

## **PENSIONS COMMITTEE – 25 SEPTEMBER 2020**

### **Report of the Director of Corporate Services**

#### **Staffordshire Pension Fund Investment Benchmarking results for the period ending 31 March 2019**

#### **Recommendation of the Chair**

1. That the Pensions Committee notes the report from CEM Benchmarking UK Ltd (CEM) provided at Appendix 2 and the presentation on such, to be given at the meeting.

#### **Background**

2. The Pension Fund takes part in an annual investment benchmarking exercise with an international company CEM Benchmarking Inc. CEM benchmark over 300 pension funds globally, with total assets of £7.2 trillion. Attached at Appendix 2 are the results of the 2018/19 CEM benchmarking survey, where Staffordshire is compared, on a number of cost and performance metrics, to a global peer group of 20 pension funds that have a median size of £5.3bn versus the Pension Fund's £5.1bn market value, at 31 March 2019.
3. It is important to understand that a straightforward comparison of investment returns and costs, as publicly reported by pension funds will never be meaningful. This is because there are several variables which also need to be considered, in order to obtain a like for like comparison. E.g Assets under management, strategic asset allocation, implementation style, benchmarks etc. The survey undertaken by CEM adjusts for these variables and provides the Pensions Committee with more clarity on investment return and cost comparisons, for the Pension Fund versus the selected peer group.

**John Tradewell**  
**Director of Corporate Services**

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Background Documents:	CEM Benchmarking UK Ltd IBS Report 2019

## Appendix 1

**Equalities Implications:** There are no direct equalities implications arising from this report.

**Legal Implications:** There are no direct legal implications arising from this report.

**Resources and Value for Money Implications:** There are no Resources Implications and the Value for Money Implications are covered within this report.

**Risk Implications:** The Pension Fund by virtue of being a global investor in a number of asset classes is subject to a wide range of investment risks. Specialist advice is always taken to ensure that these risks and their potential impact are understood.

**Climate Change Implications:** There are no direct climate change implications arising from this report.

**Health Impact Assessment screening** – There are no health impact assessment implications arising from this report.