

**Open Report on behalf of Pete Moore - Executive Director of Finance & Public Protection**

Report to:	<b>Lincolnshire Pension Fund</b>
Date:	<b>05 January 2017</b>
Subject:	<b>Investment Management Report</b>

**Summary:**

This report covers the management of the Lincolnshire Pension Fund assets, over the period from 1st July to 30th September 2016.

**Recommendation(s):**

That the committee note this report.

**Background**

This report is split into four areas:

- Funding Level Update
- Fund Performance & Asset Allocation
- Hymans Robertson Manager Ratings
- Individual Manager Update

**1. Funding Level Update**

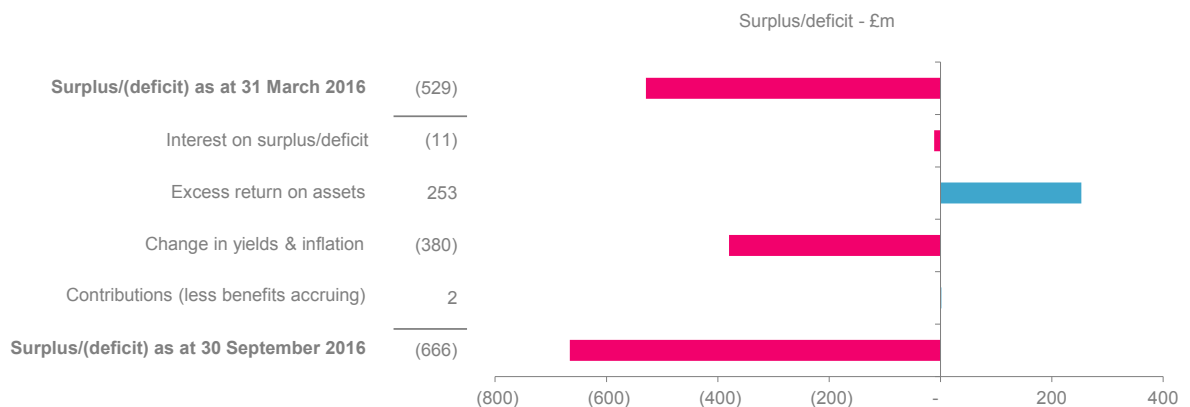
- 1.1 The funding update is provided to illustrate the estimated development of the funding position from 31<sup>st</sup> March 2016 to 30<sup>th</sup> September 2016, for the Fund.
- 1.2 As the graph below shows, the funding level at the latest formal valuation was 76.9%. As at 30<sup>th</sup> September 2016 the funding level has decreased to 75.5%.

## Change in funding level since last valuation



1.3 As shown below, the deficit in real money has increased from £529m to £666m between the period 31<sup>st</sup> March 2016 and 30<sup>th</sup> September 2016. This is largely as a result of a decrease in bond yields, and subsequent discount rate, which places a higher value on the Fund's liabilities. This has been offset by strong asset performance.

1.4 What's happened since last valuation?



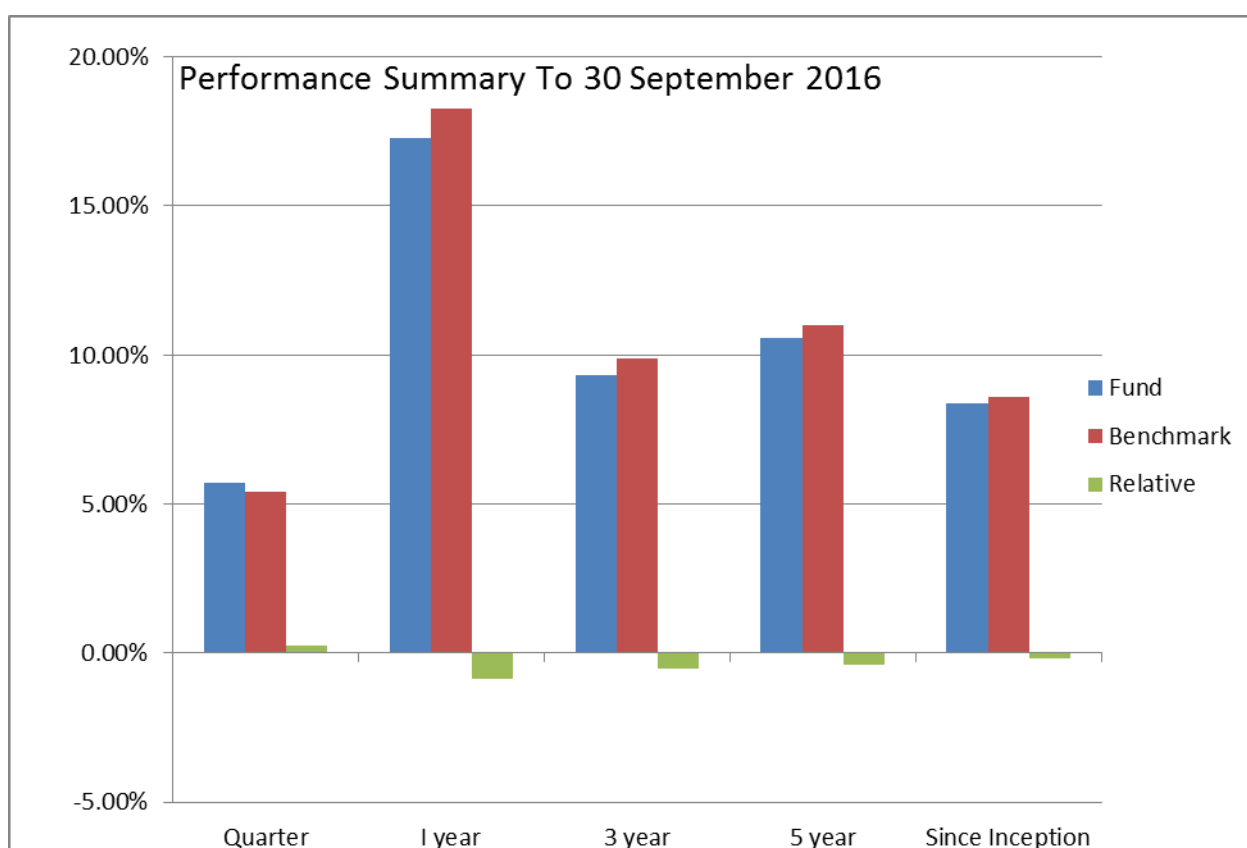
## **2. Fund Performance & Asset Allocation**

