and exposure to commodities. Notably, Petrobras shares soared on rising oil prices. Indonesia, India and China underperformed. Indonesian shares plummeted following a warning by index provider MSCI of a potential downgrade due to investability issues. In addition, Moody's cut its credit rating outlook to "negative" from "stable" citing, among other things, policy uncertainty and weak governance. China's market was weighed down by persistent weakness in the property market, fragile confidence among both domestic and foreign investors and geopolitical concerns.

EM Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	Since Inception
Gross	2.3	32.0	13.3	6.1
Net	2.1	31.5	12.9	5.6
MSCI Emerging Market Index	1.8	27.2	12.6	5.3
Excess returns (gross)	0.5	4.8	0.7	0.8
Excess returns (Net)	0.3	4.3	0.3	0.3

Inception Date: COB 20th October 2021
Source: Northern Trust as of 31 March 2026
Benchmark: MSCI Emerging Markets Index Net
Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund outperformed the benchmark return. From a style perspective, value outperformed this period.

Quality also recorded a positive absolute return. Mid-caps outperformed both large and small caps. Momentum marginally lagged the benchmark return. Large cap growth stocks were out of favour. At the sector level, information technology was the leading performer, ahead of energy. Utilities, materials and industrials also outperformed with smaller returns. In contrast, the communication services and consumer discretionary sectors were the main laggards, primarily due to China-based named. Real estate was negatively impacted by property developers in the UAE.The Fund's exposure to momentum and value proved to be favourable during the period, although a tilt towards small-cap stocks was unrewarded as large cap value names led the market higher. At the country level, positive stock selection within the strong-performing Taiwan, South Africa and China/HK market was rewarded. This included overweight exposure to technology names Delta Electronics, Aspeed and Accton Technology. Positioning within India (underweight) and Brazil (overweight) contributed further to relative performance. However, weak stock selection within Brazil and South Korea limited further outperformance. Effective stock selection within information technology and consumer discretionary was a further contributor, supported by overweights to Samsung Electro-Mechanics and SK hynix. At the manager level, Axiom was the standout performer, benefitting from its momentum tilt and effective country selection (Taiwan) and stock selection (information technology). Sands was the weakest-performing manager this quarter, as their investment style continued to be out-of-favour.

UK Market Commentary

UK equities outperformed the global index and all other markets, benefitting from a prevalence of oil and gas (BP, Shell), and mining stocks (Glencore). A number of prominent defence companies (BAE Systems) and a lack of large technology companies also helped. Energy was the best-performing sector while technology underperformed. The main index, the FTSE 100 broke through the 10,000 threshold in early January, peaking in late February before dropping sharply following the US attacks on Iran. In the economy, headline inflation fell to 3.0% YoY in January (from 3.4%) and was unchanged in February. Elsewhere, although January and February PMIs strengthened indicating that clarity following the November Budget may have boosted business activity, preliminary data for March showed slowing growth in both manufacturing and services. Meanwhile the jobs market showed signs of weakness with unemployment unexpectedly rising to 5.2% in the three months to December, the highest since early 2021. January's figure showed no improvement.

UK Opportunities Equity Fund:

The sub-fund has an expected outperformance of **2.0%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Years	Since Inception
Gross	-0.3	17.9	11.7	8.2	7.3
Net	-0.4	17.6	11.4	7.8	6.9
FTSE All Share	2.4	21.5	13.3	11.1	8.4
Excess returns (gross)	-2.7	-3.6	-1.6	-2.9	-1.1
Excess returns (Net)	-2.8	-3.9	-1.9	-3.3	-1.5

Inception Date: COB 23rd September 2019
Source: Northern Trust as of 31 March 2026
Benchmark: FTSE All Share Index

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

***Preliminary return figures as Russell Investments reconcile discrepancies with NT**

Overall Fund Commentary

The Fund underperformed the benchmark return in the first quarter of 2026.

The Fund's tilt towards small-capitalisation and quality stocks detracted from relative returns in a period where large capitalisation value names led the market higher. Sector positioning and stock selection detracted from relative returns. This included positioning and selection within consumer discretionary (overweight), energy (underweight), information technology (overweight) and materials (underweight). At the stock level, underweights to Shell, Glencore, BAE Systems and AstraZeneca were key detractors. However, an underweight to and effective stock selection within financials limited additional underperformance. This was underpinned by an overweight to Beazley and underweight to 3i Group at the stock level. Aside from Liontrust and Fidelity, most underlying managers underperformed this quarter, with Baillie Gifford the weakest-performer.

Fixed Income Market Commentary

In the US, a technology sell-off prompted a flight to safe-haven assets benefitting US Treasuries. Softer-than-expected inflation data contributed to lower yields with headline CPI inflation easing to 2.4% YoY in January from 2.7%. February's reading was unchanged. Geopolitical concerns jumped following US action to remove Venezuela's president from power and the spectacle of a growing rift between the US and Europe over Greenland. Meanwhile, tariff uncertainty resurfaced after President Trump announced 15% tariffs, later adjusted to a global levy of 10%. This followed the Supreme Court's ruling that the majority of President Trump's tariffs were unlawful. In March yields rose in response to the escalating Middle East conflict as energy prices surged, fuelling inflation fears and prompting a swift change to interest rate expectations. Over the quarter the yield on benchmark 10-year Treasuries increased by 15 basis points (bps) to 4.32%. In the economy, labour market weakness was reflected in non-farm payrolls with most new jobs created in health care. In addition, unemployment ticked up in February to 4.4% from 4.3%. Elsewhere, a revised reading showed the economy grew by an annualised 0.7% in the final quarter of 2025, the weakest since the first quarter of last year. A fall in government spending during the 43-day shutdown and weaker consumer spending contributed to the outcome.

Credit spreads widened over the quarter, more so in riskier parts of the market. In this environment, investment grade outperformed high yield with the UK the best performer. Here, spreads widened by 9 bps to 77, slightly less than US investment grade spreads which widened by 10 bps to 83. Global and European investment grade spread widening was similar (+12 bps to 84, +14 bps to 80, respectively). Europe was also the laggard in the high yield market where spreads widened by 67 bps to 332. US high yield spread movement (+51 bps to 317) was in line with global high yield (+52 bps to 343). Hard currency EMD, as measured by the JPM EMBI Global Index, fell by 1.1% while local currency EMD as measured by the JP Morgan GBI-EM Global Diversified Index declined by 2.2%, impacted by a strengthening US dollar.

Global Government Bond Fund:

The sub-fund has an expected outperformance of **0.70%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-0.8	2.8	2.6	-0.2	-0.4
Net	-0.8	2.5	2.4	-0.4	-0.7
FTSE World Gvt Bond Index (GBP Hedged)	-0.2	2.6	2.7	-0.6	-1.1
Excess returns (gross)	-0.6	0.2	-0.1	0.4	0.7
Excess returns (Net)	-0.6	-0.1	-0.3	0.2	0.4

Inception Date: COB 30th July 2020
Source: Northern Trust as of 31 March 2026
Benchmark: FTSE World Government Bond Index (GBP Hedged)
Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund recorded a negative return.

In the first quarter's market the environment, the Fund's overweight to short-dated UK gilts and overweight to rates in Colombia was unrewarded. Small exposure to rates in Poland, Brazil and Indonesia also detracted. An overweight to rates in Mexico and underweight towards core eurozone bonds limited additional underperformance..

Global Credit Fund:

The sub-fund has an expected outperformance of **0.75%** in excess of the sub-fund benchmark gross of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-0.5	4.5	4.7	0.2	0.1
Net	-0.5	4.3	4.6	0.0	-0.1
Bloomberg Barclays Global Agg Credit Index (GBP Hedged)	-0.5	4.5	4.7	0.4	0.1
Excess returns (gross)	0.0	0.0	0.0	-0.2	0.0
Excess returns (Net)	0.0	-0.2	-0.1	-0.4	-0.2

Inception Date: COB 27th July 2020
Source: Northern Trust as of 31 March 2026
Benchmark: Bloomberg Barclays Global Aggregate Credit Index (GBP Hedged)

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund was in line with the benchmark return over the first quarter.

Credit spreads widened, more so in riskier parts of the market. In this environment, investment grade outperformed high yield with the UK the best performer. Although the Fund benefitted from allocations in corporate credit this was offset by negative impacts elsewhere. The main positive contributor was positioning in hard currency emerging market debt, particularly underweight exposure to investment grade in the Middle East. An underweight to investment grade in Latin America was also additive. In US credit, the positive impact from underweight exposure to investment grade financials and utilities was offset by overweights to high yield financials and utilities, which detracted. In European credit, allocations to investment grade industrials were helpful whereas an overweight to investment grade financials was ineffective. Elsewhere, positioning in Spanish sovereign debt was beneficial.

Multi Asset Credit Fund:

The sub-funds aims to achieve a total return (the combination of income and capital growth), the equivalent of the 3 Month **GBP SONIA + 4%,** over any five-year period, after all costs and charges have been taken.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-0.5	7.6	8.6	3.4	4.2
Net	-0.6	7.3	8.2	3.0	3.9
3 Month GBP SONIA + 4%	1.9	8.3	9.0	7.5	7.1
Excess returns (gross)	-2.4	-0.7	-0.4	-4.1	-2.9
Excess returns (Net)	-2.5	-1.0	-0.8	-4.5	-3.2
Strategic asset allocation benchmark	1.9	8.4	9.0	7.5	7.1

Inception Date: COB 27th July 2020

Source: Northern Trust as of 31 March 2026

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

***EMD local currency exposure is not hedged in this SAA return.**

Overall Fund Commentary

The Fund recorded a negative return in the first quarter.

As in the previous quarter, both rates and credit positioning were rewarded while currency impacts detracted. In rates, exposure to US Treasuries was effective, particularly an overweight to one-year issues. Allocations to UK gilts were also helpful while exposure to Japanese rates weighed on gains. In credit, exposure to one-year bank notes was a significant positive contributor. In corporate credit, an overweight to European high yield financials was helpful while overweights to US high yield financials and industrials were detrimental. Positioning in hard currency emerging market debt was ineffective with overweights to both high yield and investment grade in Europe and the Middle East notable detractors. However, overweights to Africa and Asia were modestly additive. In currencies, allocations to the US dollar and UK sterling were detrimental while positioning in the euro was effective.

Aegon was added as a manager in the Fund with the process to be completed in the first half of 2026. Its ABS Opportunity strategy aims to benefit from actively allocating to the best value opportunities across the European securitized market, investing in collateralized loan obligations and a broad range of asset backed security sectors. In our view, the high-yield nature of this strategy offers higher expected returns through the market cycle compared to the Fund’s previous securitized exposures. In conjunction with this decision allocations to Voya were reduced with the aim of removing the manager form the portfolio. Although Voya has outperformed its benchmark since inception the strategy is constrained by UK securitized credit regulations, which have restricted the manager from investing in the full opportunity set offered in the US securitized space. As a result, Voya’s strategy has held more of a defensive bias which has been detrimental for performance during recent up-markets.

Absolute Return Bond Strategy Fund:

The sub-fund aims to achieve a total return (the combination of income and capital growth), the equivalent of the 3-month **GBP SONIA plus 2%,** over any five-year period, after all costs and charges have been taken.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	0.9	4.5	6.4	4.4	4.4
Net	0.8	4.2	6.2	4.2	4.2
3 Month GBP SONIA + 2%	1.4	6.2	6.9	5.4	5.1
Excess returns (gross)	-0.5	-1.7	-0.5	-1.0	-0.7
Excess returns (Net)	-0.6	-2.0	-0.7	-1.2	-0.9

Inception Date: COB 30th September 2020
Source: Northern Trust as of 31 March 2026

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The Fund recorded a positive return.

Within the market environment, the Fund’s exposure to convertible bonds was a key contributor. Convertible bonds remained among the leading global asset classes for the quarter, participating in early period strength and outperforming global credit and US equity market returns. Elsewhere, positive global macro positioning included effective interest rate positioning, in a period where yields increased. Exposure to European asset-backed securities remained positive, with European consumers relatively insulated from the immediate impacts of the Middle East conflict. However, nominal G10 rates positioning weighed on returns for our multi-sector generalist DNCA.

Sterling Credit Fund:

The sub-fund has an expected outperformance of **0.65%** in excess of the sub-fund benchmark net of fees, over the longer term.

	Q1 2026	1 Year	3 Year	5 Year	Since Inception
Gross	-1.6	4.3	4.9	0.3	0.0
Net	-1.7	4.2	4.8	0.2	-0.1
ICE Bank of America Merrill Lynch Euro-Sterling Index	-1.6	4.3	4.3	-0.7	-0.8
Excess returns (gross)	0.0	0.0	0.6	1.0	0.8
Excess returns (Net)	-0.1	-0.1	0.5	0.9	0.7

Inception Date: COB 27th July 2020
Source: Northern Trust as of 31 March 2026
Benchmark: ICE Bank of America Merrill Lynch Euro-Sterling Index.

Inception date is based starting NAV for the sub-fund. This inception date (and therefore performance) may differ from the investment manager(s), who typically takes over following a transition period.

Overall Fund Commentary

The portfolio delivered performance broadly in line with the index. Credit positioning and coupon income contributed positively, while duration positioning was the primary detractor. Within credit, selected positions in utilities added to returns, whereas exposure to banks, brokers and insurance weighed on performance. At the issuer level, holdings in Logicor, Tesco and New York Life Insurance were supportive. Conversely, structural underweights in selected quasi-sovereign and supranational issuers detracted, while the overweight position in Oracle also modestly weighed on returns.

From a duration perspective, an overweight to sterling and Japanese yen duration detracted as yields moved higher across curves, partially offset by a short position in US dollar duration. Positioning via the quant model also proved unfavourable and weighed on performance.

WPP Wales Pension Partnership IM Co

WPP IM Co: Progress Update

Prepared by Rob Lamb, Chief Executive Officer

This paper summarises what has been achieved since September 2025, organised under the same three areas used in the weekly Transitionary Board meetings: governance, people, and operations.

	Status	Comments
Governance		Structure, documentation and board ready to execute.
People		A core team is in place with a mix of experienced LGPS officers and regulated investment management experience.
Operations (technology, corporate services and business process)		The operational transition plan is in place and operational readiness is on track. IT and cyber-security contracts are being finalised.

The company is ready to operate as a regulated firm. The remaining dependency is the Financial Conduct Authority (FCA) Minded to Approve letter, which we now expect by July 2026. The delay to the original April 2026 FCA authorisation target is primarily attributable to the parliamentary timetable for the Pension Schemes Act, which received Royal Assent on 29 April 2026.

Governance

Every foundational governance decision required before FCA authorisation has been taken. Between November 2025 and March 2026, we consulted formally with all eight constituent authorities on the two documents that define the relationship between shareholders and the company: the Shareholders' Agreement and the Client Services Agreement. Both were approved by all eight Pension Fund Committees before the end of March 2026, alongside the Year 1 budget and initial business plan. That consultation process, conducted across eight separate Local Authorities with different political compositions, timelines and concerns, was completed without objection or material amendment.

The governance architecture that underpins FCA authorisation is now fully designed and ready to execute. The permanent Board structure separates three distinct roles that are currently blurred: an independent IM Co Board responsible for the regulated entity, a Shareholder Board exercising reserved matters on behalf of the eight owners, and the Joint Governance Committee continuing as the collective client oversight body. The FCA requires a clear firewall between the ownership and client functions, and that firewall is built into the framework we have agreed with all parties.

The sequence from the FCA's Minded to Approve letter through to formal authorisation is mapped in detail and can be completed within ten working days of receipt. Transitionary directors will resign, new directors will be appointed, regulatory capital will be called and confirmed, and the remaining legal documents will be executed. Companies House filings and final evidence to the FCA will follow immediately. Every step has been agreed with our legal advisors.

People

Fifteen people are now either in post or have accepted offers to join the company. Five are experienced LGPS officers moving across from Welsh local authorities, bringing the institutional memory and relationships that are essential to continuity of service. The remaining ten are new to the Welsh Local Government Pension Scheme and bring perspective from regulated investment management, risk, finance, communications and operations. The blend is deliberate: we need people who understand the system we are inheriting and people who bring the disciplines of the regulated environment we are entering.

The leadership team has been recruited in full and on schedule, and in compliance with regulatory requirements under the FCA's Senior Manager Regime. The executive team includes the Chief Executive Officer and Chief Investment Officer as executive directors, supported by a Director of Finance and a Director of Risk. All required Senior Management Function holders have been submitted to the FCA as part of the application. An independent Chair and Non-Executive Directors have been recruited and are participating in induction and training so that they are ready to take up their positions on Board transition.

On 30 April 2026, the full team came together for the first time at a team day in Cardiff. We used the session to connect as people, to remind ourselves of our shared purpose, and to begin building the culture that will define this company. We agreed collectively that our immediate focus remains operational readiness, and that the deeper work on strategy and culture will follow once we are authorised, but before March 2027.

Operations

The FCA application was submitted on the last day of October 2025, in line with the November 2025 target set out in the critical path. Since then, we have worked through a series of questions and information requests from the FCA's Authorisations team. On 13 April 2026, the FCA confirmed that its recommendation to authorise was passing through internal approval. In addition, on 15 May 2026 some further questions were received mostly focused on operational resilience and these were responded to within the requested timeframe. The next formal communication we expect is the Minded to Approve letter, which we have been told to expect to arrive by July 2026.

The reason authorisation has not yet been granted is not within WPP IM Co's control. The Pension Schemes Act, which is the primary legislation that provides the framework for LGPS pooling reform, received Royal Assent on 29 April 2026. Until that point, the legislative basis on which the FCA was being asked to authorise a company of this kind was incomplete. The parliamentary timetable for that Act caused the original April 2026 target to move.

MHCLG, including the Pensions Minister, has expressed gratitude for the pace at which WPP IM Co has progressed relative to the other LGPS pools. That recognition reflects the fact that every milestone within our control has been delivered on or ahead of schedule: application submitted, SMF holders appointed, legal framework consulted and approved, team recruited, office secured in Cardiff, and operational transition planning underway.

Version one of the operational transition plan has been prepared and is being led by the Chief Investment Officer. This covers the novation of contracts with our middle office provider, custodians and investment managers, the establishment of service level agreements, and the systems and controls required to operate as a regulated firm from the point of authorisation. IT support and cyber-security is being outsourced to a third party and we are continuing to negotiate the detail of that contract. Given our outsourced model and expedited timeline for operational transition, it has been important to ensure appropriate oversight is captured by contractual obligations. In the meantime, day to day investment management and fiduciary responsibilities have continued unchanged; there has been no disruption to members or employers at any stage.

Next steps

With authorisation now a matter of timing, the team's full attention is on operational readiness. Every member of the team has a 60-day plan to 1 July 2026 that connects their individual priorities to the company's collective preparation for Day 1. These are specific, measurable commitments covering the systems, controls, relationships and reporting that must be functioning from the point WPP IM Co appears on the FCA register.   The plans are reviewed weekly, and provide confidence that when the Minded to Approve letter arrives, the distance between receiving it and being fully operational will be measured in days rather than weeks.

Rob Lamb
CEO, Wales Pension Partnership Investment Management Company

MEETING:	**PENSIONS COMMITTEE**
DATE:	**14 SEPTEMBER 2026**
TITLE:	**TREASURY MANAGEMENT 2025/26**
PURPOSE:	**CIPFA's Code of Practice requires that a report on the results of the Council's actual treasury management is produced.**
RECOMMENDATION:	**RECEIVE THE REPORT FOR INFORMATION**
AUTHOR:	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

Executive Summary

During the 2025/26 financial year the Council's treasury management activity remained within the limits originally set and total interest received on deposits was £1.7m which was higher than the budgeted level of £1.6m. There were no defaults by institutions in which the Council had deposited money.

1. Introduction

The Council's Treasury Management Strategy for 2025/26 was approved at Full Council on 6th March 2025.

It was decided at the Pensions Committee on 17 March 2025 to allow the Pension Fund's surplus funds to be combined and co-invested with the Council's overall cash flow for the 2025/26 financial year.

The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy.

This report compares the actual performance against the strategy for the financial year 2025/26 and fulfils the Council's legal obligation under the Local Government Act 2003 to have regard for both the CIPFA Code and the Welsh Government's Investment Guidance.

2. Treasury Investment Activity

The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Authority's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council has held significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances have ranged between £73.5 million and £159.8

million.

Treasury Investment Position

	31.3.25 Balance £m	2025/26 Movement £m	31.3.26 Balance £m	31.3.26 Rate %	31.3.26 WAM* days
Banks & building societies (unsecured)	6.0	(4.8)	1.2	3.15	1.0
Local Authorities	25.0	(17.0)	8.0	5.35	44.9
Money Market Funds	65.0	(17.5)	47.5	3.80	1.0
Debt Management Office	45.0	(17.9)	27.1	3.71	8.8
Pooled Funds	11.9	0.3	12.2	5.74	365+
Total investments	**152.9**	**(56.9)**	**96.0**		

*Weighted average maturity

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the optimum rate of return or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Bank rate reduced from 4.50% to 4.25% in May 2025, followed by a further reduction to 4.00% in August 2025 and to 3.75% in December 2025. Short term interest rates have largely followed these levels. The rates on DMADF deposits ranged between 3.68% and 4.45% and money market rates between 3.72% and 5.54%.

£12.2m of the Council's investments are held in externally managed strategic pooled equity, bond and property funds where short-term liquidity is a lesser consideration, and the objectives instead are regular revenue income and long- term price stability. These funds generated an income return of 5.74% which is used to support services in year, and an unrealised capital gain of £0.3m in this financial year. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued stability in meeting the Council's medium to long term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years but with the confidence that over a three-to five year period total returns will exceed cash interest.

Investment Benchmarking

	Credit Score	Credit Rating	Bail-in Exposure	WAM* (days)	Income Rate of Return
31.03.2025	4.67	A+	50%	22	4.82%
31.03.2026	**4.50**	**A+**	**58%**	**46**	**4.49%**
Similar LAs	**4.38**	**AA-**	**40%**	**105**	**4.41%**
All LAs	**4.60**	**A+**	**64%**	**10**	**4.46%**

*Weighted average maturity

3. Compliance Report

The section 151 officer reports that most of the treasury management activities undertaken during the year has complied with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in the following tables:

Investment Limits

	2025/26 Maximum	31.3.26 Actual	2025/26 Limit	Complied
The UK Government	£94.7m	£27.1m	Unlimited	✓
Local authorities & other government entities	£5m	£5m	£8m	✓
Secured investments	£0m	£0m	£8m	✓
Banks (unsecured)	£5m	£1.2m	£4m	x
Building societies (unsecured)	£0m	£0m	£4m	✓
Registered providers (unsecured)	£0m	£0m	£4m	✓
Money Market Funds	£10m	£8m	£8m	x
Strategic pooled funds	£5m	£5m	£8m	✓
Real estate investment trusts	£0m	£0m	£8m	✓
Other investments	£0m	£0m	£4m	✓

The limits imposed on two occasions were not fully complied with because historical limits had been followed. Measures are now in place to update the guidance immediately.

4. Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators:

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the time-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment and taking the arithmetic average, weighted by the length of each investment. Unrated investments are assigned a score based on their perceived risk.

	31.3.26 Actual	2025/26 Target	Complied
Portfolio average credit score	4.50	A score of 6 or lower	✓

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	31.3.26 Actual	**2025/26 Target**	**Complied**
Total cash available within 3 months	£83.8m	£10m	✓

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates was:

	31.3.26 Actual	**2025/26 Limit**	**Complied**
Upper limit on one year revenue impact of a 1% rise in interest rates	£780,309	£2,290,000	✓
Upper limit on one year revenue impact of a 1% fall in interest rates	£780,309	£2,290,000	✓

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2025/26	**2026/27**	**2027/28**
Actual principal invested beyond year end	£13m	£0	£0
Limit on principal invested beyond year end	£40m	£20m	£20m
Complied	✓	✓	✓

5. Recommendation

To receive the report.

MEETING	**PENSIONS COMMITTEE**
DATE	**14 SEPTEMBER 2026**
TITLE	**GWYNEDD PENSION FUND DRAFT ANNUAL REPORT 2025/26**
PURPOSE	**To review and provide feedback on the report**
AUTHOR	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

1. INTRODUCTION

This report introduces the statutory Annual Report for the 2025/26 financial year, which provides details of the Pension Fund's activities during the year.

The document in Appendix 1 is the draft Annual Report.

2. REVIEW BY AUDIT WALES

The draft annual report has will be reviewed as part of the financial statements audit by Audit Wales.

3. RECOMMENDATION

The Committee is asked to review and provide feedback on the report.

Cronfa Bensiwn
GWYNEDD
Pension Fund

ANNUAL REPORT 2025/26

Contents

1. Foreword

Welcome to the Gwynedd Pension Fund's annual report for the financial year ending 31 March 2026.

This Annual Report has been produced to provide employers, scheme members, elected members and other interested parties with information concerning the administration and performance of the fund for financial year 2025/26 and we hope you find its content useful.

During the year, the value of the Pension Fund increased from £3.2 billion to £3.6 billion. The Fund saw positive returns of 10.9% over the year, against a benchmark of 11.5%. The average LGPS fund delivered a return of 9.6% for the year, and therefore the Fund return was significantly above the average for the year. Performance in the latest year was driven by the strong results delivered by equities and property delivered a second year of modest results.

The Fund has continued to work as a committed member of the Wales Pension Partnership (WPP) to achieve efficiencies through pooling assets in our investment management arrangements. Following the 2024 Fit for the Future Consultation, the Government has approved WPP's business case to remain a stand- alone investment pool for Wales. This creates a unique opportunity to establish a material centre of excellence in LGPS investment in Wales, creating valuable career opportunities while enhancing the Welsh financial services sector. Progressing the implementation of the business case has been a key focus for WPP over the last twelve months. The Wales Pension Partnership Investment Management Company (WPP IM Co) was established in August 2025. The company is ready to operate as soon as FCA approval is received.

The 2025 actuarial valuation demonstrated once again that the Fund has a strong funding level and therefore a review of the investment strategy was undertaken in November 2025. The review confirmed that the Fund should continue to de-risk by reducing its equity allocation and invest in income generating assets, which includes natural capital for the first time. This will be actioned as investments in infrastructure and private credit is called, and the Fund will work closely with the WPP IM Co in order to invest in property and natural capital assets.

From an administration perspective, Fund staff have continued to ensure that we provide a high standard of service to members and employers throughout 2025/26. During the year, further progress was made in developing digital and electronic ways of working, with a continued focus on improving process efficiency and the overall member experience. The Fund has also continued its preparations for national initiatives such as the Pensions Dashboards Programme, strengthening the quality and accuracy of member data and ensuring that we are well placed to meet future requirements.

The member self-service portal has continued to be an important resource for members, providing secure and convenient access to pension information and enabling greater digital interaction with the Fund. Throughout the year, the team has also continued to implement and manage key legislative and administrative changes, ensuring that members' benefits are administered accurately and efficiently.

We hope the following report will provide you with useful information about our Pension Fund. For more information, or to give your opinion on this report, the contact details of the relevant officers are provided on the next page of the report. Many thanks for your support during 2025/26, and we look forward to the Fund's developments in 2026/27.

Councillor
Elin Hywel

Pensions Committee

Chair 2025/26

Dewi Morgan
s151

Head of Finance

2. Management Structure

Administering Authority
Cyngor Gwynedd

Pensions Committee
Councillor Elin Hywel (Chair)
Councillor John Pughe Roberts (Vice Chair)
Councillor Stephen Churchman
Councillor Ioan Thomas
Councillor John Brynmor Hughes
Councillor R Medwyn Hughes (until February 2026)
Councillor Iwan Huws (until September 2025)
Councillor Geraint Parry (from November 2025)
Councill Gwynfor Owen (from March 2026)
Councillor Robin Wyn Williams (Co-opted Member)
Councillor Goronwy Edwards (Co-opted Member)

Pension Board
Employer Representatives
Mr Ned Michael (Isle of Anglesey County Council)
Mrs Sioned Parry (Conwy County Borough Council)
Mr Roland Thomas (Cyngor Gwynedd)

Member Representatives
Mr Osian Richards
Mr H. Eifion Jones
Mr Anthony Deakin

Head of Finance ("Section 151 Officer")
Mr Dewi Morgan

Advisor
Hymans Robertson

Fund Managers
BlackRock
Lothbury
Partners Group
Threadneedle
UBS Global Asset Management Limited
Russell Investments (WPP)
Schroders Capital (WPP)
GCM Grosvenor (WPP)
Octopus Renewables (WPP)
Capital Dynamics (WPP)
IFM Investors (WPP)
CBRE Investment Management (WPP)

Fund Website
www.gwyneddpensionfund.wales

AVC Providers
Clerical Medical, Utmost Life and Standard Life

Pool
Wales Pension Partnership (WPP)

Pool Operator
Waystone Management (UK) Limited

Custodian
Northern Trust

Actuary
Hymans Robertson

Bank
Barclays Bank plc

Auditor
Audit Wales

Contact Details
Enquiries and more detailed information regarding:

- administration of the Fund can be obtained by contacting:

  Mr Meirion Jones,
  Pensions Manager,
  Cyngor Gwynedd,
  Council Offices,
  Caernarfon,
  Gwynedd. LL55 1SH
  ☎ 01286 679643
  meirionjones2@gwynedd.llyw.cymru

- The Fund's investment and accounting activities should be made to:

  Mrs Delyth Jones-Thomas,
  Investment Manager,
  Cyngor Gwynedd,
  Council Offices,
  Caernarfon,
  Gwynedd. LL55 1SH
  ☎ 01286 679128
  delythwynjonesthomas@gwynedd.llyw.cymru

3. Annual Reports of the Gwynedd Pensions Committee and Gwynedd Pension Board for 2025/26 (the year to 31 March 2026)

3(a) Annual Report of the Gwynedd Pensions Committee for 2025/26 (the year to 31 March 2026)

1. Background and Constitution of the Committee

The Gwynedd Pension Fund is part of the national Local Government Pension Scheme (LGPS), providing retirement and related benefits for employees of Cyngor Gwynedd and a range of other employers within north-west Wales.

The governance of the Fund is overseen by the **Pensions Committee**, which operates under powers delegated by Cyngor Gwynedd as the administering authority. The Committee is constituted in accordance with the Local Government Act 1972 and complies with LGPS governance regulations and guidance issued by The Pensions Regulator (TPR) and the Scheme Advisory Board (SAB).

The Committee plays a vital role in safeguarding the interests of the Fund's members and employers by ensuring sound financial management, strong governance, and compliance with all legislative responsibilities.

2. Functions of the Pensions Committee

The key responsibilities of the Pensions Committee include:

- **Strategy and Oversight**
    - Approving and regularly reviewing the Fund's Investment Strategy Statement (ISS) and Funding Strategy Statement (FSS).
    - Ensuring the long-term sustainability and financial health of the Fund.
- **Governance and Risk Management**
    - Overseeing Fund governance in line with regulatory requirements and best practice.
    - Maintaining oversight of the Fund's risk register and internal controls.
- **Investment Management**
    - Monitoring investment performance and engaging with the Fund's investment managers.
    - Making strategic decisions regarding asset allocation and the use of pooled investment vehicles via the Wales Pension Partnership (WPP).
- **Administration and Compliance**
    - Overseeing the administration of benefits and member services.
    - Ensuring compliance with TPR guidance and LGPS regulations.

The Committee works alongside the **Local Pension Board**, which has an oversight and scrutiny role, ensuring that the Fund is managed effectively and in line with legislation.

3. Work of the Committee in 2025/26

The Committee's work focused on maintaining strong governance, overseeing investment performance, preparing for key regulatory changes, and ensuring the long-term sustainability of the Fund.

Investment Oversight

The Committee maintained regular oversight of the Fund's investment strategy and performance by:

- Reviewing quarterly investment performance reports and receiving presentations from the Fund's investment managers and advisers.
- Monitoring the Fund's overall funding and investment position in light of changing economic and market conditions.
- Approving strategic investment decisions and asset allocation changes where appropriate.
- Overseeing the continued transition of assets into the Wales Pension Partnership (WPP) pooled investment arrangements.
- Receiving updates on the development of WPP investment sub-funds, including responsible investment-focused equity and fixed income mandates.
- Challenging investment managers and advisers where necessary and seeking assurance that investment decisions remained aligned with the Fund's long-term objectives and stewardship responsibilities.

Funding and Actuarial Matters

The Committee continued to monitor the Fund's financial strength and funding arrangements through:

- Reviewing funding level updates and actuarial monitoring reports.
- Considering preparatory work for the 2025 actuarial valuation, including discussions on employer covenant assessments and funding assumptions.
- Approving amendments to the Funding Strategy Statement to reflect changes in employer participation and emerging regulatory requirements.
- Monitoring employer contribution arrangements and the impact of changes within the Fund's employer base.

Governance and Administration

Significant attention was given to governance, compliance, and the effective administration of the Fund, including:

- Reviewing and monitoring the Fund's Risk Register throughout the year.
- Considering key risks relating to cyber security, employer insolvency, business continuity, data quality, and pension administration performance.
- Receiving updates on administration performance, member engagement, and service delivery standards.
- Monitoring progress against the Fund's Governance Compliance Statement and governance improvement programme.
- Ensuring that committee members received appropriate training and development to support effective decision-making.

Responsible Investment and Climate Risk

The Committee continued to strengthen its approach to responsible investment and stewardship by:

- Reviewing reports on climate-related risks, carbon emissions, and portfolio carbon intensity measures.
- Monitoring progress against the Fund's climate and responsible investment objectives.
- Supporting collaborative engagement activities undertaken through the Wales Pension Partnership and other stewardship organisations.
- Considering developments in Environmental, Social and Governance (ESG) regulation and best practice.
- Ensuring responsible investment considerations were integrated across all relevant asset classes and investment decisions.

Regulatory Compliance and Pension Reform

The Committee oversaw the Fund's response to significant regulatory developments, including:

- Monitoring implementation of the McCloud remedy and receiving updates on data collection, benefit calculations, and member communications.
- Reviewing progress towards compliance with The Pensions Regulator's General Code of Practice.
- Monitoring preparations for connection to the Pensions Dashboards Programme, including data quality and systems readiness.
- Receiving updates on legislative and regulatory changes affecting the Local Government Pension Scheme (LGPS) and considering their implications for the Fund.

Wales Pension Partnership

As a participating authority within the Wales Pension Partnership, the Committee:

- Received regular reports on WPP governance, investment performance, responsible investment activity, and pooling progress.
- Considered business plans, budgets, and strategic developments relating to the Partnership.
- Supported the continued expansion and development of pooled investment arrangements for the benefit of participating funds.

Through these activities, the Committee continued to promote effective governance, safeguard members' benefits, and support the long-term financial sustainability of the Gwynedd Pension Fund.

4. Membership of the Committee (2025/26)

The Pensions Committee is composed of 7 elected members from Cyngor Gwynedd together with one co-opted member each (with a vote) from the Isle of Anglesey County Council and Conwy County Borough Council. Membership during the 2025/26 year was as follows:

Member Name	Representing	Role
Cllr Elin Hywel	Cyngor Gwynedd	Chair
Cllr John Pughe Roberts	Cyngor Gwynedd	Vice Chair
Cllr Stephen Churchman	Cyngor Gwynedd	Member

Member Name	Representing	Role
Cllr John Brynmor Hughes	Cyngor Gwynedd	Member
Cllr Ioan Thomas	Cyngor Gwynedd	Member
Cllr Iwan Huws*	Cyngor Gwynedd	Member
Cllr Richard Medwyn Hughes*	Cyngor Gwynedd	Member
Cllr Geraint Wyn Parry*	Cyngor Gwynedd	Member
Cllr Gwynfor Owen*	Cyngor Gwynedd	Member
Cllr Robin Williams	Anglesey CC	Co-opted Member
Cllr Goronwy Edwards	Conwy CBC	Co-opted Member

*Cllr Geraint Wyn Parry replaced Cllr Iwan Huws towards the end of 2025, and Cllr Gwynfor Owen replaced Cllr R Medwyn Hughes early 2026.

5. Attendance

	12/06/25	07/07/25	15/09/25	24/11/25	09/02/26	26/02/26	16/03/26
Cllr Elin Hywel		✓	✓	✓	✓	✓	
Cllr John Pughe Roberts	✓	✓	✓	✓	✓	✓	
Cllr Stephen Churchman		✓	✓	✓	✓	✓	✓
Cllr John Brynmor Hughes		✓	✓	✓			✓
Cllr Ioan Thomas	✓	✓	✓	✓	✓	✓	✓
Cllr Iwan Huws	✓	✓					
Cllr Medwyn Hughes	✓	✓	✓				
Cllr Geraint Wyn Parry				✓		✓	✓
Cllr Gwynfor Owen							✓
Cllr Robin Williams	✓	✓	✓	✓	✓		✓
Cllr Goronwy Edwards	✓	✓	✓	✓	✓		✓

6. Work Plan and Priorities for 2026/27

The Committee has adopted a forward-looking work plan for **2026/27**, focusing on:

- Monitoring investment performance and the continued development of pooled investments through the **Wales Pension Partnership (WPP)** and **WPP IM Co.**
- Reviewing the Fund's **Investment Strategy Statement** and responsible investment priorities.
- Enhancing the Fund's approach to **climate risk management** and stewardship activities.
- Completing outstanding work relating to the **McCloud remedy**.
- Ensuring compliance with **The Pensions Regulator's General Code of Practice** and other regulatory requirements.
- Supporting the delivery of the **Pensions Dashboards Programme**.
- Continuing to review the Fund's **governance, risk management, and administration arrangements**.
- Supporting ongoing **training and development** for Committee and Local Pension Board members.

