

DYDD IAU, 25 TACHWEDD 2021

AT: HOLL AELODAU'R PWYLLGOR CRONFA BENSIWN DYFED

**YR WYF DRWY HYN YN EICH GALW I FYNYCHU CYFARFOD
RHITHWIR O'R PWYLLGOR CRONFA BENSIWN DYFED A
GYNHELIR AM 10.00 YB, DYDD GWENER, 3YDD RHAGFYR, 2021
ER MWYN CYFLAWNI'R MATERION A AMLINELLIR AR YR AGENDA
SYDD YNGHLWM**

Wendy Walters

PRIF WEITHREDWR

Swyddog Democrataidd:	Kevin Thomas
Ffôn (llinell uniongyrchol):	01267 224027
E-bost:	kjthomas@sirgar.gov.uk

Wendy Walters Prif Weithredwr, *Chief Executive*,
Neuadd y Sir, Caerfyrddin. SA31 1JP
County Hall, Carmarthen. SA31 1JP

**AELODAETH PWYLLGOR CRONFA BENSIWN DYFED
3 AELOD**

GRŴP PLAID CYMRU (1)

- 1 Cynghorydd Elwyn Williams (Cadeirydd)

GRŴP LLAFUR (1)

- 1 Cynghorydd Deryk Cundy

GRŴP ANNIBYNNOL (1)

- 1 Cynghorydd Jim Jones

DIRPRWY ENWEBEDIG (1)

Cynghorydd Dai Thomas

AGENDA

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NI DDYLID CYHOEDDI'R ADRODDIAD SY'N YMWNEUD Â'R MATERION CANLYNOL GAN EU BOD YN CYNNWYS GWYBODAETH EITHRIEDIG FEL Y'I DIFFINIWDYD YM MHARAGRAFF 14 O RAN 4 O ATODLEN 12A I DDEDDF LLYWODRAETH LEOL 1972 FEL Y'I DIWYGIWDYD GAN ORCHYMYN LLYWODRAETH LEOL (MYNEDIAD AT WYBODAETH) (AMRYWIO) (CYMRU) 2007. OS BYDD Y PWYLLGOR AR ÔL CYNNAL PRAWF LLES Y CYHOEDD YN PENDERFYNU YN UNOL Â'R DDEDDF, I YSTYRIED Y MATER HYN YN BREIFAT, GORCHMYNNIR I'R CYHOEDD ADAEL Y CYFARFOD YN YSTOD TRAFODAETH O'R FATH.
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PWYLLGOR CRONFA BENSIWN DYFED

8 HYDREF 2021

YN BRESENNOL: Y Cyngorydd D.E. Williams (Cadeirydd)

Y Cyngorwyr: D.M. Cundy a D. Thomas (yn lle T.J. Jones)

Hefyd yn bresenol:

A. Brown – Ymgynghorydd Buddsoddi Annibynnol;

A. Worthy – Archwilio Cymru.

Yr oedd y swyddogion canlynol yn gwasanaethu yn y cyfarfod:

C. Moore, Cyfarwyddwr Gwasanaethau Corfforaethol;

R. Hemingway, Pennaeth Gwasanaethau Ariannol;

A. Parnell, Rheolwr Pensiwn a Buddsodiadau Gyllidol;

M. Owens, Cyfrifydd Cynorthwywr;

E. Bryer, Swyddog Gwasanaethau Democrataidd;

J. Owen, Swyddog Gwasanaethau Democrataidd;

R. Morris, Swyddog Cefnogi Aelodau;

S. Rees, Cyfieithydd Ar y Pryd.

Rhith-Gyfarfod: 10:00yb - 11:55yb

1. YMDDIHEURIADAU AM ABSENOLDEB

Cafwyd ymddiheuriad am absenoldeb gan y Cyngorydd T. J. Jones.

2. DATGAN BUDDIANNAU PERSONOL

Ni ddatganwyd unrhyw fuddiannau personol.

3. COFNODION CYFARFOD Y PWYLLGOR A GYNHALIWYD AR 16 MEHEFIN 2021

PENDERFYNWYD Ilofnodi bod cofnodion cyfarfod y Pwyllgor ar 16 Mehefin 2021 yn gofnod cywir.

4. ADRODDIAD YNGHYLCH YR ARCHWILIAD O DDATGANIDADAU ARIANNOL 2020-21

Croesawyd y Pwyllgor Anwen Worthy o Archwilio Cymru i'r cyfarfod a gyflwynodd yr Adroddiad ynghylch yr Archwiliad o Ddatganiadau Ariannol ar gyfer Cronfa Bensiwn Dyfed, gan fanylu ar y materion a oedd yn codi o'r archwiliad yr oedd angen eu hadrodd o dan Safon Ryngwladol ar Archwilio 260.

Nodwyd mai'r Archwilydd Cyffredinol oedd yn gyfrifol am roi barn ynghylch a oedd datganiadau ariannol Cronfa Bensiwn Dyfed yn olwg gywir a theg ar ei sefyllfa ariannol ar 31 Mawrth 2021, a'i hincwm a'i gwariant yn ystod y flwyddyn honno.

Rhodddwyd gwybod i'r Pwyllgor bod adroddiad archwilio diamod ynghylch y datganiadau ariannol wedi'i gyhoeddi a byddai'r Pwyllgor Archwilio a Llywodraethu yn ystyried yr adroddiad terfynol maes o law.

Dymunai'r Pwyllgor ddiolch yn ddiffuant i Archwilio Cymru am wneud yr Archwiliad ac i'r Adran Bensiynau am ei holl waith caled mewn archwiliad llwyddiannus.

PENDERFYNWYD YN UNFRYDOL dderbyn Adroddiad yr Archwiliad o Ddatganiadau Ariannol 2020–21 (ISA260).

5. DATGANIAD CYFRIFON 2020-21

Cafodd y Pwyllgor y Datganiad o Gyfrifon ar gyfer 2020-21 a oedd yn darparu gwybodaeth am sefyllfa ariannol, perfformiad a hyblygrwydd ariannol y Gronfa am y flwyddyn 2020-21.

Roedd y cyfrifon yn cyflwyno canlyniadau'r stiwardiaeth rheoli, hynny yw, atebolrwydd rheolwyr o ran yr adnoddau sydd wedi'u hymddiried iddynt, a sefyllfa'r asedau ar ddiwedd y cyfnod.

Bu'r Pwyllgor yn ystyried y prif gyfrifon a'r adroddiadau oedd yn y Datganiad o Gyfrifon fel a ganlyn:

- Cyfrif y Gronfa.
- Y Datganiad Asedau Net.
- Y Datganiad gan yr Actiwari Ymgynghori

Dywedwyd wrth y Pwyllgor y byddai'r Datganiad o Gyfrifon ar gael i'w weld ar y wefan maes o law, yn dilyn ei ystyried gan y Pwyllgor Archwilio a Llywodraethu.

PENDERFYNWYD YN UNFRYDOL dderbyn Datganiad o Gyfrifon 2020-21.

6. COFNODION BWRDD PENSIWN CRONFA BENSIWN DYFED 16 EBRILL 2021

PENDERFYNWYD YN UNFRYDOL fod cofnodion cyfarfod Bwrdd Pensiwn Cronfa Bensiwn Dyfed ar 16 Ebrill, 2021 yn cael eu derbyn.

7. MONITRO CYLLIDEB 1 EBRILL 2021 - 31 MEHEFIN 2021

Cafodd y Pwyllgor Adroddiad Monitro Cronfa Bensiwn Dyfed a oedd yn rhoi'r wybodaeth ddiweddaraf am y sefyllfa gyllidebol o ran blwyddyn ariannol 2020/21. Nodwyd bod y sefyllfa bresennol, fel yr oedd ar 30 Mehefin 2021, yn rhagweld tanwariant o £2m o ran arian parod.

O ran gwariant, roedd effaith net y buddion taladwy a'r trosglwyddiadau allan yn dangos tanwariant o £1.2m. Roedd hynny'n bennaf oherwydd cynnydd o 3% wrth bennu'r gyllideb ar gyfer pensynwyr, y cynnydd gwirioneddol ar gyfer y flwyddyn hyd yma oedd 1.75%. Roedd tanwariant o ran treuliau rheolwyr o £317k.

O ran incwm, roedd effaith net cyfraniadau, incwm buddsoddi a throsglwyddiadau i mewn yn dangos cynnydd o £536k, yn bennaf o ganlyniad i ragweld incwm buddsoddi uwch na'r hyn roeddid wedi cyllidebu ar ei gyfer.

Amcangyfrifwyd mai cyfanswm y gwariant cyffredinol oedd £102.8m ac mai cyfanswm yr incwm oedd £104.8m, gan arwain i sefyllfa llif arian gadarnhaol o £2m.

PENDERFYNWYD YN UNFRYDOL dderbyn Adroddiad Monitro Cyllideb Cronfa Bensiwn Dyfed ar gyfer y cyfnod o 1 Ebrill 2021 tan 30 Mehefin 2021.

8. CYSONI ARIAN PAROD FEL YR OEDD AR 30 MEHEFIN 2021

Bu'r Pwyllgor yn ystyried yr adroddiad Cysoni Arian Parod a roddai'r wybodaeth ddiweddaraf am sefyllfa ariannol Cronfa Bensiwn Dyfed. Nodwyd ar 30 Mehefin, 2021 fod Cyngor Sir Caerfyrddin yn cadw £11m o arian parod ar ran y Gronfa ar gyfer gofynion llif arian uniongyrchol i dalu pensiynau, cyfandaliadau a chostau rheoli buddsoddiadau.

PENDERFYNWYD YN UNFRYDOL dderbyn adroddiad Cysoni Arian Parod Cronfa Bensiwn Dyfed.

9. DATGANIAD STRATEGAETH FUDDSODDI DDRAFFT 2021

Cafodd y Pwyllgor adroddiad a gyflwynai'r Datganiad Strategaeth Fuddsoddi Ddrafft ar gyfer 2021 i'w gymeradwyo. Mae Datganiad Cronfa Bensiwn Dyfed, sy'n ofynnol o dan reoliad 7 o Reoliadau Cynllun Pensiwn Llywodraeth Leol (Rheoli a Buddsoddi mewn Cronfeydd) 2016, yn nodi strategaeth fuddsoddi gyfredol y Gronfa, yn darparu tryloywder mewn perthynas â sut y caiff buddsoddiadau'r Gronfa eu rheoli, ac yn gweithredu fel cofrestr risg lefel uchel, ac roedd wedi'i dylunio i fod ddefnyddiol i'r holl randdeiliaid.

Dywedodd y Pwyllgor ei bod yn braf nodi'r adran ar newid yn yr hinsawdd, lle'r oedd y gronfa'n cydnabod pwysigrwydd mynd i'r afael â'r risgiau ariannol oedd yn gysylltiedig â newid yn yr hinsawdd drwy ei strategaeth fuddsoddi. Yn ogystal, roedd Cronfa Bensiwn Dyfed hefyd yn ystyried polisïau Buddsoddiad Cyfrifol a Risg Hinsawdd Partneriaeth Pensiwn Cymru.

Cyfeiriwyd at e-bost diweddar gan Divest Dyfed ynghylch rhoi'r gorau'n syth i fuddsoddi mewn tanwyddau ffosil. Dywedwyd mai ymgysylltu â chwmnïau oedd blaenoriaeth y Gronfa ar hyn o bryd, a sicrhau llwybr cytbwys a gwybodus o ran unrhyw fwriad i roi'r gorau i fuddsoddi yn yr asedau hyn. Dywedodd Cyfarwyddwr y Gwasanaethau Corfforaethol y byddai cyfarfod yn cael ei drefnu gyda Divest Dyfed mewn ymateb i'r e-bost.

Adroddodd Cyfarwyddwr y Gwasanaethau Corfforaethol fod Cyfarfod Ymgynghorol Blynyddol Cronfa Bensiwn Dyfed a gynhaliwyd ar 7 Hydref 2021 yn llwyddiannus a bod adborth cadarnhaol wedi dod i law gan y cyflogwyr oedd yn bresennol.

PENDERFYNWYD YN UNFRYDOL gymeradwyo Datganiad Strategaeth Fuddsoddi Ddrafft 2021.

10. DATGANIAD STRATEGAETH ARIANNU

Cafodd y Pwyllgor adroddiad a gyflwynai'r Datganiad Strategaeth Gyllido i'w gymeradwyo.

Dywedwyd bod y Datganiad wedi'i ddiweddarau i adlewyrchu hyblygrwydd newydd y cyflogwr o ran Trefniadau Gwasgaru Dyledion a Chytundebau Dyledion Gohiriedig.

Mae'r Datganiad Strategaeth Gyllido yn nodi strategaeth gyllido eglur a thryloyw a oedd yn nodi sut y bydd rhwymedigaethau pensiwn pob un o gyflogwyr y Gronfa yn cael eu bodloni yn y dyfodol.

PENDERFYNWYD YN UNFRYDOL gymeradwyo'r Datganiad Strategaeth Gyllido diweddaraf.

11. ADRODDIAD GWEINYDDU PENSIYNAU

Derbyniodd y Pwyllgor adroddiad a roddai ddiweddariad ar Weinyddu Pensiynau. Roedd yr adroddiad yn cynnwys diweddariadau ar y gweithgareddau yn y gwasanaeth Gweinyddu Pensiynau ac roedd yn cynnwys materion rheoleiddiol, cyflogwyr newydd, y gofrestr torri amodau, i-Connect, cysoniad GMP a llif gwaith.

Nododd y Pwyllgor fod Adapt wedi dod yn gyflogwr cynllun ar 11 Mehefin 2021 yn dilyn trosglwyddo staff TUPE a bod bond ar waith ar gyfer rhwymedigaethau.

PENDERFYNWYD YN UNFRYDOL nodi'r Adroddiad Gweinyddu Pensiwn mewn perthynas â Chronfa Bensiwn Dyfed.

12. ADRODDIAD TORRI AMODAU 2021-2022

Cafodd y Pwyllgor yr Adroddiad Torri Amodau, mewn perthynas â Chronfa Bensiwn Dyfed, i'w ystyried. Nodwyd gan y Pwyllgor fod Adran 70 o Ddeddf Pensiynau 2004 yn pennu'r ddyletswydd gyfreithiol i riportio achosion o dorri'r gyfraith. Mae Côt Ymarfer rhif 14, paragraffau 241 i 275, a gyhoeddwyd gan y Rheoleiddiwr Pensiynau ym mis Ebrill 2015, yn rhoi cyfarwyddyd ynghylch riportio'r achosion hyn o dorri'r gyfraith.

Cafodd Polisi Torri Amodau Cronfa Bensiwn Dyfed ei gymeradwyo gan Banel Cronfa Bensiwn Dyfed ym mis Mawrth 2016. O dan y polisi, roedd yn ofynnol i achosion o dorri'r gyfraith gael eu hadrodd i'r Rheoleiddiwr Pensiynau os oes achos rhesymol i greu'r canlynol:

- na chydymffurfir – neu na chydymffurfiwyd – â dyletswydd gyfreithiol sy'n berthnasol i'r gwaith o weinyddu'r cynllun;
- bod yr anallu i gydymffurfio yn debygol o fod o arwyddocâd sylweddol i'r Rheoleiddiwr wrth iddo arfer unrhyw un o'i swyddogaethau.

Nododd y Pwyllgor fod ambell achos wedi bod ers y cyfarfod diwethaf lle nad oedd cyfraniadau gweithwyr/cyflogwr wedi'u derbyn ar amser. Nid oedd adroddiad wedi gofod cael ei anfon at y Rheoleiddiwr Pensiynau.

PENDERFYNWYD YN UNFRYDOL nodi'r Adroddiad Torri Amodau mewn perthynas â Chronfa Bensiwn Dyfed.

13. COFRESTR RISG 2021-2022

Rhoddwyd gwybod i'r Pwyllgor fod y Gofrestr Risg yn tynnu sylw at yr holl risgiau a nodwyd mewn perthynas â swyddogaethau Cronfa Bensiwn Dyfed. Dywedwyd bod y gofrestr risg ar gyfer 2021-2022 wedi'i hadolygu ac na fu unrhyw newidiadau ers cyfarfod diwethaf y pwyllgor.

Byddai'r risgiau yn parhau i gael eu hadolygu'n chwarterol, a byddai unrhyw newidiadau yn cael eu dwyn at sylw'r Pwyllgor.

PENDERFYNWYD YN UNFRYDOL fod adroddiad y gofrestr risg ar gyfer 2021/2022 yn cael ei gymeradwyo.

