



Cyfarfod

PWYLLGOR PENSIYNAU

Dyddiad ac Amser

2.00 y.h., DYDD LLUN, 21AIN IONAWR, 2019

Lleoliad

Ystafell Gwyrfai, Swyddfeydd y Cyngor, Caernarfon, Gwynedd. LL55 1SH

Pwynt Cyswllt

Lowri Haf Evans

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lowrihafevans@gwynedd.llyw.cymru

(Dosbarthwyd 14 Ionawr 2019)

PWYLLGOR PENSIYNAU

AELODAETH (7)

Plaid Cymru (4)

Y Cynghorwyr

Aled Wyn Jones
Peter Read

Simon Glyn

Peredur Jenkins

Annibynnol (2)

Y Cynghorwyr

John Brynmor Hughes

John Pughe Roberts

Aelod Unigol (1)

Y Cynghorydd

Stephen W. Churchman

Aelodau Cyfetholedig

Cynghorydd David Cowans
Cynghorydd Robin Wyn Williams

Cyngor Bwrdeistref Conwy
Cyngor Ynys Mon

Aelodau Ex-officio

Cadeirydd ac Is-Gadeirydd y Cyngor

R H A G L E N

1. YMDDIHEURIADAU

I dderbyn unrhyw ymddiheuriadau am absenoldeb

2. DATGAN BUDDIANT PERSONOL

I dderbyn unrhyw ddatganiad o fuddiant personol

3. MATERION BRYS

Nodi unrhyw eitemau sy'n fater brys ym marn y cadeirydd fel y gellir eu hystyried.

4. COFNODION

5 - 6

Bydd y Cadeirydd yn cynnig y dylid llofnodi cofnodion cyfarfod o'r pwyllgor hwn a gynhaliwyd 08.11.2018 fel rhai cywir

5. IS GRONFA INCWM SEFYDLOG

7

I ofyn i'r Pwyllgor Pensiynau ystyried a phenderfynu cytuno gyda'r opsiynau incwm sefydlog ar gyfer Cronfa Pensiwn Gwynedd yn Pŵl Cymru

Mae atodiad A ar wahân ar gyfer aelodau'r Pwyllgor yn unig

Mae'r ddogfen yn eithriedig o dan Paragraff 14 o Atodiad 12A o Ddeddf Llywodraeth Leol 1972. Gwybodaeth ynglŷn â thrafodion ariannol neu fusnes unrhyw berson penodol (yn cynnwys yr awdurdod sydd yn dal y wybodaeth hynny).

Mae budd cyhoeddus cydnabyddedig mewn bod yn agored ynglŷn â defnydd adnoddau cyhoeddus a materion ariannol cysylltiedig. Cydnabyddir fodd bynnag fod adegau, er gwarchod buddiannau ariannol awdurdod cyhoeddus fod angen trafod gwybodaeth fasnachol heb ei gyhoeddi. Mae'r atodiad ynglŷn â threfniadau buddsoddi sydd yn fasnachol sensitif a chyfrinachol i'r cwmni dan sylw. Byddai cyhoeddi gwybodaeth fasnachol sensitif o'r math yma yn gallu tanseilio hyder darparwyr i ddod a phrisiau ymlaen gerbron y Cyngor ac felly gallu'r Cyngor i fuddsoddi yn llwyddiannus. Byddai hyn yn groes i'r budd cyhoeddus ehangach o sicrhau gwerth am arian a'r allbwn cyfansawdd gorau. Am y rhesymau hyn, mae'r mater yn gaeedig er y budd cyhoeddus.

6. BENTHYG GWARANT

8 - 12

I ofyn i'r Pwyllgor Pensiynau ystyried a phenderfynu cytuno i fenthyg gwarantau yn Pŵl Cymru.

Mae atodiad B ar wahân ar gyfer aelodau'r Pwyllgor yn unig

Mae'r ddogfen yn eithriedig o dan Paragraff 14 o Atodiad 12A o Ddeddf

Llywodraeth Leol 1972. Gwybodaeth ynglŷn â thrafodion ariannol neu fusnes unrhyw berson penodol (yn cynnwys yr awdurdod sydd yn dal y wybodaeth hynny).

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- 7. BWRDD YMGYNGHOROL Y CYNLLUN: RHEOLI COSTAU** 13 - 21
- I ystyried adroddiad y Pennaeth Cyllid
- 8. STAFFIO UNED GWEINYDDU PENSIYNAU** 22 - 27
- Cymeradwyo adnoddau ychwanegol i alluogi'r Adran Gyllid i sefydlu strwythur staff mwy gwydn ar gyfer yr Uned Bensiynau

PWYLLGOR PENSIYNAU 08.11.2018

Yn bresennol: Y Cyngorwyr: Stephen Churchman, David Cowans (Cyngor Bwrdeistref Conwy), Simon Glyn, Peredur Jenkins, Aled Wyn Jones, John Brynmor Hughes, Peter Read, John Pughe Roberts (Cadeirydd), Robin Williams (Cyngor Môn) a Sharon Warnes (Bwrdd Pensiynau - Arsylwi)

Swyddogion:- Dafydd Edwards (Pennaeth Cyllid), Nicholas Hopkins (Rheolwr Pensiynau), Delyth Wyn Jones-Thomas (Cyfrifydd Pensiynau a Rheolaeth Trysorlys), Meirion Jones (Uwch Swyddog Cyfathrebu (Pensiynau) a Lowri Haf Evans (Swyddog Cefnogi Aelodau)

1. YMDDIHEURIADAU

Dim i'w nodi

2. DATGAN BUDDIANT PERSONOL

Dim i'w nodi.

3. MATERION BRYD

Dim i'w nodi.

4. COFNODION

Llofnododd y Cadeirydd gofnodion cyfarfod o'r pwyllgor hwn a gynhaliwyd ar yr 19eg o Fehefin 2018 fel rhai cywir.

5. DATGANIAD STRATEGAETH BUDDSODDI

Cyflwynwyd adroddiad yn gofyn i'r Pwyllgor gymeradwyo'r Datganiad Strategaeth Buddsoddi Diwygiedig. Nodwyd bod y Pwyllgor Pensiynau eisoes wedi mabwysiadu'r Datganiad ym mis Mawrth 2017 yn unol â'r ddeddfwriaeth newydd. Amlygwyd bod y datganiad bellach yn cynnwys yr egwyddorion buddsoddi yr oedd y Pwyllgor a'r Bwrdd Pensiynau wedi eu trafod a chytuno mewn cyfarfodydd blaenorol, yn sgil y sesiwn datblygol gydag ymgynghorwyr Hymans Robertson. Ategwyd bod yr egwyddorion yn amlygu dyheadau'r Gronfa yn glir, fydd y eu tro yn gosod arweiniad i Reolwyr Asedau'r Gronfa, yn ogystal â gosod cyfeiriad i drafodaethau gyda chydymarferwr Partneriaeth Pensiwn Cymru.

Mewn ymateb i gwestiwn cadarnhawyd, yn unol â'r ail egwyddor yn y papur, y byddai'r Gronfa yn edrych i fuddsoddi o fewn ardal Cymru pan fydd buddiannau anariannol yn deillio o hynny, yn amodol ar fodloni gofynion y dyletswydd ymddiriedol.

PENDERFYNWYD cymeradwyo'r Datganiad Strategaeth Buddsoddi.