Regular reports from the Fund's actuary, investment advisers, Wales Pension Partnership representatives, and officers will support effective oversight and informed decision-making throughout the year.

7. Training and Development

In line with CIPFA's Knowledge and Skills Framework, the Committee maintained a structured training programme to ensure members possess the knowledge and understanding required to discharge their duties effectively.

Key training activities in 2025/26 included:

Provider	**Subject**
Wales Pension Partnership	Private Markets Product Knowledge
Wales Pension Partnership	Local/ Impact Investments within Private Markets Asset Classes
Wales Pension Partnership	Voting and Engagement
Wales Pension Partnership	Stewardship Code and Reporting Requirements
Wales Pension Partnership	Responsible Investing
Wales Pension Partnership	Biodiversity and Natural Capital
Wales Pension Partnership	Climate Scenarios and Fiduciary Duty
D G Publishing	LGPS Pooling Symposium
Local Government Chronicle	Investment Seminar
LAPFF	LAPFF Annual Conference
Local Government Association	Governance Conference
Various	Investment in Wales Conference
Hymans Robertson	LGPS Actuarial Valuation

All members are expected to undertake a minimum level of annual training and to maintain a personal development log. The training plan is reviewed annually and tailored to individual and collective needs.

7. Conclusion

The Pensions Committee is satisfied that it has fulfilled its governance responsibilities during 2025/26. The Committee has provided robust oversight of the Fund's investments, funding position, and administration services while responding effectively to the challenges and changes within the LGPS environment.

The Committee remains committed to acting in the best interests of all stakeholders and ensuring that the Gwynedd Pension Fund continues to deliver long-term security and value for its members and employers.

Cllr Elin Hywel
Pensions Committee Chair 2025/26

3(b) Annual Report of the Gwynedd Pension Board for 2025/26 (the year to 31 March 2026)

1. Background / Composition

The Board was constituted under the Public Service Pensions Act 2013, and its first meeting was held on 13 July 2015. The membership consists of three members who represent the scheme's employers and three members who represent the scheme members (namely staff who contribute towards the pension scheme and those who are retired and in receipt of a pension).

Over the period from 1 April 2025 to 31 March 2026, the Board has met virtually four times. Board members are invited as observers to the meetings of the Pensions Committee and have agreed to take this role in turn in order to promote understanding as well as communication. This arrangement is balanced with the Chair of the Pensions Committee now attending Board meetings, where she is accountable, with officers for the governance and administration of the Fund. On occasion, the Board has asked for its views and recommendations to be formally submitted for consideration by the Committee.

2. Role of the Board

In accordance with the legislation, the Local Pension Board's two main functions are to assist the administering authority (Cyngor Gwynedd) to:

i. ensuring effective and efficient governance and administration of the LGPS, and
ii. ensure compliance with relevant legislation and regulations

Therefore, the Board is a monitoring, reviewing and assisting body, not a body that manages and makes decisions. The Board operates under a Terms of Reference agreed by Cyngor Gwynedd (at a meeting of the full Council on the 5th of March 2015).

It is supported by the Council's Member Support and Scrutiny Officer, and reports are prepared and presented by officers including the Head of Finance, Investment Manager and Pensions Manager of the Fund.

3. Work of the Board

Once again, the past year has been a busy year for the senior staff of the Administrative Authority. Therefore, Board members were aware of the need to prioritise requests for officers to prepare reports for the Board.

4. Attendance

	07/04/2025	11/07/2025	03/11/2025	09/02/2026
Anthony Deakin	✓	✓	✓	✓
H. Eifion Jones	✓	✓	✓	✓
Ned Michael	✓			✓
Sioned Evans Parry	✓		✓	✓
Osian Richards	✓	✓	✓	✓
Roland Thomas		✓	✓	✓

5. Work Plan

In line with the work plan agreed in the previous year, reports were addressed on the following issues:

- **Monitoring progress against the training plan -** The Board reviewed the progress made against the training plan to ensure that Board members maintain the necessary knowledge and skills to carry out their duties effectively.

- **Updates on the work of the Wales Pension Partnership -** The Board received regular reports on the activities and developments of the Wales Pension Partnership, including investment and governance issues affecting the Fund.

- **2025 Actuarial Valuation -** The assumptions used for the 2025 Actuarial Valuation have been reviewed to ensure that they are appropriate and reflect the circumstances of the Fund.

- **Gender Pension Gap -** Information and analysis relating to the Gender Pension Gap was discussed to understand any inequalities and their potential impact on scheme members.

- **Connecting to the Pensions Dashboard -** Progress and preparations for connecting with the Pensions Dashboard have been considered, ensuring that the Fund complies with national requirements.

- **Governance Policy Statement -** The Governance Policy Statement has been revised to ensure that the Fund's governance arrangements remain fit and effective.

- **Funding Strategy Statement -** The content and implementation of the Funding Strategy Statement, which sets out the approach to managing the Fund's long-term accountability and funding, has been covered.

- **Pensions Regulator Governance Survey Results -** The survey results were discussed to identify strengths and any areas where governance arrangements could be improved.

- **Pensions administration updates -** The Board scrutinised the day-to-day performance and operation of the pension administration service, monitoring service and performance standards.

- **Data improvement plan -** The progress of the data improvement plan has been reviewed to ensure that the Fund's data is accurate, complete and meets the required regulatory standards.

- **Pension Fund Administrative Policies -** A number of administrative policies have been considered and reviewed to ensure that they remain current and support the effective operation of the Fund.

- **Gwynedd Pension Fund Draft Accounts (31 March 2025)** - The draft accounts were reviewed to ensure that the Fund's financial position was presented accurately and transparently.

- **Draft Annual Report 2024/25 -** The content of the Annual Report has been considered to ensure that it provides a comprehensive overview of the Fund's activities and performance.

- **Risk Register -** The key risks facing the Fund and the measures in place to manage and mitigate them have been reviewed.

- **The Fund's investment performance -** The performance of the investment portfolio was regularly monitored in order to assess whether the Fund was achieving its investment objectives.

- **Investment advisors' strategic objectives -** The investment advisers' performance and strategic objectives were reviewed to ensure they continued to support the Fund's aims.

- **Budget 2026/27 -** The proposed budget for 2026/27 has been considered and challenged to ensure that adequate resources are available to sustain the Fund's operations and priorities.

During discussions, input was provided and a number of comments were made by Board members who have assisted the administration authority officers in completing their work.

The work plan for 2026/27 covers the following areas:

- **Update on regulatory changes** – receive updates on any new legislative changes, guidance or regulatory requirements that affect the Local Government Pension Scheme and the work of the Fund.

- **Issues arising from the Pensions Committee** – considering relevant decisions, discussions and issues referred by the Pensions Committee to ensure an overview and effective governance.

- **Review of the Scheme Advisory Board (SAB) meetings** – receive a summary of key messages, guidance and best practice arising from SAB meetings and consider their relevance to the Fund.

- **Breach of law** – monitoring any breaches of legal or regulatory requirements and ensuring that appropriate action has been taken to minimise risks and comply with the rules.

- **Updates to the Risk Register** – regularly review the risk register to monitor the Fund's key risks and ensure that appropriate mitigation measures are in place.

- **General update on the Administration of Pensions** – receive information on administrative performance, workload, processing schedules and relevant operational developments.

- **Update on the Wales Pension Partnership (IM Co) Investment Management Company** – consider the investment firm's progress, operational developments and governance issues relating to its activities.

- **Pension Fund Discretion Policies** – reviewing and monitoring the Fund's discretionary policies to ensure they are current, consistent and compliant with statutory requirements.

- **Pension Board Report for the Annual Report 2025/26** – prepare and agree the Board's contribution to the Fund's Annual Report, summarising its activities and findings during the year.

- **Cyber security update** – monitoring the Fund's cyber security arrangements, including emerging risks, protection measures and incident response plans.

- **Pensions Dashboard – increased preparedness and response** – receive updates on the Fund's preparatory work for the Pensions Dashboard Programme, including data quality, testing and compliance.

- **Gwynedd Pension Fund Annual Report 2025/26** – review the annual report prior to publication and ensure that it gives a complete picture of the Fund's activities and performance.

- **Investment performance update** – monitoring the performance of the Fund's investments against relevant benchmarks and targets, taking into account market trends and factors.

- **The Fund's Final Accounts for the year ended 31 March 2026** – review of the final accounts and financial results to ensure appropriate transparency and scrutiny.

- **Update on climate-related reporting (TCFD)** – monitoring the progress of the Fund's work in relation to climate-related disclosures and reporting in line with TCFD principles.

- **Budget 2027/28** – consider the proposed budget and the resources needed to support the effective operation of the Fund during the next financial year.

- **Business Plan 2027/28** – review the Fund's strategic priorities, objectives and key activities for the year ahead.

- **Training Plan 2027/28** – ensure that an appropriate training programme is in place to support the knowledge and skills development of Board members.

- **Work Plan 2027/28** – discuss and agree the Board's work programme for the following year to ensure that all relevant issues are addressed.

- **Data quality review (including common and scheme-specific data scores)** – monitoring the quality and accuracy of the Fund's data, reviewing data scores and identifying areas where further improvements are needed.

6. Training

During the Board meetings each Board member was briefed on the LGPS and its administration in Gwynedd in various presentations by the Head of Finance, Investment Manager and Pensions Manager. Board members have also attended a number of virtual meetings and presentations. These include:

Provider	Subject
Wales Pension Partnership	Private Markets Product Knowledge
Wales Pension Partnership	Local/ Impact Investments within Private Markets Asset Classes
Wales Pension Partnership	Voting and Engagement
Wales Pension Partnership	Stewardship Code and Reporting Requirements
Wales Pension Partnership	Responsible Investing
Wales Pension Partnership	Biodiversity and Natural Capital
Wales Pension Partnership	Climate Scenarios and Fiduciary Duty
D G Publishing	LGPS Pooling Symposium
Local Government Chronicle	Investment and Pensions Conference

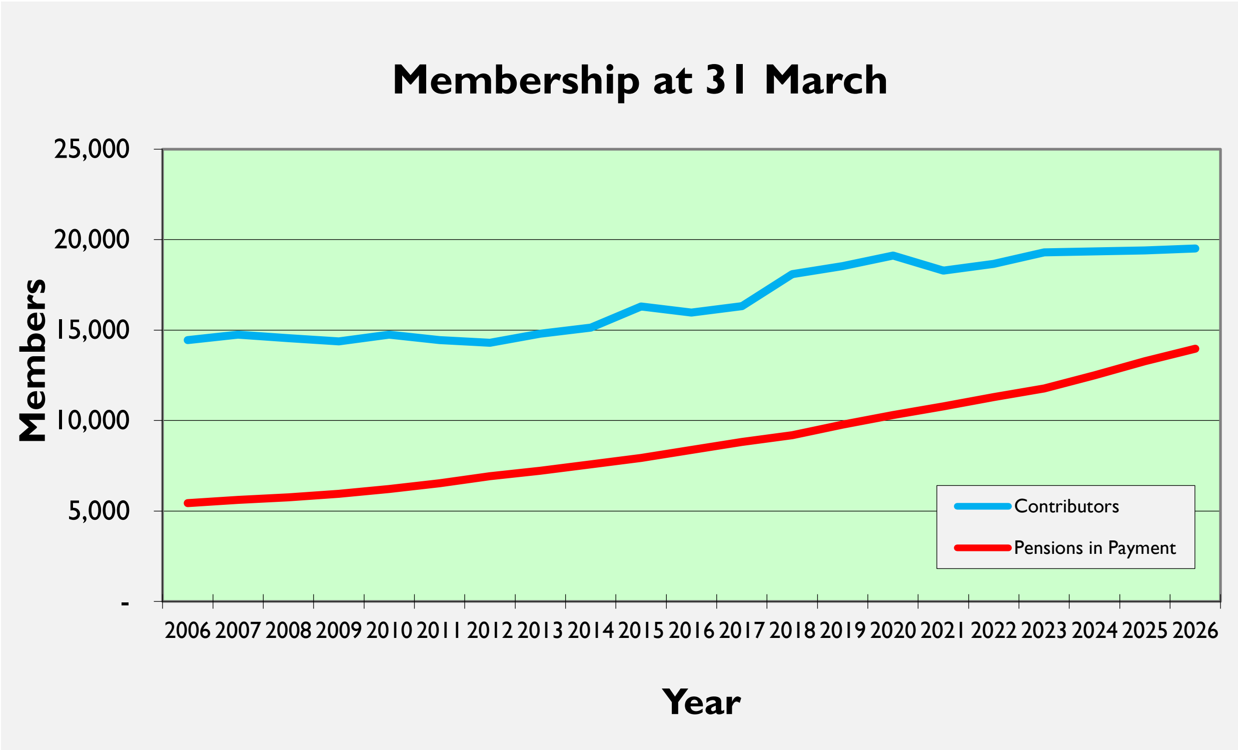
7. Thank you

The Chair wishes to thank her fellow Board members, who have volunteered their time to the functions, and to the relevant officers for their support.

Sioned Parry
Pension Board Chair

4. Membership Summary

The graph below shows the changes in the Fund's membership over the last 20 years. It shows that the number of pensioners has slowly increased from 5,437 in 2006 to 13,972 in 2026 and the number of active contributors has also increased from 14,455 in 2006 to 19,512 in 2026.



The table below shows further details on the Fund's membership:

31 March 2025	Description	31 March 2026
19,412	Contributors	19,512
13,276	Pensions in Payment	13,972
14,846	Deferred Pensioners	15,191
4,683	Unclaimed Benefits	4,780
1,792	Undecided Leavers*	1,540
54,009	**Total Membership**	**54,995**

*An undecided leaver is someone who has left their employment but is undecided as to the action that they now want to take with regard to their pension benefits. These records are closely monitored and are ultimately removed from the system once the individual member has decided upon the action they wish to take with regard to their pension benefits. Some records are also undecided leaver as the Fund is awaiting termination details from the scheme employer or because there is a delay in processing the records to the correct status due to staff shortage as a result of struggling to recruit new staff.

5. Pensions Administration

5.1 Review of the Year

Introduction

2025/26 has been another busy year for the Pension Fund. This report provides a general overview of pension administration over the past year and includes the Fund's Key Performance Indicators (KPI). It contains information on the work carried out over the period and an update on various previously mentioned projects.

Performance Management

Administration KPI table A – Total number of casework

	Casework KPI	Total number of cases open as at 31 March (starting position)	Total number of new cases created in the year (1 April to 30 March)	Total number of cases completed in year	Total number of cases completed in previous year
A1	Deaths recorded of active, deferred, pensioner and survivor members	8	476	476	498
A2	New survivor benefits	0	128	128	38
A3	Deferred member retirements	7	464	462	469
A4	Active member retirements	40	536	531	593
A5	Deferred benefits	1,735	953	1,591	3,459
A6	Transfers in (including interfunds in, club transfers)	78	213	240	407
A7	Transfers out (including interfunds out, club transfers)	5	124	126	140
A8	Refunds	14	466	464	288
A9	Divorce quotations issued	2	77	79	90
A10	Actual divorce cases	0	6	5	0
A11	Member estimates requested either by scheme member or employer	38	2,637	2,646	2,784
A12	New joiner notifications	388	3,456	3,442	3,786
A13	Aggregation cases	1,304	1,635	1,167	3,166
A14	Optants out received after 3 months membership	Not recorded	Not recorded	Not recorded	Not recorded

During 2025/26, strong performance was achieved across most of the Fund's administration activities, with a high volume of cases completed and backlogs reduced in a number of key areas.

The total number of recorded death cases (A1) matched exactly the number of new cases received, with 476 cases completed, ensuring that there was no backlog at the end of the year. Similarly, all 128 new survivor benefit cases (A2) received during the year were completed.

The team performed well in processing retirements. A total of 462 deferred member retirements (A3) were completed compared with 464 new cases received, leaving only a very small backlog. For active member retirements (A4), 531 of the 536 new cases received were completed, reducing the outstanding workload carried forward into the following year.

Significant progress was made in reducing the backlog of deferred benefits cases (A5). While 953 new cases were received, 1,591 cases were completed, reducing the number of open cases from 1,735 to 1,097. This reflects a clear focus on addressing historic work backlogs.

Transfer activity also performed well. For transfers in (A6), 240 cases were completed compared with 213 new requests received, reducing the backlog from 78 to 51 cases. Similarly, more transfers out (A7) were completed than received (126 completed compared with 124 received), reducing the number of open cases from 5 to 3.

In the area of refunds (A8), 464 of the 466 new applications received were completed, maintaining a very low level of outstanding cases. More divorce quotations (A9) were also completed than received, eliminating the backlog entirely, while almost all actual divorce cases (A10) were processed during the year.

The team continued to respond effectively to requests from members and employers, completing 2,646 member estimates (A11) compared with 2,637 new requests received. In addition, 3,442 new joiner notifications (A12) were completed, keeping the backlog at a relatively low and stable level.

The most significant challenge related to aggregation cases (A13). Although the team completed 1,167 cases, 1,635 new cases were received during the year, resulting in the backlog increasing from 1,304 to 1,772. This was the only area where a significant increase in outstanding cases was recorded.

<u>Administration KPI table B – Time taken to process casework</u>

	Casework KPI	Suggested fund target	% completed within fund target in year	% completed in previous year	Legal requirement	% completed within legal target in year	% completed within legal target in previous year
B1	Communication issued with acknowledgement of death of active, deferred, pensioner and survivor member	5 working day	35.60%	19.80%	2 months	87.00%	69.3%
B2	Communication issued confirming the amount of dependents pension	10 working day	91.00%	91.00%	2 months	99.20%	97.4%
B3	Communication issued to deferred member with pension and	15 working day	98.90%	99.30%	2 months	99.80%	99.9%

	lump sum options (quotation)						
B4	Communication issued to active member with pension and lump sum options (quotation)	15 working day	95.20%	97.40%	2 months	99.70%	97.7%
B5	Communication issued to deferred member with confirmation of pension and lump sum options (actual)	15 working day	97.20%	97.80%	2 months	98.90%	99.4%
B6	Communication issued to active member with confirmation of pension and lump sum options (actual)	15 working day	57.10%	66.50%	2 months	94.70%	95.7%
B7	Payment of lump sum (both actives and deferreds)	15 working day	Not reported	Not reported	Not reported	Not reported	Not reported
B8	Communication issued with deferred benefit options	30 working day	4.20%	16.80%	2 months	35.30%	36.2%
B9	Communication issued to scheme member with completion of transfer in	10 working day	3.30%	3.30%	2 months	65.80%	67.4%
B10	Communication issued to scheme member with completion of transfer out	10 working day	87.30%	87.30%	2 months	98.40%	94%
B11	Payment of refund	10 working day	97.60%	97.60%	2 months	99.80%	99.6%
B12	Divorce quotation	45 working day	93.70%	94.90%	3 months	98.70%	100%
B13	Communication issued following actual divorce proceedings i.e application of a Pension Sharing Order	15 working day	80.00%	100.00%	3 months	100.00%	Dim
B14	Communication issued to new starters	40 working day	2.30%	71.90%	2 months	94.00%	90.5%

B15	Individual member estimates provided to scheme member or employer	10 working day	95.20%	95.20%	2 months	99.70%	99.7%

The results for 2025/26 present a mixed picture. While the Fund continued to achieve a very high level of compliance with statutory requirements across most areas, performance against the Fund's internal service targets was more varied, with some categories performing exceptionally well and others facing significant challenges.

In the area of survivor benefits (B2), performance was very strong, with 91% of cases completed within the Fund's target and 99.2% completed within the statutory target. Similarly, deferred member retirement quotations (B3) and active member retirement quotations (B4) continued to achieve a high standard, with more than 95% of cases processed within the Fund's target and almost all cases meeting statutory requirements.

For actual deferred retirements (B5), performance remained strong, with 97.2% of cases completed within the Fund's target and 98.9% within the statutory target. However, actual active member retirements (B6) continued to be a challenging area, with only 57.1% completed within the Fund's target, although 94.7% were still completed within the statutory deadline.

Transfer activity produced mixed results. Transfers out (B10) performed well, with 87.3% meeting the Fund's target and 98.4% complying with the statutory target. However, transfers in (B9) remained a weaker area, with only 3.3% of cases completed within the Fund's target and 65.8% within the statutory target.

Refunds (B11) performed exceptionally well, with 97.6% paid within the Fund's target and 99.8% within the statutory deadline. Strong performance was also achieved for divorce quotations (B12) and individual member estimates (B15), where both internal and statutory targets were met at very high levels.

The main areas of concern continue to be deferred benefit communications (B8) and new joiner communications (B14). Only 4.2% of deferred benefit communications and 2.3% of new joiner notifications were completed within the Fund's internal targets. Nevertheless, performance against statutory targets was significantly better, at 35.3% and 94.0% respectively. These results suggest that while the Fund is generally meeting its statutory obligations, it continues to face challenges in achieving its more ambitious internal service standards in some areas.

The processing of death notifications (B1) showed a significant improvement compared with the previous year. Although only 35.6% of cases were completed within the Fund's internal target, this represents a notable increase from 19.8% in 2024/25. In addition, compliance with the statutory target improved from 69.3% to 87.0%.

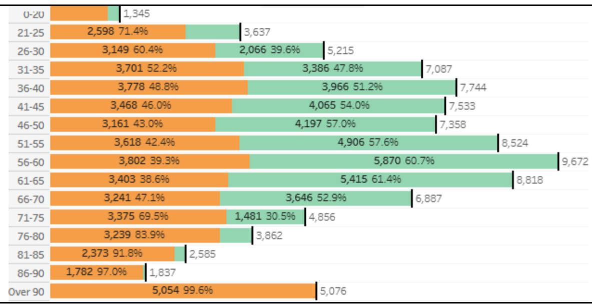
Conclusion

Overall, the 2025/26 results demonstrate that the Fund maintained a high level of compliance with statutory requirements, with the vast majority of processes completed within the relevant legislative timescales. Performance against internal targets remained strong in areas such as survivor benefits, deferred retirements, refunds, divorce quotations and member estimates.

However, challenges remain in certain complex and resource-intensive activities, particularly deferred benefits, transfers in, actual active member retirements and new joiner cases. Despite these areas of concern, overall performance indicates that the administration service has continued to operate effectively and has maintained a high standard of regulatory compliance throughout the year.

Note: The Fund does not operate against fixed performance targets. Instead, it is committed to a philosophy of continuous improvement, with a focus on enhancing service quality and responsiveness over time. For the purposes of this report, performance has been assessed against suggested targets, which reflect nationally recognised benchmarks and provide useful context for comparison.

<u>Administration KPI table C – Communications and engagement</u>

Digital engagement KPI		
C1	% of active members registered for self-service	59.09% as at 31 March
C2	% of deferred members registered for self-service	46.13% as at 31 March
C3	% of pensioner and survivor members registered for self-service	43.20% as at 31 March
C4	% total of all scheme members registered for self-service	49.56% as at 31 March
C5	Top 5 most frequently visited functions	1. Document and Uploads 2. Benefit Calculators 3. Latest Valuation 4. Annual Benefit Statement Video Overview 5. Manage Beneficiaries
C6	Number of registered users by age	
C7	% of all registered users that have logged onto the service in the last 12 months	62.30%
Communication KPI		
C8	Total number of telephone calls received in year	Information not available
C9	% of calls answered at first point of contact	Information not available
C10	Total number of email and online channel queries received	Information not available
C11	Average wait time to speak to a member of the administration team	Information not available
C12	Number of scheme member events held in year (total of in-person and online)	17
C13	Number of employer engagement events held in year (in-person and online)	23

C14	Number of active members who received a one-to-one (in-person and online)	176
C15	Number of times a communication (i.e a newsletter) issued to:	
	a) Active members	1
	b) Deferred members	1
	c) Pensioners	1

Digital Engagement KPIs (C1-C7)

The digital engagement indicators demonstrate positive progress in the use of the self-service portal, with almost half of all scheme members registered by the end of the year. This reflects the Fund's continued success in encouraging members to use digital services to access their pension information.

The highest registration rate was among active members, with 59.09% registered for self-service (C1). Registration levels were also strong among deferred members (46.13%) (C2) and pensioner and survivor members (43.20%) (C3). Overall, 49.56% of all scheme members were registered for the service (C4), demonstrating that the portal is widely used across all categories of membership.

Portal usage data shows that members primarily use the service to access information relating to their pension benefits. The five most frequently visited functions were (C5):

- Uploaded Documents and Files
- Benefit Calculators
- Latest Valuation
- Annual Benefit Statement Video
- Beneficiary Management

These functions suggest that members value the ability to view personal information, model their retirement benefits and manage important details online.

Although detailed age profile data (C6) has not been included within the figures provided, the overall registration levels indicate that the portal continues to attract users from across a broad range of member groups.

Ongoing engagement with the service remained encouraging, with 62.3% of all registered users having logged into the portal during the previous 12 months (C7). This demonstrates that members are not only registering for the service but are actively using it to access their records and pension information.

Conclusion

The 2025/26 results demonstrate that the Fund has continued to make good progress in developing and promoting digital services. Strong registration rates, particularly among active members, together with healthy levels of ongoing usage by registered users, indicate that the self-service portal is becoming an increasingly important channel for delivering information and support to scheme members.

Communication KPIs (C8-C15)

Although data was not available for the number of telephone calls received, the percentage of calls resolved at the first point of contact, the number of email enquiries received or average call waiting times, the available indicators demonstrate a high level of engagement activity with both scheme members and employers throughout the year.

During 2025/26, the Fund delivered 17 member engagement events, both in person and online. These events provided members with the opportunity to learn more about their pension benefits, improve their understanding of the Scheme and ask questions directly to Fund officers. This engagement programme included attendance at major events, including a joint stand at the National Eisteddfod in Wrexham, delivered in partnership with the Clwyd Pension Fund, helping to raise awareness of the Local Government Pension Scheme among both existing and prospective members.

The Fund also continued to maintain strong relationships with employers through 23 employer engagement events, providing guidance, regulatory updates and support on pension administration matters.

In addition to group events, 176 active members received one-to-one meetings, either face-to-face or virtually. These sessions provided personalised support to members considering their pension options and planning for retirement.

Regular written communications also continued throughout the year with the publication of:

- 1 newsletter for active members
- 1 newsletter for deferred members
- 1 newsletter for pensioners

Whilst it was not possible to report on the telephone-related indicators during 2025/26, work is continuing with the Council's ICT Service to develop the necessary management information. During the year, ICT resources were heavily focused on a major corporate project to migrate the Council onto a new telephony system. As a result, the technical support required to extract and validate the call data for 2025/26 was not available. The Fund will continue to work with ICT colleagues to ensure that these performance measures can be reported in future years.

Conclusion

The results demonstrate the Fund's continued commitment to communicating and engaging proactively with both scheme members and employers. Through a combination of member events, employer events, one-to-one meetings and regular communications, the Fund successfully delivered support and information to a wide range of stakeholders. The Fund's presence at the National Eisteddfod in Wrexham, in partnership with Clwyd Pension Fund, was a particular highlight of the engagement programme, helping to promote awareness and understanding of pensions among both scheme members and the wider public.

Although some communication performance indicators were unavailable this year, work is underway to ensure that this information can be captured and reported in future performance reports.

Administration KPI table D – Administration staff as at 31 March

Staff KPI		
D1	Total number of all administration staff (FTE)	22.16
D2	Average service length of all administration staff	11 years 185 days
D3	Number of administration staff vacancies occurred in the year	3
D4	Number of the vacancies filled as at 31 March	2
D5	Ratio of all administration staff to total number of scheme members (all staff including management)	1:2473

D6	Ratio of administration staff (all processing staff and excluding management) to total number of scheme members	1:3018
D7	Average number of all cases (open and closed) completed per member of staff involved in administration duties.	836

The staffing indicators for 2025/26 demonstrate that the Fund has continued to operate with a stable and experienced administration team, maintaining a strong level of expertise and capability despite some staff turnover during the year.

As at 31 March 2026, the Fund employed 22.16 full-time equivalent (FTE) staff within the administration team (D1). The team possessed a significant level of experience, with an average length of service of 11 years and 185 days (D2). This reflects a stable workforce with a strong understanding of the administration and management of the Local Government Pension Scheme.

During the year, there were 3 vacancies within the service (D3), of which 2 had been filled by 31 March 2026 (D4). Although some staff turnover occurred during the year, the majority of vacant posts were successfully recruited to, helping to maintain the operational capacity of the team.

Staffing ratios continue to demonstrate the scale of membership administered by the Fund. The ratio of total administration staff to total scheme membership was 1:2,473 (D5), while the ratio of processing staff, excluding managers, to total scheme membership was 1:3,018 (D6). These figures highlight the significant workload managed by the administration team.

This is also reflected in service productivity levels. During the year, an average of 836 cases per member of staff involved in administration duties were completed (D7). This figure demonstrates a significant level of activity and reflects the contribution made by the team in processing a wide range of cases and services on behalf of scheme members.

Conclusion

The staffing indicators for 2025/26 demonstrate that the Fund continues to benefit from an experienced and stable workforce that has maintained an effective service despite some changes in staffing during the year. With a high average length of service and a significant volume of cases being handled by each member of staff, the results reflect the commitment, expertise and productivity of the administration team in supporting the needs of both scheme members and participating employers.

<u>Administration KPI table E – Data Quality</u>

Annual Benefit Statements KPI		Previous year %	Current year %
E1	% of Annual Benefit Statements issued as at 31 August	100%	100%
E2	Explain with Short commentary if less than 100%	N/A	N/A
E3	% number of annual benefit statements reissued	N/A	N/A
Data category KPI		Previous year data quality score %	Current year data quality score %

E4	Common data	98%	98.2%
E5	Scheme specific data	99.33%	99.39%
Address and email data KPI		Previous year %	Current year %
E6	% of active, deferred and pensioner members recorded as 'gone away' with no home address held or address is known to be out of date	1.59%	1.41%
E7	% of active, deferred and pensioner members with an email address held on file (with and without a record home address)	61.91%	68.32%

Annual Benefit Statements KPI (E1–E3)

A total of 100% of Annual Benefit Statements were issued by the statutory deadline of 31 August, matching the performance achieved in 2024/25. This demonstrates that the Fund continues to meet its legal obligations in full and has ensured that members received timely information regarding their pension benefits.

As the issuance rate was 100%, no further commentary is required in relation to any failure to meet the target.

Data Category KPI (E4-E5)

In 2015, the Pensions Regulator (TPR) took over responsibility for Public Sector Pension Schemes. Before that, in June 2010, the TPR published guidance on what they consider to be good practice to measure the presence of members' data.

Over the last few years we have been commissioning our software provider, Heywood Pension Technologies to produce a Data Quality Report for our Fund every September. We now have software to run this report internally.

The report is divided into two sections:

Common Data: e.g. name, address, NI number, gender, date of birth, status and start date

Scheme Specific Data: e.g. benefits in the scheme, transfer details, AVC, salary details, contributions, service, lifetime allowance, annual allowance and GMP.

Data quality continues to remain very strong across the Fund, with further improvements achieved during 2025/26 in relation to both common data and scheme-specific data. This reflects the Fund's ongoing focus on maintaining complete and accurate member records, which are essential for ensuring accurate benefit calculations and the efficient delivery of services to members.

The common data quality score (E4) increased to 98.2% at the year end, compared with 98.0% in the previous year. This result demonstrates that the Fund has continued to maintain a very high standard of accuracy and completeness for the key data items required to administer the Scheme effectively.

The Fund also performed particularly well in relation to scheme-specific data (E5), with the score increasing from 99.33% to 99.39%. This high level of accuracy demonstrates that the detailed information relating to members' pension benefits is being maintained to an excellent standard.

<u>Address and Email Data KPIs (E6-E7)</u>

These indicators show a further improvement in the quality of the Fund's member contact information during 2025/26. Maintaining accurate addresses and contact details is essential to ensuring that members receive important pension information in a timely and efficient manner.

The percentage of active, deferred and pensioner members recorded as "gone away" without a valid home address, or with an address known to be out of date (E6), reduced to 1.41%, compared with 1.59% in the previous year. This reduction demonstrates an improvement in the quality of the Fund's address records and reduces the risk of members not receiving important communications.

The Fund has continued to invest time and resources in improving the quality of its contact data, including the use of member tracing services where appropriate to locate members who have changed address without notifying the Fund. This work has helped reduce the number of "gone away" records held by the Fund and has contributed to the improvement seen during the year.

A more significant improvement was achieved in relation to email addresses held on file. The percentage of active, deferred and pensioner members with a recorded email address (E7) increased from 61.91% in the previous year to 68.32% in 2025/26. This represents an increase of more than six percentage points in a single year.

This improvement reflects the ongoing efforts made by the Fund over a number of years to collect and maintain as many member email addresses as possible. The Fund seeks to communicate electronically with members wherever practical, as this enables faster, more efficient and more cost-effective communication. It also supports the Fund's wider objectives of increasing digital engagement and promoting the use of the self-service portal.

<u>Member Satisfaction Survey</u>

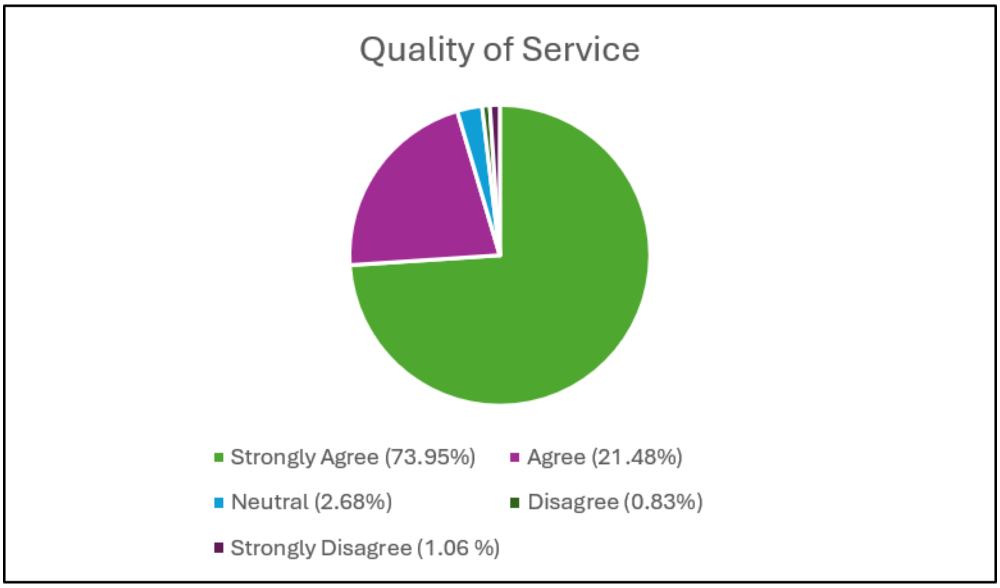
To ensure that we offer the best possible service to our members, a Member Satisfaction Survey is sent at the end of each process, e.g. retirements and payment of refunds for the members to give their opinion on the quality of the service received and their opinion about the service provided by the staff.

89 Members took part in this survey.

Here is a summary of the 2025/26 results:

Quality of Service

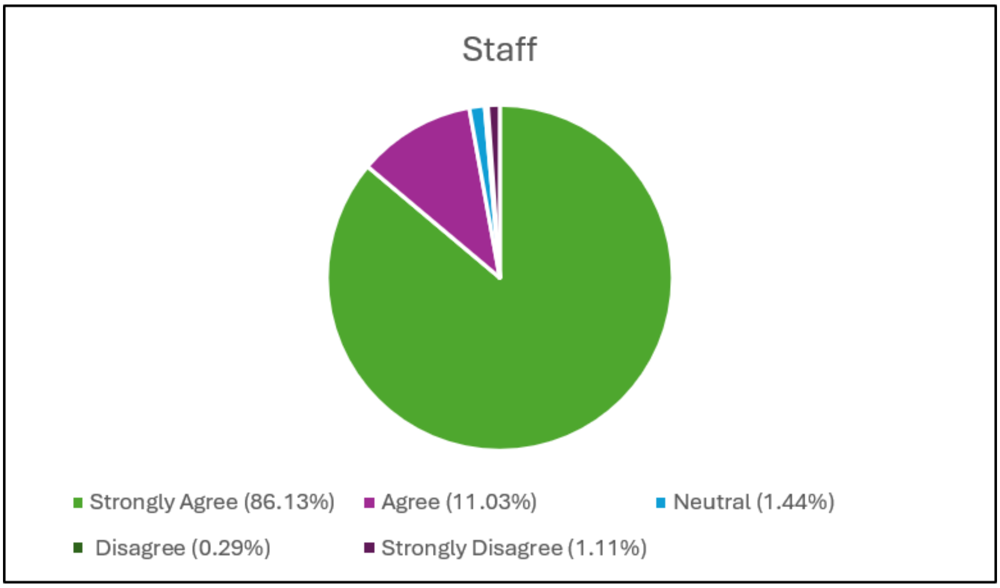
The chart below shows the percentage of users who are satisfied with four aspects of the service's performance based on: i) Service as a whole; ii) Clear information; iii) Quality of service; iv) Time to deal with the enquiry.