14. DIWEDDARIAD Y GWEITHREDWR

Cafodd y Pwyllgor adroddiad am y cynnydd diweddaraf o ran Partneriaeth Pensiwn Cymru, a oedd yn cynnwys y meysydd allweddol canlynol:-

- Daliannau Cyfredol y Gronfa
- Cynnydd Lansio'r Gronfa
- Link / Russell Investments - Diweddariad Corfforaethol ac Ymgysylltu

Roedd yr adroddiad yn cynnwys cerrig milltir yr Is-gronfeydd canlynol ynghyd â daliadau cyfredol y gronfa, cynnydd lansio'r gronfa, a diweddariad corfforaethol ac ymgysylltu LFS fel a ganlyn:-

- Cyfran 1 – Ecwiti Byd-eang
- Cyfran 2 – Ecwiti DU
- Cyfran 3 – Incwm Sefydlog
- Cyfran 4 – Marchnadoedd Datblygol

Yn ogystal, rhoddodd y Pwyllgor ystyriaeth i'r diweddariad Corfforaethol ac Ymgysylltu, gan gynnwys y protocol ymgysylltu ac unrhyw ddyddiadau cyfarfodydd allweddol.

PENDERFYNWYD YN UNFRYDOL dderbyn Adroddiad Diweddarau'r Gweithredwr a nodi cerrig milltir a chynnydd Partneriaeth Pensiwn Cymru.

15. CYNLLUN HYFFORDDI 2021-2022

Cafodd y Pwyllgor ddiweddariad am Gynllun Hyfforddi Partneriaeth Pensiwn Cymru ar gyfer 2021-2022, i'w ystyried, a oedd yn darparu manylion am gyfarfodydd, digwyddiadau hyfforddi a'r aelodau a'r swyddogion y rhagwelwyd y byddent yn mynychu'r digwyddiadau.

PENDERFYNWYD YN UNFRYDOL nodi diweddariad Cynllun Hyfforddi Partneriaeth Pensiwn Cymru.

16. GORCHYMYN I'R CYHOEDD ADAEL Y CYFARFOD

PENDERFYNWYD YN UNFRYDOL, yn unol â Deddf Llywodraeth Leol 1972, fel y'i newidiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007, orchymyn i'r cyhoedd adael y cyfarfod tra oedd yr eitemau canlynol yn cael eu hystyried, gan fod yr adroddiadau'n cynnwys gwybodaeth eithriedig fel y'i diffiniwyd ym mharagraff 14 o Ran 4 o Atodlen 12A i'r Ddeddf.

17. ADRODDIAD PERFFORMIAD A RISG YMGYNGHORYDD BUDDSODDI ANNIBYNNOL 30 MEHEFIN 2021

Yn sgil gweithredu'r prawf budd y cyhoedd **PENDERFYNWYD YN UNFRYDOL**, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 16 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn ac o niweidio trafodaethau parhaus a thrafodaethau'r dyfodol.

Ystyriodd y Pwyllgor Adroddiad yr Ymgynghorydd Buddsoddi Annibynnol, a roddai wybodaeth mewn perthynas â pherfformiad y rheolwr buddsoddiadau ar gyfer pob chwarter, pob 12 mis a chyfnodau treigl o 3 blynedd, gan ddod i ben ar 30 Mehefin, 2021.

PENDERFYNWYD YN UNFRYDOL nodi Adroddiad yr Ymgynghorydd Buddsoddi Annibynnol fel yr oedd ar 31 Mawrth 2021.

18. AILSTRWYTHURO ECWITI

Yn sgil gweithredu'r prawf budd y cyhoedd **PENDERFYNWYD YN UNFRYDOL**, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 16 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn ac o niweidio trafodaethau parhaus a thrafodaethau'r dyfodol.

Cafodd y Pwyllgor adroddiad ar Gam II Ailstrwythuro Ecwiti a ddarparodd gynigion ynghylch ail gam cam camau gweithredu arfaethedig y Gronfa gyda'r nod o leihau ôl troed carbon a gwella'r llif arian a gynhrychir o'r portffolio.

PENDERFYNWYD YN UNFRYDOL fod y cynigion, y manylwyd arnynt yn yr adroddiad Cam II Ailstrwythuro Ecwiti, yn cael eu cymeradwyo.

19. ADRODDIAD PERFFORMIAD NORTHERN TRUST 30 MEHEFIN 2021

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 16 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn ac o niweidio trafodaethau parhaus a thrafodaethau'r dyfodol.

Ystyriodd y Pwyllgor adroddiad perfformiad Northern Trust ar gyfer Cronfa Bensiwn Dyfed fel yr oedd ar 30 Mehefin 2021 a oedd yn nodi dadansoddiad o berfformiad o ran lefel y gronfa gyfan a chan y rheolwr buddsoddi am y cyfnodau cyn i'r gronfa gychwyn.

PENDERFYNWYD YN UNFRYDOL dderbyn adroddiad perfformiad Northern Trust ar gyfer Cronfa Bensiwn Dyfed fel yr oedd ar 30 Mehefin 2021.

20. ADRODDIADAU'R RHEOLWR BUDDSODDI AR 30 MEHEFIN 2021

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 16 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn ac o niweidio trafodaethau parhaus a thrafodaethau'r dyfodol.

Rhoddodd y Pwyllgor ystyriaeth i adroddiadau rheolwyr buddsoddi a oedd yn nodi perfformiad pob rheolwr fel yr oeddent ar 30 Mehefin 2021.

BlackRock - Adroddiad Chwarterol 30 Mehefin 2021

Schroders - Adroddiad Buddsoddi Ch2 2021

Grŵp Partneriaid - Cyllid Chwarterol Mehefin 2021

Cronfa Tyfu Byd-eang Partneriaeth Pensiwn Cymru - 30 Mehefin 2021

Cronfa Credyd Byd-eang Partneriaeth Pensiwn Cymru - 30 Mehefin 2021

PENDERFYNWYD YN UNFRYDOL dderbyn adroddiadau'r rheolwr buddsoddi ar gyfer Cronfa Bensiwn Dyfed.

CADEIRYDD

DYDDIAD

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

**Cofnodion Bwrdd Pensiwn Cronfa Bensiwn Dyfed 20 Gorffennaf
2021**

Rhoi gwybod i'r Pwyllgor am gyfarfod y Bwrdd Pensiwn a gynhaliwyd ar 20 Gorffennaf 2021.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Y Pwyllgor i nodi cofnodion cyfarfod Bwrdd Pensiwn Cronfa Bensiwn Dyfed a gynhaliwyd ar 20 Gorffennaf 2021.

Y RHESYMAU:

Rhoi gwybod i'r Pwyllgor am gyfarfod y Bwrdd Pensiwn a gynhaliwyd ar 20 Gorffennaf 2021.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
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YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
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Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
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Awdur yr Adroddiad: Chris Moore		
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EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021

Dyfed Pension Fund Pension Board Minutes 20 July 2021

A meeting of the Dyfed Pension Fund Pension Board took place on 20 July 2021. The following items were considered:

- Minutes of the Pension Fund Committee meeting 16 June 2021
- Pension Board Minutes 17 February 2021
- Final Budgetary Position 2020-2021
- Cash reconciliation as at 31 March 2021
- Pensions Administration Report
- Breaches Report 2021-2022
- Risk Register 2021-2022
- Wales Pension Partnership (WPP) Business Plan 2021-2024
- Training Plan 2021-2022
- Pension Board Work Plan 2021
- Pension Board Budget Monitoring 1 April 2021 – 30 June 2021
- Independent Advisor Performance & Risk Report to 31 March 2021
- Northern Trust Performance Report to 31 March 2021
- Investment Manager Reports to 31 March 2021
- CEM Benchmarking Report 2019-2020

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

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

BWRDD PENSIWN

20 GORFFENNAF 2021

YN BRESENNOL: John Jones (Cadeirydd);

Aelodau'r Pwyllgor:

Cynghorydd Philip Hughes - Cynrychiolydd Cyflogwyr sy'n Aelodau;
Cynghorydd Gareth Lloyd - Cynrychiolydd Cyflogwyr sy'n Aelodau;
Mr Tommy Bowler - Cynrychiolydd o'r Undeb;
Mr. M Rogers - Cynrychiolydd Pensiynwyr sy'n Aelodau.

Hefyd yn bresennol:

Y Cynghorydd Elwyn Williams - Cadeirydd Pwyllgor Cronfa Bensiwn Dyfed;
Mr A. Brown – Cynghorydd Buddsoddi Annibynnol;

Yr oedd y swyddogion canlynol yn gwasanaethu yn y cyfarfod:

C. Moore, Cyfarwyddwr Gwasanaethau Corfforaethol;
A. Parnell, Rheolwr Pensiwn a Buddsodiadau Gyllidol;
K. Gerard, Rheolwr Pensiwn;
M. Owens, Cyfrifydd Cynorthwyr;
A. Eynon, Prif Gyfieithydd
M.S. Davies, Swyddog Gwasanaethau Democrataidd ;
J. Owen, Swyddog Gwasanaethau Democrataidd.

Rhith-Gyfarfod: 10:00yb - 11:21yb

1. YMDDIHEURIADAU AM ABSENOLDEB

Derbyniwyd ymddiheuriadau am absenoldeb gan Mr Gwyn Jones (Cynrychiolydd Aelodau) a Mr Paul Ashley-Jones (Cynrychiolydd Cyflogwyr sy'n Aelodau)

2. DATGANIADAU O FUDDIANNAU PERSONOL

Ni ddatganwyd unrhyw fuddiannau personol yn y cyfarfod.

3. COFNODION CYFARFOD Y BWRDD PENSIWN A GYNHALIWDYD AR 16 EBRILL 2021

CYTUNWYD i lofnodi cofnodion cyfarfod y Bwrdd Pensiwn a gynhaliwyd ar 16 Ebrill 2021 gan eu bod yn gywir.

4. CYFARFOD Y PWYLLGOR CRONFA BENSIWN DYFED A GYNHALIWDYD AR 16 MEHEFIN 2021

4.1. COFNODION BWRDD PENSIWN CRONFA BENSIWN DYFED 17 CHWEFROR 2021

Nododd y Bwrdd fod cofnodion cyfarfod Bwrdd Pensiwn Dyfed a gynhaliwyd ar 17 Chwefror, 2021 wedi eu derbyn gan Bwyllgor Cronfa Bensiwn Dyfed.

4.2. SEFYLLFA GYLLIDEBOL DERFYNOL 1 EBRILL 2020 - 31 MAWRTH 2021

Derbyniodd y Bwrdd sefyllfa Gyllidebol derfynol Cronfa Bensiwn Dyfed ar gyfer 2020-21 ar 31 Mawrth 2021 a oedd yn dangos gorwariant o gymharu â chyllideb o £837k ar eitemau arian parod. Cyfanswm y gwariant oedd £101.3m a chyfanswm yr incwm oedd £100.5m.

CYTUNWYD bod yr adroddiad yn cael ei nodi.

4.3. CYSONI ARIAN PAROD FEL YR OEDD AR 31 MAWRTH 2021

Bu'r Bwrdd yn ystyried yr adroddiad Cysoni Arian Parod a roddai'r wybodaeth ddiweddaraf am sefyllfa ariannol Cronfa Bensiwn Dyfed. Nodwyd ar 31 Mawrth, 2021 fod Cyngor Sir Caerfyrddin yn cadw £8.8m o arian parod ar ran y Gronfa ar gyfer gofynion llif arian uniongyrchol i dalu pensiynau, cyfandaliadau a chostau rheoli buddsoddiadau.

CYTUNWYD bod yr adroddiad yn cael ei nodi.

4.4. ADRODDIAD GWEINYDDU PENSIYNAU

Derbyniodd y Bwrdd adroddiad a roddai ddiweddariad ar Weinyddu Pensiynau. Roedd yr adroddiad yn cynnwys diweddariadau ar y gweithgareddau yn y gwasanaeth Gweinyddu Pensiynau ac roedd yn cynnwys materion rheoleiddiol, cyflogwr newydd, y gofrestr torri amodau, i-Connect, adroddiadau Ansawdd Data, cysoniad GMP a llif gwaith.

Cyfeiriwyd at y diweddariad Rheoleiddio. Mewn ymateb i ymholiad a godwyd ynglŷn â'r wybodaeth ddiweddaraf am McCloud/Sargeant, esboniodd y Rheolwr Pensiynau fod cyfarfodydd wedi cael eu cynnal gyda 3 o'r cyflogwyr mwyaf er mwyn egluro'r categorïau a'r aelodau yr oedd angen uwchlwythiadau ar eu cyfer ac y rhagwelwyd y byddai rheoliadau a chanllawiau diwygiedig yn cael eu cyhoeddi ym mis Ebrill 2022 yn dilyn ymgynghoriad.

Yn dilyn pryder a godwyd ynghylch faint o waith fyddai casglu data ar gyfer gweithwyr sydd wedi gweithio rhwng 1 Ebrill 2014 a 31 Mawrth 2022, dywedodd y Rheolwr Pensiynau fod angen ailgyfrifo'r buddion, ac y byddai hyn yn cael ei gwblhau maes o law trwy gynllun prosiect manwl.

CYTUNWYD bod yr adroddiad yn cael ei nodi.

4.5. ADRODDIAD TORRI AMODAU 2021-22

Cafodd y Bwrdd yr Adroddiad Torri Amodau, mewn perthynas â Chronfa Bensiwn Dyfed, i'w ystyried. Nodwyd bod Adran 70 o Ddeddf Pensiynau 2004 yn pennu'r ddyletswydd gyfreithiol i riportio achosion o dorri'r gyfraith. Mae Côt Ymarfer rhif 14, paragraffau 241 i 275, a gyhoeddwyd gan y Rheoleiddiwr Pensiynau ym mis Ebrill 2015, yn rhoi cyfarwyddyd ynghylch riportio'r achosion hyn o dorri'r gyfraith.

Nododd y Bwrdd fod nifer o achosion wedi bod ers y cyfarfod diwethaf lle nad oedd cyfraniadau gweithwyr/cyflogwr wedi'u derbyn ar amser. Roedd y rheini bellach wedi dod i law felly nid oedd unrhyw adroddiad wedi'i anfon at y Rheoleiddiwr Pensiynau.

PENDERFYNWYD nodi'r Adroddiad Torri Amodau mewn perthynas â Chronfa Bensiwn Dyfed

4.6. COFRESTR RISG 2021-22

Rhodddwyd gwybod i'r Bwrdd fod y Gofrestr Risg yn ddogfen waith a oedd yn tynnu sylw at yr holl risgiau a nodwyd mewn perthynas â swyddogaethau Cronfa Bensiwn Dyfed. Dywedwyd bod y gofrestr risg ar gyfer 2021-2022 wedi'i hadolygu i sicrhau bod risgiau wedi cael eu nodi a'u hasesu. Dywedwyd nad oedd unrhyw newidiadau ers cyfarfod diwethaf y pwyllgor.

Dywedwyd wrth Aelodau'r Bwrdd fod y wybodaeth yn y pennawd wedi cynnwys gwybodaeth a ddarparwyd i Bwyllgor Bwrdd Pensiwn Dyfed.

Cytunwyd i nodi adroddiad y gofrestr risg ar gyfer 2021-2022.

4.7. CYNLLUN BUSNES PARTNERIAETH PENSIYNAU CYMRU 2021-24

Derbyniodd y Bwrdd Gynllun Busnes Partneriaeth Pensiwn Cymru i'w ystyried ar gyfer y cyfnod 2021-2024, yn nodi sut oedd y Gronfa yn mynd i gyflawni ei hamcanion a sicrhau bod adnoddau digonol yn cael eu dyrannu i gyflawni'r amcanion hynny.

Mewn ymateb i ymholiad a godwyd ynglŷn â pholisi ynghylch cyfranddaliadau pleidleisio, eglurodd Rheolwr y Trysorlys a Buddsoddiadau Pensiwn fod Partneriaeth Pensiwn Cymru wedi penodi Robeco UK fel y darparwr pleidleisio ac ymgysylltu a'i fod yn darparu'r wybodaeth ddiweddaraf yn rheolaidd ar weithgaredd pleidleisio yn ogystal â darparu adroddiadau chwarterol a blynyddol.

CYTUNWYD i nodi Cynllun Busnes Partneriaeth Pensiwn Cymru ar gyfer 2021-24.

