

Governance Structure & Overview of the Clwyd Pension Fund

Administering Authority: Flintshire County Council

In May 2014 the Fund's governance arrangements were reviewed and the Council established a formal Pension Fund Committee, supported by a Pensions Advisory Panel. Additionally, the representation of stakeholders, with full voting rights, on the Committee was widened. In performing their role the Committee takes advice from an advisory panel of officers and professional advisors. The Committee has a scheme of delegation to officers to ensure efficient implementation and receives monitoring reports at each quarterly Committee on governance, funding, investment, administration and communication strategies and progress with the 3 year Business Plan. The minutes of each Committee are available on the Flintshire County Council website. The membership of both the Committee and Advisory Panel are shown below.

The Public Service Pensions Act 2013, which has been incorporated into the Local Government Pension Scheme (LGPS) regulations, included the establishment of Local Pension Boards. The role of the Board as defined in Regulation is to secure compliance with regulation and legislation and ensure effective and efficient governance. The minutes of Board meetings are included in the Committee agenda papers and Board members attend Committee, making an important contribution to debates and discussion. The Board annual report is included within this Annual Report.

The protocol for the Local Board can be found on the Fund's web-site, mss.clwydpensionfund.org.uk.

Clwyd Pensions Fund Committee

Committee Members		Voting Rights
Flintshire County Council	Cllr Dave Hughes (Chair)	✓
	Cllr Haydn Bateman (Vice Chair)	✓
	Cllr Billy Mullin	✓
	Cllr Ralph Small	✓
	Cllr Ted Palmer (February 2018)	✓
Denbighshire County Council	Cllr Huw Llewelyn Jones	✓
Wrexham County Borough Council	Cllr Nigel Williams	✓
Scheduled Body Representative	Cllr Andrew Rutherford	✓
Member Representative	Mr Steve Hibbert	✓

Advisory Panel

Panel Members	
Chief Executive (FCC)	Colin Everett
Corporate Finance Manager/ S151 Officer (FCC)	Gary Ferguson CPFA
Clwyd Pension Fund Manager (FCC)	Philip Latham
Investment Consultant (JLT Group)	Kieran Harkin
Fund Actuary (Mercer)	Paul Middleman FIA
Independent Advisor (Aon Hewitt)	Karen McWilliam FCIPP

Clwyd Pension Fund Local Board

Local Board Members		Voting Rights
Independent Chair	Karen McWilliam	X
Employer Representatives	Mark Owen	✓
	Steve Jackson	✓
Scheme Member Representatives	Gaynor Brooks (Replaced June 2018 with Paul Friday)	✓
	Phil Pumford	✓

Investment Managers

Investment Managers	Address
BlackRock	12 Throgmorton Avenue, London
Insight Investment	160 Queen Victoria Street, London
Investec Asset Management	2 Gresham Street, London
Man FRM	Riverbank House, 2 Swan Lane, London
Pyrford International Ltd	95 Wigmore Street, London
Stone Harbor Investment Partners (UK), LLP	48 Dover Street, London
Wellington Management International Ltd	Cardinal Place, 80 Victoria Street, London

The Fund has a number of investments with managers investing in Property, Private Equity, Infrastructure, Timber & Agriculture which are listed in the Investment Policy & Performance section of this report.

Other

Service	Address
<u>Custodian:</u> Bank of New York Mellon	160 Queen Victoria Street, London
<u>Actuary:</u> Mercer Ltd	Old Hall Street, Liverpool
<u>Consultant:</u> JLT Employee Benefits	7 Charlotte Street, Manchester
<u>Independent Advisor:</u> Aon Hewitt	122 Leadenhall Street, London
<u>External Auditors:</u> Wales Audit Office	Unit 4, Evolution, Lakeside Business Village, St. David's park, Ewloe
<u>Bank:</u> National Westminster Bank plc	48 High St., Mold
<u>AVC Providers:</u> Prudential Equitable Life	121 King's Road, Reading Walton Street, Aylesbury, Buckinghamshire
<u>Legal Advisors:</u> This varies depending on the issue and can include the Flintshire County Council in-house legal team as well as organisations listed on the National Framework Agreement .	