6. RHEOLAETH TRYSORLYS – ADOLYGIAD CANOL BLWYDDYN 2018-2019

Cyflwynwyd, er gwybodaeth adroddiad yn amlygu gwir weithgarwch Rheolaeth Trysorlys y Cyngor yn ystod y flwyddyn ariannol gyfredol. Amlygwyd, yn ystod y chwe mis rhwng y 1af o Ebrill a 30 Medi 30ain 2018 bod gweithgarwch benthyca'r Cyngor wedi aros o fewn cyfyngiadau a osodwyd yn wreiddiol ac nad oedd unrhyw fanciau lle'r oedd y Cyngor wedi adnau arian wedi methu ad-dalu.

PENDERFYNWYD derbyn y wybodaeth**7. CYSONI ISAFSWM PENSIYNAU GWARANTEDIG**

Cyflwynwyd er gwybodaeth, ddiweddariad i'r Pwyllgor o'r gwaith sydd wedi cael ei wneud i gysoni'r Isafswm Pensiwn Gwarantedig. Atgoffwyd yr aelodau bod tîm o dri wedi ei sefydlu yn Ionawr 2016 o dan arweiniad y cyn Reolwr Pensiynau Mr Gareth Jones. Gyda'r broses yn dod i ben Rhagfyr 2018, hysbyswyd y Pwyllgor bod sefyllfa Gwynedd yn un cymharol dda a chanmolwyd y tîm am eu gwaith da. Nodwyd bod arbenigedd y cyn Reolwr wedi sicrhau arbediad sylweddol i'r Cyngor o ddeall bod cronfeydd pensiwn eraill yn cyflogi ymgynghorwyr arbenigol drud yn y maes, neu heb weithredu o gwbl ac felly yn agored i risg ariannol.

Edliw'r sefyllfa bresennol bod gan Cronfa Bensiwn Gwynedd 119 o achosion a ddynodir fel *stalemate* lle mae'r Cyngor ac Adran Cyllid a Thollau EM (CThEM) yn anghytuno gyda'r wybodaeth sydd wedi ei gyflwyno. Cadarnhaodd y Rheolwr Pensiynau nad oedd gan CThEM unrhyw sail i herio gwybodaeth y Cyngor a bod y Cyngor yn gwbl bendant bod eu gwybodaeth yn gywir gyda thystiolaeth i brofi hynny. Cadarnhaodd y swyddogion bydd *stalemates* Gwynedd yn cael eu datrys yn 2019 - 2020, ond fod y sefyllfa gyffredinol gydag Isafswm Pensiwn Gwarantedig a *stalemates* ar hyn o bryd yn destun ymchwiliad gan Lywodraeth San Steffan.

Gyda'r broses ffurfiol yn dod i ben 31 Rhagfyr 2018, nodwyd y byddai unrhyw waith sydd heb ei ddatrys yn trosglwyddo i waith dydd i ddydd yr Adran Bensiynau.

PENDERFYNWYD derbyn y wybodaeth ac awgrymwyd anfon llythyr ar ran y Pwyllgor i ddiolch i Mr Gareth Jones am waith arwrol y Tîm Cysoni.

8. CAU ALLAN Y WASG A'R CYHOEDD

Penderfynwyd bod budd cyhoeddus cydnabyddedig mewn bod yn agored ynglŷn â defnydd adnoddau cyhoeddus a materion ariannol cysylltiedig. Cydnabuwyd fodd bynnag fod adegau, er gwarchod buddiannau ariannol awdurdod cyhoeddus fod angen trafod gwybodaeth fasnachol heb ei gyhoeddi. Mae'r adroddiad yn benodol ynglŷn â derbyn cynnig penodol ar gyfer cost trwydded meddalwedd sydd yn wybodaeth fasnachol sensitif. Byddai cyhoeddi gwybodaeth fasnachol sensitif o'r math yma yn gallu tanseilio hyder darparwyr i ddod a phrisiau ymlaen gerbron y Cyngor ac felly gallu'r Cyngor i gaffael yn llwyddiannus. Byddai hyn yn groes i'r budd cyhoeddus ehangach o sicrhau gwerth am arian a'r allbwn cyfansawdd gorau. Am y rhesymau yma ystyriwyd y mater yn gaeedig er y budd cyhoeddus.

9. SYSTEM HUNAN WASANAETH AR GYFER AELODAU'R CYNLLUN PENSIYNAU

Cyflwynwyd adroddiad yn gwneud cais i'r Pwyllgor gymeradwyo cyllid ychwanegol ar gyfer gweithredu a rhedeg system newydd Hunan Wasanaeth Aelodau. Amlygwyd y prif resymau dros yr angen i ddiweddarau'r system a cafwyd cyflwyniad byr yn cymharu'r hen a'r newydd, a nodwyd byddai Gwynedd yn dewis llwyfannu'r meddalwedd newydd ar galedwedd o fewn y Cyngor. Ategwyd bod negodi gyda'r darparwr yn parhau er mwyn isafu'r pris.

Yn ystod y drafodaeth ddilynol cytunwyd y byddai system newydd yn cynnig gwerth am arian ac yn cyfarch gofynion Polisi Iaith y Cyngor. Anogwyd y swyddogion i barhau i negodi'r pris a pwyso i gael rhedeg y system ar weinydd y Cyngor.

PENDERFYNWYD cymeradwyo'r cyllid hyd at y cyfanswm nodwyd yn yr adroddiad

Dechreuodd y cyfarfod am 2:00pm a daeth i ben 2:45pm

CYFARFOD:	PWYLLGOR PENSIYNAU
DYDDIAD:	21 IONAWR 2019
TEITL:	Is-Gronfeydd Incwm Sefydlog
PWRPAS:	I ofyn y pwyllgor pensiynau i ystyried a phenderfynu ai cytuno gyda'r opsiynau incwm sefydlog ar gyfer Cronfa Pensiwn Gwynedd yn Bwl Cymru
AWDUR:	DAFYDD L EDWARDS, PENNAETH CYLLID

1. Cyflwyniad

Yn y Panel Buddsoddi yn fis Tachwedd oedd yr Adroddiad Is-gronfa Incwm Sefydlog gan Bwl Pensiynau Cymru (WPP) un o'r papurau a gafodd ei gyflwyno i'r aelodau'r Pwyllgor Pensiynau. Mae crynodeb o'r opsiynau ar gael yn Atodiad A.

2. Opsiynau Incwm Sefydlog

Fel "stop-cefn", mae Cronfa Pensiwn Gwynedd gyda mynediad at incwm sefydlog goddefol BlackRock, gyda'r cytundeb buddsoddi goddefol Partneriaeth Pensiwn Cymru sydd yn gynnwys incwm sefydlog yn ogystal ag ecwiti.

Beth bynnag, dylen ni ystyried trosgl asedau at y Bartneriaeth Pensiwn Cymru portffolios incwm sefydlog actif yn haf cynnar 2019. Mae'n debyg bydd pedwar cronfa incwm sefydlog fel y ganlyn:

- Cronfa Credyd Byd-eang
- Cronfa Bond Llywodraeth Fyd-eang
- Cronfa Dychweliad Absoliwt
- Cronfa Credyd Aml Ased

Roedd yr Aelodau yn y Panel Buddsoddi yn cytuno bydd y Gronfa Dychweliad Absoliwt a Chronfa Credyd Aml Ased gyda'r diddordeb mwyaf ar gyfer Cronfa Gwyned, gyda daliad Insight yn debyg i drosglwyddo i'r gronfa Dychweliad Absoliwt a chyfran 'lei risg' gan Fidelity i drosglwyddo i'r Credyd Ased Aml.