4.8. CYNLLUN HYFFORDDI 2021-22

Derbyniodd y Bwrdd Gynllun Hyfforddi Partneriaeth Pensiwn Cymru ar gyfer 2021-2022, i'w ystyried, a oedd yn darparu manylion am gyfarfodydd, digwyddiadau hyfforddi a'r aelodau a'r swyddogion y rhagwelwyd y byddent yn mynychu'r digwyddiadau.

CYTUNWYD y dylid nodi Cynllun Hyfforddi Partneriaeth Pensiwn Cymru ar gyfer 2021-22.

4.9. COFNODION DRAFFT CYFARFOD Y PWYLLGOR CRONFA BENSIWN DYFED A GYNHALIWYD AR 16 MEHEFIN 2021

CYTUNWYD y dylid nodi cofnodion drafft cyfarfod Pwyllgor Cronfa Bensiwn Dyfed a gynhaliwyd ar 16 Mehefin 2021.

5. CYNLLUN GWAITH Y BWRDD PENSIWN 2021

Ystyriodd y Bwrdd Gynllun Gwaith y Bwrdd Pensiynau ar gyfer 2021 a oedd yn amlinellu gwaith y Bwrdd Pensiynau drwy gydol 2021 a'r eitemau i'w cyflwyno ym mhob cyfarfod.

CYTUNWYD i nodi'r cynllun gwaith ar gyfer 2021.

6. MONITRO CYLLIDEB Y BWRDD PENSIWN 1 EBRILL 2021 - 30 MEHEFIN 2021

Cafodd y Bwrdd adroddiad Monitro Cyllideb terfynol y Bwrdd Pensiwn a rhoddwyd ystyriaeth i'r sefyllfa gyllidebol fel ag yr oedd ar 30 Mehefin 2021. Ar 30 Mehefin 2021, dangoswyd tanwariant o'i gymharu â chyllideb o £4.5k.

Cytunwyd i dderbyn adroddiad Monitro Cyllideb y Bwrdd Pensiwn 1 Ebrill 2020 – 30 Mehefin 2021.

7. GORCHYMYN I'R CYHOEDD ADAEL Y CYFARFOD

PENDERFYNWYD YN UNFRYDOL, yn unol â Deddf Llywodraeth Leol 1972, fel y'i newidiwyd gan Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007, orchymyn i'r cyhoeddadael y cyfarfod tra oedd yr eitemau canlynol yn cael eu hystyried, gan fod yr adroddiadau'n cynnwys gwybodaeth eithriedig fel y'i diffiniwyd ym mharagraff 14 o Ran 4 o Atodlen 12A i'r Ddeddf.

8. ADRODDIAD PERFFORMIAD A RISG YMGYNGHORYDD BUDDSODDI ANNIBYNNOL 31 MAWRTH 2021

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 7 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn.

Ystyriodd y Bwrdd Adroddiad Perfformiad a Risg yr Ymgynghorydd Buddsoddi Annibynnol, a roddai wybodaeth mewn perthynas â pherfformiad y rheolwr buddsoddiadau ar gyfer pob chwarter, pob 12 mis a chyfnodau treigl o 3 blynedd, gan ddod i ben ar 31 Mawrth 2021, ynghyd â chefnidir y farchnad fyd-eang a materion i'w hystyried.

PENDERFYNWYD nodi Adroddiad yr Ymgynghorydd Buddsoddi Annibynnol fel yr oedd ar 31 Mawrth 2021.

9. ADRODDIAD PERFFORMIAD NORTHERN TRUST 31 MAWRTH 2021

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 7 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn.

Derbyniodd y Bwrdd adroddiad perfformiad Northern Trust ar gyfer Cronfa Bensiwn Dyfed fel yr oedd ar 31 Mawrth 2021 a oedd yn nodi dadansoddiad o berfformiad o ran lefel y gronfa gyfan a chan y rheolwr buddsoddi am y cyfnodau cyn i'r gronfa gychwyn.

PENDERFYNWYD nodi adroddiad perfformiad Northern Trust ar gyfer Cronfa Bensiwn Dyfed fel yr oedd ar 31 Mawrth 2021.

10. ADRODDIADAU'R RHEOLWR BUDDSODDI AR 31 MAWRTH 2021

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 7 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn.

Rhoddodd y Pwyllgor ystyriaeth i adroddiadau rheolwyr buddsoddi a oedd yn nodi perfformiad pob rheolwr fel yr oeddent ar 31 Mawrth 2021. Rhoddwyd ystyriaeth i'r atodiadau canlynol:-

- Atodiad A - BlackRock - Adroddiad Chwarterol 31 Mawrth 2021
- Atodiad B - Schroders - Adroddiad Buddsoddi Ch1 2021
- Atodiad C - Grŵp Partneriaid - Adroddiad Chwarterol Ch1 2021
- Atodiad D - Cronfa Tyfu Byd-eang Partneriaeth Pensiwn Cymru - 31 Mawrth 2021
- Atodiad E - Cronfa Credyd Byd-eang Partneriaeth Pensiwn Cymru - 31 Mawrth 2021

CYTUNWYD i nodi adroddiadau'r Rheolwr Buddsoddi - Atodiad A-E ar gyfer Cronfa Bensiwn Dyfed.

11. ADRODDIAD CEM BENCHMARKING 2019-20

Yn sgil gweithredu'r prawf budd y cyhoedd PENDERFYNWYD YN UNFRYDOL, yn unol â'r Ddeddf y cyfeiriwyd ati yng nghofnod rhif 7 uchod, fod y mater hwn yn cael ei ystyried yn breifat, gan beidio â gadael i'r cyhoedd fod yn bresennol yn y cyfarfod, gan y byddai datgelu gwybodaeth yn debygol o achosi niwed ariannol i'r Gronfa Bensiwn.

Rhoddodd y Bwrdd ystyriaeth i adroddiad CEM Benchmarking 2019-2020 ar gyfer Cronfa Bensiwn Dyfed a oedd yn cynnwys asesiad annibynnol o werth am arian trwy gymharu costau a pherfformiad â chronfeydd pensiwn eraill.

CYTUNWYD i nodi adroddiad CEM Benchmarking 2019-2020 ar gyfer Cronfa Bensiwn Dyfed.

CADEIRYDD

DYDDIAD

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Monitro Cyllideb 1 Ebrill 2021 – 30 Medi 2021

Rhoi'r wybodaeth ddiweddaraf i Bwyllgor Cronfa Bensiwn Dyfed am y sefyllfa gyllidebol fel yr oedd ar 30 Medi 2021.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Y Pwyllgor i derbyn yr adroddiad Monitro Cyllideb diweddaraf Cronfa Bensiwn Dyfed ac ystyried y sefyllfa gyllidebol.

Y RHESYMAU:

Rhoi'r wybodaeth ddiweddaraf i Bwyllgor Cronfa Bensiwn Dyfed am y sefyllfa gyllidebol fel yr oedd ar 30 Medi 2021.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
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YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
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Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
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Awdur yr Adroddiad: Chris Moore	Sir Gâr	
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**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Budget Monitoring 1 April 2021 – 30 September 2021

The position as at 30 September 2021 was an under spend compared to budget of £5.1m on cash items.

Expenditure

Benefits Payable is projected to be an under spend of £1.8m. This is mainly due to an increase of 3% built in at budget setting for pensioners, the projected increase for the year is 1%. Management expenses are projected to be overspent by £246k. This results in expenditure being lower than budgeted by £1.56m.

Income

The net effect of Contributions and Investment Income is an increase of £3.5m. This is mainly due to higher than budgeted investment income being forecast.

Total expenditure is estimated at £102.8m and total income estimated at £107.9m resulting in a positive cash flow position of £5.1m.

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

Overall, the Fund needs to maintain a positive cash flow balance to meet its obligations. The cash flow projection was positive by £5.1m as at 30 September 2021.

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED: NA**

**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

Dyfed Pension Fund									
Budget Monitoring									
1st April 2021 - 30th September 2021									
	Budget Type	Actual 2020-2021	Budget 2021-2022	Total income/ expenditure to date	Forecast Commitments	Forecast 2021-2022	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	89,783	92,363	43,986	46,571	90,557	-1,806	-2.0	3% included at budget setting, projected increase for year is 1%
Pensions Payable	Controllable	75,112	78,863	38,124	38,933	77,057	-1,806		
Commutation and lump sum retirement benefits	Non Controllable	11,724	12,000	5,732	6,268	12,000	0		
Lump sum death benefits	Non Controllable	2,947	1,500	130	1,370	1,500	0		Forecast in line with budget
Payments to and account of leavers	Non Controllable	3,596	3,120	2,177	943	3,120	0	0.0	Forecast in line with budget
Management Expenses		7,967	8,829	2,891	6,184	9,075	246	2.8	
Computer Software	Controllable	366	383	4	379	383	0		
Printing charges	Controllable	13	20	7	13	20	0		
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	53	70	19	51	70	0		
Fund Managers									
BlackRock	Controllable	1,345	1,300	123	1,401	1,524	224		Market value higher than budgeted
Schroders	Controllable	693	580	141	471	612	32		Additional allocation of assets to Schroders approved, projected fees reflect this higher allocation to year-end.
Wales Pension Partnership	Controllable	3,272	4,030	1,044	3,151	4,195	165		Market value higher than budgeted
Partners Group	Controllable	825	950	195	580	775	-175		Market value lower than budgeted
Custodian									
Northern Trust	Controllable	39	31	8	23	31	0		
Actuary									
Mercer	Controllable	93	100	57	43	100	0		
Performance Manager									
Northern Trust / PIRC / CEM	Controllable	14	26	0	26	26	0		
Independent Advisor	Controllable	28	30	7	23	30	0		
Other									
Euraplan, LSE, Pension Board	Controllable	44	27	23	4	27	0		
Central recharges	Non Controllable	1,154	1,254	1,254	0	1,254	0		
Audit fees	Controllable	28	28	9	19	28	0		
Controllable Expenditure		81,925	86,438	39,761	45,117	84,878	-1,560		
Non Controllable Expenditure		19,421	17,874	9,293	8,581	17,874	0		
Total Expenditure		101,346	104,312	49,054	53,698	102,752	-1,560		
Income									
Contributions									
Employer	Controllable	-62,455	-66,893	-41,756	-23,993	-65,749	1,144	-1.7	Advance payments made resulting in discounted contributions; Carms CC, Ceredigion CC, Pembrokeshire CC and Dyfed Powys Police in 2021-22.
Member	Controllable	-21,599	-22,121	-3,966	-18,886	-22,852	-731	3.3	Employee pensionable pay higher than anticipated at budget setting.
Investment Income	Controllable	-13,259	-12,298	-9,637	-6,623	-16,260	-3,962	32.2	Includes BlackRock, SAIF and Schroders dividend income.
Other Income	Controllable	0	0	0	0	0	0	0.0	
Transfers in from other pension funds	Non Controllable	-3,196	-3,000	-2,003	-997	-3,000	0	0.0	
Controllable Income		-97,313	-101,312	-55,359	-49,502	-104,861	-3,549		
Non Controllable Income		-3,196	-3,000	-2,003	-997	-3,000	0		
Total Income		-100,509	-104,312	-57,362	-50,499	-107,861	-3,549		
Controllable Total		-15,388	-14,874	-15,598	-4,385	-19,983	-5,109		
Non Controllable Total		16,225	14,874	7,290	7,584	14,874	0		
Total		837	0	-8,308	3,199	-5,109	-5,109		
Cash Transfer to Fund Managers	Cash	0	0	24,078	0	24,078	24,078		
Net Total of Cash Related Items		837	0	15,770	3,199	18,969	18,969		
Indirect Transactional Management Fees	Non Cash	6,662	3,500	0	3,500	3,500	0	0.0	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
Investment Income	Non Cash	-6,662	-3,500	0	-3,500	-3,500	0	0.0	Contra entry to the Indirect transactional fees
Realised gain/loss	Non Cash	-467,512	-50,000	-5,110	0	-5,110	44,890	-89.8	Non Controllable. No impact to cash.
Net Total of Non-Cash Related Items		-467,512	-50,000	-5,110	0	-5,110	44,890		

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Cysoni Arian Parod fel yr oedd ar 30 Medi 2021

Rhoi'r wybodaeth ddiweddaraf i Bwyllgor Cronfa Bensiwn Dyfed am y sefyllfa arian parod fel yr oedd ar 30 Medi 2021.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Pwyllgor i derbyn Adroddiad Cysoni arian parod diweddaraf Cronfa Bensiwn Dyfed ac ystyried y sefyllfa o ran arian parod.

Y RHESYMAU:

Rhoi'r wybodaeth ddiweddaraf i Bwyllgor Cronfa Bensiwn Dyfed am y sefyllfa arian parod fel yr oedd ar 30 Medi 2021.

Ymgynghorwyd â'r pwyllgor craffu perthnasol AMHERTHNASOL

Angen i'r Cabinet wneud penderfyniad AMHERTHNASOL

Angen i'r Cyngor wneud penderfyniad AMHERTHNASOL

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth:
Gwasanaethau Corfforaethol

Enw'r Gyfarwyddwr:
Chris Moore

Awdur yr Adroddiad:
Chris Moore

Swydd:

Cyfarwyddwr
Gwasanaethau
Corfforaethol, Cyngor
Sir Gâr

Rhifau ffôn: 01267 224120

Cyfeiriad e-bost:

CMoore@sirgar.gov.uk

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Cash Reconciliation as at 30 September 2021

The position as at 30 September 2021 reports £2.4m cash held by Carmarthenshire County Council on behalf of the Fund for immediate cash flow requirements to pay pensions, lump sums and investment management costs.

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

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

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED : NA**

**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

Dyfed Pension Fund Cash Reconciliation

September 2021

Balance b/f 1st April 2021		£8,305,835.28
<i>Investment trades</i>		
Sales	84,154,538.64	
Purchases	-112,419,523.49	
		<hr/>
		-£28,264,984.85
Contributions received	£55,040,245.60	
Payments made	-£46,865,693.57	
Dividend Income	£13,835,283.84	£22,009,835.87
		<hr/>
		£2,050,686.30
Total Available for Investment		<hr/> £2,050,686.30 <hr/>
<i>Represented by :</i>		
Cash at Carmarthenshire		£2,413,629.14
Cash due to be received/deducted		£0.00
CCC Debtors		£217,006.30
CCC Creditors		-£579,949.14
		<hr/>
		£2,050,686.30 <hr/>
		£0.00

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Adroddiad Gweinyddu Pensiynau

Rhoi'r wybodaeth ddiweddaraf am Weinyddu Pensiynau i Bwyllgor Cronfa Bensiwn Dyfed.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Bod y Pwyllgor yn nodi'r Adroddiad Gweinyddu Pensiynau.

Y RHESYMAU:

Rhoi'r wybodaeth ddiweddaraf am Weinyddu Pensiynau i Bwyllgor Cronfa Bensiwn Dyfed.

Ymgynghorwyd â'r pwyllgor craffu perthnasol AMHERTHNASOL

Angen i'r Cabinet wneud penderfyniad AMHERTHNASOL

Angen i'r Cyngor wneud penderfyniad AMHERTHNASOL

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth:
Gwasanaethau Corfforaethol

Enw'r Cyfarwyddwr:
Chris Moore

Awdur yr Adroddiad:
Chris Moore

Swydd:

Cyfarwyddwr
Gwasanaethau
Corfforaethol, Cyngor
Sir Gâr

Rhifau ffôn: 01267 224120

Cyfeiriad e-bost:

CMoore@sirgar.gov.uk

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Pensions Administration Report

The attached report has been prepared by the Pensions Manager to provide an update to the Pension Committee on the activities within the Pensions Administration service. The report includes updates on:

- Regulatory matters
- Breaches register
- i-Connect
- GMP reconciliation
- Workflows

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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

PENSIONS ADMINISTRATION REPORT – 3rd December 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. Meetings have been held with all employers to clarify the categories and members for which uploads are required. All Employers have also been provided with data extracts to undertake data comparisons and identify any issues. Our software supplier is continuing to test 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. It is anticipated that following a consultation, amending regulations and guidance will be published next Spring. Resources have been increased in respect of Immediate Detriment cases for the Police and Firefighters Pension Schemes.
- b. Exit Payment Cap – it is anticipated that the exit payment cap of £95,000 will be reintroduced by the end of the year.

2. 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 September 2021, October 2021 and November 2021 have been included on the breaches register as the scheme members have not replied in order for the refund to be paid.