2.1 The Fund increased in value by £106m during the quarter from £1,837.1m to £1,943.1m, as the table below shows.

Asset Class	Q3 2016 £m	Q2 2016 £m	Asset Allocation %	Strategic Asset Allocation %	Difference %
UK Equities	375.4	352.8	19.3	20.0	(0.7)
Global Equities	852.8	788.2	43.9	40.0	3.9
Alternatives	265.4	256.9	13.7	15.0	(1.3)
Property	202.4	203.4	10.4	11.5	(1.1)
Fixed Interest	247.8	236.4	12.8	13.5	(0.7)
Cash	(1.2)	(0.5)	(0.1)	0.0	0.1
<b>Total</b>	<b>1,943.1</b>	<b>1,837.1</b>	<b>100.0</b>	<b>100.0</b>	

2.2 The graph below shows the Fund's performance against the benchmark over the quarter, one year, three years, five years and since inception. The Fund has a target to outperform the strategic benchmark by 0.75% per annum.

2.3 Over the quarter, the Fund produced a positive return of 5.71% outperforming the benchmark which returned 5.43%. The Fund is behind the benchmark over all other periods.



\* Since Inception figures are from March 1987

### 3. Hymans Robertson Manager Ratings

3.1 Hymans Robertson regularly meet managers to discuss current issues, management changes and performance. The manager is then allocated one

of five ratings between replace and retain. The table below shows Hymans Robertson's rating of all managers that have been appointed by the Lincolnshire Pension Fund.

3.2 The Fund has eighteen managers and during the quarter there was one rating change where Aviva Pooled Property Fund has been moved from "on watch" to "retain". Seventeen managers remained rated as "retain", and one manager, Rreef Ventures Fund 3, as "on watch". Officers continue to monitor managers closely and arrange meetings to discuss any potential issues

Manager	Rating			
	Replace		On Watch	Retain
Invesco Global Equities (Ex-UK)			X	
Threadneedle Global Equity			X	
Schroders Global Equity			X	
Morgan Stanley Global Brands				X
Morgan Stanley Alternative Investments				X
Blackrock Fixed Interest				X
Standard Life European Property			X	
Innisfree Continuation Fund 2				X
Innisfree Secondary Fund				X
Innisfree Secondary Fund 2				X
Franklin Templeton European Real Estate			X	
Franklin Templeton Asian Real Estate			X	
RREEF Ventures Fund 3			X	
Igloo Regeneration Partnership			X	
Aviva Pooled Property Fund			X	
Royal London PAIF			X	
Standard Life Pooled Property Fund			X	
Blackrock Property			X	

#### 4. Individual Manager Update

4.1 The manager returns and index returns for equity, fixed interest and alternative managers are shown in the table below. A detailed report on each manager outlining the investment process, performance, purchases and sales and Hymans Robertson's manager view can be found after the table at 4.2.

4.2 Manager Returns – As shown below it was a good quarter for the Fund with all managers producing a positive absolute return. All managers except for the In House Portfolio and Morgan Stanley Global Brands outperformed their benchmark. This is generally expected in periods of significant growth as these portfolios tend to hold overweight positions in more defensive stocks. Over the 12 month period all managers, except for BMO, have produced a positive absolute return. The mandate with BMO was terminated in August 2016 and the money placed with Blackrock in an under five year corporate bond portfolio. As the investment has only been with Blackrock for one month an individual report has not been prepared in this paper.

Manager	3 months ended 30/09/16			Previous 12 months			Target p.a. %
	Manager Return %	Index Return %	Relative Variance %	Manager Return %	Index Return %	Relative Variance %	
Passive UK Equity In house	7.4	7.6	(0.2)	17.2	17.4	(0.2)	+/- 0.5
Invesco (Global Equities (ex UK))	8.7	8.0	0.6	30.9	30.8	0.1	+1.0
Threadneedle (Global Equities)	8.9	8.5	0.4	31.0	31.3	(0.2)	+2.0
Schroder's (Global Equities)	8.9	8.4	0.5	29.5	30.6	(0.8)	+3.0
Morgan Stanley Global Brands	5.6	7.9	(2.2)	32.7	29.9	2.2	n/a
Blackrock (Fixed Interest)	6.8	6.7	0.1	21.1	21.0	0.1	Match Index
BMO (Fixed Interest) *July-Aug only ** to 31 Aug	0.5*	0.1*	0.4*	(3.5)**	2.5**	(5.9)**	3M LIBOR + 3%
Blackrock Corporate Under 5 Years *Sept only	0.2*	0.1*	0.1*	0.2*	0.1*	0.1*	Match Index
Morgan Stanley (Alternative Investments)	3.4	1.1	2.3	5.9	4.6	1.2	3M LIBOR + 4%

**Lincolnshire Pension Fund  
UK Equities – In House (Passive UK)  
Quarterly Report September 2016**

**Investment Process**

This portfolio is managed internally and mandated to track the MSCI UK IMI index +/- 0.5% around the index, with a tracking error of 0.5%. Approximately 250-300 stocks are held.

