

Committee: Pension Fund Advisory Committee

Date: 8 March 2015

Agenda item: 6

Wards: All

Subject: PRESENTATION BY ABERDEEN ASSET MANAGEMENT

Lead officer: Caroline Holland, Director of Corporate Services

Lead member: Councillor Imran Uddin

Forward Plan reference number: N/A

Contact officer: Paul Dale

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Recommendations:

- a) To note the content of this report and a separate report to this meeting titled “Quarterly Performance Review (1 October 2015 – 31 December 2015)”
 - b) To note that Aberdeen Asset Management has been invited to give a presentation to the Committee at this meeting and Members will be able to probe the manager’s activity and performance for the quarter to 31 December 2015.
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Pension Fund Advisory Committee meets four times a year to review, discuss and decide on matters relating to the Merton Pension Fund. The Committee is required to review the performance of the Pension Fund both at total Fund and individual fund manager level. The purpose of this report is to inform Members that Aberdeen Asset Management will be attending this meeting to give a presentation to the Committee.
- 1.2 The Quarterly Performance Review (1 October 2015 to 31 December 2015) is the subject of a separate report to this meeting. The report provides commentary on fund managers’ activity and results for the quarter and Members are asked to read the report in conjunction with this report.
- 1.3 The PFAC Work Programme ensures that performance of the Pension Fund and individual fund managers are reviewed throughout the year.

2. ABERDEEN ASSET MANAGEMENT

- 2.1 Aberdeen Asset Management manages an active global equity portfolio and global bonds portfolio for the Merton Pension Fund. The fund manager’s

activity and performance are discussed in a separate Quarterly Performance Review report to this meeting.

- 2.2 Details of the manager's representatives attending this meeting are provided in the manager's presentation material and the Agenda for this meeting.
- 2.3 The manager's presentation material is attached to this report.
- 2.4 The draft Pension Fund Business Plan and draft PFAC Work Programme 2016/17 provides the framework for the Committee to monitor the performance of the Pension Fund and fund managers effectively in the coming year. The draft Work Programme highlights the order in which managers will be invited to give presentations at PFAC meetings.

3. CONSULTATION UNDERTAKEN OR PROPOSED

- 3.1 N/A

4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 4.1 The investment strategy chosen will affect the return on the fund, its actuarial valuation and the cost to the Council.

5. REGULATORY AND SPECIFIC LEGAL MATTERS

- 5.1 These will be contained in the report.

6. COMPLIANCE WITH COUNCIL POLICIES EXTRANEIOUS TO PENSION PROVISION

- 6.1 Please see 5 above.

7. CRIME AND DISORDER IMPLICATIONS

- 7.1 N/A

8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

- 8.1 N/A

9. APPENDICES

Presentation material from Aberdeen Asset Management

10. BACKGROUND PAPERS

Quarterly Performance Review (1 October 2015 – 31 December 2015) –
Director of Corporate Services report to PFAC on 8 March 2016.

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