3. 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
ADAPT	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
LLESIAN T 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

4. GMP Reconciliation

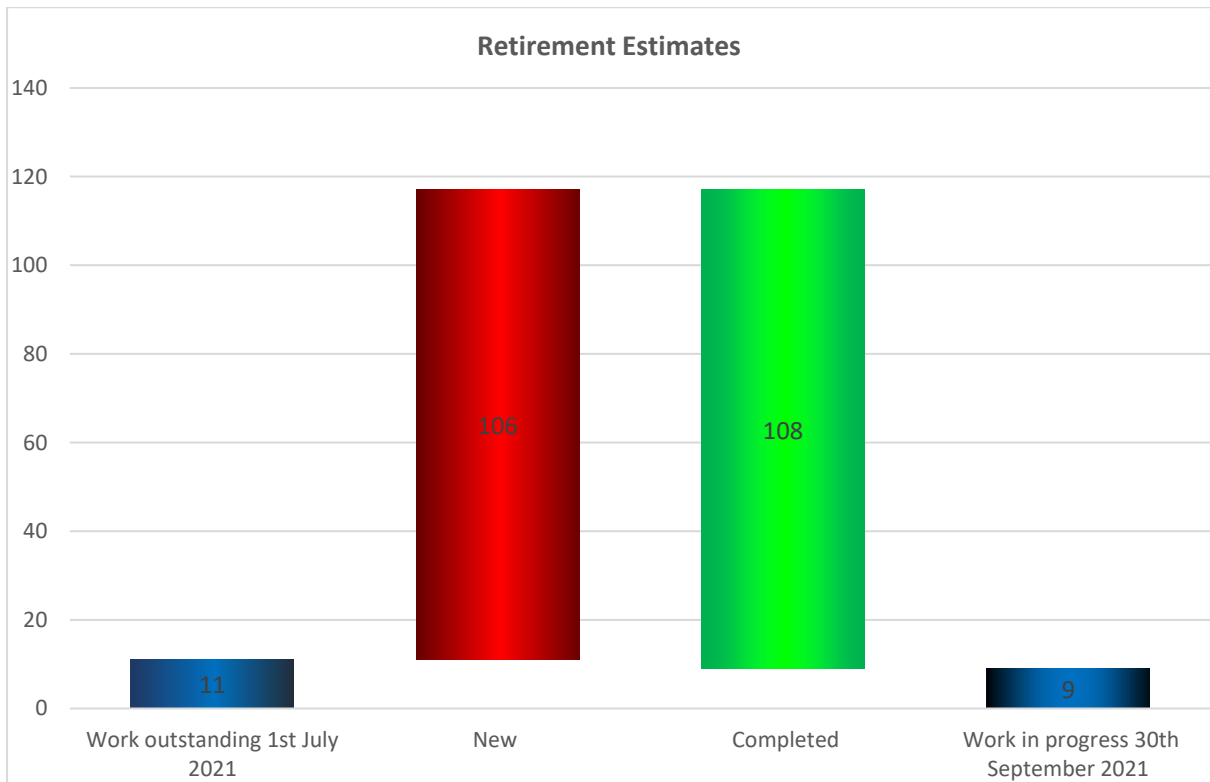
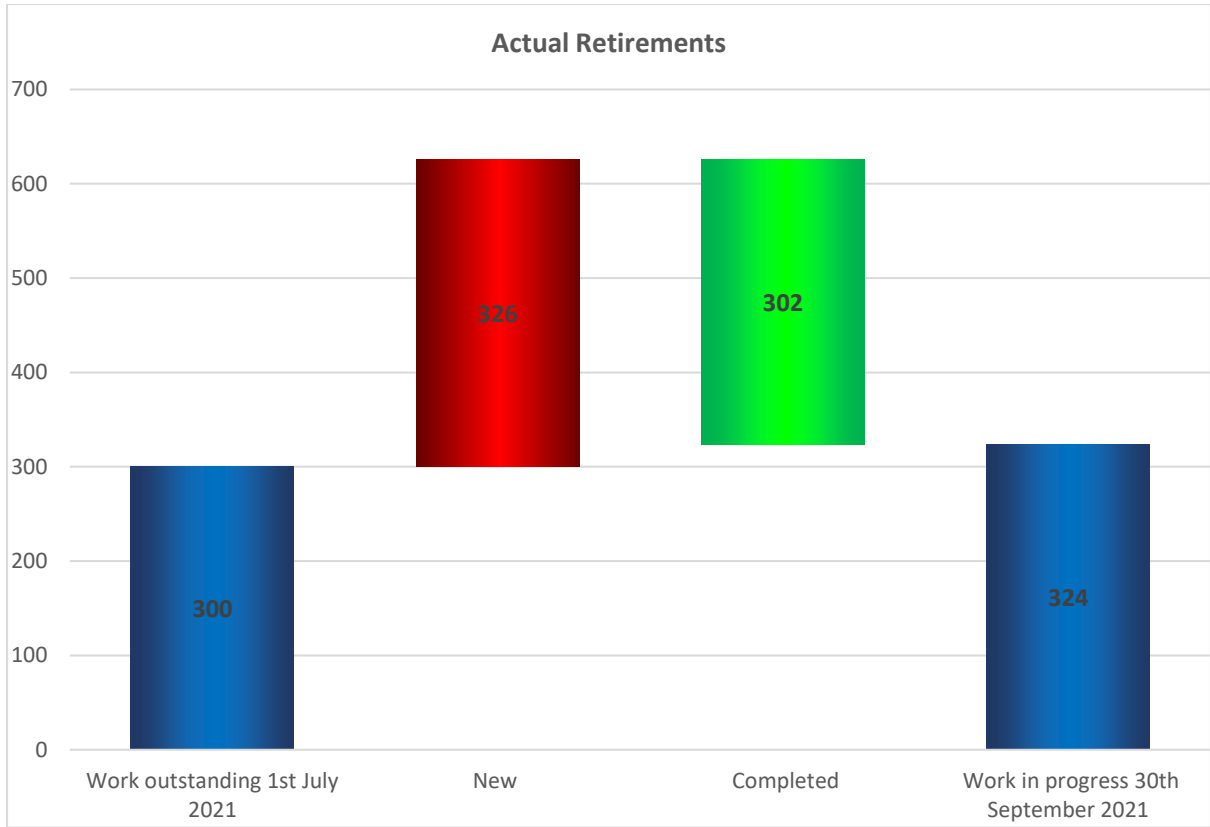
When a scheme member attains State Pension Age, they will be advised of the amount of Guaranteed Minimum Pension (GMP) which is included in their pension. The GMP relates to the part of the pension for the period between April 1978 and April 1997 for which they were 'contracted-out'. For this period, 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.

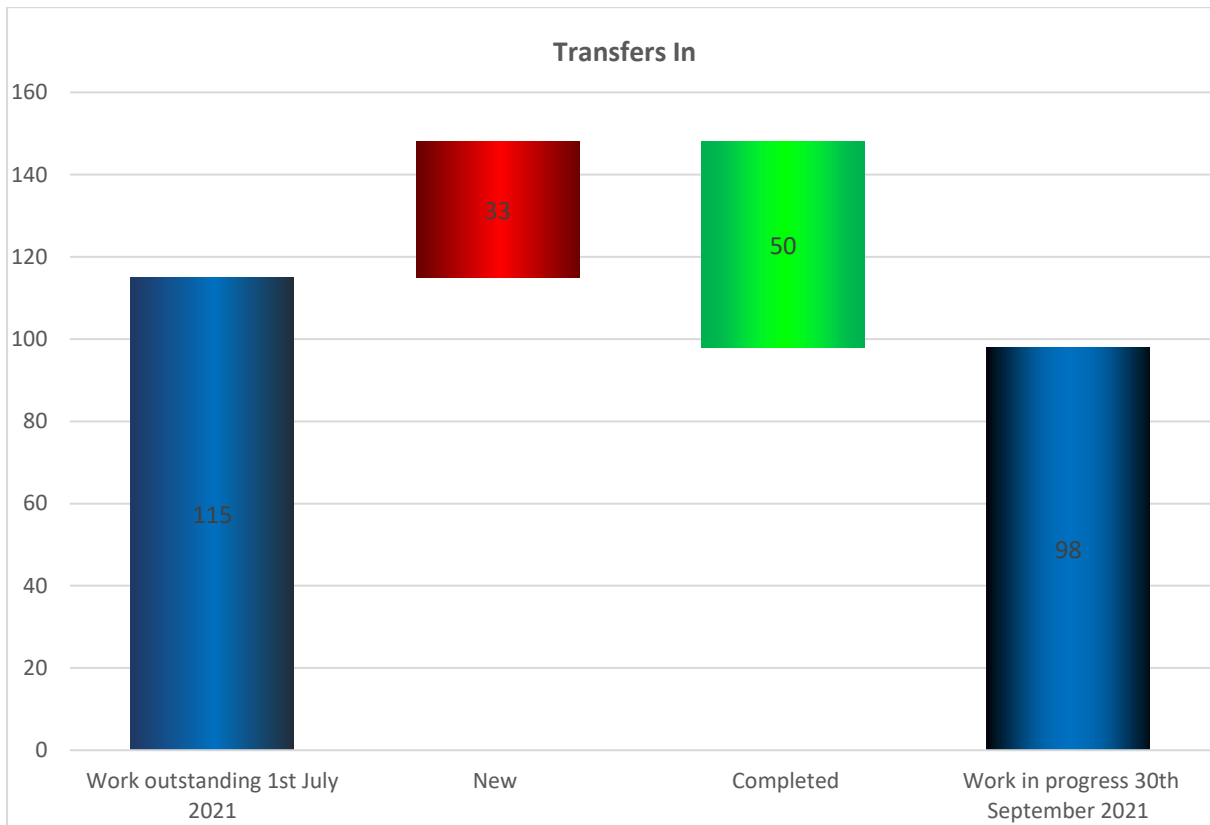
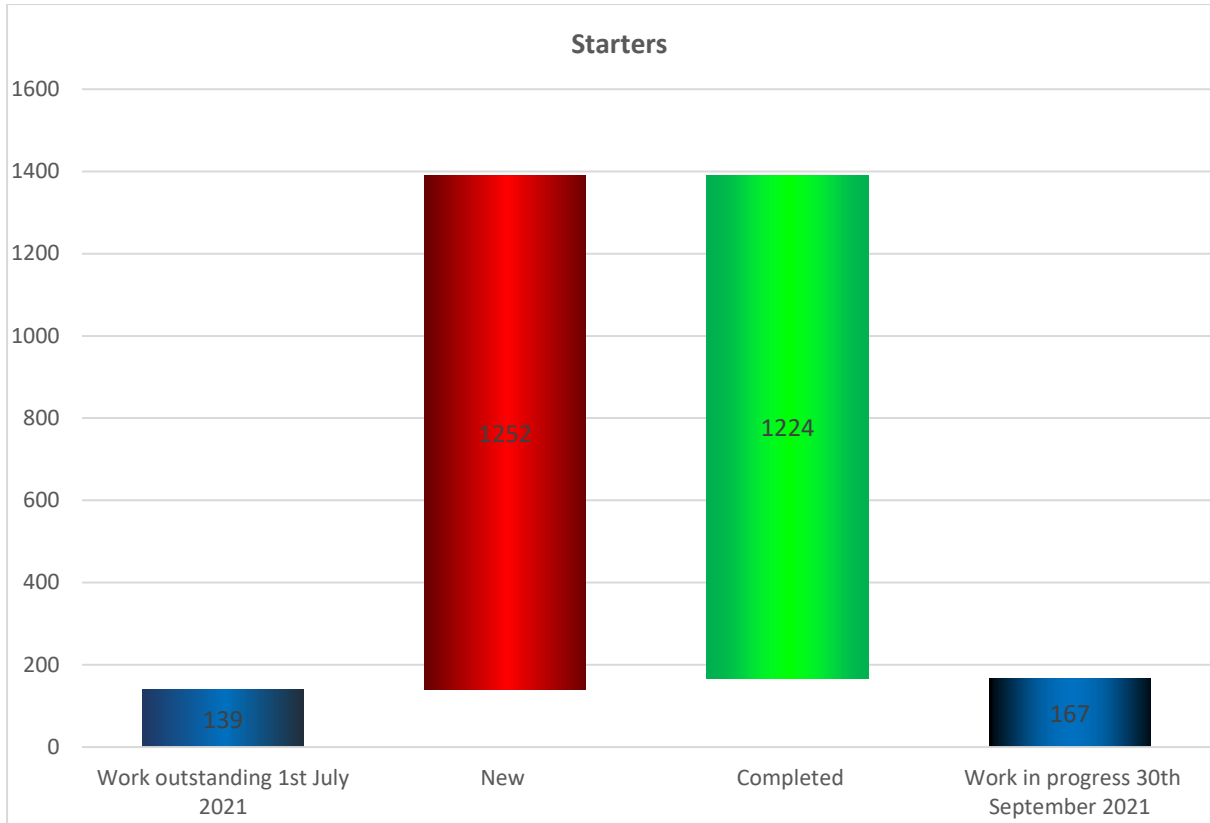
5. Workflow

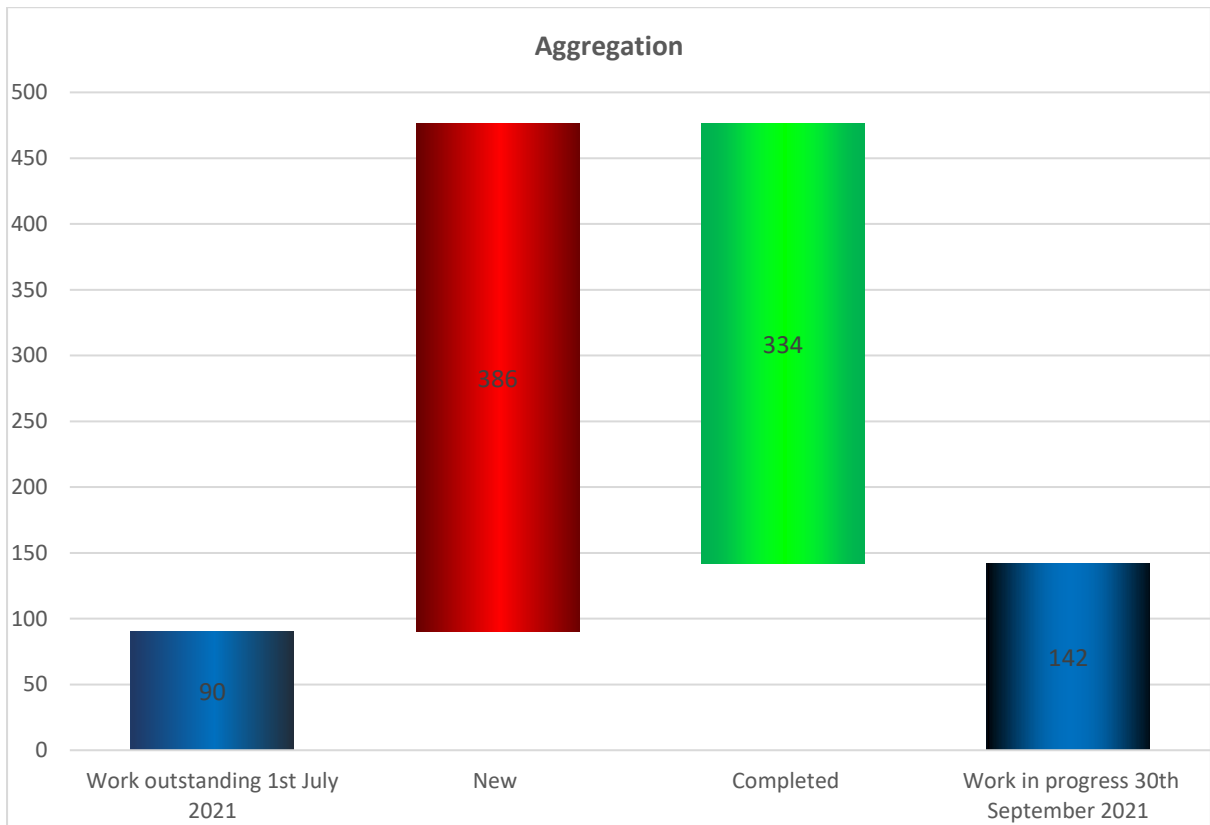
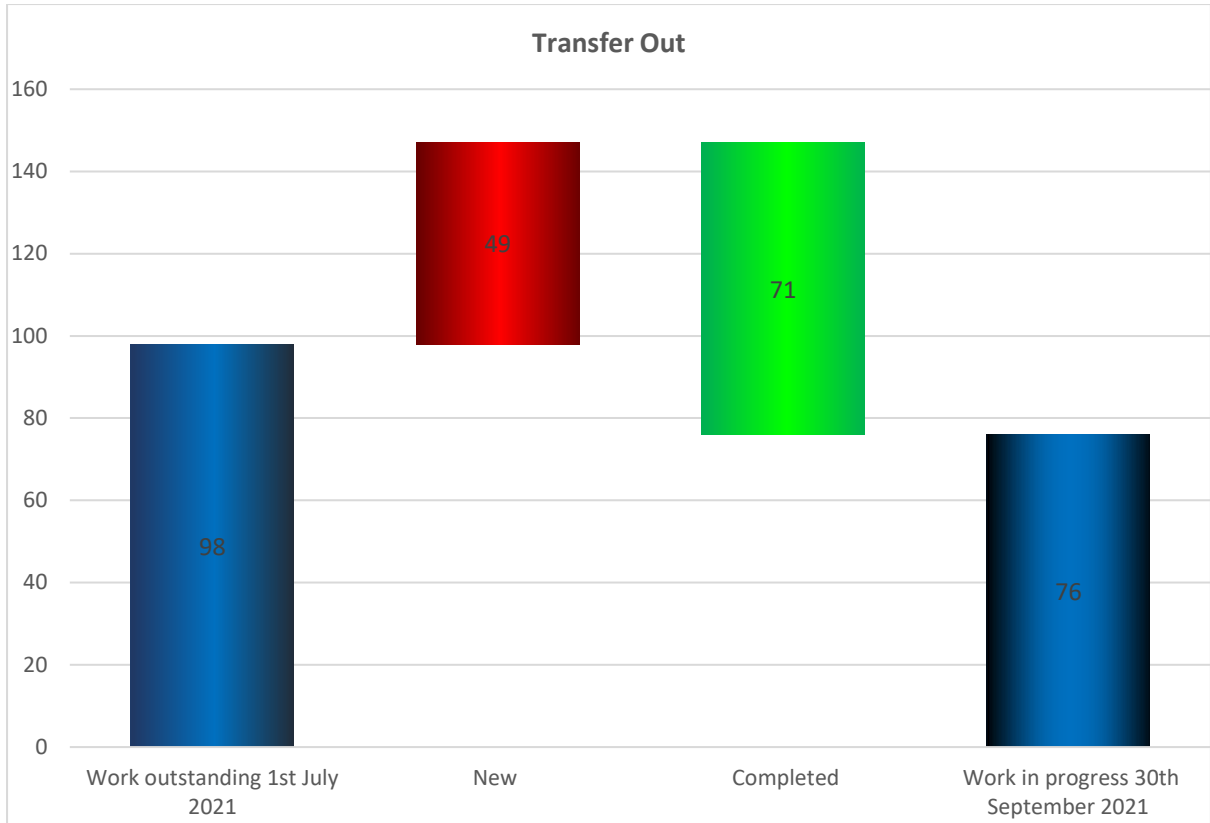
The tables overleaf detail the workflow statistics for the key tasks undertaken in the section for the period 1st July 2021 to 30th September 2021 in respect of the LGPS only. Please note that in circumstances where multiple iterations for the same calculation date have been undertaken, this is recorded as a single estimate. The workflow statistics are recorded on a quarterly basis.