**Portfolio Valuation**

Value at 30.06.16	Value at 30.09.16
£352,763,615	£375,383,384

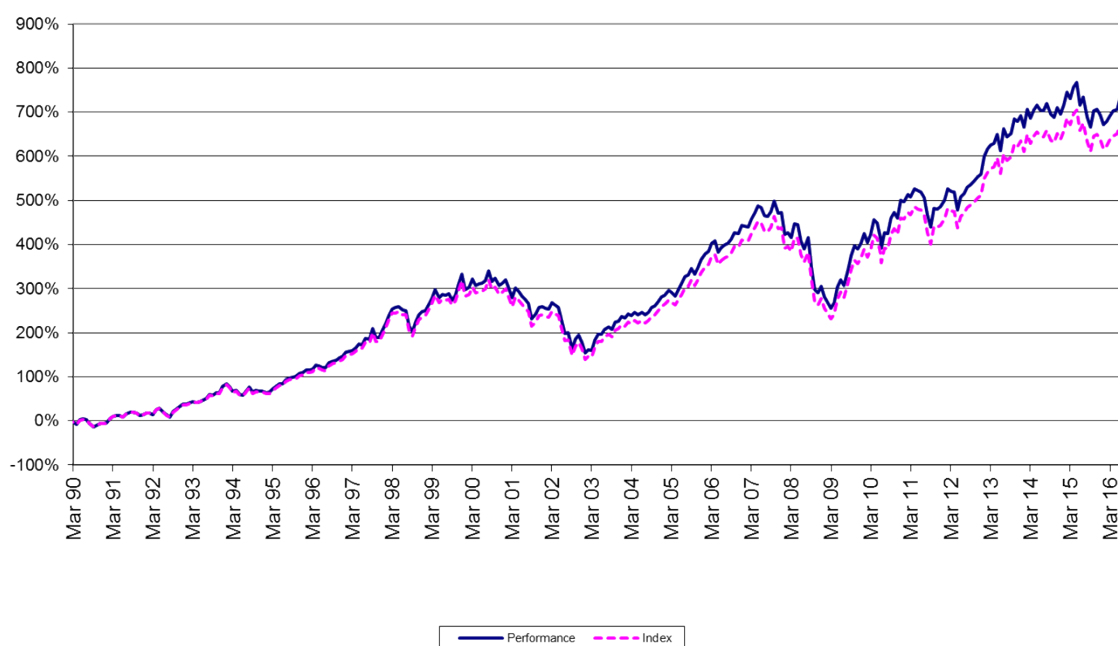
**Performance**

During the quarter the portfolio produced a positive return of 7.4% which was 0.2% below the benchmark. The portfolio is slightly behind the benchmark over one, three and five year time periods but ahead since inception.

	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
UK Equities – In House	7.4	17.2	6.1	10.7	8.4
MSCI UK IMI	7.6	17.4	6.2	10.8	8.2
Relative Performance	(0.2)	(0.2)	(0.1)	(0.1)	0.3

\* annualised, inception date 01/10/1989

**UK Equities In House Portfolio Performance Since Inception**



## Turnover

Holdings at 31.06.16	Holdings at 30.09.16	Turnover in Qtr %	Turnover in Previous Qtr %
284	279	0.0	1.0

## Purchases and Sales

During the quarter the manager made no new purchases or sales.

## Largest Overweights

Randgold	0.17%
Indivior	0.17%
Tullow Oil	0.11%
Paddy Power	0.11%
Babcock	0.11%

## Largest Underweights

Shire Plc	(0.39%)
Melrose Industries	(0.15%)
BP	(0.10%)
HSBC	(0.10%)
Mediclinic	(0.09%)

\* Measured against MSCI UK IMI

## Top 10 Holdings

1	Royal Dutch Shell	£27,543,691	6	Astrazeneca	£11,138,350
2	HSBC	£19,803,454	7	Vodafone	£10,824,306
3	Brit Amer Tobacco	£15,856,170	8	Diageo	£9,550,908
4	GlaxoSmithKline	£14,406,047	9	Reckitt Bncsr	£8,333,079
5	BP	£14,093,209	10	Unilever	£8,162,063

## Risk Control

The portfolio has a tracking error limit of 0.5%. At the end of September 2016 the tracking error was 0.27%.

**Lincolnshire Pension Fund**  
**Global Equities – Invesco (Global Ex UK Enhanced)**  
**Quarterly Report September 2016**

**Investment Process**

This portfolio is mandated to track the MSCI World ex UK Index, with a performance target of +1% and a tracking error of 1%. The aim is to achieve long-term capital growth from a portfolio of investments in large-cap global companies. Active performance is generated through a quantitative bottom-up investment process, driven by stock selection and based on four concepts: Earnings Momentum, Price Trend, Management Action and Relative Value.