3. Casgliad

Gofynnir Aelodau gwneud penderfyniad ar gyfer y buddsoddiadau ar gyfer y buddsoddiadau incwm sefydlog ar gyfer Cronfa Pensiwn Gwynedd yn y pwll. Nid yw'r dewis y rheolwyr buddsoddi yn bob cronfa wedi cael eu cadarnhad ond bydd hyn digwydd yn y dyfodol agos. Gofynnir y Pwyllgor i'r Pennaeth Cyllid mewn ymgynghoriad gyda Chadeirydd y Pwyllgor Pensiynau er mwyn cytuno'r dewisiad terfynol.

Eitem 6

PWYLLGOR:	PWYLLGOR PENSIYNAU
DYDDIAD:	21 IONAWR 2019
TEITL:	BENTHYG GWARANT
PWRPAS:	I ofyn y Pwyllgor Pensiynau i ystyried a phenderfynu ai cytuno i fenthyg gwarantau yn Bwl Cymru
AWDUR:	DAFYDD L EDWARDS, PENNAETH CYLLID

1. Cyflwyniad

Yn Cyfarfod Grŵp Swyddogion Partneriaeth Pensiwn Cymru ar 30 Tachwedd 2018 derbyniwyd cyflwyniad ar Fenthygiad Gwarant fel cyfle i gynyddu incwm oddi wrth yr ecwiti yn y cronfeydd.

2. Cyflwyniad

Roedd Russell wneud y cynnig, esboniodd sut mae'n gweithio a'r math o gyfochrog a chadwir.

Mae papur gan Hymans Robertson yn atodol fel **Atodiad A**. Mae hyn yn esbonio'r broses a pam y bydd buddsoddwyr rhoi benthyg neu gael benthyg stociau a'r risgiau ynghlwm. Byddai'r ffioedd yn helpu i dalu rhai o'r costau ychwanegol ar weithredu'r pwl.

Mae'r cyflwyniad sleidiau 'Cyflwyniad i Fenthyca Stociau' gan Mercer Sentinel yn eitem eithriedig sy'n wybodaeth ynglŷn â thrafodion ariannol neu fusnes y cwmni sydd wedi cael ei dosbarthu ar wahân fel **Atodiad B**.

3. Casgliad

Mae bob cronfa yn y Pwl Cymru yn gorfod caniatáu neu wrthod benthyca stociau. Os yw'r Bartneriaeth Pensiwn Cymru eisiau benthyg stoc mae rhaid i bob awdurdod cyfrannog yn cytuno'r polisi. Dylai bob cronfa yn y bartneriaeth ystyried eu hanghenion er mwyn dod i benderfyniad ar os ydynt ganiatáu benthyg stociau yn y is-gronfeydd.

Stock-lending: overview

Introduction

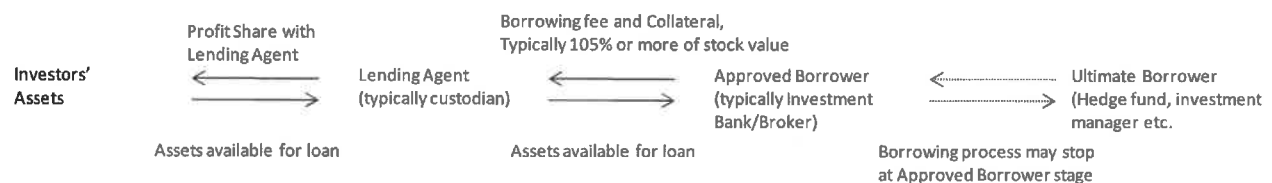
This paper has been prepared for the Officer Working Group ("OWG") of the Wales Pension Partnership ("WPP"). It provides an overview of stock-lending. Attached to this paper is a presentation that the OWG received from Mercer Sentinel on this subject. The aim of the paper, and the attached presentation, is to help WPP funds come to a view as to whether stock-lending should be permitted in one or more of the WPP's underlying sub funds. This paper should not be released or otherwise disclosed to any third party except with our prior written consent, in which case it should be released in its entirety. We accept no liability to any other party unless we have accepted such liability in writing.

What is stock lending?

Stock lending is an opportunity for investors, such as pension funds - as traditionally long-term investors, to extract a premium from their assets by providing liquidity to the market. Securities are lent to approved borrowers (typically investment banks/brokers) who pay a borrowing fee and who also transfer some form of collateral (typically cash or gilts) to mitigate the lender's credit exposure to the borrower.

An overview of the lending process is shown below (chart1).

Chart 1: Overview of lending process



The lending process is typically sub-contracted to an agent who has responsibility for recording details of stocks that have been lent and ensuring that risks are managed through the posting of collateral. Whilst the lending agent is commonly the investors' custodian, there are a small number of specialist lending agents who can provide stock lending services.

Why do people borrow stock?

Stock lending initially came about as a method to cover settlement failures, i.e. brokers would borrow stock to avoid incurring the costs and penalties associated with failed settlements. However, stock borrowing has become more widely used in the investment industry, with investors borrowing stocks to meet an array of short-term needs, including (but not limited to):

- Avoiding settlement failures;
- Facilitating tax arbitrage opportunities (i.e. where investors domiciled in different countries make mutually beneficial arrangements to take advantage of differences in tax laws). Such opportunities typically occur at the time of dividend payments;
- Supporting short-selling and hedge fund strategies;
- Upgrading asset quality to help collateralise over the counter derivatives; and
- To improve the credit quality of a borrower's balance sheet for regulatory purposes (e.g. banks)

Generally it serves a useful economic purpose in supporting liquidity in markets.

Why would pension funds lend stock?

Pension funds lend stock because:

- They receive a fee for doing so and this will help defray the additional costs of operating the pool (see comment below); and
- It supports market efficiency.

Fees are earned based on the value of the loans and the desirability of the assets (see table 1 below - the lender also receives payments from the borrower equivalent to any dividend payments made during the lending period.) Over time, stock lending programmes can be expected to generate an additional return of a few basis points on an investor’s assets, with the amount of income generated from stock lending varying over time depending upon the level of borrower demand - driven by a number of factors, including portfolio composition, trading volume/patterns, lending restrictions, market activity and seasonality around dividend payments.

As well as the fees earned, another important consideration is the agreement with the lending agent on how the borrowing fees are split (also shown in table 1 below – shaded column). As well as scale of assets being lent, revenue splits can also often depend upon the level of protection the lending agent provides the lenders e.g. more protection offered the agent typically seeks a larger proportion of the revenue.

Table 1: Example fees and revenue split

Annualised Fee Rates	Revenue splits
<ul style="list-style-type: none"> • 5 basis points (bps) on general collateral trades • 20 bps on term lending of fixed income • 50 bps on certain emerging markets equities • 100+ bps on “specials” that are in demand and hard to find 	<ul style="list-style-type: none"> • The agent bank generally takes a gross fee from the borrower, then splits the fee with the lender by an agreed percentage (larger % to the lender): • 60%-40%: historically typically seen in many pooled funds • 70%-30%: more usual for segregated lenders and some pooled funds • 80%-20%: for larger segregated accounts of \$1+ billion of lendable assets • 90%-10%: for the very largest accounts with \$25+ billion • 100%: very rarely, for the largest sovereign wealth funds, on a tiered basis

Source: Mercer Sentinel

On the face of it, for the WPP, a fee split of 80:20 or more would be a positive outcome (most sub-fund mandate sizes are sub-£1bn) - subject to the Funds being satisfied with the indemnity agreements that are being offered by the provider.

What are the risks involved?