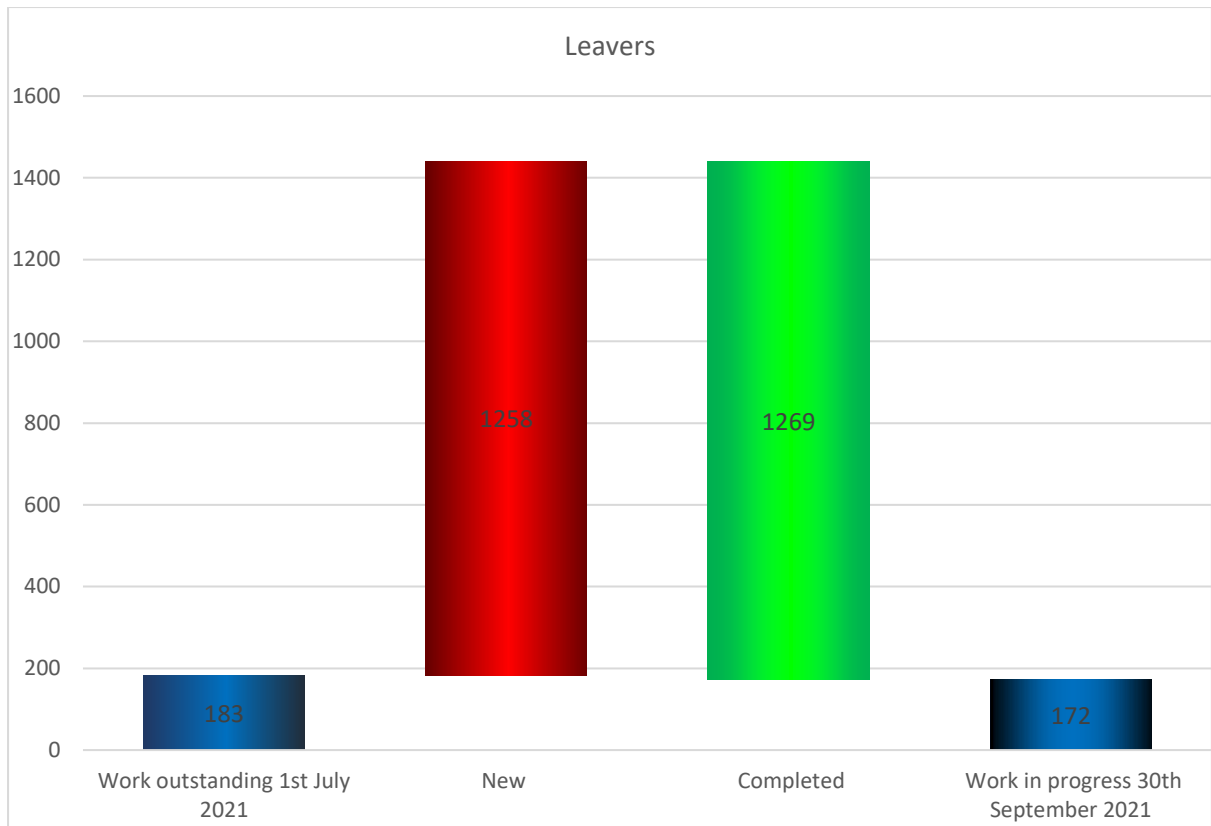
Kevin Gerard

Pensions Manager









**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Adroddiad Torri Amodau 2021-2022

Nodi unrhyw achosion o dorri amodau sydd wedi digwydd yng Nghronfa Bensiwn Dyfed yn 2021-2022 yn unol â Pholisi Torri Amodau.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Nodi unrhyw achosion o dorri amodau sydd wedi digwydd yng Nghronfa Bensiwn Dyfed yn 2021-2022.

Y RHESYMAU:

Yn unol â Pholisi Torri Amodau Cronfa Bensiwn Dyfed.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
-------------------------------------	--------------

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
Awdur yr Adroddiad: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Breaches Report 2021-2022

Introduction

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 provides guidance on reporting these breaches. The Dyfed Pension Fund Breaches Policy was approved by the Dyfed Pension Fund Committee in March 2016.

Under the policy, breaches of the law are required to reported to the Pensions Regulator where there is 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 is likely to be of material significance to the regulator in the exercise of any of its functions.

The up to date breaches report is attached. Since the last Committee meeting there have been a few instances where employee/employer contributions have not been received on time. No report has been sent to the Pensions Regulator as there are no implications of these breaches.

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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

Breaches Report

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
107	2021-22	March, April & May 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. March - 11 members & total refunds = £1603.09, April - 10 members & total refunds = £2975.15, May - 15 members & total refunds = £4516.59	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.
108	2021-22	22/8/21	Contributions	July payment of £26,726.68 was received 23/8/21 (1 day late) due to availability of signatory for payment run. Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach.
109	2021-22	June, July & August 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. June - 21 members & total refunds = £3755.39, July - 16 members & total refunds = £3465.60, August - 44 members & total refunds = £12799.01	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.
110	2021-22	22/10/21	Contributions	July-September payment of £448.41 was received 26/10/21 (4 days late). Cause: New clerk in accountants didn't know that they had to inform the Employer to make the payment. Payment has now been received.	No	Amber	No Report	There are no long term implications associated with this breach.
111	2021-22	September, October & November 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. September - 16 members & total refunds = £2863.97, October - 17 members & total refunds = £2927.85, November - 14 members & total refunds = £2128.38	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.
112	2021-22	22/10/21	Contributions	September payment of £1,250.63 not yet received. Finance Manager has been contacted by telephone and email.	No	Amber	No Report	There are no long term implications associated with this breach.

Mae'r dudalen hon yn wag yn fwriadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Cofrestr Risg 2021-2022

I sicrhau bod pob risg yn cael eu nodi a'u hasesu'n gywir

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Hysbysu'r Pwyllgor bod y gofrestr risg ar gyfer 2021-2022 wedi'i hadolygu i sicrhau bod unrhyw risg yn cael eu nodi a'u hasesu.

Y RHESYMAU:

I sicrhau bod pob risg yn cael eu nodi a'u hasesu'n gywir.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
--------------------------------------	--------------

Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
-------------------------------------	--------------

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
Awdur yr Adroddiad: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Risk Register 2021-2022

The Risk Register is a working document that highlights all the risks identified in relation to the functions of the Dyfed Pension Fund. This is regularly monitored and reviewed.

The register includes:

- Details of all identified risks
- Assessment of the potential impact, probability and risk rating
- The risk control measures that are in place
- The responsible officer
- Target Date (if applicable)

The risks have been reviewed and there have been no changes to the Risk Register since the previous Committee meeting.

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	YES	NONE	NONE

Risk Management Issues

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

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

Risk Register 2021-22

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

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

Date: **19 November, 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 Controls in place)		
	Impact	Probability					Impact	Probability	Controlled 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		Substantial 4	Improbable 1	Low 4

Risk Register 2021-22

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

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

Date: **19 November, 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 Controls in place)		
	Impact	Probability					Impact	Probability	Controlled Risk Rating
				<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

Risk Register 2021-22

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

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

Date: **19 November, 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 Controls in place)		Controlled Risk Rating
	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

Risk Register 2021-22

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

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

Date: **19 November, 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 Controlled Risk (Assume CONTROLLED Controls in place)				
	Impact	Probability				Current Risk Rating	Impact	Probability	Controlled Risk Rating	
				<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> 						

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	Impact	Probability					Impact	Probability	Controlled Risk Rating
				<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 Pensions Manager 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 communicate with employers effectively; failure of key systems such as on-line banking and/or financial	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Contributions monitoring procedures <i>Implemented</i> Formal timescales for receipt of contributions <i>Implemented</i> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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	Impact	Probability					Impact	Probability	
<p>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"> 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>CSV400005 - Failure to keep pension records up to date and accurate</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"> Senior Officers liaise closely with employing authorities to ensure timely and accurate submission of data to DPF <i>Implemented</i> 	<p>Pensions 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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	Impact	Probability				Current Risk Rating	Impact	Probability	Controlled Risk Rating
				<ul style="list-style-type: none"> 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> 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> 	<p>Pensions Manager</p> <p>Pensions Manager</p> <p>Pensions Manager</p> <p>Pensions Manager</p> <p>Pensions Manager</p>				

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	Impact	Probability					Impact	Probability	Controlled Risk Rating
				<ul style="list-style-type: none"> • Opportunity to escalate non-compliance <i>Implemented</i> 	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> • 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> 	Pensions Manager Pensions Manager Pensions Manager Pensions Manager		Significant 3	Improbable 1	Very Low 3

Risk Register 2021-22

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	Impact	Probability					Impact	Probability	Controlled Risk Rating
				<ul style="list-style-type: none"> • 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				
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> 	Pensions Manager Pensions Manager		Moderate 2	Unlikely 2	Low 4

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	Impact	Probability					Impact	Probability	Controlled Risk Rating
				<ul style="list-style-type: none"> Altair Development Officer undertakes data integrity checks <i>Implemented</i> Systems and Payroll audit undertaken annually <i>Implemented</i> 	Pensions Manager Pensions Manager				
<p>CSV400008 - Normal operations disrupted by uncontrollable external factors Service delivery threats from fire, 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>	Substantial 4	Possible 3	High 12	<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 Pensions Manager 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)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
CSV400009 - Inability to keep service going due to loss of main office, computer system, or staff	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> 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 Pensions Manager		Moderate 2	Improbable 1	Very Low 2
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

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Date: **19 November, 2021**

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	Impact	Probability					Impact	Probability	Controlled Risk Rating
<p>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 Pensions Regulations.</p> <p>Significant knowledge gap left if experts leave.</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"> • Key officers convey specialist knowledge to colleagues on a function or topic basis by mentoring <i>Implemented</i> • 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> 	<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>		<p>Significant</p> <p>3</p>	<p>Unlikely</p> <p>2</p>	<p>Medium</p> <p>6</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 Controls in place)		
	Impact	Probability					Impact	Probability	Controlled Risk Rating
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 Implemented 	Pensions Manager		Substantial 4	Improbable 1	Low 4
CSV400013 - Failure to communicate properly with stakeholders Lack of clear communications. 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. Communication with investment managers, custodian, independent adviser, fund employers, pensioners, scheme members, actuary and government organisations.	Significant 3	Unlikely 2	Medium 6	<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> 	Pensions Manager Pensions Manager and Treasury & Pensions Investments Manager 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)		Current Risk Rating	Controls	Assigned To	Target Date Priority	Assessment of Controlled Risk (Assume CONTROLLED Controls in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Quarterly meetings with independent adviser and investment managers <i>Implemented</i> Communications Policy in place <i>Implemented</i> Annual Employer & Consultative Meeting <i>Implemented</i> 	<p>Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p>				
CSV400014 - No appropriate procedures for Employer bodies transferring out of the pension fund or Employer bodies closing to new membership	Significant 3	Possible 3	Medium 9	<ul style="list-style-type: none"> Inter valuation monitoring and rate reassessment if appropriate <i>Implemented</i> 	Pensions Manager		Significant 3	Unlikely 2	Medium 6

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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	
				<ul style="list-style-type: none"> • Identification of any issue and resolution via regular site visits by Communication & Training Officer <i>Implemented</i> • 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 Pensions Manager Pensions Manager 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.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> • Monthly cash and dividend reconciliations <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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

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Date: **19 November, 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	
Immediate cash contribution would be required via employers; delay in the payment of promised liabilities; negative publicity and an adverse audit report.				<ul style="list-style-type: none"> Quarterly monitoring of investment managers by Pension Committee <i>Implemented</i> Appointment of custodian <i>Implemented</i> 	Treasury & Pensions Investments Manager 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> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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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	
				<ul style="list-style-type: none"> Reliance also placed in Financial Conduct Authority registration. <i>Implemented</i> Quarterly monitoring by Pension Committee and Independent Adviser <i>Implemented</i> 	<p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p>				
<p>CSV400017 - Excessive levels of Pension Fund Cash held within Carmarthenshire County Council investment balances</p> <p>High dividend / interest receipts and low benefit payments being made in period.</p> <p>Lower cash like return instead of equity or bond investment returns.</p>	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> 	<p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p>		Significant 3	Improbable 1	Very Low 3

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	Impact	Probability	Current Risk Rating				Impact	Probability	Controlled Risk Rating
<p>CSV400018 - Significant rises in employer contributions due to increases in liabilities or fall in assets Scheme liabilities increase disproportionately as a result of 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>	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> Quarterly monitoring of investment managers by Pension Committee <i>Implemented</i> Diversified Strategic Asset Allocation <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9
<p>CSV400019 - Lack of expertise on Pension Fund Committee and/or amongst Officers 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> 	Treasury & Pensions Investments Manager		Significant 3	Possible 3	Medium 9

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	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Members given induction training on joining Committee with subsequent opportunities to attend other specialist training. <i>Implemented</i> 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

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	Impact	Probability	Current Risk Rating				Impact	Probability	Controlled Risk Rating
CSV400021 - Prolonged failure of investment managers to achieve the returns specified on their mandates Under-performance by the investment managers; lack of monitoring and challenging by the Committee.	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
CSV400022 - Concentration risk - single asset class having disproportionate impact on investment objectives 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. Funding level decreases; employer contribution rates become unacceptable, causing potential increase in employers' costs.	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
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	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