Clwyd Pension Fund Contact Details

Name	Post	Contact details
Philip Latham	Clwyd Pension Fund Manager	(01352) 702264
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Clwyd Pension Fund Training Policy 2017/18

At a national level, there are expanding requirements for LGPS Pension Committee members, Pension Board members and officers to have an appropriate level knowledge and skills. These are being driven by the Chartered Institute of Public Finance and Accountancy (CIPFA), the Pensions Regulator (tPR) and legislation

The Fund developed a Training Policy which details the proposed training strategy for members of the Pension Fund Committee, Pension Board and senior officers responsible for the management of the Fund. It has been created to provide a formal framework and greater transparency on the training regime in accordance with the national requirements. It will aid existing and future Pension Fund Committee members, Pension Board members and senior officers in their personal development and performance in their individual roles, providing a structure which will ensure that the Clwyd Pension Fund is managed by individuals who have the appropriate levels of knowledge and skills. The full Training Policy is included in the Best Practice section within this Annual Report.

In order to monitor the knowledge and skills and identify whether we are meeting the objectives of this policy, we will compare and report on attendance at training based on the following:

- a) Individual Training Needs – ensuring refresher training on the key elements takes place for each individual at least once every three years.
- b) Hot Topic Training – attendance by at least 80% of the required Pension Fund Committee members and senior officers at planned hot topic training sessions. This target may be focussed at a particular group of Pension Fund Committee members, Pension Board members or senior officers depending on the subject matter.
- c) General Awareness – each Pension Fund Committee member, Pension Board member or officer attending at least one day each year of general awareness training or events.
- d) Induction training – ensuring areas of identified individual training are completed within six months.

The following table details all the training provided to Members of the Committee to satisfy the requirements of the Training Policy. This includes committees attended and relevant training sessions, conferences and seminars. All four Local Board Members also received and completed relevant training in line with the Policy, details of which are included in the Pension Board annual report. The Fund has a Training Plan which is provided to both Committee and Local Board Members and details all the training to be covered during the year.

In line with the Training Policy the follow measures relate to 2017/18 in relation to all Pension Committee, Local Board and senior officers (a total of 17 persons):

- a) Individual Training Needs – all but one have completed the required training on all key elements in the last three years.

b) Hot Topic Training - Of the 9 additional training sessions offered, the attendance was as follow:

- 2 sessions 59%
- 2 sessions 76%
- 4 sessions 82%

c) General Awareness – Out of the total of 17 members (Committee and Board) and officers, 14 of them completed at least one general awareness day in accordance with the policy.

Committee Attendance / Training and Activity 2017/18

There was a substantive change to the membership of the Pension Committee in May 2017 and subsequently training was provided to all the new Members and as a refresher to existing Committee Members. Initial training days included the following areas which cover the areas recommended in the CIPFA Knowledge and Skills Framework whilst being Clwyd Pension Fund specific:

- Governance
- Actuarial and Funding (including the Fund's Liability Driven Investment mandate)
- Administration and Communications
- Investment Strategy

The table overleaf identifies the attendance at Committees and specific training undertaken during 2017/18 by the Committee during that year.

	Cllr D Hughes	Cllr H Bateman	Cllr Billy Mullin	Cllr R Small	Cllr N Williams/ Cllr T Bates	Cllr H LL Jones	A Rutherford	Cllr T Palmer	S Hibbert
Committees (3hrs)									
June 2017	✓	✓	✓	✓	✓	✓			
September 2017	✓	✓	✓	✓	✓	✓			✓
November 2017	✓	✓	✓	✓	✓	✓	✓		✓
Special Committee February 2018	✓	✓		✓	✓	✓	✓	✓	✓
March 2018	✓	✓	✓	✓	✓	✓		✓	✓
CIPFA Framework Requirements 2017/18 – 2019/20									
Governance (1 day)	✓	✓	✓	✓	✓	✓			✓
Administration (1 day)	✓	✓	✓	✓	✓	✓			✓
Funding & Actuarial (1 day)	✓	✓		✓	✓	✓			✓
Investments (1 day)	✓	✓	✓	✓	✓	✓	✓		✓
Accounting									
Additional Training & Hot Topics									
Pooling (Sept Committee)	✓	✓	✓	✓	✓	✓			✓
TPR Checklist (Sept Committee)	✓	✓	✓	✓	✓	✓			✓
Statement of Accounts (Sept Cttee)	✓	✓	✓	✓	✓	✓			✓
Funding and Flight Path (Nov Cttee)	✓	✓	✓	✓	✓	✓	✓		✓
CPF Annual Employer Admin Meeting (am)	✓	✓							✓
CPF AJCM (pm)						✓			✓

