

INVESTMENT STRATEGY and FUND MANAGER PERFORMANCE (Part I)

ITEM 6

Committee

Pensions Committee

Officer Reporting

Pete Carpenter, Finance
Tunde Adekoya, Finance

Papers with this report

LCIV Executive Summary 30 June 2025
Hymans Interim Valuation Report 30 June 2025
NT performance report on shared drive
LCIV Performance reporting on shared drive

HEADLINES

The Fund officers and LCIV team have worked collaboratively to produce 'easy to digest', dashboard executive summary which draws out highlights of the performance and funding position as well as providing an easy access format for additional investment related information and statistics.

Attached is the report for quarter ending 30 June 2025 for review and comment.

RECOMMENDATIONS

It is recommended that Pensions Committee:

- 1. Note the funding and performance update.**

Summary of Key Insights to LCIV Executive Report

Funding & Liabilities:

Funding Level: Increased to 136%, up from 128% in March 2025.

Deficit/Surplus: Surplus of £380m, up from £171m.

Liabilities: Decreased by £20m over the quarter.

Assets: Increased to £1.46bn, a 3.96% rise in market value.

Investment Performance

Quarterly Return: 4.0%, matching the benchmark.

1-Year Return: 6.6% vs benchmark 6.9%.

5-Year Return: 6.1%, slightly below benchmark 6.6%.

Since Inception: 6.8%, in line with benchmark.

Classification: Public

Pensions Committee 24 September 2025

Manager Contributions

Top contributors:

LGIM – World Developed Equity: +1.58%

LGIM – Future World Fund: +1.35%

LCIV Global Alpha Growth Paris Aligned: +0.44%

LCIV Infrastructure Fund: +0.41%

Negative contributors:

Blackstone Dislocation Fund: -0.06%

Adam Street (Private Equity): -0.06%

Manager Monitoring & Assessment

Baillie Gifford (Global Alpha Growth): Skills score 2 – positive changes noted, further review in Nov 2025.

LCIV Global Equity Value Fund: Skills score 1 – underperforming, flagged for improvement.

LCIV Absolute Return Fund: Skills score 2, Value score 4 – concerns about achieving objectives.

FINANCIAL IMPLICATIONS

The financial implications are contained within the body of the report.

The executive summary report is provided by LCIV without charge.

LEGAL IMPLICATIONS

There are no legal implications in the report.