

## Pwyllgor Pensiynau a Buddsoddi

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Man Cyfarfod  
**Ystafell Bwyllgor A - Neuadd y Sir,  
Llandrindod, Powys**

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Dyddiad y Cyfarfod  
**Dydd Iau, 13 Rhagfyr 2018**

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Neuadd Y Sir  
Llandrindod  
Powys  
LD1 5LG

Amser y Cyfarfod  
**10.00 am**

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I gael rhagor o wybodaeth cysylltwch â  
**Carol Johnson**  
01597 826206  
carol.johnson@powys.gov.uk

10/12/18

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Mae croeso i'r rhai sy'n cymryd rhan ddefnyddio'r Gymraeg. Os hoffech chi siarad Cymraeg yn y cyfarfod, gofynnwn i chi roi gwybod i ni erbyn hanner dydd ddau ddiwrnod cyn y cyfarfod

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### AGENDA

<b>1.</b>	<b>YMDDIHEURIADAU</b>
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I dderbyn ymddiheuriadau am absenoldeb.

<b>2.</b>	<b>DATGANIADAU O DDIDDORDEB</b>
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I dderbyn unrhyw ddatganiadau o ddiddordeb gan Aelodau mewn perthynas ag eitemau sydd i'w hystyried ar yr Agenda.

<b>3.</b>	<b>COFNODION</b>
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I awdurdodi'r Cadeirydd i lofnodi cofnodion y cyfarfod diwethaf a gynhaliwyd ar 19 Hydref 2018 fel cofnod cywir.

(Tudalennau 1 - 6)

<b>4.</b>	<b>COFNODION Y BWRDD PENSIYNAU</b>
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I dderbyn er gwybodaeth, cofnodion cyfarfod o Fwrdd Pensiynau Powys a gynhaliwyd ar 12 Medi 2018 ac i dderbyn adroddiad o'r cyfarfod a gynhaliwyd ar 30 Tachwedd 2018 (i ddilyn).

(Tudalennau 7 - 14)

<b>5.</b>	<b>DIWEDDARIAD ACTWARAIDD AON</b>
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I ystyried y diweddariad.  
(I ddilyn)

<b>6.</b>	<b>DIWEDDARIAD AR Y GRONFA MANTOLI</b>
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I ystyried y diweddariad.  
(I ddilyn)

<b>7.</b>	<b>DIWEDDARIAD AR BARTNERIAETH PENSIYNAU CYMRU</b>
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I dderbyn diweddariad llafar.

<b>8.</b>	<b>HYFFORDDIANT I AELODAU'R PWYLLGOR PENSIYNAU A BUDDSODDI</b>
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I ystyried adroddiad gan y Cyfarwyddwr Strategol – Adnoddau.  
(Tudalennau 15 - 20)

<b>9.</b>	<b>CYNLLUN BUSNES I'R DYFODOL</b>
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I ystyried y cynllun.  
(Tudalennau 21 - 22)

<b>10.</b>	<b>EITEM EITHRIEDIG</b>
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Mae'r Swyddog Monitro wedi penderfynu bod yr eitemau canlynol yn destun categori 3 y Rheolau Trefn Mynediad at Wybodaeth. Ei farn o ran prawf lles y cyhoedd (wedi ystyried darpariaethau Rheol 14.8, Rheolau Mynediad at Wybodaeth y Cyngor), oedd y byddai gwneud y wybodaeth hon yn gyhoeddus yn datgelu gwybodaeth ynglyn â materion ariannol neu fusnes unrhyw unigolyn penodol (gan gynnwys yr awdurdod yn cadw'r wybodaeth honno). Yn ei farn ef mae'r ffactorau hyn yn fwy pwysig na diddordeb y cyhoedd wrth ddatgelu'r wybodaeth. Gofynnir i Aelodau ystyried y ffactorau hyn wrth benderfynu ar brawf lles y cyhoedd, a dylent benderfynu hyn wrth iddynt ystyried eithrio'r cyhoedd o'r rhan hon o'r cyfarfod.

