



Meeting:	Pension Board
Date:	20/07/2023
Title:	Pension Board Chair draft report for Gwynedd Pension Fund's annual general report
Purpose:	Assist the Chair to complete the annual report

Introduction

The Chairman of the Pension Board is required to submit an annual report as part of the Pension Fund's annual report and as part of the Fund's annual meeting.

This draft report (See **Appendix A**) has been prepared.

Timetable

The final report is required to be submitted by: 31/07/2023.

The fund's annual meeting will take place during the Autumn and all Board members are welcome to attend.

Content of draft report

The draft report has been written in line with the layout of the 2022 report. A number of factual statements have been left unchanged for the 2023 report but have been updated to take account of the topics discussed during the year.

Conclusion

Board members are asked to consider the content of the draft report in order to discuss its content and propose amendments at the meeting.

As noted above, the Chairman is required to submit the final report to Delyth Jones-Thomas, Investment Manager by 31/07/2023.

Appendix A

Annual Report of the Gwynedd Pension Board for 2022/23 (the year to 31 March 2023)

Background / Constitution

The Board was constituted under the Public Services Pensions Act 2013 and held its first meeting on 13th July 2015. The membership consists of three members representing scheme employers and three members representing scheme members (which include staff who contribute to the pension scheme and those who are retired and receiving a pension).

Over the period between 1st April 2022 and 31st March 2023, the Board has met virtually five times. Board members are invited as observers to meetings of the Pensions Committee and have agreed to take this role in turn in order to facilitate understanding as well as communication. This arrangement is reciprocated with the Chair of the Pensions Committee now attending Board meetings, where he is accountable, with officers for the governance and administration of the Fund. At times, the Board has asked for its views and recommendations to be submitted for consideration by the Committee.

Function of the Board

In accordance with legislation, the two primary functions of the Local Pension Board are to assist the administering authority (Gwynedd Council) to:

- i. ensure effective and efficient governance and administration of the LGPS, and
- ii. ensure compliance with relevant laws and regulation

Therefore, the Board is a monitoring, reviewing and assisting body, not a management or decision making body.

The Board operates under Terms of Reference agreed by Gwynedd Council (in a meeting of the full Council on the 5th March 2015).

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

The work of the Board

Once again, the last year has been a busy year for the senior staff of the Administration Authority with the valuation of the pension fund taking place. Therefore, Board members were aware of the need to prioritise requests for officers to prepare reports for the Board.

Attendance

During 2022/23 there was a change in the membership of the board with Councillor Aled Evans and Huw Trainor standing down as members of the board, and Councillor Beca Roberts joining the Board. Work will continue during 2023/24 to re-appoint members to the Board.

	04/04/2022	18/07/2022	03/10/2022	15/12/2022	06/03/2023
Councillor Aled Evans	✓				
H. Eifion Jones	✓	✓	✓	✓	✓
Osian Richards	✓	✓	✓	✓	✓
Huw Trainor	✓	✓	✓	✓	
Sharon Warnes	✓	✓		✓	✓
Sioned Evans Parry	✓	✓	✓		✓
Councillor Beca Roberts			✓		✓

Work Plan

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

- Representation Policy
- Pension Fund Budget
- Investment Advisers objectives
- Responsible Investment Policy
- Investment performance of the Pension Fund
- Pension Administration
- Wales Pension Partnership
- Actuarial valuation
- Fund accounts
- Training plan
- Taskforce on climate related financial disclosures ('TCFD')
- Currency hedging
- A clean energy project in Wales
- A review of the Pension Fund's strategic asset allocation
- Wales Audit Report
- The McCloud case
- Pension dashboards programme
- Risk register
- Funding strategy statement
- Breach reporting policy
- Cash flow modeling projections
- Review strategic objectives for the fund's investment advisers

During the discussions, input was given and a number of comments were made by Board members which has assisted administrative authority officials to complete their work.

The Board completed the Pensions Regulator's public service governance survey. The survey was a mixture of factual questions and an opinion poll. Following discussion between Board members, the survey was presented to the Regulator within the specified time limit.

Board members also attended the Fund's valuation meeting in October 2022 and the Fund's virtual annual meeting in November 2022, and it was noted that the Fund has performed highly satisfactory compared to other LGPS funds.

The work plan for 2023/24 includes:

- General update on Pension Administration
- The Fund's Statement of Accounts
- Update on the McCloud project
- Update on the Wales Pension Partnership
- Risk Register
- Update on the Fund's actuarial valuation
- Update on the Fund's investment performance
- Pensions dashboard
- 2023/24 Budget
- 2023/24 Business plan
- 2023/24 Training plan

Training

During Board meetings all members of the Board were given details on the LGPS and its administration in Gwynedd through various presentations by the Fund Director, Investment Manager and Pensions Manager.

Members of the Board have also attended a number of virtual meetings and presentations. These include:

<u>Provider</u>	<u>Title</u>
Wales Pension Partnership	Private Market Asset Classes & the role of the Allocator
Wales Pension Partnership	Active Sustainable Equities
Wales Pension Partnership	Pool Knowledge: Governance & Administration
Wales Pension Partnership	Pool Knowledge: Roles & Responsibilities
Wales Pension Partnership	What Responsible Investment means for the WPP
Wales Pension Partnership	Stewardship Code and TCFD Reporting
Wales Pension Partnership	Progress of other LGPS pools
Wales Pension Partnership	Collaboration Opportunities
LGC	LGC Investment Seminar
LGC	LGC Investment and Pensions Summit
LAPFF	Annual Conference

Thanks

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

Hywel Eifion Jones
Chair