



## The Wales Pension Partnership is the first LGPS investment pool to appoint a pool operator

The Wales Pension Partnership (WPP) today announces the appointment of Link Fund Solutions Ltd (Link) to establish and run a collective investment vehicle for the sole use of the Local Government Pension Scheme (LGPS) funds in Wales.

The appointment of Link as the FCA authorised operator follows a rigorous procurement process run by the WPP and its advisors, Hymans Robertson and Burges Salmon. This will enable the pooling of circa £15bn of assets across a range of asset classes. The passive mandates of all 8 LGPS funds in Wales are already jointly invested, delivering estimated fee savings of over £2m per annum on assets in excess of £3bn. The appointment of Link represents another key milestone in the pooling process, working towards the Westminster Government's April 2018 target date.

Link will establish and run an Authorised Contractual Scheme (a tax efficient UK collective investment vehicle) on behalf of the WPP. The ACS will have sub-funds in a range of asset classes that will meet the needs of the investing authorities, enabling them to execute their differing asset allocation strategies. With the support of Russell Investments, and in consultation with the eight individual local authority funds, Link will begin the process of appointing a number of investment manager firms, while the LGPS funds will retain full control over strategic asset allocation decisions. By using fewer investment manager firms with larger mandates, it is expected that the pool will deliver fee savings, one of the primary aims of Government policy.

The WPP's Joint Governance Committee was established earlier in 2017 and is responsible for oversight of the pool's operator, Link, and the services it delivers to the LGPS funds in Wales.

### **Councillor Stephen Churchman, Chairman of the Joint Governance Committee:**

*"After a rigorous selection process, we are delighted to announce the appointment of Link as the operator company for the LGPS investment pool for Wales. The LGPS administering authorities in Wales have a long and successful history of collaboration. We are on track to have the pool operational in early 2018 delivering further investment manager fee savings that will benefit all of the LGPS funds in Wales."*

Carmarthenshire County Council acts as Host Authority, liaising day to day with the operator, Link, on behalf of all of the LGPS funds in Wales.

### **Chris Moore, Director of Corporate Services at Carmarthenshire County Council (Host Authority for the WPP):**

*"The appointment of Link is a significant milestone in the establishment of a £15bn investment pool for the LGPS funds in Wales. We look forward to working with Link to deliver the benefits of investment pooling for the LGPS in Wales."*

The Wales Pension Partnership (WPP) comprises of the following LGPS funds: Cardiff and Vale of Glamorgan, City and County of Swansea, Clwyd, Dyfed, Greater Gwent (Torfaen), Gwynedd, Powys and Rhondda Cynon Taf,