<b>11.</b>	<b>ARFARNU'R PORTFFOLIO – CYFLWYNIAD</b>
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(I ddilyn)

<b>12.</b>	<b>DIOGELWCH ASED AU'R GRONFA BENSIYNAU</b>
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I ystyried yr adroddiad.  
(Tudalennau 23 - 32)

<b>13.</b>	<b>MARCHNADOEDD A BREXIT</b>
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I ystyried yr adroddiad diweddaraf.

(Tudalennau 33 - 44)

<b>14.</b>	<b>TRYLOYWDER COSTAU</b>
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I ystyried yr adroddiad.

(Tudalennau 45 - 48)

<b>15.</b>	<b>GWARDHOD ECWITI</b>
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I ystyried adroddiad – bydd sleidiau'n cael eu dangos yn y cyfarfod.

<b>16.</b>	<b>BUDDSODDI CYFRIFOL</b>
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I ystyried adroddiad – bydd sleidiau crynhoi'n cael eu dangos yn y cyfarfod.

<b>17.</b>	<b>DIWEDDARIAD AR GLUSTNODI ASEDU TYMOR CANOLIG – DIWEDDARIAD CHWARTEROL HYD AT 30 MEDI 2018</b>
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I ystyried y diweddariad chwarterol.

(Tudalennau 49 - 58)

<b>18.</b>	<b>ADRODDIAD MONITRO CHWARTEROL Q3 2018</b>
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I ystyried yr adroddiad.

(Tudalennau 59 - 92)

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

**MINUTES OF A MEETING OF THE PENSIONS AND INVESTMENT COMMITTEE  
HELD AT COMMITTEE ROOM A - COUNTY HALL, LLANDRINDOD WELLS,  
POWYS ON FRIDAY, 19 OCTOBER 2018**

**PRESENT**

County Councillor P E Lewis (Chair)

County Councillors E A Jones, D H Williams and A W Davies

Mr G Moore, Chair of the Powys Pensions Board

Head of Financial Services and Pension Fund Manager

Richard Antrobus, Rachel Pinder and Lucinda Downing of Aon Hewitt

<b>1.</b>	<b>APOLOGIES</b>
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Apologies for absence were received from County Councillors JG Morris and T J Van-Rees.

<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>
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Members of the Committee declared interests as members of the Local Government Pensions Scheme. These are personal interests, not prejudicial interests in accordance with Paragraph 12(b) (iv) of the Members Code of Conduct 2016.

<b>3.</b>	<b>MINUTES</b>
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The Chair was authorised to sign the minutes of the meeting held on 6 September, 2018 as a correct record.

<b>4.</b>	<b>PENSIONS BOARD MINUTES</b>
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The Committee received the Board minutes for 10 July, having previously received the Chair's report in respect of this meeting. The Board's Chair advised that at the meeting on 21 September, 2018 the main issues considered by the Board was the Code of Practice 14 and compliance. He advised the Board was liaising with the Pension Fund Manager to do more work on this issue. The Board had considered how breaches were being recorded. It had considered a breach and it had agreed with the Pension Fund Manager that this should be a recorded breach rather than a reportable breach. The Pension Fund Manager advised the Committee would consider this issue further in Agenda Item 8. The Board's Chair advised that the Regulator was monitoring Funds regarding breaches.

<b>5.</b>	<b>COMMUNICATIONS STRATEGY STATEMENT</b>
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The Committee considered the revised Communication Strategy Statement and noted that electronic delivery of communications was now being encouraged. It was noted that 62% of active members were signed up to the online system "My Powys Pension".

<b>RESOLVED</b>	<b>Reason for decision</b>
<b>That the revised Communications Strategy Statement be approved.</b>	<b>Statutory requirement.</b>

## 6. DATA IMPROVEMENT PLAN

The Committee considered the Data Improvement Plan. This had been developed to address the Pensions Regulator (TPR) guidance regarding good practice for measuring the presence of member data.

TPR have set targets of 100% accuracy for data created after June 2010 and 95% accuracy for data created beforehand. In March 2018, Powys Pension Fund completed a review of the administration system's common pension data in line with the guidance and it was noted that 93% of records were accurate. In response to questions the Pension Fund Manager advised that inaccuracies had been given a priority, with those potentially affecting member benefits being given the highest priority. The Improvement Plan focused on high priority areas and the Committee would receive further reports on how these were being addressed.

The Pension Fund Manager advised that annual data cleanses are carried out with employers, which supported the accuracy of data.

