



Wales Pension Partnership
Business Plan
2020-2021
Q3 Review

Governance

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> Development of Climate Risk Policy 	Yes	N/A
<ul style="list-style-type: none"> Development of Conflict of Interest Policy 	Yes	N/A
<ul style="list-style-type: none"> Development of a WPP Voting Policy 	In progress	Paper taken to the December 2020 JGC for approval
<ul style="list-style-type: none"> Formulation of a WPP Governance Manual 	In progress	In progress, will be taken to March 2021 JGC for approval
<ul style="list-style-type: none"> Formulation of a WPP Risk Register 	Yes	N/A
<ul style="list-style-type: none"> Annual review and update of WPP Business Plan 	In progress	To be completed Jan – Mar 2021 and taken to March 2021 JGC for approval
<ul style="list-style-type: none"> Annual review of RI policy 	In progress	Review undertaken and amendments taken to December 2020 JGC for approval

Ongoing Establishment

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> Launch of Emerging Market equity tranche 	In progress	Launch date delayed until May 2021
<ul style="list-style-type: none"> Launch of Fixed Income sub-funds 	Yes	N/A
<ul style="list-style-type: none"> Launch of Private Markets sub-funds 		Delayed until 2021-2022

Operator Services

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> Formulation of a WPP Operator Oversight Framework 	In progress	
<ul style="list-style-type: none"> Review of Operator's contract 	In progress	
<ul style="list-style-type: none"> Review and development of Operator KPI reporting 	In progress	

Communication, Training and Reporting

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> Development of Investment Manager performance reporting, including ESG metrics and climate change risk 	In progress	In progress – the RI Sub Group are currently formulating the WPP Responsible Investment Monitoring Report
<ul style="list-style-type: none"> Formulation of the WPP's annual training plan 	In progress	21/22 training plan to be taken to March 21 JGC for approval
<ul style="list-style-type: none"> Formulation of the WPP's Annual Newsletter 	Yes	Annual Update published in June 2020

Resources, budget and fees

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> Appointment of legal advisor 	In progress	Paper being taken to December 2020 JGC for approval
<ul style="list-style-type: none"> Annual review of resources and capacity 		To be reviewed in Q1 2021
<ul style="list-style-type: none"> Formulation of Annual WPP Budget 	In progress	2021/22 budget to be taken to March 2021 JGC for approval
<ul style="list-style-type: none"> Review and Monitoring of Fees (including Link & Russell) 	In progress	

Training Plan

Training topics to be completed during 2020–2021 as per approved 2020-2021 Training Plan and progress to date:

	Completed	Comments
• Managing Conflict of interest	Yes – June 2020	
• Operator Monitoring		To be arranged – Jan / Mar 2021
• Performance metric (including RI metrics)	Yes – October 2020	
• Progress of other LGPS Pools	Yes – November 2020	
• Collaboration Opportunities	Yes – November 2020	
• Climate Risk	Yes – June 2020	
• Asset Class – Alternatives (Private Markets)	Yes – October 2020	
• Decision Logging		To be arranged – Jan / Mar 2021
• Identifying lessons to be learnt		To be arranged – Jan / Mar 2021
• Transparency Requirements		To be arranged – Jan / Mar 2021
• Enacting guidance and regulation		To be arranged – Jan / Mar 2021

Robeco training sessions were also held in September and October 2020.

All the above training that has taken place to date has been extended to Pension Committee and Pension Board members and all training sessions have been held virtually.

Budget

2020-2021 Budget Monitoring Report:

	Budget 2020 – 2021 £000	Forecast 2020 – 2021 £000	Variances 2020 – 2021 £000 (See below)
Host Authority *	181	158	23
External Advisors *	580	580	0
TOTAL to be recharged	761	738	23
Operator Services **	27,557	22,901	4,656
TOTAL to be deducted from the NAV	27,557	22,901	4,656

**Host Authority and External Advisor costs are to be funded equally by all eight of the WPP's Constituent Authorities and these will be recharged on an annual basis.*

***Operator Services costs are based on each Constituent Authority's percentage share of WPP assets (held with the Operator) and are deducted directly from the Net Asset Value (NAV) of the Constituent Authority's assets (held with the Operator).*

Variations:

- Host Authority – Assistant Accountant post vacant and underspend on travelling and subsistence costs due to Covid 19
- Operator Services - Delay in the launching of the Emerging Markets and Private Markets sub funds

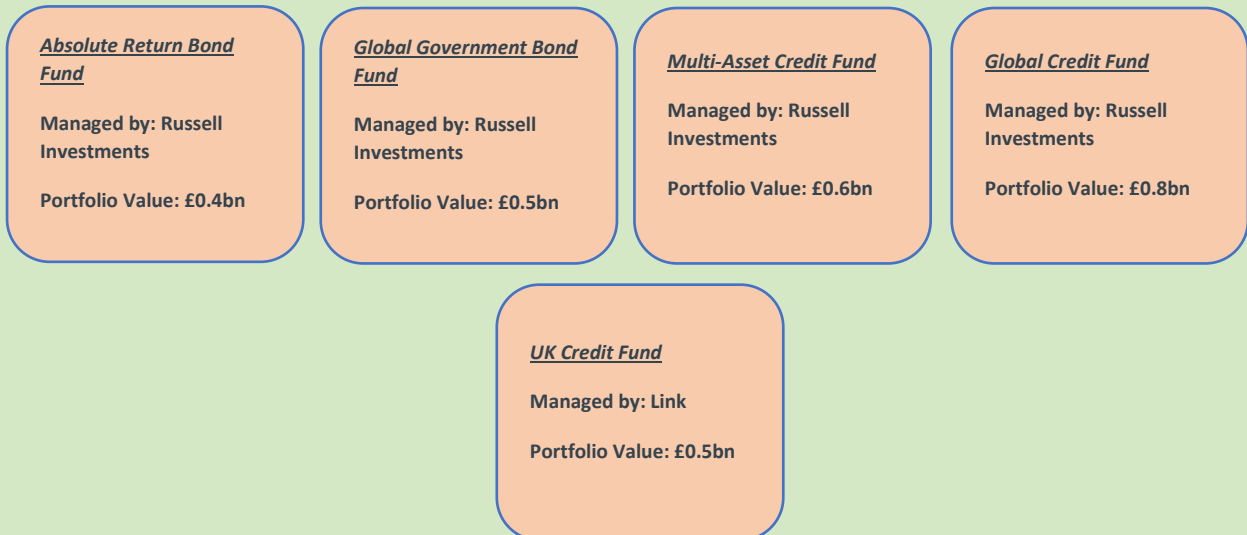
Investments

Equity Sub-Funds



- Emerging Markets sub-fund launch has been postponed to May 2021

Fixed Income Sub-Funds





Wales Pension Partnership

<https://www.walespensionpartnership.org/>