HAMPSHIRE
PENSION FUND

Annual Employers Meeting

3 November 2026



Fire Alarms

- Should fire alarms sound, please make your way to the nearest fire exits, straight onto the rear courtyard.
- Go down the stairs via the car park onto Tower Street, turn right and follow the road to the front of EII South and then to Castle Avenue.

Today's Programme

10:00	Welcoming remarks *– Cllr Tom Thacker*
10:05	Overview of 2025/26 Fund performance*– Andy Lowe*
10:15	Economic and market outlook *– Carolan Dobson*
10:35	Actuarial update*– Catherine McFadyen & Ciaran Henry*
11:05	*Coffee break*
11:20	Introduction to LGPS Central *– Richard Law-Deeks*
11:40	Pensions and AI and a legal update *– Callum Duckmanton, Michael Hayles and Alec Bennett*
12:25	General question and answer session
	Close

Welcome

Cllr Tom Thacker

Chairman, Pension Fund Panel & Board



2025/26 Pension Fund's performance

Andy Lowe
Director of Corporate Operations



Hampshire Pension Fund – 2025/26 Highlights

HAMPSHIRE PENSION FUND

Over **214,000** scheme members, from **429** employers in Hampshire.

Including over **61,000** pensioners who were paid a total of **£410m of pensions** in the last year.



Answered **70,000** calls/online channel queries from scheme members last year.

Over 4,200 retirements processed – 100% within the target time.

The lowest administration and governance costs in the LGPS – Hampshire's cost of £21 per member is the lowest of all LGPS funds (the LGPS average was £49 per member).

Delivered **32** scheme member and **22** employer events in 2025/26.

Holder of the **Customer Service Excellence** standard since 2009.

CUSTOMER SERVICE EXCELLENCE® CSE

Valued at **129% funded** at its latest actuarial valuation.



In comparison to the other 87 English and Welsh LGPS funds reported actuarial valuations, Hampshire has the **31st highest funding level and the 30th lowest employer contribution rates.**

Investments valued at **£10.8bn** as at 31 March 2026.

+7.5% investment return in 2025/26. This was above the investment return target set by the Fund's actuary but below the comparable market return of 9.6%.

Invested £93m in Hampshire and the Isle of Wight area, this includes investments in housing, commercial real estate, infrastructure and providing finance to small-to-medium sized enterprises (SMEs).

The Pension Fund Joint Panel and Board **met five times** in 2025/26.

An average of **24 hours** of additional training undertaken by each member.

Committed to Responsible Investment and being a good steward of investments accepted **as a signatory to the updated UK Stewardship Code in 2025.**

UK STEWARDSHIP CODE

Scored above the average of its peers in **7 out of 9 categories**, in its 2025 Principles for Responsible Investment assessment.

PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT — 20 YEARS OF PROGRESS

Shareholder and client of **LGPS Central** who are responsible for the management of the Pension Fund's investments.

LGPS Central Limited

HAMPSHIRE PENSION FUND

Annual Report for 2025/26



- Part of the Pension Fund's communication strategy with Fund employers
- Available electronically on the Pension Fund's website
- The Pension Fund accounts form part of the County Council's accounts
- 2025/26 Pension Fund audit largely complete as we move back towards better year-end timing

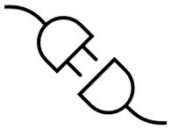
Key achievements and what's ahead

- Efficient and effective delivery of business as usual
- Preparation for Pension Dashboards public launch
- Continued focus on Cyber security
- Joined LPGS Central as a shareholder and client
- Reviewed and updated the Investment Strategy Statement
- Produced the Fund's first Local Investment report

Pension administration – business as usual

- Answered over 70,000 member queries
- Completed over 33,000 items of casework – all within service level targets
- Over 57% of all members registered for the Member Portal – and around 14,000 log ins each month
- Retained the Customer Service Excellence award and increased the number of areas in which the standard was exceeded
- Reviewed the Monthly Returns pilot and developed plan for roll out to all employers over 3-5 years

Pension Dashboards Programme (PDP)



Fund connected to the Dashboard in December 2025



Industry-wide connection reached 96% of in-scope records by 31 October 2026 deadline



PDP focus on increasing operational testing

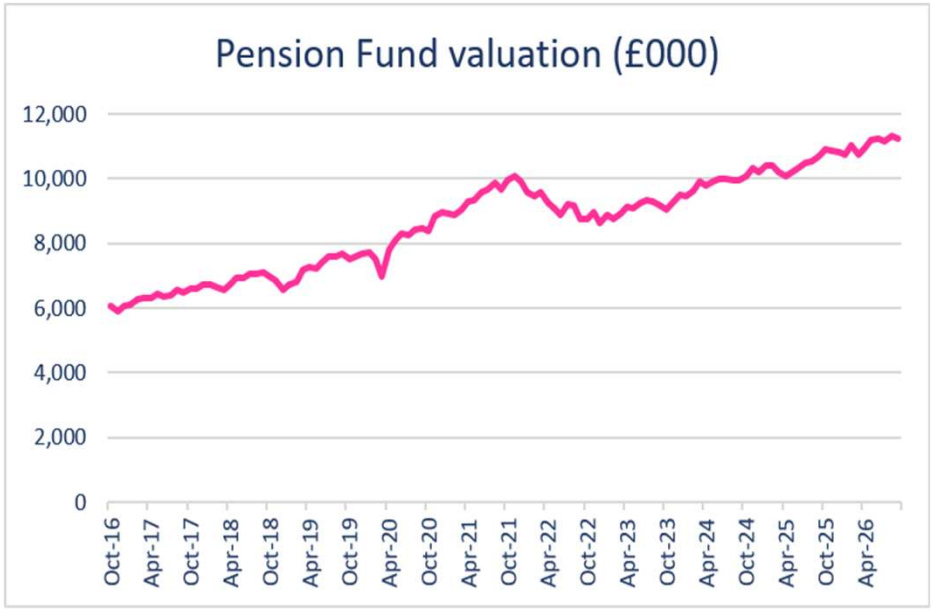


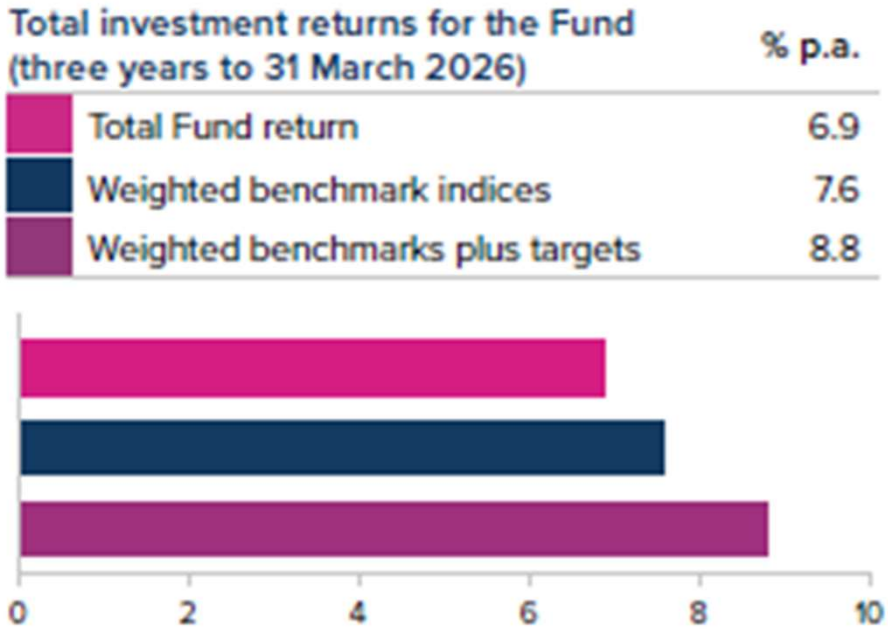
Using testing feedback to refine Fund's data matching policy



