

**COUNTY COUNCIL**  
**8<sup>th</sup> MARCH 2017**

**Subject**

**Purpose: WALES INVESTMENT POOL - INTER AUTHORITY AGREEMENT AND JOINT GOVERNANCE COMMITTEE**

**Recommendations / key decisions required:**

1. Note the content of the draft Inter Authority Agreement attached at Appendix B and delegates authority to the Section 151 Officer in consultation with the Chair of the Pension Panel and the Head of Administration and Law to approve and sign the final version of the IAA.
2. Approve the establishment of a joint committee (hereinafter referred to as the Joint Governance Committee) on conclusion of the IAA referred to in recommendation 1 above and on the basis of the terms of reference attached.
3. Delegate the exercise of certain functions to the Joint Governance Committee as set out in the terms of reference and notes those functions that are reserved to Council.
4. Approve the appointment of the Chair of the Pension Fund Panel or his/her nominated Deputy to the Joint Governance Committee as the Carmarthenshire County Council representative.
5. Delegate to the nominated representative of Carmarthenshire County Council authority to act within the terms of reference of the Joint Governance Committee to enable the exercise of any delegated function.
6. Approve that Carmarthenshire County Council (Dyfed Pension Fund) acts as Host Council with the responsibilities set out in the Inter Authority Agreement.

**Reasons:**

**Financial Governance and Pension Fund Administering Authority responsibilities.**

Exec Board Decision Required	NO
Council Decision Required	YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr. D.M. Jenkins

Directorate: Corporate Services

Name of Director: Chris Moore

Report Author: Anthony Parnell

Designation: Director of Corporate Services

Designation: Treasury and Pension Investments Manager

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**EXECUTIVE SUMMARY  
COUNTY COUNCIL  
8<sup>TH</sup> MARCH 2017**

**SUBJECT  
WALES INVESTMENT POOL - INTER AUTHORITY AGREEMENT AND JOINT  
GOVERNANCE COMMITTEE**

**1. BRIEF SUMMARY OF PURPOSE OF REPORT.**

**To set out the background to the proposed investment pooling arrangements across The eight Welsh Local Authority Pension Funds and the requirement to formally enter into an agreement between the funds to establish administrative and governance arrangements to manage the pooling arrangements.**

**DETAILED REPORT ATTACHED ?**

**YES**

## IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

**Signed:** C Moore Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>	<b>NONE</b>	<b>YES</b>	<b>NONE</b>

### 1. Legal

The 8 Constituent Authorities responsible for the administration of local government within their areas in Wales are committed to the development of a formal joint committee pursuant to section 101 and section 102 of the Local Government Act 1972 to ensure the effective operation of the arrangements for asset pooling within the LGPS. The Department for Communities and Local Government has confirmed that the Constituent Authorities have been granted permission to continue to collaborate with each other to form a pool of assets in respect of each of their respective funds under the LGPS.

### 2. Finance

Resources for the funding of the Operator and the Joint Governance Committee will be provided by the pension funds of the 8 Constituent Authorities as per the terms of the Inter Authority Agreement.

Resources for the funding of the Host Authority function will be provided jointly by the pension funds of the 8 Constituent Authorities.

The new arrangement is expected to result in significant savings in investment management fees for the pension funds of the 8 Constituent Authorities.

### 3. Staffing

Assessment of the workload and resource requirements are being finalised. Once complete the funding will be as per the finance implications above.

# CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: C Moore Director of Corporate Services

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

**1. Scrutiny Committee**

Not Applicable

**2. Local Member(s)**

Not Applicable

**3. Community / Town Council**

Not Applicable

**4. Relevant Partners**

Not Applicable

**5. Staff Side Representatives and other Organisations**

Not Applicable

**Section 100D Local Government Act, 1972 – Access to Information**

**List of Background Papers used in the preparation of this report:**

Title of Document	File Ref No.	Locations that the papers are available for public inspection
Local Government Pension Scheme: Investment Reform Criteria and Guidance		County Hall, Carmarthen