The risks below are managed by the lending agent operating the stock lending facility.

Risks	Mitigating the risk
Borrower risk - the risk of the borrower defaulting on a loan	The lender should only enter into stock-lending agreements with borrowers they are comfortable lending to. Ultimately this is controlled by the lending agent's approach to assessing and managing counterparty credit risk.
Intraday settlement risk – the risk of the securities which are lent being delivered to the borrower before collateral is received.	The lender can specify that collateral is received a day before the loan settles. On maturity of the loan, the lender should ensure that their shares are returned prior to or in conjunction with the collateral being released back to the borrower.
Legal risk – the risk that the contract in place does not provide sufficient protection to the lender in the event of the borrower defaulting.	In most cases, it is recommended that lenders seek professional advice when reviewing contracts. Any agreements signed with the borrower should adhere to commonly used market standard documentation.
Collateral risk – the risk that the value of the collateral the loan requires is below the replacement cost of the stocks on loan.	We would expect and require collateral to be greater than the value of the stocks on loan (typically 105% or more in the current market). Collateral positions can be reviewed daily. The lender should ensure their collateral policy specifies the types of assets which can be used as collateral.
Cash collateral risk – the risk that on re-investment of the cash collateral, the lender suffers a loss.	The lender should be aware of the level of credit and liquidity risk involved in the investment of cash collateral in the event of these investments needing to be sold at short notice. The lending agent's investment guidelines should provide an appropriate level of risk and return and be consistent with the investment guidelines agreed with the lender.
Operational risk – the risk of operational matters involved in the day-to-day running of the lending.	Agreements between the lender and borrower should clearly state which party takes responsibility for which operational risk and in what circumstances. All parties should ensure that robust procedures are developed in order to protect against such risks.
Loss of voting rights	Securities out on loan cannot be voted by lenders. However lenders can, if they wish, recall the securities by the record date in order to exercise their votes. The right to recall securities on loan is enshrined in the legal agreement underpinning securities lending activity, Beneficial owners can adopt one of several positions with regard to votes and recalls: <ul style="list-style-type: none"> • voting and recalling all or some securities at every opportunity • voting and recalling securities only on certain votes • not voting (i.e. not recalling positions) • maintain a "buffer" position in each holding to ensure an efficient flow of information from the issuer and vote every security.
Other risks – any non-financial risks, such as reputational risks.	The lender should ensure stock lending conforms to their policies and investment objectives.



Summary and next steps

Summary

Stock lending is carried out widely by local authority pension funds e.g. stock lending occurs in a number of the leading passive managers' pooled funds (including BlackRock). However, within the WPP, only one of the eight partner funds currently stock lends in their actively managed funds.

We are seeing a number of LGPS funds revisit their policy on stock lending, as part of the move to pooling. This is in part due to the need for collective agreement and a common policy within their pools, but also due to the collective scale offering much more competitive terms, in terms of revenue split, than was typically available previously at an individual Fund level.

Whilst there are risks associated with stock lending, there is no such thing as a 'free lunch', overall we are broadly comfortable with funds stock-lending, subject to the agent having suitable risk management arrangements in place and offering appropriate indemnities.

Next steps

Each sub-fund in WPP's ACS must either allow or disallow stock-lending. If some investing authorities wish to stock-lend and others do not, then it would be necessary to have two sub-funds – one which stock-lends and one which does not. In order to avoid "doubling" the number of sub-funds and avoid any associated increase in costs, the WPP would prefer to have a single, common policy on stock-lending.

It follows that if the WPP wants to lend stock then all of the participating authorities must agree to that policy. If any authority decides it does not wish to stock-lend, then that policy will be built into the prospectus for the given sub-fund and no investing authorities will be able to access the additional revenues from stock-lending. It is therefore important that each partner fund considers their needs, alongside the points raised in this paper and the appendix, to reach a decision as to whether they are willing to permit stock-lending in the sub-funds that they will invest in.

In the event that the administering authorities agree in principle to have stock-lending on the ACS sub-funds for the WPP pool, we would recommend WPP takes advice from specialists in stock-lending (e.g. Mercer Sentinel) on the stock-lending agent (eg Northern Trust has been proposed as agent by Link) and reviews the competitiveness of the fee split proposed, the quality of the indemnities offered and the proposed Stock Lending Agreement.

We look forward to discussing this paper with you in the near future.

Prepared for, and on behalf of, Hymans Robertson LLP

William Marshall and John Wright

December 2018

General risk warning

Please note the value of investments, and income from them, may fall as well as rise. This includes but is not limited to equities, government or corporate bonds, derivatives, and property, whether held directly or in a pooled or collective investment vehicle. Further, investments in developing or emerging markets may be more volatile and less marketable than in mature markets. Exchange rates may also affect the value of investments. As a result, an investor may not get back the full amount of the original investment. Past performance is not necessarily a guide to future performance

Cyfarfod:	Pwyllgor Pensiynau
Dyddiad:	21/01/2019
Teitl:	Bwrdd Ymgynghorol y Cynllun: Rheoli Costau
Awdur:	Dafydd L Edwards, Pennaeth Cyllid a Meirion Jones, Uwch Swyddog Cyfathrebu
Pwrpas:	Ar gyfer gwybodaeth yn unig

1. Cyflwyniad

Ar 21/12/2018 cyhoeddodd Bwrdd Cyngori'r Cynllun (SAB) y wybodaeth ddiweddaraf am y broses rheoli costau. Gellir gweld y diweddariad llawn yn Atodiad 1 (Saesneg yn unig), ond gellir gweld crynodeb isod yn ogystal â barn ein Actiwari, Hymans Robertson.

2. Rheoli Costau Bwrdd Ymgynghorol y Cynllun

Mae rheoli costau ar gyfer y Cynllun Pensiwn Llywodraeth Leol (CPLIL) yng Nghymru a Lloegr yn cael ei gynnal yng nghyd-destun adolygiad eang ar gostau cynlluniau pensiwn gwasanaeth cyhoeddus o dan gyfarwyddiadau Trysorlys EM.

Gan fod y CPLIL yn gynllun a ariennir, mae ganddi broses rheoli cost gwahanol i bob cynllun pensiwn gwasanaeth cyhoeddus arall.

Yn seiliedig ar waith a gynhaliwyd gan ymgynghorydd actiwaraid y Bwrdd, cyfanswm cost y cynllun (cyflogwr a chyflogai) o dan broses y Bwrdd yw 19% yn erbyn cost targed cyfanswm y cynllun o 19.5%.

Cytunodd y Bwrdd i ddirprwyo i'r Cadeirydd a chynrychiolydd o ochr cyflogwyr a gweithwyr, a gyda chymorth grŵp technegol bach, y cyfrifoldeb o gytuno ar becyn o newidiadau buddion i ddychwelyd y cynllun at ei darged gost o 19.5%, gan ystyried hefyd lefel cyfraniadau gweithwyr yn y pegwn isaf.

Er mwyn cyflawni hyn, rhaid gwneud newidiadau i fuddion. Mae Adran 3 isod yn rhoi crynodeb o'r newidiadau arfaethedig.

3. Newidiadau / argymhellion arfaethedig

Cyflwynwyd y pecyn canlynol o welliannau buddion a gostyngiadau cyfraniadau gweithwyr i'r Ysgrifennydd Gwladol ar 16 Tachwedd 2018. Ers hynny cafwyd trafodaethau gyda'r gweinidog a'i dîm a chafwyd cyngor cyfreithiol a chyngor ar effaith cydraddoldeb pellach.

