

## Suffolk Pension Fund Committee

<b>Report Title:</b>	Investment Performance – Year ending 31 March 2016
<b>Meeting Date:</b>	11 July 2016
<b>Chairman:</b>	Cllr Andrew Reid
<b>Director:</b>	Geoff Dobson, Director of Resource Management Tel. 01473 264347
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### **Brief summary of report**

1. This report provides a summary of the performance of the Suffolk Pension Fund for the 2015-16 financial year and performance against other local authority pension funds.
2. The total size of the Fund as at 31 March 2016 was £2.206bn, an increase of around £8m from the previous financial year.
3. The annual return of 0.7% is behind the Fund's specific benchmark by 0.8%. This is mainly caused by asset allocation where compared with the Fund's strategic allocation the Fund was overweight Equities (with index returns being negative in the year), and underweight Bonds and Alternatives (which had positive returns).
4. However compared with other local authority funds the Suffolk lower weighting to equities and higher weighting to alternatives was beneficial in 2015/16.
5. The Fund's absolute return over a rolling three year period is 7.0%, just below the benchmark by 7.1%. However compared to other local authority funds the Suffolk Fund outperformed the local authority average by 0.5% per annum across the three years.
6. Suffolk Pension Fund was the 30<sup>th</sup> best performing fund in 2015-16 compared with other local authority pension funds, and was the 26<sup>th</sup> best performing Fund over three years.

### **Action recommended**

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| 7. The Committee is asked to consider the contents of the presentation from Global Services Performance Services. |
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### **Reason for recommendation**

8. The Committee is required to review the overall investment performance of the Fund on an annual basis.

## **Alternative options**

9. None

## **Main body of report**

10. The performance of the Pension Fund has been measured by Global Services Performances Services (formally State Street Investment Analytics) against market index returns and other LGPS over 1,3,5 and 10 years (**Appendix 1**).
11. In addition, the long term risk and return performance has been measured over 5, 10 and 20 years.

### **Sources of further information**

12. Annual Performance Report for 2015-16 – Global Services Performance Services.