Public launch expected in 2027/28 - with at least six months' notice

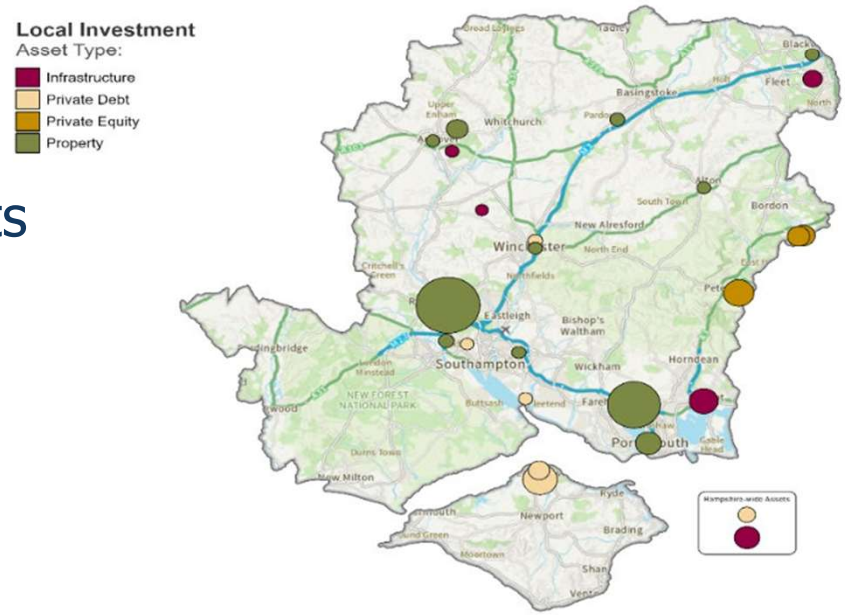
Investment value and returns



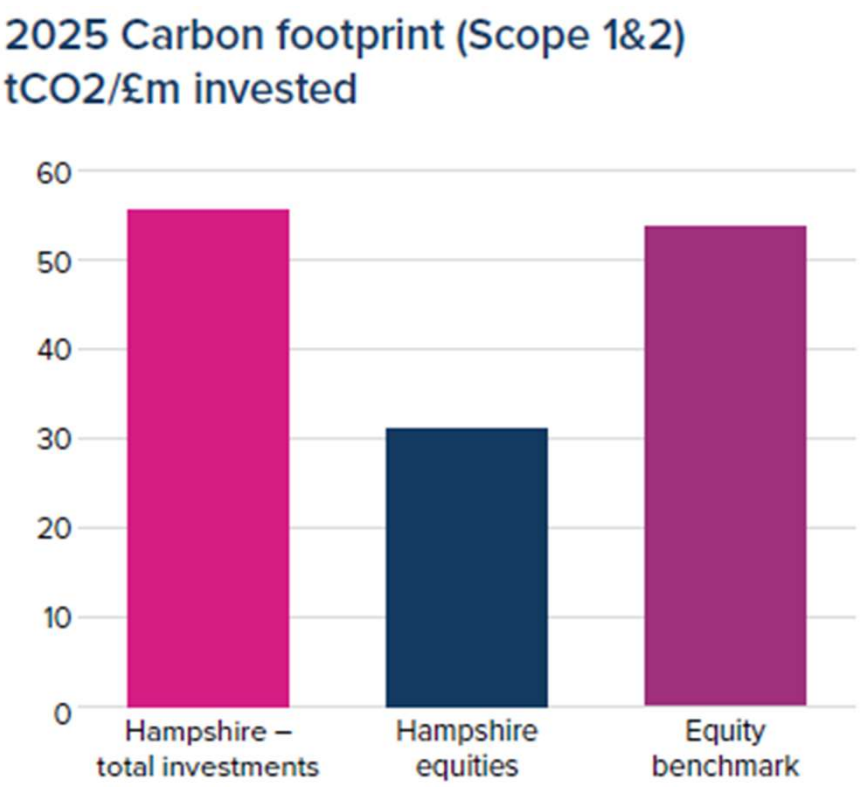


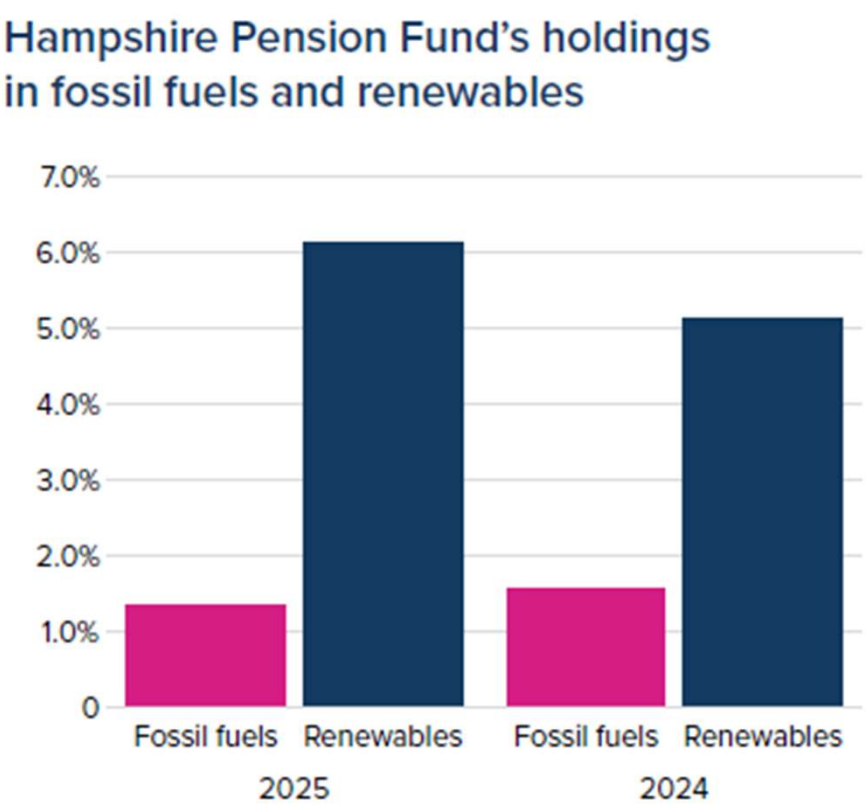
Local investment

- There is a new regulatory requirement to set a target for local investment
- The Pension Fund now has a target for up to 5% of 'local' investment, including both LPGS Central investment pool area and Hampshire strategic authority area return targets
- The Fund's existing private market portfolios already include £93m of investments in Hampshire
- The Fund expects local investments to earn the same return as other equivalent investments
- The Pension Fund will be working with the Combined Authority and LGPS Central in the future on local investment



