

DYFED PENSION FUND PENSION BOARD

26 JULY 2018

PRESENT: Mr. John Jones [Chair]

Mr I. Eynon [Pembrokeshire County Council – Employer Rep];
Councillor P. Hughes [Carmarthenshire County Council – Employer Rep]
Mr. G. Jones [Member Rep]
Mr M. Rogers [Pensioner Rep]

The following Officers were in attendance:

C. Moore, Director of Corporate Services;
A. Parnell, Treasury & Pension Investments Manager;
K. Gerard, Pensions Manager;
B Jenkins, Assistant Accountant;
M.S. Davies, Democratic Services Officer.

Democratic Services Committee Room, County Hall, Carmarthen 3.00 pm - 4.10 pm

1. APOLOGIES

An apology for absence was received from Mr. Mark Miles [Employer Representative].

2. DECLARATIONS OF PERSONAL INTEREST

There were no declarations of personal interest.

3. MINUTES OF THE PENSION BOARD MEETING 24TH APRIL 2018

AGREED that the minutes of the Pension Board meeting held on 24th April, 2018 be confirmed as correct record.

4. DYFED PENSION FUND COMMITTEE MEETING 20 JUNE 2018

The Board received for consideration the following reports which had been considered by the Dyfed Pension Fund Committee at its meeting held on 20th June, 2018:-

4.1. MINUTES OF THE DYFED PENSION FUND COMMITTEE MEETING 4 MAY 2018

The Board received the minutes of the Dyfed Pension Fund Committee meeting held on 4th May, 2018.

4.2. BUDGET MONITORING ACTUALS 1 APRIL 2017 - 31 MARCH 2018

The Board considered the Dyfed Pension Fund Budget Monitoring report which provided an actual year end budgetary position as at 31st March 2018, in respect of 2017/18. A total expenditure of £84.1m and total income of £85.2m had resulted in a positive cash flow position of £1.1m. The end of year report declared that with regard to expenditure, the net effect of Benefits Payable and Transfers Out had resulted in an overspend of £1.4m which was mainly influenced by the un-controllable nature of lump sum payments and transfers out of the Fund.

AGREED that the report be noted.

4.3. CASH RECONCILIATION AS AT 31 MARCH 2018

The Board considered the Cash Reconciliation report which provided an update on the cash position in respect of the Dyfed Pension Fund. It was noted that as at the 31st March, 2018 £4.9m cash was being held by Carmarthenshire County Council on behalf of the Fund for immediate cash flow requirements to pay pensions, lump sums and investment management costs.

AGREED that the report be noted.

4.4. BREACHES REPORT 2017-2018

The Board considered the Breaches Report in relation to the Dyfed Pension Fund. Section 70 of the Pension Act 2004 sets out the legal duty to report breaches of the law.

AGREED that the report be noted.

5. EXCLUSION OF THE PUBLIC

UNANIMOUSLY RESOLVED, pursuant to the Local Government Act 1972, as amended by the Local Government (Access to Information)(Variation) (Wales) Order 2007, that the public be excluded from the meeting during consideration of the following items as the reports contained exempt information as defined in paragraph 14 of Part 4 of Schedule 12A to the Act.

6. GLOBAL EQUITY SUB FUND REPORT

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute 5 above, to consider this matter in private, with the public excluded from the meeting as it would involve the disclosure of exempt information contained in the report which could undermine the Council's position in subsequent negotiations and adversely impact upon the public purse.

The Board received Global Equity Sub Fund report which provided full details of the investment opportunity for the Dyfed Pension Fund, including:-

- Expected Return of investments;
- Proposed investments to be used;
- Proposed allocation of sub fund to managers;
- Targeted investment management fees;
- Expected Transitional costs;
- Potential Investment spread between funds;
- Potential cost savings.

AGREED to note the Global Equity Sub Fund report and cost savings spreadsheet.

7. INDEPENDENT INVESTMENT ADVISER REPORT TO 31 MARCH 2018

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute 5 above, to consider this matter in private, with the public excluded from the meeting as it would involve the disclosure of exempt information contained in the report which could undermine the Council's position in subsequent negotiations and adversely impact upon the public purse.

The Board received the Independent Investment Adviser Report which provided information in relation to the investment managers' performance for the quarterly, 12 month and rolling 3 year periods ended 31st March, 2018.

AGREED to note the report.

8. REVISED STRATEGY IMPLEMENTATION (BLACKROCK SAIF)

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute 5 above, to consider this matter in private, with the public excluded from the meeting as it would involve the disclosure of exempt information contained in the report which could undermine the Council's position in subsequent negotiations and adversely impact upon the public purse.

The Board received a report on the Revised Strategy Implementation in relation to Black Rock Strategic Alternative Income Fund (SAIF). The report was provided following the Dyfed Pension Fund Committee's approval of the strategy revision which was an extract from the more comprehensive Dyfed Pension fund Strategic Asset Allocation (SAA) Revision report authored by the Independent Investment Adviser in July 2017.

AGREED that the report be noted.

9. NORTHERN TRUST PERFORMANCE REPORT TO 31 MARCH 2018

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute 5 above, to consider this matter in private, with the public excluded from the meeting as it would involve the disclosure of exempt information contained in the report which could undermine the Council's position in subsequent negotiations and adversely impact upon the public purse.

The Board received a report on the Northern Trust Performance for the Dyfed Pension Fund as at 31st March 2018 which provided performance analysis at a total fund level and by investment manager for the periods up to inception.

AGREED that the report be noted.

CHAIR

DATE