

**MINUTES OF A MEETING OF THE LOCAL PENSION BOARD
OF TORFAEN COUNTY BOROUGH COUNCIL
Held on Wednesday, 24 January 2018 at 10am
In the Chamber, Civic Centre, Hanbury Road, Pontypool NP4 6YB**

In attendance Members of the Pension Board

Ian Coleman (Independent Chair)
Bob Campbell
Jan Davies
Rhian Hayden
Jane Waters
John Wright

Officers

Joanne Griffiths, Pensions Support Manager (PSM)
Tim James, Interim Chief Legal Officer (ICLO)
Mary Rollin, Pensions Manager (PM)
Graeme Russell, Head of Pensions (HoP)
Geraint Thomas, Senior Business Support Officer (SBSO)

Action

1 Attendance and apologies

- 1.1 Apologies were received from Steve Harford, Cheryl Morgan, Ruth Tucker and Anthea Wellington.
- 1.2 The Chair confirmed that Cheryl Morgan and Ruth Tucker had submitted their resignations to the Board and that the process to appoint their replacements had begun.
- 1.3 The HoP confirmed that the PM would be retiring at the end of March 2018 and that the PSM would be replacing her. In addition to this change, there would be further movement within some senior roles and the recruitment process was underway. The Board welcomed the PSM to her new role.
- 1.4 The Board wished to thank Cheryl Morgan and Ruth Tucker for their contributions to the Board and thank the PM for her support to the Board.

2 Declarations of interest

- 2.1 The ICLO asked the Board Members to confirm their personal interests in the Greater Gwent Pension Fund.

Board Member	In Receipt of Pension	Contributor
Bob Campbell	Self	
Jan Davies		Self and sister
Rhian Hayden	Mother	Self and sister
Jane Waters	Brother	Self
John Wright	Self and wife	Daughter

2.2 The ICLO left the meeting.

3 **Minutes 18/10/17**

3.1 It was confirmed that paragraph 5.20 was a repeat of paragraph 5.19 and should be amended.

3.2 The Chair believed that it was the Scheme Advisory Board's (SAB) intention to re-run the LGA Pension Board survey during March 2018.

3.3 Regarding paragraph 8.3, the HoP confirmed that the Fund would be writing to employers and trade unions in order to seek their nominations to the Board.

3.4 It was agreed that subject to the above amendment, the minutes were an accurate record of the meeting.

4 **Action Sheet**

4.1 The Pension Board noted the Action Sheet.

5 **Pensions Committee 16/11/17**

5.1 The Pension Board considered the agenda papers for the Pensions Committee held on 16th November 2017:

5.2 Agenda Item 3 – Wales Pension Partnership; DCLG Autumn Review Submission and Work stream Summary

The HoP provided the following update:

- The Department for Communities and Local Government (DCLG) periodically ask each investment pool to provide an update.
- This report related to the October progress update regarding the stated criteria for investment pooling and was a good reference for members of the Pensions Committee and Pension Board.
- In response to the report, DCLG were pleased with the progress, recruitment and appointment of an Operator.

6 **Pensions Committee 11/12/17**

6.1 The Pension Board considered the agenda papers for the Pensions Committee held on 11th December 2017:

6.2 Agenda Item 6 – Quarterly Investment Performance Report to 30/9/17

The HoP provided the following update:

- This was a standard report at present; however it may need to change with the pooling arrangements, as some investments will be made through the Wales Pension Partnership (WPP) and some will remain with the Fund.
- At the end of the quarter, the value of the Fund stood at £2,806 million.
- By studying the asset allocation breakdown in paragraph 5, it was clear

that a heavy weighting towards equities still existed.

