

THURSDAY, 8 APRIL 2021

TO: ALL MEMBERS OF THE DYFED PENSION FUND PENSION BOARD

I HEREBY SUMMON YOU TO ATTEND A **VIRTUAL MEETING** OF THE **DYFED PENSION FUND PENSION BOARD** WHICH WILL BE HELD AT **10.00 AM, ON FRIDAY, 16TH APRIL, 2021** FOR THE TRANSACTION OF THE BUSINESS OUTLINED ON THE ATTACHED AGENDA

Wendy Walters

CHIEF EXECUTIVE



PLEASE RECYCLE

Democratic Officer:	Emma Bryer
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Wendy Walters Prif Weithredwr, *Chief Executive*,
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**DYFED PENSION FUND PENSION BOARD
MEMBERSHIP**

Gwyn Jones	Member Representative
Paul Ashley-Jones	Employer Member Representative
Cllr. Philip Hughes	Employer Member Representative
John Jones	Chair of the Board
Cllr Gareth Lloyd	Employer Member Representative
Mike Rogers	Pensioner Member Representative
Tommy Bowler	Union Member Representative

AGENDA

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THE REPORTS RELATING TO THE FOLLOWING ITEMS ARE NOT FOR PUBLICATION AS THEY CONTAIN EXEMPT INFORMATION AS DEFINED IN PARAGRAPH 14 OF PART 4 OF SCHEDULE 12A TO THE LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) (WALES) ORDER 2007. IF, FOLLOWING THE APPLICATION OF THE PUBLIC INTEREST TEST, THE COMMITTEE RESOLVES PURSUANT TO THE ACT TO CONSIDER THESE ITEMS IN PRIVATE, THE PUBLIC WILL BE EXCLUDED FROM THE MEETING DURING SUCH CONSIDERATION.

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Dyfed Pension Fund Pension Board

Wednesday, 17 February 2021

PRESENT: John Jones (Chair);

Committee Members:

Mr Gwyn Jones	- Member Representative;
Mr Paul Ashley-Jones	- Employer Member Representative;
Cllr Philip Hughes	- Employer Member Representative;
Cllr Gareth Lloyd	- Employer Member Representative;
Mr Tommy Bowler	- Union Member Representative;

Also in attendance:

Councillor Elwyn Williams – Chair of the Dyfed Pension Fund Committee;
A. Brown – Independent Investment Advisor;

The following Officers were in attendance:

R. Hemingway, Head of Financial Services;
A. Parnell, Treasury & Pension Investments Manager;
M. Owens, Assistant Accountant;
L. Davies, Simultaneous Translator;
E. Bryer, Democratic Services Officer;
M.S. Davies, Democratic Services Officer.

Virtual Meeting: 2.00pm - 3.20pm

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Mr. M. Rogers [Pensioner Member Representative].

2. DECLARATIONS OF PERSONAL INTEREST

There were no declarations of personal interest made at the meeting.

3. MINUTES OF THE PENSION BOARD MEETING HELD ON THE 20TH NOVEMBER 2020

AGREED that the minutes of the meeting for the Pension Board held on the 20th November 2020 be confirmed as a correct record.

4. DYFED PENSION FUND COMMITTEE

4.1. BUDGET MONITORING 1 APRIL 2020 - 30 SEPTEMBER 2020

The Board considered the Dyfed Pension Fund Budget Monitoring report which provided an update on the latest budgetary position in respect of the period 1st April 2020 – 30th September 2020.

AGREED that the report be noted.

4.2. CASH RECONCILIATION AS AT 30 NOVEMBER 2020

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 30 November 2020, £22.634m 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.

4.3. BREACHES REPORT 2020-21

The Board received for consideration the Breaches Report in relation to the Dyfed Pension Fund. Section 70 of the Pension Act 2004 set out the legal duty to report breaches of the law.

Members were assured that there were no major breaches within the Fund.

AGREED that the report in relation to the Dyfed Pension Fund be noted.

4.4. RISK REGISTER 2020-21

The Board considered the risk register as at 29th December 2020. The Board was advised that whilst there was no specific reference in the to Covid 19 this may be reviewed in respect of the Risk Register for 2021/22. It was considered encouraging to note that attendances at the virtual national conferences and seminars arranged for members had been higher than usual.

In response to a query the Board was assured that Carmarthenshire County Council, as host authority to the Wales Pension Partnership, currently had sufficient staff resources to provide the necessary support.

AGREED that the report be noted and that any major changes to the register be highlighted in future reports.

4.5. OPERATOR UPDATE - LINK AND RUSSELL INVESTMENTS

The Board received an update on the progress of the Wales Pension Partnership in relation to the following Sub Funds together with the current fund holdings, fund launch progress and Link / Russell Investments Corporate Update and Engagement.

- Tranche 3 – Fixed Income;
- Tranche 4 – Emerging Markets;
- Tranche 5 – Private Markets strategy development.

The Board was assured that any acquisition of the Link Group should not impact on its commitment to the Wales Pension Partnership and the situation would be closely monitored.

The Chair pointed out that there was no reference in the LFS Engagement Protocol to the fact that Link and Russell held twice yearly meetings with Chairs of Pension Boards and asked that this be fed back.

AGREED that the report be received.

4.6. MINUTES OF THE PENSION COMMITTEE MEETING 11 JANUARY 2021

AGREED that the minutes of the meeting of the Dyfed Pension Fund Committee held on the 11th January 2021 be received.

5. EQUITY RESTRUCTURE

The Board received a report on proposals agreed by the Dyfed Pension Fund Committee for the re-structure of the Dyfed Pension Fund equity portfolio which took into account climate related risk and the establishment of the Wales Pension Partnership portfolios. The structure of the £1.27Bn Legacy BlackRock Equity portfolio would be reviewed to enable it to work harder to achieve the Fund's goal in terms of long-term performance and climate risk.

In response to a question relating to climate change and carbon emissions the Board was advised that these were issues which increased the risk of investing in certain areas. It was noted that the 'carbon footprint' issue had first been raised by the Dyfed Pension Committee in 2017 and a strategy was in place which was aimed at continually reducing it. In terms of 'localism' it was stated that whilst there had been investment in two solar panel farms in Pembrokeshire this had to be balanced against potential returns.

The Board welcomed the update and the progress being made.

AGREED that the report be noted and that further developments be reported at future meetings.

6. PENSION BOARD BUDGET 2021-22

The Board considered the Dyfed Pension Fund Budget for 2021-22 which had increased by approximately 15% from the 2020-21 budget as a result of the increased fees for the Pension Board Chair and Pension Board Liability Insurance.

AGREED that the Budget for 2020-21 be noted.

7. EXCLUSION OF THE PUBLIC

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.

8. INDEPENDENT ADVISER PERFORMANCE & RISK REPORT AT 30 SEPTEMBER 2020

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund.

The Board received the Independent Investment Adviser Performance and Risk Report that provided information in relation to the investment managers' performance for the quarterly, 12 month and rolling 3-year period ending 30

September 2020 together with the global market background and issues for consideration.

RESOLVED that the Independent Investment Adviser Report as at 30 September 2020 be noted.

9. NORTHERN TRUST PERFORMANCE REPORT 30 SEPTEMBER 2020

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Board considered the Northern Trust Performance report for the Dyfed Pension Fund as at 30 September 2020, which provided performance analysis at a total fund level and by investment manager for the periods up to inception.

RESOLVED that the Northern Trust Performance report for the Dyfed Pension Fund as at 30 September 2020 be received.

CHAIR

DATE

DYFED PENSION FUND PENSION BOARD

DATE 16/04/2021

Dyfed Pension Fund Committee Meeting 25 March 2021

Recommendations / key decisions required:

The Pension Board to note and comment on the minutes and actions of the Dyfed Pension Fund Committee meeting on 25 March 2021.

Reasons:

To inform the Pension Board of the meeting of the Dyfed Pension Fund Committee that was held on 25 March 2021.

Relevant scrutiny committee to be consulted

NA

Exec. Board Decision Required NA

Council Decision Required NA

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- NA

Directorate: Name of Head of Service: Chris Moore Report Author: Chris Moore	Designations: Director of Corporate Services	Tel: 01267 224120 Email addresses: CMoore@carmarthenshire.gov.uk
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**EXECUTIVE SUMMARY
DYFED PENSION FUND PENSION BOARD
DATE 16/04/2021**

Dyfed Pension Fund Committee Meeting 25 March 2021

A Pension Fund Committee meeting was held on 25 March 2021 and the following agenda items were considered and noted:

- Pension Board Minutes 20 November 2020
- Audit Plan 2021
- Budget Monitoring 1 April 2020 – 31 December 2020
- Budget 2021-22
- Cash Reconciliation as at 31 January 2021
- Pensions Administration Report
- Breaches Report 2020-21
- Risk Register 2021-22
- Governance Policy & Compliance Statement 2021
- Business Plan 2021-22
- Training Plan 2021-22
- Wales Pension Partnership Update – Link and Russell Investments

The draft minutes of the Pension Fund Committee meeting on 25 March 2021 are attached for information.

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
NONE	NONE	YES	NONE	YES	NONE	NONE

Finance

Budget Monitoring - Overall, the Fund needs to maintain a positive cash flow balance to meet its obligations. The cash flow projection was positive by £4.1m as at 31 December 2020.

Budget 2021-22 - The report provides an initial view of the Budget for 2021-22. Overall, the Fund needs to maintain a neutral budget so that there is sufficient income to meet its obligations. An estimated £104.3m income budget is a significant figure to achieve this.

Cash Reconciliation - A sufficient cash balance is required to be held by Carmarthenshire to ensure the Fund can meet its immediate cash flow requirements.

Risk Management

Risk Register - The register is used to identify any risks relating to the functions of the Dyfed Pension Fund and highlights what measures are in place to mitigate these risks. Failure to manage the risks correctly could result in the Fund not meeting its objectives.

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

1. Scrutiny Committee

NA

2. Local Member(s)

NA

3. Community / Town Council

NA

4. Relevant Partners

NA

5. Staff Side Representatives and other Organisations

NA

**EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

Include any observations here

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
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Dyfed Pension Fund Pension Board

Friday, 20 November 2020

PRESENT: J. Jones (Chair)

Committee Members:

Mr Gwyn Jones	– Member Representative
Mr Paul Ashley-Jones	– Employer Member Representative
Cllr Philip Hughes	- Employer Member Representative
Cllr Gareth Lloyd	- Employer Member Representative
Mr Mike Rogers	- Pensioner Member Representative
Mr Tommy Bowler	- Union Member Representative

Also in attendance: Councillor Elwyn Williams – Chair of the Dyfed Pension Fund Committee.

The following Officers were in attendance:

C. Moore, Director of Corporate Services
R. Hemingway, Head of Financial Services
K. Gerard, Pensions Manager
M. Owens, Assistant Accountant
S. Rees, Simultaneous Translator
J. Corner, Technical Officer
M. Evans Thomas, Principal Democratic Services Officer
J. Owen, Democratic Services Officer
K. Thomas, Democratic Services Officer
R. Lloyd, Democratic Services Officer
J. Laimann, Assistant Democratic Services Officer

Virtual Meeting - . - 2.00 - 3.20 pm

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF PERSONAL INTEREST

There were no declarations of personal interest made at the meeting.

3. MINUTES OF THE PENSION BOARD MEETING HELD ON 23 JANUARY 2020

AGREED that the minutes of the meeting for the Pension Board held on the 23rd January 2020 be confirmed as a correct record.

4. MINUTES OF THE DYFED PENSION FUND COMMITTEE MEETING ON 2 MARCH 2020

AGREED that the minutes of the meeting of the Dyfed Pension Fund Committee held on the 2nd March 2020 be received.

5. MINUTES OF THE DYFED PENSION FUND COMMITTEE MEETING 24 JUNE 2020

Reference was made to Minute 10 of the meeting relating to consideration by the Dyfed Pension Fund Committee of the Council's Notice of Motion on the Fund divesting from fossil fuels and also to an e-mail received by some members of the Pension Board that week on the same matter. Whilst it was recognised the e-mail had not been received in sufficient time to be discussed by the Board at its meeting that day, it was noted that it was one of a number of similar such representations recently received by the Council and that a substantive response would be sent to all the correspondents. It was considered that an update report on the matter should also be agendaed for the Board's next meeting

The Director of Corporate Services advised the Board that the meeting of the Dyfed Pension Fund Committee held on the 24th June 2020, where this matter was discussed, had been webcast and was available to view on the Council's website.

AGREED:

- 5.1 that the minutes of the meeting of the Dyfed Pension Fund Committee held on the 24th June 2020 be received;**
- 5.2 That a report on the response sent to the correspondents on the Dyfed Pension Fund divesting from fossil fuels be submitted to the next Board meeting.**

6. DYFED PENSION FUND COMMITTEE 16TH OCTOBER 2020

6.1. AUDIT OF FINANCIAL STATEMENTS REPORT 2019-20

The Board received the Audit of Financial Statements Report for the Dyfed Pension Fund prepared by Audit Wales detailing the matters arising from the audit which required reporting under ISA 260.

It was noted that the Auditor General was responsible for providing an opinion on whether the financial statements of the Dyfed Pension Fund gave a true and fair view of their financial position as at 31 March 2020 and of its income and expenditure for the year end. An unqualified audit report on the financial statements had been issued and the finalised report had been considered by the Council's Audit Committee on the 16th October 2020.

Audit Wales found that there were no misstatements identified in the financial statements which remained uncorrected but a number of minor misstatements had been corrected by management as listed in Appendix 3.

The Board had regard to the current difficult circumstances caused by the Covid-19 pandemic and expressed its appreciation to all the staff involved in producing the report.

AGREED that the Audit of Financial Statement Report 2019/20 be received

6.2. BUDGET MONITORING 1 APRIL 2020 - 30 JUNE 2020

The Board considered the Dyfed Pension Fund Budget Monitoring report which provided an update on the latest budgetary position in respect of the period 1st April 2020 – 30th June 2020.

Reference was made to the report being for the period ending 30th June and to the meeting that day being the 20th November and to whether it would be possible for the Board to be provided with more up to date information at future meetings. The Director of Corporate Services advised he would examine that issue and submit an updated report to the next meeting of the Committee.

AGREED that the report be noted.

6.3. CASH RECONCILIATION AS AT 30 JUNE 2020

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 30 June 2020, £21.719m 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.

6.4. BREACHES REPORT 2020-21

The Board received for consideration the Breaches Report in relation to the Dyfed Pension Fund. Section 70 of the Pension Act 2004 set out the legal duty to report breaches of the law.

The Board noted that since the last meeting there had been a number of instances where employee/employer contributions had not been received on time. The Pensions Manager confirmed that discussions were being held with the admitted bodies to reduce the causes of these breaches. It was however acknowledged that whilst the breaches did not equate to significant amount of money, they still had to be recorded.

With regard to Items 90 and 96 in the report relating to the payment of refunds, the Board was advised that the breach related to a requirement to pay automatic refunds after five years to scheme members that had left after April 2014. Scheme members affected by this had been contacted to request their bank details, but no response had been received. The LGPS Technical Group had recognised this issue on a national scale, especially in relation to refunds of small amounts of money and had recommended that the Scheme Advisory Board ask Ministers to amend the Regulation.

AGREED that the report in relation to the Dyfed Pension Fund be noted.

6.5. RISK REGISTER 2020-21 REVIEW

Reference was made to the fact the Risk Register had not been included within the papers for the meeting and that should be corrected for future

meetings to enable the Board to consider potential fund risks. An opinion was also expressed that the report should, if possible, be split into operational and strategic risks.

The Board was advised that as the risk register had not changed since its last reporting to the Dyfed Pension Fund Committee in March 2020, a link to that report had been provided with the agenda. The Director of Corporate Services assured Board members the register would be included for future meetings. He would also examine the practicalities of splitting future reports into operational and strategic risks

AGREED

6.5.1 To note the explanation

6.5.2 The Risk Register be considered at each meeting of the Pension Board

6.6. OPERATOR UPDATE

The Board received an update on the progress of the Wales Pension Partnership in relation to the following key areas:

- Current Fund Holdings;
- Fund Launch Progress;
- Corporate Update and Engagement.

Reference was made to page 59 of the report and to whether it would be possible for members of the Dyfed Pension Fund Board and Dyfed Pension Fund Committee to receive training on the development of a Wales Pension Partnership Private Market Strategy. The Director of Corporate Services confirmed appropriate training could be provided.

The Director of Corporate Services in response to a question on the co-opting of a trade union representative onto the Wales Pension Partnership Joint Governance Committee advised that the Joint Committee was currently examining the issue of co-optees and it was hoped a report detailing the process and appointment thereof could be presented to that Committee's next meeting.

AGREED that the update report be received.

6.7. DRAFT MINUTES OF THE DYFED PENSION FUND COMMITTEE MEETING ON 16 OCTOBER 2020

The Board received the draft minutes of the Dyfed Pension Fund Committee meeting held on 16th October 2020.

AGREED that the minutes be noted.

7. EXCLUSION OF THE PUBLIC

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.

8. LOW CARBON INDICES (FROM 24 JUNE 2020 COMMITTEE MEETING)

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Board received a report detailing Fund proposals for low carbon index investments

AGREED that the Low Carbon Indices report be received.

9. INDEPENDENT ADVISOR PERFORMANCE & RISK REPORT TO 30 JUNE 2020

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund.

The Board received the Independent Investment Adviser Performance and Risk Report that provided information in relation to the investment managers' performance for the quarterly, 12 month and rolling 3 year period ending 30 June 2020 together with the global market background and issues for consideration.

RESOLVED that the Independent Investment Adviser Report as at 30 June be noted.

10. SECURITIES LENDING

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Board received a report on a review undertaken for the Wales Pension Partnership on securities lending for the period 1st April 2020 - 30th June 2020 together with income generated for the Dyfed Pension Fund.

RESOLVED that the Securities Lending report be noted.

11. NORTHERN TRUST PERFORMANCE REPORT TO 30 JUNE 2020

Following the application of the public interest test it was **UNANIMOUSLY RESOLVED**, pursuant to the Act referred to in Minute Item 7 above, to consider this matter in private, with the public excluded from the meeting as

disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Board considered the Northern Trust Performance report for the Dyfed Pension Fund as at 30 June 2020, which provided performance analysis at a total fund level and by investment manager for the periods up to inception.

RESOLVED that the Northern Trust Performance report for the Dyfed Pension Fund as at 30 June 2020 be received.

CHAIR

DATE

2021 Audit Plan – Dyfed Pension Fund

Audit year: 2020-21

Date issued: March 2021

Document reference: 2346A2021-22

This document has been prepared as part of work performed in accordance with statutory functions.

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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2021 Audit Plan

Summary

- 1 This document sets out the work I plan to undertake during 2021 to discharge my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice to examine and certify whether Dyfed Pension Fund's (the Pension Fund) accounting statements are 'true and fair'.
- 2 The purpose of this plan is to set out my proposed work, when it will be undertaken, how much it will cost and who will undertake it.
- 3 There have been no limitations imposed on me in planning the scope of this audit.

