



Wales Pension Partnership
Business Plan
2020-2021
Q4 Review

Governance

Work to be completed	Completed	Comments
• Development of Climate Risk Policy	Yes	N/A
• Development of Conflict of Interest Policy	Yes	N/A
• Development of a WPP Voting Policy	Yes	N/A
• Formulation of a WPP Governance Manual	Yes	N/A
• Formulation of a WPP Risk Register	Yes	N/A
• Annual review and update of WPP Business Plan	In progress	Paper being taken to the March 2021 JGC for approval
• Annual review of RI policy	Yes	N/A

Ongoing Establishment

Work to be completed	Completed	Comments
• Launch of Emerging Market equity tranche	In progress	Launch date delayed until September 2021
• Launch of Fixed Income sub-funds	Yes	N/A
• 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	Paper being taken to the 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 	Yes	N/A
<ul style="list-style-type: none"> Annual review of resources and capacity 	Yes	N/A
<ul style="list-style-type: none"> Formulation of Annual WPP Budget 	In progress	Part of the Business Plan which is being taken to the 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		Arranged for March 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	Yes – February 2021	
• Identifying lessons to be learnt	Yes – February 2021	
• Transparency Requirements	Yes – February 2021	
• Enacting guidance and regulation	Yes – February 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	148	33
External Advisors *	580	580	0
TOTAL to be recharged	761	728	33
Operator Services **	27,557	24,819	2,738
TOTAL to be deducted from the NAV	27,557	24,819	2,738

**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).*

Variances:

- 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 Fixed Income and Emerging Markets sub funds

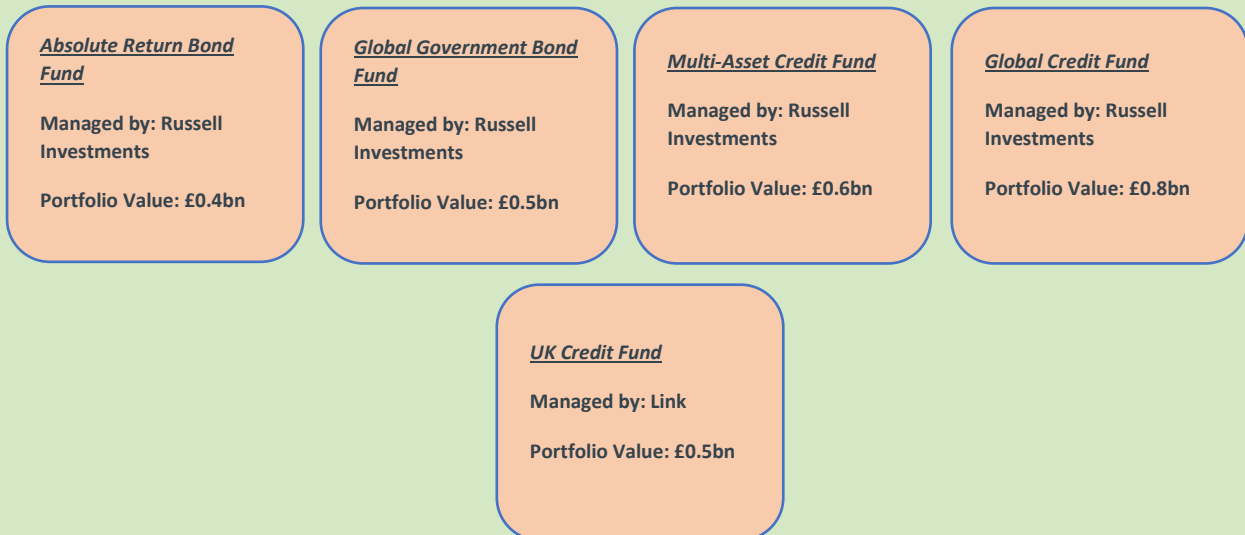
Investments

Equity Sub-Funds



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

Fixed Income Sub-Funds



* Portfolio Values as at launch date



Wales Pension Partnership

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