- Markets had been positive, with virtually all regional markets providing positive returns. He highlighted the 4.6% return from Emerging Market equities and the 1.6% return from US equities.
- Quarter 3 had seen the Fund out-perform the positive +1.81% benchmark by +0.54% in the quarter, resulting in an overall positive (absolute) return of +2.35% for the Fund in Quarter 3.
- The 12 month overall Fund return remained a strong +12.56% and thus a strong +1.36% above the 12 month benchmark figure of +11.20%.
- The performance figures for the last 3 and 5 years were above the benchmark and the figure for the last 10 years was in line with the benchmark.
- Good performance tends to mask issues, as the investment managers doing well can mask the investment managers not doing so well. He gave an example of Lazard performing well, whereas Standard Life had performed slightly lower than the Fund had hoped.
- Some spectacular investment return figures could be seen over the last 12 months regarding Emerging Markets and the Far East.
- A lot of dialogue had occurred during the quarter with investment managers in order to analyse their performance, with a view to both the short-term and long-term.
- With a focus on pooling, approximately £55m was allocated in alternatives, via Invesco and Fidelity, at the end of September 2017. This would provide the Fund with a wider range of alternatives and the opportunity to benchmark its investments against each other.
- It was noted that the Pensions Committee asked for a further report around investments in alternatives, prior to the start of pooling.
- The value of the Fund increased to £2,864 million at the end of October, dropped slightly to £2,852 million at the end of November and increased again to £2,923 million at the end of December.

6.3 Rhian Hayden commented that the above update proved how slight market movements could affect the value of the Fund and that it was therefore important to focus on the medium-term and long-term and not to panic.

6.4 Agenda Item 7 – Update on the Implementation of Markets in Financial Instruments Directive (MiFID II)

The HoP provided the following update:

- MiFID II was a mandatory directive that took effect on 3rd January 2018.
- The Pensions Committee had agreed to apply to opt back up to professional status, which would allow the Fund to retain access to a range of products and investment managers.
- At the time of the Pensions Committee meeting on 11th December 2017, 7 investment managers used by the Fund had agreed and given their approval regarding the Fund retaining professional status and all (15) investment managers had agreed by the end of December 2017.
- The Fund would need to keep checks on its governance and training in order to maintain the professional status. Increasing the knowledge and understanding of officers, the Pensions Committee and the Pension Board would be vital to this.

6.5 The Chair explained that work around MiFID II had taken a lot of time and effort. There is a responsibility on the Board and individual members to maintain and increase their knowledge and understanding.

6.6 Agenda Item 8 – Elected Member – Continuing Professional Development Update

The Chair reminded members of the Board that they should regularly submit their individual professional development updates to the PM.

6.7 The Chair reminded members that the 'Responsible Investment' development session would be held on 14th February 2018. Bob Campbell gave his apologies for the session.

7 **Any other business**

7.1 Bob Campbell suggested that the upcoming Unison divestment report around fossil fuels could be considered at the next meeting of the Environmental, Social and Corporate Governance (ESG) Working Group.

7.2 The HoP agreed this report should be considered by the above and confirmed that the development session with Hymans Robertson on 14th February 2018 would also look more widely at the issue of fossil fuels.

8 **Date of next meeting 25/4/18**

8.1 The next meeting of the Pension Board will be on Wednesday 25th April 2018.

9 **Exclusion of Press and Public**

9.1 The Pension Board 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.

10 **Operator Selection Report**

10.1 The HoP provided the following update:

- At the Joint Governance Committee (JGC) meeting in early November 2017, the preferred bidder to become the Operator for the WPP was agreed. Following this, an identical report was tabled to the eight Welsh Pension funds, recommending Bidder 1, with agreement reached at individual committee meetings between 9th November 2017 and 30th

November 2017.