Impact of COVID-19

- 4 The COVID-19 pandemic continues to have a significant impact across the United Kingdom and on the work of public sector organisations. As in 2020, it is likely to significantly impact on the preparation of the 2020-21 accounts and my financial audit and performance audit work.
- 5 Recent developments in relation to a vaccine programme indicate that the Welsh Government's restrictions on movement and anticipated sickness absence levels are expected to ease through 2021. However, I recognise that there remains significant uncertainty and I understand that many pension funds may not be able to prepare accounts in line with the previously agreed timetable. As well as the delivery of my statutory responsibilities as the Auditor General, my priority is to ensure the health, safety and wellbeing of Audit Wales staff, their families and those of our partners elsewhere in the public service at this incredibly challenging time.
- 6 Audit Wales staff will continue to work pragmatically to deliver the audit work set out in this plan. In response to the government advice and subsequent restrictions, we will continue to work remotely, building on the arrangements made in 2020, until such time that it is safe to resume on-site activities. I remain committed to ensuring that the work of Audit Wales staff will not impede the vital activities that public bodies need to do to respond to ongoing challenges presented by the COVID-19 pandemic.
- 7 Consequently, while this audit plan sets out an initial timetable for the completion of my audit work, the ongoing uncertainties around the impact of COVID-19 on the sector mean that some timings may need to be revisited. My audit team will discuss any amendments required to the proposed timetable with you as the 2021 position becomes clearer.

Audit of pension fund accounts

- 8 The audit work I undertake to fulfil my responsibilities responds to my assessment of risks. This understanding allows us to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the Pension Fund accounts as a whole.
- 9 I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Pension Committee prior to completion of the audit.
- 10 Any misstatements below a trivial level (set at 5% of materiality) I judge as not requiring consideration by those charged with governance and therefore will not report them.
- 11 I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#), along with further information about my work.

Financial audit risks

- 12 The following table sets out the significant risks I have identified for the audit of the Pension Fund accounts.

Exhibit 1: financial audit risks

This table summarises the key financial audit risks identified at the planning stage of the audit.

Audit risk	Proposed audit response
Significant risks	
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; and • evaluate the rationale for any significant transactions outside the normal course of business;

Audit risk	Proposed audit response
<p>Impact of COVID-19</p> <p>The COVID-19 national emergency continues and the pressures on staff resource and of remote working may impact on the preparation, audit and publication of accounts. There is a risk that the quality of the accounts and supporting working papers, eg around estimates and valuations, may be compromised leading to an increased incidence of errors. Quality monitoring arrangements may be compromised due to timing issues and/or resource availability.</p>	<p>We will discuss your closedown process and quality monitoring arrangements with the accounts preparation team and make arrangements to monitor the accounts preparation process. We will help to identify areas where there may be gaps in arrangements.</p>
<p>Other areas of audit attention</p>	
<p>McCloud judgement</p> <p>In 2015 the Government introduced reforms to public sector pensions, meaning most public sector workers were moved into new pension schemes in 2015.</p> <p>In December 2018, the Court of Appeal ruled that the ‘transitional protection’ arrangements amounted to unlawful discrimination.</p> <p>Consultations on proposed remedies for the Local Government, Police and Fire pensions schemes closed in October 2020. The Government recently announced that for unfunded schemes the underpin will be the deferred choice model for the remedy. No announcement has yet been made on the Local Government Pension Scheme. Final details are expected to be published during 2021.</p> <p>The impact of the judgement is likely to have a significant impact on the IAS 19 disclosed liabilities.</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • review how the Pension Fund has assessed the impact of the McCloud judgement on the financial statements; and • ensure that, where appropriate, this is adequately disclosed in the financial statements.

Audit risk	Proposed audit response
<p>Wales Pension Partnership</p> <p>The eight pension funds in Wales have created an 'all-Wales' pooled investment vehicle which will be overseen and reported on by a joint governance committee the Wales Pension Partnership.</p> <p>Dyfed Pension Fund has transferred £261 million into the Global Credit sub-fund during the year.</p> <p>There is a risk that these investment fund balances will not be adequately disclosed in the 2020-21 financial statements.</p>	<p>My team will work with the auditors of the joint governance committee to obtain the assurances needed on the valuation of the funds transferred into the Wales Pension Partnership arrangements.</p>

Statutory audit functions

- 13 In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. These responsibilities are set out in the Public Audit (Wales) Act 2004:
- Section 30 Inspection of documents and questions at audit; and
 - Section 31 Right to make objections at audit.
- 14 As this work is reactive, I have not included an estimated fee in **Exhibit 2** below. If I do receive questions or objections, I will discuss potential audit fees at the time.

Fee, audit team and timetable

- 15 My fees and planned timescales for completion of the audit are based on the following assumptions:
- the financial statements are provided in accordance with the agreed timescales to the quality expected and have been subject to a robust quality assurance review;
 - information provided to support the financial statements is in accordance with the agreed audit deliverables document;
 - appropriate accommodation and facilities are provided to enable my audit team to deliver the audit in an efficient manner;
 - all appropriate officials will be available during the audit;

- you have all the necessary controls and checks in place to enable the Responsible Financial Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
- Internal Audit’s planned programme of work is complete, and management has responded to issues that may have affected the financial statements.

Fee

16 Your estimated fee for 2021 is set out in **Exhibit 2**. This fee is at the same level as compared to your actual 2020 fee.

Exhibit 2: audit fee

This table sets out the proposed audit fee for 2021, by area of audit work, alongside the actual audit fee for last year.

Audit area	Proposed fee (£) ¹	Actual fee last year (£)
Audit of pension fund accounts ²	28,294	28,294

17 Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Director of Corporate Services.

18 Further information on my [fee scales and fee setting](#) can be found on our website.

Audit team

19 The main members of my team, together with their contact details, are summarised in **Exhibit 3**. Ann-Marie Harkin will be relinquishing her role as Engagement Lead on this audit from 1 April 2021 in order to take up her new role as Executive Director for Audit Services. Once a replacement has been appointed, we will bring this to your attention.

¹ Notes: The fees shown in this document are exclusive of VAT, which is not charged to you.

² Payable November 2020 to October 2021.

Exhibit 3: my audit team

This table lists the members of the local audit team and their contact details.

Name	Role	Contact number	E-mail address
Ann-Marie Harkin	Engagement Lead	02920 320562	ann-marie.harkin@audit.wales
Jason Garcia	Audit Manager (Financial Audit)	07792 015416	jason.garcia@audit.wales
Kate Havard	Audit Lead (Financial Audit)	02920 829315	kate.havard@audit.wales

Timetable

- 20 The key milestones for the work set out in this plan are shown in **Exhibit 4**. As highlighted earlier, there may be a need to revise the timetable in light of developments with COVID-19.
- 21 The Public Audit (Wales) Act 2004 provides electors with the right to ask questions and to make objections to the Pension Fund's accounts to the Auditor General. The rights to ask questions and make objections at audit are linked to electors' rights to inspect the accounts that are also set out in the 2004 Act. The current COVID restrictions may impose restrictions on the Pension Fund's ability to facilitate the inspection of accounts. Therefore, we have not yet set a date for the exercise of electors' rights and will continue to monitor the situation before confirming a date with you. We anticipate that we will be in a position to agree a date with you in late May 2021

Exhibit 4: Audit timetable

Planned output	Work undertaken	Report finalised
2021 Audit Plan	January to March 2021	March 2021
Audit of pension fund accounts: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on Financial Statements	March to September 2021 October 2021	October 2021 October 2021
2022 Audit Plan	January to March 2022	March 2022

22 I can confirm that my team members are all independent of the Pension Fund and your officers. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Dyfed Pension Fund									
Budget Monitoring									
1st April 2020 - 31st December 2020									
	Budget Type	Actual 2019-2020	Budget 2020-2021	Total income/ expenditure to date	Forecast Commitments	Forecast outturn	End of year variance		Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (c)	£ '000 (d)	£ '000 (e)	£ '000 (f)	%	
Expenditure									
Benefits Payable	Both	89,766	89,869	64,045	24,357	88,402	-1,467	-1.6	3% included at budget setting for new pensioners, actual increase year to date is 1.5%
Pensions Payable	Controllable	72,858	76,369	56,063	18,839	74,902	-1,467		
Commutation and lump sum retirement benefits	Non Controllable	14,708	12,000	6,641	5,359	12,000	0		
Lump sum death benefits	Non Controllable	2,200	1,500	1,341	159	1,500	0		
Payments to and account of leavers	Non Controllable	3,597	2,620	1,411	1,523	2,934	314	12.0	
Management Expenses									
		7,775	8,549	6,250	1,884	8,133	-416	-4.9	
Computer Software	Controllable	338	361	82	284	365	4		Extra Software - Mortality Screening
Printing charges	Controllable	13	20	11	9	20	0		
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	63	70	35	24	59	-11		Reduced Travel & Subsistence costs
Fund Managers									
BlackRock	Controllable	1,703	1,443	1,143	173	1,316	-127		Projected underspend due to performance fee reduction.
Schroders	Controllable	763	882	553	140	693	-189		Estimate based on December quarter. Reduction in fees commencing 1 January 2021.
Wales Pension Partnership	Controllable	2,600	3,510	2,344	1,006	3,350	-160		Corporate Bonds pooled in August 2020 instead of July 2020.
Partners Group	Controllable	856	806	653	250	903	97		Outturn based on December 2020 fees.
Custodian									
Northern Trust	Controllable	30	31	24	7	31	0		
Actuary									
Mercer	Controllable	221	100	77	23	100	0		
Performance Manager									
Northern Trust / PIRC / CEM	Controllable	10	26	0	26	26	0		
Independent Advisor	Controllable	21	30	14	16	30	0		
Other									
Euraplan, LSE, Pension Board	Controllable	21	23	25	19	44	21		SAA Review & Transition Analysis
Central recharges	Non Controllable	1,108	1,219	1,268	-100	1,168	-51		Vacant posts within pensions administration
Audit fees	Controllable	28	28	21	7	28	0		
Controllable Expenditure		79,525	83,699	61,045	20,823	81,868	-1,831		
Non Controllable Expenditure		21,613	17,339	10,661	6,941	17,602	263		
Total Expenditure		101,138	101,038	71,706	27,764	99,470	-1,568		
Income									
Contributions									
Employer	Controllable	-60,238	-64,596	-50,502	-13,944	-64,446	150	-0.2	Advance payments made resulting in discounted contributions; Ceredigion CC, Pems CC and Dyfed Powys Police in 2020-21
Member	Controllable	-20,194	-21,148	-16,020	-5,395	-21,415	-267	1.3	Increased member purchase of annuity (pension) from their AVC when matured than originally budgeted.
Investment Income	Controllable	-16,822	-13,794	-8,283	-6,660	-14,943	-1,149	8.3	Includes BlackRock SAIF, Schroders dividend income, WPP and Partners Group which is income reinvested.
Other Income	Controllable	0	0	-3	3	0	0	0.0	
Transfers in from other pension funds	Non Controllable	-6,839	-1,500	-1,894	-900	-2,794	-1,294	86.3	
Controllable Income		-97,254	-99,538	-74,808	-25,996	-100,804	-1,266		
Non Controllable Income		-6,839	-1,500	-1,894	-900	-2,794	-1,294		
Total Income		-104,093	-101,038	-76,702	-26,896	-103,598	-2,560		
Controllable Total		-17,729	-15,839	-13,763	-5,173	-18,936	-3,097		
Non Controllable Total		14,774	15,839	8,767	6,041	14,808	-1,031		
Total		-2,955	0	-4,996	868	-4,128	-4,128		
Cash Transfer to Fund Managers	Cash	0	0	0	0	0	0		
Net Total of Cash Related Items		-2,955	0	-4,996	868	-4,128	-4,128		
Indirect Transactional Management Fees	Non Cash	3,670	2,840	0	3,402	3,402	562	19.8	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
Investment Income	Non Cash	-3,670	-2,840	0	-3,402	-3,402	-562	19.8	Contra entry to the Indirect transactional fees
Realised gain/loss	Non Cash	-30,270	-50,000	-173,145	-1,855	-175,000	-125,000	250.0	Non Controllable. No impact to cash.
Net Total of Non-Cash Related Items		-30,270	-50,000	-173,145	-1,855	-175,000	-125,000		

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Dyfed Pension Fund

Budget

1st April 2021 - 31st March 2022

	Budget Type	Forecast outturn 2020-2021	Budget 2020-2021	Budget 2021-2022	Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (e)	
Expenditure					
Benefits Payable	Both	88,402	89,869	92,363	
Pensions Payable	Controllable	74,902	76,369	78,863	Budget based on January 2021 pensions payable plus an increase of 0.5% pensions increase (based on Sept 20 CPI), 3% pensioners and deferreds
Commutation and lump sum retirement benefits	Non Controllable	12,000	12,000	12,000	Budget based on 20-21 forecast outturn
Lump sum death benefits	Non Controllable	1,500	1,500	1,500	Budget based on 20-21 forecast outturn
Payments to and account of leavers	Non Controllable	2,934	2,620	3,120	Budget based on 20-21 forecast outturn plus refunds
Management Expenses		8,133	8,549	8,829	
Computer Software	Controllable	365	361	383	Budget based on 20-21 forecast outturn plus an increase for mortality screening software
Printing charges	Controllable	20	20	20	Budget based on 20-21 forecast outturn
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	59	70	70	Budget based on 20-21 budget
Fund Managers					
BlackRock	Controllable	1,316	1,443	1,300	Budget based on 20-21 forecast outturn with estimated 5% market value increase. Estimate also includes a reduction due to equity restructure
Schroders	Controllable	693	882	580	Budget based on 20-21 forecast outturn with estimated 5% market value increase. Fees reduced from 1 January 2021
Wales Pension Partnership	Controllable	3,350	3,510	4,030	Increase due to full year effect of corporate bonds transitioned to WPP in August 2020 and equity restructure completed in 20-21
Partners Group	Controllable	903	806	950	Budget based on 20-21 forecast outturn with estimated 5% market value increase
Custodian					
Northern Trust	Controllable	31	31	31	Budget based on 20-21 forecast outturn
Actuary					
Mercer	Controllable	100	100	100	Budget based on 20-21 forecast outturn
Performance Manager					
Northern Trust / PIRC / CEM	Controllable	26	26	26	Budget based on 20-21 forecast outturn
Independent Advisor					
MJ Hudson	Controllable	30	30	30	Budget based on contract price including expenses
Other					
Euraplan, LSE, Pension Board	Controllable	44	23	27	Budget based on 20-21 forecast outturn excluding SAA Review and Transition Analysis. Increase also included for additional Pension Board costs.
Central recharges	Non Controllable	1,168	1,219	1,254	Based on 20-21 budget. Increased by inflation.
Audit fees	Controllable	28	28	28	Budget based on 20-21 forecast outturn
Controllable Expenditure		81,868	83,699	86,438	
Non Controllable Expenditure		17,602	17,339	17,874	
Total Expenditure		99,470	101,038	104,312	
Income					
Contributions					
Employer	Controllable	-64,446	-64,596	-66,893	Budget based on December 2020 contributions plus an increase of 3% for increments/pay awards.
Member	Controllable	-21,415	-21,148	-22,121	Budget based on December 2020 contributions plus an increase of 3% for increments/pay awards.
Investment Income	Controllable	-14,943	-13,794	-12,298	Investment income will be called upon as per cash flow requirements. £12.3 million cash required to breakeven.
Other Income	Controllable	0	0	0	Budget not required for 21-22. 3rd party administration invoices now raised against Pensions Administration budget within Carmarthenshire.
Transfers in from other pension funds	Non Controllable	-2,794	-1,500	-3,000	Budget increased based on 19-20 actual outturn and 20-21 forecast outturn.
Controllable Income		-100,804	-99,538	-101,312	
Non Controllable Income		-2,794	-1,500	-3,000	
Total Income		-103,598	-101,038	-104,312	
Controllable Total		-18,936	-15,839	-14,874	
Non Controllable Total		14,808	15,839	14,874	
Total		-4,128	0	0	Net budget Zero. Income can be managed to suit cashflow requirements.
Cash Transfer to Fund Managers	Cash	0	0	0	
Net Total of Cash Related Items		-4,128	0	0	
Indirect Transactional Management Fees	Non Cash	3,402	2,840	3,500	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
Investment Income	Non Cash	-3,402	-2,840	-3,500	Contra entry to the Indirect transactional fees
Realised gain/loss	Non Cash	-175,000	-50,000	-50,000	Non Controllable. To cover portfolio rebalances. No impact to cash.
Net Total of Non-Cash Related Items		-175,000	-50,000	-50,000	

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Item 4.5

Dyfed Pension Fund Cash Reconciliation

January 2021

Balance b/f 1st April 2020		£6,853,602.71
 <i>Investment trades</i>		
Sales	446,460,853.18	
Purchases	-461,509,639.84	
		<hr/>
		-£15,048,786.66
Contributions received	£73,195,145.59	
Payments made	-£77,438,277.92	
Dividend Income	£25,987,259.54	£21,744,127.21
		<hr/>
		£13,548,943.26
Total Available for Investment		<hr/> £13,548,943.26 <hr/>
 <i>Represented by :</i>		
Cash at Carmarthenshire		£13,981,879.84
Cash due to be received/deducted		£0.00
CCC Debtors		£107,441.66
CCC Creditors		-£540,378.24
		<hr/>
		£13,548,943.26 <hr/>

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PENSIONS ADMINISTRATION REPORT – 25th March 2021

This report provides a progress update on a number of projects being simultaneously undertaken, along with providing information on relevant issues in the administration of scheme benefits.

1. Regulatory update –

- a. McCloud/Sargeant update – You will recall from the previous report that the remedy would require the recalculation all pensions (including dependants pensions), death grants, and deferred benefits calculated since 1st April 2014 for those that were active on 31st March 2012. This will require all employers to provide the hours each part time scheme member, including any changes, they have worked between 1st April 2014 to 31st March 2022. When the CARE scheme was introduced on 1st April 2014, employers were not required to provide or record hours of employment for pension purposes. Our software supplier is finalising testing the ‘McCloud’ data upload facility. When this has been completed, a detailed project plan can be provided as it is currently anticipated that a significant number of cases will require manual intervention rather than automated update of hours. Regulatory clarity is also required to deal with data discrepancies and cases where the employer no longer exists or is not able to provide data. The same principle will apply to the Police and 2 Firefighter Pension Schemes administered. Recruitment of an addition Pensions Officer is underway to undertake the initial identification of prospective cases and liaise with Employers to ensure that returns are received for all scheme members.
- b. Exit Payment Cap – HMT Directions for capping public sector exit payments to £95,000 were issued on the 4th November 2020 but unfortunately the LGPS Regulations were not amended to reflect this along with GAD Guidance. On 12th February 2021 HMT disapplied these regulations and quoted the reason as “the government has concluded that the Cap may have had unintended consequences”. No payments made from the Pension Fund were restricted by the interim Cap. The Ministry for Housing, Communities and Local Government (MHCLG) has confirmed that it will consult on further reforms to exit payments later this year.
- c. GMP Equalisation – Following the latest judgement in respect of the ‘Lloyds’ 1990 European Court of Justice ruling, the Pension Fund may have to recalculate historic transfers. This covers transfers into and out of the fund with GMP’s covering the period between the ruling on 17th May 1990 to 5th April 1997 when GMP accrual ceased. Guidance is awaited from MHCLG and the Government Actuary’s Department on how GMP equalisation will be achieved in the LGPS.

2. Employer Cessation

Swim Narberth has ceased as a scheme employer and all assets and liabilities have been transferred to its guarantor in the Fund.

3. Breaches Register

Regulation 18(5) of the LGPS Regulations 2013 prescribes that there is a time limit for payment of a refund of pension contributions:

“An administering authority shall refund contributions to a person entitled under paragraph (1) when the person requests payment, or on the expiry of a period of five years beginning with the date the person’s active membership ceased if no request is made before then or, if the person attains age 75 before then, on the day before attaining age 75.”

The National Technical Group recommend to SAB, to change the regulations concerning the payment of a refund to reflect the position prior to 1 April 2014 i.e. to remove the prescription that requires an administering authority to pay a refund on the expiry of a period of five years beginning with the date the person’s active membership ceased if no request is made before then.