Progress on carbon data





Local Government Reorganisation (LGR)

- The Hampshire Pension Fund will remain as a single LGPS fund covering the employers in mainland Hampshire
- It will not be split up along LGR (or any other lines) – having a larger number of smaller LGPS funds is completely contrary to Government policy
- In all recent reorganisations the Pension Fund has remained intact

Economic & Market Outlook

Carolan Dobson

Independent Advisor to the Hampshire Pension Fund Panel & Board

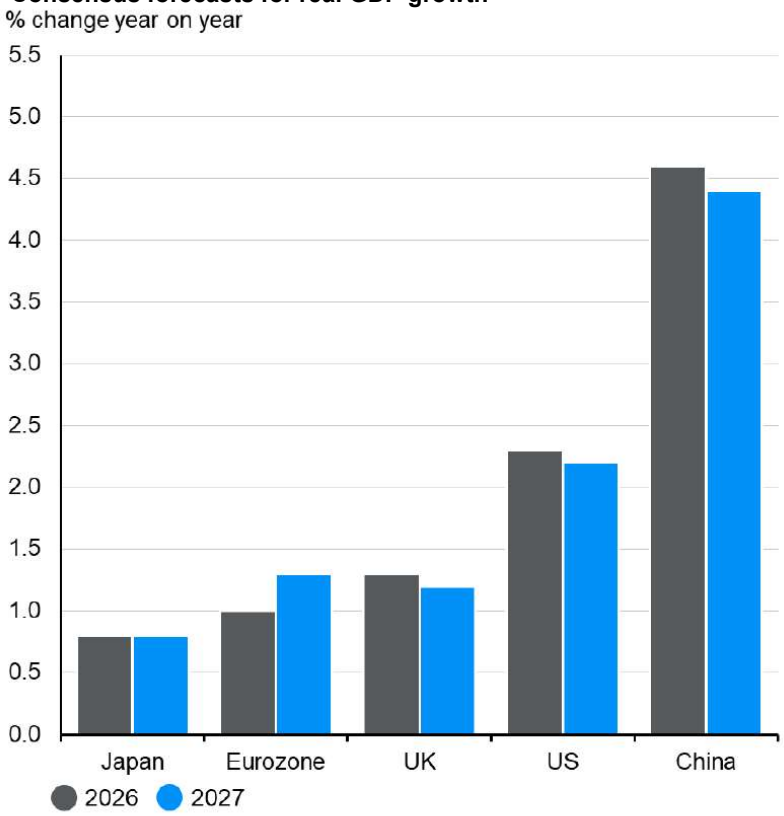




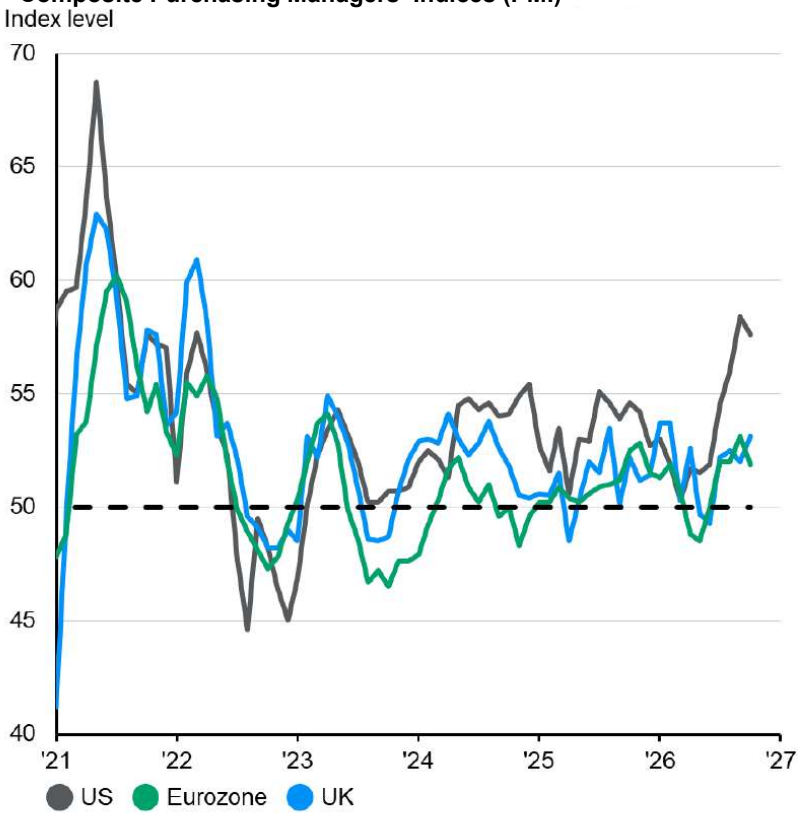
CAROLAN DOBSON NOVEMBER 2026

Global growth

Consensus forecasts for real GDP growth



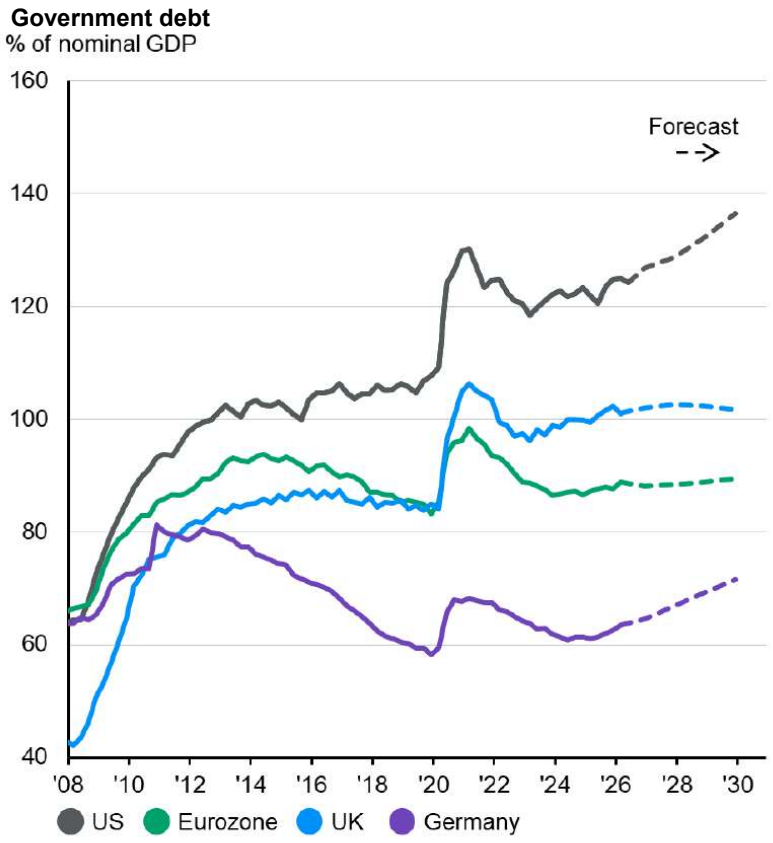
Composite Purchasing Managers' Indices (PMI)

