

## CLWYD PENSION FUND COMMITTEE

<b>Date of Meeting</b>	18th March 2020
<b>Report Subject</b>	WPP Business Plan 2020/21 to 2022/23
<b>Report Author</b>	Head of Clwyd Pension Fund

### EXECUTIVE SUMMARY

The Wales Pension Partnership (WPP) Joint Governance Committee (JGC) agreed a three-year Business Plan on 12<sup>th</sup> March 2020.

In accordance with the Inter Authority Agreement the approval of the WPP Business Plan, which includes the strategic objectives and budget, is a reserved matter for the Constituent Authorities.

The draft WPP Business Plan presented to the JGC is attached and any changes requested by the JGC will be provided as a verbal update by the Head of Clwyd Pension Fund.

The WPP Business Plan and budget will be constantly monitored by the Officer Working Group (OWG) and reviewed each year.

### RECOMMENDATIONS

1	That the Committee approve the WPP Business Plan, including the objectives of the pool on page 7 and the budget in Appendix 1 (and any verbal changes) relating to the period 2020/21 to 2022/23.
---	---

## **REPORT DETAILS**

<b>1.00</b>	<b>Review of the WPP Business Plan</b>
1.01	The first WPP Business Plan for the three years commencing 2020/21 is attached as Appendix 1. This draft was discussed at the WPP JGC on 12 March 2020 and any changes agreed by the JGC to this draft will be explained by the Head of Clwyd Pension Fund.
1.02	The Business Plan includes WPP: <ul style="list-style-type: none"><li>• objectives, beliefs and policies</li><li>• work plan</li><li>• training plan</li><li>• financial budget</li></ul>
1.03	Approval of the WPP Business Plan, including the strategic objectives and budget within it, is a reserved matter and requires approval by all eight of the Constituent Authorities. The draft Business Plan was developed in consultation with officers from the eight Constituent Authorities and the WPP Oversight Advisor.
1.04	Excellent progress has already made by the WPP in terms of pooling investments with 50% already pooled which will increase to 70% during the first year of this Business Plan. However, there remains much to do in terms of governance, on-going establishment, monitoring Operator Services, communication, training and reporting. The ongoing involvement and impact on Clwyd Pension Fund of the WPP Business Plan has been transposed into the Clwyd Pension Fund Business Plan which is being considered as a separate item on this meeting's agenda.
1.05	It is a positive step forward by the WPP that their objectives and challenges are now articulated within this Business Plan which will enable the Clwyd Pension fund to deliver its pooling objective. Therefore, support of this Business Plan and budget is recommended to the Clwyd Pension Fund Committee.
1.06	Future years' WPP Business Plans will also be developed for Constituent Authorities to consider and approve, as required by the Inter Authority Agreement. Furthermore, should it transpire that additional expenditure exceeding 30% of the agreed 2020/21 WPP budget is required, then this is also a reserved matter that will be brought back to the Constituent Authorities.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	<p>The resources required for delivering the WPP Business Plan is included in the budget section of the Business Plan.</p> <p>The Clwyd Pension Fund Business Plan includes a budget for pooling.</p> <p>There will be considerable time allocated by the Head &amp; Deputy of the Clwyd Pension Fund in delivering and monitoring the WPP Business Plan which is</p>

	not recognised in the budget, however it does result in greater reliance on external advisors on local matters than would otherwise be the case.
--	--

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
-------------	---

3.01	The WPP Inter-authority Agreement requires all eight Constituent Authorities to approve the WPP Business Plan.
------	--

<b>4.00</b>	<b>RISK MANAGEMENT</b>
-------------	------------------------

4.01	The key risks are considered as part of the business planning process and articulated within the draft Business Plan.
------	---

<b>5.00</b>	<b>APPENDICES</b>
-------------	-------------------

5.01	Appendix 1 – WPP Business Plan 2020/21 to 2022/23
------	---

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
-------------	--

6.01	<p>WPP Inter- Authority Agreement</p> <p><b>Contact Officer:</b> Philip Latham, Head of Clwyd Pension Fund  <b>Telephone:</b> 01352 702264  <b>E-mail:</b> <a href="mailto:philip.latham@flintshire.gov.uk">philip.latham@flintshire.gov.uk</a></p>
------	---

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
-------------	--------------------------

7.01	<p>(a) <b>The Fund – Clwyd Pension Fund</b> – The Pension Fund managed by Flintshire County Council for local authority employees in the region and employees of other employers with links to local government in the region</p> <p>(b) <b>Administering authority or scheme manager</b> – Flintshire County Council is the administering authority and scheme manager for the Clwyd Pension Fund, which means it is responsible for the management and stewardship of the Fund.</p> <p>(c) <b>The Committee – Clwyd Pension Fund Committee</b> - the Flintshire County Council committee responsible for the majority of decisions relating to the management of the Clwyd Pension Fund</p> <p>(d) <b>LGPS – Local Government Pension Scheme</b> – the national scheme, which Clwyd Pension Fund is part of</p>
------	---

- |  |
|--|
| <p><b>(e) Inter-Authority Agreement (IAA)</b> – the governance agreement between the eight Wales pension funds for purposes of pooling</p> <p><b>(f) Wales Pension Partnership (WPP)</b> – the name agreed by the eight Wales pension funds for the Wales Pool of investments</p> <p><b>(g) The Operator</b> – an entity regulated by the FCA which provides both the infrastructure to enable the pooling of assets and fund management advice. For the Wales Pension Partnership, the appointed Operator is Link</p> <p><b>(h) Financial Conduct Authority (FCA)</b> – the regulator of the financial markets and financial services firms in the UK</p> |
|--|