



RHONDDA CYNON TAF COUNCIL RCT PENSION BOARD

Minutes of the Hybrid meeting of the RCT Pension Board meeting held on Thursday, 26 October 2023 at 10.00 am

County Borough Councillors - RCT Pension Board Members in attendance:-

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

Rob Whiles – Member Representative (Pensioners)

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

Officers in attendance

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

Ms Y Keitch, Senior Accountant Pensions & Treasury Management

Mrs S Handy – Members Researcher & Scrutiny Officer

72 Welcome

The Chair welcomed Board Members to the meeting and informed Members that Ms Sindy Absalom had resigned. The Chair wished her well and thanked her for her valued contributions. It was agreed that the agenda would be dealt with out of sequence.

73 DECLARATION OF INTEREST / CONFLICTS / CONFIDENTIALITY

In accordance with the Council's Code of Conduct, there were no declarations of interest pertaining to the agenda.

74 MINUTES OF THE PENSION BOARD AND MINUTES OF PENSION FUND COMMITTEE

The minutes of the RCT Pension Board meeting on the 1st August 2023 were **APPROVED** as an accurate reflection of the meeting.

75 Matters Arising

The Service Director – Pensions, Procurement & Transactional Services provided Board Members with the following updates resulting from the minutes of the meeting held on the 1st August 2023:

Page 4 – A more realistic benchmark. The Senior Accountant Pensions & Treasury Management advised that the CPI Benchmark for this mandate was necessary as if a property benchmark was adopted it's characteristics would be too in line with equities.

Gender Pension Working Group – No date as of yet in respect of timescales.

YK – Will provide Board with Property Paper at next meeting.

LGPS Scheme Advisory Board (SAB) training day in Cardiff on the 26 September 2023, was attended by RCT Board Members and Officers. Action – IT to speak to the ICT Director in respect of the Chair's electronic document accessibility issue.

Page 5 – MSS – Further increase noted in membership sign up.

Pension Regulator – Still awaiting information.

Page 6 – IT confirmed that the Fund's Pension Fund Working Group are closely monitoring the McCloud implementation and that there have been a small number of cases already identified for remedy.

Levelling Up – YK confirmed that she has sent a copy of RCT's response.

Page 8 – IT confirmed the date of the AGM as the 15/11/23 and confirmed that it would potentially be a hybrid meeting.

Action Points were discussed and approved.

76 INVESTMENT & ADMINISTRATION ADVISORY PANEL

The Board was provided with an update in respect of the minutes of the Rhondda Cynon Taf Pension Fund Investment & Advisory Panel held on the 19th September 2023.

The Senior Accountant Pensions & Treasury Management reported that the overall value of the Fund increased from £4,256 million (31st March 2023) to £4,263 million (30th June 2023). The overall return of the Pension Fund for the year ending 30th June 2023 was 3.6% against a benchmark of 5.0%.

In respect of BlackRock Renewable Power Infrastructure Fund, The Senior Accountant advised that a copy of this prospectus will be provided to the Board.

In respect of Tinto, The Senior Accountant advised that she provide the Board with Baillie Gifford's carbon quarterly carbon reports which highlights the engagement undertaken.

Board members were referred to the three year performance figures of Active managers.

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

In respect of the Fund's Communication Forum, the Chair advised that he would like to attend a future meeting and would report back to the Board. The Service Director advised that the Service workforce planning arrangements and

recruitment undertaken early in the year, should help ensure the Fund is equipped to tackle the additional workloads.

The performance of all fund managers was discussed as well as the WPP Progress Report.

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

77 ALL WALES 'POOLING'

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

The Board were informed that the sale of Link to Waystone was agreed October 2023. A Board Member requested an update on the recent meeting and was informed that there had been no change to the allocated personnel who support WPP.

The Chair updated Board Members on the Chairs WPP meeting, which covered the standard agenda items. It was also advised that the WPP Breach & Error Policy would also be circulated to Board Members. The Chair advised that he will send on minutes from the meeting to Board Members when they become available.

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

78 RISK MONITORING

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

The Board **RESOLVED** to note the current risks associated with the RCT Pension Fund and the control measures in place.

79 KNOWLEDGE AND UNDERSTANDING FRAMEWORK

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

The Service Director advised that he would circulate the SAB Survey to Board Members.

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

80 KEY PROJECTS UPDATE

The Chair advised that updates on McCloud and the Pensions Dashboard had been provided earlier in the meeting.

81 LEGISLATIVE AND ADMINISTRATIVE ISSUES

The Service Director provided Board Members with an overview on the recent Consultation Response 'Next Steps on Investments' and TPR Inclusion. The Chair advised that this had been addressed earlier in the meeting.

Board Members **RESOLVED** to note the update.

82 ENVIRONMENTAL, SOCIAL & CORPORATE GOVERNANCE

There were no updates to report.

83 ANY OTHER BUSINESS

The Chair shared an update on other matters arising from the recent LGPS bulletins, which include:

- i) 2022 Scheme Valuation Report published 'the average funding level has improved from 98% in 2019 to 107% in 2022'
- ii) LGPS qualification survey, potential for the Pensions Management Institute to produce an LGPS specific qualification
- iii) The requirement to review and update Administering Authority contact details with the SAB
- iv) Key messages from the SAB that will form the basis of its response to the DLUHC consultation on investment issues.
- v) Further SAB work required in respect of (a) the Gender Pensions Gap report (b) surpluses, presented by the improving funding position across the Scheme.
- vi) Abolishing the 'Life Time Allowance' from April 2024.
- vii) TPR desire to hold closer relationships with Administrators – new blog published. TPR launched a new industry-facing campaign on LinkedIn encouraging trustees and administrators to not let scams go unreported
- viii) The Economic Activity of Public Bodies (Overseas Matters) Bill aims to stop public bodies being influenced by political or moral disapproval of foreign states when making certain economic decisions, with some exceptions. This would apply to LGPS investment decisions.

This meeting closed at 1.39 pm

**Professor Hugh Coombs
Chairman.**