



Governance Policy Statement

April 2021

Contents

Introduction	2
Pensions Committee	3
Chief Finance Officer.....	4
Monitoring Officer.....	5
Local Pensions Board	5
Contacting the Gwynedd Pension Fund	6

GOVERNANCE POLICY STATEMENT

Introduction

Gwynedd Council is the Administering Authority for the Gwynedd Pension Fund. This policy sets out the governance responsibilities of the Fund and is prepared in compliance with the Local Government Pension Scheme Regulations 2013, regulation 55.

This statement sets out the delegation of matters in relation to the Gwynedd Pension Fund, along with the terms of reference, structure and operational procedures of these delegations.

Pensions Committee

The Council has delegated to the Pensions Committee various powers and duties in respect of its administration of the Fund.

The Committee is comprised of 9 members, 7 of whom are elected members of Gwynedd Council, 1 member from Anglesey County Council and 1 member from Conwy County Borough Council, all of whom have voting rights. There is no member (staff) representation on the Committee.

The Pensions Committee's responsibilities are to:

1. Decide on the strategy for investing the Pension Fund's assets by approving a Funding Strategy Statement and Investment Strategy Statement;
2. Appoint and terminate the appointment of managers and consultants of the Pension Fund, and review their performance with regard to investment;
3. Ensure that safe and efficient arrangements are in hand for purchasing, selling and monitoring the council's investments;
4. Making some decisions in the context of pension administration.
5. Review and scrutinise the fund's financial affairs, and therefore receive the financial statements and auditors report.

As a duly constituted Committee of Gwynedd Council, the operation of the matters delegated to the Committee are governed by Gwynedd Council's constitution, and in particular, Parts 4 and 5 which govern the rules of procedure and Codes and Protocols which are to be followed by members of the Pensions Committee and officers.

The Pensions Committee is also charged with ensuring that an annual report on Pensions matters is prepared and presented to an annual meeting of employers and employee representatives, at which any of the said parties can question the Committee, their officers, investment adviser or Fund managers on issues relating to Fund performance, and administration and/or pensions matters in general.

In order to ensure an adequate review of investment performance, the Committee's investment adviser and each Fund manager provides the Committee with a quarterly monitoring report. Informal meetings are also held with the investment adviser and Fund managers in order to challenge performance and resolve any issues which arise.

All employers who are not members of the Pension Committee are afforded the opportunity to influence the Pension Committee's determinations through the series of informal meetings held periodically with various categories of employer.

Any issue requiring formal consideration is considered at a properly convened meeting of the Committee, in order to allow citizens to exercise their rights to attend any meeting of a Council Committee.

Chief Finance Officer

Article 12 of the Council's constitution stipulates that the Head of Finance (as the Council's Chief Finance Officer) shall have responsibility for financial strategy, and as such he is responsible to the Pensions Committee for advising on the appropriate financial strategy for the Pension Fund, and for ensuring that appropriate specialist advice is provided.

Under this Article, the Head of Finance also has responsibility for the proper administration of the Pension Fund's financial affairs. He must report to the Council and the Council's external auditor if he considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is likely to cause a loss or deficiency, or if the Council is about to enter an item of account unlawfully.

The Investment Manager and team support the Head of Finance in the responsibility for the monitoring and review of the investments of the Fund including:

- preparation and maintenance of the accounts of the Gwynedd Pension Fund including preparation of the Annual Report
- regular dialogue with the Fund's advisers, investment managers and custodian
- monitoring and reconciliation of investment manager and custodian records
- preparation and maintenance of the Fund's Investment Strategy Statement, Funding Strategy Statement,
- monitoring the activity and performance of the Fund's investment managers including compliance with policy and performance objectives
- interpretation of new legislation and research in respect of the investments and accounts of the Fund
- monitoring the corporate governance activity of the Fund including attendance at the Local Authority Pension Fund Forum (LAPFF)

The Pensions Manager and team support the Head of Finance:

- to collect employee and employer contributions from participating employers
- to make payments in respect of scheme benefits
- to collect and make pension transfer payments as elected by scheme members
- to update and maintain the Fund's website
- the maintenance and update of membership records
- the calculation and authorisation of benefit payments
- the provision of membership data for actuarial valuation purposes
- the preparation and maintenance of the Communication Policy Statement and the Pensions Administration Strategy Statement.

Monitoring Officer

Article 12 also stipulates that the Head of Legal Service (as the Council's Monitoring Officer) will report to the Council if he considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

Local Pensions Board

The Public Service Pensions Act (2013) required all Administering Authorities to introduce a Local Pension Board to assist the Scheme Manager. The Gwynedd Pension Board was established by Gwynedd Council on 13/07/2015.

The Pensions Board has an oversight / assisting role not a decision making role, its responsibilities are to:

1. Assist the Gwynedd Pension Fund as Scheme Manager;
2. Securing compliance with regulations and requirements enforced by the Pensions Regulator and the Department for Communities and Local Government
3. Ensuring effective and efficient governance and administration of the Fund.
4. Assist with other matters as the scheme regulations may stipulate.

The Pensions Board is comprised of 6 members, 3 of whom are employer representatives, 3 are scheme member representatives, and 1 will be elected as a chairman.

The Pensions Board will meet on a quarterly basis.

When required, the Pensions Board will be advised by the Section 151 Officer and any other Council Officers and professional Advisers and Consultants, however all board members will be required to undertake training to ensure competency.

Governance Compliance Statement

MHCLG is committed to ensure that all LGPS committees operate consistently at best practice standards. Therefore, in addition to the regulatory requirement to produce this Governance Policy, the LGPS regulations 1997 were further amended on 30 June 2007 to require administering authorities to report the extent of compliance to a set of best practice principles to be published by MHCLG, and where an authority has chosen not to comply, to state the reasons why. This Governance Policy will be updated when necessary and reviewed at least annually.

Contacting the Gwynedd Pension Fund

You can contact us in several ways:

In person or by post at our offices:

The Gwynedd Pension Fund
Gwynedd Council,
Shirehall Street,
Caernarfon,
Gwynedd.
LL55 1SH

By email:

pensions@gwynedd.llyw.cymru

By telephone:

01286 679982

Online:

www.gwyneddpensionfund.wales