

ABERDEEN CITY COUNCIL

COMMITTEE	Pensions Committee
DATE	15 December 2023
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Strategy
REPORT NUMBER	PC/DEC23/STRAT
DIRECTOR	Steven Whyte
CHIEF OFFICER	Jonathan Belford
REPORT AUTHOR	Laura Colliss and Mairi Suttie
TERMS OF REFERENCE	1.1-1.4, 4-5

1. PURPOSE OF REPORT

- 1.1 To inform the Committee and provide recommendations (if applicable) to changes to the North East Scotland Pension Fund.

2. RECOMMENDATIONS

That the Committee:-

- 2.1 note the final outcome of the annual benefit statement project, which was completed successfully, for assurance (4.1 of the main report);
- 2.2 approve the travel for one Advisory Committee Officer (Pension Fund Manager or suitable Officer substitute) to attend the following Advisory Committee (as per item 6.2 of the main report);
- Partners Group, March 2024 – Miami, US
 - HarbourVest, May 2024 – Boston, US
 - Robbins Geller, June 2024 – Baltimore, US
 - Unigestion, June 2024 – Lucerne, Switzerland
 - RCP, October 2024 – Chicago, US
 - IFM, October 2024 – US
 - HarbourVest, December 2024 – Boston, US
- 2.3 delegate authority to the Chief Officer – Finance following consultation with the Convener of the Pensions Committee, to approve travel for one Advisory Committee Officer (Pension Fund Manager or suitable Officer substitute) to attend the following Advisory Committee meetings once locations and times have been confirmed:
- Blackrock, Date and Location to be confirmed
 - Capital Dynamics, Date and Location to be confirmed; and
- 2.4 note the update to the Fund policy documents as detailed in 6.4 of the main report.

3. CURRENT SITUATION

3.1 See attached main report.

4. FINANCIAL IMPLICATIONS

4.1 The performance of the Fund over the long term can impact on the Fund's funding level and therefore the ability to meet its long-term liabilities.

5. LEGAL IMPLICATIONS

5.1 There are a number of legal implications arising from the implementation of the strategy which have been identified and addressed as set out in this report.

6. ENVIRONMENTAL IMPLICATIONS

6.1 Travel does have an environmental impact. The approvals for travel sought within this report are to various Advisory Committees. The attendance at which strengthens the governance arrangements for the Fund by allowing greater access to the Manager, the management of those investments and access to the General Partners (underlying assets). Attendance is therefore perceived to be of great value and provides additional governance and transparency.

7. RISK

7.1 The Pension Fund maintains its own Risk Management Policy and regularly updates its Risk Register in line with change. This is reported quarterly to the Pensions Committee.

Appendix I, Copy of Risk Register (November 2023)

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	*Target Risk Level (L, M or H) *taking into account controls/control actions	*Does Target Risk Level Match Appetite Set?
Strategic Risk	Lack of effective risk controls in relation to the Fund Strategy.	The Fund maintains its own Risk Management Policy and regularly updates its Risk Register in line with change. This is reported quarterly to the Pensions Committee.	L	Yes
Compliance	No significant risks identified.	N/A	N/A	N/A

Operational	No significant risks identified.	N/A	N/A	N/A
Financial	No significant risks identified.	N/A	N/A	N/A
Reputational	No significant risks identified.	N/A	N/A	N/A
Environment / Climate	No significant risks identified.	N/A	N/A	N/A

8. OUTCOMES

8.1 The proposals in this report have no impact on the Council Delivery Plan.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	It is confirmed by Chief Officer Jonathan Belford that no Integrated Impact Assessment is required.
Data Protection Impact Assessment	Not required
Other	N/A

10. BACKGROUND PAPERS

10.1 None

11. APPENDICES

11.1 Appendix I Copy of Risk Register (November 2023)
Appendix II, PAS Report
Appendix III, Pension Service Business Plan 23/26

12. REPORT AUTHOR CONTACT DETAILS

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