As can be seen, **95.5%** of the users strongly agree or agree that the quality of the service provided is of a high standard. The percentage for 2024/25 was **96%.**

Staff

The chart below shows the percentage of users who are satisfied with four aspects of staff performance based on: i) Courtesy; ii) Punctuality; iii) Assistance given; iv) Level of knowledge.



As can be seen, a high percentage once again **(97%)** of the users strongly agree or agree that the quality of the service provided is of a high standard in relation to the staff. The percentage for 2023/24 was **95%.**

Work to do

A number of key tasks and projects have been planned for 2026/27 to further improve the service provided to the Fund's members and employers. These include:

- **Website and Digital Services:** Continuing to develop, update and expand website content to ensure that clear, up-to-date and accessible information is available to members and employers.

- **Online Forms:** Developing a wider range of digital forms to enable members to submit information and applications electronically, reducing paper-based processes and improving efficiency.
- **Digital Communications and Engagement:** Continuing to develop more interactive and engaging video content to help members understand their pension benefits, retirement options and regulatory changes. This will build on the successful use of video content in recent years.
- **Process Automation:** Continuing to develop system automation and improve workflows and correspondence processes, increasing efficiency and reducing processing times where possible.
- **Paperless Office:** Continuing the scanning and digitisation of historical paper files to reduce reliance on paper records and improve accessibility to information.
- **McCloud Project:** Continuing to complete the work associated with the McCloud project, ensuring that member records are accurate and that any remaining obligations are implemented in a timely manner.
- **Appointment of a New Additional Voluntary Contributions (AVC) Provider:** Following a review of the Fund's AVC arrangements, the Fund undertook will undertake a procurement process to appoint a new AVC provider. The review concluded that the current provider, Clerical Medical no longer fulfils the Fund's requirements and does not meet the expectations of either scheme members or the Administering Authority. This reflects the significant service issues experienced over the past two years, including delays and service standards falling below the Fund's expectations. The selection process will seek to ensure that members have access to a modern, competitive and sustainable AVC arrangement that delivers an enhanced member experience and improved service quality.
- **Undecided Leaver Records:** Continuing work to reduce the number of cases where members have left employment but their pension benefits have not yet been finalised or settled.
- **Pensions Dashboard Preparation:** Continuing to review and improve the Fund's data quality, processes and systems to ensure readiness for connection to the Pensions Dashboard Programme and compliance with the associated requirements as they are implemented.

These projects will support the Fund's objectives of improving service quality, increasing digital engagement, enhancing data quality, improving the member experience and ensuring compliance with legislative requirements and best practice within the pensions sector.

i-Connect

i-Connect updates member data in our pension administration system on a monthly basis, avoiding the need for employers to send information at the end of the year.

Data is taken directly from a payroll system by i-Connect which then automatically identifies and submits details of new members, opt-outs and leavers to us.

By now all the employers use i-Connect, with the information being submitted promptly by all the employers overall.

Scheme Administration Statistics

Number of Employers

This table provides a summary of the number of employers in the Fund with active members and ceased (no active members but some outstanding liabilities).

	Active	Ceased
Scheduled bodies:	29	6
Admitted bodies:	16	28
Total:	**45**	**34**

Scheme membership

	31/03/2021	31/03/2022	31/03/2023	31/03/2024	31/03/2025	31/03/2026
Active	18,295	18,657	19,304	19,348	19,412	19,512
Deferred	12,431	12,540	13,160	14,419	14,846	15,191
Pensioners	10,780	11,298	11,780	12,504	13,276	13,972
Undecided	8,133	8,617	7,966	7,044	6,475	6,320
Total:	**49,639**	**51,112**	**52,210**	**53,315**	**54,009**	**54,995**

Retirements during 2025/26

This table provides a summary of the number of retirements within the Fund during 2025/2026.

Reason for leaver	Number of pensioners
Early/Normal Retirement	706
Redundancy/ Efficiency	45
Ill Health	39
Late Retirement	169
Flexible Retirement	31
Total	**990**

Staffing indicators

The table below shows the number of staff in the Pensions Administration Team working exclusively on Local Government Pension Scheme benefits.

	2020/21	2021/222	2022/23	2023/24	2024/25	2025/26
Number of full-time equivalent Pension Fund staff	18.10	19.16	20.16	22.6	23.6	22.16
Total fund membership (Does not include undecided members)	41,506	42,495	44,244	46,271	47,534	48,675
Number of fund members to one member of administration staff	2,293	2,218	2,195	2,047	2,014	2,196

Unit cost per member

Investment Management Expenses	2023/24	2024/25	2025/26
Total Costs	£12,866,000	£15,738,000	£10,885,000
Total Membership Numbers (Does not include unclaimed benefits and undecided members)	46,271	47,534	48,675
Cost per member	£278.06	£331.08	£223.63
Administration Expenses			
Total Costs	£1,720,000	£1,988,000	£2,145,000
Total Membership Numbers (Does not include unclaimed benefits and undecided members)	46,271	47,534	48,675
Cost per member	£37.17	£41.82	£44.07
Oversight and Governance Expenses			
Total Costs	£456,000	£556,000	£642,000
Total Membership Numbers (Does not include unclaimed benefits and undecided members)	46,271	47,534	48,675
Cost per member	£9.85	£11.69	£13.19
Total cost	**£325.08**	**£384.59**	**£280.89**

Acknowledgments

Overall, 2025/26 has been a successful year for the Pension Fund I would like to thank all the staff for their hard work and support over the year, the employers for providing timely information and our actuary Hymans Robertson for their work and advice over the year.

Meirion Jones
Pensions Manager

5.2 Local Government Pension Scheme Regulations

General
The Public Service Pensions Act 2013 governs the Fund. The Fund is administered in accordance with the following secondary laws:

- Local Government Pension Scheme Regulations 2013 (as amended)
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (also as amended)
- The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

Cyngor Gwynedd administers the Gwynedd Pension Fund for its own employees and those of 44 other bodies (including 2 Local Authorities). The Fund does not cover teachers, for whom separate arrangements exist. The Fund is financed by contributions from employers and employees, together with income earned from investments.

From April 2014 employee contribution rates are determined in bands according to their actual pay indexed annually in line with inflation. Employees may opt to pay half rate contributions to accrue half rate personal benefits in what is called the 50/50 scheme, death and dependent benefits remain at full rate. The bandings for April 2025– March 2026 are shown in the table below:

Pay Bands	Contribution Rates main scheme	Contribution Rates 50/50 scheme
Up to £17,800	5.5%	2.75%
£17,801 - £28,000	5.8%	2.9%
£28,001 - £45,600	6.5%	3.25%
£45,601 - £57,700	6.8%	3.4%
£57,701 - £81,000	8.5%	4.25%
£81,001 - £114,800	9.9%	4.95%
£114,801 - £135,300	10.5%	5.25%
£135,301 - £203,000	11.4%	5.7%
More than £203,001	12.5%	6.25%

Employers contribute to the scheme at a rate assessed triennially by the Fund's Actuary, or in the event of any significant change in an employer's membership or profile. Employers continue to pay the full rate in respect of members who opt for the 50/50 option or are on reduced pay due to illness.

Benefits
The LGPS provides significant benefits to members based on two separate schemes. There is a final salary arrangement, itself consisting of two accrual rates, and a CARE (Career Average Revalued Earnings) arrangement that came into force from 1 April 2014. Below are brief details of how the pensions accrue in both arrangements.

For the final salary element benefits will normally be based on two factors: service or membership during which contributions have been paid to the scheme, known as "Total Membership", and the wage or salary on which those contributions were paid (normally the last 12 months of service), known as "Final Pay".
The CARE part will be in the form of 1/49ths pension calculated on individual years' actual pensionable earnings revalued annually.

- **Annual Pension**
  The calculation of the annual standard pension is based on the following formula:

  Final Pay x 1/80 x Total Membership to 31 March 2008; plus
  Final Pay x 1/60 x Total Membership from 1 April 2008 to 31 March 2014; plus

The accrued and revalued CARE pension on years from 1 April 2014 onwards

Once the pension is in payment it will rise each April in line with the increase in the Consumer Price Index.

- **Lump Sum**
  There is also an entitlement to a standard tax-free lump sum on membership to 31 March 2008, based on the following formula:

  Final Pay x 3/80 x Total Membership to 31 March 2008 only

- **Conversion of Benefits**
  There is an option to convert part of the pension into an additional lump sum in excess of the formula shown above, but subject to HMRC limits.

Councillor Pensions
The scheme also provides access for Councillors. The benefit package is based on the pre April 2008 formula for pension and lump sum shown above but using Career Average Salary instead of Final Pay. This remains the position for councillor members even after the introduction of the new main scheme from April 2014. No new Councillors are eligible to join the LGPS in England and current Councillor Members must leave the scheme when their term of office comes to an end.

Ill-Health Retirement
If the membership period is 2 years or more, and an administering authority approved independent registered medical practitioner certifies that the member has become permanently unable to do their job or any comparable job with their employer, they will receive a pension, and if choosing to convert their pension, a tax free lump sum immediately.

The benefit payable depends on the ill health retirement awarded:

Tier 1
If the member is unlikely to be capable of gainful employment before their Normal Pension Age (NPA), ill health benefits are based on the pension they have already built up in their pension account at the date of leaving the scheme plus the pension they would have built up, calculated on assumed pensionable pay, had they been in the main section of the scheme until they reached their NPA.

Tier 2
If the member is unlikely to be capable of gainful employment within 3 years of leaving, but are likely to be capable of undertaking such employment before their NPA, ill health benefits are based on the pension they have already built up in their pension account at the date of leaving the scheme plus 25% of the pension they would have built up calculated on assumed pensionable pay, had they been in the main section of the scheme until they reached their NPA.

Tier 3
If the member is likely to be capable of gainful employment within 3 years of leaving, or before their NPA if earlier, ill health benefits are based on the pension they have already built up in their pension account at leaving. Payment of these benefits will be stopped after 3 years, or earlier if the member is in gainful employment or become capable of such employment, provided they have not reached their NPA by then. If the payment is stopped it will normally become payable again from their NPA.

Gainful employment means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

Early Retirement
If membership period is 2 years or more, a member may elect to retire and receive their LGPS benefits at any time from age 55 onwards; however payment before normal pension age may result in an actuarial reduction for early release, and if after normal pension age benefits may be actuarially increased due to late payment.

Preserved Benefits
Leavers with 2 years of membership are awarded preserved benefits, calculated in the same way as described in the paragraph 'Benefits', but with payment being deferred and index linked until payment is made any time after age 55 (age 60 if termination before 1/04/2014). Alternatively, it may be possible to transfer the equivalent value of benefits to another pension scheme.

Leavers with less than 2 years' membership, and with no further LGPS rights, may reclaim their contributions, less tax and any contracted out premiums that may apply.

Death in Service
A death grant of three times Final Pay is payable, regardless of the length of membership. For part-time employees, the Final Pay is not increased to its whole-time equivalent rate.

In addition, survivor benefits may be payable to spouses, or partners, with dependent children benefits also payable subject to certain criteria, mainly based on age and whether in full time education.

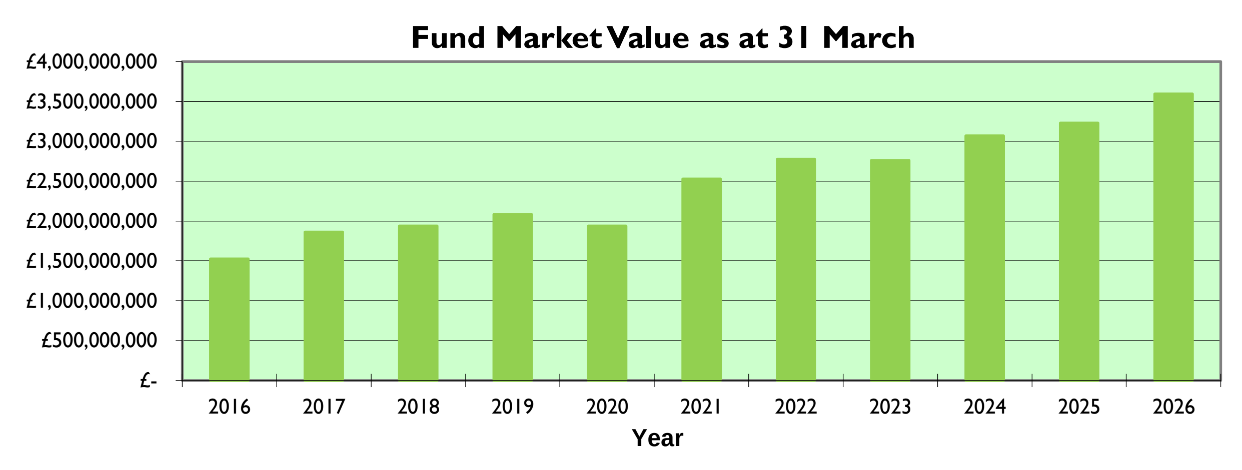
Death after Retirement
If a member dies after drawing their LGPS pension and before reaching age 75, a death grant may be payable. Generally speaking, the death grant is equal to 10 times (or 5 times if they left the LGPS before 1 April 2008) the pension less the amount already paid. If the member left after 31/03/2014 then the amount of additional lump sum the member received on retirement as a result of giving up pension for lump sum is also deducted from the sum payable.

Like for death in service, spouses and partners' pensions are payable for life whilst dependant eligible children's pensions are payable subject to the same conditions as for Death in Service.

6. Investments

6.1 End of Year Position

The Gwynedd Pension Fund is in a relatively healthy position with the value of the Fund gradually increasing for some time now. By 31 March 2026, the Pension Fund's value has increased to £3.6 billion.



Asset Allocation
The strategic asset allocation is one of the most important decision for any pension fund, and is the main determinant of the Fund's long-term performance. The following table shows the Fund's actual asset allocation against its target strategic allocation at 31.03.26.

Type of asset	Actual %	Target %	Difference %
UK Equity	8.5	6.0	+2.5
Global Equity	38.2	27.0	+11.2
Emerging Markets Equity	2.3	2.0	+0.3
Private Equity	4.4	5.0	-0.6
Total Growth	**53.4**	**40.0**	**+13.4**
Property	5.8	10.0	-4.2
Infrastructure	6.0	7.5	-1.5
Multi Asset Credit	7.3	7.5	-0.2
Private Credit	1.8	7.5	-5.7
Natural Capital	0.0	5.0	-5.0
Total Income	**20.9**	**37.5**	**-16.6**
Absolute Return Bond	15.7	12.5	+3.2
Corporate Bonds	9.8	10.0	-0.2
Total Defensive	**25.5**	**22.5**	**+3.0**
Cash	**0.2**	**0.0**	**+0.2**
Total	**100.0**	**100.0**	**+0.0**

The 2025 actuarial valuation demonstrated again that the Fund has a strong funding level and therefore a further review of the investment strategy was undertaken by the Fund in November 2025. It was agreed by the Pensions Committee to continue to de-risk the Fund by reducing its equity allocation and invest in income generating assets, which includes an allocation to natural capital for the first time.

This new strategy will be actioned as investments in infrastructure and private credit will increase as capital is called, and the Fund will work closely with WPP IM Co in order to invest in property and natural capital.

Investments by investment fund manager

Manager	Fund	Asset Class	31 March 2025 £000	31 March 2026 £000
Pooled				
Wales Pension Partnership	Global Opportunities	Global Equity	460,613	403,967
Wales Pension Partnership	Global Growth	Global Equity	418,895	389,529
Wales Pension Partnership	Emerging Markets	Global Equity	63,023	82,721
Wales Pension Partnership	Sustainable Active Equity	Global Equity	317,658	359,705
Wales Pension Partnership	Absolute Return Bond	Bonds	403,247	554,275
Wales Pension Partnership	Multi Asset Credit	Multi-Credit Asset	241,859	259,418
Wales Pension Partnership	Global Credit	Bonds	233,417	347,858
Wales Pension Partnership	Russell Investments Global Private Credit	Private Credit	50,748	63,291
Wales Pension Partnership	GCM WPP Global Infrastructure I	Infrastructure	8,048	10,857
Wales Pension Partnership	GCM WPP Global Infrastructure II	Infrastructure	0	1,712
Wales Pension Partnership	Capital Dynamics CEI	Infrastructure	4,131	6,809
Wales Pension Partnership	Octopus Renewables Infrastructure	Infrastructure	35,101	37,299
Wales Pension Partnership	IFM Global Infrastructure	Infrastructure	60,918	65,990
Wales Pension Partnership	CBRE Global Infrastructure	Infrastructure	14,683	25,287
Wales Pension Partnership	Schroders Capital WPP Global Private Equity I	Private Equity	6,022	8,605
Wales Pension Partnership	Schroders Capital WPP Global Private Equity II	Private Equity	7,165	11,007
Wales Pension Partnership	Schroders Capital WPP Global Private Equity III	Private Equity	0	9,036
Wales Pension Partnership	Schroders Real Estate	Property	0	168,275
		Total Pooled	**2,325,528**	**2,805,641**
Under pool management				
Black Rock	Aquila Life UK Equity Index	UK Equity	294,958	301,088
Black Rock	ACS World Low Carbon Equity	Global Equity	170,002	0
Black Rock	Aquila Life ESG Equity	Global Equity	0	198,675
		Total Under pool management	**464,960**	**499,763**
Not pooled				
Black Rock	Property	Property	56,246	0
Lothbury	Property	Property	6,263	0
UBS	Property Global Ast Triton	Property	76,742	0
Threadneedle	Property TPEN	Property	34,116	35,344
Threadneedle	Property TPUT	Property	2,221	0
Partners	Private Equity	Private Equity	149,330	128,011
Partners	Infrastructure	Infrastructure	76,836	64,546
		Total Not pooled	401,754	227,901
		Total	**3,192,242**	**3,533,305**

Assets within the UK

The following table provides additional information on investments in the UK:

£m Asset values as at 31 March 2026	Pooled	Under Pool Management	Not pooled	Total
UK Listed Equities	40.1	277.9	0	318.0
UK Government Bonds	37.6	0	0	37.6
UK Infrastructure	33.6	0	8.6	42.2
UK Private Equity	4.5	0	11.4	15.9

£m Asset values as at 31 March 2025	Pooled	Under Pool Management	Not pooled	Total
UK Listed Equities	53.4	273.3	0	326.7
UK Government Bonds	30.4	0	0	30.4
UK Infrastructure	8.7	0	10.2	18.9
UK Private Equity	1.8	0	13.3	15.1

6.2 Investment Performance

Quarterly Meetings

The performance of the Investment Managers is monitored on a quarterly basis. Investment Managers submit quarterly reports to the Pensions Committee, relevant officers and the Fund's adviser, and these are scrutinised in the Pensions Committee meetings.

Performance Monitoring

Gwynedd subscribes to a service provided by Pensions & Investment Research Consultants Ltd (PIRC), who calculate the rate of return for Gwynedd and for other pension funds and provides comparisons.

Targets

Individual performance benchmarks for the Investment Managers are shown in the table below.

Fund/ Asset Class	Benchmark	Performance target (% p.a)
WPP Global Opportunities	MSCI All Country World Index	Outperform the index +2%
WPP Global Growth	MSCI All Country World Index	Outperform the index +2%
WPP Emerging Markets	MSCI Emerging Markets Index	Outperform the index +1.5%
WPP Sustainable Active Equity	MSCI All Country World Index	Outperform the index +2%
WPP Absolute Return Bond	3mth SONIA	3mth SONIA + 2%
WPP Multi Asset Credit	3mth SONIA	3mth SONIA + 4%
WPP Global Credit	Bloomberg Global Aggregate Credit Index	Outperform the index
WPP Private Credit	8% p.a.	7%- 9% net IRR
WPP Global Infrastructure	8% p.a.	8%-10% net IRR
WPP Wales Renewable Infrastructure	8% p.a.	8% p.a.
WPP Open Ended Infrastructure	8% p.a.	8%-10% net IRR
WPP Private Equity	15% net IRR	15% net IRR
Black Rock Aquila Life UK Equity Index	FTSE All- Share Index	Track the benchmark
Black Rock ESG World Equity (WPP)	MSCI World	Track the benchmark
All Property	UK All Balanced Property Fund Index	Outperform the index
Partners Private Equity	MSCI All Country World Index	MSCI All Country World Index
Partners Infrastructure	8% p.a.	8% p.a.

The Fund has made direct investments with Lothbury, UBS and Threadneedle, so therefore have not given them a benchmark. However, for indicative purposes we monitor them against the 'IPD Balanced Property Unit Trust Index'.

The Fund's Performance

	1 Year Return	1 Year Benchmark	3 Year Return	3 Year Benchmark	Since Inception Return	Since Inception Benchmark
	%	%	%	%	%	%
Wales Pension Partnership Funds						
WPP Global Opportunities	17.0	17.5	14.2	14.1	12.5	11.9
WPP Global Growth	13.9	17.5	10.0	14.1	9.7	11.9
WPP Emerging Markets	31.4	27.2	10.2	10.0	5.6	6.8
WPP Sustainable Active Equity	13.3	17.5	n/a	n/a	10.1	14.8
WPP Absolute Return Bond	4.2	6.2	5.7	6.9	4.2	5.1
WPP Multi Asset Credit	7.3	8.3	8.2	9.0	3.9	7.0
WPP Global Credit	4.3	4.4	n/a	n/a	-0.1	0.1
WPP Private Credit*	n/a	n/a	n/a	n/a	n/a	n/a
WPP Global Infrastructure	5.4	8.0	n/a	n/a	5.7	8.0
WPP Wales Renewable Infrastructure	8.5	8.0	n/a	n/a	2.6	8.0
WPP Open Ended Infrastructure	10.8	8.0	n/a	n/a	7.8	8.0
WPP Private Equity	19.7	15.0	n/a	n/a	19.0	15.0
Local Funds						
Black Rock Aquila Life UK Equity Index	21.7	21.5	13.4	13.3	7.8	7.8
Black Rock ACS World Low Carbon Equity Tracker	n/a	n/a	n/a	n/a	-2.0	-1.3
BlackRock Property	4.0	4.3	1.9	3.3	4.7	5.4
Threadneedle TPEN Property	3.5	4.3	3.3	3.3	3.3	3.2
UBS Property	4.0	4.3	2.6	3.3	2.3	3.3
Partners Group Private Equity	-4.2	18.0	0.6	16.3	8.9	11.4
Partners Group Infrastructure	4.2	8.0	8.2	8.0	11.7	8.0
Whole Fund	**10.9**	**11.5**	**9.0**	**9.8**	**7.8**	**7.6**

*results not yet available for WPP Private Credit

The Fund saw positive returns over 1 year, 3 years and since inception. The average LGPS fund delivered a return of 9.6% for the year, and therefore, even though Gwynedd Pension Fund did not achieve its benchmark, this was common within the LGPS funds, and the Fund did achieve returns that were better than the LGPS average during the year. Performance in the latest year was driven by the strong results delivered by equities and property delivered a second year of modest results.

It is generally accepted that investment performance over a longer period of time is a more valid indicator than over a single year as investment strategies designed to bring good performance in the longer run may from time to time suffer from short-term setbacks.

The Fund's performance over three years was behind benchmark, but the performance was in the upper half of all LGPS and was ranked 38th out of all LGPS funds. The benchmarks given are very challenging and the Fund is performing well and is in front of its benchmark since inception.

6.3 Administrative and Custody Arrangements

Specialist Advice

The Local Government Pension Scheme Regulations oblige the Council to take specialist advice on investment. This advice is provided by an independent advisor from Hymans Robertson (the Fund's advisors) who monitor the Investment Managers.

Custodians

Some of the investment managers have an associated custodian who holds the assets of their part of the portfolio. The managers and their associated custodians are as follows:

- BlackRock's custodian is JP Morgan Chase Bank

- WPP's custodian is Northern Trust.

Partners Group is not included in the Fund's custody arrangements.

Administrative Procedures
Administrative procedures ensure that those transfers which do take place, between the Council and the Investment Managers, must be authorised by the signatories of two named officers who are on the Pension Fund's authorised signature list.

6.4 Investment Powers

Investment Powers
The regulations require that the Fund has an Investment Strategy Statement (ISS).

This enables pension funds to be flexible in their strategy and invest a larger percentage of their fund in individual pooling arrangements. There are no specific limits in the legislation and therefore no need to formally increase the amounts. However, it is good practice to have some broad limits, and these are included in the ISS.

6.5 Investment Management

General
The main objective of an investment policy is to maximise the return on the money entrusted to the Fund, consistent with acceptable levels of risk, and for the annual return in the longer run to exceed the level of wage inflation. It must be borne in mind that the Fund's liabilities (pensions) are very long-term, extending to the middle of the century. These liabilities will increase with inflation, both because of the index-linking of pensions and due to the rising level of employees' salaries and wages to the time of retirement. There is a relationship between the level of returns achieved and the contribution rate which employers are expected to pay. The Pensions Committee considers that in the long run equity returns will exceed bond returns and it is for this reason that a high proportion of the Fund is invested in equities. However, the Committee have recognised that the triennial valuation demonstrated a healthy level of surplus and therefore has decreased its equity allocation as seen in 6.1 in order to de-risk the Fund.

Investment Manager Briefs
As a result of a deliberate policy to diversify assets and investment styles, the Fund has Investment Managers with varying briefs:

Investment Manager	Brief
BlackRock	Passive
WPP	Active
Partners	Active

BlackRock is briefed to be a "passive" manager. The manager will allocate their mandate's asset allocation in line with that of the benchmark and in each market, they aim to track stock exchange indices. As a result, their mandates' performance should be in line with their respective benchmarks. Appointing a passive manager reduces the risk of underperformance relative to benchmark; however, it also reduces the possibility of out-performance relative to the benchmark.

All the others are "active" managers. They are given the discretion to invest in their best investment ideas. Whilst they have a great deal of flexibility in terms of which stocks, regions and sectors they can invest in, there are a number of restrictions in place which prevents the managers deviating too far from the benchmark and taking excessive risk. Appointing active managers increases the possibility of out-performance, relative to the benchmark; however, it also increases the risk of underperformance relative to benchmark.

6.6 Wales Pension Partnership

The WPP was established in 2017 with the objective to deliver:

- economies of scale
- strong governance and decision making
- reduced costs and excellent value for money, and
- an improved capacity and capability to invest in infrastructure

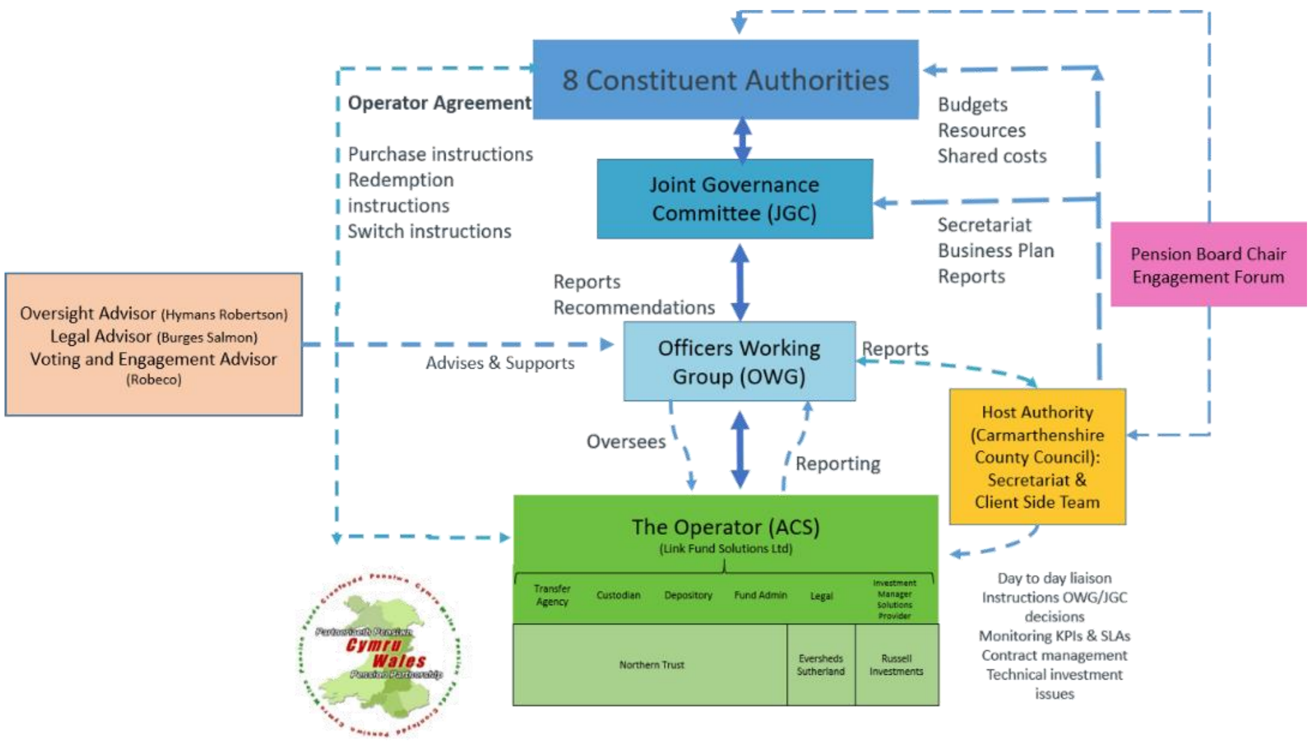
The WPP is one of the eight Local Government Pension pools nationally and is a collaboration of the eight LGPS funds in Wales. The eight funds have a long, successful history of collaboration including a collaborative tender for a single passive equity provider for the Welsh funds pre-dating the Government's pooling initiative.

Collective investment management offers the potential for investment fee savings, opportunities to broaden investment portfolios, enhanced voting and engagement activity as well as access to shared knowledge and best practice. Whilst the WPP is responsible for providing collaborative investment solutions, each constituent authority remains responsible for setting their own investment strategy.

WPP's operating model is designed to be flexible and deliver value for money. WPP appointed an external fund Operator and makes use of external advisers to bring best of breed expertise to support the running of the Pool. The Operator is Waystone Management (UK) Limited (Waystone) and they have partnered with Russell Investments to deliver effective investment management solutions and provide strong net of fee performance for all the Constituent Authorities.

<u>Governance</u>

The WPP details how it deals with all aspects of Governance through its Inter Authority Agreement (IAA) which was approved by all eight Constituent Authorities in March 2017. The IAA defines the standards, roles and responsibilities of the Constituent Authorities, its Members, Committees and Officers and includes a Scheme of Delegation outlining the decision-making process. In line with its belief that good governance should lead to superior outcomes for stakeholders, the WPP has put in place a robust governance structure:



The eight Constituent Authorities of the WPP are:

- Carmarthenshire County Council (Host)
- City and County of Swansea Council
- City of Cardiff Council
- Flintshire County Council
- Cyngor Gwynedd
- Powys County Council
- Rhondda Cynon Taff County Borough Council
- Torfaen County Borough Council

The Constituent Authorities sit at the top of the WPP's governance structure. They retain control of all activity carried out by the WPP and remain responsible for approving the WPP's Business Plan, which outlines the WPP's budget and work plan, as well at its Beliefs and Objectives.

The Joint Governance Committee (JGC) oversees and reports on the WPP and is comprised of one elected member from each of the eight Constituent Authorities, and a co-opted (no-voting) scheme member representative.

The Officer Working Group (OWG) provides support and advice to the Joint Governance Committee and is comprised of practitioners and Section 151 officers from all eight Constituent Authorities.

Carmarthenshire County Council is the Host Authority for the WPP and is responsible for providing administrative and secretarial support to the JGC and the OWG, and liaising day to day with the Operator on behalf of all the Welsh LGPS funds.

Waystone (Operator) carries out a broad range of services for the WPP, which includes facilitating investment vehicles and sub-funds, performance reporting, transition implementation, manager monitoring and fee negotiations. There is an Operator Agreement in place which sets out the contractual duties of the Operator and governs the relationship between the Operator and the WPP. The JGC and OWG, with the support of Hymans Robertson, oversee the work that Waystone carries out on behalf of the WPP. Waystone engages with the Constituent Authorities by:

- Direct engagement – attendance at one committee meeting annually
- Indirect engagement – with all Constituent Authorities through the JGC and OWG

In collaboration with Waystone, Russell Investments provide investment management solution services to the WPP and they work in consultation with WPP's eight Constituent Authorities to establish investment vehicles.

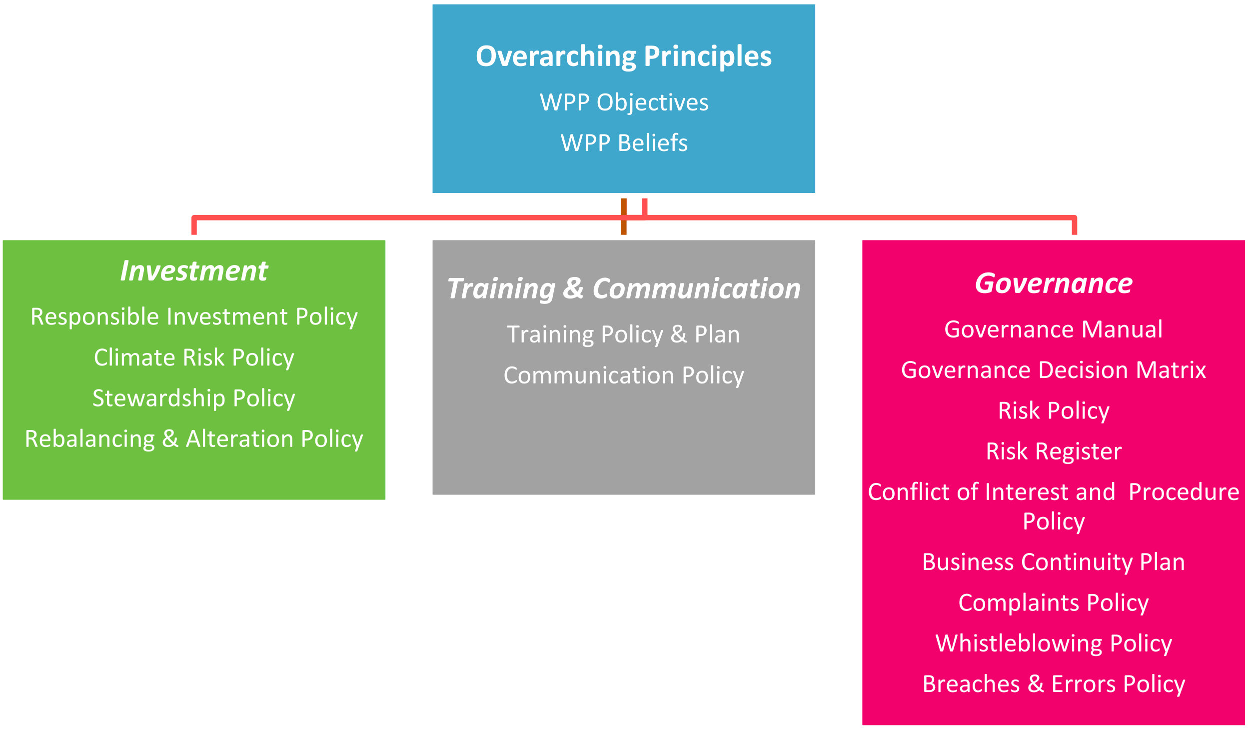
Northern Trust is the Depository for the WPP ACS vehicle and provides numerous services including securities lending, fund administration, compliance monitoring and reporting.

Hymans Robertson are WPP's Oversight Advisor and their role spans oversight and advice on governance arrangements, operator services, strategic investment aspects and project management support.

Burges Salmon are WPP's legal advisors, and they provide legal advice in relation to FCA regulated funds, tax and governance arrangements, including assisting with complex procurement processes.

Robeco UK are the WPP's Voting and Engagement provider and are responsible for implementing the Voting Policy across WPP's portfolio and undertaking engagement activity on behalf of the WPP.

The WPP's beliefs are the foundation for WPP's governance framework and have been used to guide all the WPP's activities and decision making, including its objectives and policies. The WPP, in consultation with the Constituent Authorities, has developed a set of governing policies. In all instances, the WPP's policies and procedures have been developed to either complement or supplement the existing procedures and policies of the Constituent Authorities. The WPP's key policies, registers and plans are listed below and can be found on the WPP website.



Responsible Investment has been a key priority for the WPP since it was established in 2017. Various activities have been undertaken to work towards WPP's ambition of becoming a leader in Responsible Investment. Initially the focus was on formulating a Responsible Investment Policy and since then the WPP has formulated its own Climate Risk Policy and has worked with its Voting and Engagement Provider, Robeco, to agree a Voting Policy. A WPP Responsible Investment Sub-Group has been established to take ownership of Responsible Investment related work streams and actions that are required to achieve the commitments made in the WPP's Responsible Investment and Climate Risk Policies.

