

## **RHONDDA CYNON TAF COUNCIL RCT PENSION BOARD**

Minutes of the virtual meeting of the RCT Pension Board held on Monday, 15 November 2021 at 10.00 am.

### **RCT Pension Board Members in attendance:-**

Professor Hugh Coombs – Employer Representative (University of South Wales) and Chairman of the RCT Pension Board.

Ms Sindy Absalom – Member Representative

Rob Whiles – Member Representative (Actives/Deferred)

David Francis – Pension Board Employer Representative (Coleg y Cymoedd)

### **Officers in attendance:-**

Mr I Traylor, Service Director – Pensions, Procurement & Transactional Services

Ms Y Keitch, Senior Accountant Pensions And Treasury Management

Mrs S Handy – Members' Researcher & Scrutiny Officer

Mr Timothy Jenkins - The Senior Team Manager Digital, Comms And Governance

#### **12 Welcome**

The Chair welcomed the new member, Ms Sindy Absalom, to her first meeting of the RCT Pension Board. Each member was asked to introduce themselves and the Chair offered to give Ms Absalom any advice and support she felt was needed.

#### **13 Declaration of Interest**

In accordance with the Council's Code of Conduct, there were no declarations of interest pertaining to the agenda. The Chair reminded members of the confidentiality of proceedings.

#### **14 MINUTES OF THE PENSION BOARD AND MINUTES OF PENSION FUND COMMITTEE**

The minutes of the RCT Pension Board meeting on the 9<sup>th</sup> August 2021 were **APPROVED** as an accurate reflection of the meeting.

#### **15 MATTERS ARISING**

The Service Director – Pensions, Procurement & Transactional Services provided Board Members with the following updates resulting from the August 2021 minutes:

- Page 3: The Service Director advised that discussions in respect of the increased state pension age are still ongoing.
- Page 4: The Senior Accountant, Pensions & Treasury Management officer confirmed that the WPP bespoke policy is still

in the process of being developed.

- Page 5: Board Members were advised that the emerging markets fund was launched in October 2021, however, RCT does not subscribe to the fund.
- Page 5: It was confirmed that the two additional risks noted by Board Members in the August meeting have been added to the risk register.
- Page 6: the additional training dates noted in the August meeting in respect of the knowledge and understanding framework have been added in to the register.
- Page 8: It was confirmed that the results of the 'Pension Regulator' survey have been circulated and the Service Director will send the results on to our new Board Member, Ms Absalom.

*Link to Pension Fund Committee Minutes:*

- The Service Director confirmed that the funding strategy and administration strategy were circulated to Pension Board Members as part of the formal consultation in June; and,
- In respect of the Baillie & Gifford learning development session, the Service Director confirmed details **to the** Board.

*Link to the WPP Joint Committee:*

- Page 14: The Chair updated the Board on issues discussed at the last meeting.

## **16 INVESTMENT & ADMINISTRATION ADVISORY PANEL**

The Board was provided with an update in respect of the minutes of the Rhondda Cynon Taf Pension Fund Investment & Advisory Panel held on the 27<sup>th</sup> September 2021.

The Senior Accountant Pensions & Treasury Management reported that the overall value of the Fund increased from £4,493 million (31<sup>st</sup> March 2021) to £4,725 million (30<sup>th</sup> June 2021). The overall return of the Pension Fund for the year ending 30<sup>th</sup> June 2021 was 21.2% against a scheme benchmark of 14.9%.

Board members were referred to the three year performance figures of Active managers and it was noted that the Baillie Gifford Strategy remains robust. Board Members were also referred to the presentation from Blackrock and CBRE.

In respect of skills and knowledge, Board Members were advised that the Pension Fund Committee's training log, may need to be combined with Board Members training log in the future. It was noted that that Councillor Hooper had been added to the Pension Fund Committee following a change in the Council's political balance.

The Service Director updated the Board in terms of governance arrangements and the updates to the Pension Fund Risk Register. There were no breaches to report

In respect of the administration report of the Director of Finance and Digital Services, Board Members were advised that the McCloud remedies are currently progressing through parliament and it was emphasised that Board Members will receive continuous updates on this area as the detail develops. It was also confirmed that there is a project team in place at RCT to monitor and implement remedies as appropriate, with support from the Fund Employers.