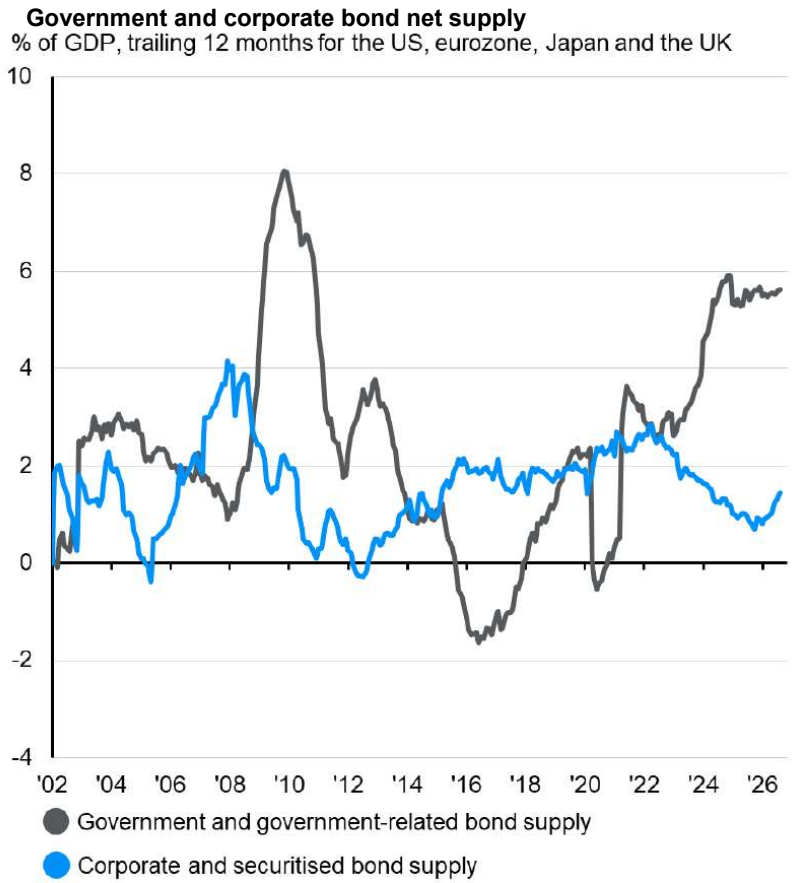


Source: (Left) Bloomberg, J.P. Morgan Asset Management. Forecasts are from Bloomberg contributor composite. (Right) Bloomberg, S&P Global, J.P. Morgan Asset Management. A score of 50 indicates that economic activity is neither expanding nor contracting, above 50 indicates expansion. *Guide to the Markets - UK*. Data as of 23 October 2026.

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Global fiscal policy and bond issuance



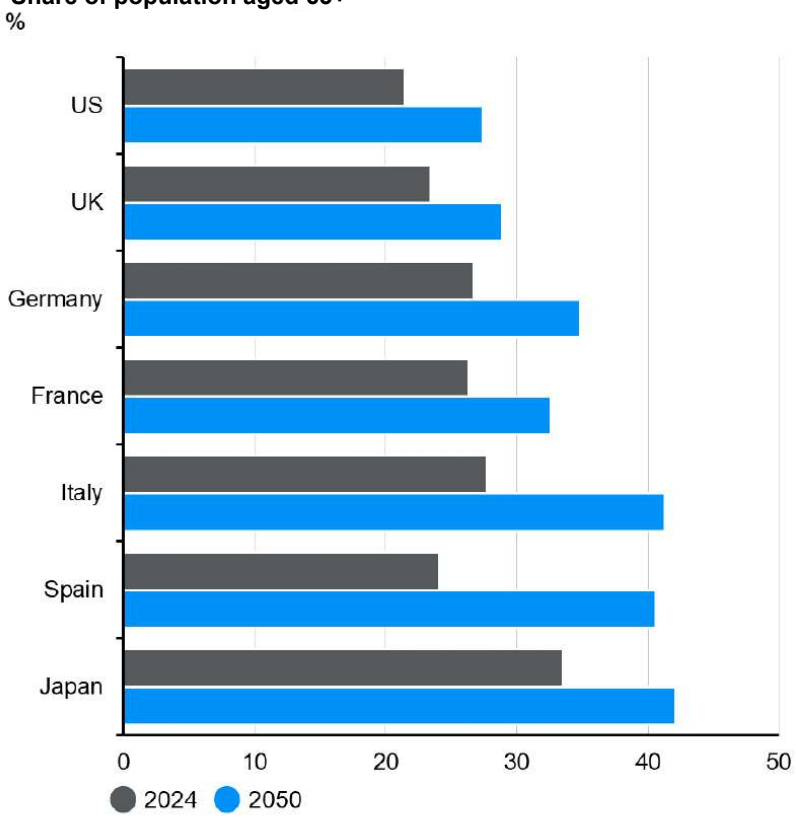


Source: (Left) Bank for International Settlements, BEA, Eurostat, IMF, LSEG Datastream, J.P. Morgan Asset Management. Debt refers to gross debt at face value. Dotted lines represent IMF forecasts. (Right) Bank of England, Bank of Japan, Bloomberg, European Central Bank, Federal Reserve, J.P. Morgan Asset Management. Net supply is calculated as the trailing 12-month change in bonds outstanding, adjusted for changes in central bank holdings, and expressed as a percentage of US, eurozone, Japan and UK nominal GDP. *Guide to the Markets - UK*. Data as of 23 October 2026.

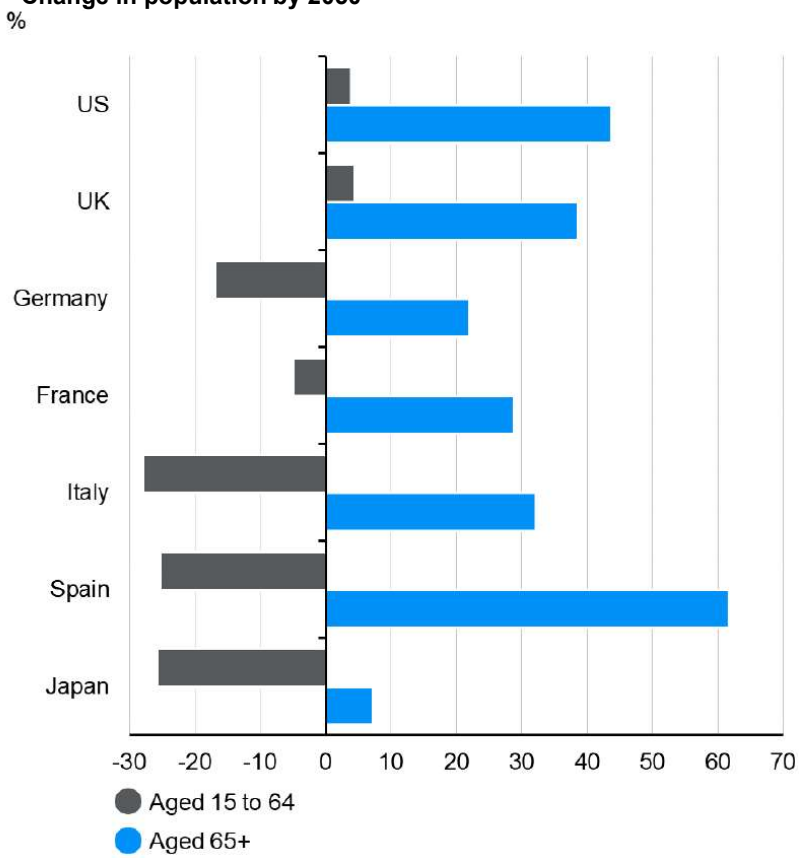
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Global fiscal pressures

Share of population aged 65+



Change in population by 2050



Source: (All charts) LSEG Datastream, United Nations, J.P. Morgan Asset Management. *Guide to the Markets - UK*. Data as of 23 October 2026.

