



RHONDDA CYNON TAF COUNCIL RCT PENSION BOARD

Minutes of the meeting of the RCT Pension Board meeting held on Thursday, 5th June 2025
at 10.00 am at Oldway House, Porth.

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)

Darren Griffiths - Trade Union Representative (Unison / Merthyr Tydfil CBC)

Officers in attendance

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

Mrs C Black, Pensions Services Manager

Mr Barrie Davies – Deputy Chief Executive & Group Director Finance, Digital and Frontline
Services

Apologies

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

Ms Y Keitch, Principal Accountant

1. DECLARATION OF INTEREST / CONFLICTS / CONFIDENTIALITY

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

2. MINUTES OF THE PENSION BOARD AND AGENDA OF PENSION FUND COMMITTEE

The minutes of the RCT Pension Board meeting on the **6th February 2025** were **APPROVED** as an accurate reflection of the meeting.

(It was noted that the link on the agenda was to the Pension Fund Committee held on the 11th December 2024 and not the 24th March 2025 as intended)

Matters Arising from the Minutes 6th February 2025

- **Page 4-** It was confirmed that the figures at page 4 had been subsequently updated at the Joint Pension Fund Committee
- **Page 6-** The Service Director advised that the procedure in respect of the exit calculation for 'Valleys to Coast' (who had left the Fund) would be shared with the Board and is in accordance with the Exit Credit procedure. The Board would be updated as appropriate.
- **Page 5-** Still awaiting further guidance on death grants.
- **Page 6 –** Confirmed that the backdated pay awards were in hand
- **Page 6 -** The Board noted that the 'My Pension Online' portal was progressing and developing



- **Page 6** –The Board discussed its serious concerns that discussions between RCT and South Wales Fire and Rescue are still ongoing with regard to on-boarding to iconnect.
- **Page 7** – Wales Security Forum (WARP)- to be discussed at a subsequent meeting.
- **Page 9** – It was confirmed that discussions regarding future membership of the RCT Pension Board was under review.

- It was confirmed that all action points listed following the previous meeting held on the 6th February had been 'actioned'.

WPP - The Board also discussed the WPP under item 2. The Service Director Pensions, Procurement & Transactional Services agreed to circulate the link to the consultation responses to the LGPS: Fit for the Future consultation.

3. INVESTMENT & ADMINISTRATION ADVISORY PANEL

The Service Director, Pensions, Procurement & Transactional Services provided an update on investment performance and explained that the latest figure since the last quarter, £4,876 million (31st December 2024), demonstrated a slight decrease to the overall value of the Fund. This was a stable position considering outside factors such as the USA tariffs and the impact of geo-political events

Baillie Gifford's performance has started to recover although struggling with its equity approach. The Service Director explained that property is currently a difficult market and that the Fund is no longer investing in this area for that reason.

The Service Director referred to the proposed WPP local forestry investment (UK) which the WPP Constituent Authorities are considering making a commitment. He noted that from a Wales perspective, it is right and fitting that these local impact opportunities are considered although RCT has decided not progress this particular opportunity.

The Service Director – Pensions, Procurement & Transactional Services provided an update on the asset allocation of the Fund by asset class compared to target benchmark at 31st December 2024.

The Service Director – Pensions, Procurement & Transactional Services confirmed that the WPP business case submission to Government as requested by the Independent Investment Advisors had been circulated. A discussion followed around the future roles of the Independent Investment Advisors and whether they are likely to change. The Service Director provided an explanation as to how their role may look should the new governance requirements be mandated.

The Service Director – Pensions, Procurement & Transactional Services updated the Board on the skills and knowledge framework. He advised that there is good representation from RCT at conferences and WPP working groups and all training attendance is duly recorded.

The Service Director – Pensions, Procurement & Transactional Services commented on the response in respect of the TPR minor breaches and the Pension Board agreed that the late payments which had been identified during the reporting period do not constitute a material breach for formal reporting purposes



The Service Director – Pensions, Procurement & Transactional Services advised on the following:

- The Fund's key 'Governance Documents' (which now include an overarching 'Conflict of Interest Policy') were formally approved at the joint meeting of the RCT Fund's Pension Committee and Pension Board on the 24th March 2025.
- The Funding Strategy Statement (FSS) updated guidance has been reviewed and circulated to all key stakeholders and employers.
- The 2024 RCT Pension Fund Annual Report was published prior to the statutory deadline of the 1st December 2024
- Update on AVC's and a query regarding the cost of a single source approach to implementation - the data view will be amendable and the data will be sourced from the provider.
- Death Grants - waiting on technical advice following a Government consultation.
- The HMRC 'Event Report' was successfully submitted by the end of January 2025 for the relevant tax year.
- The Pension Regulator Annual Return was submitted by the deadline, containing the Fund's high compliance annual data scores:

The Service Director provided an update on the work that was underway ahead of the 2025 Valuation confirming that the Fund's main funding level objective had improved further since the previous valuation exercise.

The Board noted that the key message at the 'All Wales Communications' meeting held on the 29th November 2024, which included the change to Normal Minimum Pension Age to 57, and Dashboard progress. Board Members were updated on the improvements to the Scheme Members online portal which would transition to the latest version 'Engage' during July/August.

The Board acknowledged that the 2025 Annual Benefit Statements deadline of 31st August 2025 will be met and that the requirement for underpin information, which is to be included for the first time, has been discussed on an 'All Wales' basis. The Service Director confirmed that the explanatory notes to accompany the Benefit Statement would include reference to the underpin as suggested by the Board.