<b>RESOLVED</b>	<b>Reason for decision</b>
<b>To note the content of the Data Improvement Plan.</b>	<b>Good governance and compliance with the Pension Regulator Code of Practice.</b>

The Chair amended the order of the agenda.

## 7. NEW DRAFT POLICY - REPORTING OF BREACHES

The Committee considered the draft policy for reporting breaches. The Pension Fund Manager advised that a breaches log is maintained and breaches will be discussed and considered at Pension Board meetings. The Committee noted that there are two levels of breach:

- record and if considered to be of material significance then
- reportable to the Pensions Regulator.

The Pension Fund Manager advised that a breach had been logged as a recordable breach because correspondence had not been sent to pension fund members regarding deferred pensions within the required two months. The Pension Board had discussed this breach and considered that this was not reportable.

The Pension Board Chair advised that the Policy should include a fast track process to enable the Pension Board to consider breaches as soon as they are logged rather than waiting for the next Board meeting.

<b>RESOLVED</b>	<b>Reason for decision</b>
<b>That the draft Reporting of Breaches policy be approved subject to the inclusion of a fast</b>	<b>Statutory requirement and good governance.</b>

<p><b>track process to enable the Pension Board to consider breaches as soon as they are logged rather than waiting for the next Board meeting.</b></p>	
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<b>8. PENSION FUND ANNUAL REPORT 2017/18</b>
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The Committee considered the Pension Fund Annual Report 2017/18. It was noted that the Accounts had been approved by the Audit Committee and the Wales Audit Office.

<b>RESOLVED</b>	<b>Reason for decision</b>
<b>That the 2017-18 Pension Fund Annual Report be approved and that the Annual Report be published by the 1st December 2018.</b>	<b>To ensure compliance with the Statutory requirements.</b>

<b>9. WALES PENSION PARTNERSHIP POOLING - UPDATE</b>
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The Committee noted that a Joint Governance Committee meeting had recently taken place.

The Pension Fund Manager advised that following the agreement in September to invest in the Global Growth sub-fund, a Transition Manager had to be appointed by the eight Funds in the Wales Pension Partnership [WPP] to facilitate the transfer.

As it was likely that the transfer of funds would be completed before the next Committee meeting in December, it was recommended that the Committee delegate to the S151 Officer to approve the appointment of the Transition Manager. The Committee noted that this was a time limited appointment and a Transition Manager would need to be appointed whenever funds were transferred.

<b>RESOLVED</b>	<b>Reason for decision</b>
<b>that it be delegated to the S151 Officer to approve the appointment of the Transition Manager.</b>	<b>To enable the transfer of funds to the WPP in respect of the Global Growth Fund.</b>

The Committee noted that WPP was now considering the next tranche of sub funds. It was noted that Aon Hewitt was reviewing what was being considered and whether this met the Powys Pension Fund's needs. This review would assist the Powys Pension Fund in its discussions at the WPP.

The Committee was advised that an update was to be sent to the Minister for Housing, Communities and Local Government (MHCLG) on how work on the WPP is progressing.

<b>10.</b>	<b>FORWARD LOOKING BUSINESS PLAN</b>
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The Committee received the Forward Looking Business Plan and noted that the Investment Strategy would be considered next year when the actuarial valuation is undertaken and the diversity of the fund would also be considered during this review. The Pension Board Chair indicated he would circulate press articles to the Committee on how other Funds were managing these issues.

The Committee noted the issues for consideration in 2019 onwards and that the management of risk in a volatile equity market was an important issue for it to consider and understand. It was agreed that this issue would be considered at the next Committee meeting. In respect of Cybercrime, the Board Chair advised that TPR was visiting 10 Pension Funds and would be looking at their arrangements for addressing cybercrime.

In respect of Responsible Investment, Aon agreed to circulate to the Committee a questionnaire which would assist the Members to consider their views on social policy and responsible investment. Aon advised that climate change modelling was being undertaken to see what effect different levels of climate change could have on asset classes.

<b>11.</b>	<b>DECISIONS REVIEW</b>
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The Decisions Review was noted.

