MEETING OF THE PENSIONS COMMITTEE
OF TORFAEN COUNTY BOROUGH COUNCIL
Held on Thursday, 16 November 2017 at 10am
In the Council Chamber, Civic Centre, Hanbury Road, Pontypool, NP4 6YB

MINUTES

Attendance: Members of the Committee

Councillors:
Huw Bevan
Glyn Caron (Chair)
Joanne Gauden
Jon Horlor
Peter Jones

Officers:
Tim James, Interim Chief Legal Officer (ICLO)
Paul Rowles, Pension Investments Manager (PIM)
Graeme Russell, Head of Pensions (HoP)
Geraint Thomas, Senior Business Support Officer (SBSO)

Action

1 Attendance and Apologies

1.1 No apologies were received.

2 Declarations of Interest

2.1 Members confirmed the following declarations of personal interest as read by the Interim Chief Legal Officer (ICLO):

Councillor	In Receipt of Pension	Contributor
Huw Bevan	NONE	Self
Glyn Caron	NONE	Self. Wife is a deferred member
Joanne Gauden	NONE	Self and daughter
Jon Horlor	NONE	Self
Peter Jones	Wife	Self and wife

3 Wales Pension Partnership; DCLG Autumn Review Submission and Work stream Summary

3.1 The HoP highlighted the following key headlines from the report:

- The report and appendices provided the present position in respect of the creation of the all Wales collective investment arrangements.
- Appendix 1 provided the most recent update on progress submitted to the DCLG as required.

- In terms of scale (Criterion A), the total value of the all Wales pool in July 2016 was £12.8bn. This was lower than the desired size set by DCLG but was accepted due to the unique characteristics of the pool. The total value of assets as at 30 June 2017 was £16.3bn.
- The passive investment management framework had resulted in lower fees and costs during the previous 18 months.
- Not all investments could be immediately transferred into the pool, as they were fixed-term investments.
- The pool was still targeting to go live by April 2018.
- Carmarthenshire was the host authority, with an agreed budget on behalf of all eight Welsh funds.
- Discussions were ongoing regarding the design of sub-funds and would be discussed with the Operator once appointed.
- FCA authorisation and transition of assets would also be discussed with the Operator once appointed.
- The risks to the delivery timescale could be seen in the table on pages 9 and 10 of the agenda.
- In terms of governance (Criterion B), all eight Welsh funds had agreed to work together under a legal agreement.
- Regarding reduced costs and value for money (Criterion C), the estimated savings figures quoted in the July 2016 proposal could be seen in the table on page 12 of the agenda.
- In respect of Criterion D, he reaffirmed that it was the Welsh Pool's ambition to have at least 5% of assets invested in infrastructure investments in the short to medium term, with a longer term aspiration set at 10%. At 30 June 2017, the figure stood at £180m (1.1%).
- Discussions had taken place with the other investment pools throughout the country, to see if investments in infrastructure could be done as a pan-LGPS (Local Government Pension Scheme) collective.
- Appendix 2 provided a timeline as a point of reference, in relation to the Governance Workstream and the Procurement Workstream.

3.2 The Chair added the following points:

- In terms of the Procurement Workstream, the recommendation had now been agreed by JGC (Joint Governance Committee), hence why the Pensions Committee were considering their recommendations in item 5 of the agenda.
- Infrastructure was a good investment class but was difficult to get right.
- In terms of the DCLG deadline of April 2018, he believed it may be better to take a couple of months longer, if it became necessary, in order to complete the process correctly.

3.3 The Pensions Committee agreed to:

(i) Note the work stream summary; and

(ii) Note the DCLG Autumn Review Submission

4 Exclusion of Press and Public

4.1 The committee agreed to the exclusion of the press and public from the meeting as presentations and meeting papers were not for publication

because in accordance with paragraphs 12 and 14 of part 4 of Schedule 12a of the Local Government Act 1972 (as amended by the Access to Information Variation Order Wales 2007), it contained information about a particular individual and information relating to the financial and business affairs of particular persons including the Council and in all the circumstances of the case the public interest in maintaining the exemptions outweighs the public interest in disclosing the information.

