

## PENSIONS COMMITTEE

29 NOVEMBER 2021

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

### 42 : APOLOGIES FOR ABSENCE

Apologies had been received from Cllr Dilwar Ali

### 43 : DECLARATIONS OF INTEREST

None received

### 44 : MINUTES

The minutes of the meetings held on 12 July 2021 and 2 November 2021 were agreed as correct records.

### 45 : ANNUAL REPORT

Members were advised that the Annual Report for 2020-21 has been completed including the review by Wales Audit.

Officers outlined the key points from the report as follows:

The Auditor has reviewed the contents of the draft Annual Report and issued an Auditor's Statement upon it, confirming that the Annual Report has been reviewed and that the information it contains is consistent with the information in the Statement of Accounts presented to and approved by Full Council on 25 November 2021.

The Auditor's Statement appears on page 19 of the 2020/21 Annual Report with the Annual Report appended as Appendix 1.

The Annual Report must be published in English and Welsh on the Council's website by the statutory deadline of 1 December.

The Chairperson invited questions from Members;

Members considered that the report was very readable, comprehensive and in a good format.

### RESOLVED:

That the Committee received the Auditor's Statement on the Pension Fund Annual Report 2020/21; and approved the Annual Report appended as Appendix 1.

## 46 : FUNDING STRATEGY STATEMENT

Members were advised that the Funding Strategy Statement (FSS) sets out how the administering authority aims to meet the regulatory requirements to ensure that funds are available to meet pensions liabilities as they fall due whilst keeping employer contributions as constant as possible.

Officers outlined the key points from the report as follows;

The FSS is normally reviewed every three years as part of the Triennial Valuation following consultation with the Fund Actuary although amendments to the FSS within this three year cycle may be necessary. The administering authority must also consult with “such persons as it considers appropriate” and have regard to guidance published by CIPFA, the Chartered Institute of Public Finance and Accountancy and other regulatory bodies such as the Scheme Advisory Board (SAB).

The Fund’s actuaries have prepared the draft FSS (attached as Appendix 1) as a revision of the statement published after the 2019 valuation to incorporate recent updates in the LGPS Regulations in particular those in relation to Employer Flexibilities.

The key parts of the FSS to be amended in relation to Employer Flexibilities are in the new Appendices 4 and 5. Appendix 4 is titled “Policy on reviewing employer contributions between triennial actuarial valuations” and outlines the situation in which the Administering Authority will review employer contributions and the process it will follow to undertake those reviews. Appendix 5 is titled “Policy on spreading of exit payments and deferred debt agreements” and considers the appropriate period for the spreading of exit payments and the process for determining this period. Appendix 5 also covers Deferred Debt Agreements (DDA) whereby exiting employers continue to make contributions at the secondary rate and defer the payment of an exit payment and the process to determine whether it is appropriate to enter into a DDA.

The document includes updates in other areas to ensure that Employer Flexibilities are appropriately reflected in the drafting as well as taking the opportunity to update the document for a number of other small minor changes primarily to reflect any legislative changes since the last review, for example in relation to the payment of Exit Credits.

If the Pension Committee is content to approve the revised FSS document then the next step will be to commence a period of consultation with the draft document to be sent to the Fund’s employers, and to the members of the Local Pension Board.

If there are no material amendments arising from the consultation then the FSS will be approved and published on the Fund’s website. If there are significant amendments arising from the consultation then an amended FSS will be brought back to the Pension Committee for further consideration.

Updates to the FSS will also be included in the March 2022 triannual valuation process.

Members asked when this would come back for revisions and were advised that it would be at the February 2022 meeting.

Members asked if this would also go to the Local Pension Board and were advised that it can go as a briefing item as the Board meets two weeks before the Pensions Committee.

RESOLVED: To approve the revised Funding Strategy Statement.

47 : MINUTES OF THE LOCAL PENSION BOARD

Noted.

48 : EXCLUSION OF THE PUBLIC

**The following items were confidential and not for publication by virtue of paragraph 14 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972. The public were excluded from the meeting for the presentation of these items in accordance with the same legislation.**

49 : MINUTES OF THE INVESTMENT ADVISORY PANEL

RESOLVED: To note the minutes of the Investment Advisory Panel meeting held on 8 June 2021.

50 : WPP UK OPPORTUNITIES FUND

Noted

51 : URGENT ITEMS (IF ANY)

Noted.

52 : DATE OF NEXT MEETING

7<sup>th</sup> February 2022, 5pm.

The meeting terminated at 5.45 pm

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