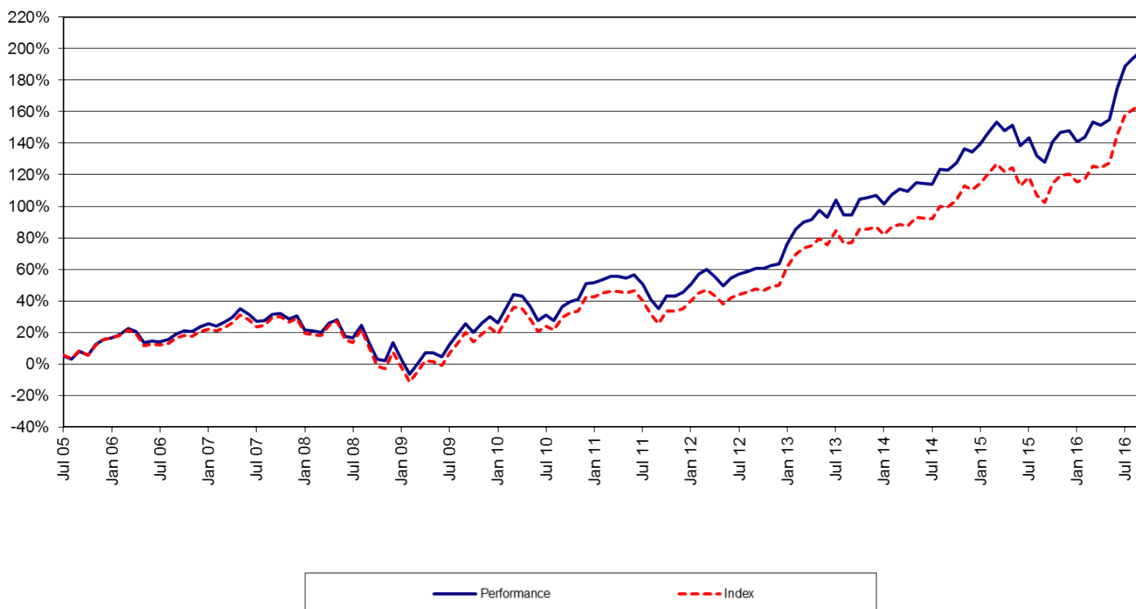
**Portfolio Valuation**

Value at 31.06.16	Value at 30.09.16
£397,419,103	£477,875,995

**Performance**

During the quarter Invesco's strategy outperformed its benchmark. Stock Selection had the largest positive impact on relative performance. An overweight position in Information Technology and an underweight position in Utilities also contributed positively during the quarter. Over the longer timeframe Invesco continue to perform well and are ahead of the benchmark in all time periods.

**Invesco Performance Since Inception**



	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
Invesco	8.7	30.9	15.4	17.2	10.2
MSCI World ex UK	8.0	30.8	14.4	16.1	9.0
Relative Performance	0.6	0.1	0.9	0.9	1.1



\* annualised, inception date 1<sup>st</sup> July 2005

## Turnover

Holdings at 31.06.16	Holdings at 30.09.16	Turnover in Qtr %	Turnover in Previous Qtr %
496	530	16.1	9.0

## Purchases and Sales

During the quarter a further £42m was invested with Invesco following the termination of Neptune. Invesco made a number of stock adjustments to the portfolio. They added Baxter International, Applied Materials, Daiwa House Industry and CAE. Invesco also increased their position in Boeing. They sold out of ComfortDelGro and decreased their position in Apple, General Electric, Amerisourcebergen and Target.

## Largest Overweights

Johnson & Johnson	0.96%
Verizon	0.86%
JPMorgan Chase	0.83%
AT&T	0.80%
Gilead Sciences	0.78%

## Largest Underweights

Alphabet	(0.78%)
Exxon Mobil	(0.73%)
Chevron	(0.63%)
Visa	(0.51%)
Medtronic	(0.39%)

\* Measured against MSCI World ex UK (NDR)

## Top 10 Holdings

1	Apple	£10,917,574	6	AT&T	£7,030,689
2	Johnson & Johnson	£9,558,544	7	Procter & Gamble	£6,325,234
3	Microsoft	£8,593,358	8	Intel	£6,049,396
4	JPMorgan Chase	£7,684,121	9	Citigroup	£5,337,786
5	Verizon	£7,305,667	10	Facebook	£5,303,129

## Hymans Robertson View

There were no relevant business issues reported over the period.

## Risk Control

The predicted tracking error of the portfolio slightly increased to 1.1% (actual target 1%).

**Lincolnshire Pension Fund  
Global Equities – Schroders  
Quarterly Report September 2016**

**Investment Process**

This portfolio is mandated to outperform the MSCI All Countries World Daily Net Index by 2% to 4% over rolling three year periods, gross of fees. This is achieved through an investment approach that is designed to add value relative to the benchmark through both stock selection and asset allocation decisions. Schroders believe that stock markets are inefficient and they can exploit this by undertaking fundamental research and taking a long term view.