In respect of year end processes, it was noted that the Annual Benefit Statements (active and deferred) were all issued prior to the statutory deadline of the 31st August.

In respect of Data Quality, Board Members noted that there was no update yet from a GDPR perspective and that the Fund's on-going compliance with GDPR requirements are being supported by the Council's information management team.

The Board also noted progress made around the I-connect implementation.

Board Members were then referred to and discussed the performance against the Fund's key service standards.

The Chair updated Board Members in respect of the WPP Chairs meeting on the 22<sup>nd</sup> October 2021. Board Members were advised that the WPP Annual Report is now on its website and that there will be a new Scheme Member appointment in place from April 2022.

Board Members were also advised that an entry for the LAPF awards was submitted for the category 'fund of the year', however, the Service Director advised Members that the application was not short listed on this occasion.

Following discussion, Board members **AGREED** to acknowledge the updated information.

## 17 **RISK MONITORING**

Board Members were provided with an assessment of the risks associated with the RCT Pension Fund and to outline the control measures in place.

Board Members pointed out that page 32 needs updating as the risk is now in the legislative stage.

The Board **RESOLVED** to note the current risks associated with the RCT

Pension Fund and the control measures in place.

**18 ALL WALES 'POOLING'**

The Senior Accountant Pensions & Treasury Management provided the Board with an update on progress of the Wales Pension Partnership.

Following discussion, it was **RESOLVED** to note the current update in respect of the Wales Pensions Partnership.

**19 KNOWLEDGE AND UNDERSTANDING FRAMEWORK**

The Service Director, Pensions, Procurement & Transactional Services referred Board Members to the training undertaken to date by the Board.

The Board agreed to send the Service Director, a list of any training requirements to add to the list on an ongoing basis.

Following discussion, Members **RESOLVED** to note the information in respect of the Board's knowledge and skills framework.

**20 COVID GOVERNANCE UPDATE**

Members were provide verbal reassurance to the Board around the governance arrangements and any lessons learned as a result of the administrative responses outlined

Board members were informed that the RCT Pension Service department is now operating where officers are back working in the office 2 days a week and outside of this remain working virtually.

Following discussion, Members **RESOLVED** to note the update.

**21 LEGISLATIVE AND ADMINISATRATIVE ISSUES**

- McCloud

The Service Director of Pensions, Procurement & Transactional Services reconfirmed that there will be regular updates to Board on this matter

- Pension Fund Website Refresh (Demo)

The Senior Team Manager Digital, Comms & Governance provided Board Members with a power point presentation in respect of the refreshed Pension Fund Website, which has improved accessibility. Board Members were provided with a demonstration of the "old" and "new" websites. Board were also shown the new bilingual functionality of 'My Pension Online' Member Self Service

- Pensioners Residing Outside the UK

The Senior Team Manager Digital, Comms & Governance provided Board Members with a power point presentation in respect of processing overseas pensioners benefits. Members were provided with an overview of the existing system and the next steps in the

process were noted.

Following discussion, Board Members **ACKNOWLEDGED** the updates accordingly.

## **22 ENVIROMENTAL, SOCIAL & CORPORATE GOVERNANCE**

The Senior Accountant Pensions & Treasury Management provide Board members with a verbal update in respect of ESG matters.

Following discussion, Board members **RESOLVED** to note the update on environmental, social and corporate governance.

## **23 ANY OTHER BUSINESS**

- The Chair informed the Board about the new powers available to Pension Funds to refuse transfer of monies to help combat pension scams. The Chair queried what the implications were of this policy especially around potential liabilities. The Service Director updated the Board on the implications that may arise under the previous and existing powers.
- In respect of the Annual Report, Board Members were advised that the Chairs section has been completed and had been circulated to the Board accordingly.
- In respect of **a survey received** from the Scheme Advisory Board, Board Members were advised that the Chair has completed the questionnaire.
- Ms Absalom advised the Board that she cannot attend the scheduled 24<sup>th</sup> January Board meeting due to unforeseen circumstances and it was agreed to reschedule the meeting and to send out new diary markers accordingly.
- In respect of the National Pensions Dashboard programme, the Service Director advised the Board that given the size of the fund, it is anticipated that we would be timetabled to 'go live' during 2023

**This meeting closed at 14:14pm.**

**Professor H. COOMBS  
CHAIR.**

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