Ymddeoliad Salwch:

- Cael gwared ar y drydedd haen o ymddeoliad salwch (angen diwygio Rheoliad 35)

Marwolaeth mewn gwasanaeth:

- Cyflwyno lleiafswm o lwmp swm grant marwolaeth mewn gwasanaeth o £75,000 yr aelod (angen diwygio Rheoliad 40)

Ymddeoliad cynnar:

- Ffactorau ymddeol cynnar gwell ar gyfer yr holl aelodau sy'n actif ar 1 Ebrill 2019 mewn perthynas â'u haelodaeth gysylltiedig â chyflog terfynol yn unig. Yn dilyn cyngor cyfreithiol pellach a gafwyd gan y Llywodraeth, cytunwyd a chyflwynwyd gwelliant i'r argymhelliad hwn ar 12 Rhagfyr. Yr argymhelliad yn awr yw, o fewn yr amlen un gost, y dylid cymhwyso ffactorau ymddeoliad cynnar gwell i holl wasanaeth yr holl aelodau sy'n actif ar 1 Ebrill 2019 (mae angen arweiniad actiwaraidd newydd).

Cyfraniadau gweithwyr:

- Band 2.75% newydd ar gyflog o £ 0 i £ 12,850. Mae'r band newydd hwn yn adlewyrchu diffyg unrhyw ryddhad treth pensiwn ar gyfer aelodau ar gyflogau dan y lwfans personol newydd.
- Ymestyn maint ond gostyngiad yng nghyfradd y band cyfredol 2 (5.8%). Byddai hyn yn mynd o £ 12,501 i £ 22,500 ond ar gyfradd is o 4.4% fyddai yn elwa aelodau ar gyflog isel.
- Ymestyn y band 6.8% o £ 45,200 i £ 53,500 i adlewyrchu'r cynnydd yn y lwfans treth uwch ers i'r bandiau gael eu cyflwyno yn 2014.

4. Amcangyfrif o effaith ariannol y pecyn

Amcangyfrifir bod yr adolygiad yn ôl i ailbrisiu pensiwn a gronnwyd i ddechrau'r flwyddyn cynllun yn **ostyngiad** yng nghost y cynllun yn y dyfodol o 0.4% o'r gyflogres.

Amcangyfrifir y bydd y pecyn hwn o welliannau buddiannau a argymhellir yn **cynyddu** cyfanswm cost gwasanaeth i'r dyfodol y cynllun yn y dyfodol o 0.5% o'r gyflogres.

O fewn y cyfanswm hwnnw, amcangyfrifir y bydd y gostyngiad yng nghyfraniad y gweithiwr o ganlyniad i'r bandiau newydd yn 0.8% o'r gyflogres yn 2019-20 gyda **chynnydd** posibl mewn cyfraniadau gan gyflogwyr.

Gyda phob peth arall yn gyfartal, byddai'r pecyn uchod yn gweld cynnydd net yn gyfraddau cyfartalog cyflogwyr yn y dyfodol o 0.9% o'r gyflogres.

Fodd bynnag, nid yw pob peth arall yn gyfartal ac ychydig o gyflogwyr sy'n talu'r gyfradd gyfartalog felly bydd yr effaith wirioneddol ar gyfer pob cyflogwr cynllun yn dibynnu ar ganlyniad proses prisiant 2019 ac yn benodol;

- Y farn a gymerir gan actiwarï y gronfa mewn perthynas â chostau pob elfen o'r pecyn.
- Proffil aelodaeth pob cyflogwr; gyda'r cyflogwyr gyda staff llawn amser â thâl uwch o bosib yn gweld llai o bwysau i gynyddu cyfraniadau ac i'r gwrthwyneb, byddai cyflogwyr sydd â chyfran uchel o staff ar gyflog llai na £ 12,000 yn gallu gweld pwysau uwch a allai olygu cynnydd o fwy na 2% yn y costau.
- I ba raddau y bydd y costau'n cael eu lliniaru gan ffactorau eraill megis gostyngiad yn hirhoedledd pensynwyr yn y dyfodol.

5. Y cam nesaf

Sefydliad cynghorol yn unig yw SAB. Bydd y penderfyniad terfynol ar y pecyn o welliannau yn cael ei wneud gan Y Weinyddiaeth Tai, Cymunedau a Llywodraeth Leol (MHCLG). Mae'n debygol y bydd ymgynghoriad yn cael ei lansio ddiwedd Ionawr / dechrau mis Chwefror, ac yn ôl yr angen bydd yn rhaid iddo fod yn fyr gan y bydd y gwelliannau'n effeithiol o 1 Ebrill 2019 (mae'r dyddiad hwn yn cael ei yrru gan Drysorlys EM a bydd yn berthnasol i'r holl gynlluniau pensiwn sector gyhoeddus).

Dywed SAB y byddent yn hoffi i MHCLG i gyhoeddi llythyr cysur i roi cymaint o rybudd â phosibl o'r newidiadau cyn y dyddiad effeithiol i gronfeydd a darparwyr meddalwedd.

6. Barn yr Actiwari

Dyma sylwadau cychwynnol ein Actiwari ar y cyhoeddiad:

- Gellir trafod dilysrwydd ac effeithiolrwydd yr ymagwedd rheoli cost gyfan yn helaeth. Mae'n ymddangos yn rhyfedd i ddyfarnu gwelliannau buddion ar adeg pan fo costau pensiwn y sector cyhoeddus yr uchaf y buont am gyfnod hir. Mae Trysorlys EM wedi cydnabod hyn ac maent wedi ymrwmo i adolygu, ar ryw adeg yn y dyfodol, y dull rheoli cost i weld a yw'n bodloni'r bwriad polisi presennol.
- Mae presenoldeb prisiant rheoli cost SAB yn newyddion da i'r CPLIL. Nid oes gan unrhyw gynllun pensiwn sector cyhoeddus arall mecanwaith SAB ar waith ac felly mae'r cynlluniau hynny yn agored i ganlyniadau prisiad rheoli costau Trysorlys EM sydd wedi gweld arbedion cost rhwng 3-5% o dâl (o'i gymharu ag arbediad o 0.5% o gyflog gyda'r SAB) a gwelliannau sylweddol i'r cyfraddau cronni. Gobeithio y bydd y pecyn arfaethedig o newidiadau buddion a chyfraniad yn ddigonol i sicrhau bod canlyniadau'r prisiad rheoli costau Trysorlys EM ar y CPLIL yn golygu na fydd unrhyw welliannau buddion sylweddol yn cael eu sbarduno.
- Amcangyfrifir effaith cost y newidiadau arfaethedig ar lefel y cynllun. Fodd bynnag, mae'r CPLIL yn cael ei ariannu ar lefel cyflogwyr a dyma le bydd y newidiadau yn cael eu gwireddu. Oherwydd bod rhai o'r newidiadau mwy arwyddocaol (cyfraddau cyfraniadau gweithwyr a marwolaeth mewn gwasanaeth) yn canolbwyntio ar yr aelodau cyflog isaf, mae'n dilyn y bydd y cyflogwyr hynny â staff cyflogedig ar gyflog is na'r cyfartaledd cenedlaethol yn gweld cynnydd uwch. Er enghraifft, os yw holl staff y cyflogwr yn ennill llai na £ 12,850 y.f. yna bydd y gyfradd cyfraniad cyflogwr yn cynyddu 2.75% oherwydd y newid hwn yn unig. Byddai wedi bod yn well, ac yn fwy teg, o safbwynt cyflogwr pe byddai y newidiadau arfaethedig yn gyson ar draws yr holl aelodaeth.
- Mae'r amserlen gywasgedig yn siomedig a byddem yn cwestiynu a yw'n caniatáu i unrhyw ymgynghoriad go iawn ddigwydd. O gofio y bydd y newidiadau hyn yn uniongyrchol ac, mewn rhai achosion, yn cael effaith sylweddol ar fuddion gwirioneddol, gweinyddu a chyllido, byddem wedi gobeithio am gyfnod hirach i ystyried y cynigion, trafod opsiynau eraill a chaniatáu amser i'w cyfathrebu i aelodau a chyflogwyr. Bydd cronfeydd hefyd o dan bwysau gwirioneddol mewn cyfnod sydd eisoes yn brysur i ddiweddarau systemau gweinyddu a threfniadau i ymdopi â'r newidiadau i fuddion.

