

Committee: Pension Fund Advisory Committee

Date: 28 September 2016

Agenda item: 4

Wards: All

Subject: PRESENTATION BY UBS 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 April 2016 – 30 June 2016)"
 - b) To note that UBS Asset Management has been invited to give a presentation to the Committee and Members will be able to probe the manager's activity and performance for the quarter to 30 June 2016 and the period to date.
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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 level and individual fund managers. The purpose of this report is to inform Members that UBS Asset Management will be attending this meeting to give a presentation to the Committee covering the manager's three mandates: Global Active Equity, Passive Equity and Property.
- 1.2 The Quarterly Performance Review (1 April 2016 to 30 June 2016) 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 UBS Presentation at this meeting is reflected in the PFAC Work Programme to ensure that performance of the Pension Fund and individual fund managers are reviewed in turn throughout the year.

2. UBS ASSET MANAGEMENT

- 2.1 UBS Asset Management manages active global equity, passive equity and property portfolios 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 representative attending this meeting are provided in the manager's presentation material and the Agenda for this meeting.
- 2.3 The manager's presentation material will be provided at the meeting.
- 2.4 The presentation is consistent with the Pension Fund Business Plan and PFAC Work Programme 2016/17 which provide the framework for the Committee to monitor the performance of the Pension Fund and fund managers effectively throughout the year. The Work Programme gives the order in which managers are 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

None

10. BACKGROUND PAPERS

Quarterly Performance Review (1 April 2016 – 30 June 2016) – Director of Corporate Services report to PFAC on 28 September 2016.

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