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Global inflation

Headline inflation
% change year on year

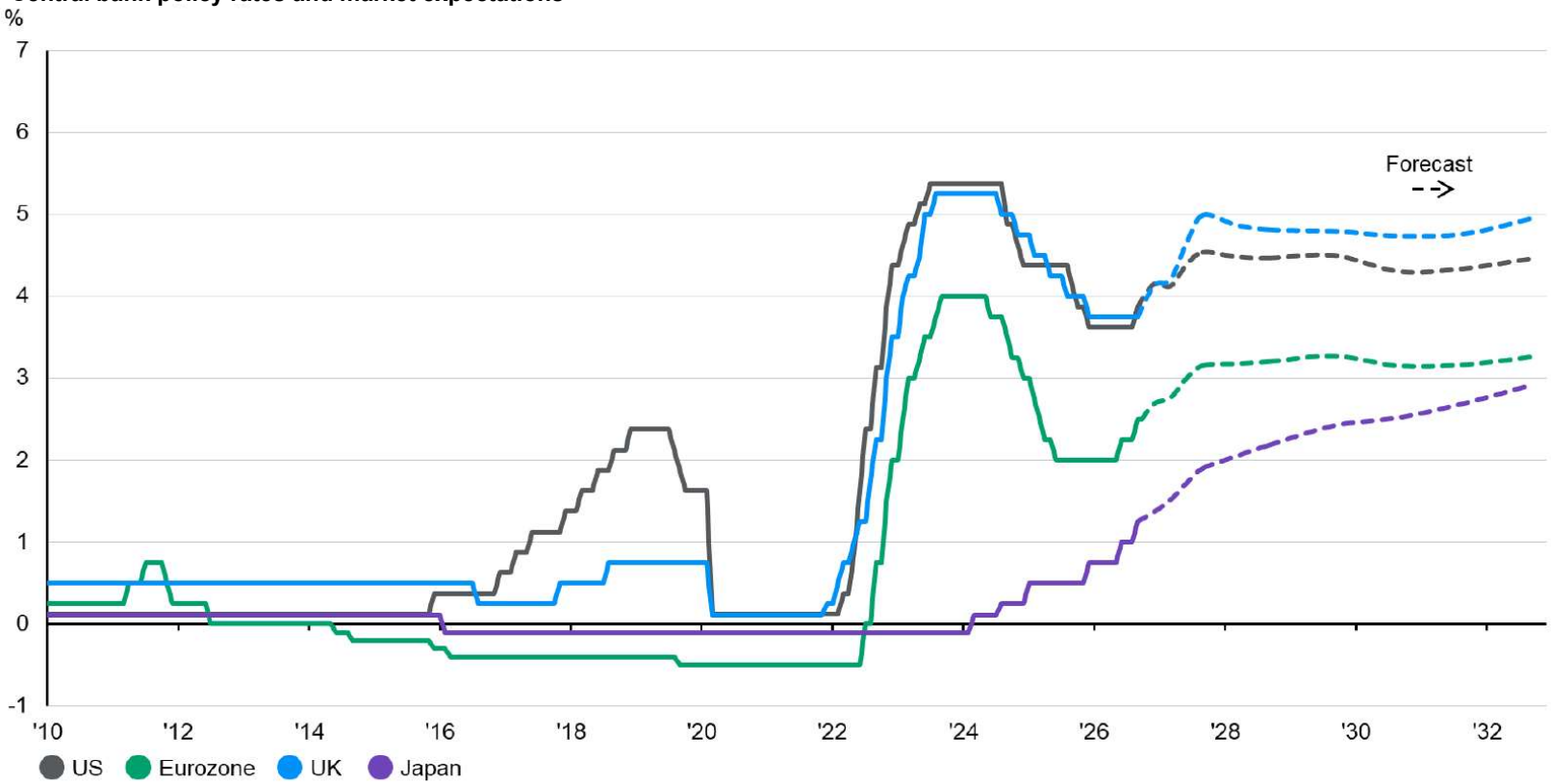
		2024			2025											2026								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Eurozone	Eurozone	2.0	2.2	2.4	2.5	2.3	2.2	2.2	1.9	2.0	2.0	2.0	2.2	2.1	2.1	2.0	1.7	1.9	2.6	3.0	3.2	2.8	2.9	3.2	3.8
	France	1.6	1.7	1.8	1.8	0.9	0.9	0.9	0.6	0.9	0.9	0.8	1.1	0.8	0.8	0.7	0.4	1.1	2.0	2.5	2.8	2.0	2.4	2.6	3.4
	Germany	2.4	2.4	2.8	2.8	2.6	2.3	2.2	2.1	2.0	1.9	2.0	2.3	2.3	2.5	2.0	2.1	2.0	2.8	2.9	2.7	2.4	2.8	2.9	3.3
	Italy	1.0	1.4	1.3	1.7	1.7	2.1	2.0	1.7	1.7	1.7	1.6	1.7	1.3	1.1	1.2	1.0	1.5	1.6	2.8	3.2	3.0	2.9	3.2	4.2
	Spain	1.8	2.4	2.8	2.9	2.9	2.2	2.2	2.0	2.3	2.7	2.7	3.0	3.2	3.2	3.0	2.4	2.5	3.4	3.5	3.6	3.6	3.9	4.6	5.0
	Greece	3.1	3.0	2.9	3.1	3.0	3.1	2.6	3.3	3.6	3.7	3.1	1.8	1.6	2.8	2.9	2.9	3.1	3.4	4.6	4.9	3.9	2.7	3.7	5.1
	Ireland	0.2	0.5	1.0	1.7	1.5	1.8	2.1	1.4	1.6	1.6	1.9	2.7	2.8	3.1	2.7	2.5	2.5	3.6	3.6	3.5	3.2	3.1	3.4	3.8
Developed	Sweden	1.6	1.6	0.8	0.9	1.3	0.5	0.3	0.2	0.7	0.8	1.0	0.9	0.9	0.3	0.3	0.5	0.5	0.5	-0.1	0.8	0.7	0.2	0.3	1.1
	Switzerland	0.6	0.7	0.6	0.4	0.3	0.3	0.0	-0.1	0.1	0.2	0.2	0.2	0.1	0.0	0.1	0.1	0.1	0.3	0.6	0.6	0.5	0.4	0.8	1.0
	UK	2.3	2.6	2.5	3.0	2.8	2.6	3.5	3.4	3.6	3.8	3.8	3.8	3.6	3.2	3.4	3.0	3.0	3.3	2.8	2.8	2.6	2.9	3.1	3.5
	US	2.6	2.7	2.9	3.0	2.8	2.4	2.3	2.4	2.7	2.7	2.9	3.0		2.7	2.7	2.4	2.4	3.3	3.8	4.2	3.5	3.4	3.4	3.7
	Japan	2.3	2.9	3.6	4.0	3.7	3.6	3.6	3.5	3.3	3.1	2.7	2.9	3.0	2.9	2.1	1.5	1.3	1.5	1.4	1.5	1.6	1.9	1.9	2.1
Emerging	China	0.3	0.2	0.1	0.5	-0.7	-0.1	-0.1	-0.1	0.1	0.0	-0.4	-0.3	0.2	0.7	0.8	0.2	1.3	1.0	1.2	1.2	1.0	0.5	0.8	0.9
	Indonesia	1.7	1.5	1.6	0.8	-0.1	1.0	1.9	1.6	1.9	2.4	2.3	2.7	2.9	2.7	2.9	3.5	4.8	3.5	2.4	3.1	3.3	2.9	3.2	3.3
	Korea	1.3	1.5	1.9	2.2	2.0	2.1	2.1	1.9	2.2	2.1	1.7	2.1	2.4	2.4	2.3	2.0	2.0	2.2	2.6	3.1	3.2	2.8	3.1	2.9
	Taiwan	1.7	2.1	2.1	2.7	1.6	2.3	2.0	1.5	1.4	1.5	1.6	1.3	1.5	1.2	1.3	0.7	1.8	1.2	1.7	2.2	2.6	2.5	2.0	2.7
	India	6.3	5.5	5.2	4.1	3.5	3.6	3.3	3.0	2.3	1.6	2.0	1.4	0.0	0.5	1.2	2.7	3.2	3.4	3.5	3.9	4.4	4.5	4.8	5.5
	Brazil	4.8	4.9	4.8	4.6	5.1	5.5	5.5	5.3	5.4	5.2	5.1	5.2	4.7	4.5	4.3	4.4	3.8	4.1	4.4	4.7	4.6	4.4	4.2	4.6
	Mexico	4.8	4.5	4.2	3.6	3.8	3.8	3.9	4.4	4.3	3.5	3.6	3.8	3.6	3.8	3.7	3.8	4.0	4.6	4.4	3.9	3.4	3.1	3.3	3.5
	South Africa	2.8	2.9	3.0	3.2	3.2	2.7	2.8	2.8	3.0	3.5	3.3	3.4	3.6	3.5	3.6	3.5	3.0	3.1	4.0	4.5	5.0	4.3	4.4	4.5

