



# WALES PENSION PARTNERSHIP JOINT GOVERNANCE COMMITTEE

**DATE 13 DECEMBER 2023**

## **SUBJECT**

**HOST AUTHORITY UPDATE**

## **RECOMMENDATIONS / KEY DECISIONS REQUIRED:**

**To receive an update from the host authority**

## **REASONS:**

The host authority to provide a progress update in relation to the following key areas:

- Governance
- Ongoing establishment
- Operator services
- Communications and reporting
- Training and meetings
- Resources, budget and fees

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# EXECUTIVE SUMMARY

## JOINT GOVERNANCE COMMITTEE

DATE 13 DECEMBER 2023

### HOST AUTHORITY UPDATE

#### BRIEF SUMMARY OF PURPOSE OF REPORT

The WPP Business Plan for 2023/24 was approved by the JGC on 29 March 2023. A Quarter 2 (1 April to 30 September 2023) update is attached showing WPP's progress in relation to the Workplan, Budget and Investments sections.

Work has continued to be developed in a number of key areas, including:

- 2022/23 DLUHC return submitted 22 September 2023 – as at 31 March 2023 WPP had total assets worth £22.5bn of which £15.7bn (70%) had been pooled
- LGPS Investments consultation response submitted 2 October 2023
- 2022/23 Annual Report published 2 November 2023
- Policy Reviews – Training Policy & Rebalancing and Alteration policy
- Private Markets:
  - Infrastructure, Private Credit and Private Equity investment programmes launched
  - Real Estate – Pre Qualification Questionnaire (PQQ) issued 17 November 2023
- Operator contract – Invitation to Tender (ITT) issued on 16 October 2023 and closed on 20 November 2023. Currently evaluating the submissions received.
- Responsible Investment:
  - All Wales Climate Report
  - Stewardship Code report – submitted 31 October 2023
  - Stewardship themes – Protecting the Marine Environment; and Societal Impact of Artificial Intelligence
  - Escalation policy

Next Steps / Priorities:

- Real Estate procurement – timeline:
  - Nov / Dec 2023 – PQQ issued and evaluated
  - Jan / Feb / March 2024 – ITT issued and evaluated
  - April / May 2024 – Presentation / Interviews

- July 2024 – Approval of recommendation by the JGC
- August 2024 – Contract awarded
- Operator contract - procurement process timeline, key steps:
  - Nov / Dec 2023 – ITT evaluation
  - January 2024 – Clarification interviews / presentations
  - March 2024 – Approval of recommended operator by the JGC
  - March / April 2024 – Approval by the CA's
  - May 2024 – Operator appointment
  - May 2024 – Dec 2024 – transition period
  - December 2024 – new formal contract start date
- TCFD reporting
- Developing the 2024-27 Business plan, including budget, training plan and workplan.

Value of pooled assets as at 30 September 2023:

	31 March 2023 (£m)	30 September 2023 (£m)
ACS operator	10,587	11,531
Passive Equities	5,073	4,705
Infrastructure		27*
Private Credit		38*
<b>Total</b>	<b>15,660</b>	<b>16,301</b>

\* Amount drawn down as at 30 September 2023

Other key areas:

- Training – training sessions continue to be undertaken virtually
- Website – the website continues to be updated with relevant news and publications.

**DETAILED REPORT ATTACHED?**

**YES**

## IMPLICATIONS

Policy, Crime & Disorder and Equalities <b>YES</b>	Legal <b>NONE</b>	Finance <b>NONE</b>	Risk Management Issues <b>NONE</b>	Staffing Implications <b>NONE</b>
<b>Policy</b> Policy and procedure documents will be formal documents for the Wales Pension Partnership.				

# CONSULTATIONS

Details of any consultations undertaken are to be included here

## Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

**THESE ARE DETAILED BELOW**

Title of Document	File Ref No.	Locations that the papers are available for public inspection/WEBSITE LINK