The WPP's Business Plan, Governance Manual and all other policies detailed in the chart above can be found on the WPP website:

https://www.walespensionpartnership.org/

Risk

Risk management is a critical element of WPP's commitment to good governance. The WPP has developed a structured, extensive and robust risk strategy which seeks to identify and measure key risks and ensure that suitable controls and governance procedures are in place to manage these risks. The WPP's Risk Policy has been developed in such a way that risks can be anticipated and dealt with in a swift, effective manner to minimize potential loss or harm to the WPP and its stakeholders.

WPP maintains a Risk Register which is reviewed regularly by a dedicated Risk Sub-Group which reports back to the OWG and JGC on a quarterly basis.

Training

The WPP has its own training policy and develops an annual training plan which is designed to supplement existing Constituent Authority training plans. Local level training needs will continue to be addressed by Constituent Authorities while the WPP training plan will offer training that is relevant to the WPP's pooling activities. Induction training is also provided to all new JGC members.

Pooling progress to date

The WPP aims to deliver investment solutions that allow the Constituent Authorities to implement their own investment strategies with material cost savings while continuing to deliver investment performance to their stakeholders. The WPP has a range of equity and fixed income sub funds, as well as a number of private markets investment programmes. Alongside the Constituent Authorities' existing passive investments, this means that that the WPP now has 81% of assets under pool management.

As of 31 March 2026, WPP has total assets worth £28.8bn, £23.5bn of which sits within the pool, see breakdown below:

Fund	Managed by	Launch Date	31 March 2026 £000	%
Global Growth Equity	Russell Investments	February 2019	3,777,538	13.1
Global Opportunities Equity	Russell Investments	February 2019	3,518,894	12.2
UK Opportunities Equity	Russell Investments	September 2019	898,662	3.1
Emerging Markets Equity	Russell Investments	October 2021	358,345	1.2
Sustainable Active Equity	Russell Investments	June 2023	1,714,186	6.0
Global Credit	Russell Investments	July 2020	1,348,780	4.7
Global Government Bond	Russell Investments	July 2020	515,955	1.8
UK Credit	Waystone Management (UK) Limited	July 2020	888,276	3.1
Multi-Asset Credit	Russell Investments	July 2020	974,694	3.4
Absolute Return Bond	Russell Investments	September 2020	812,857	2.8
Infrastructure	GCM Grosvenor, IFM, CBRE and Octopus, Capital Dynamics	Various	926,220	3.2
Private Credit	Russell Investments	April 2023	424,331	1.5
Private Equity	Schroders Capital	October 2023	245,641	0.9
Real Estate	Schroders, CBRE	February 2026	1,181,140	4.1
Passive Investments	BlackRock	March 2016	5,881,749	20.5
Investment not pooled			5,278,710	18.4
Total Investments across all 8 Pension Funds			**28,745,978**	**100**

The investment assets split between Gwynedd Pension Fund and WPP are as follows:

Fund	31 March 2026 £000	%
Global Opportunities	403,967	11.4
Global Growth	389,529	11.0
Emerging Markets	82,721	2.3
Sustainable Active Equity	359,705	10.2
Global Credit	347,858	9.9
Multi Asset Credit	259,418	7.3
Absolute Return Bond	554,275	15.7
Private Markets	408,168	11.6
Passive Equity	499,763	14.1
Investment not pooled	227,901	6.5
Total Investment Assets	**3,533,305**	**100**

The above table provides additional details to note 14 from the financial statements and summarises Gwynedd Pension Fund's investment in the WPP, together with the assets that remain under the direct oversight of the Fund. During the year assets were transitioned and the table above shows the assets currently managed by the pool as of 31 March 2026.

Pooling costs

Carmarthenshire County Council, as the Host Authority for the Wales Pension Partnership, is responsible for providing administrative and secretarial support and liaising day to day with the Operator on behalf of all the LGPS funds in Wales. The WPP budget is included in the WPP Business Plan and approved annually by all eight Constituent Authorities.

The Host Authority and External Advisor costs (the running costs) are funded equally (unless specific projects have been agreed for individual Funds) by all eight of the Constituent Authorities and recharged on an annual basis. The amount recharged to the Gwynedd Pension Fund for the financial year ending 31 March 2026 was £272k and this is included in Note 12d in the financial statements.

In addition to the running costs, there are also transition costs associated with the transition of assets into the pool, these costs can be categorised in terms of direct and indirect costs. Direct costs include the costs of appointing a transition manager to undertake the transition, together with any additional oversight of this process undertaken from a research and reflection perspective. Indirect costs include both explicit and implicit costs, such as commissions, spread and impact, and opportunity costs known as implementation shortfall. Transition costs are directly attributable to the assets undergoing the transition and are therefore deducted from their net asset value as opposed to a direct charge to the Fund.

Investment Management Costs

The table below discloses the investment management costs split between those held by the WPP (including the passive equities) and those held outside of the WPP for 2025/26.

		Direct £000	Indirect £000	Total £000
Management Fees	Pool Assets	4,808	4,885	9,693
	Non-Pool Assets	4,436	515	4,951
Transaction Costs	Pool Assets	1,270	0	1,270
	Non-Pool Assets	6	2,415	2,421
Custody Costs	Pool Assets	365	0	365
	Non-Pool Assets	0	0	0
Whole Fund Total		**10,885**	**7,815**	**18,700**

2026/27 Objectives

During 2025/26, the WPP submitted its fifth annual Stewardship Report and was successful in retaining its signatory status to the UK Stewardship Code. WPP published its second all- Wales Climate Report (AWCR) and, building on the recommendations of the first AWCR, launched its own bespoke global passive- equity fund with Black Rock as well as launching the first Real Estate investment programmes. The WPP is also in the process of completing its first all-Wales Impact Report, which it will complete during 2026/27.

WPP won both the LGC and LAPF Investment Innovation awards this year, in recognition of WPP's locally focused approach to local impact investing in Wales- stimulating economic growth, supporting SMEs and creating long- term employment opportunities. Excellent feedback was received from both judging panels, with one quoting, "Our winner provided a best-in-class example of concrete, innovative, place-based investing with rigour and keen focus on returns required to meet fiduciary requirements" and the other praising WPP's creativity in connecting institutional investment with the real economy, describing it as a scalable model that could inspire similar initiatives elsewhere, a standout example of innovation with tangible social and economic outcomes. Local impact investing continues to be a key objective for WPP in 2026/27.

Following the 2024 Fit for the Future Consultation, the Government has approved WPP's business case to remain a stand- alone investment pool for Wales. This creates a unique opportunity to establish a material centre of excellence in LGPS investment in Wales, creating valuable career opportunities while enhancing the Welsh financial services sector. Progressing the implementation of the business case has been a key focus for WPP over the last twelve months. The Wales Pension Partnership Investment Management Company (WPP IM Co) was established in August 2025, with Rob Lamb appointed as CEO in September 2025. The FCA application was submitted in November 2025 and all required Senior Management Functions have been appointed. The initial WPP IM Co business plan for financial year 2026/27 was presented at the 10 March JGC meeting, and has subsequently been approved by all the Constituent Authorities. The company is ready to operate as soon as FCA approval is received.

Securities Lending

Securities lending commenced in March 2020. Revenue is split on an 85:15 basis between WPP and Northern Trust with all costs for running the securities lending programme taken from Northern Trust's share of the fee split. A minimum of 5% of the nominal quantity of each individual equity holding is held back and a maximum of 25% of total AUM is on loan at any one time. Total revenue of during 2025/26 was £2,017,927 (gross) / £1,715,305 (net) with £415,345,172 out on loan as of 31 March 2026.

More detailed information can be found in WPP's Annual Return which is published on the WPP website - Wales Pension Fund | Home (walespensionpartnership.org)

6.7 Responsible Investing

The Fund recognises that environmental, social and corporate governance (ESG) issues can represent a material financial risk to its stakeholders and can influence the Fund's long-term returns and reputation. Given this, the Committee aims to be aware of, and monitor, financially material ESG factors and has agreed the following set of investment beliefs in relation to Responsible Investment:

- In accordance with the Committee's fiduciary duty, financial considerations should carry more weight than non-financial considerations when making investment decisions, even though ESG matters can materially affect risk and returns. Therefore, ESG factors should be embedded in the investment processes and in the decision-making processes of asset managers appointed by the Fund / Wales Pension Partnership.
- The Fund's Committee will seek to invest in sustainable assets, including investing within the Wales area when non-financial investments can derive from this, on condition that they satisfy the requirements of the fiduciary duty.
- The Committee accepts that it has a duty to be a responsible investor. It is expected that consulting with companies, rather than avoiding investing, will be more effective in changing corporate behaviour and reducing risk. Wherever possible, collaborative action (such as that taken via Local Authority Pension Fund Forum (LAPFF) membership and commissioned from Robeco alongside WPP partners) provides the most successful route to influence outputs.
- As a long-term investor, the Fund is vulnerable to systemic risks such as climate change and the expectation of a transfer to a low carbon economy. Financial outcomes can be improved through managing how open to such risks the Fund is.
- Shareholder comprehension and outcomes can be improved through providing transparency at each step of the value-adding chain.
- Training and education are likely to form a key element in developing the Fund and its Committee position on ESG related matters.

The Committee recognises that the Fund's assets are invested globally and across many sectors, which means reducing the Fund's carbon emissions is more challenging than it would be for an individual organisation. In March 2022, the Committee committed to set a goal for the Fund to be net zero by 2050, supported by an undertaking to assess the feasibility of the Fund **reaching net zero 5,10 or 20 years earlier.**

The Committee believes it is important for LGPS funds to take a leading role in shaping the future, both in terms of supporting the transition to a low carbon economy and achieving broader ESG goals. The Committee is able to exert influence in two ways: through the investment decisions it takes; and through ongoing engagement with the companies and projects the Fund invests in. Against this background, the Committee believes it is appropriate to set a realistic goal while also looking at the feasibility to achieve a more ambitious goal.

At the same time, the Committee believes that the reduction in the Fund's carbon emissions should be achieved in a measured way. The Fund must remain focused on its primary obligation to pay benefits to its members, including consideration of any associated risks. A measured approach allows the Fund to capture investment opportunities arising from the transition to a low carbon economy, as well as mitigating the risks. Further, a measured approach supports active stewardship, giving the Committee more time and greater scope to effect change and achieve a just transition through ongoing engagement.

As a priority in 2026/27 the Fund will be re-assessing its net zero ambition and its responsible investment policy.

7. Management and Financial Performance

7.1 Managing Risk

The Gwynedd Pension Fund recognises the importance of effective risk management. Risk management is the process by which the Fund identifies and deals with the risks associated with the activities.

For the Gwynedd Pension Fund, the risks come from several sources including long-term investment strategy, funding position, investment performance, scheme administration, membership change, financial systems and communications.

The following documents explain these major risks and show how they are identified, avoided, managed and reviewed:

- Risk Register
- Investment Strategy Statement
- Funding Strategy Statement
- Gwynedd Pension Fund Accounts- reference to financial instrument risks

Expert advice is provided by Hymans Robertson, our advisers, and the Pensions Committee meets to review the performance of our investment managers on a quarterly basis.

The Risk Register is monitored and reviewed on a regular basis by both the Pensions Committee and Pension Board. Risks are assessed in terms of their potential impact and likelihood of occurring.

A summary of the Fund's most significant risks can be seen in the following table:

Risk areas	Mitigating factors
Funding and Investments	
The Committee Members and Investment Officers make inappropriate decisions as a result of insufficient knowledge of financial markets and inadequate investment and actuarial advice received resulting in poor financial performance, financial loss and increase in employer contributions.	• GPF Investment Strategy is set in accordance with LGPS investment regulations. • The Investment Strategy takes the Fund's liabilities into account. • The Investment Strategy is approved and reviewed by the Pensions Committee. • GPF uses an external investment advisor who provides specialist guidance to the Investment Panel and Pensions Committee regarding the Investment Strategy • Members and Officers are encouraged to challenge advice and guidance received. • Members and Officers receive relevant training on a timely basis.
The Pension Fund has insufficient assets to meet its long term liabilities. The Pension Fund's investment strategy fails to produce the required returns.	• Triennial actuarial valuations provide periodic indications of the growth in assets against liabilities. • Employer contribution rates are set in response to this. • The 2025 valuation showed that there is a funding provision of 166% in the Gwynedd Fund. However, the Fund continues to use prudent assumptions for the valuation. • GPF investments are diversified across a range of different types of assets to minimise the impact of losses in individual markets and individual fund managers.

	• As a result of the 2025 Valuation, the Committee has re-allocated assets to lower risk asset types. • Fund-specific benchmarks and targets are set. • Fund assets are kept under regular review as part of the Fund's performance management process. • The Fund/ WPP replaces underperforming investment managers.
Market risk - Market crash leading to failure to reduce the deficit resulting in: • Financial loss • Increased employer contribution costs.	• The Fund is diversified across a range of asset classes to mitigate the impact of poor performance in an individual market segment. • Investment performance and monitoring arrangements exist which provide the investment officers with the flexibility to rebalance the portfolio in a timely manner. • The long term nature of the liabilities significantly reduces the impact.
The Fund fails to adequately account for climate change, climate risk and environmental, social and governance (ESG) factors.	• The Fund has an active Responsible Investment policy and a net zero target of 2050 has been set. • As part of the Wales Pension Partnership a number of active steps take place including: responsible investment executive group, engagement and voting provider, WPP are a signatory to the UK Stewardship Code. • The Investment Panel will also constantly engage and challenge managers on how they consider the risk of climate change and ESG factors. • The Fund aims to invest in impact investments that make a difference locally and in the wider world.
Custodian Role	
Failure of custodian leading to losses which results in: • Failure to reduce the deficit • Financial loss	• A highly reliable Custodian with high accreditation was appointed. • Fund assets are protected in the event of insolvency of the custodian. • The Custodian must follow FCA and TPR financial regulations.
Pension Administration	
Cyber Attack • Loss of sensitive data. • Systems damaged or destroyed. • Reputation risk. Financial loss arising from legal action.	• Firewall in operation. • Software regularly updated with latest security features. • The system is backed up daily. • Password access is required.
Uncontrollable External Factors	
Normal operations disrupted by uncontrollable external factors. Service delivery threats from fire, bomb, extreme weather, electrical faults, sickness, epidemic, pandemic etc. Insufficient daily back up, disaster recovery, and IT cover to support systems. Temporary loss of ability to provide service to stakeholders.	• Working from home is happening with many of the staff now working hybrid. • Disaster Recovery Plan for pension system. • Business Continuity / Disaster. • Recovery Plan for the Authority with IT firewalls.

7.2 Investment Strategy Statement

The Pensions Committee approved the Investment Strategy Statement in March 2026 following the 2025 valuation. This strategy defines the types of investments that the Fund may use in the long term.

There are no specific limits for types of investments. However, it is good practice to have some broad limits, and these are included in the Investment Strategy Statement. A copy of the Investment Strategy Statement is available on the Fund's website at:

https://www.gwyneddpensionfund.wales/en/Investments/Investment-Strategy-Statement-March-2026.pdf

7.3 Funding Strategy Statement

LGPS administering authorities are required to prepare and publish a Funding Strategy Statement. The Funding Strategy Statement sets out the fund-specific strategy which will identify how employers' pension liabilities are best met going forward.

LGPS benefits are guaranteed by statue and thereby the pensions promise is secure. The Funding Strategy Statement addresses the issue of managing the need to fund those benefits over the long term, whilst at the same time facilitating scrutiny and accountability through improved transparency and disclosure. It also provides LGPS administrative authorities with a statutory framework within which to manage their Funds' long-term pension liabilities going forward.

The Funding Strategy Statement was reviewed during 2025/26 to reflect the Actuarial Valuation on 31 March 2025. It includes all employer contribution rates from the 1 April 206 onwards.

A copy of the Funding Strategy is available on the Fund's website at:

https://www.gwyneddpensionfund.wales/en/Investments/Funding-Strategy-Statement-Gwynedd-Pension-Fund-March-2026.pdf

Paper copies of the Investment Strategy Statement and Funding Strategy Statement can be obtained from Delyth Jones-Thomas, Cyngor Gwynedd, Council Offices, Shirehall Street, Caernarfon, LL55 1SH.

7.4 Financial Performance

Income

	Actual 2024/25 £000	Actual 2025/26 £000
Employee/ Member contributions	24,831	26,040
Employer contributions	76,929	75,455
Transfer in	9,156	9,378
Investment Income	65,847	84,845
Other Income	3	5
Total Income	**176,766**	**195,723**

There was a general increase but in particular, an increase in investment income. The equity investments have continued to perform strongly and therefore have generated significant income, but also as part of the new strategic asset allocation we have invested more in the fixed income and infrastructure funds, and these investments have generated significant interest income.

Expenditure

	Actual 2024/25 £000	Actual 2025/26 £000
Benefits payable	(94,520)	(95,546)
Payments to leavers	(7,870)	(8,147)
Management expenses	(18,282)	(13,672)
Total Expenditure	**(120,672)**	**(117,365)**

There was a decrease in the management expenses figures due to a decrease in the management expenses for legacy private market managers.

Net Assets

	Actual 2024/25 £'000	Actual 2025/26 £'000
Profit and losses on disposal of investments and changes in the market value of investments	105,626	283,936
Net Increase/ (Decrease) in the Net Assets available for benefits during the year	**161,720**	**362,294**

The value of investments on the market has increased steadily during the year in line with market movements.

Further information is included in the Statement of Accounts (Section 9).

7.5 International Accounting Standard 19 (IAS19) and Financial Reporting Standard 102 (FRS102)

Definition of IAS19

IAS19 effectively defines how pension scheme assets and liabilities are to be measured for financial reporting purposes and notes that any deficit or surplus should be recognised in full as a balance sheet item, with any movements being recognised in the annual profit and loss account. IAS19 is relevant to bodies required to report under International Financial Reporting Standards (IFRS). This includes the scheduled bodies in the Pension Fund, which are part of Government accounting, namely Cyngor Gwynedd, Isle of Anglesey County Council, Conwy County Borough Council and their foundation schools, Eryri National Park Authority, the Police and Crime Commissioner for North Wales and Careers Wales North West. Two of the smaller employers also requested IAS19 reports. All other employers are still subject to FRS102 reporting requirements.

Accounting for IAS19 and FRS102

Adoption of IAS19 or FRS102 means that employers must recognise the net asset or liability, and a pensions reserve, in the balance sheet. They also must make entries in the Consolidated Revenue Account for movements in the asset or liability relating to defined benefit schemes.

IAS19 and FRS102 Reports as at 31/03/2026

In March 2026 the necessary data was collected to enable the Actuary to calculate the individual IAS19 or FRS102 information for the Fund's employers.

IAS19 and FRS102 Results as at 31/03/2026

The employer had the choice to base the results on expected returns or actual returns. Each employer's results reflect their own specific circumstances. Therefore, this update should be considered as an illustrative guide to the main issues affecting most employers, rather than a detailed explanation of each employer's experience.

7.6 Final Accounts 2025/26

The Final Accounts were audited by Audit Wales, and the final version in Section 9 was presented to the Pensions Committee on 23 November 2026.

7.7 Governance

The Fund is administered within the framework established by statute, which stipulates that Cyngor Gwynedd is the Administering Authority.

Governance Policies

The Governance Policy Statement and the Governance Compliance Statement state the governance practices of the Pension Fund.

https://www.gwyneddpensionfund.wales/en/Governance/Governance-Compliance-Statement-2023.pdf

Paper copies can be obtained from Delyth Jones-Thomas, Cyngor Gwynedd, Council Offices, Shirehall Street, Caernarfon, LL55 1SH.

7.8 Knowledge and Skills Framework

Gwynedd Pension Fund recognises the importance of ensuring that all staff and members charged with the financial administration and decision-making regarding the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.

Therefore, Gwynedd Pension Fund seeks to utilise individuals who are both capable and experienced and it will provide training for staff and members of the pension decision-making bodies to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

Most of the current members of Pensions Committee have completed the LGA Fundamentals which is a bespoke LGPS training course aimed at members to enable them to carry out their duties effectively. Members which have recently joined the Committee will complete this training in the Autumn.

Training undertaken in the last 12 months as part of the Wales Pension Partnership has included:

Wales Pension Partnership	Private Markets Product Knowledge
Wales Pension Partnership	Local/ Impact Investments within Private Markets Asset Classes
Wales Pension Partnership	Voting and Engagement
Wales Pension Partnership	Stewardship Code and Reporting Requirements
Wales Pension Partnership	Responsible Investing
Wales Pension Partnership	Biodiversity and Natural Capital
Wales Pension Partnership	Climate Scenarios and Fiduciary Duty

In addition, the committee members have attended numerous conferences and events which have enhanced their knowledge further.

7.9 Investment Unit

Collaboration continues to be very important theme again this year. I would like to thank the staff within the Investment Unit for their hard work during the year and the teams at Hymans Robertson and all the funds in Wales and Wales Pension Partnership for their willing co-operation throughout.

Delyth Jones-Thomas
Investment Manager

8. Actuarial Report

General

The Fund needs to be sufficient to meet its commitments, and therefore the Fund receives a valuation every three years to assess the situation. The most recent actuarial valuation of the Fund was undertaken as at 31 March 2025 (previously 31 March 2022), and the new rates will be effective from 1 April 2026. The next valuation will be at 31 March 2028 and any changes to employers' contributions will be effective from 1 April 2029 onwards.

Method and Assumptions Used

The actuarial methods used in the valuation were the "Projected Unit Method" for the Fund as a whole and employers who will continue to admit new entrants to the Fund and the "Attained Age Method" for employers who no longer admit new entrants to the Fund. The main financial assumptions were as follows:

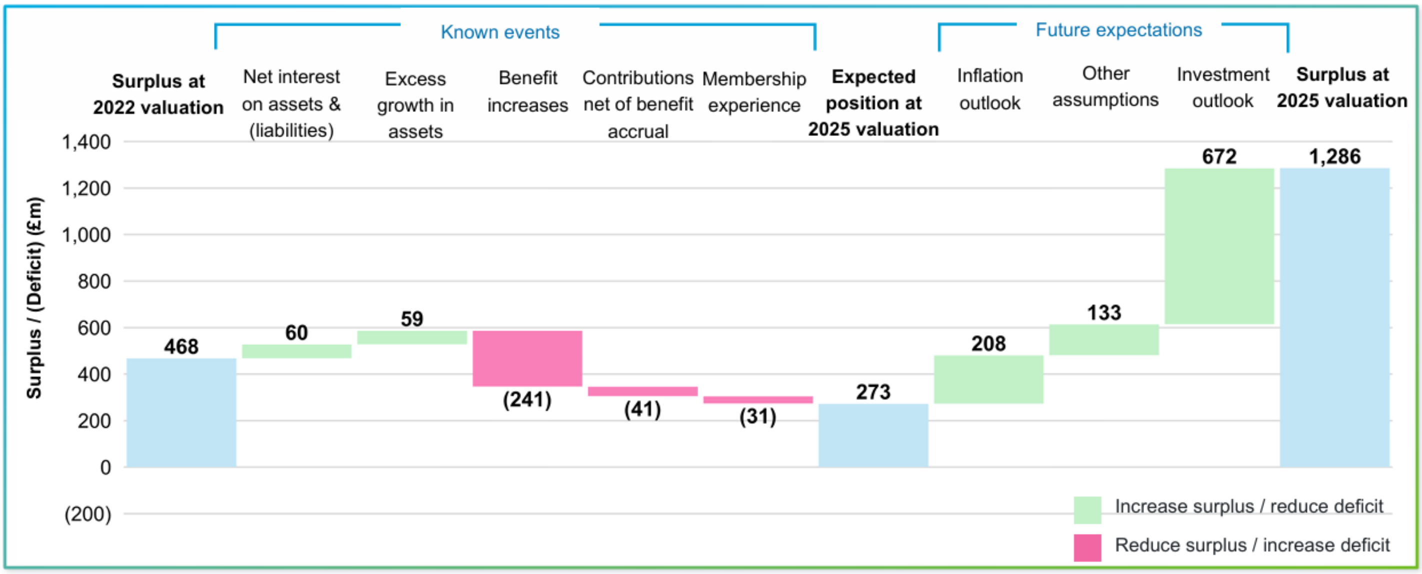
	% per annum
Discount Rate	5.9%
Salary Increases	2.8%
Benefit increases and CARE revaluation (CPI)	2.3%

2025 Valuation Results

The triennial actuarial valuation as at 31 March 2025 was completed during 2025/26. The funding position for the whole Fund improved from 120% at 31 March 2022 to 166% at 31 March 2025, mainly due to strong investment performance over the period and a decrease in its liabilities.

Valuation date		31 March 2025	31 March 2022
Assets		3,232	2,776
Liabilities	Actives (£m)	794	1,042
	Deferreds (£m)	268	392
	Pensioners (£m)	884	874
Surplus / (Deficit) (£m)		1,286	468
Funding Level		166%	120%

The funding position has increased from a surplus of £468m to a surplus of £1,286m. See the movements in the chart below:



The actuary produced a report for each individual employer. A forum was held for all employers in

October 2025, where the Actuary presented the results and answered questions. This was a very useful session and a number of employers attended.

The final Gwynedd Pension Fund 2025 Actuarial Valuation Report was produced in March 2026 and is available on the Fund's website at:

https://www.cronfabensiwngwynedd.cymru/cy/Buddsoddiadau/230328-Gwynedd-Pension-Fund-Final-Valuation-Report.pdf

Employer Contribution Rate

The Contribution Objective is achieved by setting employer contributions which are likely to be sufficient to meet both the cost of new benefits accruing and to address any funding deficit relative to the funding target over the agreed time horizon. A secondary objective is to maintain where possible relatively stable employer contribution rates.

For each employer in the Fund to meet the Contribution Objective, a primary rate has been calculated in order to fund the cost of new benefits accruing in the Fund. Additionally, if required, a secondary contribution rate has also been calculated to target a fully funded position within each individual employer's set time horizon.

The table below summarises the whole fund Primary and Secondary Contribution rates at this valuation.

Primary Rate (% of pay)	Secondary Rate (%)		
1 April 2026 – 31 March 2029	2026/27	2027/28	2028/29
16.2%	-0.3%	-0.3%	-0.3%

The next triennial valuation will be at 31 March 2028.

9. Statement of Accounts 2025/26

To be included after audit.

10. Communication Policy Statement

Introduction

Regulation 61 of the Local Government Pension Scheme (LGPS) 2013 Regulations stipulates that all administering authorities are required to publish a statement of policy regarding communication with key stakeholders.

Cyngor Gwynedd is the administering authority for the Gwynedd Pension Fund and the Fund's key stakeholders include:

1. **Scheme members:**
   1.1 Active Scheme Members
   1.2 Deferred members
   1.3 Pensioner members
   1.4 Prospective members

2. **Scheme Employers**

3. **Other bodies:**
   3.1 Pension Committee and Pension Board
   3.2 Fund Staff
   3.3 Other Bodies

This communication statement sets out the policy for the provision of information and how the Fund intends to publicise, promote and develop the Scheme to each stakeholder group. It will be kept under review and amended when there is a material change in the policy.

The Fund's aim is to provide a high quality and consistent service to their stakeholders in the most efficient and cost-effective manner.

The intention is that all communications are as timely as possible, factual and in plain language, and presented in a manner appropriate to the receiver. Where individuals have specific needs in relation to the format of information, steps are taken to ensure that the required format is available, such as Braille, Audio, and Large Print.

All Gwynedd Pension Fund's publications are bilingual, in line with Cyngor Gwynedd's Language Policy. Information in other languages may be available on request.

Where legislative Scheme changes are known in advance, procedures will be put in place to implement the changes in the most effective manner.

1.1 Communicating with Active Members

Active Members (including Councillor Members) are those who are contributing into the LGPS through one of the Gwynedd Pension Fund Scheme Employers. The methods of communication with these members are described below.

- Website - The Gwynedd Pension Fund website contains a section dedicated to Active Members. It provides general information about the LGPS including, Transfers, Improving Benefits, Retirement, Divorce, Death Benefits, Tax Allowances and Frequently Asked Questions. News items are added when required to notify members of any Scheme changes. There is a separate section dedicated to the pension benefits for Councillor Members.
- Member Self Service - The member self-service web portal on the Gwynedd Pension Fund website allows members to view and update their pension data securely online, such as death grant expression of wish, contact details, annual benefit statements and letters. The planning tools allow members to perform benefit calculations and prepare for retirement.

- Employer Events – The Gwynedd Pension Fund is available to attend employer events on request and provide a pension stand where members can discuss any pension issues with the pension fund staff and provide relevant scheme literature.
- Presentations – The Gwynedd Pension Fund is always available to offer presentations on the scheme. Presentations are also held when needed to inform Active Members of major changes to scheme regulations. Specialist information sessions can also be held at the request of the employer for members who are affected by the bulk transfer of pensions from the LGPS to other pension providers.
- Pre-Retirement Courses – A program of six courses are held by Chadwicks IFA, a firm of financial advisors' form Chester each year. The Gwynedd and Flintshire Pension Funds provide alternate LGPS presentations at these events.
- Consultation Sessions – The Gwynedd Pension Fund Communications Officers can hold individual consultation session for scheme members at the request of scheme employers. Consultations are usually held at the employees worksites and they offer the opportunity for scheme members to receive general and specific information about the LGPS and ask any question they may have relating to their LGPS pension.
- Individual Appointments - Active Members can arrange an appointment with a member of the Gwynedd Pension Fund staff at the Pension office in Caernarfon.

  In some cases (e.g terminal illness) a representative from the Gwynedd Pension Fund will visit a member at their home at the request of their employer.
- Scheme Literature –
  - Pension Starter Pack. Issued when a Scheme Employer notifies us of a new Active Member. This includes a Short Guide to the LGPS, a New Starter Form, Death Grant Expression of Wish form and a Statutory Notification of entry into the scheme.
  - Short Scheme Guide. The short scheme guide provides general information on the LGPS and is issued to all new employees and to existing members on request. Copies of the scheme guide in Braille, large print and audio can be provided on request.
  - Retirement Guide. The Retirement Guide outlines the arrangements for the payment of pension benefits and sets out the benefits payable to survivors in the event of the member's death and the other most important things to note.
  - Factsheets. A range of factsheets have been produced for scheme members which give information specific topics relating to the LGPS.
- Newsletters - We issue periodic newsletters to Active Members to update them of changes in the scheme regulations.
- Annual Benefit Statements - Each year we issue a statement to each member showing the pension they have built up to the previous 31 March and forecasts the benefits payable at State Pension Age. They are uploaded automatically to a member's Member Self Service Online portal or sent directly to their home address if they have chosen not to register.
- Annual Report and Accounts - An electronic copy of the Fund's Annual Report and Accounts is available to all Scheme members on the website. Hard copies are also available upon request.
- Correspondence - The Fund uses both paper mail and e-mail to receive and send correspondence. Response will be made in the individuals preferred language of choice.
- Statutory Notification - Members are notified when any change occurs to their pension record, thus affecting their pension benefits.
- Pensions Helpline – A single helpline number is available for all pension enquiries and a dedicated e-mail address is available for enquiries by e-mail.
- Poster Campaign – A poster campaign will be implemented when major scheme changes need to be communicated to Active Scheme members. They will be distributed to employers so that they can be displayed at employees work sites.
- Internal Dispute Resolution Procedure (IDRP) leaflet – A document covering stage 1 of the IDRP is available on request.

1.2 Communicating with Deferred Members

Deferred Members (including Councillor Members) are those who have left their employment with a scheme employer and who have preserved benefits within the fund. The methods of communication with these members are described below.

- Website - The Gwynedd Pension Fund website contains a section dedicated to Deferred Members. It provides general information about the LGPS including, Transfers Out, Retirement, Divorce, Death Benefits and Frequently Asked Questions. News items are added when required to notify members of any Scheme changes. There is a separate section dedicated to the pension benefits for Councillor Members leaving before retirement.
- Member Self Service - The member self-service web portal on the Gwynedd Pension Fund website allows members to view and update their pension data securely online, such as death grant expression of wish, contact details, annual benefit statements and letters. The planning tools allow members to perform benefit calculations and prepare for retirement.
- Individual Appointments - Deferred Members can arrange an appointment with a member of the Gwynedd Pension Fund staff at the Pension office in Caernarfon.

  In some cases (e.g terminal illness) a representative from the Gwynedd Pension Fund will visit a member at their home at the request of their old employer, the individual or individual's representative.
- Scheme Literature –
  - Retirement Guide. The Retirement Guide outlines the arrangements for the payment of pension benefits and sets out the benefits payable to survivors in the event of the member's death and the other most important things to note.
  - Factsheets. A range of factsheets have been produced for scheme members which give information specific topics relating to the LGPS.
- Newsletters - we issue periodic newsletters to Deferred Members to update them of changes in the scheme regulations.
- Deferred Benefit Statements - Each year we issue a statement to each deferred member showing the up to date value of their pension benefits. They are uploaded automatically to the member's Member Self Service online portal or sent directly to their home address if they have chosen not to register.
- Annual Report and Accounts - An electronic copy of the Fund's Annual Report and Accounts is available to all Scheme members on the website. Hard copies are also available upon request.
- Correspondence - The Fund uses both paper mail and e-mail to receive and send correspondence. Response will be made in the individuals preferred language of choice.
- Pensions Helpline – A single helpline number is available for all pension enquiries and a dedicated e-mail address is available for enquiries by e-mail.
- Internal Dispute Resolution Procedure (IDRP) leaflet – A document covering stage 1 of the IDRP is available on request.

1.3 Communicating with Pensioners

Pensioners include retired members and the dependants of deceased members. The methods of communication with pensioners are described below.

- Website - The Gwynedd Pension Fund website contains a section dedicated to Pensioners. It provides general information about the LGPS including, Divorce, Death Benefits, Payment Dates, Living Abroad, Pensions Increases and Frequently Asked Questions. News items are added when required to notify pensioners of any Scheme changes.
- Member Self Service - The member self-service web portal on the Gwynedd Pension Fund website allows pensioners to view and update their pension data securely online, such as death grant expression of wish, contact details and letters.
- Individual Appointments - Pensioners can arrange an appointment with a member of the Gwynedd Pension Fund staff at the Pension office in Caernarfon.

- Payslips and P60 – A payslip is sent to Pensioner when there is a change of £5 or more in their next payment as compared with the previous month. All pensioners receive a combined P60 and payslip at the end of each tax year.
- Notice of Pensions Increase – Each April, pensioners receive a notice informing them of the Pensions Increase which is to be applied on their pension (if applicable) and they also receive confirmation of the pay dates for the next 12 months.

- Annual Report and Accounts - An electronic copy of the Fund's Annual Report and Accounts is available to all Scheme members on the website. Hard copies are also available upon request.
- Correspondence - The Fund uses both paper mail and e-mail to receive and send correspondence. Response will be made in the individuals preferred language of choice.
- Pensions Helpline – A single helpline number is available for all pension enquiries and a dedicated e-mail address is available for enquiries by e-mail.
- Birthday Congratulations – Pensioners, including those receiving dependents benefits, celebrating their 100th birthday will receive a birthday card from the Gwynedd Pension Fund.
- Internal Dispute Resolution Procedure (IDRP) leaflet – A document covering stage 1 of the IDRP is available on request.

1.4 Communicating with Prospective Members

Prospective Members are employees who are eligible to join the LGPS with one of the Gwynedd Pension Fund Scheme Employers but have decided not to. The methods of communication with prospective members are described below.

- Website - The Gwynedd Pension Fund website contains a section dedicated to Prospective Members. It provides general information about the LGPS including, Reasons for Joining, Transfers, Contribution Rates, Retirement, Opting Out and Frequently Asked Questions. News items are added when required to notify members of any Scheme changes. There is a separate section dedicated to the pension benefits for Councillor Members.
- Employer Events – The Gwynedd Pension Fund is available to attend employer events on request and provide a pension stand where prospective members can discuss any pension issues with the pension fund staff and provide relevant scheme literature and forms.

  The Gwynedd Pension Fund encourages employers to include pensions as part of staff induction events and will provide scheme literature and forms. The communications team could attend upon request.
- Consultation Sessions – The Gwynedd Pension Fund Communications Officers can hold individual consultation session for scheme members and prospective members at the request of scheme employers. Consultations are usually held at the employees worksites and they offer the opportunity for scheme members to receive general and specific information about the LGPS and ask any question they may have about joining the LGPS.
- Individual Appointments - Prospective Members can arrange an appointment with a member of the Gwynedd Pension Fund staff at the Pension office in Caernarfon.