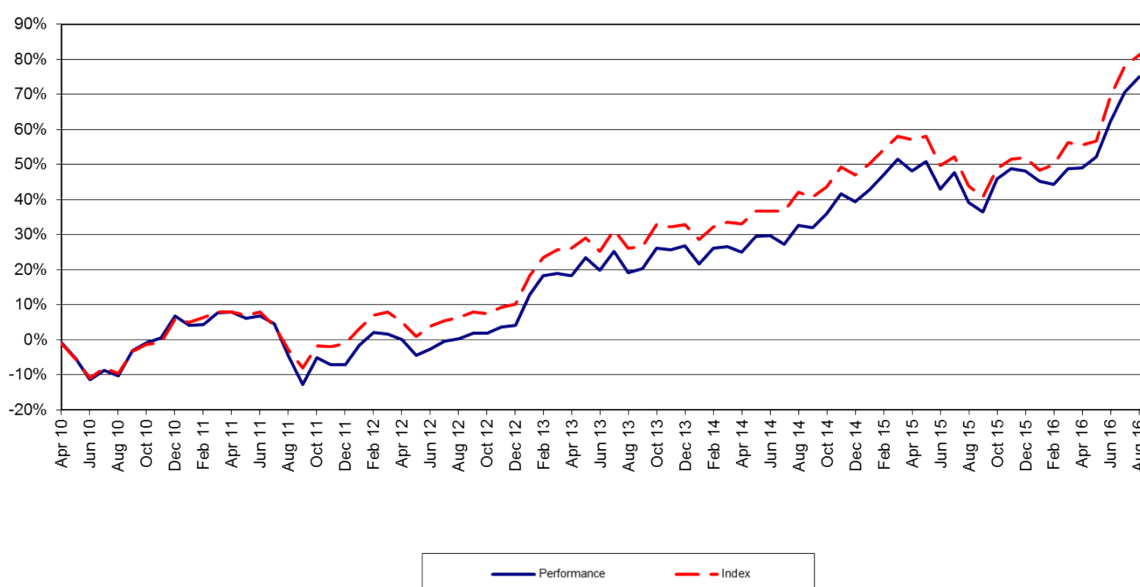
**Portfolio Valuation**

Value at 31.06.16	Value at 30.09.16
£97,002,603	£105,594,640

**Performance**

During the quarter the portfolio outperformed the benchmark, with stock selection in North America the standout contributor. Performance over 12 months has been significantly affected by the dominance of macro factors on share price returns, most notably in Q1 2016, which saw stocks across the portfolio lag more defensive, income oriented names in the benchmark. Schroders remain confident that their investment approach, and enhancements to team and process made over the past two years, will generate significant outperformance going forward, despite a delicately balanced market environment.

Schroders Performance Since Inception



	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
Schroders	8.9	29.5	13.7	15.2	9.2
MSCI ACWI (Net)	8.4	30.6	13.2	14.8	9.8
Relative Performance	0.5	(0.8)	0.4	0.3	(0.6)

\*annualised since Inception April 16 2010

## Turnover

Holdings at 31.06.16	Holdings at 30.09.16	Turnover in Qtr %	Turnover in Previous Qtr %
79	81	7.7	7.4

## Purchases and Sales

During the quarter Schroder's purchased Chinese internet and gaming stock Tencent, T-Mobile US and Danone. They sold out of TripAdvisor and Carnival.

### Top 5 Contributions to Return

Hewlett Packard	0.3%
TWN Semicond	0.2%
Sumitomo Mitsui	0.2%
Alphabet	0.2%
Alibaba Group	0.1%

### Bottom 5 Contributions to Return

Capita	(0.3%)
Reckitt Benckiser	(0.2%)
Kroger	(0.2%)
Statoil ASA	(0.2%)
Estee Lauder	(0.1%)

## Top 10 Holdings

1	Alphabet	£3,239,964	6	Amazon	£2,246,964
2	TWN Semicont	£3,117,036	7	US Bancorp	£2,147,515
3	Comcast	£2,721,417	8	Amgen	£2,125,809
4	Citigroup	£2,608,768	9	Visa	£2,103,674
5	Nestle	£2,492,564	10	Reckitt Benckiser	£2,070,319

## Hymans Robertson View

There was no relevant business issues reported over the period.

## Risk Control

The portfolio can have a maximum 10% off-benchmark exposure; any increase in this would require the consent of the Pension Fund.

## Lincolnshire Pension Fund Global Equities – Threadneedle Quarterly Report September 2016

### Investment Process

This portfolio is mandated to outperform the MSCI All Countries World Index by 2% per annum, gross of fees over rolling three year periods. This is achieved through investment managers who can draw on their own knowledge and that of other parts of the organisation to implement a thematic approach to stock selection.

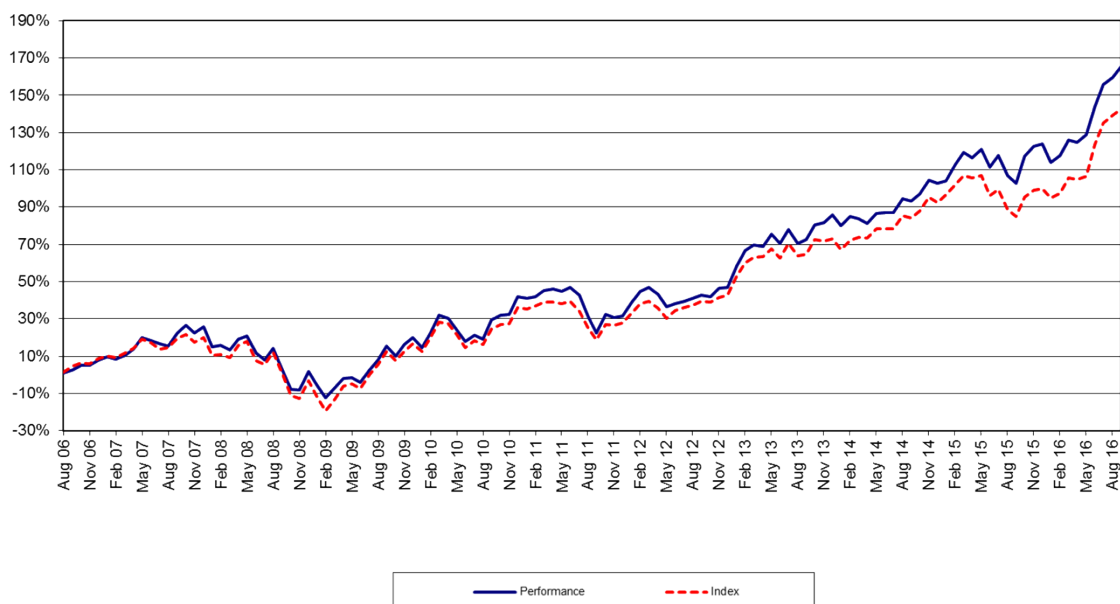
### Portfolio Valuation

Value at 31.06.16	Value at 30.09.16
£101,510,274	£110,601,734

### Performance

Threadneedle outperformed its benchmark in the quarter. At the regional level, allocation effects were negative but stock selection added value, notably in emerging markets, Japan and the US. Performance over the one year has seen a slight underperformance but all other periods have seen an outperformance against their benchmark but they are still slightly behind their target.