In making this recommendation the group acknowledged that interest would be added up to the date of payment, as opposed to on the expiry of 5 years and if a fully completed mandate is not returned by the member, no further action would take place i.e. the group agreed not to waste time or money on using Tracing services in respect of members who have been contacted repeatedly and do not reply. The SAB have made recommendations to MHCLG.

The refunds scheduled to be automatically paid in January 2021 and February 2021 have been included on the breaches register as the scheme members have not replied in order for the refund to be paid.

4. I-connect

In order to improve the timeliness of data flow from scheme employers to the administration section, a monthly update system called ‘i-connect’ has been implemented.

Further development work has continued with employers to ‘on board’ them in order that data can be transferred electronically. The table below shows the employers who are active on i-connect.

Employer	i-Connect status
ABERYSTWYTH TOWN COUNCIL	Active
BURRY PORT MARINA LTD	Active
CAREERS WALES WEST	Active
CARMARTHEN TOWN COUNCIL	Active
CARMARTHENSHIRE AVS	Active
CARMARTHENSHIRE C C	Active
COLEG SIR GAR	
CARMARTHENSHIRE FED OF YFC	Active
CEREDIGION AVO	Active
CEREDIGION C C	Active
COLEG CEREDIGION	
COOMB CHESHIRE HOME	Active
CWMAMMAN TOWN COUNCIL	Active
DYFED-POWYS POLICE	
GORSLAS COMMUNITY COUNCIL	Active
GRWP GWALIA	Active
IAITH CYFYNGEDIG	Active
KIDWELLY TOWN COUNCIL	Active
LLANBADARN FAWR COUMMUNITY	Active
LLANEDI COMMUNITY COUNCIL	Active
LLANELLI RURAL COUNCIL	Active
LLANELLI TOWN COUNCIL	Active
LLANGENNECH COMMUNITY COUNCIL	Active
LLANNON COMMUNITY COUNCIL	Active
LLESIANT DELTA WELLBEING LTD	Active
MENTER BRO DINEFWR	Active
MENTER CASTELL NEDD PT	Active
MENTER CWM GWENDRAETH	Active
MENTER GORLLEWIN SIR GAR	Active
MID & WEST WALES FIRE	
NARBERTH AND DISTRICT SPORTS ASSOC	Active
PEMBREY AND BURRY PORT TOWN COUNCIL	Active
PEMBROKE DOCK TOWN COUNCIL	Active
PEMBROKE TOWN COUNCIL	Active
PEMBROKESHIRE AVS	Active
PEMBROKESHIRE C C	Active
PEMBROKESHIRE COAST NAT PARK	Active
PEMBROKESHIRE COLLEGE	
PLANED	Active
TAI CEREDIGION	Active
TENBY TOWN COUNCIL	Active
TRINITY COLLEGE	Active
UNIVERSITY COLLEGE OF WALES	Active
WELSH BOOKS COUNCIL	Active
WEST WALES ACTION FOR MENTAL HEALTH	Active
VALUATION TRIBUNAL FOR WALES	Active
VISIT PEMBROKESHIRE	Active

5. Data Quality Reports

The scheduled data extract for December 2020 was completed and we have been provided with the Data Quality reports from our software provider. Below are the data scores for the last 4 years.

LGPS Data area	Common data	Scheme specific data
December 2020 data score	99.1%	99.2%
December 2019 data score	98.3%	98.1%
December 2018 data score	96.5%	95.8%
December 2017 data score	94.5%	85.3%

6. GMP Reconciliation

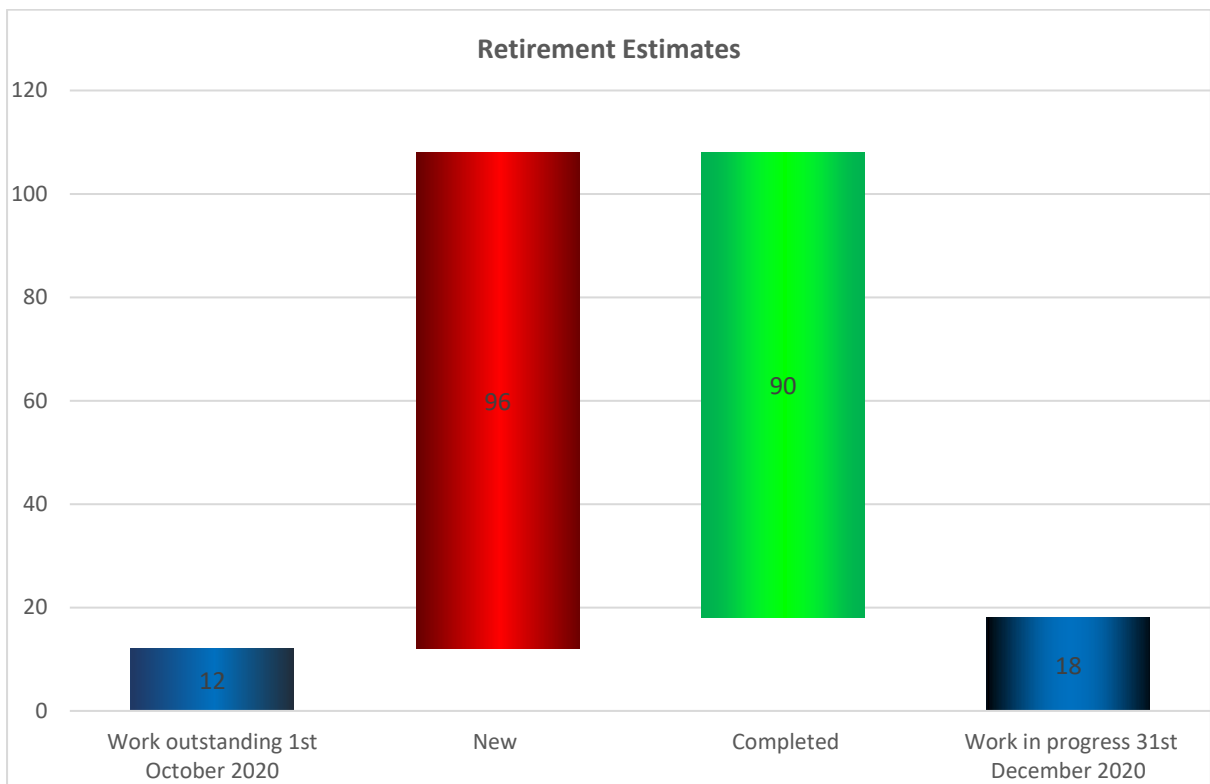
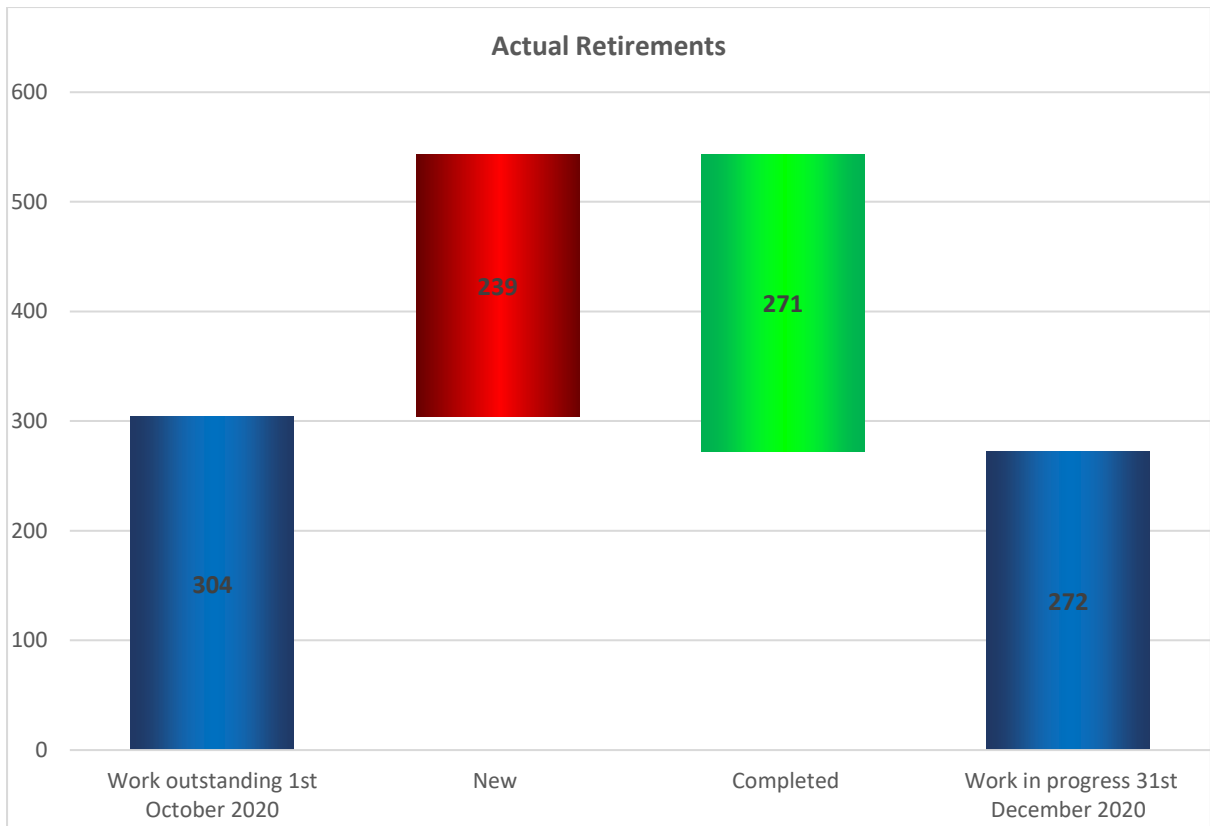
When a scheme member attains State Pension Age, they will be advised of the amount of Guaranteed Minimum Pension (GMP) which is included in their pension. The GMP relates to the part of the pension for the period between April 1978 and April 1997 for which they were 'contracted-out'. For this period, the Scheme has to guarantee that their pension will be at least the same as it would have been, had they not been 'contracted-out'. Contracting out ceased in April 2016. HMRC have now stated that they will not be sending a statement to all individuals affected specifying who is responsible for paying their Guaranteed Minimum Pension (GMP). The pensions section will continue to reconcile the GMP values it holds for members with those calculated by HMRC. It ensures that all individuals recorded by HMRC against the fund are correct. The pensions section has reconciled 99.76% of the records held. Further information has also been issued to HMRC in order that they can amend their records, unfortunately, a response remains outstanding. Reconciliation work has also been undertaken in respect of active scheme members and 99.40% have been reconciled. Unfortunately HMRC have not responded to all the outstanding queries and therefore the reconciled data remains the same as the previous report.

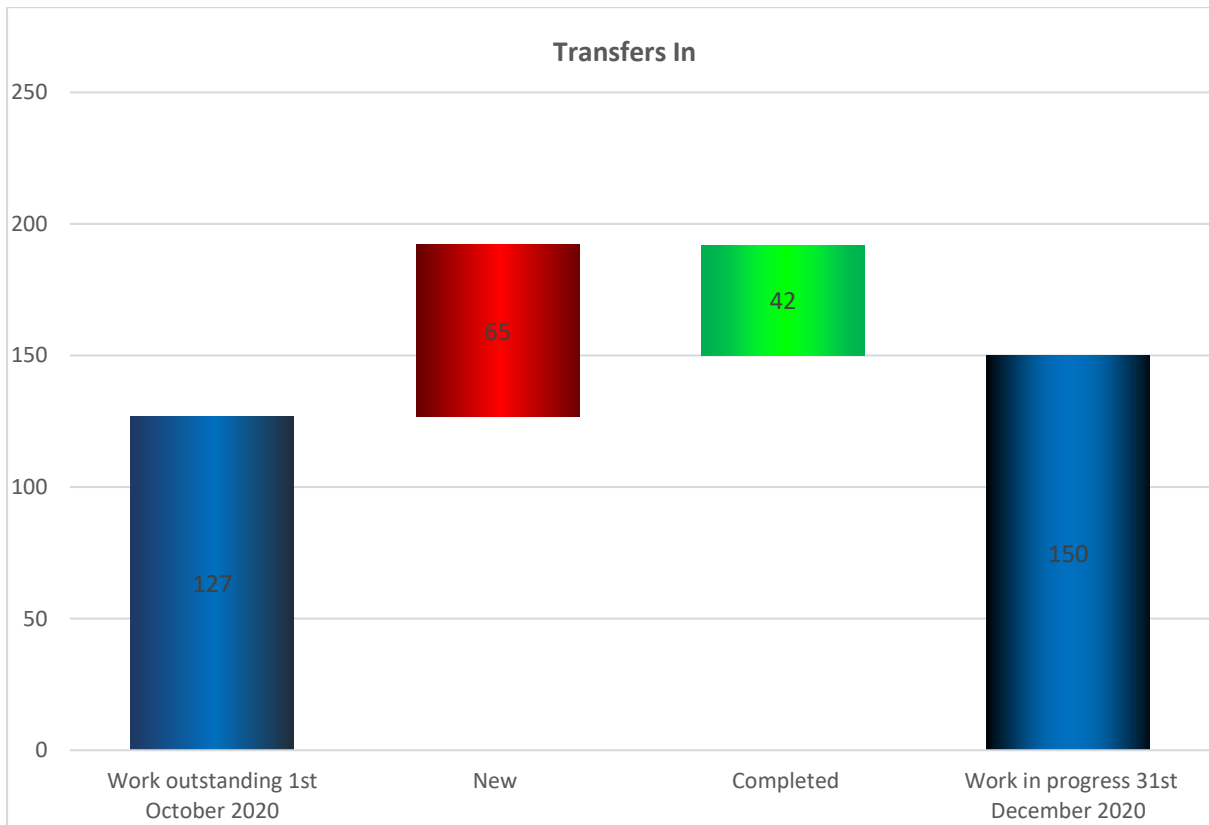
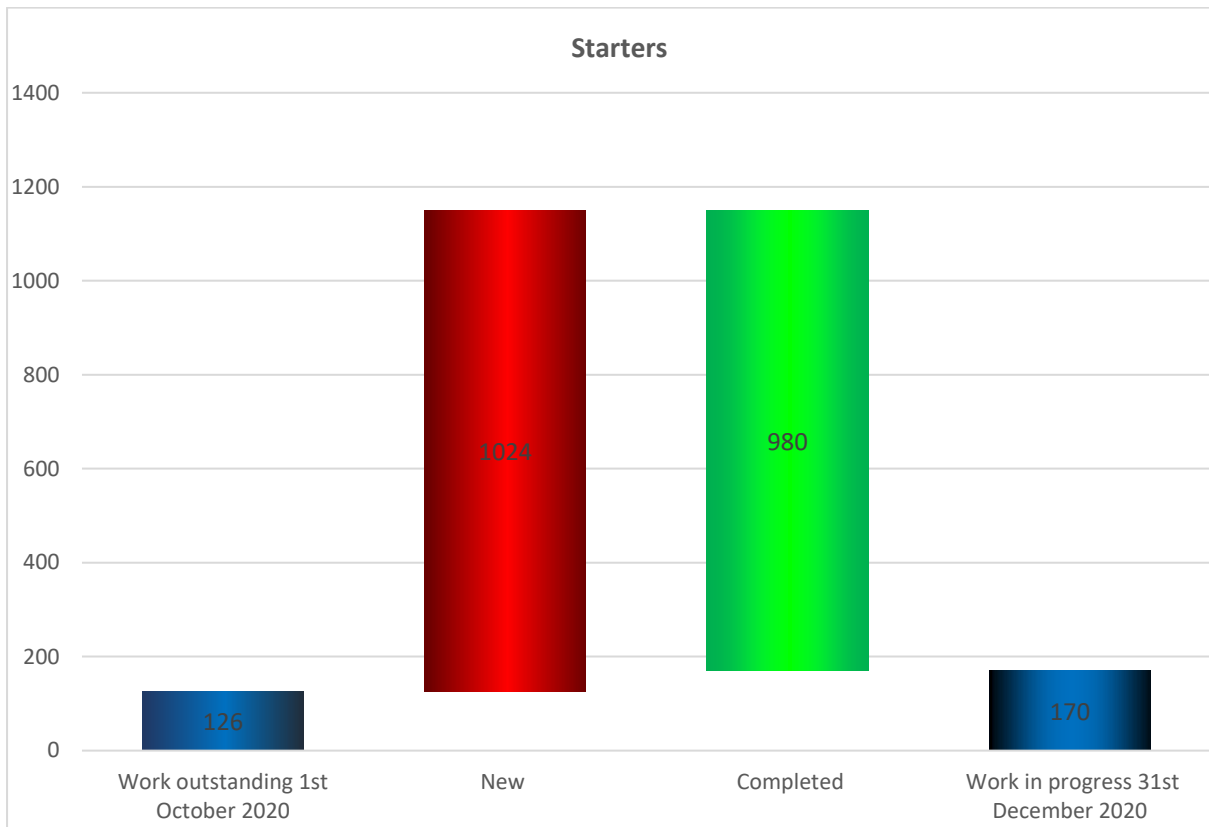
7. Workflow