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	Impact	Probability					Impact	Probability	
well as credit exposures to the fund's members and employers. Loss of capital; decrease in asset values; cost of legal proceedings; adverse publicity.									
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 unacceptable, causing potential increase in employers' costs.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Engage qualified actuary to make assumptions <i>Implemented</i> Engage independent adviser to assist the committee in making informed decisions <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
CSV400026 - Price risk The equity investments held exposes the fund to risk in relation to the market price of its investments.	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Establish & review a diversified strategic asset allocation. <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8

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	Impact	Probability					Impact	Probability	
Funding level decreases; employer contribution rates become unacceptable, causing a potential increase in employers' costs.				<ul style="list-style-type: none"> Anticipate long term returns on a prudent basis. <i>Implemented</i> 	Treasury & Pensions Investments Manager				
<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 increase in employers' costs.</p>	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Establish & review diversified (within regions) strategic asset allocation <i>Implemented</i> 	Treasury & Pensions Investments Manager		Substantial 4	Unlikely 2	Medium 8
<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>	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Timetabled Audit Committee cycles <i>Implemented</i> Liaise with external audit <i>Implemented</i> 	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"> Establish closedown timetable <i>Implemented</i> Establish WAO working paper guidance & planning document <i>Implemented</i> Excellent time management skills <i>Implemented</i> 	Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager Treasury & Pensions Investments Manager				
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

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

Date: **19 November, 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 Controls in place)		
	Impact	Probability					Impact	Probability	Controlled Risk Rating
<p>CSV400030 - Failure to recover all debts Lack of communication between fund officers and administering authority officers (debtors); lack of monitoring / recovery procedures.</p> <p>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	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
<p>CSV400031 - Officers acting outside delegated authority Threat of officers making unauthorised decisions or payments.</p> <p>Loss of income to fund; loss of stakeholder confidence in the ability of the administering authority; potential increase in costs to fund employers</p>	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> 	Pensions Manager and Treasury & Pensions Investments Manager Pensions Manager and Treasury & Pensions Investments Manager		Substantial 4	Improbable 1	Low 4

Risk Register 2021-22

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

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

Date: **19 November, 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 Controls in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Monitoring officer role Implemented 	Pensions Manager and Treasury & Pensions Investments Manager				
<p>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 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>	Substantial 4	Possible 3	High 12	<ul style="list-style-type: none"> Establish performance measurement system Implemented Pension Committee member assessments Implemented Officer appraisals in October and March annually Implemented 	<p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p>		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: **19 November, 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 Controls in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> Regular internal and external audits <i>Implemented</i> Establish & review training plan for officers and members <i>Implemented</i> 	<p>Pensions Manager and Treasury & Pensions Investments Manager</p> <p>Pensions Manager and Treasury & Pensions Investments Manager</p>				
<p>CSV400033 - Failure to operate strict financial and budgetary controls 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> 	<p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p> <p>Treasury & Pensions Investments Manager</p>		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: **19 November, 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 Controls in place)		Controlled Risk Rating
	Impact	Probability					Impact	Probability	
				<ul style="list-style-type: none"> • Monthly reconciliations of contributions, dividends, and pension payroll <i>Implemented</i> 	Treasury & Pensions Investments Manager				
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

Mae'r dudalen hon yn wag yn fwiadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Partneriaeth Pensiwn Cymru - Diweddariad y Gweithredwr

Y Pwyllgor Cronfa Bensiwn Dyfed i gael y wybodaeth ddiweddaraf am gerrig milltir a chynnydd Partneriaeth Pensiwn Cymru.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Y Pwyllgor Cronfa Bensiwn Dyfed i gael y wybodaeth ddiweddaraf am gerrig milltir a chynnydd Partneriaeth Pensiwn Cymru.

Y RHESYMAU:

I roi diweddariad ar y meysydd allweddol isod:

- Daliadau Presennol y Cronfeydd
- Cynnydd Lansio'r Gronfa
- Diweddariad ac ymgysylltiad corfforaethol Link / Russell Investments

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
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YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
Awdur yr Adroddiad: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Wales Pension Partnership (WPP) – operator update

A report from the Operator providing an update on the progress and milestones of the following Sub Funds:

- Tranche 1 – Global Equity
- Tranche 2 – UK Equity
- Tranche 3 – Fixed Income
- Tranche 4 – Emerging Markets

Also, a Corporate and Engagement update including the engagement protocol and key meeting dates.

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

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

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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

Wales Pension Partnership

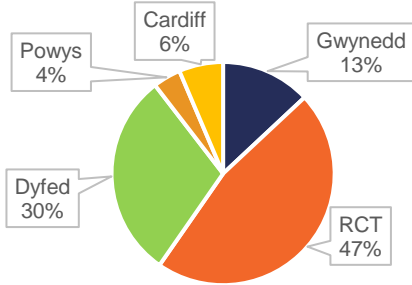
Q3 Joint Governance Committee

1st December 2021

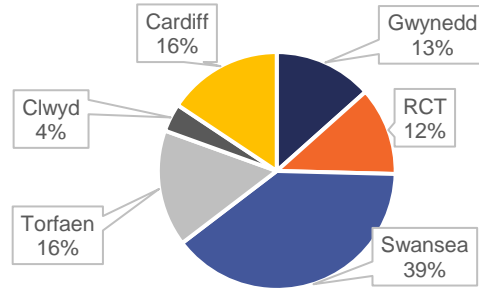
September 2021 LF Wales PP Fund Snapshot

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

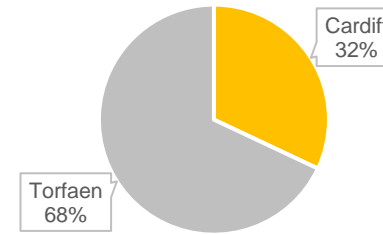
Global Growth



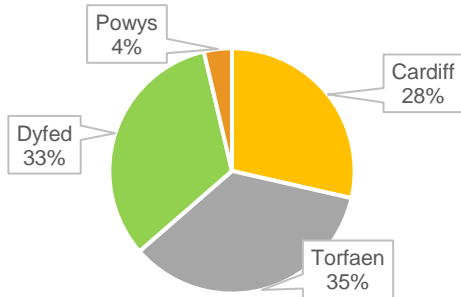
Global Opportunities



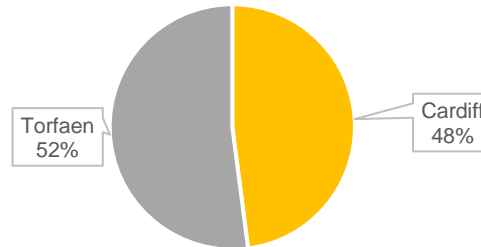
UK Opportunities



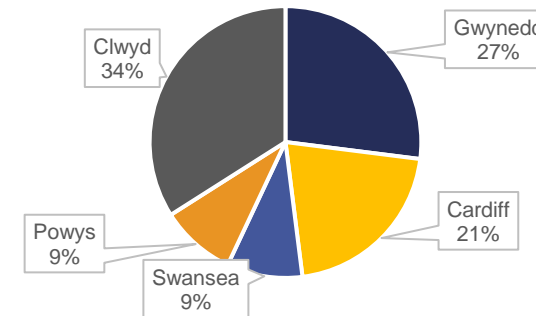
Global Credit



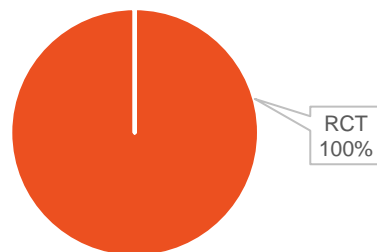
Global Gov. Bond



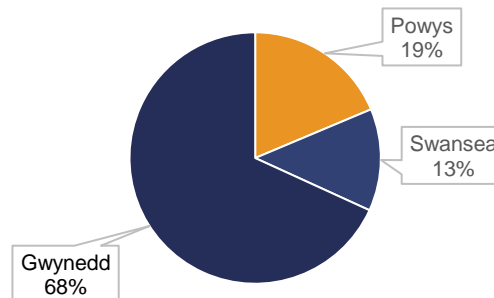
Multi Asset Credit



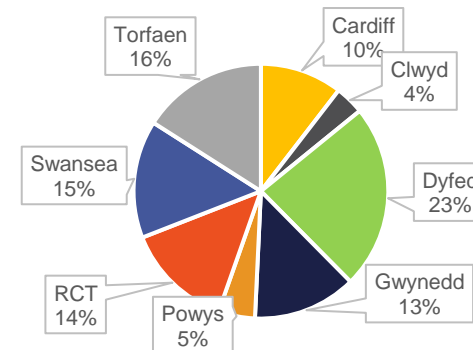
Sterling Credit



Absolute Return Bnd



Passive



Tudalen 90

September 2021 LF Wales PP Fund Snapshot

Fund	AUM	Inception date
Global Growth	£3,424,390,657	6 th Feb 2019
Global Opportunities	£3,264,686,297	14 th Feb 2019
UK Opportunities	£763,871,743	10 th Oct 2019
Global Credit	£810,662,820	21 st Aug 2020
Global Government Bond	£530,505,300	20 th Aug 2020
Multi Asset Credit	£752,139,840	12 th Aug 2020
Sterling Credit	£603,246,243	19 th Aug 2020
Absolute Return Bond	£486,555,419	30 th Sept 2020
Total Active Investments	£10,636,058,319	
Total Passive Investments	£5,663,459,415	
Total Pooled Assets	£16,299,517,734	

Note: All data as at 30th September 2021

Fund Launch Progress Report

Tranche 4 & other updates

Open Launch Activity

Key Achievements & Updates

Fund Launches Progress				
	Overview	Status	Progress in period	Launch / completion dates
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"> FCA approval received 22nd March Transition plan agreed and shared with each investor Fund launch 20th October Trading activity to be completed w/c 1st Nov 	October 2021
Fund prospectus updates	<ul style="list-style-type: none"> Proposed in-flight prospectus updates 		<ul style="list-style-type: none"> Review of prospectus language to align all sub funds under PS19/4 requirements - LFS to determine if this will require filing or full FCA approval (in line with other updates) Baillie Gifford GAPA: implementation of a carbon screening process on the BG sleeve of the GG fund 	Q4

LFS Corporate Update & Engagement

LFS Corporate Update & Engagement

LFS updates

- LFS has recruited two investment specialists reporting to Ronan Walsh (CIO):
 - Peter Ritchie - Head of Equities – Investment Risk
 - Fabrice Jaudi - Head of Multi Asset and Fixed Income - Investment Risk

Key Q3 and future WPP Engagement

Link attendance at OWG/JGC meetings in period:

- OWG 19th July 2021
- JGC 28th July 2021
- JGC 22nd Sep 2021

Link attendance at OWG/JGC meetings in next quarter:

- OWG 3rd Nov 2021
- JGC 1st Dec 2021

Link - Pension Committee attendance in period:

- None

Link - Pension Committee attendance in next quarter :

- Cardiff 14th Dec 2021

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
<p>WPP Attendees</p> <ul style="list-style-type: none"> Chris Moore Anthony Parnell Two Section 151 / Deputy Section 151 officers 	<ul style="list-style-type: none"> Bi-annual 	<ul style="list-style-type: none"> Ensure strategic alignment between Host Authority and Link <p>Link Attendees</p> <ul style="list-style-type: none"> Karl Midl, Managing Director Richard Thornton, Head of Relationship Management, Asset Owners
JGC Engagement	Frequency	Objective
<p>WPP Attendees</p> <ul style="list-style-type: none"> Joint Governance Committee (JGC) 	<ul style="list-style-type: none"> Quarterly 	<ul style="list-style-type: none"> Engage with JGC on pertinent matters and strategic deliverables <p>Link Attendees</p> <ul style="list-style-type: none"> Karl Midl, Managing Director / Adam Tookey, Head of Product – as required Richard Thornton, Head of Relationship Management, Asset Owners Eamonn Gough, Senior Relationship Manager Russell Investments
OWG Engagement	Frequency	Objective
<p>WPP Attendees</p> <ul style="list-style-type: none"> Officers Working Group (OWG) 	<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) <p>Link Attendees</p> <ul style="list-style-type: none"> Eamonn Gough, Senior Relationship Manager Richard Thornton, Head of Relationship Management, Asset Owners Alistair Coyle, Relationship Manager (as required) Ad-hoc Link attendance from functional departments: Tax, Compliance, Product, etc. Russell Investments

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 ▪ Alistair Coyle, Relationship Manager (as required) ▪ Clair Baguley, 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 ▪ Alistair Coyle, Relationship Manager ▪ Richard Thornton, Head of Relationship Management, Asset Owners ▪ Russell Investments

Mae'r dudalen hon yn wag yn fwiadol

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

**Atodiad Cytundeb Rhwng Awdurdodau Partneriaeth Pensiwn
Cymru**

Y Pwyllgor i nodi cynnwys yr adroddiad ac argymell y dylid cymeradwyo'r atodiad i'r Cytundeb Rhwng Awdurdodau yng nghyfarfod nesaf y Cyngor.

**YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU
HANGEN:**

Y Pwyllgor i nodi cynnwys yr adroddiad ac argymell y dylid cymeradwyo'r atodiad i'r Cytundeb Rhwng Awdurdodau yng nghyfarfod nesaf y Cyngor.

Y RHESYMAU:

Mae'r Cytundeb Rhwng Awdurdodau wedi cael ei adolygu gan Weithgor Swyddogion Partneriaeth Pensiwn Cymru a Burges Salmon, ymgynghorwyr cyfreithiol Partneriaeth Pensiwn Cymru er mwyn galluogi:

- cynrychiolydd aelodau o'r cynllun i fod yn rhan o Gyd-bwyllgor Llywodraethu
- penodi Dyranwyr ar gyfer Is-gronfeydd y Farchnad Breifat,
- amrywiol fân-newidiadau eraill neu ddiweddariadau ers sefydlu Partneriaeth Pensiwn Cymru

Ymgynghorwyd â'r pwyllgor craffu perthnasol

AMHERTHNASOL

Angen i'r Cabinet wneud penderfyniad

OES

Angen i'r Cyngor wneud penderfyniad

OES – 8 Rhagfyr 2021

YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth:
Gwasanaethau Corfforaethol

Enw'r Gyfarwyddwr:
Chris Moore

Awdur yr Adroddiad:
Chris Moore

Swydd:

Cyfarwyddwr
Gwasanaethau
Corfforaethol, Cyngor
Sir Gâr

Rhifau ffôn: 01267 224120

Cyfeiriad e-bost:

CMoore@sirgar.gov.uk

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

**Wales Pension Partnership Inter-Authority Agreement (IAA)
Addendum**

Changes to the IAA require unanimous agreement from all eight of the Constituent Authorities within the WPP and an Addendum to allow for the above changes is attached. The Committee is asked to recommend the Addendum to Carmarthenshire County Council for approval at the 8th December 2021 County Council meeting.

Amendments to the agreement are included in schedule 1 of the attached report.

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	YES	NONE	NONE	NONE	NONE	NONE

Legal

The Inter-Authority Agreement is a legal document and any changes require unanimous agreement from all eight of the Constituent Authorities.

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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

Amendment to the Inter-Authority Agreement between

Carmarthenshire County Council	(1)
City & County of Swansea Council	(2)
City of Cardiff Council	(3)
Flintshire County Council	(4)
Gwynedd Council	(5)
Powys County Council	(6)
Rhondda Cynon Taff County Borough Council	(7)
Torfaen County Borough Council	(8)

Made on

2021

By

- (1) **CARMARTHENSHIRE COUNTY COUNCIL** of County Hall, Carmarthen, Carmarthenshire, SA31 1JP
- (2) **CITY & COUNTY OF SWANSEA COUNCIL** of The Guildhall, Swansea, SA1 4PE
- (3) **THE COUNTY COUNCIL OF THE CITY AND COUNTY OF CARDIFF** of County Hall, Atlantic Wharf, Cardiff, CF10 4UW
- (4) **FLINTSHIRE COUNTY COUNCIL** of County Hall, Mold, Flintshire, CH7 6NA.
- (5) **GWYNEDD COUNCIL** of Shirehall Street, Caernarfon, Gwynedd LL55 1SH
- (6) **POWYS COUNTY COUNCIL** of County Hall, Llandrindod Wells, Powys, LD1 5LG
- (7) **RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL** of The Pavilions, Clydach Vale, Tonypany, CF40 2XX
- (8) **TORFAEN COUNTY BOROUGH COUNCIL** of Civic Centre Pontypool Torfaen NP46YB

(together referred to as the “**Constituent Authorities**” and individually as a “**Constituent Authority**”)

1 BACKGROUND

- 1.1 The Constituent Authorities are all councils responsible for the administration of local government within their areas as set out in the Local Government Act 1972. The Department for Communities and Local Government in its letter dated 23 November 2016 confirmed that the Constituent Authorities have been granted permission for each Constituent Authority to continue to collaborate with every other Constituent Authority to form a pool of assets in respect of each of their respective funds under the LGPS.
- 1.2 The Constituent Authorities entered into the Agreement to create a formal joint committee pursuant to section 101 and section 102 of the Local Government Act 1972 by Deed dated 26 June 2017. The Agreement in clause 34 allows for amendment of its terms provided that the amendment is made in writing and is signed on behalf of all the Constituent Authorities by duly authorised representatives.
- 1.3 This Amendment is made under clause 34 in order to amend the Agreement to:
 - (a) allow the participation of a co-opted member in the Joint Governance Committee; and
 - (b) allow for a number of changes which support the development and effectiveness of the pooling collaboration.

