

# Business Continuity Plan for the Wales Pension Partnership

## 1. Introduction

This plan is designed to provide guidance to WPP Personnel and Providers. The Joint Governance Committee (JGC), Officer Working Group (OWG) and Host Authority (HA) are collectively referred to as the “WPP Personnel”, alongside advisors and suppliers (“Providers”).

The key functions identified for each body will need to be updated following any changes to the Inter Authority Agreement.

All officers and elected members carrying out WPP functions are employed by or represent one of the eight Constituent Authorities (CAs). All technology, systems and premises used by those individuals to conduct WPP functions is owned and maintained by one of the CAs. In the first instance any interruption to the ability to deliver WPP functions will be managed under the relevant CA's business continuity plan while also ensuring that all relevant WPP parties are informed of the issue and steps being taken to rectify it.

This plan is split into two parts. The main part of this document contains a summary of the functions of the main governance bodies of the WPP as well as a description of actions to be taken in the event of a business continuity issue. The main part may be published in the public domain.

The second part of the document comprises an appendix listing the details of individuals who will be contacted in various circumstances. The appendix to this document will not be published in the public domain.

## 2. Host Authority

Host Authority – Key Functions
Employ staff engaged in pooling functions
Point of contact for managing the pool
Provide administration resource and facilities for the pool
Provide governance and administrative services including arranging and clerking meetings
Provide training for JGC members
Provide appropriate financial and legal expertise
Provide s151 and monitoring officer oversight
Contract with suppliers on behalf of the pool
Liaise with the Operator on behalf of the CAs
Provide the accounting function for the pool

The HA function is delivered by Carmarthenshire County Council (CCC), using the authority's staff and systems.

In the event that that an issue occurs which compromises the ability of the HA to deliver any of its functions relating to the delivery of the WPP, then the HA shall rely on the CCC's business continuity plan.

Where Business Continuity processes are relied upon, the HA will inform each CA, using the contact list in Appendix 1, Table B.

The officers responsible for informing CAs and suppliers can be found in Appendix 1, Table A

### 3. Constituent Authorities

Constituent Authorities – Key Function
Appoint, terminate or replace the operator
Approve additional expenditure which exceeds 30% of approved budget
Admitting a new authority to the pool
Amend/terminate the Inter Authority Agreement
Approve material change to the operator contract
Approval of the Business plan, including the strategic objectives of the pool
Approve evaluation criteria for operator procurement

The CAs are responsible for deciding reserved matters. Each CA has its own decision-making process, consistent with its own constitution and scheme of delegation.

In the event that an issue occurs which compromises the ability of a CA to exercise its decision-making responsibilities in respect of WPP decisions, then that CA shall rely on its own business continuity/emergency decision making processes. This will include any cyber security measures as required.

In the event that any CA is required to rely on its business continuity plan and there is a potential that WPP functions may be impacted, the named officer from the affected CA shall contact each of the named officers from the other CAs and inform them of the situation.

A list of named officers at the Constituent Authorities can be found in Appendix 1, Table B

#### 4. Joint Governance Committee

<b>Joint Governance Committee – key Functions</b>
Recommend on the appointment, termination or replacement of the Operator to the Constituent Authorities
Appointing and replacing service providers, advisers to the JGC (other than the Operator)
Approving the creation of new pooled vehicles for the Operator
Approving the creation/termination of new sub-funds provided by the Operator
Approving non-material changes to the Operator Contract
General ongoing management of the Pooling Collaboration
Delegation of tasks to the OWG
Liaison with Pension Boards
Determining the best means of alternative investment structures for assets where a sub-fund is not being provided by the Operator

The JGC meets quarterly and is responsible for overseeing the pooling arrangements for the 8 CAs. Meeting may be face to face or held remotely on IT networks supported by the CAs.

Organisation, distribution of papers and clerking of meetings is provided by the HA.

In the event that an issue occurs which affects the ability of a JGC member to effectively carry out their role, then the business continuity plan or cyber security measures of the CA which the member represents will be relied upon. The HA should be immediately contacted and informed.

If any event occurs which impacts the HA's ability to support the meeting, then the process under section 1 "Host Authority" shall be followed.