<b>12.</b>	<b>EXEMPT ITEM</b>
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**RESOLVED to exclude the public for the following items of business on the grounds that there would be disclosure to them of exempt information under category 3 of The Local Authorities (Access to Information) (Variation) (Wales) Order 2007).**

The Chair changed the order of the remainder of the agenda as follows.

<b>13.</b>	<b>Q2 MTAA REVIEW</b>
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The Committee received the Quarter 2 Medium Term Asset Allocation [MTAA] report to 30 June, 2018. The Committee noted the underperformance of 0.1% against the benchmark in the Quarter 1. However, annually £2.5m had been added to the fund's value. Assets were being constantly monitored to protect the Fund from risks and to also add value.

The Committee also noted the Transition market document [Item 18] and the issues affecting markets including Brexit, climate change, cyber issues, global markets.

Aon provided the Committee with an overview of the high level issues which were considered by its Global Asset Allocation Team. Issues highlighted included:

- US trade wars and their impact on global trade
- The impact of Brexit
- Inflation



- US Federal Reserve decisions.

**14. INVESTMENT STRATEGY STATEMENT [ISS] [AON HEWITT]**

The Committee received the updated Investment Strategy Statement [ISS] which included amendments to reflect the recent changes to the Hedge Fund Managers.

**15. MTAA 2018 SIDE LETTER HEDGE FUNDS**

The Committee received and noted the MTAA agreement.

**16. ASSET ALLOCATION SEPTEMBER 2018**

The Committee noted that the value of the Fund as at 30 September, 2018 stood at £651.259m, which was an increase of £16m over Quarter 2.

**17. Q2 QUARTERLY MONITORING REPORT**

The Committee received the Quarterly Monitoring report. It was noted that the total asset value had increased by £15.0m over Q2.

The Committee noted the changes in Funds and that Aon was monitoring these changes. The Manager Ratings were new and with the movement of assets to the WPP, LINK would be asked for this data in the future.

In respect of responsible investments Aon advised it was looking at options and general information would be sent to the Committee. It was noted that there was a balance between responsible investment and generating returns for the Fund and the Committee had to consider these.

**18. TRANSITION MARKET**

The Transition Market report was considered with the Quarter 2 Medium Term Asset Allocation [MTAA] report to 30 June, 2018 above.

**County Councillor P E Lewis (Chair)**

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

**MINUTES OF A MEETING OF THE POWYS PENSIONS BOARD HELD AT ROOM  
A17 - COUNTY HALL, LLANDRINDOD WELLS, POWYS ON FRIDAY, 21  
SEPTEMBER 2018**

PRESENT

Gerard Moore, Independent Chair  
Mick Hutchinson, Scheme Member Representative (GMB)  
John Byrne, Scheme Member Representative (UNISON)  
Wayne Thomas, Scheme Employer Representative  
Chris Hurst, Secretary

<b>1.</b>	<b>APOLOGIES</b>
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None

<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>
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The Chair advised he was an Associate in The Chartered Institute of Public Finance and Accountancy [CIPFA] and declared an interest if reference was made to CIPFA when discussing the Board's training.

The Board agreed that this complemented the work of the Pensions Board and that this did not represent a conflict.

<b>3.</b>	<b>MINUTES OF THE BOARD</b>
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The minutes of the last meeting held on 10 July 2018 were agreed as a correct record.

<b>4.</b>	<b>MATTERS ARISING</b>
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There were no matters arising that were not already included on the agenda.

<b>5.</b>	<b>BOARD WORK PROGRAMME</b>
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The Board considered the forward work programme and noted that the item on Cash Flows had been moved from January 2018 to November 2018. Understanding Liquidity would be considered at the November meeting.

A review of the Register of Interests would be included annually.

The Annual Training Plan would be considered at the November meeting.

<b>6.</b>	<b>THE PENSION REGULATOR [TPR] CODE 14 COMPLIANCE</b>
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This was discussed as Item 8.

<b>7. ANNUAL BENEFIT STATEMENTS</b>
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Annual Benefit Statements had been issued to active, deferred and Councillor members by 31 August 2018. Data testing had been undertaken prior to the statements being issued.

Feedback is invited from members either from the letter accompanying the statement or the website.

Membership online has increased and statistics will be analysed.

The Board recorded their thanks to the Team for issuing statements on time.