AGREED TERMS

2 INTERPRETATION

- 2.1 In this Amendment terms shall have the same meaning as set out in the Agreement where:
 - (a) **Agreement** means the deed titled Inter-Authority Agreement made between the Constituent Authorities on 26 June 2017.
 - (b) **Amendment** means this document amending the terms of the Agreement.

3 COMMENCEMENT

This Amendment shall take effect on [] 2021. For the avoidance of doubt, this Amendment is only effective when each Constituent Authority has signed it in accordance with clause 34 of the Agreement.

4 AMENDMENT OF THE AGREEMENT

The Agreement is amended as set out in Schedule 1 to this Amendment.

5 SEVERANCE

5.1 If any provision or part-provision of the Agreement or this Amendment is or becomes invalid, illegal or unenforceable, it shall be modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

5.2 If one Constituent Authority gives notice to the other Constituent Authorities of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the Constituent Authorities shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended result of the original provision.

6 COUNTERPARTS

This Amendment may be executed in any number of counterparts by the Constituent Authorities, all of which taken together, shall constitute one and the same agreement, and any Constituent Authority (including any duly authorised representative of a Constituent Authority) may execute this Amendment by executing a counterpart.

Schedule 1

Amendments to the Agreement

The following amendments are made to the Agreement:

1 CLAUSE 1 INTERPRETATION

1.1 In clause 1, the following definition is inserted at the start of the list of definitions:

Allocator means the, one or more, allocator for [private market] asset classes who will facilitate the preferred investment structure and select sub-managers, underlying funds and/or direct investments for the purposes of the Pooling Collaboration appointed by the Joint Governance Committee.

1.2 In clause 1, following the definition of “Constituent Authorities”, the following definitions are inserted:

Contact List means the document circulated periodically by the Host Authority setting out relevant contact details for each of the Constituent Authorities.

Co-opted Member means a person, nominated by a Constituent Authority or the Pension Board of a Constituent Authority, and appointed as a Co-opted Member of the Joint Governance Committee by the Members; who is not an elected member of a Constituent Authority but is a Pension Member Representative of a Constituent Authority.

1.3 In clause 1 (and throughout the document thereafter, but including the contents pages), the definition “Host Council” is changed to “**Host Authority**” but retains its meaning throughout the document, being:

Host Authority means the Constituent Authority appointed in accordance with clause 7 and whose duties are described within that clause.

1.4 In clause 1, the definition of Member is delete and replaced by the following definition:

Member means each of the elected members of the Constituent Authorities nominated to be Members of the Joint Governance Committee in accordance with clause 3.3(a).

1.5 In clause 1, following the definition of “Pension Board”, the following definition is inserted:

Pension Member Representative means a person appointed to a Pension Board as a member representative further to regulation 107(2)(b) of the Local Government Pension Scheme Regulations 2013.

2 CLAUSE 3

2.1 Clause 3.3 is delete and replaced by the following:

3.3 The membership of the Joint Governance Committee shall be:

(a) one elected member nominated by each of the Constituent Authorities, provided that the nominated person is an elected member of that Constituent Authority and a member of that Constituent Authority’s pensions committee (or equivalent body) for the purposes of the Local Government Pension Scheme Regulations 2013; and

(b) one Co-opted Member appointed by decision of the Members (or a sub-group of the Members where such a sub-group is formed to consider the candidates), and which Co-opted Member shall be selected from a pool of candidates nominated by each of the Constituent Authorities or their Pension Boards.

2.2 Clause 3.4 is delete and replaced by the following:

3.4 For the purposes of clause 3.3, each Constituent Authority may appoint a named deputy for each Member, which deputy must be an elected member of the same Constituent Authority and the same Constituent Authority's pension committee (or equivalent body) for the purposes of the Local Government Pension Scheme Regulations 2013 as the Member for whom they are acting as deputy; and

3.4 A In the case of the Co-opted Member, a deputy shall be appointed by decision of the Members (or a sub-group of the Members where such a sub-group is formed to consider the candidates), and which deputy for the Co-opted Member shall be selected from a pool of candidates nominated by each of the Constituent Authorities or their Pension Boards.

2.3 A new clause 3.8 as follows is inserted:

3.8 The Co-opted Member shall be invited to and is expected, where possible, to attend all training provided to Members under clause 3.7.

3 CLAUSE 31

3.1 Clause 31.1 is amended by deleting the words "Schedule 1" and replacing them with "the Contact List".

4 SCHEDULE 1

4.1 In Schedule 1, the content of the schedule is held delete and replaced by the following:

As of [date], the Host Authority maintains a list of the relevant contact details for each of the Constituent Authorities. This will be issued periodically by the Host Authority to the Constituent Authorities and is also available on request.

5 SCHEDULE 2

5.1 In Schedule 2, new items are added to the numbered list as follows:

12. Nomination of a Co-opted Member to the Joint Governance Committee (except where that role is carried out by a Pension Board, in which case it is reserved to that Pension Board) .

13. Approval of changes to the terms of reference of the Joint Governance Committee as set out in Schedule 4.

6 SCHEDULE 4

6.1 In Schedule 4 Joint Governance Committee – Terms of Reference the bullet points are replaced with numbering.

6.2 In Schedule 4, item 8 is held delete and replaced by the following:

8. From time to time reviewing policies in respect of environmental, social and governance matters and where appropriate make recommendations to the Constituent Authorities as to any changes deemed necessary.

6.3 In Schedule 4, item 13 is held delete and replaced by the following:

13. Monitoring the implementation and effectiveness of the policies described in Schedule 5 and initiating reviews of these where required.

6.4 In Schedule 4, item 19 is held delete and replaced by the following:

19. Agreeing criteria for the evaluation of bids or tenders for any procurement of the Operator (including for the avoidance of doubt, a replacement Operator) to be put forward for the approval of the Constituent Authorities.

6.5 In Schedule 4, new items are inserted as follows:

20. Any reference in this schedule to the Joint Governance Committee taking any action including agreeing, approving or making recommendations, shall be determined subject to the voting provisions set out in Schedule 6.
21. Approval of an appointment of an Allocator following a recommendation by the OWG, reviewing the performance of an Allocator(s), and reporting on the performance of the Allocator(s) to the Constituent Authorities.
22. Approval of the termination of the appointment of an Allocator following a recommendation by the OWG.

7 SCHEDULE 5

7.1 In Schedule 5, the existing wording is held delete and replaced by the following:

The Joint Governance Committee, with the support of the OWG, will formulate, review and revise on an ongoing basis policies and procedures as deemed appropriate to support robust and effective governance arrangements for the Pooling Collaboration, including the following (which for the avoidance of doubt, is non-exhaustive):

- (a) Responsible Investment Policy
- (b) Climate Risk Policy
- (c) Voting Policy
- (d) Training Policy & Plans
- (e) Communication Policy
- (f) Governance Decision Matrix
- (g) Risk Policy and Risk Register
- (h) Conflict of Interest and Procedure Policy
- (i) Rebalancing and Alteration Policy
- (j) Responsibilities Matrix
- (k) Complaints Policy
- (l) Whistleblowing Policy
- (m) Breaches and Errors Policy
- (n) Business Continuity Plan

8 SCHEDULE 6

8.1 Paragraph 1 of Schedule 6 is held delete and replaced by the following:

1 MEMBERSHIP

1.1. The membership of the Joint Governance Committee shall consist of one Member per Constituent Authority and one Co-opted Member.

1.2 No substitutes other than deputies shall be allowed.

8.2 A new section 1A, ROLE OF THE CO-OPTED MEMBER, is inserted following section 1 of schedule 6 as follows:

1A ROLE OF THE CO-OPTED MEMBER

1A.1 The primary role of the Co-opted Member is to provide scheme member representation on the Joint Governance Committee.

1A.2 The Co-opted Member is entitled to attend all meetings of the Joint Governance Committee, including exempt items, to be provided with copies of all papers, and to speak on any item during meetings of the Joint Governance Committee.

1A.3 The Co-opted Member may ask the Chair to include any matter on the agenda which they consider should be discussed by the Joint Governance Committee.

8.3 Clause 2.3 is amended in the first line by insertion of the words 'executive summaries of following 'agendas',

8.4 Clause 2.4 is held delete and replaced by the following:

2.4 The Joint Governance Committee may decide to allow remote participation in meetings via video-conference or any similar medium having regard to any applicable guidance issued from time to time by the Welsh Government. Any Member or Co-opted Member attending by video-conference shall be held to be in attendance at the meeting for the purposes of this Schedule.

8.5 Paragraph 2.5 of Schedule 6 is held delete and replaced by the following:

2.5 A meeting of the Joint Governance Committee may be called by a proper officer of the Host Authority on the request of the Chair. Members and the Co-opted Member must declare any conflict of interest in respect of any business being conducted at the meeting which would likely to be regarded to prejudice the exercise of a person's function as a participant in the meeting.

8.6 Paragraph 2.6 of Schedule 6 is held delete and replaced by the following:

2.6 The Chair is responsible for the running of meetings. The Chair shall invite Members and the Co-opted Member expressing a desire to speak in turn. All discussion and debate shall be held through the Chair and the Chair may draw a discussion to a vote at any time where they consider that every Member and the Co-opted Member has been given a fair opportunity to speak.

8.7 Sub-paragraph 2.9(a) of Schedule 6 is held delete and replaced by the following:

Where any item to be discussed forms exempt information, the Chair shall move that the public and press are excluded from the meeting for the duration of the discussion and voting on that item. The Co-opted Member is entitled to remain in the meeting and shall not be excluded. Motions to exclude the press and public do not require to be seconded and shall be determined by simple majority vote of the Members present.

8.8 Paragraph 6.2 of Schedule 6 is held delete and replaced by the following:

6.2 A Member or the Co-opted Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the provisions of this Schedule, or the law or other competent authority. The Member or Co-opted Member must indicate the provision or law or regulation and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final. The Chair may take advice on the point of order from the appropriate officer.

8.9 Section 7 of Schedule 6 is held delete and replaced by the following:

7 VOTING

7.1 The Chair shall seek consensus wherever possible however where a vote is required the provisions of this section shall apply.

- 7.2 Each Member present will have one vote and voting will be by means of a show of hands or such other method as the Chair may decide is appropriate in the circumstances, including a roll call. The Co-opted Member may not vote. In the event of a tied vote, the Chair shall have a second or casting vote.
 - 7.3 All decisions will be determined by simple majority of Members present.
 - 7.4 In the event that a vote is taken, the voting positions and any abstentions of Members will be recorded in the minutes.
- 8.10 Paragraph 8.1 of Schedule 6 is held delete and replaced by the following:
- 8.1 The Joint Governance Committee shall form such sub-committees and working groups as it considers expedient to performing its function. The Joint Governance Committee shall at the time of forming sub-committees or working groups set out the remit of the sub-committees or working groups, what the sub-committees or working groups are required to deliver and the timescale for that delivery.. The Co-opted Member may be a member of any sub-committee or working group.

Paragraph 8.4 of Schedule 6 is held delete and replaced by the following:

- 8.4 Working groups may invite any person who is not a Member or Co-opted Member to join the group in order to assist in carrying out its function.

9 SCHEDULE 8

- 9.1 In Schedule 8, letters a-o are replaced with numbers 1-17.
- 9.2 In Schedule 8, the following items are inserted after item 14 (with semi-colons and full stops updated accordingly):
 - 15. establishing sub-groups and/or working groups of the OWG if the OWG consider such sub-group or working group would assist the effectiveness of the OWG to progress a particular project or workstream;
 - 16. reviewing, formulating or evaluating governance arrangements and policies for the Pooling Collaboration (including for the avoidance of doubt the policies and procedures described in Schedule 5);
 - 18. managing the procurement process for the procurement of an Allocator, or the replacement of an Allocator, including determining the criteria for the evaluation of bids or tenders;
 - 19. monitoring and reviewing the performance of the Allocator(s) in meeting relevant objectives, service levels and key performance targets.

IN WITNESS whereof the parties have executed this Agreement on the date and year first above written.

THE COMMON SEAL of)
 Carmarthenshire County Council)
 was affixed hereto in the)
 presence of:-)
 Authorised Officer

THE COMMON SEAL of)
Council of the City and County of Swansea)
was affixed hereto in the)
presence of:-)
Authorised Officer

THE COMMON SEAL of)
County Council of the City and County of Cardiff)
was affixed hereto in the)
presence of:-)
Authorised Officer

THE COMMON SEAL of)
Flintshire County Council)
was affixed hereto in the)
presence of:-)
Chair / Legal Services Manager / Chief Officer Governance

THE COMMON SEAL of)
Gwynedd County Council)
was affixed hereto in the)
presence of:-)
Authorised Officer

THE COMMON SEAL of)

Powys County Council)

was affixed hereto in the)

presence of:-)

Authorised Officer

THE COMMON SEAL of)

Rhondda Cynon Taf County Borough Council)

was affixed hereto in the)

presence of:-)

Authorised Officer

THE COMMON SEAL of)

Torfaen County Borough Council)

was affixed hereto in the)

presence of:-)

Authorised Officer

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Cynllun Hyfforddi 2021-2022

Rhoi Cynllun Hyfforddi wedi'i ddiweddarau i Bwyllgor Cronfa Bensiwn Dyfed.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Bod y Pwyllgor yn nodi Cynllun Hyfforddi 2021-2022.

Y RHESYMAU:

Rhoi Cynllun Hyfforddi wedi'i ddiweddarau i Bwyllgor Cronfa Bensiwn Dyfed.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
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YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
Enw'r Cyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
Awdur yr Adroddiad: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Training Plan 2021-2022

The report includes the schedule of Committee meetings and training events for members and officers of the Dyfed Pension Fund. It has been updated for actual attendance whether in person or online and further anticipated events in the future.

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

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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

DYFED PENSION FUND

Committee Members and Officers Training 2021-2022

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) – Pension Investment Officer

<u>Date</u>	<u>Subject</u>	<u>Provider</u>	<u>Venue</u>	<u>Attendees</u>
14 May 2021	Schroders Training & Briefing Session	Schroders	Virtual Meeting	RH, AP, MO, EW, DC & DT
18 - 19 May 2021	LA Conference	PLSA	Virtual Meeting	All members & officers
14 June 2021	BlackRock Training & Briefing Session	BlackRock	Virtual Meeting	CM, RH, AP, MO, EW, JJ & DC
16 June 2021	Committee Meeting		Virtual Meeting	CM, RH, AP, KG, MO & all members
5 – 7 July 2021	Strategic Investment Forum	LAPF	The Grove Hotel, Herts	AP
14 July 2021	Business Meeting	LAPFF	Virtual Meeting	AP & EW
8 - 9 September 2021	Investment Summit	LGC	Leeds	AP, EW & DT
6 October 2021	AGM & Business Meeting	LAPFF	Virtual Meeting	AP & EW
7 October 2021	ACM		Virtual Meeting	All members & officers
8 October 2021	Committee Meeting		Virtual Meeting	CM, RH, AP, KG, MO & all members

26 October 2021	Fundamentals Training	LGPC	Cardiff	DT
16 – 17 November 2021	Pension Managers Conference	SWPE	Torquay	KG & MM
23 November 2021	Fundamentals Training	LGPC	Cardiff	DT
3 December 2021	Committee Meeting		Virtual Meeting	CM, RH, AP, KG, MO & all members
8 – 10 December 2021	Annual Conference	LAPFF	Bournemouth	CM & DC
15 December 2021	Fundamentals Training	LGPC	Cardiff	DC, DT & MO
January 2022 (tbc)	Pension Fund Accounts	CIPFA	London	MO
26 January 2022	ESG issues	LAPFF	London	AP & DC
29 March 2022	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 Cabinet /Leader being notified retrospectively.