Source: Bank of Mexico, DGBAS, European Central Bank, Federal Reserve, IBGE, India Ministry of Statistics & Programme Implementation, Japan Ministry of Internal Affairs & Communication, Korean National Statistical Office, National Bureau of Statistics of China, ONS, Riksbank, Statistics Indonesia, Statistics South Africa, Swiss National Bank, J.P. Morgan Asset Management. Eurozone countries use HICP inflation; all other countries use CPI inflation. Heatmap colours are based on the respective central bank target inflation rates. Blue is below target, white is at target and red is above target. *Guide to the Markets - UK.*
Data as of 23 October 2026.

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Global policy rates

Central bank policy rates and market expectations



Source: LSEG Datastream, J.P. Morgan Asset Management. Expectations are calculated using OIS forwards. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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UK housing market





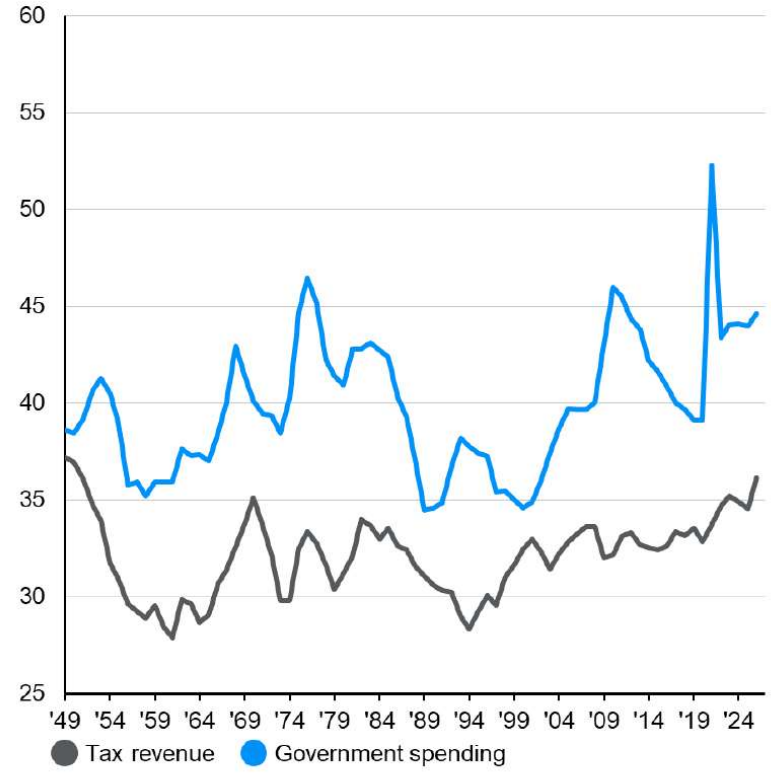
Source: (Left) Bank of England, LSEG Datastream, J.P. Morgan Asset Management. (Right) LSEG Datastream, Nationwide, Royal Institute of Chartered Surveyors (RICS), J.P. Morgan Asset Management. *Guide to the Markets - UK*. Data as of 23 October 2026.