- The report outlined the selection process used and the officer involvement from each of the eight funds.
- The report showed the quality and price of the bidders involved. He added that the submission with the highest quality was only marginally better than the bidder in second place; however the price difference was huge. This explained the decision to recommend Bidder 1 for approval.
- December 2017 saw a mandatory ten-day period of standstill to allow for any legal challenges. During the first week of January 2018, Link Asset Services were announced as the Operator.
- The lead tender had been Capita; however they were subsequently bought-out by Link. Link would be sub-contracting services to Russell Investments around advice and guidance regarding investment managers and sub-contracting services to Northern Trust as the Custodian and Depository.
- Discussions had taken place with the three organisations above around the timetable for establishing the investment pool and the number and types of sub-funds that would be required.
- Despite DCLG setting a deadline for establishing investment pools by 1st April 2018, the HoP was confident that they would be comfortable provided that the WPP had made sufficient progress and was perhaps 90% complete.
- The Chair of Pensions Committee was fully engaged in the process, via the JGC, as were the Assistant Chief Executive (Resources), the HoP and the Pension Investments Manager.
- A lot of active discussion was ongoing regarding investments, with Link and their partners visiting the eight funds to understand individual strategies and investment managers used. They were looking for commonalities across funds, as this could provide the initial pooling of investments.
- Carmarthenshire County Council was integral to all discussions as the host authority for the WPP and weekly telephone conferences were taking place involving all parties.

10.2 Following questions and comments from members of the Pension Board, the HoP made the following main points:

- Link, Russell Investments and Northern Trust would be attending the next meeting of the JGC in February 2018 and Northern Trust would be providing a 'reporting suite'. This could prove timely as the Fund may need to consider an alternative reporting format to its current one, when the Bank of New York Mellon changes the format and breadth of their reporting services. He added that the Fund would receive reports through the WPP and that transitional reporting would take place initially.
- There was an opportunity for the Operator to come and talk to the Fund once per year, with extra visits carrying additional costs. The Operator would be providing quarterly performance reports and monthly valuation reports.
- In terms of scrutinising investment managers within the WPP, he suggested that this could be in the form of one fund per mandate to be invited by the Operator when meeting investment managers.

- Discussions around inviting scheme member representatives onto the WPP had not yet occurred; however they were likely to be considered in the future.
- Local decisions would be required regarding how much investment from current asset classes were to be moved to new asset classes on offer through pooling. If our current investment manager proved more successful, it would be beneficial for the Operator to switch to using that investment manager.
- The number of products on offer within each asset class would depend on the amount of money involved, the type of asset class, strategies and the number and types of sub-funds available.
- Regarding investments in infrastructure, the ambition under pooling was to reach 5%, which was very ambitious as the current figure stood at 0%. The WPP was considering all-Wales schemes and national schemes. He added that initial discussions had taken place with examples such as Swansea Bay Tidal Lagoon, with additional information to follow. This particular project could provide almost guaranteed stable returns.
- Due to the complexities around investments in infrastructure, it was unlikely to be the first area however that the WPP invested in.

**COFNODION CYFARFOD BWRDD PENSIYNAU LLEOL
CYNGOR BWRDEISTREF SIROL TORFAEN**

**A gynhaliwyd ar ddydd Mercher, 24 Ionawr 2018 am 10am
Yn y Siambr, Y Ganolfan Ddinesig, Heol Hanbury, Pont-y-pŵl NP4 6YB**

Yn Bresennol

Aelodau'r Bwrdd Pensiynau

Ian Coleman (Cadeirydd Annibynnol)
Bob Campbell
Jan Davies
Rhian Hayden
Jane Waters
John Wright

Swyddogion

Joanne Griffiths, Rheolwr Cefnogi Pensiynau
Tim James, Prif Swyddog Cyfreithiol Dros Dro
Mary Rollin, Rheolwr Pensiynau
Graeme Russell, Pennaeth Pensiynau
Geraint Thomas, Uwch Swyddog Cefnogi Busnes