Item 5 was exempt from the press and public.

6 Date of Next Meeting 11/12/17

6.1 The next meeting is scheduled to take place on 11th December 2017.

6.2 The meeting closed at 3.00pm.

CYFARFOD PWYLLGOR PENSIYNAU
CYNGOR BWRDEISTREF SIROL TORFAEN
A gynhaliwyd ar ddydd Iau, 16 Tachwedd 2017 am 10am
Yn Siambr y Cyngor, Y Ganolfan Ddinesig, Heol Hanbury, Pont-y-pŵl, NP4 6YB

COFNODION

Yn Bresennol: Aelodau’r Pwyllgor

Cynghorwyr:
Huw Bevan
Glyn Caron (Cadeirydd)
Joanne Gauden
Jon Horlor
Peter Jones

Swyddogion:
Tim James, Prif Swyddog Cyfreithiol Dros Dro
Paul Rowles, Rheolwr Buddsoddiadau Pensiwn
Graeme Russell, Pennaeth Pensiynau
Geraint Thomas, Uwch Swyddog Cefnogi Busnes

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<tr><td>1.</td><td>Presenoldeb ac Ymddiheuriadau</td><td></td></tr>
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<tr><td>1.1</td><td>Ni dderbyniwyd unrhyw ymddiheuriadau</td><td></td></tr>
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<tr><td>2.</td><td>Datganiadau o Fudd</td><td></td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>2.1</td><td>Cadarnhaodd aelodau’r datganiadau canlynol o fuddion personol fe y’i darllenwyd gan y Prif Swyddog Cyfreithiol Dros Dro:
<table>
<tr><th>Cynghorydd</th><th>Yn Derbyn Pensiwn</th><th>Cyfrannwr</th></tr>
<tr><td>Huw Bevan</td><td>DIM</td><td>Ei hun</td></tr>
<tr><td>Glyn Caron</td><td>DIM</td><td>Ei hun. Ei wraig yn aelod gohiriedig</td></tr>
<tr><td>Joanne Gauden</td><td>DIM</td><td>Ei hun a’i merch</td></tr>
<tr><td>Jon Horlor</td><td>DIM</td><td>Ei hun</td></tr>
<tr><td>Peter Jones</td><td>Gwraig</td><td>Ei hun a’i wraig</td></tr>
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<tr><td></td><td></td><td></td></tr>
<tr><td>3.</td><td>Partneriaeth Pensiynau Cymru; Adolygiad yr Hydref Adran Cymunedau a Llywodraeth Leol a Chrynodeb Llif Gwaith</td><td></td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>3.1</td><td>Pwysleisiodd y Pennaeth Pensiynau'r penawdau allweddol canlynol yn yr adroddiad:
Roedd yr adroddiad a’r atodiadau’n dangos y sefyllfa bresennol mewn perthynas â chreu trefniadau buddsoddiad ar y cyd Cymru Gyfan.</td><td></td></tr>
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		Cam
	• Roedd Atodiad 1 yn rhoi'r diweddariad mwyaf diweddar ar y camau a gyflwynwyd i'r Adran Gymunedau a Llywodraeth Leol yn ôl y gofyn. • O ran graddfa (Maen Prawf A), cyfanswm gwerth cronfa Cymru gyfan yng Ngorffennaf 2016 oedd £12.8biliwn. Roedd hyn yn is na'r maint dymunol a bennwyd gan yr Adran Gymunedau a Llywodraeth Leol ond fe'i derbyniwyd oherwydd nodweddion unigryw'r gronfa. Cyfanswm gwerth yr asedau ar 30 Mehefin 2017 oedd £16.3bn. • Roedd y fframwaith rheoli buddsoddiadau goddefol wedi arwain at ffioedd a chostau is yn ystod y 18 mis blaenorol. • Ni allai pob buddsoddiad gael eu trosglwyddo'n syth i'r gronfa, gan eu bod yn fuddsoddiadau cyfnod penodol. • Targed y gronfa oedd mynd yn fyw erbyn Ebrill 2018. • Sir Gaerfyrddin oedd yr awdurdod lletyol, gyda chyllideb wedi'i gytuno ar ran yr wyth cronfa Gymreig. • Roedd trafodaethau'n mynd ymlaen mewn perthynas â dyluniad is-gronfeydd a byddai hyn yn cael ei drafod gyda'r Gweithredwr unwaith y bydd wedi ei benodi. • Byddai awdurdod gan yr FCA a throsglwyddo asedau hefyd yn cael ei drafod gyda'r Gweithredwr unwaith y bydd wedi ei benodi. • Gellid gweld y risg i'r amserlen gyflenwi yn y tabl ar dudalennau 9 a 10 yr agenda. • O ran llywodraethu (Maen Prawf B), roedd yr wyth cronfa Gymreig wedi cytuno i gydweithio o dan gytundeb cyfreithiol. • O ran costau is a gwerth am arian (Maen Prawf C), gellid gweld amcangyfrif yr arbedion a oedd yng nghynnig Gorffennaf 2016 yn y tabl ar dudalen 12 yr agenda. • O ran Maen Prawf D, cadarnhaodd mai uchelgais y Gronfa Gymreig oedd cael o leiaf 5% o asedau mewn buddsoddiadau seilwaith rhwng y tymor byr a'r tymor canolig, gyda nod hir dymor o 10%. Ar 30 Mehefin 2017, roedd y ffigwr yn £180miliwn (1.1%). • Roedd trafodaethau wedi bod gyda'r cronfeydd buddsoddi eraill trwy'r wlad, er mwyn gweld a oedd modd buddsoddi mewn seilwaith ar y cyd ar draws y Cynllun Pensiwn Llywodraeth Leol. • Roedd Atodiad 2 yn rhoi amserlen i gyfeirio ati mewn perthynas â'r Llif Gwaith Llywodraethu a'r Llif Gwaith Caffael. Ychwanegodd y Cadeirydd y pwyntiau canlynol: • O ran y Llif Gwaith Caffael, roedd yr argymhelliad wedi ei gytuno nawr gan y Cydbwyllgor Llywodraethiant, dyna pam felly roedd y Pwyllgor Pensiynau'n ystyried eu hargymhellion yn eitem 5 yr agenda. • Roedd seilwaith yn ddosbarth buddsoddi da ond un a oedd yn anodd ei gael yn gywir. • O ran dyddiad terfyn yr Adran Gymunedau a Llywodraeth Leol yn Ebrill 2018, roedd yn credu y byddai efallai'n well i gymryd rhai misoedd yn hirach, pe bai angen, er mwyn cwblhau'r broses yn iawn. **Cytunodd y Pwyllgor Pensiynau i:**	