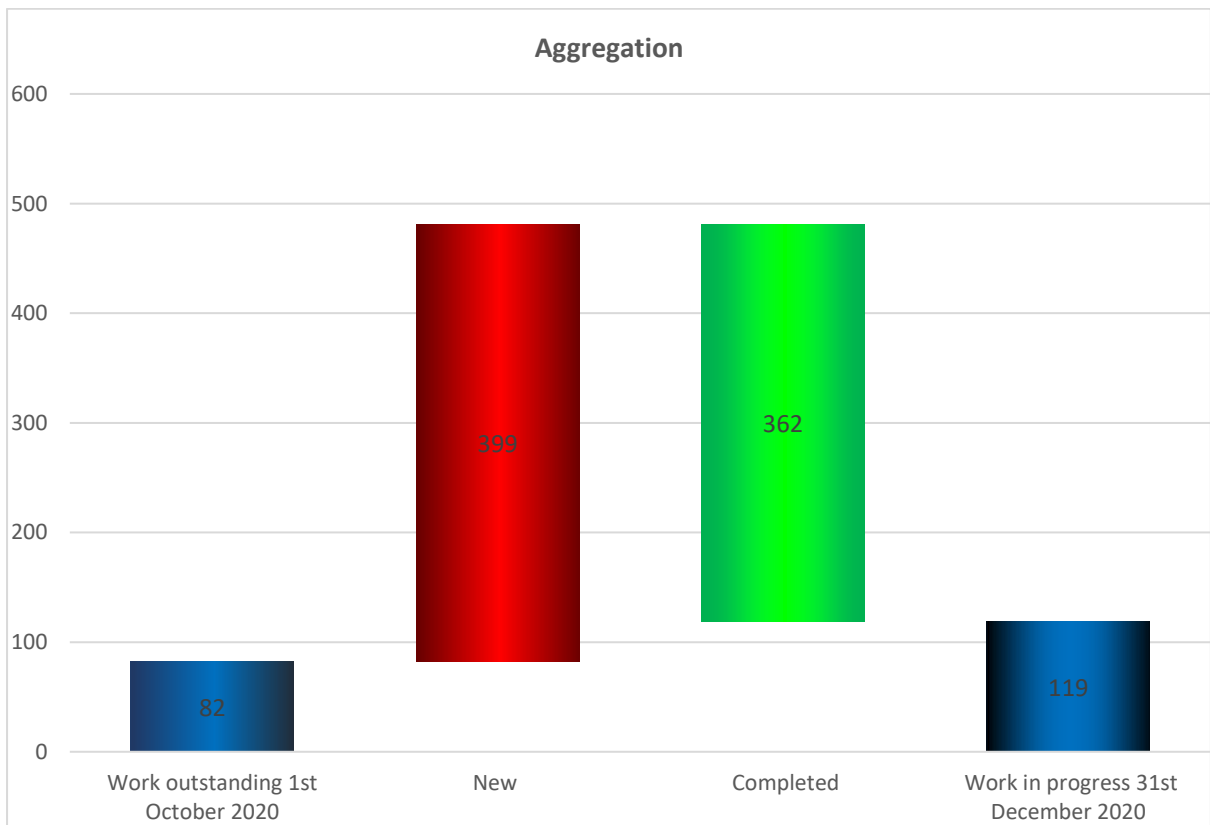
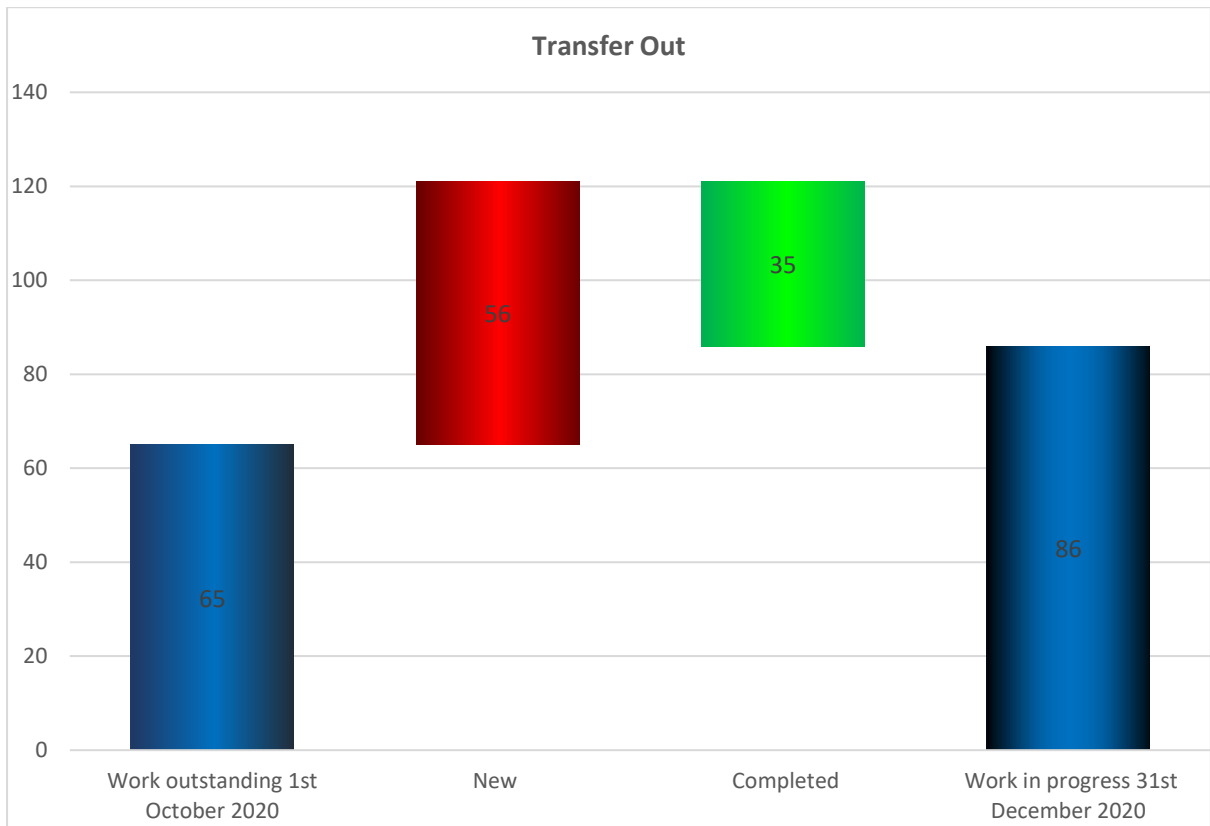
The tables overleaf detail the workflow statistics for the key tasks undertaken in the section for the period 1st October 2020 to 31st December 2020 in respect of the LGPS only. Please note that in circumstances where multiple iterations for the same calculation date have been undertaken, this is recorded as a single estimate. The workflow statistics are recorded on a quarterly basis.

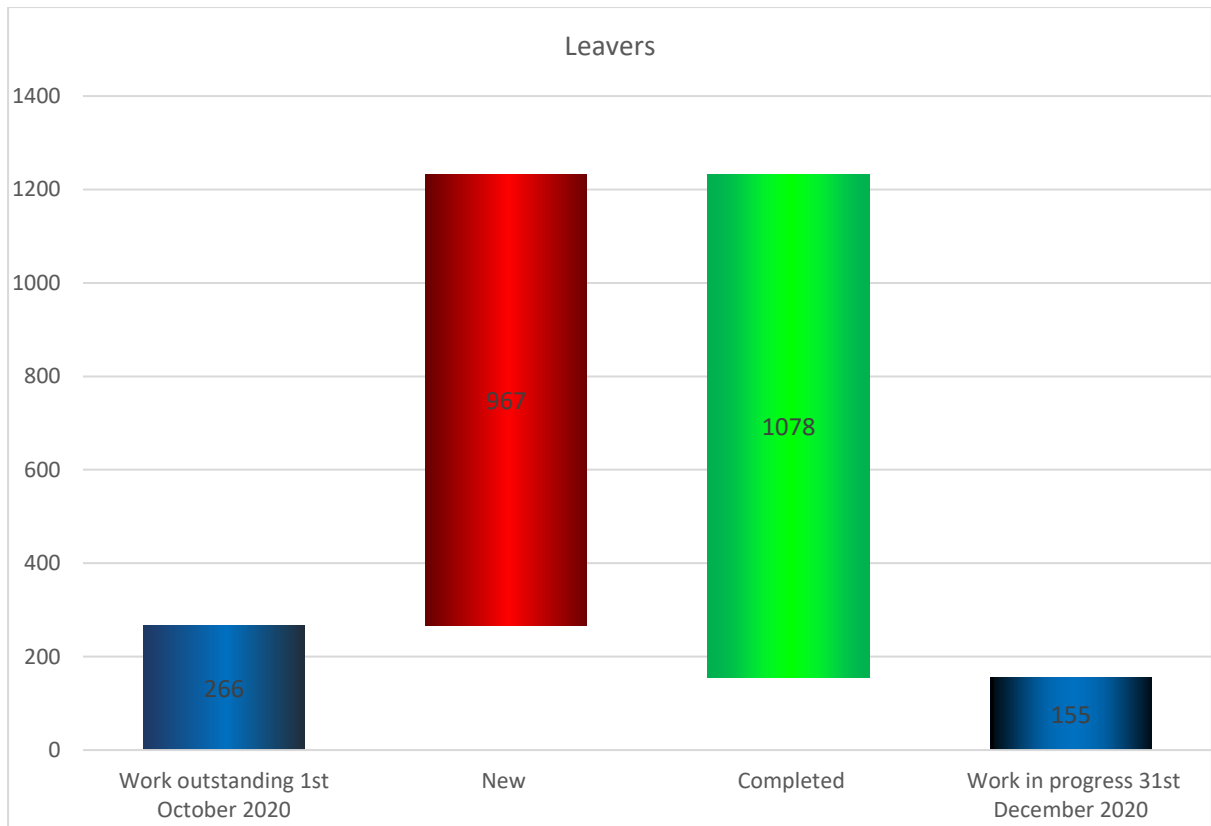
Kevin Gerard

Pensions Manager









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Breaches Report

Item 4.7

Breach Number	Year	Date of Breach / Likely Breach	Failure Type	A description of the breach (including relevant dates), its cause and effect, including the reasons it is, or is not, believed to be of material significance	Been reported to tPR before	RAG Status	Report to tPR	Actions taken to rectify the breach. A brief descriptions of any longer term implications and actions required to prevent similar types of breaches recurring in the future
89	2019-20	22/4/20	Contributions	An underpayment of contributions £435.34 has occurred during the year. Remittance advices were received late and often did not match the payments. The Accountant stated that it's the Employer's error but the Employer insists the responsibility of the Accountant.	No	Amber	No Report	Problems with differences between remittances and actual payments received and timing of payments has not been resolved. Accountant on Furlough Scheme at present. Underpayment for 19-20 still outstanding
90	2020-21	April 20 and May 20	Automatic payment of refund after 5 years for post 2014 leavers	Members have been contacted requesting bank details in order to pay refunds, however, no reply has been received from the scheme members. April - 9 members & total refunds = £627.51, May - 14 members & total refunds = £1289.69	No	Amber	No Report	The National Technical Group has recommended to the SAB that the regulations in respect of refunds is amended and reflects the position prior to April 2014.
91	2020-21	22/5/20	Contributions	April contributions (£284.81) received 4 days late. Cause: Difficulties between Accountant and Employer over who is responsible for accuracy and timing of payments. Effect: Payment has now been received.	No	Amber	No Report	Problems with differences between remittances and actual payments received and timing of payments has not been resolved. Accountant on Furlough Scheme at present. Underpayment for 19-20 still outstanding
92	2020-21	22/5/20	Contributions	April contributions (£21,425.90) received 14 days late. Cause: Payment not made by Finance Department Effect: Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
93	2020-21	22/5/20	Contributions (EES ONLY)	April EES contributions (£472.23) received 12 days late. Cause: Payment not made by Finance Department Effect: Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
94	2020-21	22/6/20	Contributions	May contributions (£21,168.63) received 2 days late. Cause: Payment runs now made fortnightly instead of weekly due to homeworking. Will put future payments on earlier run. Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
95	2020-21	22/7/20	PSD	June quarter PSD payment of £150 not received. Also underpayment of £435.34 from 2019-20 still not received. Another email sent 27th July to Accountant.	No	Amber	No Report	Accountant has replied stating that she will ask for underpayment to be paid in next payroll run. They do not have much contact with Employer at moment due to Covid 19 closure.
96	2020-21	June 20, July 20 & August 20	Automatic payment of refund after 5 years for post 2014 leavers	Members have been contacted requesting bank details in order to pay refunds, however, no reply has been received from the scheme members. June - 15 members & total refunds = £2625.12, July - 22 members & total refunds = £1734.26, August - 44 members & total refunds = £9653.66	No	Amber	No Report	The National Technical Group has recommended to the SAB that the regulations in respect of refunds is amended and reflects the position prior to April 2014.
97	2020-21	22/8/20	Contributions	July contributions (£21,673.12) received 2 days late. Cause: Payment runs now made fortnightly instead of weekly due to homeworking. Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
98	2020-21	22/9/20	Contributions & PSD	August contributions not yet received. Also, June quarter PSD payment of £150 not received as well as underpayment of £435.34 from 2019-20. Cause: Accountant has been on annual leave and difficulties between Accountant and Employer over who is responsible for accuracy and timing of payments is still ongoing	No	Amber	No Report	August contributions only received 6.10.20-awaiting further information from Accountant and Employer.
99	2020-21	22/10/20	Contributions & PSD	September contributions £262.73 received 4.11.20 (13 days late). Also, June & September qtrs PSD payment of £300 (£150x2) not received as well as underpayment of £435.34 from 2019-20. Cause: Accountant has been on annual leave and difficulties between Accountant and Employer over who is responsible for accuracy and timing of payments is still ongoing	No	Amber	No Report	Email sent 26 October to Accountant who will check outstanding balances and forward information to Employer. All liabilities for this admitted body have now been allocated to their guarantor.

100	2020-21	22/10/20	Contributions	September payment of £1,333.09 was received 23/10/20 (1 day late). Cause: Payment was put on hold as query with figures. Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
101	2020-21	September, October, November & December 20	Automatic payment of refund after 5 years for post 2014 leavers	Members have been contacted requesting bank details in order to pay refunds, however, no reply has been received from the scheme members. September - 11 members & total refunds = £1746.78, October - 14 members & total refunds = £1694.06, November - 14 members and total refund = £2713.58, December - 15 members and total refund = £2737.93	No	Amber	No Report	The National Technical Group has recommended to the SAB that the regulations in respect of refunds is amended and reflects the position prior to April 2014.
102	2020-21	22/12/20	Contributions	November payment of £1,250.63 not yet received. Finance Manager is looking into this. PAYMENT RECEIVED 21.1.2021	No	Amber	No Report	There are no long term implications associated with this breach.
103	2020-21	19/1/21	Contributions	October - December qtr contributions of £2,329.44 received 8 days late. Cause: Cheque was posted on the 19.1.21 and not received until 27.1.21. Effect: Payment has now been received. Employer has been advised that contributions should be received by the 19th of the following month	No	Amber	No Report	There are no long term implications associated with this breach. Contributions now up to date.
104	2020-21	January 2021 & February 2021	Automatic payment of refund after 5 years for post 2014 leavers	Members have been contacted requesting bank details in order to pay refunds, however, no reply has been received from the scheme members. January - 12 members & total refunds = £2212.38, February - 22 members & total refunds = £6883.49	No	Amber	No Report	The National Technical Group has recommended to the SAB that the regulations in respect of refunds is amended and reflects the position prior to April 2014.

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
CSV400001 - Failure to comply with LGPS regulations as well as other overriding regulations	Substantial 4	Unlikely 2	Medium 8	<ul style="list-style-type: none"> • Altair Development Officer undertakes Altair system checks to ensure compliance with LGPS regulations <i>Implemented</i> • Network Groups (Altair & LGPC) <i>Implemented</i> • Communication & Training Officer Communication & Training Officer responsible for the maintenance of Online Procedure manuals, and the provision of training to all section staff and employing bodies via site visits. <i>Implemented</i> • Continue to act as an "Early Adopter" in conjunction with the system provider to ensure system meets regulatory requirements <i>Implemented</i> 	Pensions Manager Pensions Manager Pensions Manager		Substantial 4	Improbable 1	Low 4

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	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> • Technical Officer ensures legislative accuracy of calculations <i>Implemented</i> 	Pensions Manager				
CSV400002 - Failure to respond to major change to the LGPS following Public Sector Pension Review	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> • Participation in all high level Government discussions and consultations <i>Implemented</i> • Ensure best practice is implemented and DPF is seen as a centre of excellence for pension administration <i>Implemented</i> • Continue to be recognised nationally by peers as one of the leaders in pension administration and facilitate site visits <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager Pensions Manager		Substantial 4	Improbable 1	Low 4

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	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> • Society of Welsh Treasurers review the suitability of existing and any new pension fund arrangements <i>Implemented</i> • CIPFA Pensions Network membership <i>Implemented</i> • Technical Officer ensures legislative accuracy of calculations <i>Implemented</i> 	<p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager</p>				
CSV400003 - Failure to process accurate pension benefits payments, including lump sum payments, in a timely manner	Significant 3	Unlikely 2	Medium 6	<ul style="list-style-type: none"> • Segregation of duties and authorisation of benefits following calculation by Senior Pensions Officer <i>Implemented</i> 	Pensions Manager		Significant 3	Improbable 1	Very Low 3

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk Controls Controlle d Risk Rating
	Impact	Probability				Current Risk Rating	Impact	
			<ul style="list-style-type: none"> • Altair Development Officer is responsible for regular system checks regarding calculations <i>Implemented</i> • Communication&Training Officer liaises closely with all employing authorities to ensure timely submission of information to DPF <i>Implemented</i> • Payroll deadline procedures in place <i>Implemented</i> • Item in Business Continuity/Disaster Recovery Plan <i>Implemented</i> • Participate in National Fraud Initiative (NFI) <i>Implemented</i> 	Pensions Manager				

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Life Certificates exercise carried out for all cheque payments <i>Implemented</i> Undertake reviews of monthly performance to ensure service standards are maintained <i>Implemented</i> IT Contingency/Resilience Plan in place <i>Implemented</i> 	Pensions Manager				
CSV400004 - Failure to collect and account for full receipt of contributions from employers and employees on time Failure to collect full receipt of pension contributions from employees and employers in line with Regulation guidelines. Failure of employers' financial systems; absence of key staff; failure to	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Contributions monitoring procedures <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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	Impact	Probability				Current Risk Rating	Impact	Probability
<p>communicate with employers effectively; failure of key systems such as on-line banking and/or financial ledger.</p> <p>Possible adverse audit opinion; negative cash flow position; delays in producing IAS19 accounting reports; delays in closure of year end accounts; employers forced to leave the scheme.</p>			<ul style="list-style-type: none"> Formal timescales for receipt of contributions <i>Implemented</i> Budget set and monthly monitoring against the budget <i>Implemented</i> Escalation of non receipt of contributions <i>Implemented</i> Systems Audit undertaken by Internal Audit and External Auditors <i>Implemented</i> 	<p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p>				

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
CSV400005 - Failure to keep pension records up to date and accurate	Significant 3	Possible 3	Medium 9	<ul style="list-style-type: none"> Senior Officers liaise closely with employing authorities to ensure timely and accurate submission of data to DPF <i>Implemented</i> i-Connect ensures that data from employers is identified by a direct transfer from payroll on a monthly basis <i>Implemented</i> Data accuracy checks undertaken by the pension section prior to continual validation on workflow system <i>Implemented</i> Data integrity validation is performed monthly by Altair Development Officer <i>Implemented</i> 	Pensions Manager Pensions Manager Pensions Manager Pensions Manager		Significant 3	Improbable 1	Very Low 3

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> • Data validation checks also undertaken by the DPF's partners (e.g.the Actuary at Valuation) <i>Implemented</i> • Additional validation carried out through NFI <i>Implemented</i> • Opportunity to escalate non-compliance <i>Implemented</i> 	Pensions Manager Pensions Manager Pensions Manager				
CSV400006 - Failure to hold personal data securely	Substantial 4	Unlikely 2	Medium 8	<ul style="list-style-type: none"> • Business Continuity/Disaster Recovery Plan for the Authority with IT firewalls <i>Implemented</i> • Disaster Recovery Plan for pensions system <i>Implemented</i> 	Pensions Manager Pensions Manager		Significant 3	Improbable 1	Very Low 3

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Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk Controls Controlle d Risk Rating
	Impact	Probability				Current Risk Rating	Impact	
			<ul style="list-style-type: none"> • Authorised users have unique usernames and passwords must be changed every 60 days <i>Implemented</i> • Documentation is scanned on to the pensions system and paper copies are held for a period of 3 months before shredding <i>Implemented</i> • Compliance with the Data Protection Act 1998 <i>Implemented</i> • Compliance with the Authority's in-house IT policies <i>Implemented</i> • Systems and Payroll audit undertaken annually <i>Implemented</i> 	Pensions Manager				

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk Controls
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
CSV400007 - Loss of funds through fraud or misappropriation in administration related functions	Substantial 4	Unlikely 2	Medium 8	<ul style="list-style-type: none"> Internal and external audit checks performed to ensure that appropriate and effective controls are in place <i>Implemented</i> Segregation of duties and authorisation of benefits following calculation by Senior Pensions Officer and Pensions Officer <i>Implemented</i> Altair Development Officer undertakes data integrity checks <i>Implemented</i> Systems and Payroll audit undertaken annually <i>Implemented</i> 	Pensions Manager Pensions Manager Pensions Manager Pensions Manager		Moderate 2	Unlikely 2	Low 4
CSV400008 - Normal operations disrupted by uncontrollable external factors Service delivery threats from fire,	Substantial 4	Possible 3	High 12				Significant 3	Improbable 1	Very Low 3

