

Agenda Item 9

**Pension Committee
24 September 2021**

LGPS Performance Benchmarking

Report of the Head of Pensions

Summary

The Fund participates in the LGPS Investment Performance benchmark undertaken by PIRC.

For the 2020/21 analysis the universe comprised 64 LGPS Funds, with a combined value of £230bn. For information, five Funds, including Gloucestershire, whom form part of the Brunel Pension Partnership, took part in the universe for 2020/21.

Below is a summary of the Total Fund Performance verses the universe average and range for 1, 3 and 5 years

	1 Year Performance %	3 Year Performance %	5 Year Performance %
Gloucestershire	26.6	7.7	9.6
Universe average	22.8	7.6	9.5
<i>Range of Results</i>			
<i>Top Quartile</i>	28.1	8.9	10.2
<i>Median</i>	24.5	7.9	9.3
<i>Bottom Quartile</i>	20.6	6.8	8.6

The outperformance verses the universe average has primarily been driven by the Strategic Asset Allocation weighing in equities and bonds being higher than the majority of universe combined with our current lower levels of alternatives exposures, as these allocations continue to develop.

The Fund has been exposed to the high volatility associated with the equity allocation, but over the last 5 this has been rewarded with a slightly outperformance above the median return.

Attached as appendix 1 to this report, is the full report on performance to March 2021, prepared by PIRC for the Gloucestershire Pension Fund.

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Recommendation

That the Committee notes the LGPS Performance Benchmarking Report as at 31 March 2021.

Contact Officer

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