Threadneedle Performance Since Inception



	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
Threadneedle	8.9	31.0	15.5	16.7	10.1
MSCI ACWI	8.5	31.3	13.8	15.3	9.1
Relative Performance	0.4	(0.2)	1.5	1.2	0.9

\* annualised, inception date 01/08/2006

## Turnover

Holdings at 31.06.16	Holdings at 30.09.16	Turnover in Qtr %	Turnover in Previous Qtr %
84	84	8.1	8.4

## Purchases and Sales

Threadneedle opened a position in Deutsche Telecom and added to their position with Suncor Energy. They exited their position in Apple, Total and American Express.

### Top 5 Contributions to Return

Nintendo	0.84%
Amazon	0.59%
Alphabet	0.53%
Tencent	0.47%
Alibaba	0.39%

### Bottom 5 Contributions to Return

Bristol-Myers Squibb	(0.47%)
Novo Nordisk	(0.30%)
Criteo SA	(0.18%)
Sherwin-Williams	(0.05%)
Novartis	(0.04%)

## Top 10 Holdings

1	Alphabet	£3,439,560	6	Aon	£2,457,506
2	Amazon	£3,276,210	7	Tencent	£2,361,845
3	Unilever	£2,743,593	8	Visa	£2,220,298
4	Pfizer	£2,672,583	9	Facebook	£2,173,826
5	Activision	£2,457,506	10	Gilead Sciences	£2,060,443

## Hymans Robertson View

Columbia Threadneedle has announced that Michelle Scrimgeour will join in 2017 as CEO of its EMEA business. Scrimgeour has been M&G's Chief Risk Officer since 2012 and before that held senior positions at BlackRock and Merrill Lynch Investment Managers. She will report to Global CEO Ted Truscott and will join the executive leadership team at Columbia Threadneedle's parent company, Ameriprise Financial. Scrimgeour replaces Campbell Fleming (who was also COO) who joined Aberdeen earlier this year as its Global Head of Distribution.

## Risk Control

The portfolio can have a maximum 10% off-benchmark exposure; any increase in this would require the consent of the Pension Fund.

**Lincolnshire Pension Fund**  
**Global Equities – Morgan Stanley Global Brands**  
**Quarterly Report September 2016**

**Investment Process**

The Global Brands Fund is an open-ended investment company incorporated in the United Kingdom. The aim of the Fund is to provide long term capital appreciation through investing in a concentrated high quality global portfolio of companies with strong “intangible assets”. The Fund is benchmarked against the MSCI World Index. Managers aim to gain an absolute return to the Fund rather than a relative return against their benchmark index.

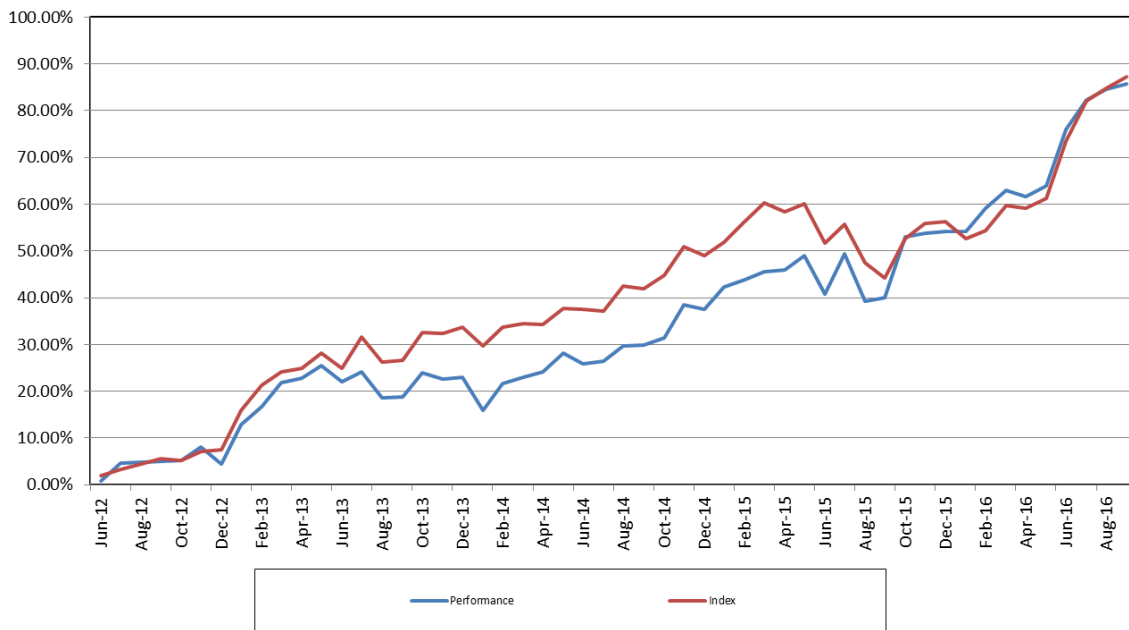
**Portfolio Valuation**

Value at 31.06.16	Value at 30.09.16
£106,966,954	£158,690,970

**Performance**

During the quarter, a decidedly risk-on period, Morgan Stanley Global Brands returned 5.6% but underperformed its benchmark by 2.2%, which returned 7.9%. The return on capital approach that the Fund has makes it virtually impossible to outperform in such a risk-on quarter, especially when the rally is led by the second largest constituent, Japan.