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UK focus: Fiscal challenges

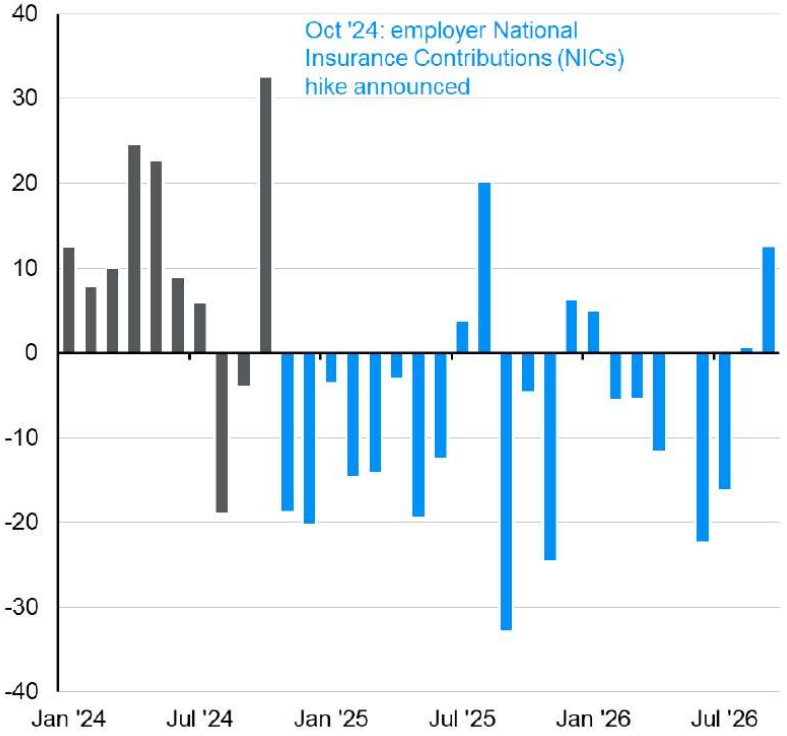
UK tax revenue and government spending

% of GDP



UK payrolls

Thousands, seasonally adjusted monthly change

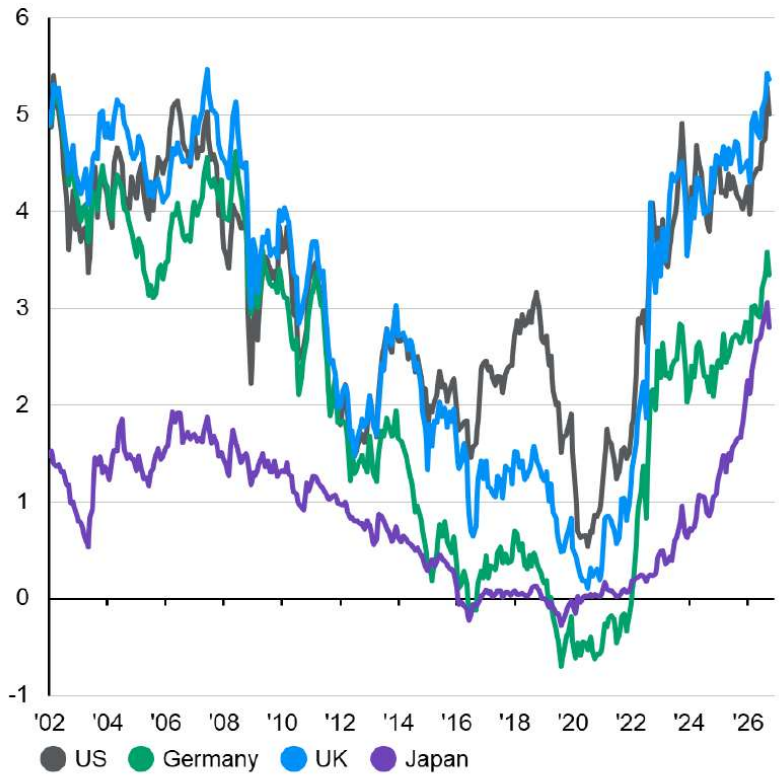


Source: (Left) Office for Budget Responsibility, J.P. Morgan Asset Management. Spending is total managed expenditure. (Right) HMRC, LSEG Datastream, J.P. Morgan Asset Management. *Guide to the Markets - UK*. Data as of 23 October 2026.

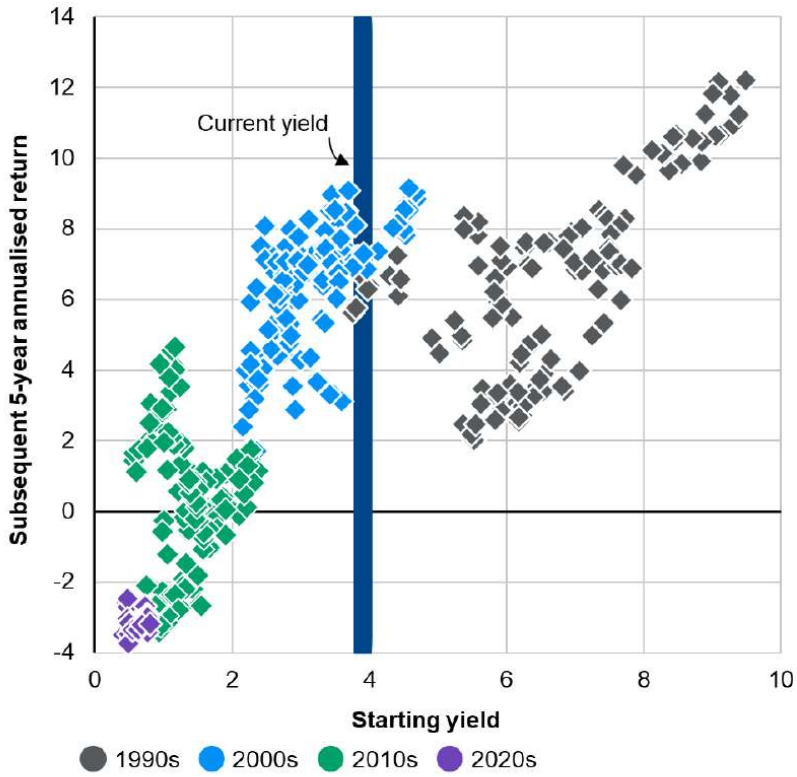
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Government bond yields and subsequent returns

Nominal 10-year government bond yields



Global government bond yields and subsequent 5y returns

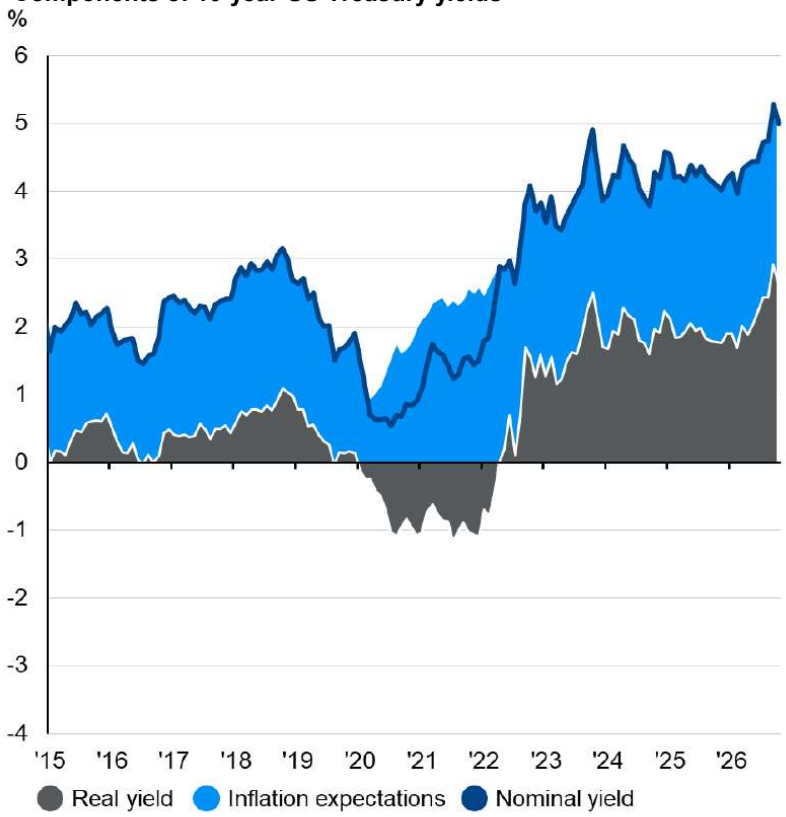


Source: (Left) LSEG Datastream, J.P. Morgan Asset Management. (Right) Bloomberg, LSEG Datastream, J.P. Morgan Asset Management. Index used is the Bloomberg Global Aggregate - Treasuries Index in US dollars and thus returns include currency effects. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