Following an Annual overseas 'Proof of Life' exercise, it was noted that six suspensions of further pension has been applied, demonstrating that the system, which is carried out annually, is effective.

An update was provided in respect of McCloud with the latest figure of 149 cases identified to date where underpin does impact and benefits in payment. . As a result of the excellent progress made the risk has been downgraded on the risk register. The Board noted that all is in hand and



the briefings that were delivered inspired confidence and the Board wished to thank the team for their work.

The Board acknowledged the Member Self-Serve numbers are positive and still increasing.

An update on employer/internal transfers was provided and information on the potential new admitted body linked to the Councils re-tendering of a service contract effective from April 2025.

The Board noted the volume and challenging targets with regards to the timescales of the key service standards and sought a response as to what the legal norm would be in this respect. The Pension Service Manager explained that the services standards have been developed by CIPFA, but the targets were set locally. In terms of the RCT Fund, the standards are challenging but achievable in a year without wider project demand, to help mitigate impact the key pension tasks are prioritised accordingly.

Board members were advised of the on-going development of team members, including the apprentices in respect of output and were pleased to note that there were permanent positions available for the apprentices. The Board discussed the availability of appropriate qualifications for employees, specifically the APE (GCSE Level) and the Certificate A Level.

(It was noted that an update on the WPP would be provided later on the agenda from the Deputy Chief Executive/Group Director – Finance, Digital and Frontline Services).

The Services Director provided an update on the Socially Responsible Investments, specifically on progress of the local windfarm project through the WPP.

In conclusion, an update was provided in respect of the action points and confirmed that a formal response has been sent to those employers that were late in paying employer contributions to the Pension Fund. The Board noted that an update would be provided in respect of changes to the voting procedures of BlackRock and Robeco on underlying US holdings following new guidance by the SEC.

4. RISK MONITORING

The Board considered the current risks associated with the RCT Pension Fund and noted the changes as set out in the updated Risk Register.

With regards to the changes to the Chair position of the Pension Fund Committee to reflect the Cabinet Member's portfolio, the Board wished to formally send its thanks to Councillor Mark Norris for his commitment as outgoing Chair and congratulations to Councillor Christina Leyshon for being appointed as Chair for the forthcoming Municipal Year.

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

5. TO RECEIVE A VERBAL UPDATE ON PROGRESS OF THE WALES PENSIONS PARTNERSHIP - PROJECT SNOWDON



The Deputy Chief Executive/Group Director – Finance, Digital and Frontline Services presented the Board with a Power Point presentation in respect of Rhondda Cynon Taf Pension Fund and its response to Government requirements. The Power Point was delivered under the following headings:

- RCT Pension Fund (Local Govt Pension Scheme, LGPS)
- Wales Pension Partnership (WPP)
- Government Requirements
- WPP Proposals
- Proposed Operating Model
- Governance/Oversight
- Government Final Report
- Decision Making
- Timeline

There followed a discussion in relation to the matters raised and the Board acknowledged the update and they paid thanks to the Deputy Chief Executive/Group Director – Finance, Digital and Frontline Services for delivering the update and for keeping the Board apprised of progress.

6. KNOWLEDGE AND UNDERSTANDING FRAMEWORK

The Service Director of Pensions, Procurement & Transactional Services referred Board Members to the training undertaken to date and planned by the Board to include WPP training in March and June 2026.

7. KEY PROJECTS UPDATE

The Board received an update on the following items:

- Regulator General Code 'Gap Analysis'
- McCloud (club transfers guide and calculator)
- Pension Dashboard Programme (connection guide published)

Regulator General Code 'Gap Analysis'

The Pension Services Manager provided an update of the Pensions Regulator General Code 'Gap Analysis'. The Board noted that a link to the Gap Analysis' spreadsheet would be shared with them for review of the narrative and for the Board to raise any issues by the 31st July 2025 to demonstrate compliance has been undertaken.

McCloud (club transfers guide and calculator)

An update was provided in respect of McCloud with Annual Benefit Statements to be issued by the Regulatory deadline of 31st August 2025 and to include the underpin figures. It was reported that an All Wales Communications meeting had taken place recently to support the ongoing work.

The Board noted the current position was the best it can be with some outstanding issues from a Pension Board governance point of view.



Pension Dashboard Programme (connection guide published)

The Pension Services Manager provided an update on the Pensions National Dashboards Programme (PDP). The Board noted that the work is on track from a governance point of view and further noted that the deadline of October 2025 will be met.

8. LEGISLATIVE AND ADMINISTRATIVE ISSUES

The Board were provided with an update on the following:

- Latest consultation 'Fit for the future'
- Fund Valuation Exercise
- Plans to change revision of employer contribution rate rules
- The Finance Act 2025 delivers legislative changes to implement policies announced in the October 2024 Budget.
- No changes to the annual allowance limits in 2025/26

The Board noted that the 'Fit for the Future' item had been discussed previously on the agenda and noted the updates in respect of the other matters.

9. ENVIRONMENTAL, SOCIAL & CORPORATE GOVERNANCE

The Board noted the update on this item earlier on the agenda.

10. ANY OTHER BUSINESS

- LGA Bulletin Update items (noted that links to the relevant LGA Bulletins would be included on the agenda for future meetings).
- It was noted that dates for future Board meetings (to be held in August, October, January 2026 and March 2026) would be confirmed and circulated in due course.
- An update was provided on the latest consultation updates in respect of equalising survivor benefits, gender pensions paybacks and the mandatory recording of reasons for opt-outs.

Meeting closed at 1.20pm

Professor H Coombs

Chairman.