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1.	Presennol ac Ymddiheuriadau													
1.1	Cafwyd ymddiheuriadau oddi wrth Steve Harford, Cheryl Morgan, Ruth Tucker ac Anthea Wellington.													
1.2	Cadarnhaodd y Cadeirydd bod Cheryl Morgan a Ruth Tucker wedi ymddeol o'r Bwrdd a bod y broses o benodi rhai i gymryd eu lle wedi dechrau.													
1.3	Cadarnhaodd y Pennaeth Pensiynau y byddai'r Rheolwr Pensiynau yn ymddeol ar ddiwedd Mawrth 2018 a byddai'r Rheolwr Cefnogi Pensiynau yn cymryd ei lle. Yn ogystal â'r newid yma byddai newid hefyd mewn rhai uwch swyddi ac roedd y broses recriwtio ar droed. Croesawodd y Bwrdd y Rheolwr Cefnogi Pensiynau i'w swydd newydd.													
1.4	Dymunodd y Bwrdd ddiolch i Cheryl Morgan a Ruth Tucker am eu cyfraniadau i'r Bwrdd a diolch i'r Rheolwr Pensiynau am ei chefnogaeth i'r Bwrdd.													
2.	Datganiadau o Fudd													
2.1	Gofynnodd y Prif Swyddog Cyfreithiol Dros Dro i Aelodau'r Bwrdd i gadarnhau eu buddion personol yng Nghronfa Pensiynau Gwent Fwyaf.													
	<table border="1"> <thead> <tr> <th>Aelod</th> <th>Yn derbyn Pensiwn</th> <th>Cyfrannwr</th> </tr> </thead> <tbody> <tr> <td>Bob Campbell</td> <td>Ei hun</td> <td></td> </tr> <tr> <td>Jan Davies</td> <td></td> <td>Ei hun a'i chwaer</td> </tr> <tr> <td>Rhian Hayden</td> <td>Mam</td> <td>Ei hun a'i chwaer</td> </tr> </tbody> </table>	Aelod	Yn derbyn Pensiwn	Cyfrannwr	Bob Campbell	Ei hun		Jan Davies		Ei hun a'i chwaer	Rhian Hayden	Mam	Ei hun a'i chwaer	
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				<u>Cam</u>
	Jane Waters	Brawd	Ei hun	
	John Wright	Ei hun a'i Chwaer	Merch	
2.2	Gadawodd y Prif Swyddog Cyfreithiol Dros Dro'r cyfarfod.			
3.	Cofnodion 18/10/17			
3.1	Cadarnhawyd bod paragraff 5.20 yn ailadrodd paragraff 5.19 a dylid newid hyn.			
3.2	Roedd y Cadeirydd yn credu mai bwriad y Bwrdd Ymgynghorol ar y Cynllun oedd ail-wneud arolwg Bwrdd Pensiynau'r Gymdeithas Llywodraeth Leol yn ystod Mawrth 2018.			
3.3	Mewn perthynas â pharagraff 8.3, cadarnhaodd y Pennaeth Pensiynau y byddai'r Gronfa'n ysgrifennu at gyflogwyr ac undebau llafur er mwyn ceisio enwebiadau ganddynt i'r Bwrdd.			
3.4	Cytunwyd bod y cofnodion yn rhai cywir, yn amodol ar y gwelliant uchod.			
4.	Taflen Waith			
4.1	Nododd y Bwrdd Pensiynau'r Daflen Waith.			
5.	Pwyllgor Pensiynau 16/11/17			
5.1	Rhoddodd y Bwrdd Pensiynau ystyriaeth i bapurau agenda'r Pwyllgor Pensiynau a gynhaliwyd ar 16 ^{eg} Tachwedd 2017:			
5.2	<u>Eitem 3 ar yr Agenda –Partneriaeth Pensiynau Cymru; Cyflwyniad i Adolygiad Yr Hydref yr Adran Gymunedau a Llywodraeth Leol a Chrynodeb Ffrwd Gwaith</u> Rhoddodd y Pennaeth Pensiynau'r diweddariad canlynol: <ul style="list-style-type: none"> • Mae'r Adran Gymunedau a Llywodraeth Leol (AGLIL) yn gofyn yn achlysurol i bob cronfa buddsoddiadau i roi diweddariad. • Roedd yr adroddiad yma'n ymwneud â diweddariad mis Hydref mewn perthynas â'r meini prawf gosod ar gyfer ariannu buddsoddiadau ac roedd yn gyfeirnod da i aelodau'r Pwyllgor Pensiynau a'r Bwrdd Pensiynau. • Mewn ymateb i'r adroddiad, roedd yr AGLIL yn falch gyda'r hynt o recriwtio a phenodi Gweithredwr. 			
6.	Pwyllgor Pensiynau 11/12/17			
6.1	Rhoddodd y Bwrdd Pensiynau ystyriaeth i bapurau agenda'r Pwyllgor Pensiynau a gynhaliwyd ar 11 ^{eg} Rhagfyr 2017:			

