



**Wales Pension Partnership  
Business Plan  
2023-2024  
Q4 Review  
(April 2023 to March 2024)**

## Governance

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>Development of a WPP Breaches and Errors Policy</li> </ul>	Yes	Approved at the September 2023 JGC
<ul style="list-style-type: none"> <li>Legal Services provider contract (initial 3 year review)</li> </ul>	Yes	Initial 3 year review completed, 2 year contract extension put in place
<ul style="list-style-type: none"> <li>Ongoing review of the Inter Authority Agreement</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>Annual review of WPP's policies and plans</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>Quarterly reviews of the Risk Register</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>Respond to any pooling related consultations and carry out any necessary changes as a result of consultation outcomes</li> </ul>	Ongoing	Response submitted in relation to the recent LGPS Investments consultation

## Ongoing Sub-Fund development

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>Launch of Private Debt &amp; Infrastructure Sub-Funds</li> </ul>	Yes	Infrastructure and Private Debt investment programmes launched
<ul style="list-style-type: none"> <li>Launch of Private Equity Sub-Fund</li> </ul>	Yes	Private Equity investment programme launched
<ul style="list-style-type: none"> <li>Launch Sustainable Equities Sub-Fund</li> </ul>	Yes	Launched 20 June 2023
<ul style="list-style-type: none"> <li>Formulate the WPP's Property requirements and optimal means of implementation &amp; launch the property Sub-funds</li> </ul>	In progress	<b>Procurement process completed, recommendation report to be taken to the July 2024 JGC for approved</b>
<ul style="list-style-type: none"> <li>Consideration of WPP's Levelling up / impact requirements</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>Launch of other Private Market sub-funds (TBC)</li> </ul>	Ongoing	

<ul style="list-style-type: none"> <li>• Consultation with CAs on need for further sub-funds, review and develop a mechanism to pool any suitable non-pooled assets</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Consideration of Local Investment opportunities</li> </ul>	Ongoing	

### Operator Services

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>• Operator contract / procurement process</li> </ul>	Yes	<b>Waystone has been awarded the new Contract</b>
<ul style="list-style-type: none"> <li>• Operator oversight</li> </ul>	Ongoing	

### Investments and Reporting

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>• Review Sub-Fund mandates to ensure compatibility with WPP's Responsible Investment and Climate Risk Beliefs</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Task Force on Climate-related Financial Disclosures (TCFD) reporting</li> </ul>		Awaiting TCFD consultation response
<ul style="list-style-type: none"> <li>• Stewardship Code reporting</li> </ul>	Yes	<b>WPP remains a signatory to the UK Stewardship Code</b>
<ul style="list-style-type: none"> <li>• Consider additional reporting that demonstrates WPP's commitment to Responsible Investment</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• On-going Investment Manager performance reporting, scrutiny and challenge</li> </ul>	Ongoing	
<ul style="list-style-type: none"> <li>• Annual review of WPP's Cost Transparency Requirements</li> </ul>	Yes	

<ul style="list-style-type: none"> <li>Annual performance review of WPP Sub Funds (Equity and Fixed Income)</li> </ul>	Yes	Report being taken to the July 2024 JGC
<ul style="list-style-type: none"> <li>On-going engagement with Constituent Authorities regarding minimum ESG / RI standards and their climate ambitions</li> </ul>	Ongoing	

### Communication and Training

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>Formulation of the WPP's Annual Responsible Investment Progress Report</li> </ul>	Yes	Report presented at the July 2023 JGC and published on website
<ul style="list-style-type: none"> <li>Formulation of the WPP's annual training plan</li> </ul>	Yes	<b>2024/25 training plan approved at the March 2024 JGC and published on website</b>
<ul style="list-style-type: none"> <li>Formulation of the WPP's Annual Update</li> </ul>	Yes	2022/23 Annual Update published in August 2023
<ul style="list-style-type: none"> <li>Formulation of the WPP's Annual Report</li> </ul>	Yes	2022/23 Annual Report published in November 2023

### Resources, budget and fees

Work to be completed	Completed	Comments
<ul style="list-style-type: none"> <li>Annual review of resources and capacity</li> </ul>	Yes	Reviewed when formulating the 2024/25 budget
<ul style="list-style-type: none"> <li>Formulation of Annual WPP Budget</li> </ul>	Yes	Formulated and included in the 2024-27 Business Plan
<ul style="list-style-type: none"> <li>Review and Monitoring of Operator / external provider fees</li> </ul>	Ongoing	

## Training Plan

Training topics to be completed during 2023–2024 as per approved 2023-2024 Training Plan and progress to date:

	Completed	Comments
• Private Market Asset Classes – Private Equity / Property	Yes	8 June 2023
• Levelling up / development opportunities	Yes	8 June 2023
• TCFD reporting	Yes	13 December 2023
• Performance reporting	Yes	13 December 2023
• Voting & Engagement	Yes	21 September 2023
• RI within the WPP sub funds	Yes	21 September 2023
• Progress of other LGPS pools & Collaboration Opportunities	Yes	5 March 2024
• Pooling Guidance	Yes	5 March 2024

## Budget

### 2023-2024 Budget Monitoring Report:

	<b>Budget 2023 – 2024 £000</b>	<b>Actual 2023 – 2024 £000</b>	<b>Variances 2023 – 2024 £000</b>
Host Authority *	200	174	26
External Advisors *	1,448	1,631	(183)
<b>TOTAL to be recharged</b>	<b>1,648</b>	<b>1,805</b>	<b>(157)</b>
Operator Services **	37,257	35,909	1,348
<b>TOTAL to be deducted from the NAV</b>	<b>37,257</b>	<b>35,909</b>	<b>1,348</b>

*\*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).*

## Investments

### Equity Sub-Funds

#### Global Growth Fund

Managed by: Link Fund Solutions

Portfolio Value: £2bn\*

#### Global Opportunities Fund

Managed by: Russell Investments

Portfolio Value: £2bn\*

#### UK Opportunities Fund

Managed by: Russell Investments

Portfolio Value: £0.6bn\*

#### Emerging Markets Fund

Managed by: Russell Investments

Portfolio Value: £0.6bn\*

#### Sustainable Active Equity Fund

Managed by: Russell Investments

Portfolio Value: £1.2bn\*

### Fixed Income Sub-Funds

#### Absolute Return Bond Fund

Managed by: Russell Investments

Portfolio Value: £0.4bn\*

#### Global Government Bond Fund

Managed by: Russell Investments

Portfolio Value: £0.5bn\*

#### Multi-Asset Credit Fund

Managed by: Russell Investments

Portfolio Value: £0.6bn\*

#### Global Credit Fund

Managed by: Russell Investments

Portfolio Value: £0.8bn\*

#### UK Credit Fund

Managed by: Link Fund Solutions

Portfolio Value: £0.5bn\*

### Private Markets

#### Infrastructure – closed ended

Managed by: GCM Grosvenor

#### Infrastructure – open ended

Managed by: CBRE, IFM and Octopus

#### Private Credit

Managed by: Russell Investments

#### Private Equity

Managed by: Schroders Capital

\* Portfolio Values as at launch date



Wales Pension Partnership

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