<b>8. CHAIRMAN'S ANNOUNCEMENTS</b>
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The Chair informed the Board that following a presentation from the Regulator, it was expected that the Board would examine the Register of Interests of both Board and Pension and Investment Committee Members. This will be an annual item unless there is a change of Membership.

The Local Authority Pension Fund Forum (LAPFF) has arranged an event for Local Government Pension Funds in Wales on 31 October 2018 in Cardiff regarding responsible investment and Powys Pension Fund are sending representatives to attend.

<b>9. MINUTES OF PENSIONS AND INVESTMENT COMMITTEE</b>
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The Board received the Pensions and Investment Committee's minutes for 13 July 2018.

The Chair of the Board had presented an oral summary of the Board meeting held on 10 July 2018.

It was suggested that Board Members should fit in with the Committee's training programme where appropriate.

<b>10. TPR 2018 ANNUAL RETURN</b>
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A date for submission is not yet available.

Data for 2018 will establish a baseline in data quality across the LGPS. The TPR will be expecting improvements annually rather than a specific baseline. This will be reviewed annually.

<b>11. REVIEW OF COMPLIANCE WITH TPR CODE 14</b>
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The Compliance Analysis was a first draft. A version number and date would be included.

It was acknowledged that further work was needed and it would need to be cross referenced with the Data Improvement Plan. The Board were of the opinion that there could be a number of improvements made relatively easily.

The Board initially concentrated on the process rather than the content of the analysis. This would become a standing item for detailed review on each agenda.

<b>12. RECORDING BREACHES OF THE LAW</b>
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The Board had previously been advised that a breach of the law which had been recorded. It related to a backlog of 200 leavers that had not been processed within 2 months of them leaving. An interim leaving letter had been drafted, a copy of which would be considered by the Board at their next meeting. Measures have been put in place to ensure that this number does not increase outside expectations.

The Board discussed whether the breach was recordable or reportable and agreed that it was recordable rather than reportable, as it was not of material significance and an improvement plan had been identified. The Pensions and Investment Committee would be informed that this had been caused by higher priority work taking precedence and that the effect was minimal as there were no delays to payment of benefits. Overtime had been agreed to deal with the backlog.

**The Board recommended that the breach was not material nor reportable.**

<b>13. FULL REVIEW OF RISK REGISTER [STANDING ITEMS]</b>
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The Board raised the following comments [the numbers shown are the Risk Reference numbers]:

PEN008      Increased employer contributions and the risk of insolvency – the use of discretion to control liabilities but this was thought to be unwise. The level of discretion would be with the Secretary to the Board. Although Internal Audit could assist, it was thought that specialist advice would be sought from the Actuary. Covenants will need to be reviewed over the next few months. Controls are in place to protect the Fund. If an employer was to leave the Fund an exit valuation would be completed – under the new Regulations any surplus would be returned to the employer. Funding Strategy Statement will be updated to reflect this.

PEN010      In some larger pension funds there are sub strategies into lower risk investments for employers with weak covenants. The Powys Fund does not have such a sub strategy. If there was to be an

increase in contribution rates, recovery periods could be adjusted if this was justified.

PEN014 This risk reflects a potential lack of expertise at officer level – no formal succession planning is in place. However, governance was strong and a pragmatic approach could be taken

PEN015 An over reliance on key officers could be a risk. Investment expertise could be bought in and there is a strong network of support. Further training could be arranged through AON. The Pensions Manager has regular one to ones with the S151 Officer.

PEN019 Records of Member and Board training are kept. A short paper would be prepared for the Pensions and Investment Committee in this regard. Further consideration would be given to training after the event on 31 October 2018. In the meantime, the Chair would distribute slides regarding investment definitions.

**The Board recommended that discussions with AON regarding specialised training on investments commence.**

#### **14. PENSION BOARD DECLARATION OF INTEREST FORM**

The draft declaration of interest form would be circulated for Members' comments.

#### **15. DRAFT DATA IMPROVEMENT PLAN**

A first draft of a Data Improvement Plan had been circulated. The objectives and measures were noted. A data monitoring exercise had developed scores, reflecting 99.2% for common data and 75.9% for scheme specific data. Gaps or errors in data fields which imminently affected benefits would be given priority.