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6.2	<p><u>Eitem 6 ar yr Agenda –Adroddiad Perfformiad Buddsoddiad Chwarterol i 30/9/17</u></p> <p>Rhoddodd y Pennaeth Pensiynau'r diweddariad canlynol:</p> <ul style="list-style-type: none"> • Roedd hwn yn adroddiad safonol ar hyn o bryd: serch hynny efallai bydd rhaid iddo newid gyda threfniadau cydrannu, gan fydd rhai buddsoddiadau yn cael eu gwneud trwy Bartneriaeth Pensiwn Cymru (PPC) a bydd rhai'n aros gyda'r Gronfa. • Ar ddiwedd y chwarter, roedd y Gronfa werth £2,806 miliwn. • Trwy astudio dadansoddiad dyraniad yr asedau ym mharagraff 5, roedd yn glir bod pwysau o hyd yn bodoli tuag at ecwitiau. • Roedd y marchnadoedd wedi bod yn gadarnhaol, gyda phob marchnad ranbarthol bron yn rhoi canlyniadau cadarnhaol. Pwysleisiodd yr elw o 4.6% o ecwitiau Marchnadoedd sy'n Dod i'r Golwg a'r elw o 1.6% o ecwitiau'r UD. • Roedd Chwarter 3 wedi gweld y Gronfa perfformio'n well na'r meincnod +1.81% cadarnhaol o +0.54% dros y chwarter, gan arwain at elw cadarnhaol cyfan gwbl (absoliwt) o +2.35% ar gyfer y Gronfa yn Chwarter 3. • Roedd elw cyfan gwbl 12 mis y Gronfa yn parhau'n gryf ar +12.56% ac felly +1.36% uwchben y ffigwr meincnod 12 mis o +11.20%. • Roedd ffigyrau perfformiad ar gyfer y 3 a'r 5 mlynedd diwethaf uwchben y meincnod ac roedd y ffigwr ar gyfer y 10 mlynedd nawr yn gyson â'r meincnod. • Mae perfformiad da'n tueddu i guddio problemau gan fod rheolwyr buddsoddiad sy'n gwneud yn dda yn gallu cuddio'r rheolwyr buddsoddiad nad sy'n gwneud cystal. Rhoddodd enghraifft o Lazard yn perfformio'n dda, tra bod Standard Life wedi perfformio ychydig yn is nag yr oedd y Gronfa wedi gobeithio. • Gellid gweld rhai enghreifftiau o elw syfrdanol ar fuddsoddiad dros y 12 mis diwethaf yn y Marchnadoedd sy'n dod i'r Golwg a'r Dwyrain Pell. • Bu llawer o drafodaeth yn ystod y chwarter gyda rheolwyr buddsoddiad er mwyn dadansoddi eu perfformiad, o ran y tymor byr a'r tymor hir. • Gyda ffocws ar gydrannu, roedd tua £55m wedi ei ddyrannu i fuddsoddiadau amgen, trwy Invesco a Fidelity, ar ddiwedd Medi 2017. Byddai hyn yn rhoi i'r Gronfa ystod ehangach o ddewisiadau amgen a'r cyfle i gymharu ei meincnodau yn erbyn ei gilydd. • Nodwyd bod y Pwyllgor Pensiynau wedi gofyn am adroddiad pellach ar fuddsoddiadau amgen, cyn dechrau ariannu. • Roedd gwerth y Gronfa wedi codi i £2,864 miliwn ar ddiwedd Hydref, wedi gostwng ychydig i £2,852 miliwn ar ddiwedd Tachwedd ac wedi codi eto i £2,923 miliwn ar ddiwedd Rhagfyr. 	
6.3	<p>Gwnaeth Rhian Hayden sylw bod y diweddariad uchod yn profi sut roedd symudiadau bach yn y farchnad yn gallu effeithio gwerth y Gronfa ac roedd yn bwysig felly i ganolbwyntio ar y tymor canolig a'r tymor hir a pheidio cynhyrfu.</p>	
6.4	<p><u>Eitem 7 ar yr Agenda – Diweddariad ar weithredu'r Gyfarwyddeb</u></p>	