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Control (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
<p>bomb, extreme weather, electrical faults etc.</p> <p>Insufficient daily back up, disaster recovery, and IT cover to support systems.</p> <p>Temporary loss of ability to provide service to stakeholders.</p>				<ul style="list-style-type: none"> Business Continuity/Disaster Recovery Plan for the Authority with IT firewalls <i>Implemented</i> Disaster Recovery Plan for pensions system with the software provider <i>Implemented</i> Pension Software is a hosted system provided by Aquila Heywood and is a tier 4 design data centre with ISO27001 accreditation. <i>Implemented</i> 	Pensions Manager				
<p>CSV400009 - Inability to keep service going due to loss of main office, computer system, or staff</p>	Moderate 2	Unlikely 2	Low 4	<ul style="list-style-type: none"> Business Continuity/Disaster Recovery Plan for the Authority with IT firewalls <i>Implemented</i> 	Pensions Manager		Moderate 2	Improbable 1	Very Low 2

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	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Pension Software is a hosted system provided by Aquila Heywood and is a tier 4 design data centre with ISO27001 accreditation. <i>Implemented</i> 	Pensions Manager				
CSV400010 - Lack of expertise among some Pension Administration officers	Significant 3	Unlikely 2	Medium 6	<ul style="list-style-type: none"> Personal development plan in place to support the development of each officer in the Section <i>Implemented</i> Specific courses / seminars attended by officers to further their knowledge and understanding <i>Implemented</i> 	Pensions Manager Pensions Manager		Significant 3	Improbable 1	Very Low 3
CSV400011 - Over reliance on key Pensions Administration and Investment Officers Specialist nature of the work means there are relatively few experts in Investments and the Local Authority	Significant 3	Possible 3	Medium 9	<ul style="list-style-type: none"> Key officers convey specialist knowledge to colleagues on a function or topic basis by mentoring <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager		Significant 3	Unlikely 2	Medium 6

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Date: **15 March, 2021**

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	Impact	Probability					Impact	Probability	
Pensions Regulations. Significant knowledge gap left if experts leave.				<ul style="list-style-type: none"> • Enhance training by bespoke sessions / courses / workshops <i>Implemented</i> • Specific relevant qualifications for administration and investment staff <i>Implemented</i> • External consultants and independent adviser available for short term assistance <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager				
CSV400012 - Failure to appropriately attract, manage, develop, and retain staff at all levels	Substantial 4	Unlikely 2	Medium 8	<ul style="list-style-type: none"> • Training and Development Plan established <i>Implemented</i> 	Pensions Manager		Substantial 4	Improbable 1	Low 4

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
<p>CSV400013 - Failure to communicate properly with stakeholders Lack of clear communications.</p> <p>Scheme members are not aware of their rights and entitlements, are distanced from the Fund, which could lead to a reduction in new members and an increase in leavers.</p> <p>Communication with investment managers, custodian, independent adviser, fund employers, pensioners, scheme members, actuary and government organisations.</p>	<p>Significant</p> <p>3</p>	<p>Unlikely</p> <p>2</p>	<p>Medium</p> <p>6</p>	<ul style="list-style-type: none"> Dedicated Communication & Training Officer post established Dedicated Communication & Training Officer will continue to fulfil all the communication requirements of the DPF, in accordance with the Communications Policy Statement <i>Implemented</i> Comprehensive website is continually updated and developed <i>Implemented</i> My Pension Online is used to enhance the service provided to scheme members <i>Implemented</i> Quarterly meetings with independent adviser and investment managers <i>Implemented</i> 	<p>Pensions Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager</p> <p>Treasury & Pensions Investments Manager</p>		<p>Significant</p> <p>3</p>	<p>Improbable</p> <p>1</p>	<p>Very Low</p> <p>3</p>

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> • Communications Policy in place <i>Implemented</i> • Annual Employer & Consultative Meeting <i>Implemented</i> 	<p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p>				
<p>CSV400014 - No appropriate procedures for Employer bodies transferring out of the pension fund or Employer bodies closing to new membership</p>	<p>Significant</p> <p>3</p>	<p>Possible</p> <p>3</p>	<p>Medium</p> <p>9</p>	<ul style="list-style-type: none"> • Inter valuation monitoring and rate reassessment if appropriate <i>Implemented</i> • Identification of any issue and resolution via regular site visits by Communication & Training Officer <i>Implemented</i> 	<p>Pensions Manager</p> <p>Pensions Manager</p>		<p>Significant</p> <p>3</p>	<p>Unlikely</p> <p>2</p>	<p>Medium</p> <p>6</p>

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Requirement for employing authorities to issue termination forms for each active member <i>Implemented</i> Validation of membership numbers <i>Implemented</i> Employer covenant checks <i>Implemented</i> 	Pensions Manager				
CSV400015 - Liquidity/cashflow risk - insufficient funds to meet liabilities as they fall due Failure of employers to pay contributions on time; low dividend income; significant number of liabilities paid out at the same time. Immediate cash contribution would be required via employers; delay in the payment of promised liabilities; negative	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Monthly cash and dividend reconciliations <i>Implemented</i> Quarterly monitoring of investment managers by Pension Committee <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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	Impact	Probability					Impact	Probability	
publicity and an adverse audit report.				<ul style="list-style-type: none"> • Appointment of custodian <i>Implemented</i> 	Treasury & Pensions Investments Manager				
CSV400016 - Loss of funds through fraud or misappropriation in investment related functions Fraud or misappropriation of funds by an employer, investment managers or custodian. Financial loss to the fund.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> • Internal and External Audit regularly test that appropriate controls are in place and working <i>Implemented</i> • Regulatory control reports from investment managers, custodian, etc., are also reviewed by audit. <i>Implemented</i> • Due diligence is carried out whenever a new manager is appointed. <i>Implemented</i> • Reliance also placed in Financial Conduct Authority registration. <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Quarterly monitoring by Pension Committee and Independent Adviser <i>Implemented</i> 	Treasury & Pensions Investments Manager				
CSV400017 - Excessive levels of Pension Fund Cash held within Carmarthenshire County Council investment balances High dividend / interest receipts and low benefit payments being made in period. Lower cash like return instead of equity or bond investment returns.	Significant 3	Unlikely 2	Medium 6	<ul style="list-style-type: none"> Monthly cash reconciliations and separate pension fund bank accounts <i>Implemented</i> Quarterly monitoring by Pension Fund Committee <i>Implemented</i> Internal Audit and Wales Audit Office review <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Significant 3	Improbable 1	Very Low 3
CSV400018 - Significant rises in employer contributions due to increases in liabilities or fall in assets Scheme liabilities increase disproportionately as a result of	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Use qualified actuary who uses assumptions and recommends appropriate recovery period and strategy <i>Implemented</i> 	Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9

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Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
<p>increased longevity or falling bond yields. Poor economic conditions, incorrect investment strategy, poor selection of investment managers.</p> <p>Poor / negative returns leading to potential increase in employer's costs.</p>				<ul style="list-style-type: none"> Quarterly monitoring of investment managers by Pension Committee <i>Implemented</i> Diversified Strategic Asset Allocation <i>Implemented</i> 	Treasury & Pensions Investments Manager				
<p>CSV400019 - Lack of expertise on Pension Fund Committee and/or amongst Officers</p> <p>Lack of training, continuous professional development and 4 year election cycle.</p> <p>Flawed recommendations given to Pension Fund Committee which, unchallenged, could lead to incorrect decisions being made.</p>	Significant 3	Likely 4	High 12	<ul style="list-style-type: none"> Ensure Officers are trained and up to date in key areas through courses, seminars, reading, discussions with consultants, etc. <i>Implemented</i> Members given induction training on joining Committee with subsequent opportunities to attend other specialist training. <i>Implemented</i> 	Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Members' training plan and Governance Policy established <i>Implemented</i> Specialist assistance available from consultants and independent adviser <i>Implemented</i> 	Treasury & Pensions Investments Manager				
CSV400020 - Failure of Investment Strategy to deliver investment objectives Inaccurate triennial valuation assumptions used. Incorrect recovery period used. Funding level decreases; employer contribution rates become unacceptable, causing potential increase in employer's costs.	Significant 3	Likely 4	High 12	<ul style="list-style-type: none"> Qualified Actuary makes assumptions and recommends appropriate recovery period and strategy. <i>Implemented</i> Independent Investment adviser employed to assist the committee in making informed decisions. <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk Controls
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
<p>CSV400021 - Prolonged failure of investment managers to achieve the returns specified on their mandates</p> <p>Under-performance by the investment managers; lack of monitoring and challenging by the Committee.</p>	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> Quarterly monitoring of investment managers and performance company reports by investment team and Pension Committee <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
<p>CSV400022 - Concentration risk - single asset class having disproportionate impact on investment objectives</p> <p>Risk of the performance of a single asset class having a disproportionate impact on the ability to meeting investment objectives. Inappropriate investment strategy following the triennial valuation, including lack of diversification.</p> <p>Funding level decreases; employer contribution rates become unacceptable, causing potential increase in employers' costs.</p>	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Establish & review diversified strategic asset allocation <i>Implemented</i> Proactive in decision making <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
CSV400023 - Counterparty risk - risk of other party in a transaction failing to meet its obligation to the fund This arises from deposits held with banks and other financial institutions, as well as credit exposures to the fund's members and employers. Loss of capital; decrease in asset values; cost of legal proceedings; adverse publicity.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Set appropriate parameters with fund managers and custodian to limit exposure to default risk <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
CSV400024 - Interest rate risk Arises from risk of exposure to significant interest rate movements on investments. Bond yields and cash decrease in value.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Establish & review diversified strategic asset allocation <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
CSV400025 - Discount rate risk Use of inappropriate discount rate to estimate future liabilities. Funding level decreases; employer contribution rates become	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Engage qualified actuary to make assumptions <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
unacceptable, causing potential increase in employers' costs.				<ul style="list-style-type: none"> Engage independent adviser to assist the committee in making informed decisions <i>Implemented</i> 	Treasury & Pensions Investments Manager				
<p>CSV400026 - Price risk The equity investments held exposes the fund to risk in relation to the market price of its investments.</p> <p>Funding level decreases; employer contribution rates become unacceptable, causing a potential increase in employers' costs.</p>	<p>Substantial 4</p>	<p>Possible 3</p>	<p>High 12</p>	<ul style="list-style-type: none"> Establish & review a diversified strategic asset allocation. <i>Implemented</i> Anticipate long term returns on a prudent basis. <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		<p>Substantial 4</p>	<p>Unlikely 2</p>	<p>Medium 8</p>
<p>CSV400027 - Foreign exchange risk The fund holds financial assets and liabilities denominated in foreign currencies. It is therefore exposed to an element of risk in relation to currency fluctuation.</p> <p>Funding level decreases; employer contribution rates become unacceptable, causing a potential</p>	<p>Substantial 4</p>	<p>Possible 3</p>	<p>High 12</p>	<ul style="list-style-type: none"> Establish & review diversified (within regions) strategic asset allocation <i>Implemented</i> 	Treasury & Pensions Investments Manager		<p>Substantial 4</p>	<p>Unlikely 2</p>	<p>Medium 8</p>

Risk Register 2021-22

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Control (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
increase in employers' costs.									
<p>CSV400028 - Failure to meet statutory deadlines leading to qualification of the accounts Lack of planning for closure of accounts; lack of training; loss of expert knowledge.</p> <p>Qualified audit report; potential bad publicity; members' loss of confidence on officers' abilities.</p>	<p>Substantial</p> <p>4</p>	<p>Possible</p> <p>3</p>	<p>High</p> <p>12</p>	<ul style="list-style-type: none"> • Timetabled Audit Committee cycles <i>Implemented</i> • Liaise with external audit <i>Implemented</i> • Establish closedown timetable <i>Implemented</i> • Establish WAO working paper guidance & planning document <i>Implemented</i> • Excellent time management skills <i>Implemented</i> 	<p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p>		<p>Substantial</p> <p>4</p>	<p>Unlikely</p> <p>2</p>	<p>Medium</p> <p>8</p>

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
CSV400029 - Adequate skilled resources not available for accounts preparation Lack of training; loss of expert knowledge; annual or study leave. Qualified audit report; unsatisfactory internal audit report; failure to meet statutory closure deadlines; employee stress.	Significant 3	Likely 4	High 12	<ul style="list-style-type: none"> • Appropriate Treasury & Pension Investments structure in place <i>Implemented</i> • Arrange training courses and seminars, and mentoring <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9
CSV400030 - Failure to recover all debts Lack of communication between fund officers and administering authority officers (debtors); lack of monitoring / recovery procedures. Loss of income to the Fund; loss of stakeholder confidence in the ability of the administering authority; potential increase in costs to Fund employers	Substantial 4	Likely 4	Significant 16	<ul style="list-style-type: none"> • Use of specialist debt recovery section within the administering authority <i>Implemented</i> • Monthly monitoring of debts due <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager		Moderate 2	Improbable 1	Very Low 2

Risk Register 2021-22

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Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
CSV400031 - Officers acting outside delegated authority Threat of officers making unauthorised decisions or payments. Loss of income to fund; loss of stakeholder confidence in the ability of the administering authority; potential increase in costs to fund employers	Substantial 4	Unlikely 2	Medium 8	<ul style="list-style-type: none"> Undertake regular review of Standing Orders & Constitution <i>Implemented</i> Report to Executive Board <i>Implemented</i> Monitoring officer role <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager		Substantial 4	Improbable 1	Low 4
CSV400032 - Non-performance by Officers and Committee Members Lack of training for officers and members; turnover in officers and members; lack of appraisals; lack of PI monitoring; time constraints for	Substantial 4	Possible 3	High 12				Substantial 4	Unlikely 2	Medium 8

Risk Register 2021-22

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Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk Controls Controlle d Risk Rating
	Impact	Probability				Current Risk Rating	Impact	
<p>members; conflicting deadlines for officers.</p> <p>Qualified audit report; potential bad publicity; members' loss of confidence in officers' abilities; excessive pressure on officers; loss of income to the fund; loss of stakeholder confidence in the ability of the administering authority; potential increase in costs to fund employers</p>				<ul style="list-style-type: none"> • Establish performance measurement system <i>Implemented</i> • Pension Committee member assessments <i>Implemented</i> • Officer appraisals in October and March annually <i>Implemented</i> • Regular internal and external audits <i>Implemented</i> 				

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled Risk (Assume NO Controls in place)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Establish & review training plan for officers and members <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager				
<p>CSV400033 - Failure to operate strict financial and budgetary controls</p> <p>Lack of regular budget monitoring and budget setting; lack of communication between admin and investment sections; lack of scrutiny of investment managers', consultants', and advisers' fees.</p> <p>Unexpected variances over budget headings; members' loss of confidence in officers' abilities; loss of income to the fund; loss of stakeholder confidence in the ability of the administering authority; potential increase in costs to fund employers.</p>	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Quarterly monitoring of budgets <i>Implemented</i> Quarterly forecasting and profiling of budgets <i>Implemented</i> Closure of accounts to Audit Committee <i>Implemented</i> Monthly reconciliations of contributions, dividends, and pension payroll <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

Risk Register 2021-22

Organisation/Department/Function/Project: **Dyfed Pension Fund**

Manager **Pensions Manager and Treasury & Pensions Investments Manager**

Date: **15 March, 2021**

Risk (Threat to achievement of business objective)	Assessment of Uncontrolled (Assume NO Controls in place)		Risk	Controls	Assigned To	Target Date Priority	Assessment of Controlle (Assume CONTROLLED in place)		Risk
	Impact	Probability	Current Risk Rating				Impact	Probability	Controlle d Risk Rating
CSV400034 - Insufficient resources to provide information requirements for the Wales Pension Partnership on the management of the fund	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Staffing resources to be kept under review to ensure the Fund's interests are properly met when developing investment pooling arrangements <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
CSV400035 - Coronavirus - COVID19 Service delivery threats from COVID-19 and / or similar pandemics. Insufficient daily back up, disaster recovery, and IT cover to support systems and staff. Temporary loss of ability to provide service to stakeholders.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Business Continuity/Disaster Recovery Plan for the Authority with IT firewalls. Remote working arrangements with access to key systems through CCC IT equipment and software. <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager		Significant 3	Unlikely 2	Medium 6

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DYFED PENSION FUND

GOVERNANCE POLICY 2021

Introduction

The Dyfed Pension Fund is administered by Carmarthenshire County Council (the administering authority). All Local Government Pension Scheme (LGPS) Funds in England and Wales are required to publish a Governance Policy, under Regulation 73A of the LGPS 1997 Regulations. This regulation is superseded by Regulation 31 of the LGPS (Administration) Regulations 2008 and the 2013 Regulations. Additionally, one of the key requirements in the Public Service Pensions Act (PSPA) 2013 is for each Administering Authority in the LGPS to create a local Pension Board.

This policy has been prepared by the administering authority in consultation with appropriate interested persons.

Purpose of the Governance Policy

The regulations on governance policy requires an administering authority, after consultation with such persons as they consider appropriate, to prepare, maintain, publish and keep under review a written statement setting out:

- whether it delegates its function, or part of its function, in relation to maintaining a pension fund to a committee, sub-committee or officer of the authority, if it does so:
 - the frequency of any committee or sub-committee meetings
 - the terms, structure and operational procedures of the delegation
 - whether such a committee or sub-committee includes representatives of employing authorities (including non-scheme employers) or scheme members, and if so, whether those representatives have voting rights
- the extent to which a delegation, or absence of a delegation, complies with guidance given by the Secretary of State and, to the extent it does not so comply, the reasons for not complying.

Governance of the Dyfed Pension Fund

Within Carmarthenshire County Council's constitution, a pension committee must be set up for the Dyfed Pension Fund to:

- decide on all the policy matters and strategic direction relating to the investments of the Pension Fund
- review and monitor the investment performance of the Fund
- review and determine on all Pension Fund Valuation matters of the fund
- determine on Administering Pension Fund Authority policy and strategic matters

Operational matters of both the Investments and Administration Functions are delegated to the Director of Corporate Services.

Powers delegated to the Head of Financial Services for Pensions Administration, in accordance with The Local Government Pension Scheme Regulations 1997 or subsequent amending legislation, are:

- to collect employee and employer contributions from participating employers
- to make payments in respect of scheme benefits
- to collect and make pension transfer payments as elected by scheme members
- to determine non policy related discretions as an Employing / Administering Pension Authority
- to undertake Stage 1 determinations on disputes arising from the Local Government Pensions Scheme or related legislation
- to update and maintain the Fund's website
www.dyfedpensionfund.org.uk
- the maintenance and update of membership records
- the calculation and authorisation of benefit payments
- the provision of membership data for actuarial valuation purposes
- the preparation and maintenance of the Communication Policy Statement and the Pensions Administration Strategy Statement.

The Head of Financial Services will accept for admission into the Dyfed Pension Fund employees of authorities and bodies as prescribed in Regulations, subject to an approved Admission Agreement, and subject to any necessary indemnities as appropriate.