Employer's data was used and this set the terminology used in the Plan. However, the Pensions and Investment Committee would be asked whether this could be changed with the Employer.

Board Members were invited to consider the report in more detail and report back to the Secretary of the Board. It was suggested that an additional column could be included identifying the number of cases.

An annual report will be run and it was suggested that this should be run again before completing the Regulator's Scheme report, but acknowledging that resources for Pension Funds and feeder systems are limited.

The issue would be reconsidered at a future meeting.

#### **16. GONE AWAY MEMBERS**

Following a review of the member data, it was confirmed that an address tracing exercise would be undertaken to try and locate "Gone Away" members. It was confirmed that this was within GDPR regulations.

<b>17.</b>	<b>POWYS PENSION BOARD TERMS OF REFERENCE</b>
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It was considered that the Terms of Reference were still valid but should be reviewed in the light of pooling arrangements. It was noted that a Member's term of office could be extended beyond four years – it was agreed to ask the Pensions and Investment Committee for their view. The Terms of Reference should be reviewed every four years.

**RESOLVED that the Board had formally considered the Terms of Reference and recommended that reference should be made to Pooling arrangements.**

<b>18.</b>	<b>WALES PENSION PARTNERSHIP - INVESTMENT POOLING UPDATE [STANDING ITEM]</b>
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A Prospectus had been submitted to the FSA in June 2018 and approved in July 2018. The first tranche of assets, comprising global equity assets, will be transferred by the end of the year. It is expected that there will be a saving on fees and an increased return on assets.

A Joint Governance meeting is scheduled for 25 September 2018. The Board were concerned that the minutes of these meetings were not easily available. CIPFA guidance recommends that there is a requirement for Pools to consult with Pension Boards on governance but this has not yet happened.

<b>19.</b>	<b>ADMINISTRATION ACTIVITY REPORT [STANDING ITEM]</b>
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This has only been partially completed due to the close down of the annual accounts for the Council. It was the intention that a Finance Officer present the cash flow report to future meetings.

The number of active members has increased. The age range of 50/50s was mixed.

<b>20.</b>	<b>AUDIT REPORTS [STANDING ITEM]</b>
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There was nothing to report.

<b>21.</b>	<b>INTERNAL DISPUTE RESOLUTION PROCEDURE [IDRP] UPDATE [STANDING ITEM]</b>
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There was nothing to report.

<b>22.</b>	<b>CESSATION OF CONTRACTING OUT - UPDATE [STANDING ITEM]</b>
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Work was ongoing with the last date for queries to HMRC being October 2018. There is an expectation that all such queries from Powys will be submitted on time.

<b>23. BOARD SCHEME EMPLOYER REPRESENTATIVE (PCC)</b>
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The matter of the current vacancy on the Board was in hand and discussions were ongoing with the S151 Officer.

<b>24. BOARD MEMBER TRAINING [STANDING ITEM]</b>
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The Board were of the opinion that the Training Needs Analysis was due for review. Training should be categorised by priority.

The Chair commended the Regulator's online toolkit to Members of the Board. It was suggested that at the next meeting the Board go through the toolkit as a training exercise.

**RESOLVED that**

- **the Training Needs Analysis be circulated for completion and return prior to consideration at the next meeting; and**
- **standing items be circulated to the Board prior to the next meeting to enable time at the end of the meeting for training purposes.**

<b>25. TRAINING</b>
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It was suggested that the way in which training records were presented should be reviewed.

<b>26. CONFIDENTIAL ITEMS</b>
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**RESOLVED that the public be excluded for the following items of business otherwise there would be disclosure to them of information relating to the financial or business affairs of any particular person or organisation.**

<b>27. PENSION BOARD INSURANCE DOCUMENTATION</b>
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RESOLVED that Members of the Board would consider the documentation and contact the Secretary with any comments.

<b>28. HEDGE FUND MANAGER LEGAL REVIEW</b>
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The Board noted with approval the referral of contracts to the Legal Adviser.



<b>29.</b>	<b>FUTURE BOARD MEETINGS</b>
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The next meeting would be held on 30 November 2018.

Dates for a meeting in mid-January would be identified and circulated.

