

**DYFED PENSION FUND PENSION BOARD
THURSDAY, 12 JANUARY 2023**

PRESENT: Councillor J. Jones (Chair) (Virtually);

Board Members (Virtually):

P. Ashley-Jones - Employer Member Representative;

T. Bowler - Union Member Representative;

M. Evans - Member Representative;

Councillor A. Lenny – Employer Member Representative;

Also present as an observer (Virtually):

Councillor D.E. Williams – Chair of the Dyfed Pension Fund Committee;

Also Present (Virtually):

K. Gerard, Pensions Manager;

A. Parnell, Treasury & Pension Investments Manager;

J. Williams, Assistant Accountant;

K. Thomas, Democratic Services Officer;

Also Present (In Person):

S. Rees, Simultaneous Translator;

M.S. Davies, Democratic Services Officer;

Also in attendance (Virtually):

Mr. A. Brown – Independent Investment Advisor.

Chamber, County Hall, Carmarthen and remotely: 2.00 pm - 3.10 pm

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Gareth Lloyd, Employer Representative and Mr Mike 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 18TH OCTOBER 2022

AGREED that the minutes of the meeting for the Pension Board held on the 18th October 2022 be confirmed as a correct record.

4. DYFED PENSION FUND COMMITTEE MEETING 23 NOVEMBER 2022

The Board received, for consideration and comment, the reports considered by the Dyfed Pension Fund Committee on the 23rd November 2022, as referred to in minutes 4.1- 4.9 below.

4.1. AUDIT OF FINANCIAL STATEMENTS REPORT 2021-22

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 2022 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 Audit and Governance Committee on 21st October 2022.

Audit Wales had found that there were no misstatements identified in the financial statements which remained uncorrected. A number of minor presentational errors in the draft financial statements had been corrected by management.

AGREED that the Audit of Financial Statement Report 2021/22 be received.

4.2. BUDGET MONITORING 1 APRIL 2022 - 30 SEPTEMBER 2022

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 2022 – 30th September 2022.

AGREED that the report be noted.

4.3. CASH RECONCILIATION AS AT 30 SEPTEMBER 2022

The Board considered the Cash Reconciliation report which provided an update on the cash position in respect of the Dyfed Pension Fund as at 30th September 2022.

AGREED that the report be noted.

4.4. PENSIONS ADMINISTRATION REPORT

The Board 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, new employer, breaches register, i-Connect, GMP reconciliation and workflows.

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

4.5. BREACHES REPORT 2022-23

The Board received for consideration the Breaches Report in relation to the Dyfed Pension Fund. It was 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.

As there were no implications of the breaches and no report had been sent to the Pensions Regulator.

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

4.6. RISK REGISTER

The Board 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 was regularly monitored and reviewed to ensure risks had been identified and assessed. It was reported that there had been no changes since the previous committee meeting.

Agreed that the risk register report be noted.

4.7. WALES PENSION PARTNERSHIP - OPERATOR UPDATE

The Board received an update on the milestones and of the Wales Pension Partnership in relation to the Sub Funds together with a Corporate and Engagement Update including the engagement protocol and key meeting dates.

AGREED that the Operator Update report be received and the milestones and progress of the Wales Pension Partnership be noted.

4.8. TRAINING PLAN 2022-2023

The Board received the Dyfed Pension Fund Training Plan for the period 2022-2023 detailing meetings, training events and the members and officers anticipated to attend the events.

AGREED that the Dyfed Pension Fund Training Plan for the period 2022-23 be noted.

4.9. DRAFT MINUTES OF THE PENSION COMMITTEE MEETING 23 NOVEMBER 2022

AGREED that the draft minutes of the meeting of the Dyfed Pension Fund Committee held on the 23rd November 2022 be noted.

5. PENSION BOARD WORK PLAN 2023

The Board considered the Pension Board Workplan for 2023 which outlined the work of the Pension Board throughout 2023 and the items to be presented at each meeting.

AGREED to note the Pension Board Workplan for 2023.

6. PENSION BOARD BUDGET MONITORING 1 APRIL 2022 - 31 DECEMBER 2022

The Board received the Pension Board Budget Monitoring report as at 31st December 2022. Total actual expenditure incurred was £17.2k. The forecasted expenditure for the year was a £2.5k underspend compared to budget.

AGREED that the report be noted.

7. PENSION BOARD BUDGET 2023-24

The Board considered the Dyfed Pension Fund Budget for 2023-24 which was in line with the budget for 2022-23.

AGREED that the Budget for 2023-24 be approved.

8. 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.

9. INDEPENDENT ADVISER PERFORMANCE & RISK REPORT AT 30 SEPTEMBER 2022

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 8 above, to consider this matter in private, with the public excluded from the meeting as disclosure would adversely impact upon the Pension Fund by putting investment performance at risk.

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 30th September 2022 together with the global market background and issues for consideration.

AGREED to note the Independent Investment Adviser Report as at 30th September 2022.

10. NORTHERN TRUST PERFORMANCE REPORT 30 SEPTEMBER 2022

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 8 above, to consider this matter in private, with the public excluded from the meeting as disclosure would adversely impact upon the Pension Fund by putting investment performance at risk.

The Board received the Northern Trust Performance report for the Dyfed Pension Fund as at 30th September 2022, which provided performance analysis at a total fund level and by investment manager for the periods up to inception.

AGREED to note the Northern Trust Performance report for the Dyfed Pension Fund as at 30th September 2022.

11. INVESTMENT MANAGER REPORTS AT 30 SEPTEMBER 2022

Following the application of the public interest test it was UNANIMOUSLY RESOLVED, pursuant to the Act referred to in Minute Item 8 above, to consider this matter in private, with the public excluded from the meeting

as disclosure would adversely impact upon the Pension Fund by putting investment performance at risk.

The Board received for consideration reports provided by the Investment Managers which set out the performance of each manager as at 30th September 2022:

- BlackRock – Quarterly Report 30 September 2022;
- Schroders – Q3 2022 Investment Report;
- Partners Group – Quarterly Financials 30 September 2022;
- WPP Global Growth Fund – 30 September 2022;
- WPP Global Credit Fund – 30 September 2022.

AGREED to note the Investment Manager reports for the Dyfed Pension Fund.

CHAIR

DATE