**PWYLLGOR CRONFA BENSIWN DYFED
DYDDIAD 03/12/2021**

Diweddariad ar ôl Troed Carbon

Bod Aelodau'r Pwyllgor yn nodi'r adroddiad diweddaru ar ôl Troed Carbon.

YR ARGYMHELLION / PENDERFYNIADAU ALLWEDDOL SYDD EU HANGEN:

Bod y Pwyllgor yn nodi'r adroddiad diweddaru ar ôl Troed Carbon.

Y RHESYMAU:

Rhoi'r wybodaeth ddiweddaraf i Bwyllgor Cronfa Bensiwn Dyfed am ôl troed carbon y Gronfa fel yr oedd.

Ymgynghorwyd â'r pwyllgor craffu perthnasol	AMHERTHNASOL
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Angen i'r Cabinet wneud penderfyniad	AMHERTHNASOL
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Angen i'r Cyngor wneud penderfyniad	AMHERTHNASOL
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YR AELOD O'R CABINET SY'N GYFRIFOL AM Y PORTFFOLIO - AMHERTHNASOL

Y Gyfarwyddiaeth: Gwasanaethau Corfforaethol	Swydd:	Rhifau ffôn: 01267 224120
Enw'r Gyfarwyddwr: Chris Moore	Cyfarwyddwr Gwasanaethau Corfforaethol, Cyngor Sir Gâr	Cyfeiriad e-bost: CMoore@sirgar.gov.uk
Awdur yr Adroddiad: Chris Moore		

**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 03/12/2021**

Carbon Footprint update

A report has been provided by the Fund's Independent Investment Advisor to update the Committee on the Carbon Footprint position. The report includes:

- Context
- Action Plan and Progress in Reducing Carbon Footprint
- Next Steps
- Conclusion

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


**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

NA

**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



Dyfed Pension Fund – Carbon Footprint

PLC Meeting – 3rd December 2021

Adrian Brown

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- Context
- Action Plan and Progress in Reducing Carbon Footprint
- Next Steps
- Conclusion

“The investment objective is therefore to **maximise returns subject to an acceptable level of risk** (including climate and other ESG risks) whilst.” **increasing certainty of cost for employers, and minimising the long term cost of the scheme**

“Climate Change The Fund recognises the importance in addressing the financial risks associated with climate change through its investment strategy, and believes that:

- **Climate change presents a systemic risk** to the overall stability of every economy and country, with the potential to impact on the members, employers, and all of the holdings in the Fund's investment portfolio.
- Considering the impacts of climate change is not only the legal or fiduciary duty of the Fund but is also consistent with the long term nature of the Fund. **The Fund's investments need to be sustainable** to be in the best interests of all key stakeholders. To this end, **the Fund is committed to transition its investments towards net zero GHG emissions over the medium term.** The Pension Fund will regularly report on progress, including establishing intermediate targets.
- **Engagement is the best approach** to enabling the change required to address the Climate Emergency. **However selective risk-based disinvestment is appropriate** to facilitate the move to a low carbon economy.
- As well as creating risk, **it also presents opportunities** to make selective investments that achieve the required returns, whilst at the same time make a positive social and environmental impact, such as environmental infrastructure and clean energy and energy efficiency products and services.”

2020 – 2021

- DPF set a baseline as at 30 September 2020.
- Weighted average carbon intensity metric chosen on basis of availability/ consistency.
- DPF started 10% below market benchmark.
- Major equity rebalance executed in Q1 2021 (below), delivering a further 10% reduction (before market movements).

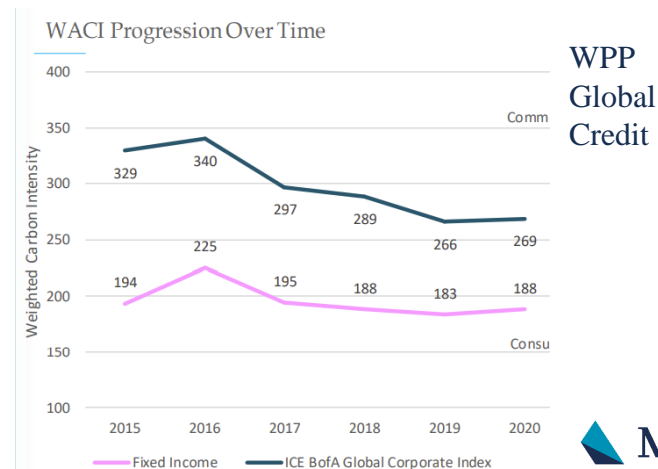
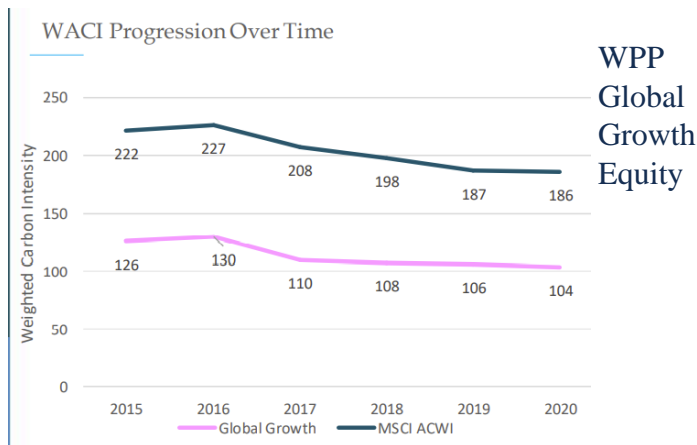
Asset Class Allocation (%)	Starting Allocation	Change	Resultant Allocation (31/3/21)
US Equity (active)	11	- 11	0
UK Equity (passive)	21	- 4	17
Low-Carbon Global Equity	0	+10	10
WPP Global Equity	26	+ 5	31
Total Equity	75	-	75

Tudalen 126

2021 – 2022 Plan

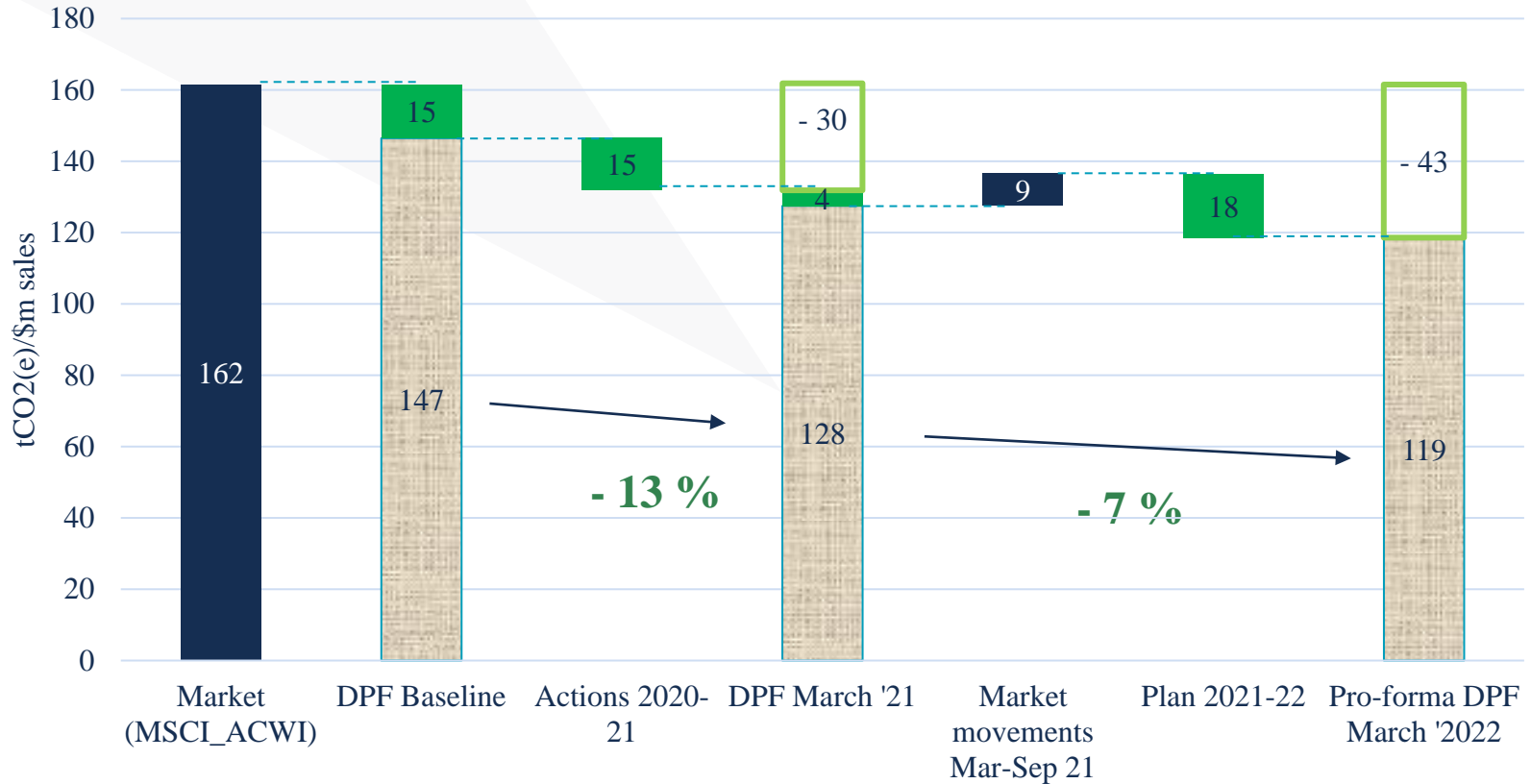
- WPP fund transitioning to “Paris-Aligned” variant (Baillie Gifford) in Q4
- Planned rebalancing of SAA will
 - Increase investment in SAIF (20% renewable energy, 20% other essential infrastructure)
 - reduce high-Carbon regional equity holdings
- Ongoing work on WPP infrastructure Fund
 - Manager selection criteria include ESG focus.
 - DPF intends to allocate 5%.
- WPP initiated ESG reporting, incl. weighted average carbon intensity : as at Dec 2020

Tudalen 127



Measuring our Progress – Equity Weighted Average Carbon Intensity (WACI).

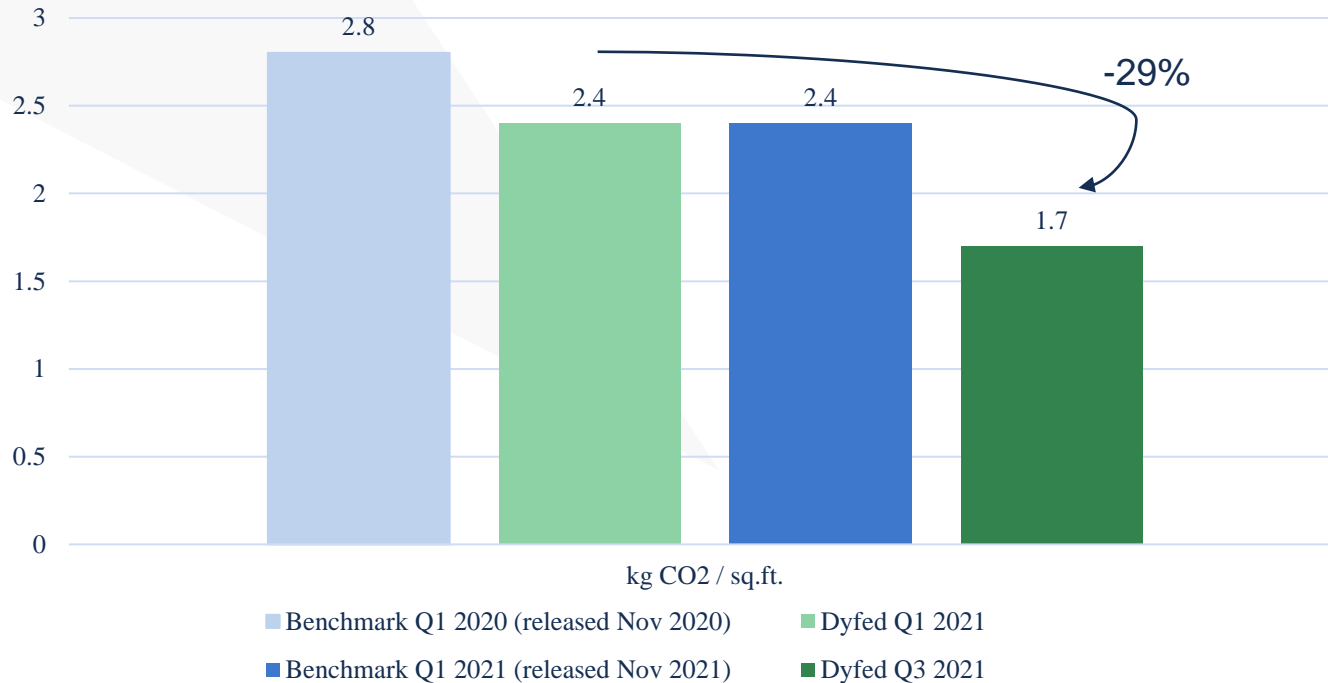
DPF Equities - Weighted Average Carbon Intensity (Sept 2021 update)



Annual reductions exceed “Paris-Aligned” target of -7%p.a

Source: Manager reports, Northern Trust, MJH analysis. Pro-forma numbers assume transition out of selected regional equity portfolios and switch of Baillie Gifford WPP portfolio to Paris-Aligned strategy. WACI data and AUM as of Sept '21. Market movements include changes in AUM and in manager's WACI during the period.

Measuring our Progress – Real Estate



Annual reductions exceed “Paris-Aligned” target of -7%p.a

Tudor City 129

Source: Manager reports (Schroders). As of Sept 21.

The MSCI/AREF All Balanced Weighted Average Intensities have been calculated by taking the average intensity of each property sub-sector from GRESB and weighting it according to the benchmark sector allocations. The portfolio intensities per square foot have been calculated by taking the intensities for each holding who report data and multiplying these intensities by the percentage that the respective holding makes up of your portfolio, summing up all of the results. 79.2% of your portfolio (by value) has reported data. For the remaining 20.8% we have used the property sub-sector average intensities, i.e. Local Retail Fund do not report ESG data and we have used the Standard Retail sector average intensities for kWh and CO2, to represent the Local Retail Funds' intensities. The Multi-Let Industrial Fund does not report ESG data and we have used the industrial sector average intensities to represent the fund.

Next Steps – Climate Agenda

- Broaden universe of assets covered by our measurement (Private markets)
- Continue to refine the metrics
 - eg take account of scope 3 emissions.
 - Incorporate off-setting renewable investments.
- Preparation for TCFD (Task Force for Climate-Related Financial Disclosure)
- Ongoing review of SAA, with the aim of reducing Carbon footprint, while continuing to meet funding goals.
- Increased communication to stakeholders

Summary

- DPF laid solid governance framework, leading up to last year.
- Last year, DPF set a baseline and is measuring both equity and corporate debt investments.
- The Fund's Carbon footprint starts off below that of the market.
- This year, your Committee has delivered a reduction in carbon-intensity ahead of the Paris-aligned target.
- Plans are in place to deliver a declining Carbon-footprint over the coming year.

DISCLAIMER AND IMPORTANT NOTICES

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Eitem Rhif 15

Yn rhinwedd paragraff(s) 14 o Rhan 4 o Atodlen 12A% o ddeddf Llywodraeth Leol 1972 fel y'i diwygiwyd
Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007

Document is Restricted

Mae'r dudalen hon yn wag yn fwriadol

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Mae'r dudalen hon yn wag yn fwriadol

Eitem Rhif 16

Yn rhinwedd paragraff(s) 14 o Rhan 4 o Atodlen 12A% o ddeddf Llywodraeth Leol 1972 fel y'i diwygiwyd
Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007

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Mae'r dudalen hon yn wag yn fwriadol

Eitem Rhif 17

Yn rhinwedd paragraff(s) 14 o Rhan 4 o Atodlen 12A% o ddeddf Llywodraeth Leol 1972 fel y'i diwygiwyd
Orchymyn Llywodraeth Leol (Mynediad at Wybodaeth) (Amrywio) (Cymru) 2007

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