



**CARDIFF & VALE OF GLAMORGAN PENSION FUND  
LOCAL PENSION BOARD  
24 JANUARY 2023**

Present: Mr Michael Prior (Independent Chair)

Employers Representatives:  
Mark Sims (Barry Town Council)  
Laithe Bonni (Vale of Glamorgan)

Scheme Member Representatives:  
Ms H Williams (Unison Nominee)  
Mr Peter King (Unison Nominee)

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

**1: Apologies and Declarations of Interest**

Apologies had been received from David Llewellyn and Georgia Chedzey. There were no declarations of interest.

**2: Minutes of previous meeting and Matters arising**

The minutes of the meeting held on 7 November 2022 were agreed as a correct record.

Matters arising:

There were no matters arising that were not covered as items on the agenda.

**3: Administration Update**

This report was to update the Board concerning 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.

HW asked about the timeline for sending information to people who are taking redundancy. Officers advised that 14 days are scheduled to return the information to HR once the request has been received, but it generally takes around 7 days.

MS noted that there are a large number of tasks, and the majority are met within their timeframe. For those that don't meet the timeframe, MS asked if the target was realistic and whether it was set by us or by guidelines. Officers advised that they were guidelines.

LPB members discussed the priority given to meeting the benefits statements on time and the push to improving take up of the Member Self-Serve. It was noted that Cardiff has the highest take up of Member Self-Serve in Wales.

Officers emphasised that they make sure they pay peoples pensions on time and accurately and that is the main priority.

A discussion took place around the vacancies and the impact this must be having on staff and performance. Officers assured LBP members that they are hitting the high priority items in the 90+% consistently.

The Chair stated that it was also the outcome for members and the overall backlog of work. Officers explained that there are approx. 4000 items sitting in backlog but assured LPB members that these were not priority items. Regarding members, Officers stated that they don't receive any complaints, in fact they have received quite a few compliments, which are shared with GW and passed on to staff accordingly. The Chair stated it was good to prioritise the work but noted that there was still lots of work for the team to catch up on.

**ACTION: provide a breakdown of the work i.e., mission critical – GW**

LPB members discussed people having difficulty obtaining accurate quotes if they have requested a quote within the last 2 years. It was noted that the member self-serve website directs members to the Pension Team. Officers advised that a request has been made to take that message down from the website and the quote on the Member self-serve should be accurate.

LPB members discussed vacancies and were pleased to see that a meeting had been arranged with the head of HR, as this was not a short term issue but a medium to long term issue. A discussion took place around the job adverts and the Chairperson considered it would be helpful if the Board had sight of them. Officers agreed and explained that the head of HR had suggested the wording but that it could be adjusted to make the advert more attractive to applicants.

Referring to GMP reconciliation, LPB members were interested to know the implications of the delay and how many members were impacted by the reconciliation. Officers advised that they had asked but the information was not available. GW stated that they had asked if they had completed with any local client, but they had not. The Chair noted that it was probably a lot of small adjustments, but this couldn't be confirmed until the data was available from Mercer, this was another sign of the pressures that pension sector is under at the moment.

**ACTION - PK suggested that the wording in the report be changed from 'honest' to 'open'.**

The Chair referred to McCloud and the LGPS changes/regulations being delayed and asked about the impact of this. Officers said that they haven't had any information as yet, the work they were doing at the moment was more like data cleansing to be ready for the new changes coming in. Very few people would be impacted, mainly those who had had a significant promotion late in their career therefore impacting their final salary pension, Officers go back to 2012 and look at the McCloud judgement.

Discussing the dashboards, the Chair considered that there was a need for extra capacity in the Team.

Discussing the Employer Forum, it was noted that the Board will be represented. It was suggested that the room could be set up more informally and that personal invitations may encourage more attendees.

**RESOLVED: to** note the report.

#### **4. Review of the Risk Register**

Officers outlined the report, and the Chairperson noted the updated comments were in red type.

The Chair considered it was helpful to see recent events incorporated into the register and acknowledged.

LPB members discussed requests for opt outs in light of the cost of living crisis and Officers advised that this question had also been asked by the LGA, officers had not seen an increase but will keep monitoring this.

LPB members discussed direct debit payments and the 50/50 scheme, and considered these should be monitored too in light of the cost of living crisis. HW advised that she had receive her first ever enquiry about the 50/50 from 2 people in December 2020.

Officers advised that a salary sacrifice scheme for Additional Voluntary Contributions was being launched and in the few weeks that Cardiff had been live there had been 440 new member take ups.

**RESOLVED: to** note the report.

#### **5. Review of Governance Compliance Statement**

Officers outlined the report to LPB members.

It was noted that the report would go to Pensions Cttee on 6 February 2023 for approval.

**RESOLVED: to** note the Governance Compliance Statement and agreed that it goes before the 6 February 2023 meeting of the Pension Committee.

**6: Annual Review of Fund Policies and Strategies (Communications Policy, Complaints and Compliments Policy & Pensions Administration Strategy)**

Officers outlined the report to LPB members and highlighted the minor updates to each policy.

It was noted that the report would go to Pensions Cttee on 6 February 2023 for approval.

**ACTION – to add reference to the Independent Chair of the LPB - KODH**

**RESOLVED:** to note the revised Communications Policy, Complaints and Compliments Policy and Administration Strategy.

**7: Wales Pension Partnership and Investment Update**

Officers outlined the update report to LPB members.

Clarification was sought in relation to paragraph 5 and whether the figures referred to the Cardiff Fund or the WPP, Officer advised they related to the Cardiff Fund.

The Chair noted that after adjustments, almost 90% would be in WPP funds.

**ACTION: FRC reporting to be added to the website - JN**

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

**8: Funding Strategy Statement (FSS) and 31 March 2022 Valuation update**

Officers provided a thorough outline of the report and key issues, noting that there had not been a huge change in the valuation. LPB Members were advised that the report would go to Pensions Cttee on 6 February 2023 for approval, after which it would be posted on the funds website.

Members discussed the slight increase in terms of funding and noted that most employers were happy with this however there was a slight divergence with the smaller orphan employers who may pay the same or even higher rates due to the volatility of memberships and change in contribution rates to reflect that.

Officers explained the approach of added prudence, paying deficits back faster and being cautious with the actuaries estimates as there were still uncertainties in the geo-political world.

**RESOLVED:** to note the 31 March 2022 valuation process and the draft FSS and agreed to the document being considered by the Pension Committee.

**9: Any Other Business**

A discussion took place around the new defined benefit funding code. The Chair noted that this was something the LGA would have been involved in rather than the LPB, but it may be useful to see if there would be any impacts, resource implications etc.

**ACTION – Chair to liaise with JN to bring something forward to a future meeting.**

**Date of next meeting**

18 April 2023