Ar hyn o bryd mae Hyman Robertson yn ystyried y cynigion yn fanylach a bydd yn darparu nodyn manylach yn yr wythnosau sydd i ddod.

Atodiad A

THIS DOCUMENT DOES NOT IN ANY WAY CONSTITUTE CONFIRMED POLICY NOR DOES IT IN ANY WAY PREJUDGE THE OUTCOME OF ANY FORTHCOMING CONSULTATION PROCESS. IT IS DESIGNED TO GIVE ADMINISTERING AUTHORITIES AND SCHEME EMPLOYERS INFORMATION REGARDING THE PROPOSALS SUBMITTED BY THE LGPS ADVISORY BOARD IN RESPECT OF THE COST MANAGEMENT PROCESS. NO LIABILITY IN ANY FORM CAN BE ACCEPTED BY THE LGPS ADVISORY BOARD OR ANY OF ITS MEMBERS IN RESPECT OF ANY ACTION TAKEN BASED ON THE CONTENTS OF THIS DOCUMENT.

Local Government Pension Scheme Advisory Board SAB Cost Management

Context

1. Cost management for the LGPS in England and Wales is taking place in the context of a public service pension scheme wide cost cap review under HM Treasury directions. In the other schemes indicative outcomes have seen breaches of the cost cap floor requiring benefit improvements in excess of 3% of payroll.
2. The closest comparable public service scheme undergoing the cost cap process this year is LGPS in Northern Ireland which has recently commenced a consultation on a benefit improvement package costing 3.2% of payroll.
3. LGPS in England and Wales has a separate cost management process which is completed prior to finalisation of the HMT cost cap calculations.

Board cost management outcome

4. At the Board meeting of the 10th October it was noted that, subject to agreement by government to return the scheme design to that agreed in 2013 by the employers and scheme members in relation to the annual revaluation of CARE benefits, the outcome of the Board's cost management process was a total scheme future service cost of 19%. As the target for the process is 19.5% the Board agreed to consider recommendations to return the total cost back to the target.
5. It was further agreed that a Board sub group consisting of the Chair, Vice Chair and an employer representative would consider a package of benefit improvements sufficient to return the total cost back to 19.5% and such further changes to employee contributions within that total cost necessary to obtain the support of both employer and employee representatives of the Board.
6. The Board agreed that options for changes to benefits should be limited to Third Tier Ill Health, Lump sum death grants, Early Retirement and Commutation. These being elements which were both of interest to scheme members and affordable within the 0.5% target cost increase. Any changes to employee contribution rates were to be targeted principally at the lowest bands but also seeking to address existing anomalies with regard to pension tax relief at both the personal and higher rate allowance points.

Consideration of options

7. In order to provide the Board sub group with the information necessary to come to a view a small technical group consisting of representatives of both scheme member and employers as well as the secretariat was formed. This group received actuarial input (in the form of technical advice from MHCLG's GAD adviser and independent actuarial advice from the Board's actuarial adviser) and legal views from Eversheds (in particular with regard to

potential discrimination issues) and considered a number of options around the elements agreed by Board.

8. The secretariat also held discussions with LGPS actuarial firms in order to get a very broad feel of the potential actual impact at fund and employer level of the various options.

9. The following proposals were put to the Board for agreement.

Ill health

10. That the removal of the third tier of ill health (costed on the assumption that tier 2 would be awarded in these cases) should be recommended.

Death in service

11. That due to the high cost and low perceived benefit a small improvement to the existing lump sum death in service benefit (3 x pay) for all members was not appropriate for recommendation. However a targeted improvement via the introduction of a minimum payment of £75,000 (per member) was.

Early Retirement

12. A number of options on enhanced early retirement factors were considered including limiting the enhancements to various groups of members or sections of the scheme. Following legal opinion on the potential for challenge to a number of options on the grounds of age discrimination two options were put forward to the Board; application of equal enhancement to all members in all sections of the scheme and targeted enhancements to final salary section benefits.

Commutation

13. Given the potential cost of a membership wide increase together with the potential for confusion and administrative overhead of limiting commutation improvements to a particular group of members or section of the scheme this option was not considered to be a priority and therefore no recommendations were made to the Board in this area.

Employee contributions

14. Based on costing information provided, six options for changes to employee contribution rates were considered. The objective for the options was to find one that most closely met the dual ambition of removing tax relief anomalies (where net contributions are lower after an increase in pay because of the effect of pension tax relief) and providing a real reduction for the lowest paid members.

15. The option that most closely met these ambitions was agreed to be;

- A new 2.75% band at pay of £0 to £12,850. This new band reflects the lack of any pension tax relief for levels of pay below the new personal allowance.
- An expansion in size but reduction in rate of the current band 2 (5.8%). This would now go from £12,501 to £22,500 and be at a rate of 4.4% benefitting lower paid members.
- An expansion of the top of current 6.8% band from £45,200 to £53,500 to reflect the increases in the higher rate tax allowance since the bands were introduced in 2014.

16. It was also proposed to the Board that moving the bands out of regulation and into guidance would in future years enable a more effective tracking of changes to pension tax relief as well as providing a more effective and speedier means to meet the target yield.

17. The Board sub group considered these options and obtained agreement by the employee and employer representatives on the Board.

Recommendations of the Board

18. The following package of benefit improvements and employee contribution reductions were submitted to the Secretary of State on 16th November. Since then discussions of taken place with the minister and his team and further legal and equality impact advice has been obtained.

a) Removal of Tier 3 of Ill Health (amendments required to Regulation 35)

b) A minimum lump sum death in service benefit of £75,000 per member (amendments required to Regulation 40)

c) Enhanced early retirement factors for all members who are active on 1st April 2019 in respect of their final salary linked membership only. Following further legal advice obtained by Government an amendment to this recommendation was agreed and submitted on 12th December. The recommendation now is that, within the same cost envelope, enhanced early retirement factors should be applied to all service of all members active on 1st April 2019 (new actuarial guidance required).

d) Removal of contribution bands from regulations replaced by reference to guidance (amendments required to Regulation 9)

e) Introduction of the bands shown below for 2019-20 (new guidance required)

Band	Pensionable Pay from £	Pensionable Pay to £	Contribution rate
1	0	12,850	2.75%
2	12,851	22,500	4.4%
3	22,501	36,500	6.5%
4	36,501	53,500	6.8%
5	53,501	64,600	8.5%
6	64,601	91,500	9.9%
7	91,501	107,700	10.5%
8	107,701	161,500	11.4%
9	161,501		12.5%

Estimated financial impact of the package

19. The revision back to revaluation of pension accrued to the start of the scheme year is estimated to be a **reduction** in the future scheme cost of 0.4% of payroll.