- Scheme Literature –
  - Short Scheme Guide. The short scheme guide provides general information on the LGPS and is issued to all new employees and on request. Copies of the scheme guide in Braille, large print and audio can be provided on request.
  - Factsheets. A range of factsheets have been produced for scheme members which give information specific topics relating to the LGPS
- Correspondence - The Fund uses both paper mail and e-mail to receive and send correspondence. Response will be made in the individuals preferred language of choice.
- Pensions Helpline – A single helpline number is available for all pension enquiries and a dedicated e-mail address is available for enquiries by e-mail.
- Poster Campaign – A poster campaign is periodically implemented which highlights the benefits of joining the LGPS. They will be distributed to employers so that they can be displayed at employees work sites.

2 Communicating with Scheme Employers

For Cyngor Gwynedd as Administering Authority to efficiently run the scheme it is essential that the flow of accurate, timely and clear information between Scheme Employers and the Fund is maintained through effective communication.

The methods of communication with Scheme Employers are described below.

- Website - Our website is under review to develop a section dedicated to Scheme Employers. The Website also contains all the Pension Fund Governance Documents, for example the Actuarial Valuation Report, Policy Documents and the Annual Report and Accounts. There are also links to sources of further information such as the Local Government Association's (LGA's) dedicated LGPS website.
- i-Connect - i-Connect is a secure online portal that takes data directly from the payroll system and feeds it directly into the pension system on a monthly basis. It automatically identifies and processes new joiners, opt-outs and leavers and enables the employer to check and cleanse the data before submission.
- Contact Database - Regulatory and administrative updates are frequently issued to all employers listed on the contact database via e-mail or letter. The employer Contact database is amended as necessary following updates from the Employers.
- Annual General Meetings - The Annual General Meeting is held specifically for Employers and Union Representatives to discuss the Annual Report and Accounts. Representatives from various professional advisory bodies, such as the Fund Actuary and Fund Managers also attend in order to answer on Funding, Investment Performance and Valuations.
- Employer meetings - As required to discuss topical issues, significant legislation changes, pre and post actuarial valuation and provide information and discuss improvements in the flow of information.
- Individual Employer meetings - Meetings with individual employers can be arranged to discuss matters specific to their participation in the Pension Fund. or to provide advice and guidance on specific issues.
- Individual Employer Training meetings - These can be arranged to resolve any administrative training issues identified by either the employer, or the Fund. These sessions are held at employer venues, with development being monitored and reviewed periodically thereafter.
- Employer Guide - The new Employer Guide is in the process of being completed and will be circulated electronically to all Employing Bodies and uploaded onto our website.
- Service Level Agreements - To improve the standard of service to members we aim to establish Service Level Agreements with Employers. The agreements will provide guidance on statutory obligations and responsibilities and set targets for both Employers and the Administering Authority–
    - To provide correct information
    - To act on, and respond to that information within a given timescale

  Any targets for the Service Level Agreements will be agreed beforehand.

3.1 Communicating with the Pensions Committee and Local Pension Board

As the Gwynedd Pension Fund's administering authority, Cyngor Gwynedd has formed a Pensions Committee and a Pensions Board which meets quarterly to discharge the duties of the Council regarding the governance and administration of the Fund.

The Pensions Committee is responsible for approving the pension fund governance documents, including the Annual Report and Accounts and the Pension Fund Policies. It is also responsible for setting the Pension Fund Investment Strategy and the appointment of Investment Managers. The Pensions Committee is made up of nine elected Councillors.

The Pension Board is responsible for overseeing the work of the Pensions Committee and assists the Pension Fund in complying with all the legislative requirements making sure the scheme is being effectively and efficiently governed and managed. The Pension Board has three scheme member representatives and three employer representatives, one of which is elected as chair.

To facilitate the work of both the Pension Committee and Pension Board they are provided with access to all the Pension Fund Documents including the Annual Report and Accounts, the Actuarial Report, Policy Documents, Pensions Committee reports and decisions and Pension Board reports.

The methods of communication with Pension Committee and Board members are described below.

- E-mails - E-mail is the preferred method of communication for general messages.
- Reports – The Committee and Board members are provided with the following Reports:
  - Annual Reports and Accounts - The key publication on investment and administration.
  - Actuarial Report – Following the Fund's triennial valuation
  - Specialised Reports – Produced by the Gwynedd Pension Fund for their consideration.
- Pension Fund Policies – The committee have access to all the Gwynedd Pension Fund policies for consideration and approval
- Presentations – Committee and Board members are invited to presentations by The Gwynedd Pension Fund and advisers on investment, actuarial, and administration matters.
- Training - Committee members and Pension Board Members are required to undertake relevant training to enable them to carry out their roles effectively. Training can be done in-house, by LGA, the Pension Fund Investment Managers and advisors or the Pension Fund Actuary.
- Agenda and Minutes – The agenda and minutes for each meeting are published on the Cyngor Gwynedd website.

3.2 Communicating with Pension Fund Staff

Effective communication with Pension Fund Staff is an important part of daily operations and enables the Gwynedd Pension Fund to deliver a quality and accurate service to our key stakeholders.

The methods of communication with Pension Fund Staff are described below.

- Induction – All new members of staff undergo an induction program.
- E-mails - E-mail is the preferred method of communication for general messages within the unit. Where necessary, this will be followed up with individual or team training.
- WhatsApp Group Chat – During emergencies when e-mail is not available general messages will be shared on WhatsApp.
- In-house Training – General and pension-specific training on matters arising with regards to regulatory or procedural changes is given as a necessary as part of the unit's commitment to continuous improvement.
- External Training – Professional qualifications can only improve the knowledge and confidence of the team in their communication with stakeholders. All new and existing members of staff are therefore encouraged to study for professional qualifications in pension administration with the Chartered Institute of Payroll Professionals (CIPP). Staff also attend LGA and Heywood training as appropriate
- Staff Meetings – Staff Meetings are held bi-monthly to discuss any developments in legislation, changes to working procedures and operational matters. Staff are encouraged to participate in these meetings and influence the decisions that affect the whole Unit.

  The operational plan, including Key Performance Indicators is also discussed on a regular basis to ensure that the members of the team are aware of and are meeting their targets.
- Staff Appraisals - Fund staff of all levels have an appraisal each year to discuss work issues, monitor performance and areas for development.
- Continuous Monitoring – Service Standards are monitored regularly to ensure staff are aware of their responsibilities in relation to the Scheme. On a daily basis communication is encouraged between members of staff and the Management team and an open door policy is in place.
- Internet - All staff have access to the Internet to ensure timely access to LGPS information. They also have access to Member Self Service to assist them in carrying out their roles.

3.3 Communication with Other Bodies

To facilitate the administration of the Gwynedd Pension Fund we must communicate with the following bodies:

- Member Representatives - These can include any individual or group, such as solicitors, Trade Unions or other Pension Providers, requesting information on behalf of a Scheme Member. This is only provided with the member's authority, in compliance with the Data Protection Act 2018 and GDPR. All Scheme Literature is available on request.
- Wales Pension Partnership - The Wales Pension Partnership (WPP) was established in 2017. The WPP is a combination of eight Local Government Pension Scheme (Constituent Authorities) funds across Wales and one of eight national funds for Local Government Pension Scheme.
- Shrewsbury Pensions Officers Group - Senior Pensions Officers form the Gwynedd Pension Fund meet representatives from other Local Authority Funds in the West Pennines area on a quarterly basis to share information, discuss questions on legislation and prevailing regulations as well as any technical or procedural issues.
- All Wales Group - Senior Pensions Officers form the Gwynedd Pension Fund meet representatives from other Local Authority Funds in Wales on a quarterly basis to share information, discuss questions on legislation and prevailing regulations as well as any technical or procedural issues.
- All Wales Communication Group - The Group meets as and when required, with a view of formalising and unifying approach to communications within the Welsh Local Government Authorities. The Group have collectively produced:
    - Uniform Annual Benefit Statement for both active and deferred members
    - A Short Scheme Guide
    - A Retirement Guide
    - Death Grant Expression of Wish Forms
    - Ill Health Certificates
    - Pension Fact Sheets on various topics which can be distributed to members.
- Scheme Actuary – Regarding Funding Levels, the Triennial Valuation, FRS17, TUPE and all funding issues.
- HMRC – With regards to tax issues for Scheme members.
- Additional Voluntary Contributions – Officers of the Pension fund have regular contact with the Fund's AVC providers regarding the funds of individual Scheme members.
- Fund Managers – Regarding investment and Fund performance.
- LGA – The Local Government Association (The Pensions Team) provides technical advice to Pension Fund Administering Authorities and to employers on the LGPS.

11.Glossary

Active Equity Management - A hands-on investment strategy where professional managers buy and sell individual stocks to beat a market index.

Actuary - An independent consultant who advises on the viability of the Fund. Every three years the actuary review the assets and liabilities of the Fund and reports to the Council as Administering Authority on the financial position and the recommended employers contribution rates. This is known as the actuarial valuation.

Active Member - Current employee who is contributing to a pension scheme.

Administering Authority - The Council with a statutory responsibility for running the Fund and that is responsible for all aspects of its management and operation.

Admitted Body - An organisation whose staff can become members of the Fund by virtue of an admission agreement between the Council and the organisation. It enables contractors who take on the Council's services with employees transferring, to offer those staff continued membership of the Fund.

Asset Allocation - Apportionment of investment funds among categories of assets, such as bonds, equities, cash, property and private equity. Asset allocation affects both risk and return.

Asset Class - A specific area/ type of investment e.g. overseas equities, fixed income, cash, property.

Benchmark Return- The benchmark return is the return that would be achieved if the Fund Manager had not deviated from the weightings of each asset class given to them by the Investment Panel, and had achieved returns in each of these asset classes consistent with the average return of all Local Authority Funds for that class. The benchmark weightings of asset classes are outlined within the Investment Strategy Statement.

Corporate Governance - Issues relating to the way in which a company ensures that it is attaching maximum importance to the interests of its shareholders and how shareholders can influence management.

Custodian - Bank or other financial institution that keeps custody of stock certificates and other assets of a client, collects dividends and tax refunds due, and settles purchases and sales.

Deferred pensioner - A member who has stopped paying into the scheme but is not yet retired.

Emerging markets - Relatively new and immature stock markets for equities and bonds. Settlement and liquidity can be less reliable than in the more established 'developed' markets, and they tend to be more volatile.

Employer contributions rates - The percentage of the salary of employees that employers pay as a contributions towards the employees' pension.

Equities - Ordinary shares in UK and overseas companies traded on a recognised Stock Exchange. Shareholders have an interest in the profits of the company and are normally entitled to vote at shareholders meetings.

Fair value - The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fixed interest securities/ bonds - Investments, especially in government stocks, with a guaranteed rate of interest. Conventional bonds have fixed rates, whilst index linked vary with inflation. They represent loans repayable at a stated future date, and which can be traded on a Stock Exchange in the meantime.

Fund Manager - A person or company to whom the investment of the whole, or part of the assets of a fund is delegated by the trustees.

Investment - An asset acquired for the purpose of producing income and capital gain for its owner.

Market value - The price at which an investment can be sold at a given date.

Passive - A style of investment management which aims to construct a portfolio in such a way as to provide the same return as to that of a chosen index.

Pensioner - A scheme member who receives a pension from the Fund.

Performance - A measure, usually expressed in percentage terms, of how well a fund has done over a particular time period - either in absolute terms or as measured against the average fund or a particular benchmark.

Pooled funds - Pooled investment vehicles issue units to a range of investors. Unit prices move in response to changes in the value of the underlying portfolio, and investors do not own directly the assets in the fund.

Portfolio - A collective term for all investments held in a fund, market or sector.

Private equity - Investments made by specialist managers in all types of unlisted companies rather than through publicly tradable shares.

Resolution body - Bodies that have a right to allow some or all their staff to become members of the LGPS, subject to the resolution body meeting the requirements of the LGPS regulations.

Return - The total gain from holding an investment over a given period, including income and increase/ (decrease) in market value.

Risk - Generally taken to mean the variability of returns. Investments with greater risk must usually promise higher returns than more 'stable' investments before investors will buy them.

Scheme employers - Local authorities and bodies specified in the LGPS regulations, whose employees are entitled automatically to be members of the Fund, and Admission bodies including voluntary, charitable and similar bodies, carrying out work of public nature, whose staff can become members of the Fund by virtue of an admission agreement with the Council.

Scheduled body - An organisation that has the right to become a member of the Local Government Pension Scheme under the scheme regulations. Such an organisation does not need to be admitted as its right to membership is automatic.

Transfer value - Payments made between funds when contributors leave service with one employer and decide to take the value of their contributions to the new fund.

Unrealised increase/ (decrease) in market value - The change in market value, since the purchase date, of those investments held at year end.

MEETING	**PENSIONS COMMITTEE**
DATE	**14 SEPTEMBER 2026**
TITLE	**THE GOOD ECONOMY REPORT**
PURPOSE	**To review and note the report**
AUTHOR	**DELYTH JONES-THOMAS, INVESTMENT MANAGER**

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1. INTRODUCTION

Gwynedd Pension Fund alongside the other 7 partner funds in Wales have commissioned a report by The Good Economy in order to demonstrate the work accomplished by the pensions funds for local investment in Wales.

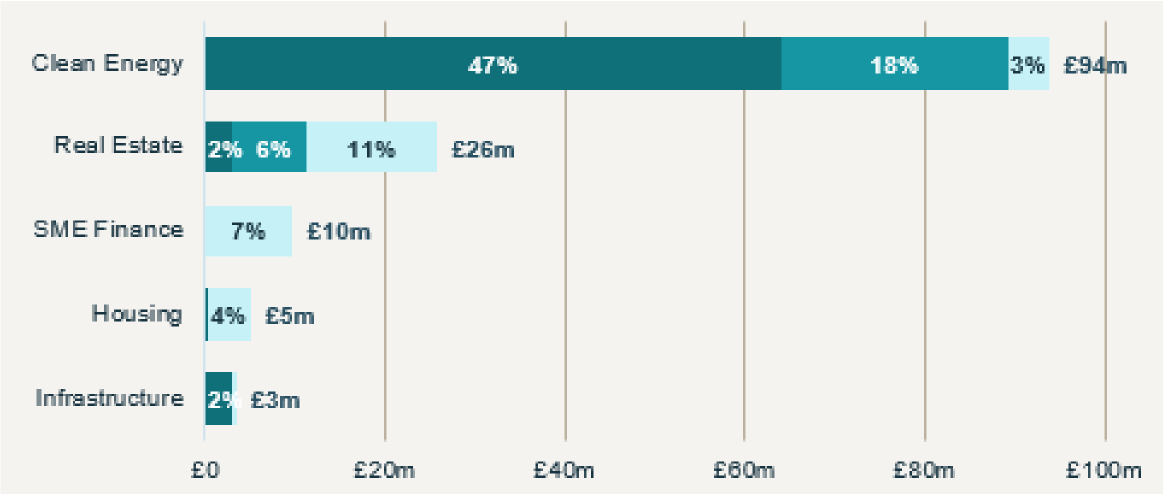
The report summarises the extent of local investing by WPP and its potential impact, with a focus on investments in Wales. The report is based on a portfolio analysis of private market investments that have exposure to the UK

The report is in Appendix 1.

2. INVESTMENTS IN WALES

WPP and the eight underlying member funds has £139 million invested in Wales in clean energy infrastructure, SME finance, housing, and real estate. Two-thirds flows into clean energy (solar, onshore wind, and energy storage), developing new generation capacity. The remaining third spans SME finance backing local businesses, housing developments addressing affordability and demographic need, and infrastructure including health and education facilities.

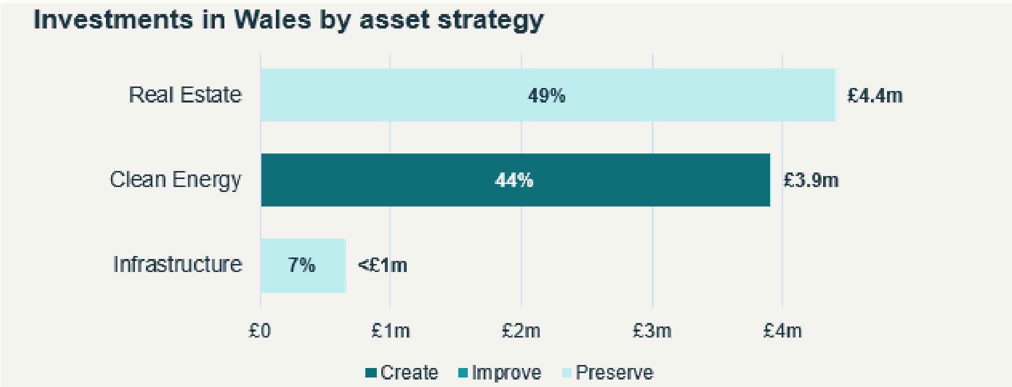
Half of the portfolio is invested in development projects, for example new energy projects, rather than acquiring existing assets. A further quarter of investment upgrades and expands acquired assets. 63% of investment in Welsh assets is in funds where WPP holds leading and influential ownership positions (sole investor, cornerstone commitments, or direct investments). These investments align with Wales Wellbeing Goals, particularly employment, clean energy transition, housing, and health infrastructure.



3. **GWYNEDD PORTFOLIO OVERVIEW**

Gwynedd has £8.7 million invested in 23 assets across Wales, with investments spread across commercial real estate, clean energy, and infrastructure. Commercial real estate accounts for 47% of investments, including retail, industrial, and office properties with one retail asset located in Gwynedd. Clean energy represents 45% of the portfolio, with two onshore wind assets generating capacity equivalent to powering 553,112 homes. Infrastructure investments include utilities and social infrastructure, with three health facilities (one in Gwynedd).

Nearly half of the portfolio consists of new developments, namely new wind generation. The remaining portfolio preserves existing investments. 44% of investment in Welsh assets is in funds where Gwynedd holds leading and influential ownership positions (sole investor, cornerstone commitments, or direct investments), providing influence over how projects develop. These investments align with Wales Wellbeing Goals, particularly clean energy transition, infrastructure provision, and local employment.



4. **RECOMMENDATION**

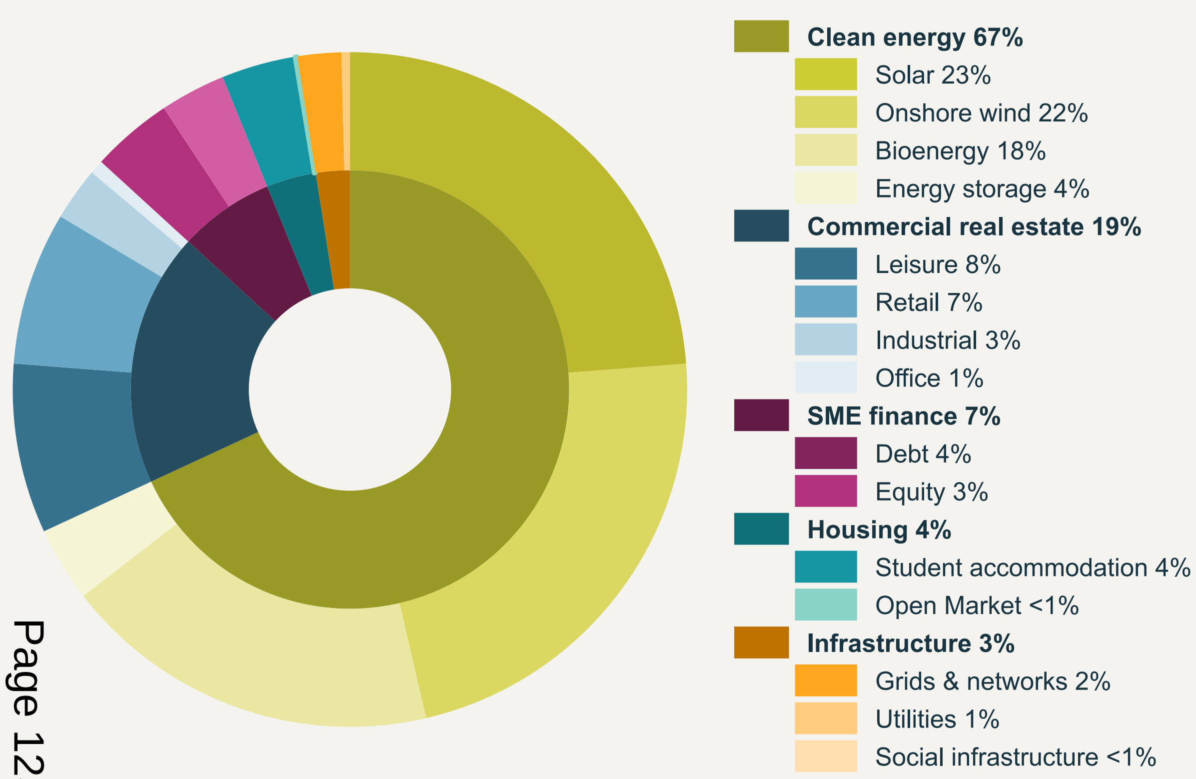
The Committee is asked to review and note the report.

As of 31st March 2025: Wales

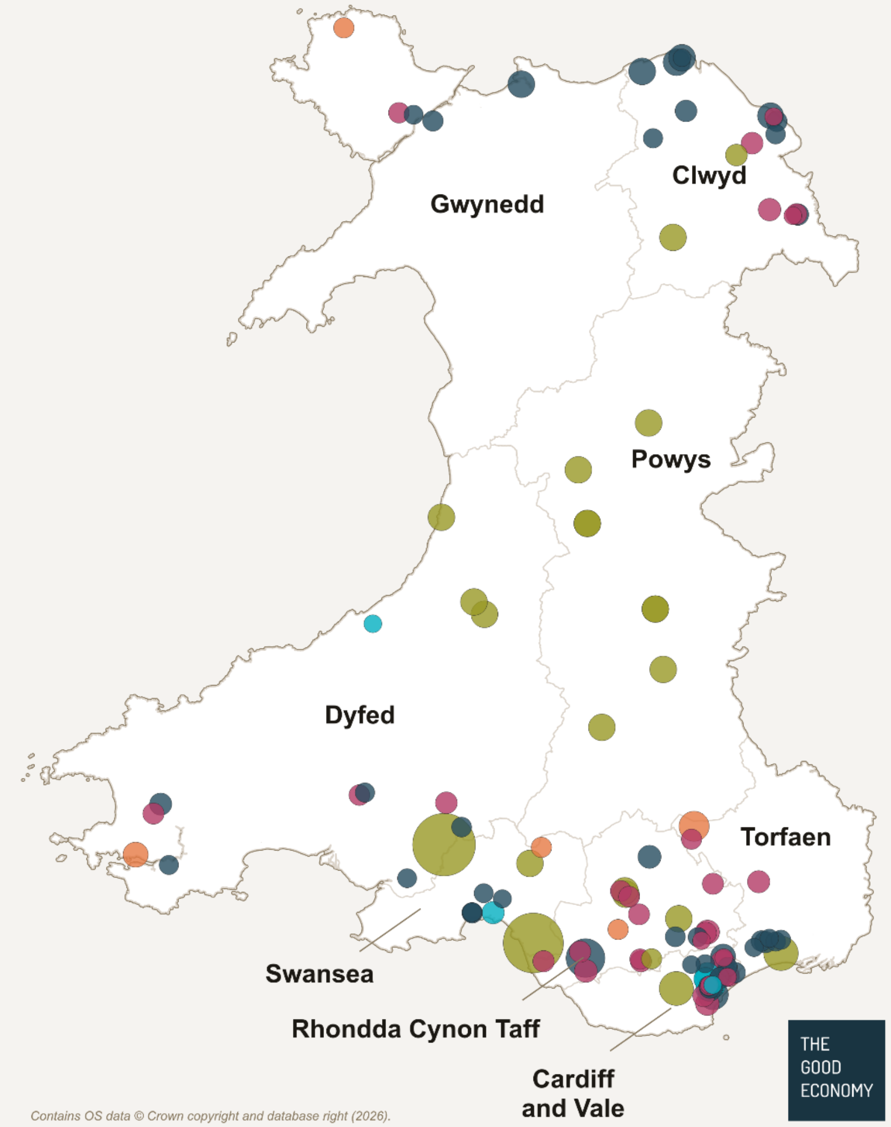
This report summarises the extent of local investing in WPP and its potential impact, with a focus on investments in Wales. The report is based on a portfolio analysis of private market investments that have exposure to the UK.

Total committed (WPP) **£4.11bn** [1] Across 8 member funds	Total invested **£2.46bn** In active assets as of reporting date
Committed to Wales-focussed funds **£185m** 4.5% of total commitments	Invested in 97 assets across Wales **£139m** 14% of UK total investments
Fund managers **31** 97% active in UK – 65% active in Wales	Investment funds **62** 82% active in UK – 37% active in Wales

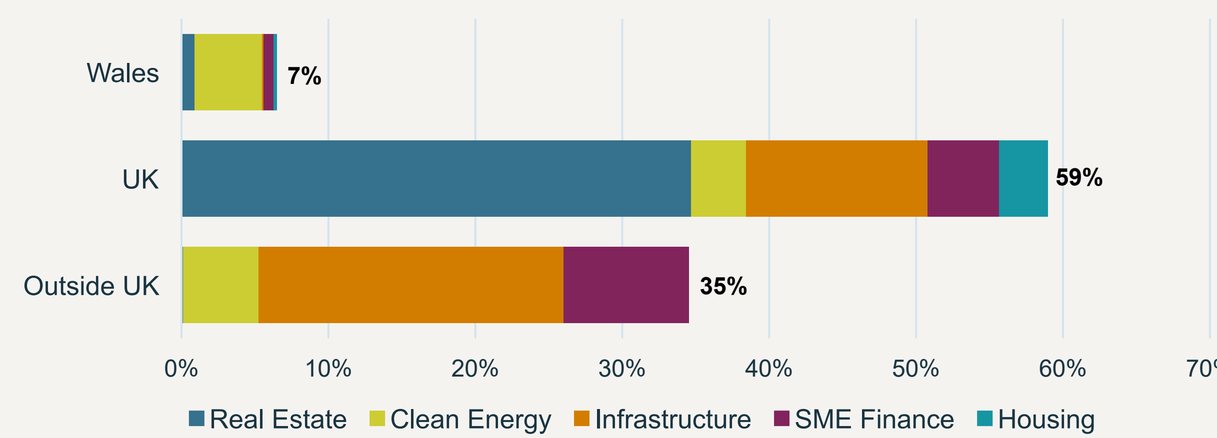
% of total invested in Wales, by sector



As of 31st March 2025: Wales



% of total invested, by geography



As of 31st March 2025: Wales

Key outputs of WPP assets in Wales and how they support the Welsh Wellbeing Goals

CLEAN ENERGY

7
clean energy assets
3 solar
2 onshore wind
1 bioenergy
1 battery storage

659,123
equivalent homes powered
Once all assets fully operational

3,234
total capacity (MW)
Once all assets fully operational

SME FINANCE & EMPLOYMENT

33
businesses supported
SME Finance portfolio

2,071
jobs supported
Through SME finance assets

354
new jobs created
Through SME finance assets

HOUSING

2,837
homes
Private Rental Sector 245
Student Homes 2,592

9
housing schemes

245
homes in construction

INFRASTRUCTURE & REAL ESTATE

44
real estate assets
19 retail
15 leisure
8 industrial
2 office

6
infrastructure assets
3 health facilities
2 gas utilities
1 electricity transmission

165
jobs supported
Through real estate assets

- Prosperous
- Resilient
- Healthier
- More Equal
- Cohesive
- Vibrant Culture
- Globally Responsible

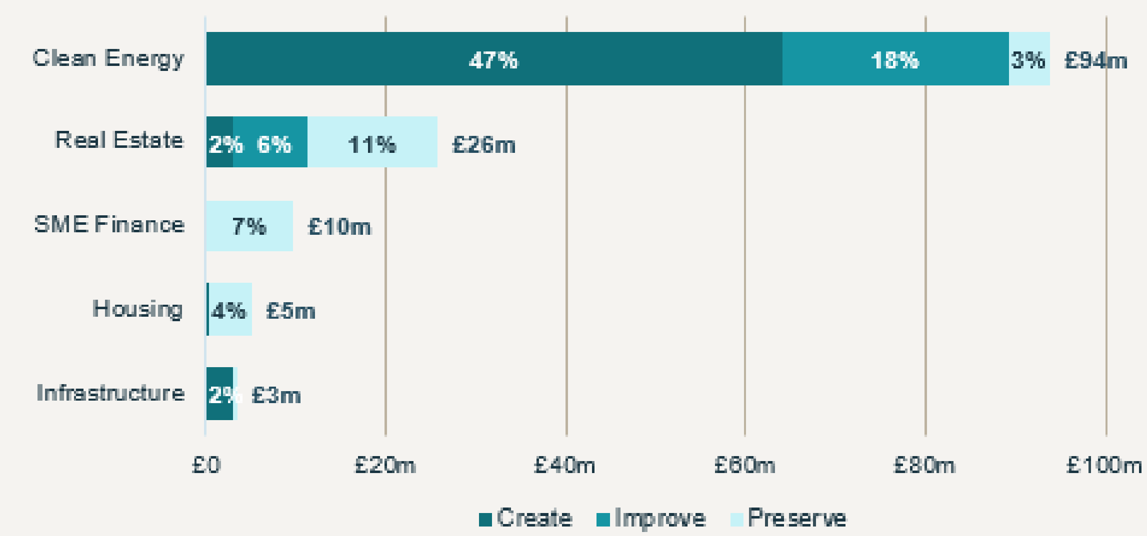
The Well-being of Future Generations (Wales) Act 2015 sets seven national goals for a more prosperous, equal and sustainable Wales. WPP maps its place-based investments against these goals to show how capital deployed in Wales serves wider public priorities.

As of 31st March 2025: Wales

WPP and the eight underlying member funds has £139 million invested in Wales in clean energy infrastructure, SME finance, housing, and real estate. Two-thirds flows into clean energy (solar, onshore wind, and energy storage), developing new generation capacity. The remaining third spans SME finance backing local businesses, housing developments addressing affordability and demographic need, and infrastructure including health and education facilities.

Half of the portfolio is invested in development projects, for example new energy projects, rather than acquiring existing assets. A further quarter of investment upgrades and expands acquired assets. 63% of investment in Welsh assets is in funds where WPP holds leading and influential ownership positions (sole investor, cornerstone commitments, or direct investments). These investments align with Wales Wellbeing Goals, particularly employment, clean energy transition, housing, and health infrastructure.

Investments in Wales by asset strategy



Investments in Wales by asset strategy and fund ownership structure (£m invested)

Classification	Leading Investor	Significant >15% share	Minority <15% share	Total
Create	£58.6m	£0.175m	£11.3m	£70.2m
Improve	£25.0m		£8.3m	£33.3m
Preserve	£4.7m	£7.9m	£22.8m	£35.5m
Total	£88.3m	£8.1m	£42.5m	£138.9m

Create	New assets, services, or capacity that did not previously exist
Improve	Upgrading or expanding existing assets to deliver better outcomes
Preserve	Holding existing assets in their current form, no change or use or enhancement

Case Study: Investment in Wales Renewable Energy

As of 31st March 2025

FUND STRATEGY

Capital Dynamics: Capital Dynamics CEI WPP

Capital Dynamics is an independent global private-asset manager specialising in renewable energy infrastructure. Its Clean Energy Infrastructure (CEI) platform makes direct equity investments in renewable power projects from early-stage development through to commercial operation.

Capital Dynamics CEI WPP LP was established in 2023 in partnership with WPP as a dedicated place-based investment vehicle, with its mandate shaped directly by Welsh pension capital and focused exclusively on renewable energy infrastructure in Wales.

By pooling seven of the eight member funds through WPP, the vehicle secured a collective commitment of £70 million (100% of the fund) directed towards Welsh clean energy. This scale has been critical in directing long-term capital in Welsh energy infrastructure, expanding investment opportunity and retaining more of the associated economic benefit in Wales.

As of 31 March 2025, £26.6 million (38%) has been drawn into solar and onshore wind developments located across Wales through the Bute Energy Portfolio. The fund is intended to support the transition to a low-carbon energy system, with a focus on development-stage and pre-construction projects. These investments are expected to contribute to the Welsh Government's targets for 100% renewable electricity by 2035 and 1 GW of locally owned capacity by 2030.

CAPITAL DYNAMICS CEI WPP LP	
Total committed:	**£70m (100% of fund)**
Drawn to date:	**£26.6m (38%)**
Member fund participation:	**7 of 8 WPP funds**
Geographic mandate:	**Wales – renewable energy**

"This investment in Bute Energy projects means that our members are contributing to addressing all of these issues while also retaining the wealth from renewable energy in Wales — as well as meeting Welsh Government targets on local and shared ownership of renewable energy projects."

- Councillor Ted Palmer, Chair, WPP Joint Governance Committee, September 2023

INVESTMENT IN WALES

Onshore Wind Development – Bute Energy

CREATE

Bute Energy

- **£70m** committed by WPP
- **16** onshore wind parks at various stages across Wales
- **1** site construction ready (Twyn Hywel, RCT)
- **3** sites through public consultation with planning applications submitted

Bute Energy is a portfolio of 16 onshore wind parks at various stages of development across Wales. In 2023, the fund committed £70 million to Bute Energy; as of March 2025, 38% (£26.6m) has been drawn to fund early-stage development and progress projects through planning and pre-construction.

This early-stage capital is designed to enable new generation capacity that did not previously exist. Capital Dynamics engages actively with local authorities and communities throughout the planning process. Currently one project, Twyn Hywel in RCT, has received planning consent and is construction-ready, with three others having cleared public consultations and submitted planning applications.

When fully operational, the portfolio is projected to generate around 25% of Wales's total electricity demand – a material contribution towards the Welsh Government's target for electricity to be 100% renewable by 2035. The portfolio is also expected to support the Government's ambition for 1 GW of locally owned renewable capacity by 2030, with WPP's collective investment designed specifically to retain ownership and economic benefit within Wales. In doing so, it is intended to contribute to several of the Well-being of Future Generations (Wales) Act 2015 goals, including a more resilient, globally responsible, and prosperous Wales.

