
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 be 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