## 5. Officer Working Group

<b>Officer Working Group – Key Functions</b>
Proposing to the JGC on the procurement of external support
Proposing to the JGC on governance arrangements
Proposing to the JGC on the most appropriate means of accessing different asset types, the structure of the Investment Pool including the number and make-up of sub-funds
Proposing to the JGC on high level transition plans
Recommend to the JGC on the appointment, termination or replacement of the Operator
Monitoring and reviewing the performance of the Operator and the Allocators in meeting their objectives, service levels and key performance indicators and reporting to the JGC
Receiving reports on performance of the assets and reporting to the JGC
External reporting on the Pooling Collaboration and its performance
Liaison with other pools as required
Prepare the draft Business Plan for further consultation
Developing and keeping under review the programme of training to be delivered to Members
Seeking advice from professional advisors that are authorised and regulated
Managing the procurement process for the procurement of any replacement Operator or Allocator including proposing criteria for the evaluation of bids or tenders

The OWG supports, advises and makes recommendations to the JGC. The OWG meets formally at least 4 times a year. In addition, it meets, virtually, every two weeks in order to progress work and deal with any issues occurring between formal meetings. From time to time, subgroups of the OWG are formed to consider particular areas of responsibility.

Meetings may be in person or take place remotely on IT networks supported by the CAs.

Organisation, distribution of papers and clerking of meetings is provided by the HA.

In the event that an issue occurs which affects the ability of an OWG member to participate in a meeting or effectively carry out their role, then the business continuity plan or cyber security arrangements of the CA which the member represents will be relied upon. The HA should be immediately contacted and informed.

If any event occurs which impacts the HA's ability to support the meeting, then the process under section 1 "Host Authority" shall be followed.

## 6. Critical Suppliers and Third-Party Organisations

The following suppliers provide services to the WPP. They have been categorised as follows;

Category	Third party suppliers	Function/service provided
1	Link Fund Solutions Ltd	Operator
1	Russell Investments	Investment Management Solutions Provider
1	Northern Trust	Custodian
2	Hymans Robertson	Oversight Advisor
2	Burges Salmon	Legal Advisor
2	Robeco UK	Proxy Voting & Engagement Provider

**Category 1** – where inability/failure to deliver the service would result in an immediate critical impact on WPP functions.

**Category 2** – where inability/failure to deliver the service could result in a detriment to WPP functions, whether immediate or manifesting over a period of time, but that impact can be managed by, for example, extending deadlines, prioritising, procuring services from elsewhere etc.

A list of contact details for suppliers can be found in Appendix 1, Table C

Each supplier has in place a suitable business continuity plan which makes provision for the prompt and efficient handling of any incident that may impair its ability to perform any of its obligation under the WPP. Each supplier should periodically test and review its business continuity and cyber plans and ensure a copy is available to the CAs on request.

For suppliers procured through the LGPS National Framework that are no longer able to deliver the services they were contacted for, the HA will undertake a new procurement process under the National Framework.

There are specific FCA requirements in place which set out the circumstances when the authorised fund manager of the ACS is subject to removal by the Depositary. This provides a further level of security to WPP in circumstances where the ACS is unable to provide the required service for one of the listed reasons.

Further information can be found at 6.5.7 of Chapter 6 of the FCA's Handbook. A link to which can be found here <https://www.handbook.fca.org.uk/handbook/COLL/6/5.pdf>

## 7. Terms used in this document

### **Authorised Contractual Scheme (“ACS”)**

**Constituent Authorities (“CA”)** namely;

- Carmarthenshire County Council
- City & County of Swansea Council
- City of Cardiff Council
- Flintshire County Council
- Gwynedd Council
- Powys County Council
- Rhondda Cynon Taff County Borough Council
- Torfaen County Borough Council

**Host Authority (“HA”)** is Carmarthenshire County Council

**Joint Governance Committee (“JGC”)** means the joint committee formed by the Inter Authority Agreement.

**Operator** means the operator of the pooled investment vehicles principally being an Authorised Contractual Scheme or “ACS” (as defined by the Operator Contract) and any other collective investment vehicle used to hold assets of the Investment Pool pursuant to the Operator Contract.

**Officers Working Group (“OWG”)** supports, advises and makes recommendations to the JGC.