**Gerard Moore**  
**Chair**

Mae'r dudalen hon wedi'i gadael yn wag yn fwriadol

## CYNGOR SIR POWYS COUNTY COUNCIL

Pensions and Investment Committee  
13<sup>th</sup> December 2018

REPORT BY: Strategic Director of Resources

SUBJECT: Pensions &amp; Investment Committee Member Training

REPORT FOR: Decision

**1 Introduction**

- 1.1 At the meeting on the 16<sup>th</sup> of July 2015, Committee approved that the Fund adopts the Knowledge and Skills Framework, as set out in the CIPFA Code of Practice for pensions and a Knowledge and Skills Framework Policy was produced (attached as Appendix A to this report).
- 1.2 Part of that policy places a requirement to undertake continual development on general pension and LGPS specific issues.
- 1.3 Since the world of pensions does not stay still, a review of Committee Member's training needs is appropriate.
- 1.4 This will involve each Committee Member undergoing a personal training and development analysis, receiving a personal training programme and, a requirement to demonstrate that members are completing training programmes (this may be for example, by attending appropriate training and development events – the Committee's constitution requires at least 10 hours per year).

**2 Recommendation**

- 2.1 That the Committee complete an updated training needs analysis form (to be provided by the Pension Fund Manager) in order to assess the training requirements of Committee Members, with a view to creating an individual training programme.

Recommendation:	Reason for Recommendation:
<ul style="list-style-type: none"> <li>That the Committee complete an up to date training needs analysis form in order to assess training requirements</li> </ul>	As per report

<b>Person(s) To Action Decision:</b>	Pension Fund Manager		
<b>Date By When Decision To Be Actioned:</b>			
<b>Relevant Policy (ies):</b>	N/A		
<b>Within Policy:</b>	N/A	<b>Within Budget:</b>	N/A
<b>Contact Officer Name:</b>	<b>Tel:</b>	<b>Fax:</b>	<b>Email:</b>
Chris Hurst	01597 827640	01597 826290	chris.hurst@powys.gov.uk

<b>Relevant Portfolio Member(s):</b>	Councillor Aled Davies
<b>Relevant Local Member(s):</b>	N/A

.Appendix A

**CRONFA BENSIWN POWYS PENSION FUND**

**Knowledge and Skills Framework Policy**

**1 Introduction**

- 1.1 This document sets out the policy of the Powys Pension Fund in relation to the knowledge and skills requirements that it places upon those serving as members of either:
- The Powys County Council Pensions & Investment Committee (being the principal decision-making and management body for the Powys Pension Fund), or
  - The Powys Pension Board
- 1.2 Commitment to this policy is an obligation placed upon those concerned as part of the discharge of their duties; as a matter of best practice and good governance.

**2 Knowledge and Skills Framework**

- 2.1 The Powys Pension Fund has adopted the CIPFA Knowledge and Skills Framework, as set out in the Code of Practice on pensions, in partnership with the Pensions Regulator. The Framework provides a roadmap to the knowledge and skills that should be held by those involved in the management and governance of the Powys Pension Fund, who are not themselves pension professionals. Whilst the Regulator provides access to relevant study and training materials.
- 2.2 All relevant Members will be assessed against the criteria set out in the Framework, as soon as possible following their appointment. This will be done by the completion of a Member Training Needs Self-Assessment Form.
- 2.3 On completion of the self-assessment form, the Section 151 Officer will assess the Member against the Framework criteria and determine what training is required to be completed and within what time period.
- 2.4 In total there are 6 areas of knowledge and skills that CIPFA have identified as the core technical requirements:
- pensions legislative and governance context
  - pensions accounting and auditing standards
  - financial services procurement and relationship management
  - investment performance and risk management
  - financial markets and products knowledge
  - actuarial methods, statements and practices.

### **3 Meeting Knowledge and Skills Needs**

- 3.1 Identified knowledge and skills needs may be met by a variety of methods that will include, but are not restricted to:
- completion of specific modules in the e-Learning Public Service toolkit provided free online by the Pensions Regulator
  - attendance at external training events for pension trustees and/or board members
  - attendance at internal training events facilitated by Powys Pension Fund or Powys County Council
  - attendance at pension conferences, seminars and workshops that cover fund investment, scheme administration, fund governance, actuarial matters or other relevant areas.