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	<p><u>Marchnadoedd mewn Offerynnau Ariannol (MiFID II)</u> Rhoddodd y Pennaeth Pensiynau'r diweddariad canlynol:</p> <ul style="list-style-type: none"> • Roedd MiFID II yn gyfarwyddeb orfodol a ddaeth i rym ar 3^{ydd} Ionawr 2018. • Roedd y Pwyllgor Pensiynau wedi cytuno i wneud cais i optio i fyny at statws proffesiynol, a fyddai'n caniatáu i'r Gronfa gadw mynediad at amrywiaeth o gynnyrch a rheolwyr buddsoddiad. • Ar adeg cyfarfod y Pwyllgor Pensiynau ar 11^{eg} Rhagfyr 2017, roedd 7 rheolwr buddsoddiadau a ddefnyddir gan y Gronfa wedi cytuno i roi cymeradwyaeth i'r Gronfa i gadw eu statws proffesiynol ac roedd pob rheolwr buddsoddiadau (15) wedi cytuno erbyn diwedd Rhagfyr 2017. • Byddai angen i'r Gronfa gadw golwg ar lywodraethu a hyfforddiant er mwyn cadw'r statws proffesiynol. Byddai cynyddu gwybodaeth a dealltwriaeth Swyddogion, y Pwyllgor Pensiynau a'r Bwrdd Pensiynau yn hanfodol i hyn. 	
6.5	Esboniodd y Cadeirydd bod gwaith o gylch MiFID II wedi cymryd llawer o amser ac ymdrech. Mae cyfrifoldeb ar y Bwrdd ac aelodau unigol i gynnal a chynyddu eu gwybodaeth a'u dealltwriaeth.	
6.6	<p><u>Eitem 8 ar yr Agenda – Diweddariad ar Ddatblygiad Proffesiynol Parhaol - Aelod Etholedig</u> Atgoffodd y Cadeirydd aelodau'r Bwrdd y dylen nhw gyflwyno'u diweddariadau datblygiad proffesiynol unigol yn rheolaidd i'r Rheolwr Pensiynau.</p>	
6.7	Atgoffodd y Cadeirydd aelodau bydd y sesiwn datblygu 'Buddsoddiad Cyfrifol' ar 14 ^{eg} Chwefror 2018. Rhoddodd Bob Campbell ymddiheuriadau ar gyfer y sesiwn.	
7.	Unrhyw Fusnes Arall	
7.1	Awgrymodd Bob Campbell y gellid ystyried adroddiad Unison ar ddad-fuddsoddi mewn perthynas â thanwydd ffosil yng nghyfarfod nesaf y Gweithgor Llywodraethiant Amgylcheddol, Cymdeithasol a Chorfforaethol.	
7.2	Cytunodd y Rheolwr Pensiynau y dylai'r adroddiad hwn gael ei ystyried gan yr uchod a chadarnhaodd y byddai'r sesiwn ddatblygu gyda Hymans Robertson ar 14 ^{eb} Chwefror 2018 hefyd yn edrych yn fwy eang ar fater tanwydd ffosil.	
8.	Dyddiad y cyfarfod nesaf 25/4/18	
8.1	Bydd cyfarfod nesaf y Bwrdd Pensiynau ar ddydd Mercher 25 ^{ain} Ebrill 2018.	
9.	Gwahardd y Wasg a'r Cyhoedd	
9.1	Cytunodd y Bwrdd Pensiynau i wahardd y wasg a'r cyhoedd o'r cyfarfod gan	