WHEN FULLY OPERATIONAL – PROJECTED OUTCOMES

2,114 MW	553,000	25%	2.6Mt
Combined capacity	Equivalent homes powered per year	of Wales's electricity demand (projected	CO_2 offset per year

WPP PBII Reporting 2025

Investment Overview

Sector	Fund Name	Manager	Cardiff & Vale	Clwyd	Dyfed	Gwynedd	Powys	RCT	Swansea	Torfaen
Clean Energy	Capital Dynamics CEI WPP	Capital Dynamics	●	●	●	●	○	●	●	●
	Capital Dynamics CEI (Clwyd)	Capital Dynamics	○	●	○	○	○	○	○	○
	Generation IM Sustainable Solutions Fund IV	Generation	○	●	○	○	○	○	○	○
	Harbour Vest Cayman Cleantech Fund	HarbourVest	○	●	○	○	○	○	○	○
	Hermes Environmental Innovation	Hermes	○	●	○	○	○	○	○	○
	Impax New Energy Investors III	Impax	○	●	○	○	○	○	○	○
	Octopus Renewables Infrastructure SCSp	Octopus	●	○	○	●	●	○	●	●
	Quinbrook Renewables Impact Fund	Quinbrook	○	○	○	○	○	○	○	●
	Quinbrook Renewables Impact Fund II	Quinbrook	○	○	○	○	○	○	○	●
	Greencoat Tachbrook - Biomass Plant	Schroders	○	○	○	○	○	○	●	○
			2	6	1	2	1	1	3	4
SME Finance	AEP IV	August Equity	○	●	○	○	○	○	○	○
	AEP V	August Equity	○	●	○	○	○	○	○	○
	Bridges Sustainable Growth Fund III	Bridges	○	●	○	○	○	○	○	○
	Bridges Sustainable Growth Fund IV	Bridges	○	●	○	○	○	○	○	○
	Bridges Sustainable Growth Fund IV(B)	Bridges	○	●	○	○	○	○	○	○
	Charterhouse CCP IX	Charterhouse	○	●	○	○	○	○	○	○
	ECI 10 LP	ECI	○	●	○	○	○	○	○	○
	ECI 11 LP	ECI	○	●	○	○	○	○	○	○
	ECI 12 LP	ECI	○	●	○	○	○	○	○	○
	ETF Manager 2012 2	ETF Partners	○	●	○	○	○	○	○	○
	ETF Manager 2018 3	ETF Partners	○	●	○	○	○	○	○	○
	Foresight Regional Investment	Foresight	○	●	○	○	○	○	○	○
	Foresight Regional Investment III	Foresight	○	●	○	○	○	○	○	○
	Management Succession (Wales)	FW Capital	○	●	○	○	○	○	○	○
	Mercer Private Investment VII SICAV-SIF	Mercer	○	●	○	○	○	○	○	○
	Mercer Private Investment VIII SICAV-RAIF	Mercer	○	●	○	○	○	○	○	○
	Schroders WPP 1 PE/2023	Schroders	●	●	○	●	●	○	●	○
	Schroders WPP 2 PE/2024	Schroders	●	●	○	●	●	○	●	○
			2	18	-	2	2	-	2	-
Housing	CT UK Residential Real Estate	COLTAM	○	○	○	○	○	○	●	○
	Man GPM RI Community Housing Fund	ManGroup	○	○	○	○	○	○	●	○
			-	-	-	-	-	-	2	-
Fund of Funds	Private debt	Russell	●	●	●	●	●	○	●	●
	CBRE UK Property Fund	CBRE	●	●	●	●	●	●	●	●
			2	2	2	2	2	1	2	2

Sector	Fund Name	Manager	Cardiff & Vale	Clwyd	Dyfed	Gwynedd	Powys	RCT	Swansea	Torfaen
Real Estate	Standard Life Pooled Property Pension Fund	Aberdeen	●	○	○	○	○	○	○	○
	Blackrock UK Property	BlackRock	●	●	○	○	●	○	○	○
	Bridges Property Alternatives Fund III	Bridges	○	●	○	○	○	○	○	○
	Bridges Property Alternatives Fund IV	Bridges	○	●	○	○	○	○	○	○
	Bridges Property Alternatives Fund V	Bridges	○	●	○	○	○	○	○	○
	Bridges Property Alternatives Fund VI	Bridges	○	●	○	○	○	○	○	○
	CCLA Property	CCLA	○	●	○	○	○	○	○	○
	Threadneedle Property Unit Trust TPUT	COLTAM	○	○	○	●	○	○	○	●
	TPEN Property	COLTAM	○	○	○	●	○	○	○	○
	Darwin Leisure Development Fund	Darwin	○	●	○	○	○	○	○	○
	Darwin Leisure Property Fund	Darwin	○	●	○	○	○	○	○	○
	Hermes Property Unit Trust	Hermes	○	●	○	○	●	○	○	○
	M&G Secured Property Income Fund	M&G	○	○	○	○	○	●	○	●
	Paloma Real Estate Fund II	Paloma	○	●	○	○	○	○	○	○
	Triton Property Fund	UBS	●	○	○	●	○	○	○	○
			3	10	-	3	2	1	-	1
Infra-structure	CBRE Global Infrastructure Fund	CBRE	●	○	○	●	●	○	●	●
	GCM Grosvenor WPP Global Infrastructure	GCM Grosvenor	○	●	●	●	●	●	●	●
	British Strategic Investment (BSIF) Infrastructure	Gresham House	○	○	○	○	○	○	○	●
	British Sustainable Infrastructure Fund II	Gresham House	○	○	○	○	○	○	○	●
	British Sustainable Infrastructure Fund III	Gresham House	○	○	○	○	○	○	○	●
	Hermes Infrastructure II	Hermes	○	●	○	○	○	○	○	○
	IFM Global Infrastructure Fund	IFM	○	●	○	●	○	○	○	○
	Innisfree Secondary 2 Fund	Innisfree	○	●	○	○	○	○	○	○
	Newcore Strategic Situations IV	Newcore Capital	○	●	○	○	○	○	○	○
	Newcore Strategic Situations V	Newcore Capital	○	●	○	○	○	○	○	○
	UK Strategic Alternative Income Fund	BlackRock	○	○	●	○	○	○	○	○
			1	6	2	3	2	1	2	5
Total			10	42	5	12	9	4	11	12
Not received	Livingbridge VII	Livingbridge	○	●	○	○	○	○	○	○
Deployed post 31 March 2025	GCM WPP Global Infrastructure II	GCM Grosvenor	○	○	●	○	○	●	●	●
	GCM WPP UK Infrastructure	GCM Grosvenor	●	●	●	●	●	●	●	●
	Gersham House Forest Fund VI	Gresham House	●	○	●	○	●	○	●	●

Asset Annex

Pension Fund Invested Key:

C&V	Clwyd	Clwyd	Dyfed	Gwynedd	Powys	RCT	Swansea	Torfaen
●	●	●	●	●	●	●	●	●

Asset Class Key:

Clean Energy	Real Estate	SME Finance	Housing	Infrastructure
●	●	●	●	●

REGION	ASSET	FUND	SECTOR	PENSION FUND INVESTED							
Across Wales	Bute Portfolio	Capital Dynamics MA	Onshore Wind	●	●	●	●	○	●	●	●
Cardiff & Vale	Home Farm	Capital Dynamics CEI (Clwyd)	Solar	○	●	○	○	○	○	○	○
	2-6 Countisbury Avenue	Schroders Local Retail Fund	Retail	○	○	●	○	○	○	○	○
	Restaurants and Bar	Hermes Property Unit Trust	Leisure	○	●	○	○	●	○	○	○
	Bannatyne Fitness	M&G Secured Property Income Fund	Leisure	○	○	○	○	○	●	○	●
	Cardiff	Newcore Strategic Situations IV	Industrial	○	●	○	○	○	○	○	○
	Mermaid Quay	CBRE UK Property Fund	Leisure	●	●	●	○	●	○	●	○
	St William House	CBRE UK Property Fund	Office	●	●	●	○	●	○	●	○
	Cardiff, DPD	Standard Life Pooled Property Pension Fund	Industrial	●	○	○	○	○	○	○	○
	Driscoll Buildings 1 and 2	TPEN Property	Office	○	○	○	●	○	○	○	○
	Dalata Cardiff	M&G Secured Property Income Fund	Leisure	○	○	○	○	●	○	●	○
	David Lloyd Leisure Cardiff	M&G Secured Property Income Fund	Leisure	○	○	○	○	●	○	●	○
	Newport Road & Saegar Retail Parks	Threadneedle Property Unit Trust TPUT	Retail	○	○	○	●	○	○	●	○
	Adam Street Gardens	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	Blackweir Lodge	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	Cardiff BTR Trade Street	CBRE UK Property Fund	Student Accom	○	○	○	○	●	○	○	○
	Clodien House	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	Severn Point	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	The Bakery	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	Ty Pont Haearn	CBRE UK Property Fund	Student Accom	○	○	●	○	●	●	○	○
	1st Choice Auto Body Group	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Coltrun	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Cottrell Group	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Orbis	AEP V	Equity	○	●	○	○	○	○	○	○
	UPVC Electrical and Plumbing	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Veezu	Russell	Debt	●	●	●	●	●	○	●	●
Clwyd	Wind2	Octopus Renewables SCSp	Onshore Wind	●	○	○	●	●	○	●	●
	Chester	Paloma Real Estate Fund II	Industrial	○	●	○	○	○	○	○	○
	Darwin Escapes Head Office	Darwin Leisure Property Fund	Leisure	○	●	○	○	○	○	○	○
	Deeside Industrial Estate	CBRE UK Property Fund	Industrial	○	○	●	○	○	●	●	○
	Deeside Industrial Park	TPEN Property	Industrial	○	○	○	●	○	○	○	○
	New Pines	Darwin Leisure Property Fund	Leisure	○	●	○	○	○	○	○	○
	Plas Isaf	Darwin Leisure Development Fund	Leisure	○	●	○	○	○	○	○	○
	Sea View	Darwin Leisure Property Fund	Leisure	○	●	○	○	○	○	○	○
	Talacre Beach	Darwin Leisure Property Fund	Leisure	○	●	○	○	○	○	○	○
	Units 5, 6 & 7 Denbigh Retail Park	Local Retail Fund	Retail	○	○	●	○	○	○	●	○
	Wrexham, Spectrum Business Park	TPEN Property	Industrial	○	○	○	●	○	○	○	○
	JLQ Holdings	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Moneypenny	ECI 11	Equity	○	●	○	○	○	○	○	○
	RIVA Industries Ltd	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Rooms & Views	Foresight Regional Investment III	Equity	○	●	○	○	○	○	○	○
Dyfed	Brynhynd	Capital Dynamics CEI (Clwyd)	Solar	○	●	○	○	○	○	○	○
	Ffordd William Walker, Ammanford	Local Retail Fund	Retail	○	○	●	○	○	○	●	○
	Haverfordwest, Springfield Retail Park	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Pembroke Dock, London Road	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Towy Retail Park, Carmarthen	Threadneedle Property Unit Trust TPUT	Retail	○	○	○	●	○	○	○	●
	Units 1A, 1B & 2 Crown Parade	Local Retail Fund	Retail	○	○	●	○	○	○	●	○

REGION	ASSET	FUND	SECTOR	PENSION FUND INVESTED							
Dyfed	Impala Terminals Milford Haven	IFM Global Infrastructure Fund	Utilities	○	●	○	●	○	○	○	○
	VTTI (VTTI Dragon LNG)	IFM Global Infrastructure Fund	Utilities	○	●	○	●	○	○	○	○
	Menter Afon Limited	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Menter Afon	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Nolan UPVC	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Snowdrop Independent Living	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
Gwynedd	Aberconwy	Darwin Leisure Property Fund	Leisure	○	●	○	○	○	○	○	○
	Anglesey, Holyhead Road	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Bangor	Paloma Real Estate Fund II	Retail	○	●	○	○	○	○	○	○
	GP Surgery	BlackRock UK Property Fund	Social Infrastructure	●	●	○	●	○	○	●	○
	Loyalty Logistix Holdings	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
RCT	Fern Talbot Green	Quinbrook Renewables Impact Fund II	Solar	○	○	○	○	○	○	○	●
	Bridgend	Russell	Retail	●	●	●	●	●	○	●	●
	Merthyr Leisure Village, Merthyr Tydfil	The Leisure Fund LP	Leisure	○	○	○	○	○	●	○	○
	Midway Retail Park, Pontypridd	Threadneedle Property Unit Trust TPUT	Retail	○	○	○	●	○	○	○	●
	Units 1 & 2 Castle View, Piccadilly Square	Local Retail Fund	Retail	○	○	●	○	○	○	●	○
	GP Surgery	BlackRock UK Property Fund	Social Infrastructure	●	●	○	●	○	○	●	○
	Arcs Group	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Avantis Marine	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	D N Interiors	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Jan B Engineering	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Just Love Food Company Holdings	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Kingsward	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Meliora Enterprises	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○
	Nutrivend Limited	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Reel Label Solutions (Holdings)	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Sporttape	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	Spotnails (Holdings)	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
Swansea	Greencoat Brecon Limited	Greencoat Tachbrook LP - Biomass Plant	Bioenergy	○	○	○	○	○	○	●	○
	Atlas Hotels Limited Swansea	M&G Secured Property Income Fund	Leisure	○	○	○	○	○	●	○	●
	Singleton Street, Swansea	CBRE UK Property Fund	Retail	○	○	●	○	○	○	●	○
	Swansea, 18 Oxford Street	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Swansea, Unit 6B Lion Way	TPEN Property	Industrial	○	○	○	●	○	○	○	○
	Units A, B and C, Swansea City	CBRE UK Property Fund	Retail	○	○	●	○	○	○	●	○
	Swansea University 1	M&G Secured Property Income Fund	Student Accom	○	○	○	○	○	●	○	●
	Swansea University 2	M&G Secured Property Income Fund	Student Accom	○	○	○	○	○	●	○	●
	GP Surgery	BlackRock UK Property Fund	Social Infrastructure	●	●	○	●	○	○	●	○
Torfaen	Uskmouth	Quinbrook Renewables Impact Fund	Energy Storage	○	○	○	○	○	○	●	○
	156-160 Cardiff Road, Newport	CBRE UK Property Fund	Retail	○	○	●	○	○	○	●	○
	Atlas Hotels Limited Newport	M&G Secured Property Income Fund	Leisure	○	○	○	○	○	●	○	●
	Bannatyne Fitness Ltd Newport	M&G Secured Property Income Fund	Leisure	○	○	○	○	○	●	○	●
	Newport, Mendalgief Retail Pk	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Newport, Spytty Road	TPEN Property	Retail	○	○	○	●	○	○	○	○
	Reevesland Ind. Est, Newport	Threadneedle Property Unit Trust TPUT	Industrial	○	○	○	●	○	○	○	●
	Rassau	Quinbrook Renewables Impact Fund	Grids & Networks	○	○	○	○	○	○	○	●
	Camtronics Vale (Holding) Company	Management Succession (Wales)	Debt	○	●	○	○	○	○	○	○
	FLS Holdco Limited	Management Succession (Wales)	Equity	○	●	○	○	○	○	○	○

WPP Statement

WPP statement on 2025 Impact Report

WPP's inaugural all-Wales Impact Report – produced in partnership with The Good Economy to reflect our local investments, collectively, as at end-March 2025 – demonstrates the firm commitment of WPP's partner funds in investing locally in Wales and the UK. That objective has continued into 2025/26. Since then, in addition to the investments outlined in this report, we have made additional commitments within Wales. For example, within our private-debt allocations, we are supporting social-housing projects through Pluto Investments. We have also assigned a specific local and impact allocation within our real estate programme. WPP has supported partner funds in our collective £115m into the Gresham House UK forestry fund, with a major asset located in Bannau Brycheiniog (Brecon Beacons). The £50m Newcore Swansea Social partnership has also been established, investing in social infrastructure in the Swansea area. Additional commitments have also been made within the existing relationships with the Development Bank of Wales, to renewables projects in Wales, and to the Foresight Regional Investment Fund, which includes the Clwyd area.

We want to emphasise that this is just the beginning of WPP's local-investing journey. The aspiration and clear objective to invest locally in Wales and the UK was a clear mandate endorsed in the WPP Fit for the Future business case approved by HM Government in April 2025. With the launch of WPP Investment Management Company in 2026, the formation of a dedicated local-investment function – which is able to source, appraise and invest in local opportunities throughout Wales and the UK – shall enable partner funds to deploy those stated ambitions at pace, scale and provide the investment returns they expect.

About The Good Economy

The Good Economy is a leading, independent impact advisory firm. We exist to accelerate the transition to a good economy, where financial systems deliver not just returns but better outcomes for society. We support fund managers, asset owners, allocators and public authorities to align investment decisions with purpose, embedding impact into how economic investment is allocated and governed. By working through established systems, we shape how value is defined, how markets behave, and what good investment looks like – helping our clients lead with integrity and drive meaningful change.

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[1] Due to level of data disclosure Blackrock UK SAIF (£150m) has not been disaggregated by geography or asset class. There are a number of clean energy and real estate assets in Wales, indirectly held by underlying funds in UK SAIF, however exact details (investment size, shares and location) can not be determined.

WPP PBII Reporting 2025 – GWYNEDD PORTFOLIO OVERVIEW

As of 31st March 2025: Wales

This report summarises the extent of Gwynedd's local investing and its potential impact, focussing on investments in Wales. The report is based on an analysis of the fund's private market investments that have exposure to the UK.

Total committed (Gwynedd)
£468m
Across 13 funds

Total invested
£318m
In active assets as of reporting date

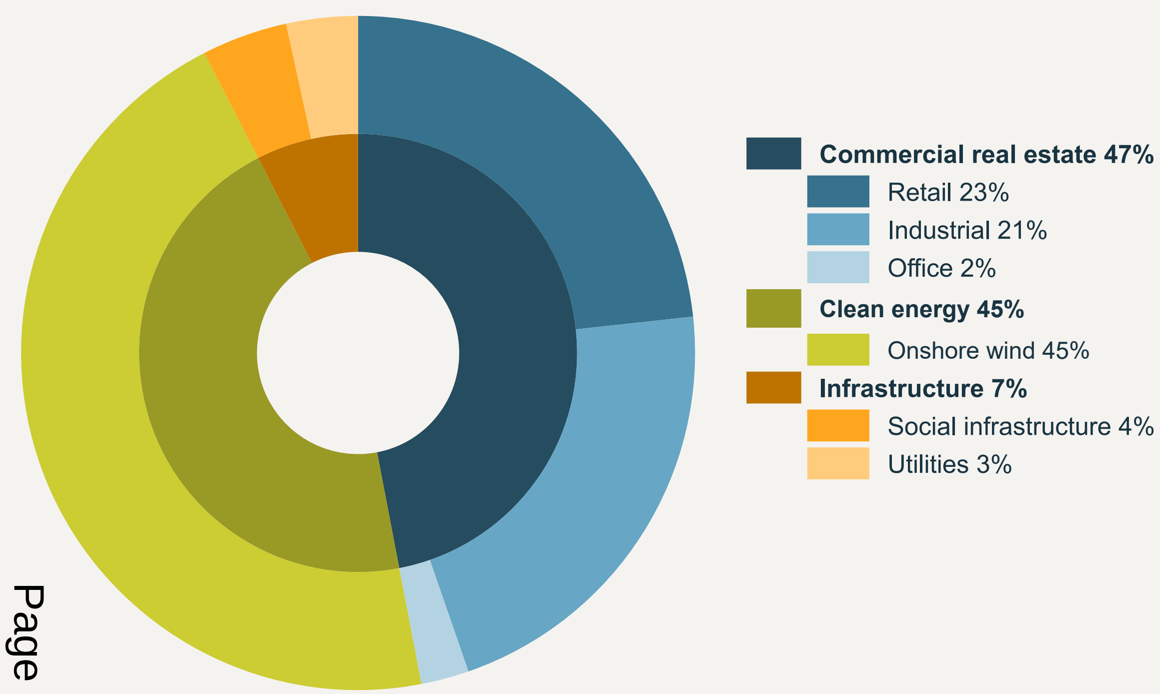
Committed to Wales-focussed funds
£10m
2% of total commitments

Invested in 23 assets across Wales
£8.7m
4% of UK total investments

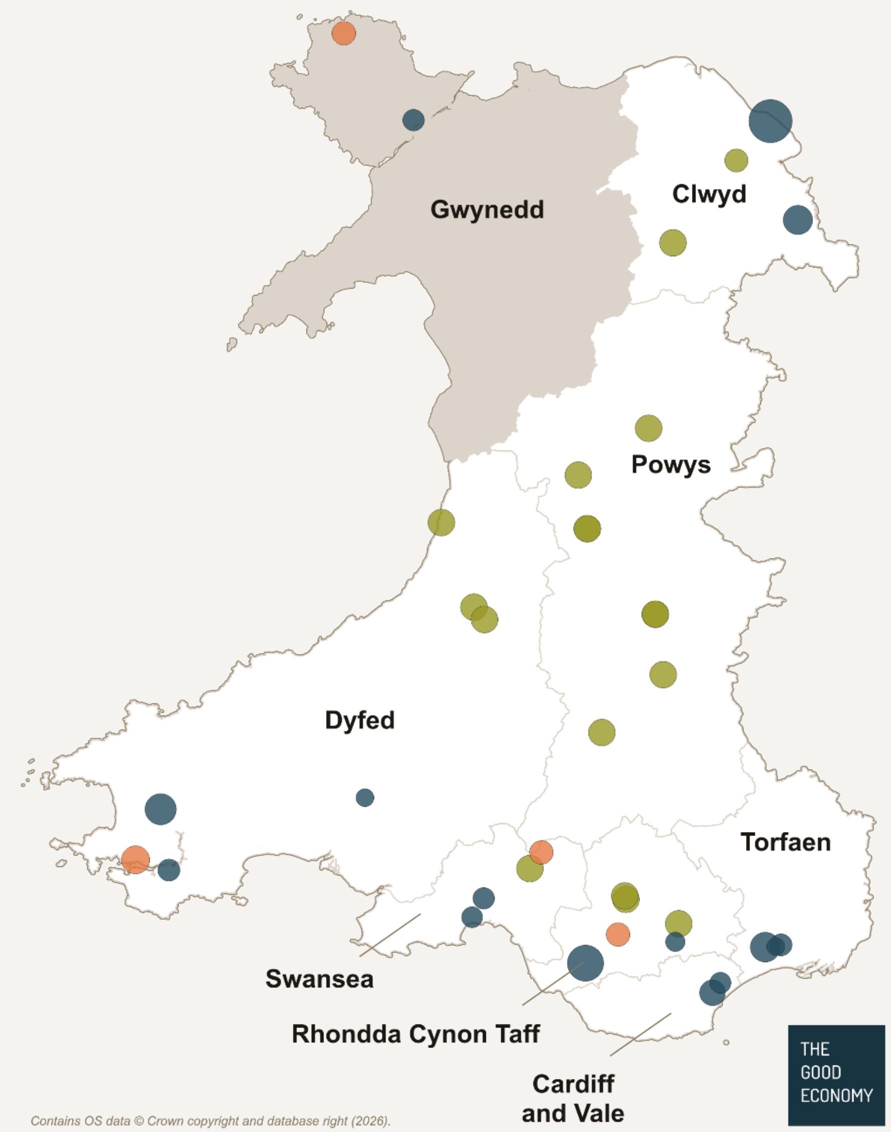
Fund managers
10
100% active in UK – 60% active in Wales

Investment funds
13
92% active in UK – 54% active in Wales

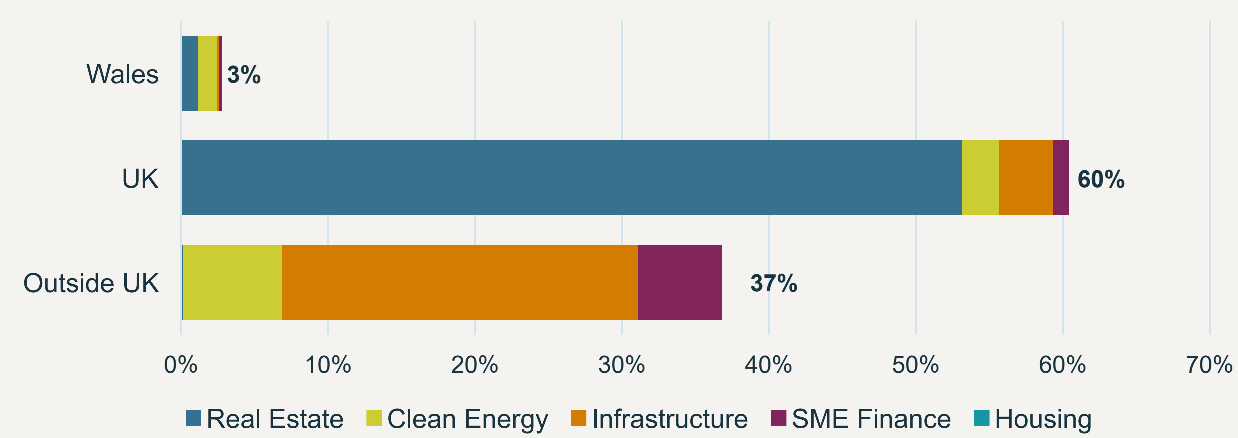
% of total invested in Wales, by sector



As of 31st March 2025: Wales



% of total invested, by geography



WPP PBII Reporting 2025 – GWYNEDD IN WALES – Outputs and Impact

As of 31st March 2025: Wales

Key outputs of Gwynedd Pension Fund assets in Wales and how they support the Welsh Wellbeing Goals

CLEAN ENERGY

2
clean energy assets
2 onshore wind

553,112
equivalent homes powered
Once all assets fully operational

2,684
total capacity (MW)
Once all assets fully operational

INFRASTRUCTURE

5
Infrastructure assets
2 Utilities

3
Social infrastructure assets
3 health facilities
1 in Gwynedd

REAL ESTATE

15
real estate assets
10 retail
4 industrial
1 office

1
of which in Gwynedd
1 retail asset

- Prosperous
- Resilient
- Healthier
- More Equal
- Cohesive
- Vibrant Culture
- Globally Responsible

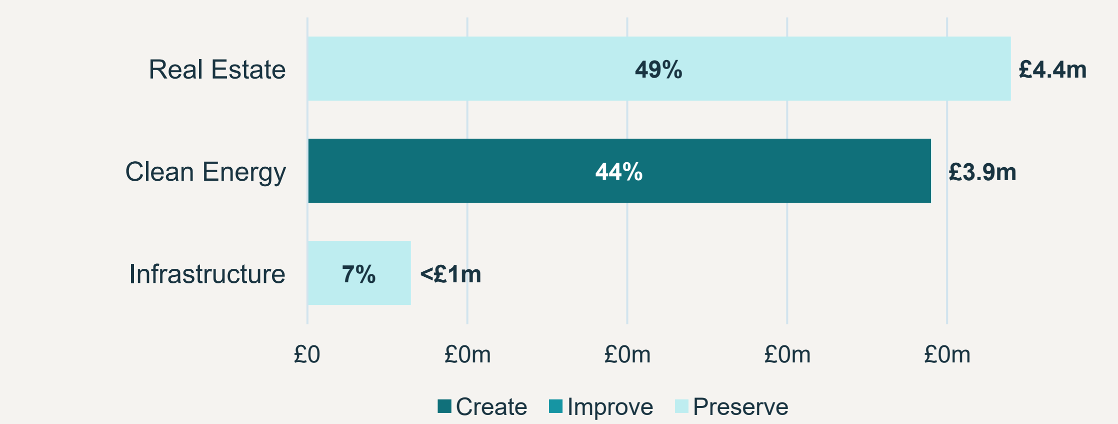
The Well-being of Future Generations (Wales) Act 2015 sets seven national goals for a more prosperous, equal and sustainable Wales. WPP maps its place-based investments against these goals to show how capital deployed in Wales serves wider public priorities.

As of 31st March 2025: Wales

Gwynedd has £8.7 million invested in 23 assets across Wales, with investments spread across commercial real estate, clean energy, and infrastructure. Commercial real estate accounts for 47% of investments, including retail, industrial, and office properties with one retail asset located in Gwynedd. Clean energy represents 45% of the portfolio, with two onshore wind assets generating capacity equivalent to powering 553,112 homes. Infrastructure investments include utilities and social infrastructure, with three health facilities (one in Gwynedd).

Nearly half of the portfolio consists of new developments, namely new wind generation. The remaining portfolio preserves existing investments. 44% of investment in Welsh assets is in funds where Gwynedd holds leading and influential ownership positions (sole investor, cornerstone commitments, or direct investments), providing influence over how projects develop. These investments align with Wales Wellbeing Goals, particularly clean energy transition, infrastructure provision, and local employment.

Investments in Wales by asset strategy



Investments in Wales by asset strategy and fund ownership structure (£m invested)

Classification	Leading Investor	Significant >15% share	Minority <15% share	Total
Create	£3.8m		**£0.1m**	**£3.9m**
Improve				
Preserve			**£5m**	**£5.0m**
Total	**£3.8m**		**£5.1m**	**£8.9m**

Create	New assets, services, or capacity that did not previously exist
Improve	Upgrading or expanding existing assets to deliver better outcomes
Preserve	Holding existing assets in their current form, no change or use or enhancement

Case Study: Investment in Wales Renewable Energy

As of 31st March 2025

FUND STRATEGY

Capital Dynamics: Capital Dynamics CEI WPP

Capital Dynamics is an independent global private-asset manager specialising in renewable energy infrastructure. Its Clean Energy Infrastructure (CEI) platform makes direct equity investments in renewable power projects from early-stage development through to commercial operation.

Capital Dynamics CEI WPP LP was established in 2023 in partnership with WPP as a dedicated place-based investment vehicle, with its mandate shaped directly by Welsh pension capital and focused exclusively on renewable energy infrastructure in Wales.

By pooling seven of the eight member funds through WPP, the vehicle secured a collective commitment of £70 million (100% of the fund) directed towards Welsh clean energy. This scale has been critical in directing long-term capital in Welsh energy infrastructure, expanding investment opportunity and retaining more of the associated economic benefit in Wales.

As of 31 March 2025, £26.6 million (38%) has been drawn into solar and onshore wind developments located across Wales through the Bute Energy Portfolio. The fund is intended to support the transition to a low-carbon energy system, with a focus on development-stage and pre-construction projects. These investments are expected to contribute to the Welsh Government's targets for 100% renewable electricity by 2035 and 1 GW of locally owned capacity by 2030.

CAPITAL DYNAMICS CEI WPP LP	
Total committed by Gwynedd:	**£10m (14% of fund)**
Drawn to date:	**£3.8m (38%)**
Geographic mandate:	**Wales – renewable energy**

"This investment in Bute Energy projects means that our members are contributing to addressing all of these issues while also retaining the wealth from renewable energy in Wales — as well as meeting Welsh Government targets on local and shared ownership of renewable energy projects.“

- Councillor Ted Palmer, Chair, WPP Joint Governance Committee, September 2023

INVESTMENT IN WALES

Onshore Wind Development – Bute Energy

CREATE

Bute Energy

- **£10m** committed by Gwynedd
- **16** onshore wind parks at various stages across Wales
- **1** site construction ready
- **3** sites through public consultation with planning applications submitted

In 2023, Gwynedd Pension Fund committed £10m to Bute Energy as part of WPP's collective £70m investment in the portfolio. As of 31 March 2025, 38% (£26.6m) has been drawn to fund early-stage development and progress projects through planning and pre-construction.

Bute Energy is a portfolio of 16 onshore wind parks at various stages of development across Wales. Through its investment, the fund is supporting the transition to renewable energy across Wales. This early-stage capital is designed to enable new generation capacity that did not previously exist. Capital Dynamics engages actively with local authorities and communities throughout the planning process, with several projects having received planning consent or submitted applications following public consultation.

When fully operational, the portfolio is projected to generate around 25% of Wales’s total electricity demand – a material contribution towards the Welsh Government’s target for electricity to be 100% renewable by 2035. The 16 onshore wind parks are also expected to support the Government's ambition for 1 GW of locally owned renewable capacity by 2030, with the collective investment designed specifically to retain ownership and economic benefit within Wales. Through its investment in Bute Energy, Gwynedd Pension Fund is contributing to the Well-being of Future Generations (Wales) Act 2015 goals, including a more resilient, globally responsible, and prosperous Wales.

WHEN FULLY OPERATIONAL – PROJECTED OUTCOMES

2,114 MW Combined capacity	**553,000** Equivalent homes powered per year	**25%** of Wales's electricity demand (projected	**2.6Mt** CO_2 offset per year

Meeting:	Pensions Committee
Date:	14/09/2026
Title:	Pension Administration
Author:	Meirion Jones, Pensions Manager
Purpose:	For information only

1. Introduction

The purpose of this report is to provide the Pensions Committee with an update on current developments affecting the administration of the Local Government Pension Scheme (LGPS) and the activities being undertaken by the Gwynedd Pension Fund to respond to these developments, maintain service standards and enhance the delivery of pension administration.

2. Regulatory Update - Fit for the Future

The UK Government's **Fit for the Future** reforms, which came into force in **June 2026**, introduce a significant strengthening of LGPS governance arrangements, placing greater emphasis on accountability, professional standards and effective decision-making by administering authorities. The reforms require each LGPS fund to appoint a designated **Senior LGPS Officer** with overall responsibility for the effective management and administration of the pension fund, providing a clear point of accountability for governance, administration and regulatory compliance. In addition, Pension Committees are required to include an **independent person** to provide external challenge, support robust decision-making and strengthen governance oversight.

Administering authorities are also required to undertake a formal **governance review** to assess the effectiveness of existing governance structures, decision-making processes, committee arrangements, policies and resources against the new requirements. Alongside this, funds must prepare and maintain an **Administration Strategy Statement**, setting out how pension administration services will be delivered, monitored and improved, including performance standards, employer engagement arrangements and the respective responsibilities of the administering authority and scheme employers. These measures are intended to promote greater consistency, transparency and service quality across the LGPS.

The governance changes form part of a wider package of reforms designed to professionalise the LGPS and improve governance standards across the Scheme. The Government's objective is to ensure that administering authorities possess the skills, capacity and resources necessary to manage increasingly complex pension fund operations while maintaining effective oversight of investment, administration and regulatory responsibilities. Funds are therefore expected to review their governance arrangements, training programmes, terms of reference and officer structures to ensure alignment with the new framework.

Although the reforms came into force in June 2026, administering authorities are expected to implement the key governance requirements, including the appointment of a **Senior LGPS Officer**, the appointment of an **independent committee member**, and adoption of an **Administration Strategy Statement**, by **31 December 2026**. Officers are currently assessing the implications of the new requirements for the Fund and will report further to the Pension Board and Pension Committee on the actions required to ensure full compliance within the prescribed timescales.

3. Regulatory Update – LGPS Access and Fairness Reforms

The LGPS *Access and Fairness* reforms came into effect from **1 April 2026**, representing one of the most significant packages of benefit and regulatory changes introduced to the Scheme in recent years. The reforms are intended to improve equality, accessibility and fairness across the LGPS, with a number of measures aimed at addressing historic anomalies and ensuring more consistent treatment of members and beneficiaries.

The principal changes include:

- Equalisation of survivor pension benefits, ensuring benefits are calculated consistently regardless of the sex or sexual orientation of the member or their survivor. Some changes apply retrospectively.
- Removal of the age 75 restriction on death grants, extending eligibility and applying the change retrospectively to qualifying deaths from 1 April 2014.
- Changes to cohabiting partner survivor benefits, including the removal of certain nomination requirements that previously prevented benefits from being payable in some circumstances.
- Measures designed to address the Gender Pension Gap, including improved pension protections for periods of authorised unpaid absence and the introduction of mandatory gender pension gap reporting by LGPS funds.
- New reporting requirements relating to member opt-outs from the Scheme to improve understanding of participation levels and any barriers to membership.
- A number of technical amendments associated with the implementation of the McCloud remedy and other LGPS regulatory provisions.

Impact on Administration

Whilst the changes are expected to improve member outcomes and promote greater fairness across the Scheme, they also create additional administrative responsibilities for administering authorities. The Fund has been required to review procedures, assess historic cases where appropriate, update administration processes and member communications, and prepare for new reporting requirements.

Officers have been working to implement the regulatory changes since their introduction on 1 April 2026 and continue to monitor guidance issued by the Scheme Advisory Board, MHCLG and other stakeholders.

A significant area of work currently underway is the identification of historic cases that may be affected by the retrospective elements of the changes, particularly those relating to survivor benefits and death grants. This exercise is expected to be challenging, as some potential beneficiaries may themselves have subsequently died, changed address, or otherwise become difficult to trace since the original member's death. The Fund will therefore need to undertake a careful review of historic records and, where necessary, tracing exercises to identify and contact individuals who may be entitled to benefits under the revised regulations.

As the Access and Fairness changes were classified as a **material change** to the LGPS regulations, administering authorities were required to communicate the changes to active, deferred and pensioner members within three months of the regulations coming into force. To comply with this requirement, the Fund issued a communication to all members towards the end of June 2026. In support of the Fund's digital strategy and to reduce printing and postage costs where possible, the majority of these communications were issued through the **My Pension Online** portal, with paper correspondence being used where members were not registered for online access.

Whilst no significant implementation issues have been identified to date, some additional administrative workload is expected over the coming months as the retrospective cases are reviewed and the practical implications of the reforms continue to emerge. Further updates will be provided to the Board as this work progresses

4. Staffing Update

I am pleased to report that two new members of staff have recently been appointed through Cyngor Gwynedd's apprenticeship and trainee schemes.

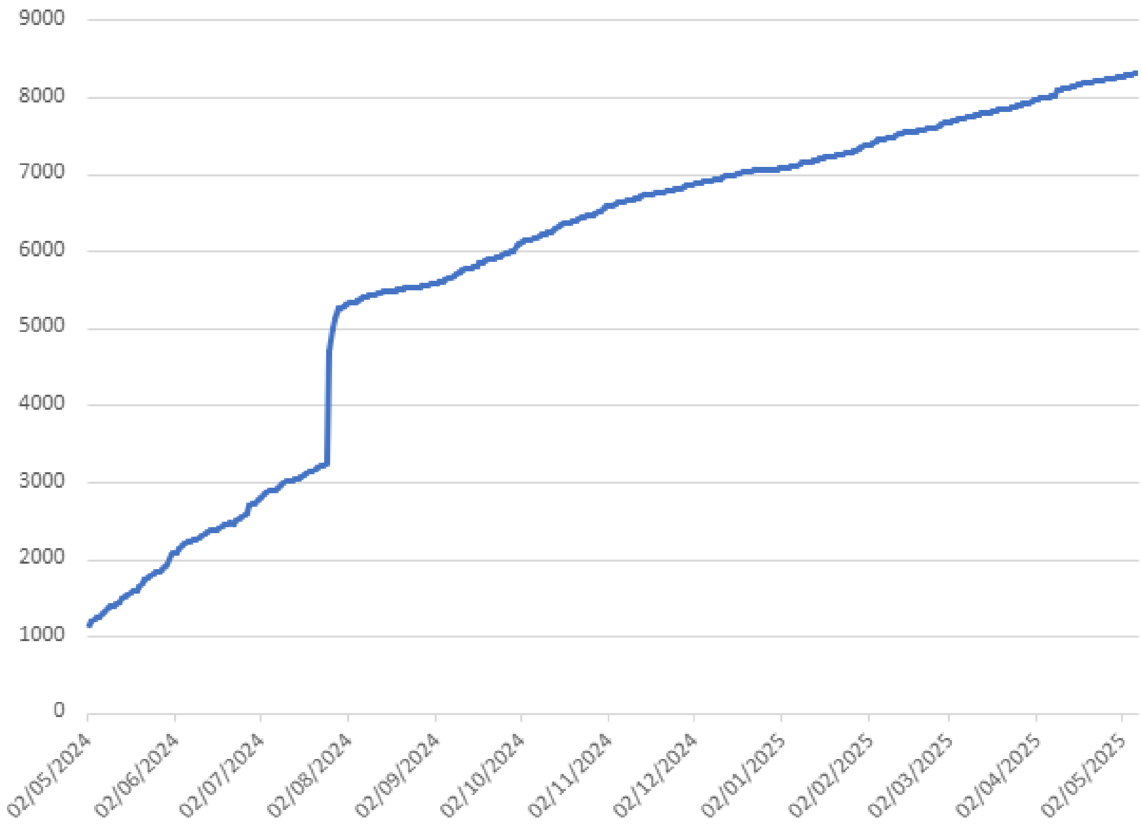
An Apprentice and a Trainee Pension Officer joined the Pension Administration Team on **20 July 2026**. These appointments demonstrate the Fund's ongoing commitment to developing local talent and investing in the future sustainability of the pensions service.