The Pension Committee

Terms of Reference

- To exercise the County Council's responsibility for the management of the Dyfed Pension Fund, including the management of the administration of the benefits and strategic management of Fund assets
- To meet at least quarterly, or otherwise as necessary
- To produce an Annual Report by 30 September each year on the state of the Fund and on the investment activities during the year
- To have overall responsibility for investment policy and monitor overall performance
- To review governance arrangements and the effective use of its advisers to ensure good decision-making
- To receive regular reports on Scheme administration to ensure that best practice standards are satisfied and met and to satisfy itself that and justify to all stakeholders, including Fund Employers that the Fund is being run on an effective basis
- To appoint Investment Managers to discharge functions relating to the management of the Fund's investments
- To appoint the Fund's custodian, performance measurement adviser, actuary, independent adviser and AVC provider
- To approve a Funding Strategy Statement and Investment Strategy Statement

Membership

The Committee comprises of:

- three members (one acting as Chair) plus a nominated substitute to act in the absence of a member. Each member of the committee has voting rights and each committee member and the substitute are nominated by Carmarthenshire County Council, the Administering Authority, from its elected membership. At least three members must attend each committee meeting
- at least two Carmarthenshire County Council officers from the Director of Corporate Services, Head of Financial Services, Treasury and Pension Investments Manager and Pensions Manager.
- the independent investment adviser.

The Director of Corporate Services, as Treasurer of the Dyfed Pension Fund, will also maintain all necessary accounts and records in relation to the Fund.

The Treasury and Pension Investments Manager and officers in the Treasury and Pension Investments team support the Director of Corporate Services and Head of Financial Services in the responsibility for the monitoring and review of the investments of the Fund including:

- preparation and maintenance of the accounts of the Dyfed Pension Fund including preparation of the Dyfed Pension Fund Annual Report
- preparation and distribution of the annual Dyfed Pension Fund Newsletter
- servicing the Committee meetings
- regular dialogue with the Fund's advisers, investment managers and custodian
- monitoring and reconciliation of investment manager and custodian records
- preparation and maintenance of the Fund's Investment Strategy Statement, Funding Strategy Statement, Governance Policy and compliance with the Myners review
- monitoring the activity and performance of the Fund's investment managers including compliance with policy and performance objectives
- interpretation of new legislation and research in respect of the investments and accounts of the Fund
- monitoring the corporate governance activity of the Fund including attendance at the Local Authority Pension Fund Forum (LAPFF)
- arrangement and provision of appropriate training for committee members

Committee Meetings

The Pension Committee meets four times a year. All meetings are held in Carmarthenshire, or virtually using online facilities where appropriate.

An agenda, minutes from the previous meeting and written reports are sent to each Committee member by the Democratic Services Unit before each meeting. During the Committee meeting the Committee members receive reports presented by Officers of Carmarthenshire County Council, the Independent Investment Adviser and any other person the Committee invites to speak at the meeting. Committee decisions are formally minuted by the Democratic Services Unit.

During the year, meetings are held with the Directors of Finance of the three County Councils, where Fund performance and other items dealt with at the Committee meetings are discussed. Issues raised at this meeting that the Committee need to be made aware of are reported back to the following Committee meeting for discussion.

The Annual Consultative Meeting (ACM)

The Dyfed Pension Fund is committed to the widest inclusion of all stakeholders in respect of consultation and communication arrangements. Any major policy changes are put to consultation with all participating employers, Trade Union representatives and retired member representatives before a decision is made.

An Annual Consultative Meeting (ACM) is held in Carmarthenshire. The ACM is open to all participating employers, retired member representatives and Trade Union representatives. Interested bodies are notified of the ACM in advance. The Chair of the Pension Committee, the Director of Corporate Services, the Head of Financial Services, the Fund Advisers and Investment Managers attend the ACM.

Pension Board

The Board has an oversight/assisting role not a decision making role. It assists the Administering Authority (Carmarthenshire County Council) in securing compliance with regulations and requirements imposed by the Pensions Regulator and the Ministry of Housing, Communities and Local Government (MHCLG) and ensuring effective and efficient governance and administration of the Fund.

There must be equal numbers of scheme member representatives and employer representatives on the Board. The Dyfed Pension Fund Board has 3 scheme member and 3 employer representatives and an independent member who is also the Chair of the Board.

Governance Compliance Statement

MHCLG is committed to ensure that all LGPS committees operate consistently at best practice standards. Therefore, in addition to the regulatory requirement to produce this Governance Policy, the LGPS regulations 1997 were further amended on 30 June 2007 to require administering authorities to report the extent of compliance to a set of best practice principles to be published by MHCLG, and where an authority has chosen not to comply, to state the reasons why. The Dyfed Pension Fund's Governance Compliance Statement is attached at Annex I.

This Governance Policy will be updated when necessary and reviewed at least annually. The last review was in 2021.

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DYFED PENSION FUND

GOVERNANCE COMPLIANCE STATEMENT

The purpose of the guidance is:

- To provide best practice principles against which compliance can be measured
- To provide guidance on how the compliance statement should be completed

The guidance sets out the best practice principles in relation to the following governance areas:

- Structure
- Representation
- Selection
- Voting
- Training, facility time and expenses
- Meetings (frequency / quorum)
- Access
- Scope
- Publicity

Best Practice Principle A: Structure

The guidance acknowledges that not all administering authorities are structured in the same way. It is not the intention to level out these differences but to ensure that structures reflect the following principles:

- The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council
- Representatives of participating LGPS employers, admitted bodies and scheme members (including pensioners and deferreds) are members of either the main or secondary committee (established to underpin the work of the main committee)
- Where a secondary committee or panel has been established the structure ensures effective communication across both levels
- Where a secondary committee or panel has been established at least one seat on the main committee is allocated for a member from the secondary committee or Committee

Compliance Statement: Not Fully Compliant

Justification:

The Dyfed Pension Fund Committee exists and meets four times a year. The Committee has three members and a substitute, officers (all from Carmarthenshire County Council) and an independent investment adviser. Other scheme employers, admitted bodies and scheme members do not attend Committee but they are all invited to the annual ACM where all Committee members and advisers report and are available to answer questions. Carmarthenshire County Council officers meet with officers of the other 2 major employers (Pembrokeshire County Council and Ceredigion County Council) during the year where Committee minutes are made available. This system is supported by all parties and has worked very well as evidenced by the fact that timely decisions are made, and investment performance is above the actuarial assumption over the long-term.

There is no secondary committee for the Dyfed Pension Fund.

Best Practice Principle B: Representation

The number of stakeholders affected by the local management of the pension scheme and governance of pension funds is vast and it is accepted that it would be impractical to expect individual committee structures to encompass every group or sector that has an interest in the decisions that fall to be made under the scheme's regulations.

- That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:
 - employing authorities (including non-scheme employers, e.g. admitted bodies as well as scheduled bodies)
 - scheme members (including deferred and pensioner scheme members)
 - independent professional observers and expert advisors (on an ad-hoc basis)
- That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision making process, with or without voting rights

Compliance Statement: Not Fully Compliant**Justification:**

The Committee has representatives from Carmarthenshire County Council and the independent investment adviser. Other scheme employers, admitted bodies and scheme members do not attend Committee but they are all invited to the annual ACM where all Committee members and advisers report and are available to answer questions. Carmarthenshire County Council officers meet with officers of the other 2 major employers (Pembrokeshire County Council and Ceredigion County Council) during the year where Committee minutes are made available. There is no secondary committee for the Dyfed Pension Fund.

Best Practice Principle C: Selection

It is important to emphasise that it is not part of the fund authority's remit to administer the selection process for lay members sitting on main or secondary committees or to ensure their attendance at meetings, unless they wish to do so. Their role is to determine what sectors or groups are to be invited to sit on LGPS committees or panels and to make places available.

Effective representation is a two way process involving the fund authorities providing the opportunity and the representative bodies initiating and taking forward the selection process under the general oversight of fund authority.

That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.

Compliance Statement: Fully Compliant

Justification:

The Dyfed Pension Fund's Governance Policy lists the delegated functions the Committee is to perform. If membership of the committee changes, the new member/members are informed of their status, role and function they are required to perform.

Best Practice Principle D: Voting

The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees.

Compliance Statement: Fully Compliant

Justification:

All Committee members can vote. Carmarthenshire County Council is the Administering Authority and all functions are delegated to the Committee.

Best Practice Principle E: Training, facility time and expenses

In 2001, the Government accepted the ten investment principles recommended by Paul Myners in his report, "Institutional Investment in the UK". The first of those principles, "Effective Decision Making", called for decisions to be made only by persons or organisations with the skills, information and resources necessary to take them effectively. Furthermore, where trustees - or in the case of the LGPS, members of formal committees - take investment decisions, that they have sufficient expertise to be able to evaluate critically any advice they take.

- That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision- making process
- That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form of secondary forum

Compliance Statement: Fully Compliant

Justification:

The Committee have regular training sessions run by the Fund Managers, the Actuary, the Consultant and officers. New Committee members attend intense training sessions on commencement of their committee duties, including the LGPC pension training session.

Best Practice Principle F: Meetings (frequency / quorum)

An administering authority's main committee or committees meet at least quarterly.

An administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.

Administering authorities who do not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders can be represented.

Compliance Statement: Fully Compliant

Justification:

The Dyfed Pension Fund Committee meets quarterly. The Annual Consultative Meeting is held annually where other scheme employers, admitted bodies and scheme members are invited.

Best Practice Principle G: Access

That subject to any rules in the council’s constitution, all members of main and secondary committees or Committees have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.

Compliance Statement: Fully Compliant

Justification:

All papers are circulated in advance to all members of the Committee, including the Committee’s independent investment adviser.

Best Practice Principle H: Scope

That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements.

Compliance Statement: Fully Compliant

Justification:

The Committee receives and votes, on an ad-hoc basis, any major administration issues that affect the Fund. The officer managing the administration of the Fund provides regular training and updates for Committee members.

Best Practice Principle I: Publicity

That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.

Compliance Statement: Fully Compliant

Justification:

The Dyfed Pension Fund Governance Policy is reviewed annually. A Newsletter and Annual Report are produced annually. All published material (including the Governance Policy) are on the Dyfed Pension Fund website.

SUMMARY

Best Practice Principle	Fully Compliant	Not Fully Compliant	Explanation for Non-Compliance
Structure		✓	The DPF structure is supported by all parties and has worked very well
Representation		✓	Regular meetings and discussion with other major stakeholders occur and an annual consultative meeting is held
Selection	✓		
Voting	✓		
Training, facility time and expenses	✓		
Meetings (frequency/quorum)	✓		
Access	✓		
Scope	✓		
Publicity	✓		



Business Plan

2021 - 2022

Dyfed Pension Fund



Administered by:



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Dyfed Pension Fund Business Plan

This Business Plan explains how the **Dyfed Pension Fund** intends to develop and improve its services.

It enables the Fund to focus on achieving agreed targets and helps staff see how they contribute to the overall success of the Dyfed Pension Fund.

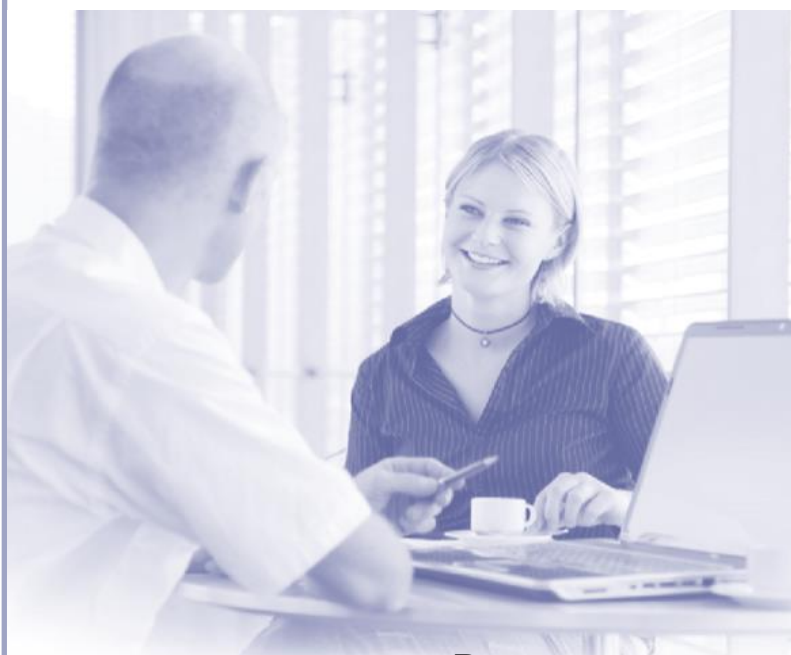
about the Dyfed Pension Fund

The Dyfed Pension Fund is one of 101 funds making up the Local Government Pension Scheme.

Carmarthenshire County Council is the statutorily appointed Administering Authority for the Dyfed Pension Fund. It administers the benefits and invests the assets of the Fund.

Carmarthenshire County Council also acts as the administrator for the unfunded Police and Fire pension schemes for Dyfed Powys Police Authority, Mid & West Wales Fire and Rescue Service and North Wales Fire and Rescue Service respectively.

The Fund's LGPS membership base consists of 50,782 members (as at 31st March 2020) from 46 contributing employing authorities.



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how the fund is run



Chairman of the Pension Fund Committee (far left)
Councillor Elwyn Williams

Committee Members (left to right)
Councillor Jim Jones
Councillor Deryk Cundy
Councillor Dai Thomas (Substitute Committee Member)

All pension matters are delegated to the Pension Fund Committee and its members act as 'quasi trustees'.

The Committee delegates the day to day running of the Pension Fund to the Section 151 Officer and the Pensions Administration and Investment teams.

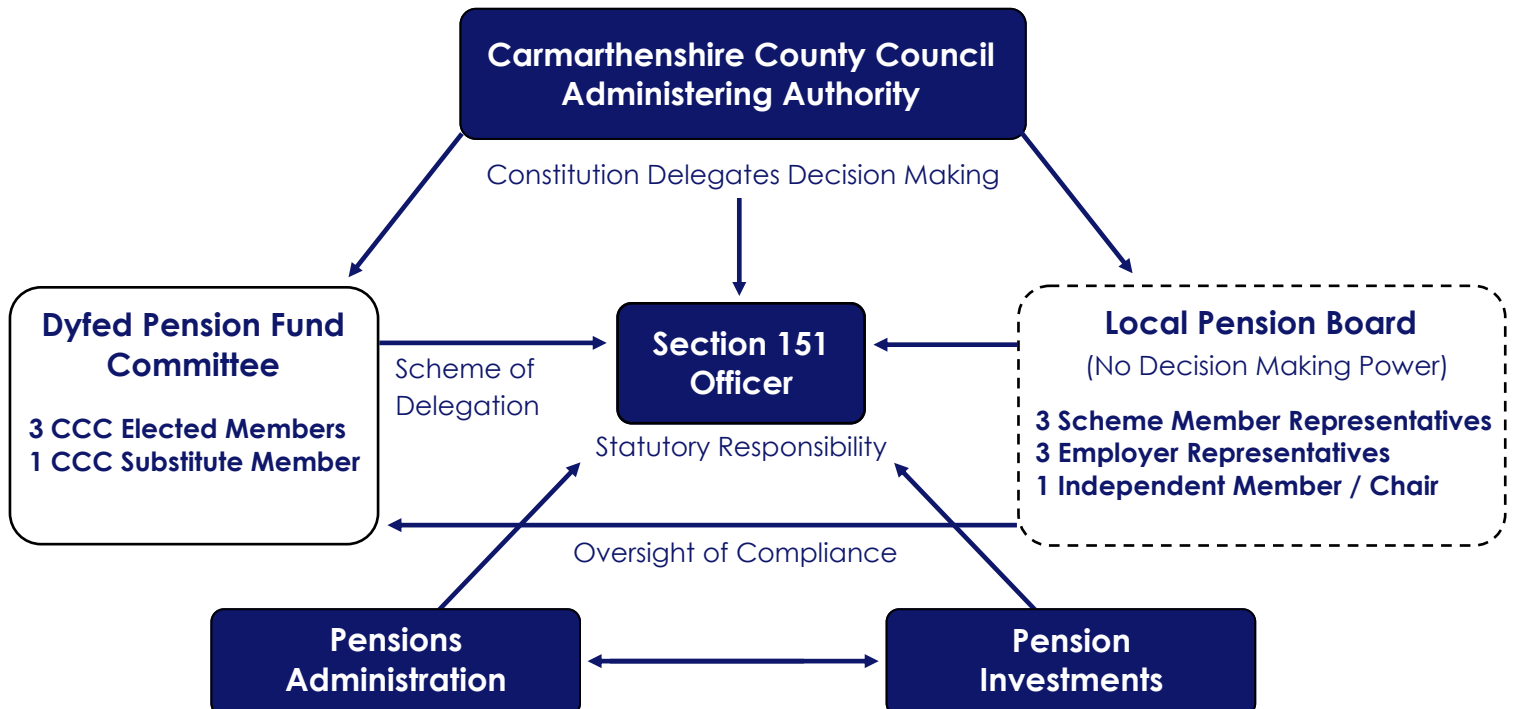
The Pensions Administration and Investment teams are responsible for all aspects of the Fund including administration, accounting, investment and governance.

The Local Pension Board was established on 1 April 2015 under the requirements of the Public Service Pensions Act (PSPA) 2013. It has an oversight/assisting role with the Administering Authority in securing compliance with regulations and requirements and ensuring effective and efficient governance and administration of the Fund. (see below)

The Dyfed Pension Fund aims to provide a high quality service that is transparent, efficient and supportive to all stakeholders

governance of the fund

The relationship between the Dyfed Pension Fund Committee and operational management within Carmarthenshire County Council can be illustrated as follows. The detailed governance of the Fund is set out in the **Governance Policy**.



- The independent investment adviser advises the Committee on all aspects of investment management at quarterly and ad-hoc meetings.
- The custodian (Northern Trust) is responsible for the safe-keeping of the Fund's investment assets, arranges the settlement of sales and purchases and collects income on the investments held.
- The actuary (Mercer) carries out statutorily required fund valuations including the setting of employer contribution rates, IAS 19 schedules and other general actuarial advice.
- The performance management company (PIRC) reviews the performance of the investment managers relative to agreed benchmarks.

principal responsibilities



These responsibilities include:

- **Pension administration services including calculating and paying benefits. To ensure accuracy of the member database in partnership with all stakeholders.**
- **Implementation of the funding strategy to ensure Fund assets are sufficient to meet pension liabilities.**
- **Investing Fund assets, implementing investment strategy, managing external investment managers.**
- **Internal management of assets and promoting responsible investment.**
- **Safekeeping and accounting of Fund assets.**
- **Preparing the Fund's annual report and accounts.**
- **Providing information and guidance on pension issues to employers and others.**

overall goal of the fund

To continuously develop our services by aiming to:

- **Provide excellent customer care**
- **Support and develop staff**
- **Ensure that assets meet scheme liabilities**
- **Reduce the risk of employer contribution rate volatility**



The Fund's members fall into four categories.



Ministry of Housing,
Communities &
Local Government



Department for Work & Pensions



Scheme Membership as at 31st March 2020

Local Government	
Active Members (Contributors)	18,564
Deferred Pensioners	15,900
Pensioners	14,059
Undecided leavers	2,259
Total Membership	50,782

Employers of the Scheme Members

The Fund is dependant on the information provided by its employers in order to provide and maintain an accurate and effective service to members. The Dyfed Pension Fund has 46 contributing employing authorities participating in the Local Government Pension Scheme as at 31st March 2020.

Regulatory Bodies

The key bodies that the Fund liaise with include:

- **The Ministry of Housing, Communities and Local Government** – the regulatory body responsible for the LGPS.
- **HM Revenues & Customs**
- **The Department for Work & Pensions**

key policy documents

Key policy documents which the reader may wish to refer to are available on the Dyfed Pension Fund website (www.dyfedpensionfund.org.uk):

- **Administration Strategy & Service Standards**
- **Customer Charter**
- **Funding Strategy Statement**
- **Investment Strategy Statement**
- **Communication Policy Statement**
- **Governance Compliance Statement**
- **Governance Policy Statement**



business objectives of the fund



1. To ensure the effective management and governance of the Dyfed Pension Fund in a way that strives for continuous improvement through improved value for money, the promotion of excellent customer service and compliance with all regulatory and best practice requirements.