### **4 Continuing Development**

- 4.1 Pension fund matters do not stand still. Therefore, there will be a requirement to undertake continual development to remain up to date with general pensions and LGPS specific issues. The requirement is for all relevant Members, regardless of professional background, to undertake a minimum of 4 days continuing development in each scheme year (ending 31<sup>st</sup> March).
- 4.2 Completion of this requirement may be achieved by a range of attendances at, for example, LGPS Trustees Conference or LAPFF seminars.

### **5 Accountability and Transparency**

- 5.1 Accountability and transparency are principles of good governance and best practice. Therefore, knowledge and skills needs, training and development undertaken and continuing development, will be monitored and recorded and published annually.
- 5.2 Failure by a Member to meet their obligations under this policy, may result in them being barred from serving on either the Pensions & Investment Committee or the Powys Pension Board, as applicable, and as determined by the Section 151 Officer.

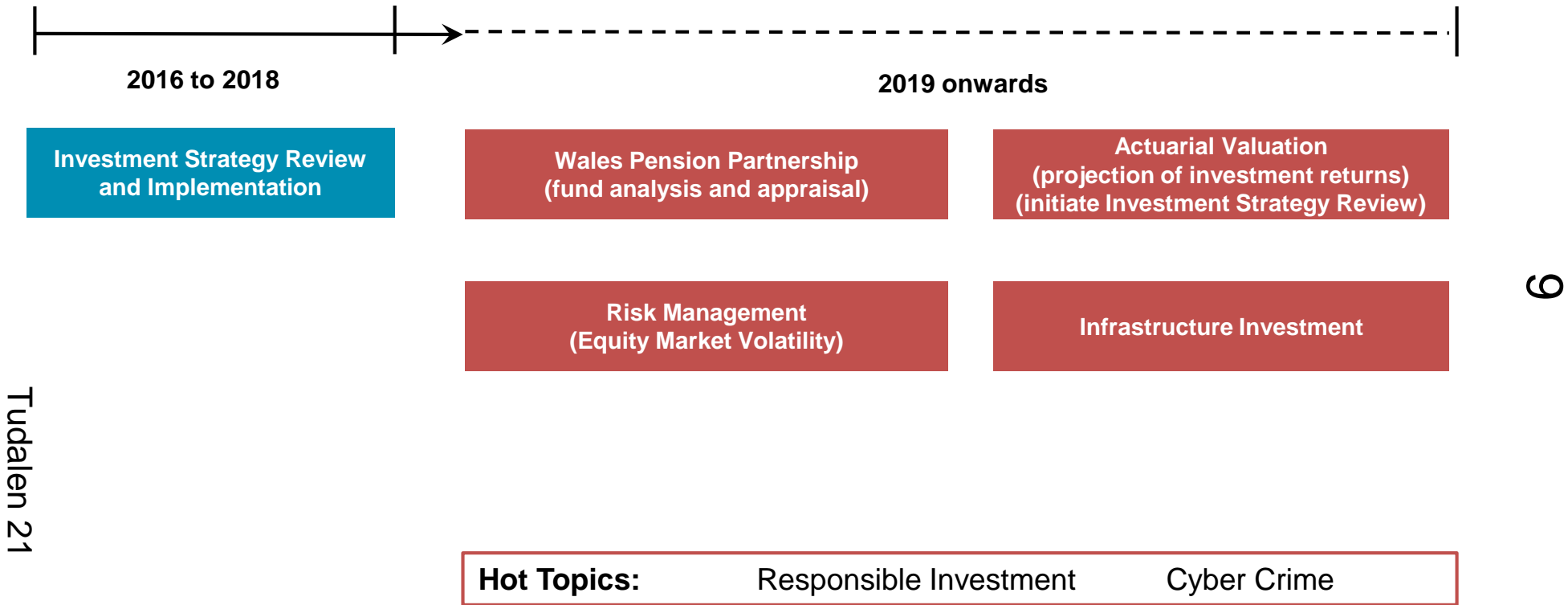
Drafted: June 2015



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# Powys County Council Pension Fund – Forward Looking Business Plan



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Forward looking business plan does not include some regular activities carried out by the IC. For example:

- Performance monitoring (quarterly basis). This requirement will diminish with the creation of the Wales Pension Partnership.
- Regular discussions with the Pensions Board Chair

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