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	nad oedd y cyflwyniadau a phapurau'r cyfarfod i'w cyhoeddi oherwydd yn unol â paragraffau 12 a 14 rhan 4 Atodiad 12a Deddf Llywodraeth Leol 1972 (fel y'i diwygiwyd gan Orchymyn Mynediad at Wybodaeth (Amrywiaeth) (Cymru) 2007), roeddynt yn cynnwys gwybodaeth am unigolyn penodol a gwybodaeth am faterion ariannol a busnes personau penodol gan gynnwys y Cyngor ac o dan yr amgylchiadau mae'r budd cyhoeddus mewn cadw'r gwaharddiad yn drech na'r budd cyhoeddus o ddatgelu'r wybodaeth.	
10.	Adroddiad ar Ddewis Gweithredwr	
10.1	<p>Rhoddodd y Pennaeth Pensiynau'r diweddariad canlynol:</p> <ul style="list-style-type: none"> • Yng nghyfarfod y Cydbwyllgor Llywodraethu ar ddechrau Tachwedd 2017, cytunwyd ar gynigydd ffafriedig i fod yn Weithredwr i'r PPC. Yn dilyn hyn, cyflwynwyd adroddiad yr union yr un fath i'r wyth cronfa Pensiynau Cymreig, gan argymhell Cynigydd 1, gyda chytundeb wedyn mewn cyfarfodydd pwyllgor unigol rhwng 9^{fed} Tachwedd 2017 a 30^{ain} Tachwedd 2017. • Amlinellodd yr adroddiad y broses ddewis a ddefnyddiwyd a chyfraniad gan swyddog o bob un o'r wyth Cronfa. • Roedd yr adroddiad yn dangos ansawdd a phris y cynigydd. Ychwanegodd bod y cynnig o'r ansawdd orau dim ond ychydig yn well na'r cynigydd yn yr ail safle; ond roedd y gwahaniaeth mewn pris yn anferth. Roedd hyn yn esbonio'r penderfyniad i argymhell Cynigydd 1 ar gyfer cymeradwyaeth. • Yn Rhagfyr 2017 cafwyd cyfnod gorfodol o ddeg diwrnod i ganiatáu unrhyw heriau cyfreithiol. Yn ystod wythnos gyntaf Ionawr 2018, cyhoeddwyd mai Link Asset Services fydd y Gweithredwr. • Y tendrwr arweiniol oedd Capita; ond fe'i prynwyd wedyn gan Link. Byddai Link yn is-gontractio gwasanaethau i Russell Investments am gyngor a chanllawiau ynglŷn â rheolwr buddsoddiad ac is-gontractio gwasanaethau i Northern Trust fel Ceidwad ac Adneufan. • Roedd trafodaethau wedi bod gyda'r tri sefydliad uchod am yr amserlen ar gyfer sefydlu'r gronfa fuddsoddi a'r nifer a'r mathau o is-gronfeydd y byddai eu hangen. • Er bod y AGLIL wedi gosod dyddiad terfynol ar gyfer sefydlu cronfeydd buddsoddi erbyn 1^{af} Ebrill 2018, roedd y Pennaeth Pensiynau yn hyderus y bydden nhw'n gyfforddus cyhyd at y bo'r PPC wedi datblygu digon ac efallai'n 90% wedi'i chwblhau. • Roedd Cadeirydd y Pwyllgor Pensiynau'n ymwneud yn llawn â'r broses, trwy'r Cydbwyllgor Llywodraethu, fel yr oedd Prif Weithredwr Cynorthwyol (Adnoddau), y Pennaeth Pensiynau a'r Rheolwr Buddsoddiadau Pensiwn. • Roedd llawer o drafodaeth fyw yn mynd ymlaen mewn perthynas â buddsoddiadau, gyda Link a'u partneriaid yn ymweld â'r wyth cronfa er mwyn deall strategaethau unigol a'r rheolwyr buddsoddiad a ddefnyddir. Roedden nhw'n edrych am bethau cyffredin ar draws cronfeydd gan y gallai hyn rhoi'r cydrannu buddsoddiadau cychwynnol. 	