2. To ensure the proper administration, accounting and reporting of all the Dyfed Pension Fund's financial affairs.

3. To recruit, train, nurture and retain highly motivated staff with the necessary professional, managerial and customer focus skills.

4. To become a recognised role model of best practice amongst LGPS Funds and to be recognised by our customers as providing an excellent service.

5. To establish a strategic asset allocation benchmark which is expected to deliver the required investment return, at an accepted level of risk, in the long term.



6. To ensure that the assets of the Fund match or exceed its liabilities thus minimising and avoiding the volatility of the employers contribution rate.

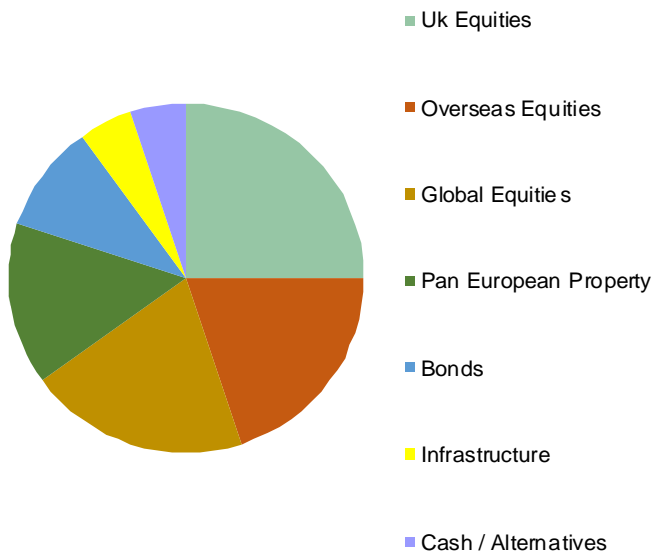
7. To provide a lean, effective, customer friendly benefits administration service, which ensures:

- The calculation and payment of scheme benefits accurately and promptly;
- The accurate maintenance of the records of all members of the Fund; and
- Effective communication, as well as fair explanation and support to the Fund's scheme members and employer bodies.

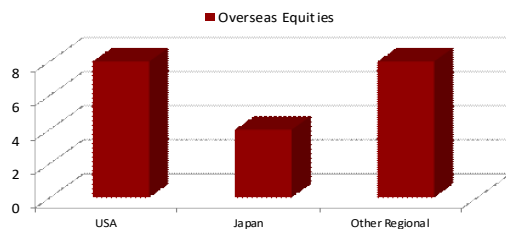


The Fund's performance objectives are encapsulated in its strategic benchmark. The following illustrations show the Fund's investment strategy and benchmarks.

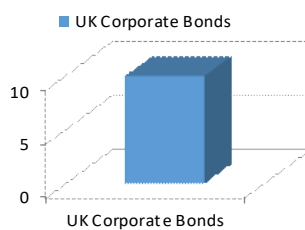
Asset Class



Asset Class	Benchmark (%)
UK Equities	25.00
Overseas Equities	20.00
Global Equities	20.00
Pan European Property	15.00
Fixed Income	10.00
Infrastructure	5.00
Cash / Alternatives	5.00
Total	100.00



Overseas Equities	Benchmark (%)
USA	8.00
Japan	4.00
Other Regional	8.00
Total	20.00



Fixed Income	Benchmark (%)
UK Corporate Bonds	10.00
Total	10.00

The approach to investment of the Fund's assets is built around the policies and practices set out in the Investment Strategy Statement (ISS) and the Funding Strategy Statement (FSS).

The Fund has a range of managers, including the All Wales Pool (Wales Pension Partnership), and expert advisers in place to support its investment objectives detailed in its ISS.

The in-house management is formulated to provide advice on investment management, promote best practice and implement the decisions of the Committee.

Best practice having regard to:

- **Myners' Principles**
- **Professional and industry standards**
- **Audit Wales, and other professional bodies' views, codes and recommendations**
- **Investment management regulations**
- **Accounting standards**
- **LGPS Regulations**
- **Overriding pensions legislation**



Partners Group
Passion for Alternative Investments



Schroders

budget

April 2021 - March 2022

key statistics

- **105% Funded as at 31st March 2019**
One of the best funded LGPS schemes
- **18.3% primary employer contribution rate 2021/22 - 2022/23**
One of the lowest in the LGPS.
- **Investment Return of -7.2% in 2019/2020**
55th out of 63 LGPS Pension Funds in the universe.
- **Market Value of the Fund - £2,378m as at 31st March 2020**

	Budget £'000
Pensions Payable	78,863
Lump Sum, Death benefit, Transfers Out	16,620
Administration fees	715
Investment Management expenses	6,860
Central recharges	1,254
EXPENDITURE	104,312
Employee Contributions	22,121
Employer Contributions	66,893
Investment Income	12,298
Transfers In	3,000
INCOME	104,312

Ongoing Topic	Main task
Scheme Developments	To implement amendments to the Local Government Pension Scheme as a consequence of legislation changes and any further AVC changes due to Freedom & Choice legislation.
Committee Member training	To provide training for committee members on specific issues ahead of relevant decisions by the Committee.
Keep under review and refresh key policy documents	To seek committee member approval and formally publish documents e.g. Governance Policy, Communication Strategy, etc.
Investment Manager Review	Continuous review of existing managers' performance or new developments in the markets may trigger a review of part or all of the Fund's investments.
Investment Strategy Statement / Funding Strategy Statement	To implement any changes as a result of scheme developments and investment strategy reviews.
Guaranteed Minimum Pension (GMP) Reconciliation	Complete reconciliation of member data to that held by the HMRC in respect of contracted-out membership.
My Pension Online	Continue to promote the service to members.
i-Connect	Implement the i-Connect data exchange for uploading and improving data transfer for employers that wish to transfer data electronically.
Auto Enrolment	Ensure compliance with the implementation of auto enrolment in accordance with the requirement of the Pensions Act.
Improve access to personal information	Improve communication in line with best practice and serve the needs of our members and employers by: <ul style="list-style-type: none"> - developing and keeping up to date the Fund's website. - reviewing existing fact sheets and letters to improve readability.
Continue to develop a high performing team	To have a highly motivated staff team with the necessary professional, managerial and customer skills to provide excellent service.
Review of all Administration Procedures	To identify where more efficient customer focused procedures and processes can be adopted.
Continue to undertake regular road shows / seminars	To improve communications with the Fund's members.
Developing collaboration with other Local Government Pension Funds	Assess the opportunities for further collaboration.
Pension Board	Coordinate and provide ongoing support for Pension Board.
Wales Pension Partnership - Host Authority	Continue to provide Host Authority support to the Wales Pension Partnership.
Developments/New Topic	Main task
New Committee Member training	To provide training for new committee members.
New Local Pension Board Member training	To provide training for new board members.
Custody Services	Review and retender the contract.
Actuarial and Benefit Consultancy Services	Review and tender the contract.
Equity Portfolio	Investigate low carbon investment opportunities.
Strategic Asset Allocation	Review the strategic asset allocation of the Fund.
McCloud Judgement	Once regulatory clarity is received, a project plan will be developed to implement changes resulting from the judgement.
Data Quality	Ensure that the Data Quality scores in respect of both common and scheme specific data which are reported to the Pensions Regulator increase annually.



Contacting the Dyfed Pension Fund...



Pension Administration

Dyfed Pension Fund
Building 2
St David's Park
Carmarthen
SA31 3HB

Pension Investments & Governance

Dyfed Pension Fund
County Hall
Carmarthen
SA31 1JP



pensions@carmarthenshire.gov.uk



www.dyfedpensionfund.org.uk

DYFED PENSION FUND

Committee Members and Officers Training 2021-22

Committee Members

Councillor Elwyn Williams (EW) – Chair
 Councillor Deryk Cundy (DC) – Committee Member
 Councillor Jim Jones (JJ) – Committee Member
 Councillor Dai Thomas (DT) – Substitute Committee Member

Officers

Chris Moore (CM) – Director of Corporate Services
 Randal Hemingway (RH) – Head of Financial Services
 Anthony Parnell (AP) – Treasury & Pension Investments Manager
 Kevin Gerard (KG) – Pensions Manager
 Martin Morgan (MM) – Deputy Pensions Manager
 Martin Owens (MO) – Assistant Accountant

<u>Date</u>	<u>Subject</u>	<u>Provider</u>	<u>Venue</u>	<u>Attendees</u>
18 - 19 May 2021	LA Conference	PLSA	Virtual Meeting	All members & officers
16 June 2021	Committee Meeting		Virtual Meeting	CM, RH, AP, KG, MO & all members
14 July 2021	Business Meeting	LAPFF	Virtual Meeting	AP & EW
8 - 9 September 2021	Investment Summit	LGC	Leeds	RH, AP, DT & DC
6 October 2021	AGM & Business Meeting	LAPFF	London	AP & EW
7 October 2021	ACM		Llanelli	All members & officers
8 October 2021	Committee Meeting		Llanelli	CM, RH, AP, KG, MO & all members
October 2021 (tbc)	Fundamentals Training	LGPC	Cardiff	DC & DT
November 2021 (tbc)	Pension Managers Conference	SWPE	TBC	KG & MM
November 2021 (tbc)	Fundamentals Training	LGPC	Cardiff	DC & DT
December 2021(tbc)	Committee Meeting		Carmarthen	CM, RH, AP, KG, MO & all members

8 – 10 December 2021	Annual Conference	LAPFF	Bournemouth CM & DC	
December 2021 (tbc)	Fundamentals Training	LGPC	Cardiff	DC & DT
January 2022 (tbc)	Pension Fund Accounts	CIPFA	London	MO
January 2022 (tbc)	ESG issues	LAPFF	London	AP & DC
March 2022 (tbc)	Committee Meeting		Carmarthen	CM, RH, AP, KG, MO & all members

Note: The Committee reserves the right to occasionally vary the attendees at the training sessions. Courses/conferences may arise at short notice and when this occurs the Director of Corporate Services has the authority to approve attendance with Executive Board /Leader being notified retrospectively.

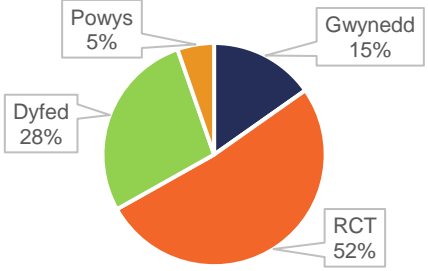
Wales Pension Partnership

Joint Governance Committee

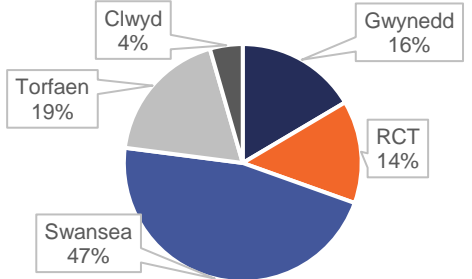
24th March 2021

December 2020 LF Wales PP Fund Snapshot

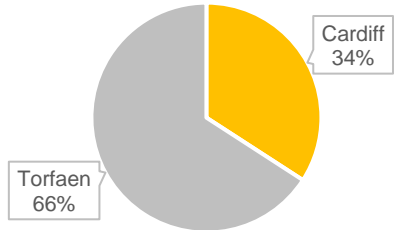
Global Growth



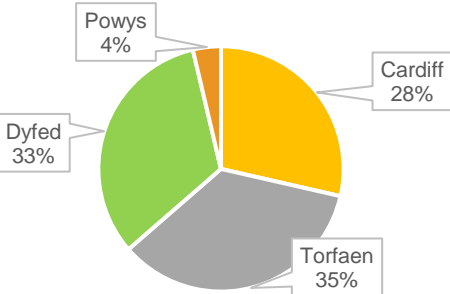
Global Opportunities



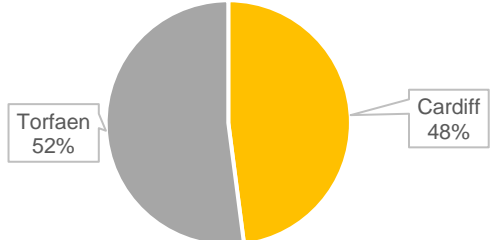
UK Opportunities



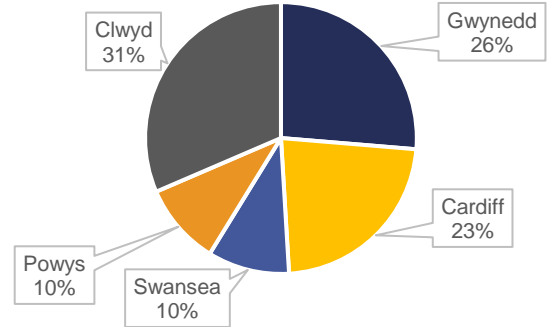
Global Credit



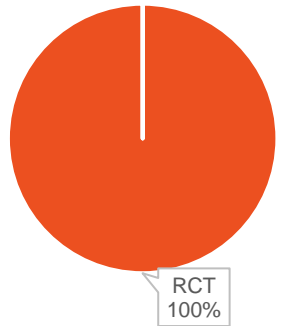
Global Gov. Bond



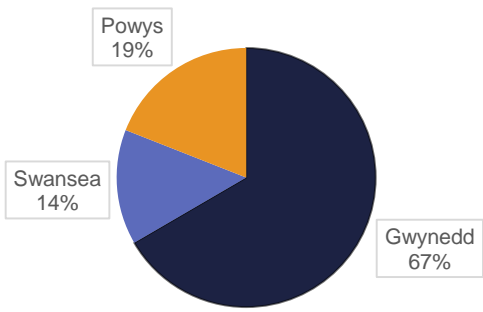
Multi Asset Credit



Sterling Credit



Absolute Return Bond



- Key:
- Dyfed
 - Powys
 - Gwynedd
 - RCT
 - Torfaen
 - Clwyd
 - Swansea
 - Cardiff

December 2020 LF Wales PP Fund Snapshot

Fund	AUM	Inception date
Global Growth	£2,765,653,588	6 th Feb 2019
Global Opportunities	£2,497,364,432	14 th Feb 2019
UK Opportunities	£635,984,319	10 th Oct 2019
Global Credit	£813,895,265	21 st Aug 2020
Global Government Bond	£541,409,848	20 th Aug 2020
Multi Asset Credit	£672,186,892	12 th Aug 2020
Sterling Credit	£575,953,784	19 th Aug 2020
Absolute Return Bond	£441,065,073	30 th Sept 2020
Total	£8,943,513,201	

Note: All data as at 31st December 2020

Fund Launch Progress Report

Tranche 3, 4 & 5 updates

Open Launch Activity

Key Achievements & Updates

Key:
■ On track
■ Progressing with delays
■ On hold / progressing with major delays

Fund Launches Progress				
	Overview	Status	Progress in period	Launch dates
Tranche 3: Fixed Income sub-fund launch	<ul style="list-style-type: none"> Establishment of 5 Fixed Income sub-funds within the ACS FCA approval received and BlackRock appointed as transition manager 	Completed	<ul style="list-style-type: none"> All 5 funds launched successfully BlackRock have completed the post transition report and review with Host Authority / Hymans 28th September (final document issued 26th October) Byhiras review of transition completed 	27 th and 30 th July 2020 30 th September
Tranche 4: Emerging Markets sub-fund launch	<ul style="list-style-type: none"> Emerging Market fund to be created under the Enhanced Portfolio Implementation model with a carbon reducing overlay 	In progress	<ul style="list-style-type: none"> JGC agreed manager structure proposal March 2020 Prospectus review completed by LFS, Burgess Salmon and NT Depositary Submission to FCA due 19th February 	September 2021

Strategic developments				
	Overview	Status	Progress in period	Planned Launch date
Tranche 5: Private Markets strategy development	<ul style="list-style-type: none"> Development of a WPP Private Market strategy including a road map for the potential creation of Private Market sub-funds with particular focus on Private Debt and Infrastructure 	In progress	<ul style="list-style-type: none"> Russell Investments paper to outline launch proposal based on legacy asset and strategic plan of each participating Authority discussed within Working Group LFS provided a consultation paper on suitable structures to Host Authority / Hymans on 28th August Follow up paper on operating model and investment approach provided to Host Authority / Hymans on 28th October 	September to December 2021

LFS Corporate Update & Engagement

LFS Corporate Update & Engagement

ASX Announcement

- A non-binding indicative proposal to acquire Link Group was received from a consortium comprising Pacific Equity Partners, Carlyle Group and their affiliates (Consortium) dated 10 October 2020
- This offer was rejected as it did not represent compelling value for Link Group shareholders and a subsequent offer is under review
- These events have no impact to our service delivery and commitment to the WPP

Key Q3 and future WPP Engagement

Link attendance at OWG/JGC meetings in period:

- OWG 4th November 2020 (VC)
- JGC 10th December 2020 (VC)

Link attendance at OWG/JGC meetings in next quarter:

- OWG 26th February 2021 (VC)
- JGC 24th March 2021 (VC)

Link - Pension Committee attendance in period:

- Dyfed – 16th October 2020
- Clwyd – 25th November 2020

Link - Pension Committee attendance in next quarter :

- RCT – 1st March 2021 (VC)

Other meetings in period

- Host Authority update – occurs bi-weekly
- Working group - occurs bi-weekly

Other meetings in next quarter

- Host Authority update – occurs bi-weekly
- Working group - occurs bi-weekly

LFS Engagement Protocol

Business as Usual

Strategic Relationship Review	Frequency	Objective
	<ul style="list-style-type: none">▪ Bi-annual	<ul style="list-style-type: none">▪ Ensure strategic alignment between Host Authority and Link

WPP Attendees

- Chris Moore
- Anthony Parnell
- Two Section 151 / Deputy Section 151 officers

Link Attendees

- Karl Midl, Managing Director
- Richard Thornton, Head of Relationship Management, Asset Owners
- Duncan Lowman, Head of Client Coverage

JGC Engagement	Frequency	Objective
	<ul style="list-style-type: none">▪ Quarterly	<ul style="list-style-type: none">▪ Engage with JGC on pertinent matters and strategic deliverables

WPP Attendees

- Joint Governance Committee (JGC)

Link Attendees

- Karl Midl, Managing Director / Adam Tookey, Head of Product – as required
- Richard Thornton, Head of Relationship Management, Asset Owners / Duncan Lowman, Head of Client Coverage
- Eamonn Gough, Senior Relationship Manager
- Russell Investments

OWG Engagement	Frequency	Objective
	<ul style="list-style-type: none">▪ Every 2 Months	<ul style="list-style-type: none">▪ Identify and deliver on opportunities to improve and expand the relationship▪ Provide update on open projects or issues▪ Monthly KPI Review (Data supplied monthly)

WPP Attendees

- Officers Working Group (OWG)

Link Attendees

- Eamonn Gough, Senior Relationship Manager
- Richard Thornton, Head of Relationship Management, Asset Owners
- Adam Tookey, Head of Product (as required)
- Ada Wabara, Relationship Manager (as required)
- Ad-hoc Link attendance from functional departments: Tax, Compliance, Product, etc.
- Russell Investments

Note: The OWG Engagement and Monthly KPI meetings may be conducted remotely and/or amalgamated where required.

Link Engagement Protocol continued...