The additional resource will support succession planning, strengthen the resilience of the team and assist with maintaining high levels of service delivery as workloads continue to increase.

5. My Pension Online

Take-up of the Fund's **My Pension Online** portal continues to grow steadily, with an increasing number of members choosing to access their pension information online.

Currently approximately 8,200 members have signed up to the new portal:



The portal currently allows members to:

- View pension benefit information.
- Access annual benefit statements in paper and video format.
- Update personal details.
- Nominate beneficiaries.
- Submit retirement estimates and calculations.
- Access Fund documents and communications electronically.

The Fund is now exploring opportunities to further expand the portal's functionality. This includes the introduction of **digital forms**, reducing the need for members to complete and return paper documentation.

In addition, we are investigating the use of further **interactive AI-generated member videos**. These personalised videos could use an avatar to guide individual members through specific pension topics based on their circumstances, such as:

- Additional Voluntary Contributions (AVCs).
- Understanding retirement options.
- Retirement planning.

These developments have the potential to improve member engagement, provide information in a more accessible format and reduce administrative processing associated with paper-based communications.

6. Additional Voluntary Contributions (AVCs)

Following a comprehensive review of the Fund's Additional Voluntary Contributions (AVC) arrangements by Hymans Robertson, Legal & General was appointed as the Fund's new AVC provider from 1 September 2026. The review identified a number of challenges relating to the Fund's previous arrangements with Clerical Medical, particularly in relation to administrative and operational processes experienced over the past two years.

The new arrangement with Legal & General will provide a number of benefits to members, including:

- A wider range of investment choices.
- Lower member charges and fees.
- Improved online functionality through a dedicated member portal.

The Legal & General member portal will allow members to:

- View their AVC fund value.
- Monitor investment performance.
- Change contribution levels.
- Switch investment funds online.

Currently, many of these activities require intervention from Pension Fund staff, and members do not have direct online access to their AVC information. It is expected that the appointment of Legal & General as the Fund's new AVC provider will provide a better experience for members, along with greater administrative efficiency and improved service in the long term.

Work will proceed during the Autumn term to move member AVC funds over to Legal & General.

7. New Payroll System

Work continues on the implementation of a new payroll system (iTrent) for Cyngor Gwynedd.

The project is being led by a dedicated Project Manager and representatives from the Pension Fund continue to participate in relevant design and development sessions.

Based on demonstrations and workshops completed to date, the new system is expected to deliver a number of significant improvements, including:

- Reduced manual data input.
- Automated processing of key payroll activities.
- Fewer manual checks and reconciliations.
- Improved accuracy and efficiency.

- Reduced operational risk.

Current plans are for system testing to commence during Autumn 2026, with implementation anticipated in early 2027.

8. McCloud Remedy

Progress on the McCloud project continues to be positive.

The majority of the work required to implement the remedy has now been completed, with current efforts focused on resolving the remaining transfer cases affected by the regulations.

These cases represent the final significant element of the project. Once completed, any remaining McCloud-related activities will form part of the Fund's normal business-as-usual administration processes.

The team remains on track to complete the remaining project work in line with agreed timescales.

9. Member Satisfaction

To ensure that we offer the best possible service to our members, a Member Satisfaction Survey is sent at the end of each process, e.g. retirements and payment of refunds for the members to give their opinion on the quality of the service received and their opinion about the service provided by the staff.

89 Members took part in this survey.

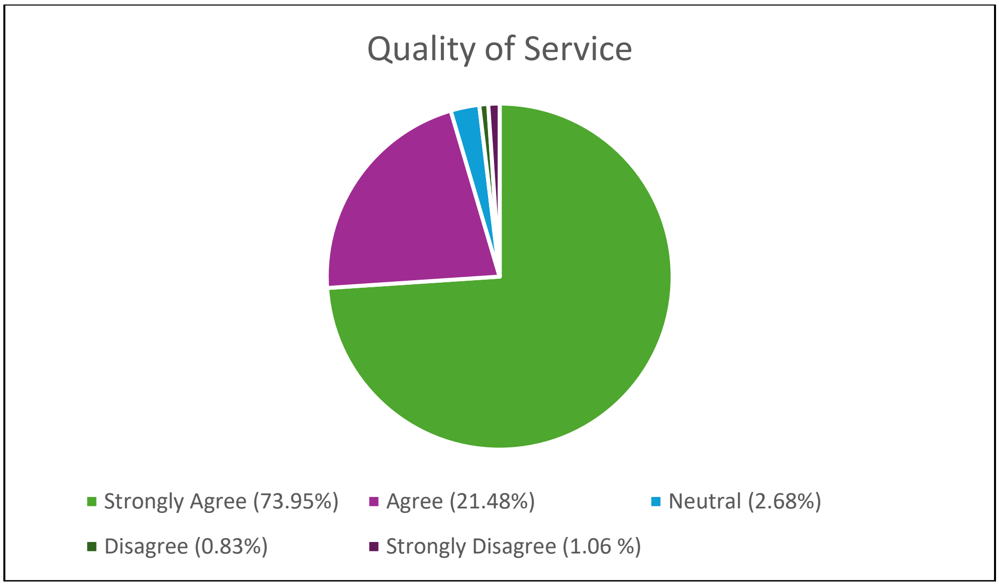
Comments received frequently highlight:

- The helpfulness and professionalism of staff.
- The quality of communications provided.
- Timely responses to enquiries.
- Support provided throughout retirement and benefit processes.

Here is a summary of the 2025/26 results:

Quality of Service

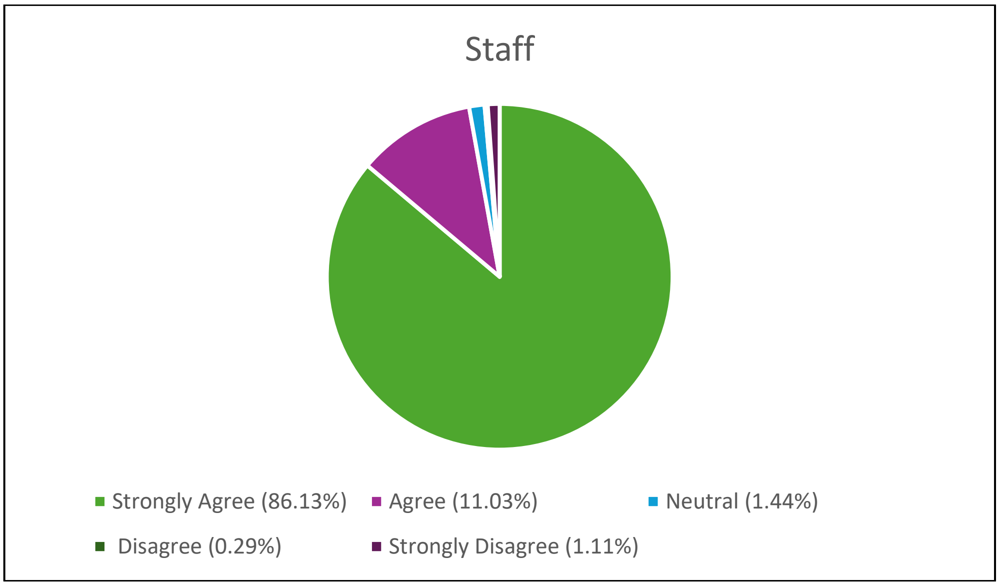
The chart below shows the percentage of users who are satisfied with four aspects of the service's performance based on: i) Service as a whole; ii) Clear information; iii) Quality of service; iv) Time to deal with the enquiry.



As can be seen, **95%** of the users strongly agree or agree that the quality of the service provided is of a high standard. The percentage for 2024/25 was **96%.**

Staff

The chart below shows the percentage of users who are satisfied with four aspects of staff performance based on: i) Courtesy; ii) Punctuality; iii) Assistance given; iv) Level of knowledge.



As can be seen, a high percentage once again **(97%)** of the users strongly agree or agree that the quality of the service provided is of a high standard in relation to the staff. The percentage for 2024/25 was **95%.**

The Fund will continue to monitor member feedback closely and use survey results to identify opportunities for further service improvements.

Meeting:	Pensions Committee
Date:	14/09/2026
Title:	PENSION FUND ADMINISTRATION POLICIES
Author:	Meirion Jones, Pensions Manager
Purpose:	To seek approval for the introduction of a new administration policy setting out the number of retirement benefit estimates that the Fund will provide to members each year
Recommendation:	To approve and adopt the new administration policy

1. Introduction

Over the years, the Pension Fund has operated with a number of administrative practices that have guided decision making and service delivery. While these practices have been applied consistently, they have not always been formally documented. In line with The Pensions Regulator's General Code of Practice, the Fund is now documenting key administrative policies to strengthen governance arrangements, promote transparency, and ensure consistency in decision making.

2. Purpose

The purpose of this report is to present the proposed Administration Policy relating to the provision of retirement estimates for consideration, approval and adoption by the Pensions Committee.

The policy was scrutinised by the Pension Board at its meeting in **July 2026**. Following its review, the Board confirmed that it supported the proposed policy and recognised the need to manage Fund resources efficiently and fairly across the membership. The Board did, however, comment that care should be taken to ensure that service reductions do not adversely affect members. Officers have considered these comments and remain satisfied that the proposed policy provides an appropriate balance between maintaining a high standard of member service and managing increasing administrative demands.

3. Policy Presented

A. Provision of Retirement Estimates (Appendix A)

This policy sets out the Fund's approach to providing retirement estimates to scheme members.

The purpose of the policy is to establish a clear and consistent framework regarding the number of retirement estimates that the Fund will provide within a tax year. Retirement estimates can be time-consuming and resource-intensive to produce, particularly where members have complex pension records or where multiple calculations are requested in response to only minor changes in retirement assumptions.

Demand for retirement estimates has increased significantly in recent years. While the vast majority of members request only one estimate, or occasionally two estimates, before making retirement decisions, a small number of members repeatedly request revised calculations based on minor changes to their circumstances, such as altering their proposed retirement date by a few days or weeks. These repeated requests can place a disproportionate burden on administrative resources and can impact the Fund's ability to deliver services to the wider membership.

The proposed policy seeks to ensure that resources are allocated fairly across all members while continuing to provide sufficient information to support retirement planning.

Under the proposed policy, the Fund will provide up to **two retirement estimates per member per tax year**. Requests exceeding this limit will not normally be processed unless exceptional circumstances apply, as determined by the administering authority.

4. Benchmarking and Fairness

Having considered practices adopted by other Local Government Pension Scheme funds, officers believe that the proposed policy is fair, reasonable and proportionate. A number of LGPS administering authorities operate more restrictive arrangements.

Some funds only provide retirement estimates to members who are within a specified period of their intended retirement date. Others limit members to a single estimate each year and may charge a fee for any additional estimates requested.

By comparison, the proposed policy provides members with access to up to two retirement estimates each tax year without charge. Officers believe this is sufficient to meet the needs of the overwhelming majority of members, who are able to make informed retirement decisions based on one or two calculations. The policy is therefore intended to address only those relatively small number of cases where members repeatedly request further estimates based on minor variations to circumstances.

The proposed approach supports effective retirement planning while ensuring that Fund resources are used efficiently and fairly for the benefit of all members.

5. Conclusion and Recommendation

The formal documentation of this policy represents an important step in strengthening the governance and administration framework of the Pension Fund.

The Pension Board considered the policy in **July 2026** and supported its introduction, whilst emphasising the importance of maintaining an appropriate level of service to members. Having considered the Board's comments, officers remain satisfied that the policy strikes a reasonable balance between member service and the efficient use of Fund resources.

The policy provides a level of service that is more generous than that offered by many other LGPS funds and is considered sufficient to meet the needs of the vast majority of members. It will also help ensure that administrative resources are focused on delivering services fairly and efficiently across the entire membership.

The Pensions Committee is therefore recommended to approve and adopt the Administration Policy set out in Appendix A with effect from the date of this meeting.

Cronfa Bensiwn
GWYNEDD
Pension Fund

Administrative Policy Statements

Title: Provision of Retirement Benefit Estimates

1. Purpose

This policy sets out Gwynedd Pension Fund's approach to providing retirement benefit estimates to members of the Local Government Pension Scheme (LGPS).

The policy is designed to ensure that members have access to sufficient information to support informed retirement planning while enabling the Fund to manage its resources efficiently, consistently and fairly. It also promotes the use of digital self-service tools, allowing members to access pension information quickly and conveniently.

2. Annual Benefit Statement (ABS)

All active members will receive an Annual Benefit Statement (ABS) each year in accordance with legislative requirements.

The ABS provides:

- The value of pension benefits accrued to date, payable unreduced from the member's Normal Pension Age (NPA); and
- An estimate of projected pension benefits at Normal Pension Age, based on the assumption that the member remains in employment on their current terms and pensionable pay.

The ABS is intended to provide members with a comprehensive overview of their pension benefits and should serve as the starting point for retirement planning.

3. Standard Provision of Retirement Benefit Estimates

In addition to the Annual Benefit Statement, the Fund will provide up to two (2) retirement benefit estimates per member in each financial year upon request.

This limit applies to estimates prepared manually by Fund officers following a request from a member, their employer, or an authorised representative.

Where a member requests estimates based on different retirement dates:

- The retirement dates requested must be a minimum of six (6) months apart; and
- The Fund reserves the right to decline requests for multiple estimates where the difference between the retirement dates is unlikely to have a material impact on the benefits payable.

This approach reflects the fact that retirement dates within a short period of each other often produce only marginal differences in pension benefits and do not justify the additional administrative resources required to produce multiple calculations.

Members should be aware that information provided are projections only and may differ from the actual benefits available at retirement. Outcomes will depend on a range of factors, including:

- Future pension benefits accrued within the LGPS;
- Changes in pensionable pay;
- Inflation and revaluation adjustments;
- The value of AVC funds at retirement (if applicable); and
- Relevant HMRC limits and pension taxation rules in force at the time benefits are taken.

4. Member Self Service and Additional Estimates

Members who require more than two retirement estimates in a financial year are encouraged to use the Fund's online Member Self Service facility, **My Pension Online**.

My Pension Online enables members to:

- Generate their own retirement benefit estimates;
- Model different retirement ages and retirement scenarios;
- Access pension information at any time; and
- Produce estimates as frequently as required without the need to contact the Fund.

The Fund may decline additional manual estimate requests where suitable information can reasonably be obtained through Member Self Service.

Promoting the use of My Pension Online allows members to access real-time pension information while ensuring Fund resources remain focused on statutory and time-sensitive work.

5. Additional Voluntary Contributions (AVCs)

Members who hold Additional Voluntary Contributions (AVCs) can use the **Maximum AVC Lump Sum Calculator** available through the LGPS member website to explore the potential tax-free lump sum that may be available at retirement.

6. Exceptions

The Fund recognises that there may be circumstances where additional estimates are necessary and appropriate.

Requests exceeding the standard annual limit may be approved where there is a clear business, legal or member need. Examples include, but are not limited to:

- Ill-health retirement applications;
- Divorce, pension sharing or other court-related proceedings;
- Redundancy or business efficiency retirement exercises initiated by an employer;
- Regulatory, legislative or legal requirements;
- Cases involving pension remedy calculations or other complex benefit issues; and
- Exceptional personal circumstances where additional information is reasonably required to support decision-making.

All requests outside the standard policy will be considered on a case-by-case basis, having regard to the circumstances of the member and the resources of the Fund.

7. Rationale for the Policy

This policy has been introduced to:

- Ensure a fair, transparent and consistent approach to all members;
- Maintain service standards and support the efficient use of Fund resources;
- Prioritise administrative capacity for statutory, regulatory, complex and time-critical work;
- Reduce duplication of effort where estimates would result in little or no material variation in benefit outcomes;
- Encourage greater use of digital self-service tools that provide instant access to pension information; and
- Support the Fund's wider digital engagement strategy and service improvement objectives.

8. Review and Governance

This policy will be reviewed periodically, and at least every three years, to ensure that it remains:

- Consistent with LGPS regulations and relevant legislation;
- Aligned with Fund administration practices and service standards;
- Appropriate to member needs and expectations; and
- Supportive of the Fund’s strategic objectives and available resources.

Any material changes to this policy will be approved through the Fund’s established governance arrangements.

9. Contact Details:

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

- **Phone:** 01286 679982
- **E-bost:** pens@gwynedd.llyw.cymru
- **Website:** www.gwyneddpensionfund.wales

Approved by: [Name] Gwynedd Pension Fund

Date:

Meeting:	Pensions Committee
Date:	14/09/2026
Title:	Administration Discretions Policy
Author:	Meirion Jones, Pensions Manager
Purpose:	Approve and adopt the Administration Discretions Policy
Recommendation:	The Pensions Committee is asked to: 1. Note that the Administration Discretions Policy has been scrutinised by the Pension Board. 2. Approve and adopt the policy. 3. Authorise officers to publish and implement the policy.

1. Purpose of the Report

To present the revised **Administration Discretions Policy** for the Gwynedd Pension Fund to the Pensions Committee for approval and adoption.

The Pensions Committee is asked to consider the revised policy and, subject to its agreement, formally approve and adopt the policy as the Fund's Administration Discretions Policy.

The policy was presented to the Pension Board in July 2026 as part of the Board's governance and scrutiny responsibilities. Following its review, the Board did not request any amendments or improvements to the policy and was satisfied that it provides an appropriate framework for the exercise of the Fund's discretionary administrative powers.

2. Background

Administering authorities are required under the Local Government Pension Scheme Regulations to formulate, publish and maintain policies setting out how they will exercise specified discretions relating to scheme administration.

The purpose of maintaining a formal Administration Discretions Policy is to:

- ensure decisions are taken consistently and transparently;
- provide clarity to scheme members, employers and officers regarding administrative practices;
- support compliance with legislative and regulatory requirements;
- reduce operational and legal risk arising from inconsistent application of discretions; and
- support good governance and effective decision-making.

The policy does not alter members' statutory benefits but establishes the framework through which the Fund exercises those administrative discretions available under the Regulations.

3. Review of the Policy

The Fund's Administration Discretions Policies have not been comprehensively reviewed or updated for a number of years, with the previous policy having been approved in 2009.

During that period, changes to LGPS regulations and guidance have introduced additional discretions that administering authorities are required to consider and document. As part of this review, the policy has been fully refreshed to ensure that all relevant discretions that the Fund is required to maintain are included within a single, up-to-date document.

The revised policy therefore seeks to:

- consolidate all current administration discretions into one document;
- ensure compliance with current LGPS requirements;
- reflect current administrative practice and governance arrangements;
- clarify responsibilities and delegated authority; and
- improve transparency and consistency in decision-making.

It is proposed that the document will be reviewed annually going forward to ensure that the Fund's Administration Discretions Policy remains current, reflects any legislative or operational changes, and continues to meet regulatory requirements.

4. Main Proposed Change

The main proposed changes to the discretions are:

4.1 Abatement Policy

The revised policy changes the Fund's approach to **abatement**, which is the reduction of pension payments where an LGPS pensioner returns to employment in circumstances permitted under the Regulations.

Under the previous policy (adopted in 2015), abatement could only apply where a member was receiving a **Tier 1 or Tier 2 ill-health pension** or had been awarded **additional years** by their employer. In practice, no cases have been identified where abatement has been applied since the policy was introduced. Additional years have not been awarded for a number of years and Tier 1 and Tier 2 ill-health retirements are exceptional cases.

The revised policy therefore proposes removing abatement entirely and confirms that the Fund will not apply abatement in future cases. This reflects the Fund’s operational experience, actuarial advice and alignment with approaches adopted by other LGPS administering authorities.

4.2 Medical Requirements for Contributions

The revised policy updates the Fund’s approach to medical requirements for members purchasing additional pension.

Under the previous policy, members applying for **Additional Regular Contributions (ARC)** were required to submit a satisfactory medical report before their election could be accepted. Under the revised policy, reflecting current arrangements for **Additional Pension Contributions (APC)** and **Shared Cost Additional Pension Contributions (SCAPC)**, members will instead complete a health declaration form.

The Fund retains discretion to refuse an application where health concerns are identified. This approach reduces administration while continuing to protect the Fund where appropriate.

4.3 Pension Strain Costs

The revised policy updates the Fund’s approach to recovering pension strain costs from employers.

Previously, employers could pay strain costs either as a lump sum or in instalments over a period of up to five years. Under the revised policy, strain costs will normally be payable as a **single lump-sum payment**, with repayment arrangements only considered in cases of financial hardship and subject to interest on any outstanding balance.

The policy also clarifies that system-generated strain costs arising from flexible retirement from age 60 onwards will be disregarded where they do not represent a genuine actuarial cost.

4.4 Admission Agreements and Criteria

The revised policy simplifies the discretions relating to admission bodies.

Detailed requirements previously included within the policy, such as audited accounts, business plans, guarantor arrangements and administration charges, are now managed through the **Funding Strategy Statement** and associated governance documents.

4.5 Death Grant Payments

The revised policy retains **Expression of Wish** forms as the primary guide when determining payment of death grants but introduces greater flexibility where no valid nomination exists.

Rather than following a fixed order of payment, the Fund will consider all relevant circumstances and may pay the death grant to the member's estate or another appropriate beneficiary where appropriate.

4.6 Education Breaks for Eligible Children

The policy continues to treat education or training as continuous where a break does not exceed one academic year.

The revised policy adds clarification that payments will be reinstated and backdated, where appropriate, once evidence is received confirming that full-time education has resumed.

4.7 Medical Advisors

The revised policy strengthens governance arrangements relating to medical advisors.

It confirms that the approved list of independent registered medical practitioners is maintained jointly with Clwyd Pension Fund to improve resilience and continuity. It also formalises the requirement to verify practitioners against the General Medical Council register before approval.

5. Governance and Risk Considerations

Maintaining and periodically reviewing the Administration Discretions Policy supports the Fund's governance framework by:

- promoting consistent decision-making;
- improving transparency for employers and members;
- supporting regulatory compliance;
- reducing operational and reputational risk; and
- providing a clear audit trail for administrative decisions.

Failure to maintain an up-to-date policy could increase the risk of inconsistency and challenge in the application of administrative decisions.

6. Financial Implications

There are no direct financial implications arising from adoption of the policy.

The proposed removal of pension abatement is not expected to create a material financial impact based on historic experience and the absence of identified cases under the existing policy.

7. Legal Implications

The Fund is required under the LGPS Regulations to maintain and publish policies relating to specified discretionary functions.

The revised policy supports compliance with those obligations and ensures that all relevant discretions are documented and regularly reviewed.

8. Recommendation

The Pensions Committee is asked to:

1. Consider the revised Administration Discretions Policy attached at Appendix 1
2. Note that the policy was reviewed by the Pension Board in July 2026 and that no amendments or improvements were requested.
3. Approve the Administration Discretions Policy as the Gwynedd Pension Fund's policy for the exercise of administrative discretions under the LGPS Regulations.
4. Authorise officers to publish and implement the policy and to undertake annual reviews to ensure that it remains compliant with legislative and operational requirements.

Gwynedd Pension Fund - Administering Authority Discretions

Introduction

As an administering authority within the Local Government Pension Scheme (LGPS), Gwynedd Pension Fund is required to prepare, publish, and keep under regular review a written policy statement on how it will exercise a number of statutory discretions. These discretions arise from various LGPS regulations and guidance, and the policy must set out the principles the administering authority will apply when making decisions in each area.

The Pensions Ombudsman has made clear that, when exercising a discretionary power, an employer or administering authority owes an implied duty of good faith to its members. This includes acting reasonably, taking relevant factors into account, and disregarding irrelevant ones. The Ombudsman has also recognised that employers and administering authorities are entitled to consider their own interests—including financial implications—when reaching a decision. Some discretionary decisions may result in additional costs to the employer or the pension fund, and it is legitimate for these costs to form part of the decision-making process. However, cost alone cannot be the sole determining factor; it must be balanced against all other relevant considerations. A blanket refusal to approve any action that generates a cost would again be considered fettering discretion.

There are certain discretions for which the LGPS Regulations require a published policy, and others where a published policy is not mandatory. The Fund has chosen to include both mandatory and non-mandatory areas within this document to ensure a comprehensive and transparent approach.

General Considerations

In exercising any discretion, the administering authority must comply with the requirements of the Equality Act 2010 and the Equality Act (Age Exceptions for Pension Schemes) Order 2010. All members must be treated fairly and consistently, and any differences in treatment must be capable of objective justification.

The tables that follow summarise the relevant LGPS regulations and outline the Fund's policy position for each discretionary area. These summaries are provided for ease of reference and should not be regarded as a substitute for the statutory regulations themselves, which remain the definitive legal source.

Statement of Policy

This section states the mandatory policies that an Administering Authority should have:

Regulation	Description	Policy
55 of the LGPS Regulations 2013	The matters within the Governance Compliance Statement which must be published in accordance with Regulation 55.	The Fund has a Governance Compliance Statement, which sets out how it complies with the governance requirements of the Local Government Pension Scheme and the extent to which it meets the best-practice principles issued by the Secretary of State. A copy can be viewed by clicking the following link: **Governance Compliance Statement**
58 of the LGPS Regulations 2013	Decide on funding strategy for inclusion in funding strategy statement	The Fund has a Funding Strategy Statement, which sets out the principles governing how employer contributions are determined and how funding risks are managed. A copy can be viewed by clicking the following link: **Funding Strategy Statement**
59 (1) & (2) of the LGPS Regulations 2013	Whether to have a written pensions administration strategy and, if so, the matters it should include.	Gwynedd Pension Fund has adopted a written Pensions Administration Strategy in accordance with Regulation 59(1) of the Local Government Pension Scheme Regulations 2013. The Strategy sets out the performance standards, responsibilities, communication arrangements and compliance framework required under Regulation 59(2). A copy can be viewed by clicking the following link: **Administration Strategy**
61 of the LGPS Regulations 2013	The administering authority's Communication Policy which must be published in accordance with this regulation	The Fund has a Communication Policy Statement, which sets out how it engages with members, employers and stakeholders. A copy can be viewed by clicking the following link:

Regulation	Description	Policy
		Communication Policy Statement

For active members or members who left on or after 1 April 2014 or in respect of current policies.

Relevant Legislation

- The Local Government Pension Scheme Regulations 2013
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Local Government Pension Scheme (Administration) Regulations 2008
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008
- The Local Government Pension Scheme Regulations 1997 (as amended)
- The Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011

Administering Authority Discretions – Mandatory

Regulation	Description	Policy
30(8) of the LGPS Regulations 2013	Whether to waive, in whole or in part, actuarial reduction on benefits accrued from 1 April 2014 only when a member voluntarily draws them before normal pension age **in the event that the member's former employer is no longer a scheme employer.** Whether to waive, in whole or in part, actuarial reduction on benefits which a member draws on flexible retirement grounds **in the event that the member's former employer is no longer a scheme employer.**	Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. It should also be noted that a flexible retirement scenario is highly unlikely to arise in such circumstances. Flexible retirement can only take place where the member continues in employment with an organisation that remains a scheme employer. If the former employer has exited the scheme, flexible retirement is not a viable option. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider **exceptional circumstances**, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.
Schedule 2 para 1(2) and 1(1)(c) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Where a member is voluntarily retiring between the ages of 55 and 60 and has a period of service which is covered by the rule of 85, the rule does not automatically apply. **Where the employer no longer exists,** the administering authority has the discretion to allow for the rule of 85 to be "switched on".	Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider **exceptional circumstances**, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.
	Where the employer no longer exists, whether to waive upon the voluntary early payment of	No definition of compassionate grounds is given in the LGPS regulations. The term is sometimes interpreted as referring to a situation when a scheme member is required

Regulation	Description	Policy
3(1), Schedule 2, para 2(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014 Regulation 30(5) and 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 Regulation	benefits, any actuarial reduction on compassionate grounds or, for periods of service to which the compassionate service discretion does not apply, to waive any actuarial reduction on any grounds.	to give up work in order to be a full time, long term carer for a member of their family. Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.
3(13) of the LGPS (Transitional Provisions and Savings) Regulations 2014 And 70(1) and 71(4)(c) of the LGPS (Administration) Regulations 2008	Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment	Gwynedd Pension Fund will not apply abatement to pensions. The Fund has determined that pensions in payment will not be reduced or suspended on account of a member returning to local government employment or employment with another scheme employer.

Administering Authority Discretions – Non Mandatory

Regulation	Description	Policy
4(2)(b) of the LGPS Regulations 2013	Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or care Quality Commission	The Fund's policy on the application of this regulation is set out in full within the Fund's Funding Strategy Statement.
3(5) and Schedule 2, Part 3 para 1 of the LGPS Regulations 2013	Whether to agree to an admission agreement with a body applying to be an admission body	The Fund's policy on the application of this regulation is set out in full within the Fund's Funding Strategy Statement.
Sch2, Part 3, para 14 of the LGPS Regulations 2013	Whether to agree that an admission agreement may take effect on a date before the date on which it is executed.	Under Schedule 2, Part 3, paragraph 14 of the Local Government Pension Scheme Regulations 2013, Gwynedd Pension Fund may agree for an admission agreement to take effect from a date earlier than its execution. Such approval is considered on a case-by-case basis, subject to confirmation of employer responsibilities and assurance that no additional risk is placed on the Fund.
Schedule 2 Part 3 para 9(d) of the LGPS Regulations 2013	Whether to terminate a transferee admission agreement in the event of - insolvency, winding up or liquidation of the body - breach by that body of its obligations under the admission agreement - failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so	The Fund's policy on the application of this regulation is set out in full within the Fund's Funding Strategy Statement.
Schedule 2, part 3, para 12(a)	Define what is meant by employed in connection with	Under Schedule 2, Part 3, paragraph 12(a) of the Local Government Pension Scheme Regulations 2013, the administering authority is required to determine which employees of an admission body are considered to be "employed in connection with" the provision of the service to

		which the admission agreement relates. For the purposes of Gwynedd Pension Fund, this term refers to employees who are wholly or mainly engaged in delivering the specific service or function covered by the admission agreement, including those who transfer under TUPE or whose duties are primarily assigned to that service. Employees whose work is only indirectly related, or who are engaged across multiple functions with limited involvement in the contracted service, are not regarded as being employed in connection with it. This definition ensures clarity, consistency, and appropriate eligibility for LGPS membership.
16(1) of the LGPS Regulations 2013	Whether to turn down a request by a member to pay an Additional Pension Contribution or Shared Cost Additional Pension Contribution over a period of time where it would be impractical to allow such a request (e.g. where the sum being paid is very small and could be paid as a single payment)	Gwynedd Pension Fund has not set a minimum payment threshold.
16(10) of the LGPS Regulations 2013	Whether to require a satisfactory medical before agreeing to an application to pay an Additional Pension Contribution (APC) or Shared Cost Additional Pension Contribution (SCAPC). If, where a medical is required to turn down an APC or SCAPC application if the member is in poor health.	Gwynedd Pension Fund does not require members to undergo a formal medical assessment before entering into an Additional Pension Contribution (APC) or Shared Cost APC (SCAPC) contract. However, where a member chooses to pay for the APC or SCAPC over a set period rather than as a lump sum, the Fund requires the member to complete a health declaration form at the start of the contract. This declaration confirms that the member is fit for work at the point the APC contract begins. It also provides the Fund with the right to access relevant historic medical records should the member subsequently retire on ill health grounds. This enables the Fund to verify that no medical condition leading to the ill health retirement existed prior to the commencement of the APC contract. The purpose of this process is to protect the Fund from meeting the cost of additional pension where the member

		may already have had an underlying medical condition that could reasonably have been expected to result in ill health retirement. The Fund reserves the right to decline an APC or SCAPC application where the information provided indicates that the member is in poor health and the contract would present an undue risk to the Fund.
17(12) of the LGPS Regulations 2013	Decide to whom any AVC/Shared Cost AVC monies (including life assurance monies) are to be paid on death of the member	In the event of a member's death, Gwynedd Pension Fund will normally pay any AVC or Shared Cost AVC (including life assurance) benefits in accordance with the member's most recent Expression of Wish form. This form provides important guidance to the administering authority when exercising its discretion over the distribution of death benefits. If the Expression of Wish form is not up to date, is incomplete, or has not been provided, the Fund will use its discretion to determine the most appropriate recipient. In such cases, where no clear beneficiary can be identified, the Fund may decide to pay the benefits to the member's estate. The administering authority will consider all relevant information available at the time of the member's death to ensure that benefits are paid promptly, fairly, and in accordance with the LGPS Regulations.
22(3)(c) of the LGPS Regulations 2013	Pension account may be kept in such form as is considered appropriate	Gwynedd Pension Fund currently uses Altair, the industry's leading pension administration platform, to store pension account details. The arrangement is kept under regular review and is monitored particularly as the contract approaches its end, to ensure continued suitability, performance, and value.

10(9) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Decide, in the absence of an election from the member within 12 months of ceasing a concurrent employment, which ongoing employment benefits from the concurrent employment which has ceased should be aggregated (where there is more than one ongoing employment)	The administering authority might choose to combine the deferred concurrent record with the ongoing record which based on evidence available at the time appears to be most beneficial to the member.
68(2) of the LGPS Regulations 2013	Whether to require employers to pay for pension strain when benefits are drawn early or with a reduced reduction.	Under Regulation 68(2) of the Local Government Pension Scheme Regulations 2013, the administering authority has discretion to require employers to meet the cost of pension strain arising when a member draws benefits early or with a reduced actuarial reduction. The Fund applies this discretion by requiring employers to pay genuine strain costs, normally through a single lump-sum payment. In cases of financial hardship, the Fund may consider allowing payment to be spread over an agreed period, with interest applied to any outstanding balance, in line with the principles set out in the Funding Strategy Statement. In some cases, the administration system may generate a strain cost for members taking flexible retirement at age 60 or above. These amounts arise due to limitations in the system's calculation methodology rather than representing a genuine actuarial cost. In such cases, the Fund disregards the system-generated strain cost. Invoices for genuine strain costs are issued to employers on a quarterly basis once the member's benefits have been processed, ensuring transparency and timely recovery of costs.
Schedule 2, para 2(3) of the LGPS (Transitional	Whether to require any strain on Fund costs to be paid "up front" by employing authority if the employing authority "switches on" the	Employers typically meet pension strain costs through a single lump-sum payment. However, in cases of financial hardship, the Fund may consider allowing the employer to

Provisions and Savings) Regulations 2014	85 year rule for a member voluntarily retiring (other than flexible retirement) prior to age 60, or waives actuarial reductions.	spread the payment over an agreed period. Where this is permitted, interest will be applied to the outstanding balance. Invoices for strain costs are issued to employers on a quarterly basis once the member's benefits have been processed, ensuring transparency and timely recovery of costs.
32(7) of the LGPS Regulations 2013	Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement	Gwynedd Pension Fund will not normally require members to give three months' notice of early retirement, nor will it require an election to be made within one month in cases of flexible retirement. In most cases, once a valid request has been submitted and all necessary information has been received, the administering authority will aim to bring the pension into payment at the next available payroll run.
34(1)(a) of the LGPS Regulations 2013	Decide whether to commute small pensions under section 166 of the Finance Act 2004	Where the member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
34(1)(b) of the LGPS Regulations 2013	Decide whether to commute small dependants' pensions under section 168 of the Finance Act 2004	Where a dependent of a deceased member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
34(1)(c) of the LGPS Regulations 2013	Decide whether to commute small pensions under section regulations 6 (payment after relevant accretion), 11 (de minimis rule for pension schemes) or 12 (payments by larger pension schemes) of the Registered Pension Schemes (Authorised Payments) Regulations 2009	Where a member meets the criteria set by HMRC, the Fund may, at the member's request, commute their benefits to a lump sum. If no request is made, the Fund may still exercise its discretion to pay a trivial commutation lump sum instead of putting an ongoing pension into payment.
36(3) of the LGPS Regulations 2013	Approve medical advisors used by employers (for ill health benefits)	Gwynedd Pension Fund maintains a list of approved independent registered medical practitioners who are authorised to provide medical opinions for ill-health retirement assessments. This list is jointly shared with the Clwyd Pension Fund to ensure consistency, quality, and resilience across both administering authorities.

