



**CARDIFF & VALE OF GLAMORGAN PENSION FUND
LOCAL PENSION BOARD
18 JANUARY 2022**

Present: Mr Michael Prior (Independent Chair)

Employers Representatives:
David Llewellyn (Finance Director, Cardiff Met)

Scheme Member Representatives:
Ms H Williams (Unison Nominee)
Ms Sheelagh Doolan-Pitt (GMB Nominee)
Mr Peter King (Unison Nominee)

In Attendance: Chris Lee, Corporate Director Resources
Marc Falconer, Pensions Manager
Gary Watkins, OM Revenues.
Karen O'Donoghue-Harris, Principal Pensions Officer
Jayne Newton, Communications and Training Officer
Andrea Redmond, Democratic Services Officer

1: Apologies and Declarations of Interest

Apologies had been received from Mark Simms. There were no declarations of interest.

2: Minutes of previous meeting and Matters arising

The minutes of the meeting held on 6 July 2021 were agreed as a correct record, subject to the deletion of the word 'fundamental' on page 3.

Matters arising:

In relation to GMP, it was noted that currently there was detail to bring to the Board, and that a report will be presented early in the new financial year.

With reference to the Audit Report, board members were advised that this was now being programmed into the Annual Review work and will be shared with board members when it is complete.

Discussing the Risk Register, it was agreed that the Board could concentrate on a couple of areas in depth at each meeting.

3: Administration Update

This report updated the Board on work being carried out by the Pensions Section. The report was outlined in detail by Officers after which the Chairperson invited questions and comments from Board Members.

Members asked if the figure of 416 days for Interfund in was correct. Officers explained that they often have to go back and forth for further information but assured members that this does not have an impact on a scheme member, its about updating the records.

Members referred to staffing and noted that 3 out of 8 people had been recruited, so there was a need to readvertise for the other 5 posts, which was disappointing, but it was important to have the right people.

Members asked what proportion of the whole team the 8 posts represented; Officers advised this was around a third.

Members asked about training opportunities for candidates and Officers explained that they get 1:1 on the job training as well as third party training from LGA, add-on training from Haywood as well as the mandatory training from Cardiff Academy. Currently, Officers are looking for candidates with relevant pensions experience as they need the resource, but this may need to be reconsidered when they readvertise.

Members asked if Officers were confident they were able to offer salaries within the Job Evaluation scheme to attract the calibre of candidates required. Officers explained that the salaries as graded are comparable to other Local Authorities.

Members referred to paragraph 8 and the under/over payments and asked if the figures £2-£5 was per month. Officers clarified it was per month.

Members referred to paragraph 10 and asked if there was a link between the Dashboard and the MSS, Officers advised there was not.

Members considered there was a good take up of MSS from the Vale of Glamorgan, but more still needed to sign up to take pressure off the team. Members asked if the TU's could do anything to encourage sign up to MSS and whether log-in's could be reissued to those who haven't used them. Officers explained this would be a big task, but if people contact the team to ask for a log-in it can be reissued.

Officers explained that they were just at the end of the initial rollout and there would be a focus on increasing take up figures and were confident there would be increased figures to report to future meetings. Officers also explained they would look at the age profile of the take-up and that this may drive any future communications strategy.

It was noted that GLL and Cardiff Met were not on MSS yet and that Cardiff Met had data issues with iConnect that they were working through.

Members wished to have clarification on the figures of take up from Cardiff and the Vale of Glamorgan. They considered it was a good take up for an initial rollout and looked forward to seeing continued increases. Members thought it was useful to have these figures reported to the Board.

RESOLVED: To note the work being undertaken by the Pensions Administration Section and the progress in the areas covered by the report

4. Review of the Risk Register

This item enabled Local Pension Board to review the current Risk Register for the Pension Fund before it is submitted to the Pension Committee.

Officers outlined the report to Board Members after which the Chairperson invited questions and comments.

Members noted the review and that the Board had added 2 risks at its last meeting.

Members considered it would be useful to concentrate on 1 or 2 issues, line by line with the relevant staff member, at each Board meeting.

Members were pleased to see that Cyber security had been added and that following the Cyber Security training and presentation to the Board at its April meeting, this risk could be considered in depth.

Officers considered it would be useful to have a schedule of risks to be reviewed.

Officers explained that GMP would be better considered in the Autumn, when there would be more tangible information to review.

Members discussed various risks that could be reviewed in depth including Risk P20 – Resource Implications and investment.

Members asked about risk P11 – Payroll System and asked for an update on this. Officers explained that this was too difficult to do at the moment purely due to resources but noted this should be updated on the Register.

RESOLVED: To note the Risk Register and agreed to look at two risks in depth at each meeting. The next meeting would consider Cyber Security and Resources.

5. Review of Complaints and Communications

This report was to process the annual review of the Communication Policy and Complaints and Compliments Policy and to consult with LPB for any changes prior to taking amended documents to the Pensions Committee.

Officers outlined the report to the Board, explaining this was an early sight of the document so that any comments may be incorporated before it is taken to Pensions Committee in February for formal approval.

Members were advised that compliments are always noted, reported and recognised.

RESOLVED: To consider the revised Communications and Complaints and Compliments Policies.

6: Amendments to Funding Strategy Statement

This report presented to the Board, proposed amendments to the Funding Strategy Statement (FSS).

The 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. 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 meeting of the Pension Committee on 29 November 2021 received a report containing details of proposed amendments to the current version of the FSS that had been suggested by Aon, the Fund's actuary. Officers outlined the detail of the report to the Board and advised that this was a statutory obligation to complete the statement.

The Chairperson invited comments from the Board.

The Chairperson noted that the proposed changes were provided by AON and that these changes would be made for all the LGPS schemes.

Members appreciated the tracked changes in the document for ease of reference.

Members were advised that any comments from the Board would be required before the report is taken to the Pension Committee in February for formal approval.

RESOLVED: To consider the proposed amendments to the FSS and forward any comments as part of the consultation.

7: WPP and Investment Update

This item was to update the Board concerning recent Wales Pension Partnership (WPP) and investment matters for the Cardiff & Vale of Glamorgan Pension Fund (Fund).

Officers outlined the report to Board Members after which the Chairperson invited questions and comments.

Members were pleased to see the increased proportion of assets in the WPP at 65% and asked how this compared to the other Authorities. Officers advised that Cardiff and the Vale were one of the higher ones now and that figures could be included in the next report to the Board.

The Board formally endorsed PK's application to the Governance Committee.

The Board were pleased with the progress in assets in the WPP and the overall performance in general.

RESOLVED: To note the developments with the WPP and the Fund's Investments

8: Review of Governance Compliance Statement

This report presented to the Board a proposed update to the Fund's Governance Compliance Statement and asked the Board to consider any further amendments required to update the document.

Officers advised that this report would be taken to Pensions Committee on 7 February 2022 for formal approval, so any comments from the Board would be needed before then.

Officers outlined the report in detail after which the Chairperson invited comments from the Board.

It was considered that the Terms of Reference could be reviewed.

RESOLVED: To consider the revised Governance Compliance Statement and forwards any comments prior to the February 2022 meeting of the Pension Committee.

9: Any Other Business

Membership – Vacancy following the departure of Carys Lord from the Board. The Chair advised that he had received one nomination from the Vale of Glamorgan. Chris Lee was happy to support this.

The Chair asked that Officers contact Mark Simms to see if he is able to allocate his time to Board.

Date of next meeting

29 April 2022.