Business as Usual

Host Authority Update		Frequency	Objective
		<ul style="list-style-type: none"> ▪ Bi-Weekly 	<ul style="list-style-type: none"> ▪ Regular Host Authority – LFS to discuss deliverables and business updates
WPP Attendees <ul style="list-style-type: none"> ▪ Anthony Parnell ▪ Tracey Williams 			<ul style="list-style-type: none"> ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Eamonn Gough, Senior Relationship Manager ▪ Ada Wabara, Relationship Manager (as required) ▪ Sheetal Shetty, Client Service Manager (as required)
WPP Working Group		Frequency	Objective
		<ul style="list-style-type: none"> ▪ Bi-Weekly 	<ul style="list-style-type: none"> ▪ Regular project call to discuss progress of deliverables
WPP Attendees <ul style="list-style-type: none"> ▪ Officers Working Group (OWG) ▪ Hymans 			<ul style="list-style-type: none"> ▪ Link Client Team ▪ Northern Trust ▪ Russell Investments ▪ Other consultants (e.g. bFinance)
Annual Shareholder Day		Frequency	Objective
		<ul style="list-style-type: none"> ▪ Annual 	<ul style="list-style-type: none"> ▪ Open day for presentations on strategy and performance (with IM)
<ul style="list-style-type: none"> ▪ Open to all involved parties 			<ul style="list-style-type: none"> ▪ Link Client Team ▪ Northern Trust ▪ Russell Investments and other Investment Managers (e.g. Global Growth Managers) ▪ Other consultants as required (e.g. bFinance)
Pension Fund Committees			Objective
		<ul style="list-style-type: none"> ▪ Annual 	<ul style="list-style-type: none"> ▪ General update on the ACS and planned initiatives
Individual Pension Fund Committee meetings			<ul style="list-style-type: none"> ▪ Eamonn Gough, Senior Relationship Manager ▪ Ada Wabara, Relationship Manager ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Russell Investments

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Dyfed Pension Fund Committee

Thursday, 25 March 2021

PRESENT: Councillor D.E. Williams (Chair)

Councillors:

D.M. Cundy and D. Thomas (In place of T.J. Jones)

Also in attendance:

A. Brown – Independent Investment Advisor

K. Havard – Audit Wales

R. Thornton – Link Group

A. Quinn - Russell Investments

G. Fitzpatrick - Russell Investments

G. Lewis – BlackRock

D. Wright – BlackRock

V. Bhandari – BlackRock

A. Williams – Mercer

W. Summerfield - Mercer

The following Officers were in attendance:

C. Moore, Director of Corporate Services

R. Hemingway, Head of Financial Services

A. Parnell, Treasury & Pension Investments Manager

K. Gerard, Pensions Manager

M. Owens, Assistant Accountant

M. Evans Thomas, Principal Democratic Services Officer

S. Rees, Simultaneous Translator

J. Corner, Technical Officer

K. Thomas, Democratic Services Officer

E. Bryer, Democratic Services Officer

Virtual Meeting - 2.00 - 5.15 pm

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor T.J. Jones.

2. DECLARATIONS OF PERSONAL INTERESTS

There were no declarations of personal interest.

3. MINUTES OF THE MEETING OF THE COMMITTEE HELD ON THE 11TH JANUARY, 2021

UNANIMOUSLY RESOLVED that the minutes of the meeting of the Committee held on the 11th January, 2021 be signed as a correct record.

4. DYFED PENSION FUND PENSION BOARD MINUTES, 20TH NOVEMBER, 2020

UNANIMOUSLY RESOLVED that the minutes of the Dyfed Pension Fund Pension Board meeting held on the 20th November, 2020 be received.

5. AUDIT PLAN 2021

The Committee welcomed to the meeting Kate Havard from Audit Wales who presented the report on the 2021 Audit Plan for the Dyfed Pension Fund to the Committee. The Plan set out the proposed scope, when to be undertaken, cost and responsibilities.

The Committee was advised that Audit Wales was responsible for issuing the report on the accounting statements which included an opinion on their 'truth and fairness'. This ensured assurance that the accounts would:

- be free from material misstatement, whether caused by fraud or error
- complied with statutory and other applicable requirements and
- complied with all relevant requirements for accounting presentation and disclosure.

The Committee's attention was drawn to the financial audit risks and that these risks were standard that would typically be expected to be identified and managed.

UNANIMOUSLY RESOLVED that the 2021 Audit Plan be approved.

6. BUDGET MONITORING - 1ST APRIL 2020 TO 31ST DECEMBER 2020

The Committee received the Dyfed Pension Fund Budget Monitoring report which provided an update on the latest budgetary position in respect of the 2020/21 financial year. It was noted that the current position, as at 31 December 2020, forecasted an under-spend of £1.1m in cash terms.

With regard to expenditure, the net effect of Benefits Payable and Transfers Out was an under spend of £1.2m. That was mainly due to an increase of 3% built in at budget setting for pensioners, actual increase for the year to date was 1.5%. Management expenses were underspent by £416k.

With regard to income, the net effect of contributions, investment income and transfers in was an increase of £2.5m, mainly due to Transfers In to the scheme and Investment Income exceeding the budgeted amount by £1.2m and £1.1m respectively.

Overall total expenditure was estimated at £99.5m and total income estimated at £103.6m resulting in a positive cash flow position of £4.1m.

UNANIMOUSLY RESOLVED that the Dyfed Pension Fund Budget Monitoring Report for the period 1st April 2020 to 31st December 2020 be received.

7. DYFED PENSION FUND BUDGET 2021-2022

The Committee considered the Dyfed Pension Fund Budget for 2021-22. It was noted that the cash related expenditure for 2021-22 had been set at £104.3m and the cash related income at £104.3m, resulting in a net budget of £0 which provided the Fund with flexibility to utilise investment income based on cash flow requirements.

With regard to expenditure levels, the Committee noted that benefits payable had been estimated to be £92.4m which included provision for a 0.5% pensions increase, based on the September 2020 CPI together with a 3% net effect for new pensioner members and deferred members.

Management expenses had been estimated at £8.8m, of which £6.9m had been budgeted for investment manager fees.

It was noted that Investment income was estimated at £12.3m to maintain a cash neutral budget so that the fund was not holding onto surplus cash that could be invested.

The non-cash related budget had been set at £50m based on an estimate of the realised gains and losses for individual manager portfolio rebalances and sales and purchases within the property portfolios.

UNANIMOUSLY RESOLVED that the Dyfed Pension Fund Budget for 2021-22 be approved.

8. CASH RECONCILIATION AS AT 31 JANUARY, 2021

The Committee 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 31 January 2021, £14m 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.

UNANIMOUSLY RESOLVED that the Dyfed Pension Fund Cash Reconciliation report be received.

9. PENSIONS ADMINISTRATION REPORT

The Committee received a report providing an update on Pensions Administration. The report included updates on the activities within the Pensions Administration service and included regulatory matters, employer cessation, breaches register, i-Connect, Data Quality reports, GMP reconciliation and workflows.

UNANIMOUSLY RESOLVED that the Pension Administration Report in relation to the Dyfed Pension Fund be noted.

10. BREACHES REPORT 2020-2021

The Committee received for consideration the Breaches Report in relation to the Dyfed Pension Fund. The Committee noted that Section 70 of the Pension Act 2004 sets out the legal duty to report breaches of the law. In the Code of Practice No. 14, published by the Pensions Regulator in April 2015, paragraphs 241 to 275 provide guidance on reporting these breaches.

The Dyfed Pension Fund Breaches Policy was approved by the Dyfed Pension Fund Panel in March 2016. Under the policy, breaches of the law were required to be reported to the Pensions Regulator where there was a reasonable cause to believe that:

- a legal duty which is relevant to the administration of the scheme has not been, or is not being, complied with;
- the failure to comply was likely to be of material significance to the Regulator in the exercise of any of its functions.

The Committee noted that since the last meeting there had been a number of instances where employee/employer contributions had not been received on time. Those had now been received so no report had been sent to the Pensions Regulator.

UNANIMOUSLY RESOLVED that the Breaches Report in relation to the Dyfed Pension Fund be noted.

11. RISK REGISTER 2021-2022

The Committee was advised that the Risk Register was a working document that highlighted all the risks identified in relation to the functions of the Dyfed Pension Fund. It was advised that the risk register for 2021-2022 had been reviewed to ensure risks had been identified and assessed.

The risks would continue to be reviewed on a quarterly basis and any amendments would be drawn to the Committee's attention.

UNANIMOUSLY RESOLVED that the risk register report for 2021-2022 be approved.

12. GOVERNANCE POLICY AND COMPLIANCE STATEMENT 2021

The Committee received for consideration the revised Governance Policy and Compliance Statement.

A review had been undertaken on the Governance Policy and Compliance Statement of the Dyfed Pension Fund. The Governance Policy detailed arrangements in relation to:

- The Governance of the Fund
- Terms of Reference for the Pension Committee

- Delegation to the Director of Corporate Services and Head of Financial Services
- Committee meetings
- The Annual Consultative Meeting
- The Pension Board

The Compliance Statement set out the Fund's compliance with best practice principles in relation to structure, representation, selection, voting, training, meetings, access, scope and publicity.

UNANIMOUSLY RESOLVED that the Governance Policy and Compliance Statement 2021 be approved.

13. BUSINESS PLAN 2021-2022

The Committee received for consideration the Wales Pension Partnership Business Plan for the period 2021-2022 detailing how the Fund was to achieve its objectives and ensuring the allocation of sufficient resources to meet those objectives.

UNANIMOUSLY RESOLVED that the Wales Pension Partnership Business Plan for the period 2021-22 be approved.

14. TRAINING PLAN 2021-2022

The Committee received for consideration the Wales Pension Partnership Training Plan for the period 2021-2022 detailing meetings, training events and the members and officers anticipated to attend the events.

UNANIMOUSLY RESOLVED that the Wales Pension Partnership Training Plan for the period 2021-22 be approved.

15. WALES PENSION PARTNERSHIP (WPP) LINK AND RUSSELL UPDATE

The Committee welcomed to the meeting Richard Thornton, Adrian Quinn and Gerard Fitzpatrick of Link and Russell and received an update report on the Wales Pension Partnership (WPP), on the milestones and progress of both the following Sub Funds together with the Engagement Protocol and the key meeting dates:-

- Tranche 3 – Fixed Income
- Tranche 4 – Emerging Markets
- Tranche 5 – Private Markets Strategy Development

The Committee noted the current Global Growth equity totalled £2.89b and the Global Credit Fund £796m.

UNANIMOUSLY RESOLVED that the Wales Pension Partnership Link and Russell Update be received.

16. EXCLUSION OF THE PUBLIC

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.

17. INDEPENDENT ADVISOR PERFORMANCE & RISK REPORT AT 31 DECEMBER 2020

[**Note:** At 4.55 pm the Committee's attention was drawn to Council Procedure Rule 9 – Duration of Meeting and, as the meeting had been underway for three hours it was resolved to suspend standing orders to enable the Committee to complete the remaining business on the agenda.]

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 16 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Committee 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 ending 31 December, 2020.

UNANIMOUSLY RESOLVED that the Independent Investment Adviser Report as at 31 December 2020 be noted.

The Chair advised the Committee that, in accordance with Council Procedure Rule 2(3) he was going to vary the order of business on the agenda to enable the reports presented by external attendees to be considered earlier in the meeting.

18. NORTHERN TRUST PERFORMANCE REPORT AT 31 DECEMBER 2020

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 16 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Committee considered the Northern Trust Performance report for the Dyfed Pension Fund as at 31 December 2020, which provided performance analysis at a total fund level and by investment manager for the periods up to inception.

UNANIMOUSLY RESOLVED that the Northern Trust Performance report for the Dyfed Pension Fund as at 31 December 2020 be received.

19. INVESTMENT MANAGER REPORTS TO 31 DECEMBER 2020

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 16 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Committee considered the investment managers reports which set out the performance of each manager as at 31 December 2020.

- BlackRock – Quarterly Report 31 December 2020
- Schroders – Q4 2020 Investment Report
- Partners Group – Quarterly Financials October to December 2020
- WPP Global Growth Fund – 31 December 2020
- WPP Global Credit Fund – 31 December 2020

UNANIMOUSLY RESOLVED that the investment manager reports for the Dyfed Pension Fund be received.

20. INVESTMENT MANAGER BRIEFING - BLACKROCK

[**Note:** At 4.05 pm the Committee’s attention was drawn to Council Procedure Rule 8 – Quorum and that the meeting was no longer quorate. The meeting was adjourned immediately and returned after a 5 minute break when all Committee members were present.

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 16 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Committee welcomed to the meeting Gavin Lewis, David Wright and Vikram Bhandari of BlackRock.

The Committee duly considered the Investment Manager Briefing - BlackRock report for the Dyfed Pension Fund as at 31 December 2020, which provided portfolio update, investment pipeline, sustainable investing and portfolio holdings updates.

UNANIMOUSLY RESOLVED that the Investment Manager Briefing - BlackRock report for the Dyfed Pension Fund as at 31 December 2020 be received.

21. EQUITY RESTRUCTURE PRE-TRANSITION ANALYSIS

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 16 above, to consider this matter in private, with the public excluded from the meeting as disclosure would be likely to cause financial harm to the Pension Fund by prejudicing ongoing and future negotiations.

The Committee welcomed to the meeting Andrew Williams and William Summerfield of Mercer who presented the report. The Committee considered the Pre-Transition Analysis report for the Dyfed Pension Fund Equity Restructure, which provided information on transition approach & portfolio analysis, transaction timeline, transition benchmark & trading strategy and cost & risk analysis.

UNANIMOUSLY RESOLVED that the Equity Restructure Pre-Transition Analysis for the Equity Restructure report for the Dyfed Pension Fund be received.

CHAIR

DATE

DYFED PENSION FUND PENSION BOARD DATE 16/04/2021

Pension Board Workplan 2021		
Recommendations / key decisions required:		
The Board to note the Pension Board Workplan for 2021.		
Reasons:		
To provide the Board with the Workplan for 2021.		
Relevant scrutiny committee to be consulted		
NA		
Exec. Board Decision Required	NA	
Council Decision Required	NA	
EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- NA		
Directorate:	Designations:	Tel: 01267 224120
Name of Head of Service:	Director of Corporate Services	Email addresses:
Chris Moore		CMoore@carmarthenshire.gov.uk
Report Author: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND PENSION BOARD
DATE 16/04/2021**

Pension Board Workplan 2021

The attached report outlines the work of the Pension Board throughout 2021 and the items to be presented at each meeting. The Workplan is reviewed at each Board meeting and is revised as necessary.

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
NONE	NONE	NONE	NONE	NONE	NONE	NONE

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

1. Scrutiny Committee

NA

2. Local Member(s)

NA

3. Community / Town Council

NA

4. Relevant Partners

NA

5. Staff Side Representatives and other Organisations

NA

**EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

Include any observations here

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
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Dyfed Pension Fund Pension Board 2021 Work Plan (January to December)

	17 February 2021	16 April 2021	20 July 2021	November 2021
Pension Fund Committee meetings	11 January 2021	25 March 2021	16 June 2021	October 2021
Investments	> Independent Investment Adviser report > Performance Report - 30/09/20	> Independent Investment Adviser report > Performance Report - 31/12/20 > Equity Restructure Pre Transition Analysis	> Independent Investment Adviser report > Performance Report - 31/03/21	> Independent Investment Adviser report > Performance Report - 30/06/21
Administration	> Administration update	> Administration update	> Administration update	> Administration update
Governance	> Scheme Advisory Board/LGA updates > Committee minutes > Wales Pension Partnership update > Breaches Log > Declaration of Interest > Review TOR	> Scheme Advisory Board/LGA updates > Committee minutes > Wales Pension Partnership update > Breaches Log > Declaration of Interest > DPF Business Plan 2021/22 > Governance Policy & Compliance Statement	> Scheme Advisory Board/LGA updates > Committee minutes > Wales Pension Partnership update > Breaches Log > Declaration of Interest	> Scheme Advisory Board/LGA updates > Committee minutes > Wales Pension Partnership update > Breaches Log > Declaration of Interest > 2022 Work Plan
Audit & Risk Management	> Risk Register 2020/21 review > Internal Audit reports	> Risk Register 2021/22 > Internal Audit reports > AW Audit Plan 2020/21	> Risk Register 2021/22 review > Internal Audit reports	> Risk Register 2021/22 review > Internal Audit reports
Accounts & Budget	> DPF Budget Monitoring > Pension Board Budget Monitoring > Pension Board Budget 2021/22	> DPF Budget Monitoring > Pension Board Budget Monitoring	> DPF Budget Monitoring > Pension Board Budget Monitoring	> DPF Budget Monitoring > Pension Board Budget Monitoring > Statement of Accounts 2020/21 > Audit of Accounts Report (ISA 260)
Training	> Training programme > Equity Restructure including Low Carbon	> Training programme > BlackRock Briefing	> Training programme > Training Needs Analysis 2021/22	> Training programme

Timings may change, depending on timing of items going to the Pension Committee meetings

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DYFED PENSION FUND PENSION BOARD DATE 16/04/2021

Pension Board Budget Monitoring 1 April 2020 – 31 March 2021		
Recommendations / key decisions required: The Board to receive the final Pension Board Budget Monitoring report and consider the budgetary position.		
Reasons: To provide the Board with the final budgetary position as at 31 March 2021.		
Relevant scrutiny committee to be consulted NA		
Exec. Board Decision Required		NA
Council Decision Required		NA
EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- NA		
Directorate: Name of Head of Service: Chris Moore Report Author: Chris Moore	Designations: Director of Corporate Services	Tel: 01267 224120 Email addresses: CMoore@carmarthenshire.gov.uk

EXECUTIVE SUMMARY
DYFED PENSION FUND PENSION BOARD
DATE 16/04/2021

Pension Board Budget Monitoring 1 April 2020 – 31 March 2021

The final position as at 31 March 2021 was an under spend compared to budget of £3,543.

The fee for the Chair exceeded the budget by £917 as the contract was extended and the fee was increased based on this extension.

Training costs was underspent by £3,580 as the majority of training events attended by Board members were online and with no charge.

There was no expenditure in relation to travel, subsistence or miscellaneous expenses due to COVID-19.

The liability insurance premium exceeded budget by £1,120. Insurance market rates have increased by approximately 20% over the last year.

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
NONE	NONE	YES	NONE	NONE	NONE	NONE

Finance

The report provides the final budget position of the Pension Board for 2020-21. The 2020-21 budget for the Pension Board was £21,040 and the actual spend was £17,497 resulting in an underspend of £3,543.

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

1. Scrutiny Committee

NA

2. Local Member(s)

NA

3. Community / Town Council

NA

4. Relevant Partners

NA

5. Staff Side Representatives and other Organisations

NA

**EXECUTIVE BOARD PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

Include any observations here

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection
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Dyfed Pension Board

Budget Monitoring Report

1 April 2020 - 31 March 2021

	Budget 2020-21	Actual expenditure	End of year variance		Assumptions/Comments
	£	£	£	%	
Chair Annual Fee	10,000	10,917	917	9.2	Contract extended - charge increase from £10k to £11k p.a.
Training costs	4,000	420	-3,580	-89.5	
Travel, Subsistence & Miscellaneous Expenses	2,000	0	-2,000	-100.0	
Liability Insurance	5,040	6,160	1,120	22.2	Insurance market rates increased by approximately 20%. This was confirmed with CCC's Risk Management team for reasonableness
Expenditure	21,040	17,497	-3,543	-17%	

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Agenda Item 8

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 9

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 10

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 10.1

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 10.2

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Agenda Item 10.3

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 10.4

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Agenda Item 10.5

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

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Agenda Item 11

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Agenda Item 12

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