20. This package of recommended benefit improvements is estimated to **increase** the total future service cost of the scheme by 0.5% of payroll.

21. Within that total it is estimated that the reduction in the employee contribution yield as a result of the new bands will be 0.8% of payroll in 2019-20 with a potentially equivalent **increase** in employer contributions.

22. All other things being equal the above package would see net increases in average employer future service rates of 0.9% of payroll.

23. However all other things are not equal and few employers pay the average rate therefore the actual impact for each scheme employer will depend on the outcome of the 2019 valuation process and in particular;

- The view taken by the fund actuaries of the costs of each element of the package
- The membership profile of each employer; with those with higher paid full time staff possibly seeing a smaller upward pressure on contributions and conversely those with a very large proportion of staff earning less than £12,000 potentially seeing a much higher upward pressure possibly in excess of 2%.
- The extent to which the costs are mitigated by other factors such as the falling away of future longevity increases
- The extent to which the costs are amplified by other factors such as reductions to future service discount rates
- The upward or downward pressure of changes to employer deficits on the total employer rate

Next steps on Board cost management

24. It was hoped that agreement could have been reached with MHCLG on these recommendations and a consultation launched before Christmas. For a number of reasons this has not proved possible, however, it is anticipated that such a consultation will be published in late January/early February for regulations to take effect from 1st April.

25. The Board has made representations to MHCLG and HM Treasury that meeting the implementation date of 1st April 2019, will be significantly challenging for administering authorities and have proposed putting back the implementation date if possible. However, indications are that due to the requirements placed on all public service pension schemes the 1st April implementation date will not be changed

26. The Board has strongly suggested to MHCLG that -

(a) the consultation be as short as is possible and

(b) a letter of comfort is issued as soon as is legally possible to allow administering authorities and software providers to anticipate the changes to regulations and employers to implement new contribution rates.

27. In the meantime, the Board advise that authorities begin preparations for the above changes including taking a view on advising their employers of the proposed contributions rates. Without preempting regulatory changes it may be prudent to put in place the necessary preparations to avoid changing bands on 1st April under current regulations then retrospectively making further changes to bands and rates resulting in contribution overpayments. Doing so could enable employers to take immediate and full advantage of any letter of comfort issued prior to regulations in this area.

28. You may also wish to make employers and members aware of the proposed changes to ill health and early retirement with effect from 1st April so that decisions can be made in light of the proposals.

29. The Board secretariat will contact software suppliers and major payroll providers to assess the changes required to systems to implement these proposals. In particular to determine the most effective way to introduce enhanced early retirement factors with the absolute minimum impact on administrative processes.

30. The secretariat will review the NI database to ensure it can provide the necessary membership information to ensure that minimum death in service lump sums are appropriately limited where multiple active membership records exist across funds.

31. The secretariat will also work with fund actuaries to ensure the proposed changes are able to be appropriately accounted for in the coming valuation.

32. At its last meeting the LGPS Technical Group, consisting of representatives from the regional Pension Officer Groups (POGs), agreed to form a working group early in the New Year to further assess the administrative implications of the proposals and provide information and advice to administering authorities.

Next steps on MHT cost cap

33. The HMT cost cap process will be completed once the outcome of the above proposals and subsequent consultation is known.

34. If the proposals are not accepted by government either prior to or following a consultation then the HMT process will complete without having to take account of any changes to scheme design when determining if the cost floor has been breached.

35. If the proposals are accepted and submitted for legislation, the HMT process will take the changes into account when determining if the cost floor has been breached.

36. In either case if the cost floor is breached changes to benefits will be required under the terms of the Public Service Pension Schemes Act 2013.

Jeff Houston

Secretary to the Local Government Pension Scheme Advisory Board (England and Wales)

If you have any questions please contact the Board Secretariat on any of the following email addresses. Please note you will get an out of office from the team over the Christmas period but your email will be picked up and will be responded to as quickly as possible.

Jeff.houston@local.gov.uk
Robert.holloway@local.gov.uk
Liam.robson@local.gov.uk

21st December 2018

Eitem 8

Cyfarfod:	Pwyllgor Pensiynau
Dyddiad:	21/01/2019
Teitl:	Staffio Uned Gweinyddu Pensiynau
Awdur:	Nicholas Hopkins – Rheolwr Pensiynau
Argymhelliad:	Cymeradwyo adnoddau ychwanegol i alluogi'r Adran Gyllid i sefydlu strwythur staff mwy gwydn ar gyfer yr Uned Bensiynau

Cefndir

1. Fel y nodwyd yn gyfarfodydd blaenorol y Pwyllgor Pensiynau, oherwydd cymhlethdod cynyddol gweinyddu Cynllun Pensiwn Llywodraeth Leol, mae pwysau cynyddol ar yr adnoddau staffio. Mae'r adroddiad hwn yn ceisio cymeradwyaeth y Pwyllgor Pensiynau i gael adnoddau ychwanegol i alluogi'r Uned Weinyddu Pensiynau i ymdopi'n effeithlon â lefel y gwaith sydd ei angen yn awr.
2. Mae pwysau gwaith wedi cynyddu'n barhaus, oherwydd -
 - Cymhlethdod cynyddol i'r cynllun ers cyflwyno'r cynllun Cyfartaledd Gyrfa o 1/4/2014,
 - Problemau Tâl Pensiynadwy Tybiedig a'r ddolen gyflog derfynol sy'n cadw'r hen ystyr o dâl pensiynadwy o dan y rheoliadau cyn Ebrill 2014,
 - Y pwysau cynyddol gan amryw adrannau, megis MHCLG, y Rheoleiddiwr Pensiynau, Adran Actiwari'r Llywodraeth, LGA, a'r holl ymgynghorwyr Actiwaraidd ar gyfer data cywir,
 - yr her o gael data cywir ac amserol gan y cyflogwyr.
3. Yn y cyfamser, nid yw adnoddau'r Uned Gweinyddu Pensiynau wedi newid yn bennaf ers sawl blwyddyn, ac eithrio'r staff dros dro 'GMP'.

Adolygu Staffio'r Uned Bensiynau

4. Er mwyn gwella effeithlonrwydd yr Uned Gweinyddu Pensiynau, cynigir addasiad strwythurol i strwythur staff yr adran.
5. Hefyd, i ymdrin â'r pwysau gwaith ychwanegol, bwriedir cynyddu adnoddau staff yr adran, trwy sefydlu 4 swydd newydd barhaol.
6. Mae'r swyddi newydd yn cynnwys Technegydd Systemau (a ragdybir yn y radd S1, cyflog £ 23,013 y flwyddyn, yn amodol ar werthusiad swydd yn y dyfodol) i gynorthwyo'r Swyddog Systemau gyda'r holl ymholiadau mewnbyn data gan gyflogwyr, a 3 swydd Cymhorthydd Pensiynau newydd (a ragdybir yn raddfa GS5, £ 18,592 y flwyddyn, eto yn amodol ar werthusiad swyddi).
7. Ymhellach, cynigir cadw'n barhaol graddau dros dro y 3 aelod staff a secondiwyd yn flaenorol i gyflogau uwch tra bod y broses gysoni IPG yn ei le. Bydd y swyddi hyn yn parhau i wneud gwaith ar lefel uwch o fewn yr adran. Byddai dwy swydd a oedd gynt yn GS5 (£ 18,592 y flwyddyn) yn cael eu hailraddio i fyny i S1 (£ 23,013 y flwyddyn), tra byddai un swydd a oedd yn flaenorol S1 (£ 23,013 y flwyddyn) yn cael ei ailraddio i fyny i S2 (£ 25,355 y flwyddyn).
8. Yn dilyn ymddiswyddiad diweddar y Swyddog Systemau presennol, cynigir hefyd i israddio'r swydd honno o S4 (£ 30,624 y flwyddyn) i S3 (£ 28,101 y flwyddyn), yn unol â'r swydd Uwch Swyddog Pensiynau presennol, gan arbed £ 2,523. Mae hynny'n mynnu bod y swydd Uwch Swyddog Cyfathrebu yn cael ei ailraddio i radd PS1 o S3 am gost o £ 6,665, i adlewyrchu'r cyfrifoldeb rheoli systemau cyffredinol ychwanegol a gymerwyd o'r swydd Swyddog Systemau.
9. Dangosir y strwythur arfaethedig yn Atodiad 2 (er gwybodaeth, mae'r strwythur presennol i'w weld yn Atodiad 1).
10. Dylid nodi bod swm parhaus o £ 65,628 wedi cael ei gynnwys ar gyfer staff dros dro o 1af Ionawr 2016 o fewn y cyfanswm cost ddiwygiedig o £121,120.
11. Mae'r cyfanswm costau diwygiedig hefyd yn cynnwys £ 15,231 y mae'r Gronfa wedi bod yn ei dalu i'r staff secondedig ers 1 Ionawr 2016.