**Morgan Stanley Global Brands Performance Since Inception**



	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception * %
Morgan Stanley Global Brands	5.6	32.7	16.0	N/A	15.4
MSCI World Index	7.9	29.9	13.9	N/A	15.6
Relative Performance	(2.2)	2.2	1.9	N/A	(0.2)

\*annualised, inception date 18/06/2012

### Purchases and Sales

During the quarter Morgan Stanley added to their position with Pernod Ricard and Coca Cola and sold out of their position in Mondelez.

### Top 3 Contributions to Return

Microsoft	113bps
SAP	62bps
Visa	60bps

### Bottom 3 Contributions to Return

Reynolds American	(45bps)
21 <sup>st</sup> Century Fox	(26bps)
Altria	(22bps)

### Top Ten Holdings

Company	Industry	% Weighting
British American Tobacco	Tobacco	7.64
Microsoft	Software	7.61
Reckitt Benckiser	Household Products	7.49
Unilever	Personal Products	6.97
L'Oreal	Personal Products	6.81
Accenture	IT Services	4.81
Nestle	Food Products	4.70
Reynolds American	Tobacco	4.50
Visa	IT Services	4.45
Altria	Tobacco	4.40

### Hymans Robertson View

There were no relevant business issues reported over the period.

**Lincolnshire Pension Fund  
Passive Bonds – Blackrock  
Quarterly Report September 2016**

**Investment Process**

Blackrock manage a passive bond mandate for the Pension Fund. Their portfolio is made up of three pooled funds; an index-linked bond fund, a corporate bond fund and an overseas bond fund. All three funds are designed to match the return of their relevant benchmarks. The manager uses two methods to manage index-tracking funds; full replication and stratified sampling.

Full replication involves holding each of an index's constituent bonds in exactly the same proportion as the index. This method is used where the number of constituents in an index is relatively low and liquidity is above a certain level.

Stratified sampling is the method used when full replication is not possible or appropriate. This approach subdivides the benchmark index according to various risk characteristics, such as currency/country, maturity, credit rating, sector of issuer etc. Each subset of bonds is then sampled to select bonds for inclusion within the pooled fund.

The table below shows the indexing method for each of the three pooled funds in which the Fund invests.

<b>Pooled Fund</b>	<b>Indexing Method</b>
Aquila Life Corporate Bond All Stocks Index Fund	Sampled
Aquila Life Over 5 Years UK Index-Linked Gilt Index Fund	Full Replication
Aquila Life Overseas Bond Index Fund	Sampled

**Portfolio Valuation at 30<sup>th</sup> September 2016**

<b>Portfolio</b>	<b>31.06.16 £</b>	<b>30.09.16 £</b>
Corporate Bond All Stocks Index Fund	62,542,960	68,193,938
Over 5 Years UK Index-Linked Gilt Index Fund	39,844,065	41,049,074
Overseas Bond Index Fund	26,567,430	28,521,202
Cash (residual)	10	10
<b>Total</b>	<b>128,954,465</b>	<b>137,764,224</b>

**Performance**

Over all periods the portfolio has slightly outperformed the benchmark.

	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
Blackrock	6.8	21.1	11.3	8.8	9.0
Composite Benchmark	6.7	21.0	11.2	8.7	8.9
Relative Performance	0.1	0.1	0.1	0.1	0.1

\*annualised since inception 28/07/10



**Hymans Robertson View**

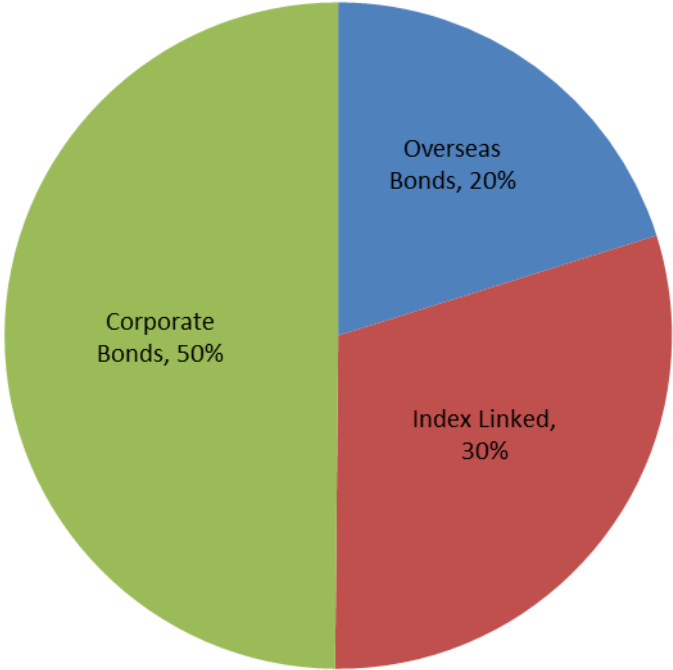
There were no significant developments within the Index Fixed Income team over the quarter; as such Hymans continue to rate Blackrock as one of their preferred passive fixed income managers.