		<u>Cam</u>
10.2	<p>Ar ôl cwestiynau a sylwadau gan aelodau'r Bwrdd Pensiynau, gwnaeth y Pennaeth Pensiynau'r pwyntiau canlynol:</p> <ul style="list-style-type: none"> • Roedd Cyngor Sir Gaerfyrddin yn hanfodol i'r holl drafodaethau fel awdurdod lletyol y PPC ac roedd cynadleddau ar y ffôn pob wythnos rhwng yr holl bartïon. • Byddai Link, Russell Investments a Northern Trust yng nghyfarfod nesaf y Cydbwyllgor yn Chwefror 2018 a byddai Northern Trust yn darparu 'swît adrodd'. Gallai hyn fod yn amserol oherwydd efallai y bydd angen i'r Gronfa ystyried fformat adrodd amgen na'r un bresennol, pan fydd y Bank of New York Mellon yn newid fformat a lled ei gwasanaethau adroddiadau. Ychwanegodd y byddai'r Gronfa'n derbyn adroddiadau trwy'r PPC a byddai adrodd trawsnewidiol yn digwydd i gychwyn. • Roedd cyfle i'r Gweithredwr ddod i siarad â'r Gronfa unwaith y flwyddyn gyda chostau ychwanegol ar gyfer unrhyw ymweliadau ychwanegol. Byddai'r Gweithredwr yn darparu adroddiadau perfformiad chwarterol ac adroddiadau gwerth yn fisol • O ran craffu ar reolwyr buddsoddiad yn y PCC, awgrymodd y gellid gwneud hyn ar ffurf un gronfa ar gyfer pob mandad i'w gwahodd gan y Gweithredwr pan fyddent yn cwrdd â rheolwyr buddsoddiad. • Doedd dim trafodaethau wedi bod eto ynglŷn â gwahodd cynrychiolwyr o blith aelodau'r cynllun i'r PPC; ond roedd hyn yn debygol o gael ei ystyried yn y dyfodol. • Byddai angen penderfyniadau lleol ynglŷn â faint o fuddsoddiad fyddai angen symud i ddsbarthiadau asedau newydd sydd ar gael trwy gydrannu. Pe bai ein rheolwr buddsoddiad presennol yn profi'n fwy llwyddiannus byddai'n fuddiol i'r Gweithredwr i newid at ddefnyddio'r rheolwr buddsoddiad hynny. • Byddai'r nifer o gynhyrchion ar gael ym mhob dosbarth asedau yn dibynnu ar faint o arian oedd ynghlwm, y math o ddsbarth asedau, strategaethau a'r nifer a'r mathau o is-gronfeydd sydd ar gael. • Mewn perthynas â buddsoddiadau mewn seilwaith, yr uchelgais o dan cydrannu oedd cyrraedd 5%, a oedd yn uchelgeisiol iawn gan fod y ffigur presennol yn 0%. Roedd y PPC yn ystyried cynlluniau Cymru gyfan a chenedlaethol. Ychwanegodd bod trafodaethau cychwynnol wedi digwydd gydag enghreifftiau fel Morlyn Llanw Bae Abertawe, gyda gwybodaeth ychwanegol i ddilyn. Gallai'r cynllun arbennig yma warantu bron elw sefydlog. • Oherwydd y cymhlethdodau o gylch buddsoddiadau mewn seilwaith, mae'n annhebygol mai dyma fyddai'r maes cyntaf y byddai'r PPC yn buddsoddi ynddo. 	