Adnoddau Angenrheidiol

12. Mae'r costau arfaethedig fel a ganlyn ac yn cynnwys costau'r cyflogwr (YG a chyfraniadau pensiwn).

13. Creu 4 swydd newydd fel a ganlyn: -

Manylion y swydd	Graddfa arfaethedig	Tâl blynyddol llawn amser	Costau'r cyflogwr
1 Technegydd Systemau	S1	£23,013	£7,168
3 Cymhorthydd Pensiynau (£18,592)	GS5	£55,776	£16,704
Cyfanswm blynyddol			£102,661

14. Cadw staff secondedig ar radd barhaol fel a ganlyn:-

Manylion y swydd	Graddfa arfaethedig	Tâl blynyddol llawn amser	Costau'r cyflogwr
2 GS5 i S1 Technegydd Pensiynau	S1	£8,842	£3,200
1 S1 i S2 Swyddog Pensiynau	S2	£2,342	£847
Cyfanswm blynyddol			£15,231

15. Uwch Swyddog Cyfathrebu yn cael ei ailraddio o S3 i radd PS1

Manylion y swydd	Graddfa arfaethedig	Tâl blynyddol llawn amser	Costau'r cyflogwr
S3 i PS1 Uwch Swyddog Cyfathrebu	PS1	£4,893	£1,772
Cyfanswm blynyddol			£6,665

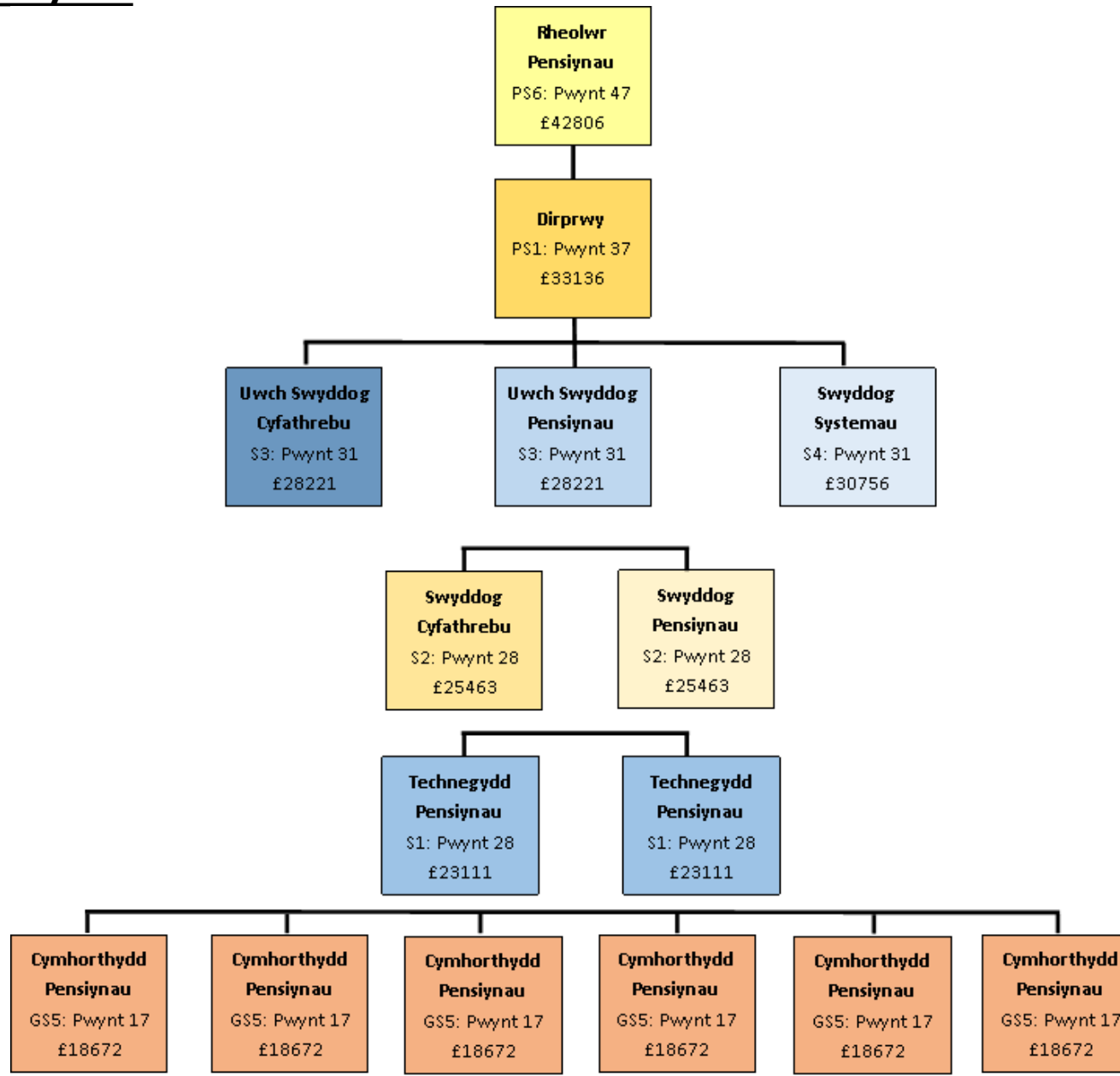
16. Israddio'r swydd Swyddog Systemau o S4 i S3

Manylion y swydd	Graddfa arfaethedig	Tâl blynyddol llawn amser	Costau'r cyflogwr
S4 i S3 Swyddog Systemau	S3	(£2,523)	(£914)
Cyfanswm blynyddol			(£3,437)

Argymhelliad

16. Gofynnir i'r Aelodau gymeradwyo'r cynnydd mewn gwariant a gyllidwyd er mwyn galluogi'r Adran Gyllid i sefydlu strwythur staff mwy cadarn ar gyfer yr Uned Bensiynau ar gost o £ 121,120 a gofyn i'r Pennaeth Cyllid weithredu strwythur staffio diwygiedig priodol ar gyfer yr Uned Pensiynau cyn gynted â phosib sy'n ymarferol, er mwyn rheoli risgiau busnes a phwysau gwaith.

Atodiad 1 – Hen strwythur



Atodiad 2 – Strwythur newydd