**Allocation**

The target allocation between the three funds is:

Aquila Life Corporate Bond All Stocks Index Fund	50%
Aquila Life Over 5 Years UK Index-Linked Gilt Index Fund	30%
Aquila Life Overseas Bond Index Fund	20%

The pie chart below shows the allocation as at 30<sup>th</sup> September 2016.



**Lincolnshire Pension Fund  
Alternative Investments – Morgan Stanley  
Quarterly Report September 2016**

**Investment Process**

Morgan Stanley manages a bespoke absolute return alternative investment mandate for the Fund. The portfolio is invested in alternatives only, with no exposure to traditional equities or bonds. Investments are made to complement our existing portfolio and in future will include our Private Equity portfolio. The manager has a target to beat the return of 3 Month LIBOR + 4%.

**Portfolio Valuation**

Value at 31.06.16	Value at 30.09.16
£199,911,984	£212,351,228

**Performance**

The portfolio returned 3.4% during the first quarter. Most asset classes generated positive performance. Most asset classes, with the exception of commodities, global macro and listed infrastructure, generated positive performance. Hedge funds drove absolute returns, followed by credit and real assets.

	Quarter %	1 Year %	3 Year* %	5 Year* %	Inception* %
Morgan Stanley	3.4	5.9	2.1	4.5	3.9
3 Month LIBOR + 4%	1.1	4.6	4.7	4.7	4.8
Relative Performance	2.3	1.2	(2.4)	(0.2)	(0.8)

\* annualised since inception date 24/11/2010

**Allocation**

Morgan Stanley has split out investments into a bespoke portfolio of alternatives comprising five different asset allocations;

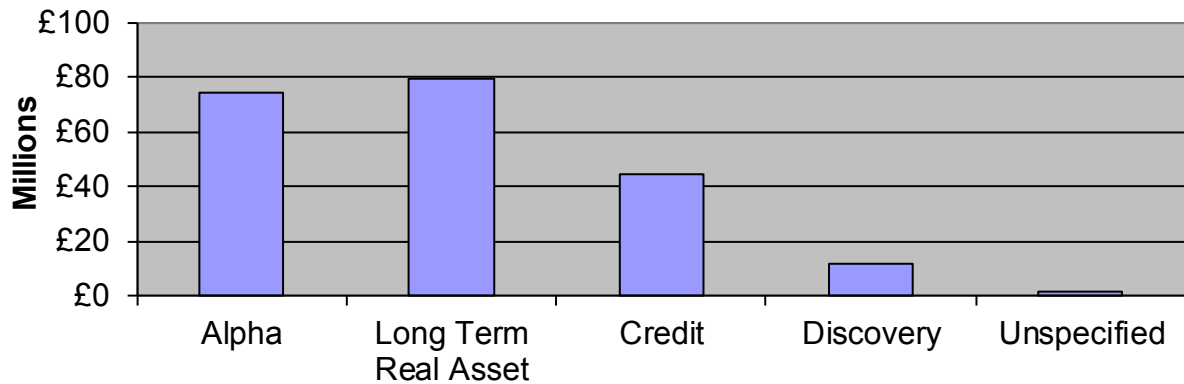
Alpha – These are pure return seeking products based on Manager skill. The Alpha investments include Hedge Funds, Global Tactical Asset Allocation (GTAA) and Active Currency.

Long Term Real Asset – These are long term investments that seek to access illiquidity premium. Investments include Private Equity, Infrastructure, Real Estate, Commodities and Inflation – linked strategies.

Credit – These are the purchase of the lower rated bonds where higher default is more likely. Manager selection is important to ensure the correct bonds are purchased that will appreciate following rating upgrades and merger and acquisition activity. Credit opportunities include Emerging Market Debt, High Yield Bonds, Senior Loans and Convertibles.

Discovery – These are new opportunities of investments and can include Frontier Markets, Distressed Opportunities and Volatility.

### Allocation as at 30th September 2016



### Portfolio Positioning

Within the portfolio, the largest allocation remains to hedge funds. Year-to-date, the space has been challenged. Broadly speaking, there was a wide dispersion of returns within strategies. However, there is unusual concentration of underperformance across the largest managers in many strategies. Significant commonalities in factor exposures and risk management techniques across managers led to negative alpha amid market volatility earlier in the year. Technical factors rather than fundamentals drove performance. As an example, if you look at hedge funds in the equity space, Morgan Stanley have been underweight low volatility and yielding stocks, both of which have been substantially bid up due to a combination of smart beta products and continued low yields. Similarly value has performed very poorly, also hurting hedge fund managers. This has created short term recent dislocations, but also future opportunities for alpha. All of that said, after a difficult 2015 and early 2016, Morgan Stanley are beginning to see a reversal in some of the factors that they know correlate to hedge fund performance. Market recovery since March has helped the beta component of returns, but they are also seeing recovery in style factors related to value, profit and trade activity which they know correlate to hedge fund alpha.

Morgan Stanley continue to believe private markets with limited access are an area offering attractive risk adjusted returns and yields that can take advantage of the illiquidity premium not present in the public markets. The portfolio has exposure to private markets across private equity, debt, infrastructure and a small allocation to private real estate.

### Hymans Robertson View

There were no significant changes over the quarter.

### Risk Control

Portfolio volatility since inception is 4% which is within the guidelines specified by the mandate.

## **Conclusion**

Over the quarter the Fund has produced a positive return of 5.71% and outperformed the benchmark which returned 5.43%.

## **Consultation**

### **a) Have Risks and Impact Analysis been carried out??**

Yes

### **b) Risks and Impact Analysis**

The Pension Fund has a risk register that can be obtained by contacting the author of this report.

## **Background Papers**

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