		Cam
	(i) Nodi crynodeb y Llif Gwaith; a **(ii) Nodi Cyflwyniad Adolygiad yr Hydref i'r Adran Gymunedau a Llywodraeth Leol**	
4.	**Gwahardd y Wasg a'r Cyhoedd**	
4.1	Cytunodd y pwyllgor i wahardd y wasg a'r cyhoedd o'r cyfarfod gan nad oedd y cyflwyniadau a phapurau'r cyfarfod i'w cyhoeddi oherwydd, yn unol â pharagraffau 12 a 14 rhan 4 o Atodiad 12a Deddf Llywodraeth Leol 1972 (fel y'i diwygiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) 2007), roedd yn cynnwys gwybodaeth ynglŷn ag unigolyn penodol a gwybodaeth am faterion ariannol a busnes personau penodol gan gynnwys y Cyngor ac, yn amgylchiadau'r achos mae'r budd cyhoeddus o gynnal yr eithriadau yn gorbwyso'r budd cyhoeddus o ddatgelu'r wybodaeth.	
	Eithriwyd eitem 5 rhag golwg y wasg a'r cyhoedd.	
6.	**Dyddiad y Cyfarfod Nesaf 11/12/17**	
6.1 6.2	Bydd y cyfarfod nesaf ar 11^{eg} Rhagfyr 2017. Gorffennodd y cyfarfod am 3.00pm.	