



County Hall  
Cardiff  
CF10 4UW  
Tel: (029) 2087 2000  
  
Neuadd y Sir  
Caerdydd  
CF10 4UW  
Ffôn: (029) 2087 2000

## AGENDA

**Pwyllgor** PWYLLGOR PENSIYNAU

**Dyddiad ac amser y cyfarfod** DYDD LLUN, 20 TACHWEDD 2017, 5.00 PM

**Lleoliad** YSTAFELL BWYLLGORA 1 - NEUADD Y SIR

**Aelodaeth** Cynghorydd Weaver (Cadeirydd)  
Cynghorwyr Dilwar Ali, Howells, Sattar a/ac Graham Thomas

### 1 YMDDIHEURIADAU AM ABSENOLDEB

Derbyn ymddiheuriadau am absenoldeb.

### 2 Datgan Buddiannau

Dylid gwneud hyn ar ddechrau'r eitem agenda dan sylw, yn unol â'r Cod Ymddygiad Aelodau.

### 3 Cofnodion *(Tudalennau 1 - 4)*

Cymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 25 Medi 2017 fel cofnod cywir.

### 4 GWAHARDD Y CYHOEDD

**Mae Eitem 5 yn gyfrinachol ac ni ddylid ei gyhoeddi yn rhinwedd paragraff 14 o Ran 4 a pharagraff 21 o Ran 5 Atodlen 12A Deddf Llywodraeth Leol 1972. Caiff y cyhoedd ei gwahardd o'r cyfarfod pan gaiff yr eitem hon ei chyflwyno yn unol â'r un ddeddfwriaeth.**

### 5 Partneriaeth Pensiwn Cymru *(Tudalennau 5 - 24)*

Ystyried argymhellion Partneriaeth Pensiwn Cymru mewn perthynas â phenodi gweithredwr y gronfa fuddsoddi.

### 6 Dyddiad y cyfarfod nesaf

**Davina Fiore**

**Cyfarwyddwr Llywodraethu a Gwasanaethau Cyfreithiol**

Dyddiad: Dydd Mawrth, 14 Tachwedd 2017

Cyswllt: Andrea Redmond, 02920 72434, a.redmond@caerdydd.gov.uk

PENSIONS COMMITTEE

25 SEPTEMBER 2017

Present: Councillor Weaver (Chairperson), Councillors Dilwar Ali, Howells and Graham Thomas

Also

Present: Christine Salter, Gary Watkins and Gareth Henson

30 : APOLOGIES FOR ABSENCE

There were no apologies for absence.

31 : DECLARATIONS OF INTEREST

Declarations of Interest were received in respect of all items from Councillors Graham Thomas and Nigel Howells on the basis that they are both members of the Cardiff & Vale Pension Fund Scheme.

32 : MINUTES

The minutes of the meeting of 15 March were approved as a correct record and signed by the Chairperson.

33 : WALES PENSION PARTNERSHIP

Members were advised that the report had been prepared to update them of progress with the development of the Wales Pension Partnership to manage on a collaborative basis the investment assets of the eight Local Government Pension Scheme (LGPS) funds in Wales.

Members were advised that procurement process for a Pool Operator is still ongoing. A recommendation will be made to the Joint Governance Committee (JGC), thereafter this committee will be asked to approve the JGC's recommendation.

RESOLVED: To note the establishment of the Wales Pension Partnership and the progress in the procurement of the Pool Operator.

34 : MIFID II

Members were advised that the report outlines the impact of the implementation of the Markets in Financial Instrument Directive 2014/65 (MiFID II) and in particular the risk to the administering authority of becoming a retail client on 3 January 2018.

Members sought clarification of the status of retail clients and were advised that retail clients have protections against investing in an inappropriate product, investment firms have to explain the risks and/or restrict the range of investments offered and therefore the costs are greater and the returns lower whereas professional clients are expected to carry out their own risk assessments with proper advice, so can access a wider range of investments at cheaper fees. The new regulations require a demonstration of the authority's professional capabilities to each firm dealt with to be

in a position to continue as professional clients. A “qualitative test” will need to be applied, including an assessment of the experience and knowledge of committee members as evidenced by attendance at training events. The authority is also declaring that it is understood that it would not benefit from the protections given to retail clients.

RESOLVED: That the Committee: -

- a) Notes the potential impact on the Fund’s investment strategy of becoming a retail client with effect from 3 January 2018.
- b) Agrees to the immediate commencement of applications for elected professional client status with all relevant institutions in order to ensure that it can continue to implement an effective investment strategy.
- c) Acknowledges that in electing for professional client status it will forgo the protections available to retail clients listed in Appendix 1 of the report.
- d) Delegates responsibility to the Corporate Directors Resources for the purpose of completing the applications and determining the appropriate basis of each application as either full or single service.

#### 35 : STATEMENT OF ACCOUNTS AND ANNUAL REPORT 2016-17

Members were advised that the final accounts are due to go to Council at its meeting on 28 September.

RESOLVED: That the Committee:

- a) Notes the Auditor’s Report

Approves the Annual Report for the Fund 2016-17

#### 36 : INVESTMENT STRATEGY & ASSET ALLOCATION

**The Committee agreed that the press and public be excluded from the meeting during the consideration of the exempt material, Appendix 1 to this report because consideration of these matters in public would disclose information falling within one or more categories of exempt information contained in Schedule 12A of the Local Government Act 1972. The Committee considered that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.**

RESOLVED: That the Committee approves the Strategic Asset Allocation recommended by the Investment Advisory Panel, having noted the subsequent post Panel advice from the Fund Actuaries.

#### 37 : MINUTES OF THE INVESTMENT ADVISORY PANEL MEETINGS OF 24 FEBRUARY AND 13 JUNE 2017 – CONFIDENTIAL

**The Committee agreed that the press and public be excluded from the meeting during the consideration of the exempt material relating to this item because consideration of these matters in public would disclose information falling within one or more categories of exempt information contained in Schedule 12A of the Local Government Act 1972. The Committee considered that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.**

RESOLVED: To note the minutes of the Investment Advisory Panel meetings of 24 February and 13 June 2017

38 : DATE OF NEXT MEETING

The date of the next meeting is to be arranged after the next meeting of the Joint Governance Committee.

The meeting terminated at Time Not Specified

***This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg.***

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Yn rhinwedd paragraff (au) 14, 21 Rhan (nau) 4 a 5 o Atodlen 12A  
o Ddeddf Llywodraeth Leol 1972.

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Mae'r dudalen hon yn wag yn fwriadol



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