		The list is reviewed and updated on a regular basis. As part of this process, all doctors are checked against the General Medical Council (GMC) register to confirm that they hold the appropriate qualifications, are in good standing, and meet the regulatory requirements to provide medical advice for LGPS ill-health determinations. Only practitioners who satisfy these criteria are permitted to appear on the approved list. Employers must use a doctor from this approved list when obtaining the medical certification required under Regulation 36.
12(6) of the LGPS Transitional Provisions and Savings Regulations) 2014	Whether to use a certificate produced by an IRMP under the 2008 scheme for the purpose of making an ill health determination under the 2014 Scheme in cases where the member's former employer is no longer a scheme employer.	Gwynedd Pension Fund will accept and use an IRMP certificate issued under the LGPS 2008 Scheme to determine entitlement to ill health benefits under the LGPS 2014 Scheme where the member's former employer is no longer a Scheme employer, provided sufficient evidence exists to support the determination. The Fund reserves the right to obtain further medical advice where necessary.
38(3) of the LGPS Regulations 2013	Decide whether a deferred beneficiary meets the criteria required to qualify for ill-health retirement in cases where the member's former employer is no longer a scheme employer.	Gwynedd Pension Fund will apply the standard LGPS ill-health retirement processes when determining whether a deferred member meets the regulatory criteria. For cases where the former employer is no longer a scheme employer, Gwynedd Pension Fund will use Cyngor Gwynedd's Occupational Health team to undertake the required medical assessment. This ensures that all decisions are supported by an independent registered medical practitioner and are consistent, robust, and compliant with the LGPS Regulations.
38(5) of the LGPS Regulations 2013	Decide whether a suspended ill health tier 3 member meets the criteria for ill health retirement in cases where the member's former employer is no longer a scheme employer	Gwynedd Pension Fund will apply the standard LGPS ill-health retirement processes when determining whether a suspended ill health tier 3 member meets the regulatory criteria. For cases where the former employer is no longer a scheme employer, Gwynedd Pension Fund will use Cyngor Gwynedd's Occupational Health team to undertake the

		required medical assessment. This ensures that all decisions are supported by an independent registered medical practitioner and are consistent, robust, and compliant with the LGPS Regulations.
38(6) of the LGPS Regulations 2013	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before NPA because of ill health (where Employer has become defunct)	Gwynedd Pension Fund will apply the standard LGPS ill-health retirement processes when determining whether a suspended ill health tier 3 member meets the regulatory criteria. For cases where the former employer is no longer a scheme employer, Gwynedd Pension Fund will use Cyngor Gwynedd's Occupational Health team to undertake the required medical assessment. This ensures that all decisions are supported by an independent registered medical practitioner and are consistent, robust, and compliant with the LGPS Regulations.
40(2), 43(2) and 46(2) of the LGPS Regulations 2013 17(5) to (8) of the LGPS Transitional Provisions and Savings Regulations) 2014	Decide to whom a death grant should be paid	Gwynedd Pension Fund exercises its discretion when determining the payment of death grants, using the member's most recent Expression of Wish form as the primary guide to their intentions. Where the nomination is clear and up to date, the Fund will normally follow it. If no valid or current nomination exists, the Fund will consider all relevant circumstances and may decide to pay the death grant to the member's estate or another appropriate beneficiary. A separate policy document sets out the Fund's full approach and guiding principles in detail.
49(1)(c) of the LGPS Regulations 2013	Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership	Gwynedd Pension Fund will choose to award the benefit which, based on evidence available at the time, appears to be most beneficial to the member.

54(1) of the LGPS Regulations 2013	Whether to set up a separate admission agreement fund	Gwynedd Pension Fund has not established a separate admission agreement fund under Regulation 54(1)(b) of the Local Government Pension Scheme Regulations 2013. All admission bodies participate within the main Fund, and no separate admission agreement fund is offered.
64(2ZA) of the LGPS Regulations 2013	Whether to extend the period beyond 3 months from the date an Employer ceases to be a Scheme Employer, by which to pay an exit credit.	The Fund's policy on the application of this regulation is set out in full within the Fund's Cessation Policy.
64(2A) of the LGPS Regulations 2013	Whether to suspend, for up to 3 years, an employer's obligation to pay an exit payment where the employer is again likely to have active members within the specified period of suspension.	The Fund's policy on the application of this regulation is set out in full within the Fund's Cessation Policy.
64(4) of the LGPS Regulations 2013	Whether to obtain revision of employer's contribution rate if there are circumstances which make it likely a Scheme employer will become an exiting employer	The Fund's policy on the application of this regulation is set out in full within the Fund's Funding Strategy Statement.
64B of the LGPS Regulations 2013	Where the funding strategy statement mentioned in regulation 58 (funding strategy statements) sets out the administering authority's policy on spreading exit payments, that administering authority may obtain a revision of the rates and adjustments certificate under regulation 62 (actuarial valuations of pension funds) to show the proportion of the exit payment to be paid by the exiting Scheme employer in each year after the exit date over such period as the administering authority considers reasonable. (2) In revising the certificate, an administering authority must- (a) consult the exiting Scheme employer; and (b) have regard to the views of an actuary appointed by the administering authority	The Fund's policy on the application of this regulation is set out in full within the Fund's Funding Strategy Statement.

69(1) of the LGPS Regulations 2013	Decide frequency of payments to be made over to Fund by employers and whether to make a charge for the administration of the fund.	The Fund's policy on the application of this regulation is set out in full within the Fund's Administration Strategy Statement.
69(4) of the LGPS Regulations 2013	Decide form and frequency of information to accompany payments to the Fund	The Fund's policy on the application of this regulation is set out in full within the Fund's Administration Strategy Statement.
70 of the LGPS Regulations 2013 And regulation 22(2) of the Transitional Provisions and Savings Regulations 2014	Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance	The Fund's policy on the application of this regulation is set out in full within the Fund's Administration Strategy Statement.
71(1) of the LGPS Regulations 2013	Whether to charge interest on payments by employers which are overdue	The Fund's policy on the application of interest is set out in full within the Fund's Administration Strategy Statement.
76(4) of the LGPS Regulations 2013	Decide procedure to be followed by admin authority when exercising its stage two IDRP functions and decide the manner in which those functions are to be exercised	The Internal Dispute Resolution Procedure (IDRP) provides a two-stage process for members who disagree with a decision made by their employer or the Gwynedd Pension Fund. At Stage 1, the member must submit a written complaint within six months of the issue to the party they believe is at fault, either their employer or the Pension Fund. The complaint is then reviewed and a decision is made by the employer or by the Pensions Manager on behalf of the Pension Fund, with a response issued within two months or an explanation provided for any delay. If the member remains dissatisfied, they may appeal to Stage 2 within six months of the Stage 1 decision, or sooner in certain cases where no response has been received. At this stage, the appeal is reviewed by the appointed adjudicator, Gwynedd Council's Head of Legal Services, who considers

		the case independently and issues a decision within two months of receiving the complaint.
79(2) of the LGPS Regulations 2013	Whether admin. authority should appeal against employer decision (or lack of a decision)	Gwynedd Pension Fund will consider this on a case by case basis.
80(1)(b) of the LGPS Regulations 2013 And regulation 22(1) of the Transitional Provisions and Savings Regulations 2014	Specify information to be supplied by employers to enable admin. authority to discharge its functions	Under Regulation 80(1)(b) of the Local Government Pension Scheme Regulations 2013, and Regulation 22(1) of the Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014, Gwynedd Pension Fund specifies the information that scheme employers must supply to enable the administering authority to discharge its statutory functions. This includes all data required for the administration of both post-2014 CARE benefits and pre-2014 final-salary benefits. Employers are required to provide accurate, complete and timely information in the format and timescales set out by the Fund. This requirement is formally recorded within the Fund's Administration Strategy Statement.
82(2) of the LGPS Regulations 2013	Whether to pay death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment is less than amount specified in s6 of the Administration of Estates (Small Payments) Act 1965	Gwynedd Pension Fund will make the payment on the basis of an indemnity form in situations where a death grant is payable to the personal representatives, or to an individual who appears to be beneficially entitled to the estate, without requiring a grant of probate or letters of administration. This applies only where the payment falls below the threshold specified in section 6 of the Administration of Estates (Small Payments) Act 1965.
83 of the LGPS Regulations 2013 52A of the LGPS (Administration) Regulations 2008	Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	The Gwynedd Pension Fund ensures that all pension benefits and lump sum payments are made securely and accurately by requiring members to provide verified bank account details at retirement. Payments are only made to accounts held in the member's

		name, or to an account held by an individual with valid Power of Attorney. A separate policy document sets out the Fund's full approach and guiding principles in detail.
98(1)(b) of the LGPS Regulations 2013	Agree to bulk transfer payment	Gwynedd Pension Fund will consider requests for a bulk transfer payment on a case by case basis. A bulk transfer will only be agreed where the Fund Actuary has certified that the proposed transfer terms are no less favourable than the value of the liabilities being transferred, and where the participating employer has confirmed in writing that they understand and accept any funding implications arising from the transfer. In determining whether to agree to a bulk transfer, the Fund will have regard to its Funding Strategy Statement, the interests of all employers within the Fund, and the need to ensure that the transfer does not adversely affect the Fund's overall solvency or risk profile.
100(6) of the LGPS Regulations 2013	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS (in agreement with the employer)	Gwynedd Pension Fund will only agree to extend the 12-month deadline for transferring previous pension rights in exceptional circumstances. An extension will be granted solely where the Fund is at fault for not providing the member with the necessary information to begin the transfer process within the statutory 12-month period.
100(7) of the LGPS Regulations 2013	Allow transfer of non-club pension rights into the Fund	Gwynedd Pension Fund will accept the transfer of non-Club pension rights into the Fund, subject to the usual regulatory requirements and completion of the standard transfer-in process.
3(6), 4(6)(c), 8(4), 10(2)(a),17(2)(b) of the LGPS (Transitional Provisions	Where a member to whom regulation 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applies (use of average of 3 years pay for final	Where regulation 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applies, and a member dies before making an election to use the best of the last three years' pay for final

and Savings) Regulations 2014 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007	pay purposes) dies before making an election, whether to make that election on behalf of the deceased member.	pay purposes, Gwynedd Pension Fund will determine whether to make that election on the member's behalf. The Fund will make this decision solely on the basis of the member's best interests, taking into account the information available and the impact on the benefits payable to their beneficiaries.
Schedule 1 of the LGPS Regulations 2013 17(9)(a) of the Transitional Provisions and Savings Regulations 2014	Decide to treat child as being in continuous education or vocational training despite a break	Gwynedd Pension Fund supports dependent children aged 18 to 23 who remain eligible for an LGPS child's pension while undertaking full-time education or vocational training. The fund's policy allows a break of up to one academic year, provided the dependent confirms in writing their intention to return to study and later supplies evidence of re-enrolment. Pension payments are suspended during the break and reinstated - backdated where appropriate - once full-time study is confirmed. If the dependent does not return within the permitted period, the pension will cease in line with LGPS regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.
Schedule 1 of the LGPS Regulations 2013 & Regulation 17(9)(b) of the Transitional Provisions and Savings Regulations 2014	Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member	Gwynedd Pension Fund requires clear evidence that a cohabiting partner was financially dependent on, or financially interdependent with, the deceased member for at least the two years before death in order to be considered for an LGPS survivor's pension. The Fund will normally request documents demonstrating shared financial responsibilities - such as joint bank accounts, tenancy or mortgage agreements, utility bills, or other proof of shared household costs - alongside confirmation of shared residence and relationship status.

		Where standard documentation is limited, the Fund may consider written statements and supporting evidence. All cases are assessed individually and in accordance with LGPS Regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.
15(1)(c) of the LGPS (Transitional Provisions and Savings) Regulations 2014 And Schedule 1 of the LGPS (Transitional Provisions) Regulations 2008 And 83(5) of the LGPS Regulations 1997	Extend time period for capitalisation of added years contract	Gwynedd Pension Fund may, at its discretion, extend the time period allowed for a member to capitalise an added years contract where the member leaves employment before completing the original contract. Extensions will only be granted where there is a valid reason - such as administrative delay, employer error, or short-term financial difficulty - and will normally be limited to a short, reasonable period. Each case will be considered individually to ensure fairness and consistency with LGPS Regulations.
105(2) of the LGPS Regulations 2013	Decide whether to delegate any administering authority functions under the Regulations	Under Regulation 105(2) of the Local Government Pension Scheme Regulations 2013, the administering authority has the power to determine whether any of its functions under the Regulations should be delegated. The authority's delegation arrangements are set out in its Constitution and Scheme of Delegation as approved by Cyngor Gwynedd.
106(3) of the LGPS Regulations 2013	Decide whether to establish a joint local pension board once approval has been granted by the Secretary of State	Gwynedd Pension Fund has established its own Local Pension Board and has not created, nor sought to create, a joint local pension board under Regulation 106(3) of the Local Government Pension Scheme Regulations 2013.
106(6) of the LGPS Regulations 2013	Decide procedures applicable to the local pension board	The procedures applicable to the Local Pension Board, as required under Regulation 106(6) of the Local Government Pension Scheme Regulations 2013, are fully set out in the

		Local Pension Board Terms of Reference document approved by Cyngor Gwynedd Full Council.
107(1) of the LGPS Regulations 2013	Decide appointment procedures, terms of appointment and membership of local pension board	The process for determining the appointment procedures, terms of appointment, and membership of the Local Pension Board, as required under Regulation 107(1) of the Local Government Pension Scheme Regulations 2013, is fully contained within the Local Pension Board Terms of Reference document approved by Cyngor Gwynedd Full Council.
2 of the Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011	Decide whether to allow members who have accrued an annual allowance charge which cannot be discharged by means of mandatory scheme pays to pay any tax due through voluntary scheme pays.	Gwynedd Pension Fund will consider requests from members to use voluntary scheme pays to meet an annual allowance tax charge that does not qualify for mandatory scheme pays. Each request will be assessed on a case-by-case basis. The Fund will only agree to voluntary scheme pays where it is satisfied that doing so is in the member's best interests, that the tax charge relates to LGPS benefits within the Fund, and that all HMRC conditions for voluntary scheme pays are met. The Fund will also ensure that the resulting pension debit is applied correctly and transparently to the member's benefits. The Fund reserves the right to decline a voluntary scheme pays request where it would be inappropriate, administratively impractical, or inconsistent with regulatory requirements.

For members who left on or after 1 April 2008 and before 1 April 2014

Relevant Legislation

- The Local Government Pension Scheme (Administration) Regulations 2008
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Local Government Pension Scheme Regulations 2013
- The Local Government Pension Scheme Regualtions1997 (as amended)

Administering Authority Discretions – Mandatory	Description	Policy
3(13) of the LGPS (Transitional Provisions and Savings) Regulations 2014 And 70(1) and 71(4)(c) of the LGPS (Administration) Regulations 2008	Decide policy on abatement of pensions in payment following re-employment	Gwynedd Pension Fund will not apply abatement to pensions. The Fund has determined that pensions in payment will not be reduced or suspended on account of a member returning to local government employment or employment with another scheme employer.
Schedule 2 para 1(2) and 1(1)(c) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Where a member is voluntarily retiring between the ages of 55 and 60 and has a period of service which is covered by the rule of 85, the rule does not automatically apply. **Where the employer no longer exists,** the administering authority has the discretion to allow for the rule of 85 to be "switched on".	Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.

Regulation	Description	Policy
30(5) of The Local Government Pension (Benefits, Membership and Contributions) Regulations 2007 and Schedule 2 para 2(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014	In the event that a deferred member is drawing benefits early and that member's **former employer is no longer a scheme employe**r, to determine whether to waive any reductions that would apply on compassionate grounds.	No definition of compassionate grounds is given in the LGPS regulations. The term is sometimes interpreted as referring to a situation when a scheme member is required to give up work in order to be a full time, long term carer for a member of their family. Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.

Schedule 2 para 1(2) & 1(1)(c) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Where a pensioner member is voluntarily retiring between the ages of 55 and 60 and has a period of service which is covered by the rule of 85, the rule does not automatically apply. **Where the employer no longer exists,** the administering authority has the discretion to allow for the rule of 85 to be "switched on".	Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.

Regulation	Description	Policy
30A(5) of The Local Government Pension (Benefits, Membership and Contributions) Regulations 2007 and Schedule 2 para 2(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014	In the event that a pensioner member is drawing benefits early and that member's **former employer is no longer a scheme employe**r, to determine whether to waive any reductions that would apply on compassionate grounds.	A pensioner member is a member who has been in receipt of tier 3 ill health benefits which have then ceased. No definition of compassionate grounds is given in the LGPS regulations. The term is sometimes interpreted as referring to a situation when a scheme member is required to give up work in order to be a full time, long term carer for a member of their family. Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.

Administering Authority Discretions – Non-mandatory

Regulation	Description	Policy
15(1)(c) of the LGPS (Transitional Provisions and Savings) Regulations 2014 And Schedule 1 of the LGPS (Transitional Provisions) Regulations 2008 And 83(5) of the LGPS Regulations 1997	Extend time period for capitalisation of added years contract	Gwynedd Pension Fund will only consider extending the time period for the capitalisation of an added years contract in very limited and exceptional circumstances. An extension will be granted solely where the delay was caused by the Fund, such as where required information was not issued to the member in sufficient time to allow them to act within the original deadline. The Fund will not extend the time period where the delay arises from member oversight or circumstances outside the Fund's control.

Regulation	Description	Policy
45(3) of the LGPS (Administration) Regulations 2008	Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	Under Regulation 45(3) of the Local Government Pension Scheme (Administration) Regulations 2008, the administering authority has discretion to recover outstanding employee pension contributions either as a simple debt or by deduction from the member's benefits. Gwynedd Pension Fund exercises this discretion by recovering unpaid contributions in the most appropriate and equitable manner, taking account of the circumstances of each case. Where the shortfall has arisen—most commonly due to employer payroll error—the Fund may recover the outstanding contributions through one of the following methods: • Issuing an invoice to the member for repayment, where this is reasonable and proportionate. • Arranging for the employer to deduct the outstanding amount from the member's wages, where both the employer and the member agree to this approach. • Deducting the outstanding amount from the member's LGPS benefits when they become payable, where this is administratively suitable and does not disadvantage the member. This framework ensures that member benefits are calculated correctly, that contribution requirements are met, and that recovery is handled fairly and transparently while protecting the financial integrity of the Fund.

52(2) of the LGPS (Administration) Regulations 2008	Whether to pay death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment is less than amount specified in s6 of the Administration of Estates (Small Payments) Act 1965.	Gwynedd Pension Fund will make the payment on the basis of an indemnity form in situations where a death grant is payable to the personal representatives, or to an individual who appears to be beneficially entitled to the estate, without requiring a grant of probate or letters of administration. This applies only where the payment falls below the threshold specified in section 6 of the Administration of Estates (Small Payments) Act 1965.
Regulation	**Description**	**Policy**
56(2) of the LGPS (Administration) Regulations 2008	Approve medical advisors used by employers (for ill health benefits)	Gwynedd Pension Fund maintains a list of approved independent registered medical practitioners who are authorised to provide medical opinions for ill-health retirement assessments. This list is jointly shared with the Clwyd Pension Fund to ensure consistency, quality, and resilience across both administering authorities. The list is reviewed and updated on a regular basis. As part of this process, all doctors are checked against the General Medical Council (GMC) register to confirm that they hold the appropriate qualifications, are in good standing, and meet the regulatory requirements to provide medical advice for LGPS ill-health determinations. Only practitioners who satisfy these criteria are permitted to appear on the approved list. Employers must use a doctor from this approved list when obtaining the medical certification required under Regulation 36.

10(2) of the LGPS (Benefits, Membership and Contributions) Regulations 2007	Where a member to whom regulation 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applies (use of average of 3 years pay for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member.	Where regulation 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applies, and a member dies before making an election to use the best of the last three years' pay for final pay purposes, Gwynedd Pension Fund will determine whether to make that election on the member's behalf. The Fund will make this decision solely on the basis of the member's best interests, taking into account the information available and the impact on the benefits payable to their beneficiaries.
27(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007	To pay the whole or part of an eligible child's pension benefits to another person for their benefit.	Gwynedd Pension Fund may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure that the money is used solely for the benefit of the child.
52A of the LGPS (Administration) Regulations 2008	Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	The Gwynedd Pension Fund ensures that all pension benefits and lump sum payments are made securely and accurately by requiring members to provide verified bank account details at retirement. Payments are only made to accounts held in the member's name, or to an account held by an individual with valid Power of Attorney. A separate policy document sets out the Fund's full approach and guiding principles in detail.

Schedule 2, para 2(3) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Whether to require any strain on Fund costs to be paid “up front” by employing authority if the employing authority switches on” the 85-year rule for a member voluntarily retiring prior to age 60, or waives an actuarial reduction on compassionate grounds	Employers typically meet pension strain costs through a single lump-sum payment. However, in cases of financial hardship, the Fund may consider allowing the employer to spread the payment over an agreed period. Where this is permitted, interest will be applied to the outstanding balance. Invoices for strain costs are issued to employers on a quarterly basis once the member’s benefits have been processed, ensuring transparency and timely recovery of costs.

Regulation	Description	Policy
31(4) of The LGPS (Benefits, Membership and Contributions) Regulations 2007	Decide whether a deferred beneficiary meets the criteria required to qualify for ill-health retirement in cases where the member’s former employer is no longer a scheme employer.	Gwynedd Pension Fund will apply the standard LGPS ill-health retirement processes when determining whether a deferred member meets the regulatory criteria. For cases where the former employer is no longer a scheme employer, Gwynedd Pension Fund will use Cyngor Gwynedd’s Occupational Health team to undertake the required medical assessment. This ensures that all decisions are supported by an independent registered medical practitioner and are consistent, robust, and compliant with the LGPS Regulations.
31(7) of The LGPS (Benefits, Membership and Contributions) Regulations 2007	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health (where Employer has become defunct)	Gwynedd Pension Fund will apply the standard LGPS ill-health retirement processes when determining whether a suspended ill health tier 3 member meets the regulatory criteria. For cases where the former employer is no longer a scheme employer, Gwynedd Pension Fund will use Cyngor Gwynedd’s Occupational Health team to undertake the required medical assessment. This ensures that all decisions are supported by an independent registered medical practitioner and are consistent, robust, and compliant with the LGPS Regulations.

23(2), 32(2), 35(2) of The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 Sch1 of the LGPS (Transitional Provisions and Savings) Regulations 2014 155(4) of the LGPS Regulations 1997	Decide to whom a death grant should be paid	Gwynedd Pension Fund exercises its discretion when determining the payment of death grants, using the member's most recent Expression of Wish form as the primary guide to their intentions. Where the nomination is clear and up to date, the Fund will normally follow it. If no valid or current nomination exists, the Fund will consider all relevant circumstances and may decide to pay the death grant to the member's estate or another appropriate beneficiary. A separate policy document sets out the Fund's full approach and guiding principles in detail.

Regulation	Description	Policy
Schedule 1 of the LGPS Regulations 2013 Regulation 17(9)(b) of the Transitional Provisions and Savings Regulations 2014	Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member	Gwynedd Pension Fund requires clear evidence that a cohabiting partner was financially dependent on, or financially interdependent with, the deceased member for at least the two years before death in order to be considered for an LGPS survivor's pension. The Fund will normally request documents demonstrating shared financial responsibilities - such as joint bank accounts, tenancy or mortgage agreements, utility bills, or other proof of shared household costs - alongside confirmation of shared residence and relationship status. Where standard documentation is limited, the Fund may consider written statements and supporting evidence. All cases are assessed individually and in accordance with LGPS Regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.
Schedule 1 of the LGPS Regulations 2013 17(9) of the Transitional Provisions and Savings Regulations 2014	Decide to treat eligible child as being in continuous education or vocational training despite a break	Gwynedd Pension Fund supports dependent children aged 18 to 23 who remain eligible for an LGPS child's pension while undertaking full-time education or vocational training. The fund's policy allows a break of up to one academic year, provided the dependent confirms in writing their intention to return to study and later supplies evidence of re-enrolment. Pension payments are suspended during the break and reinstated - backdated where appropriate - once full-time study is confirmed. If the dependent does not return within the permitted period, the pension will cease in line with LGPS regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.

39(1)(a) LGPS (Benefits, Membership and Contributions) Regulations 2007 14(3) of LGPS (Transitional Provisions) Regulations 2008	Decide whether to commute small pensions under section 166 of the Finance Act 2004	Where the member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
39(1)(b) LGPS (Benefits, Membership and Contributions) Regulations 2007	Decide whether to commute small dependants' pensions under section 168 of the Finance Act 2004	Where a dependent of a deceased member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
Regulation	Description	Policy
39(1)(c) LGPS (Benefits, Membership and Contributions) Regulations 2007	Decide whether to commute small pensions under section regulations 6 (payment after relevant accretion), 11 (de minimis rule for pension schemes) or 12 (payments by larger pension schemes) of the Registered Pension Schemes (Authorised Payments) Regulations 2009	Where the member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
42(1)(c) LGPS (Benefits, Membership and Contributions) Regulations 2007	Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership	Where a member is entitled to more than one type of benefit in respect of the same period of scheme membership and has not made an election, Gwynedd Pension Fund will determine which benefit is to be paid. Each case will be considered individually, using the evidence available at the time, and the Fund will normally award the benefit that appears to be most advantageous to the member.

Schedule 1 to the LGPS (Transitional Provisions) Regulations 2008 and Regulation 23(9) to the LGPS Regulations 1997	Where a member has a certificate of protection in place in respect of a pay cut or restriction prior to April 2008 and dies before making an election to make an election on behalf of the member.	Where a member held a certificate of protection in respect of a pre-April 2008 pay reduction or restriction and dies before making an election, Gwynedd Pension Fund will exercise this discretion in the member's best interests. The Fund will consider the available information and make an election on the member's behalf where this would provide a more favourable outcome for the member's beneficiaries.

For members who left on or after 1 April 1998 and before 1 April 2008

Relevant Legislation

- The Local Government Pension Scheme Regulations 1997
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008
- The Local Government Pension Scheme (Administration) Regulations 2008
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Local Government Pension Scheme Regulations 2013

Administering Authority Discretions – Mandatory

Regulation	Description	Policy
1(2), 1(1)(f) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014	Where a member is voluntarily retiring between the ages of 55 and 60 and has a period of service which is covered by the rule of 85, the rule does not automatically apply. **Where the employer no longer exists,** the administering authority has the discretion to allow for the rule of 85 to be "switched on".	Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.

Regulation	Description	Policy
31(5) of the LGPS Regulations 1997 Sch 2, para 2(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014	**Where the employer no longer exists,** whether to waive upon the voluntary early payment of benefits, any actuarial reduction on compassionate grounds	No definition of compassionate grounds is given in the LGPS regulations. The term is sometimes interpreted as referring to a situation when a scheme member is required to give up work in order to be a full time, long term carer for a member of their family. Waiving actuarial reductions will normally result in a pension strain cost. Where the member's former employer is no longer an active scheme employer within the Fund, this cost is effectively absorbed by all remaining employers participating in the Gwynedd Pension Fund. Given these considerations, Gwynedd Pension Fund will generally not agree to waive actuarial reductions where the member's former employer is no longer a scheme employer. However, the Fund retains discretion to consider exceptional circumstances, and may approve a waiver where it is satisfied that the justification clearly outweighs the additional cost and is in the overall interests of the Fund and its employers.
3(13) of the LGPS (Transitional Provisions and Savings) Regulations 2014 70(1) and 71(4)(c) of the LGPS (Administration) Regulations 2008	Decide policy on abatement of pensions in payment following re-employment	Gwynedd Pension Fund will not apply abatement to pensions. The Fund has determined that pensions in payment will not be reduced or suspended on account of a member returning to local government employment or employment with another scheme employer.

Administering Authority Discretions – Non-mandatory

Regulation	Description	Policy
38(1) & 155(4) of the LGPS Regulations 1997	Decide to whom a death grant should be paid	Gwynedd Pension Fund exercises its discretion when determining the payment of death grants, using the member's most recent Expression of Wish form as the primary guide to their intentions. Where the nomination is clear and up to date, the Fund will normally follow it. If no valid or current nomination exists, the Fund will consider all relevant circumstances and may decide to pay the death grant to the member's estate or another appropriate beneficiary. A separate policy document sets out the Fund's full approach and guiding principles in detail.
Schedule 1 of the LGPS Regulations 2013 17(9) of the Transitional Provisions and Savings Regulations 2014	Decide to treat child as being in continuous education or vocational training despite a break	Gwynedd Pension Fund supports dependent children aged 18 to 23 who remain eligible for an LGPS child's pension while undertaking full-time education or vocational training. The fund's policy allows a break of up to one academic year, provided the dependent confirms in writing their intention to return to study and later supplies evidence of re-enrolment. Pension payments are suspended during the break and reinstated - backdated where appropriate - once full-time study is confirmed. If the dependent does not return within the permitted period, the pension will cease in line with LGPS regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.

Regulation	Description	Policy
47(1) of the LGPS Regulations 1997	Apportionment of children's pensions	Gwynedd Pension Fund will consider each case where more than one eligible child qualifies for a children's pension on its own merits. However, the Fund's general policy is to apportion the pension equally between all eligible children, unless specific circumstances justify an alternative distribution.
47(2) of the LGPS Regulations 1997	To pay the whole or part of an eligible child's pension benefits to another person for their benefit.	Gwynedd Pension Fund may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure that the money is used solely for the benefit of the child.
49(1) of the LGPS Regulations 1997	Decide whether to commute small pensions under section 166 of the Finance Act 2004	Where the member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
49(1) of the LGPS Regulations 1997	Decide whether to commute small dependants' pensions under section 168 of the Finance Act 2004	Where a dependent of a deceased member satisfies the criteria set out by HMRC, the Fund may choose to pay a lump sum if requested by the member.
50 and 157 of the LGPS Regulations 1997	Commute benefits due to exceptional ill health	Gwynedd Pension Fund will only consider the commutation of benefits on the grounds of exceptional ill health where strong and clear medical evidence confirms that the member's life expectancy is severely limited and meets HMRC's definition of serious ill health. Any decision to commute will be made solely in the member's best interests, following a request from the member or an authorised representative, and only where all regulatory and tax requirements are satisfied.

Regulation	Description	Policy
80(5) of the LGPS Regulations 1997	Whether to require any strain on Fund costs to be paid "up front" by employing authority if the employing authority grants early payment of pension.	This is a matter that would normally be covered in the Funding Strategy statement
Schedule 2, para 2(3) of the LGPS (Transitional Provisions and Savings) Regulations 2014	Whether to require any strain on Fund costs to be paid "up front" by employing authority if the employing authority "switches on" the 85 year rule for a member voluntarily retiring prior to age 60, or waives actuarial reductions on compassionate grounds.	This is a matter that would normally be covered in the Funding Strategy statement
89(3) of the LGPS Regulations 1997	Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	Gwynedd Pension Fund will consider each case of outstanding employee contributions on its own merits. The Fund may seek to recover the outstanding amount either by deduction from the member's scheme benefits or by issuing an invoice for the balance, whichever is considered most appropriate in the circumstances.
91 (6) of the LGPS Regulations 1997	Timing of pension increase payments by employers to the fund	Under Regulation 91(6) of the Local Government Pension Scheme Regulations 1997, employers are required to reimburse the Fund for the annual pension increase applied to any employer-funded enhancements, such as compensatory added years awarded under historic regulations. Gwynedd Pension Fund issues an annual invoice each April, once the pension increase has been applied, and employers must pay the amount due within the standard payment terms. This ensures the Fund is fully reimbursed for the cost of these legacy enhancements.
95 of the LGPS Regulations 1997	Whether to pay death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment	Gwynedd Pension Fund will make the payment on the basis of an indemnity form in situations where a death grant is payable to the personal representatives, or to an individual who appears to be beneficially entitled to the estate, without

Regulation	Description	Policy
	is less than amount specified in s6 of the Administration of Estates (Small Payments) Act 1965	requiring a grant of probate or letters of administration. This applies only where the payment falls below the threshold specified in section 6 of the Administration of Estates (Small Payments) Act 1965.
97(10) of the LGPS Regulations 1997	Approve medical advisors used by employers (for ill health benefits)	Gwynedd Pension Fund maintains a list of approved independent registered medical practitioners who are authorised to provide medical opinions for ill-health retirement assessments. This list is jointly shared with the Clwyd Pension Fund to ensure consistency, quality, and resilience across both administering authorities. The list is reviewed and updated on a regular basis. As part of this process, all doctors are checked against the General Medical Council (GMC) register to confirm that they hold the appropriate qualifications, are in good standing, and meet the regulatory requirements to provide medical advice for LGPS ill-health determinations. Only practitioners who satisfy these criteria are permitted to appear on the approved list. Employers must use a doctor from this approved list when obtaining the medical certification required under Regulation 36.
106A(5) of the LGPS Regulations 1997	Date to which benefits shown on annual deferred benefit statement are calculated.	Gwynedd Pension Fund will calculate the benefits shown on the annual deferred benefit statement to the Pension Increase date for the appropriate year.
118 of the LGPS Regulations 1997	Retention of Contributions Equivalent Premium (CEP) where members transfers out	Transfers will normally be fully paid and protected rights will not normally remain in the fund.
147 of the LGPS Regulations 1997	Discharge Pension Credit liability	Under Regulation 147 of the Local Government Pension Scheme Regulations 1997, Gwynedd Pension Fund will discharge its liability for a Pension Credit once the Pension

Regulation	Description	Policy
		Credit benefits have been calculated, awarded and the Pension Credit member has been formally notified. At that point, the Fund is treated as having fully discharged its responsibility for the Pension Credit. Each case will be considered on an individual basis to ensure the correct application of the regulations and the appropriate discharge of liability.

For members who ceased active membership before 1 April 1998

Relevant Legislation

- The Local Government Pension Scheme Regulations 1995
- The Local Government Pension Scheme (Transitional Provisions) Regulations 1997
- The Local Government Pension Scheme Regulations 1997
- The Local Government Pension Scheme (Administration) Regulations 2008
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Local Government Pension Scheme Regulations 2013

Administering Authority Discretions – Mandatory

Regulation	Description	Policy
3(5A)(vi) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 4 of the LGPS (Transitional Provisions) Regulations 1997 106(1) of the LGPS Regulations 1997 D11(2)(c) of the LGPS Regulations 1995	Where the employer is now defunct, grant application for early payment of deferred benefits on or after age 50 on compassionate grounds	Where the former employer is defunct, Gwynedd Pension Fund will consider applications for the early payment of deferred benefits on or after age 50 on compassionate grounds on a case-by-case basis. It is recognised that this discretion exists largely due to a regulatory loophole that has never been closed. The Fund will take into account that any benefits paid before age 55 may give rise to unauthorised payment charges under the Finance Act 2004, some of which fall on the member and some on the Fund, in addition to any pension strain cost payable by the Fund.
3(13) of the LGPS (Transitional Provisions and Savings) Regulations 2014 And 70(1) and 71(4)(c) of the LGPS (Administration) Regulations 2008	Decide policy on abatement of pensions in payment following re-employment	Gwynedd Pension Fund will not apply abatement to pensions. The Fund has determined that pensions in payment will not be reduced or suspended on account of a member returning to local government employment or employment with another scheme employer.
45(3) of the LGPS (Administration) Regulations 2008	Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	Gwynedd Pension Fund will consider each case of outstanding employee contributions on its own merits. The Fund may seek to recover the outstanding amount either by deduction from the member's scheme benefits or by issuing

Regulation	Description	Policy
And 89(3) of the LGPS Regulations 1997		an invoice for the balance, whichever is considered most appropriate in the circumstances.

Administering Authority Discretions – Non-mandatory

Regulation	Description	Policy
E8 of the LGPS Regulations 1995	Decide to whom a death grant should be paid	Gwynedd Pension Fund exercises its discretion when determining the payment of death grants, using the member's most recent Expression of Wish form as the primary guide to their intentions. Where the nomination is clear and up to date, the Fund will normally follow it. If no valid or current nomination exists, the Fund will consider all relevant circumstances and may decide to pay the death grant to the member's estate or another appropriate beneficiary. A separate policy document sets out the Fund's full approach and guiding principles in detail.
F7(1) of the LGPS Regulations 1995	Suspension of spouses' pensions during remarriage or cohabitation	Gwynedd Pension Fund will not apply the historic discretion to suspend a spouse's pension where the survivor remarries or cohabits. Survivor pensions will continue to be paid in all such cases, reflecting the Fund's policy that these benefits are payable for life.
Schedule 1 of the LGPS Regulations 2013 17(9)(a) of the Transitional Provisions and Savings Regulations 2014	Decide to treat child as being in continuous education or vocational training despite a break	Gwynedd Pension Fund supports dependent children aged 18 to 23 who remain eligible for an LGPS child's pension while undertaking full-time education or vocational training. The fund's policy allows a break of up to one academic year, provided the dependent confirms in writing their intention to return to study and later supplies evidence of re-enrolment. Pension payments are suspended during the break and reinstated - backdated where appropriate - once full-time study is confirmed. If the dependent does not return within the permitted period, the pension will cease in line with LGPS

		regulations. A separate policy document sets out the Fund's full approach and guiding principles in detail.
G11(1) of the LGPS Regulations 1995	Apportionment of children's pensions	Gwynedd Pension Fund will consider each case where more than one eligible child qualifies for a children's pension on its own merits. However, the Fund's general policy is to apportion the pension equally between all eligible children, unless specific circumstances justify an alternative distribution.
G11(2) of the LGPS Regulations 1995	To pay the whole or part of an eligible child's pension benefits to another person for their benefit.	Gwynedd Pension Fund may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure that the money is used solely for the benefit of the child.