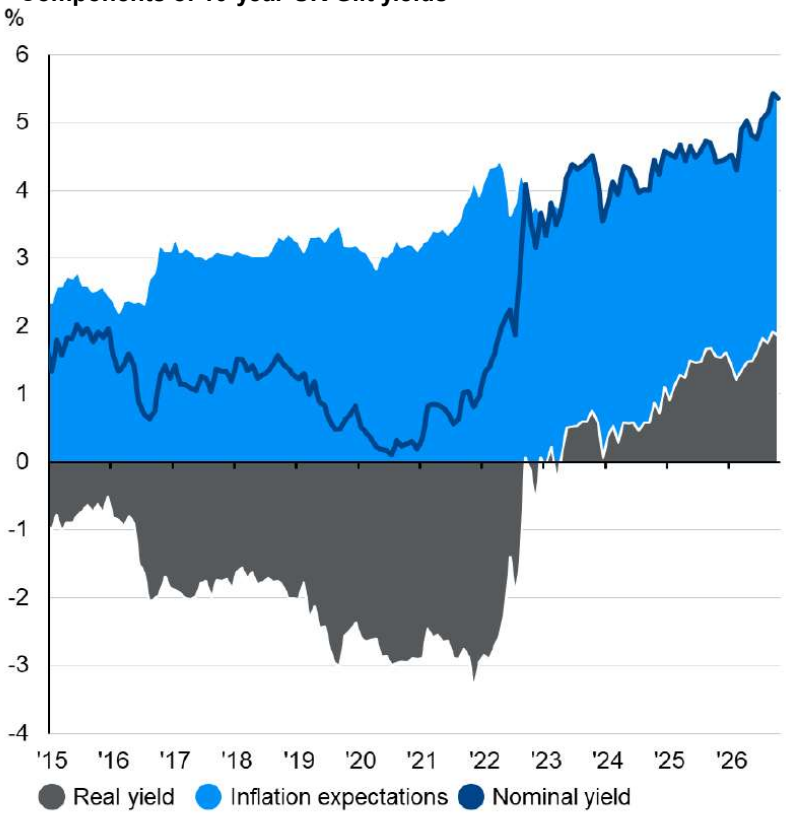
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Government bond yield decomposition

Components of 10-year US Treasury yields



Components of 10-year UK Gilt yields

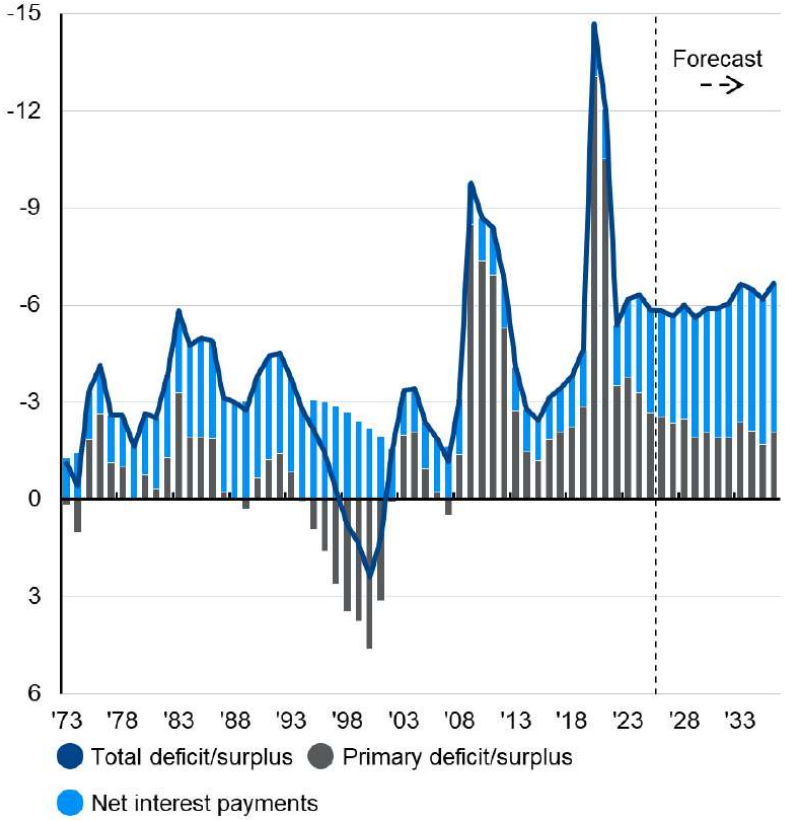


Source: (All charts) LSEG Datastream, J.P. Morgan Asset Management. Inflation expectations are calculated as the difference between nominal and real yields. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

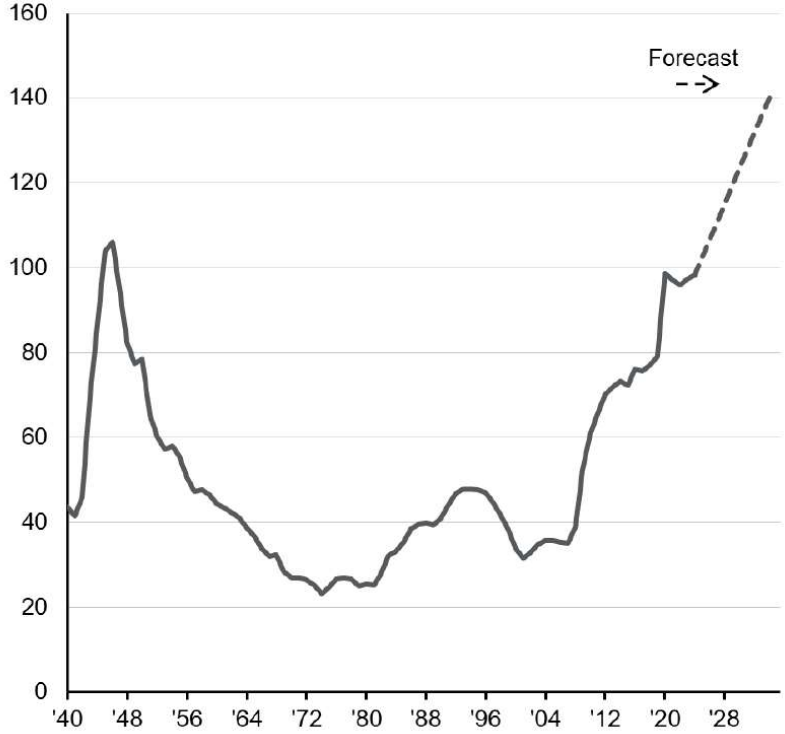
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US government deficit and debt

US Federal deficit and net interest outlays



US Federal net debt

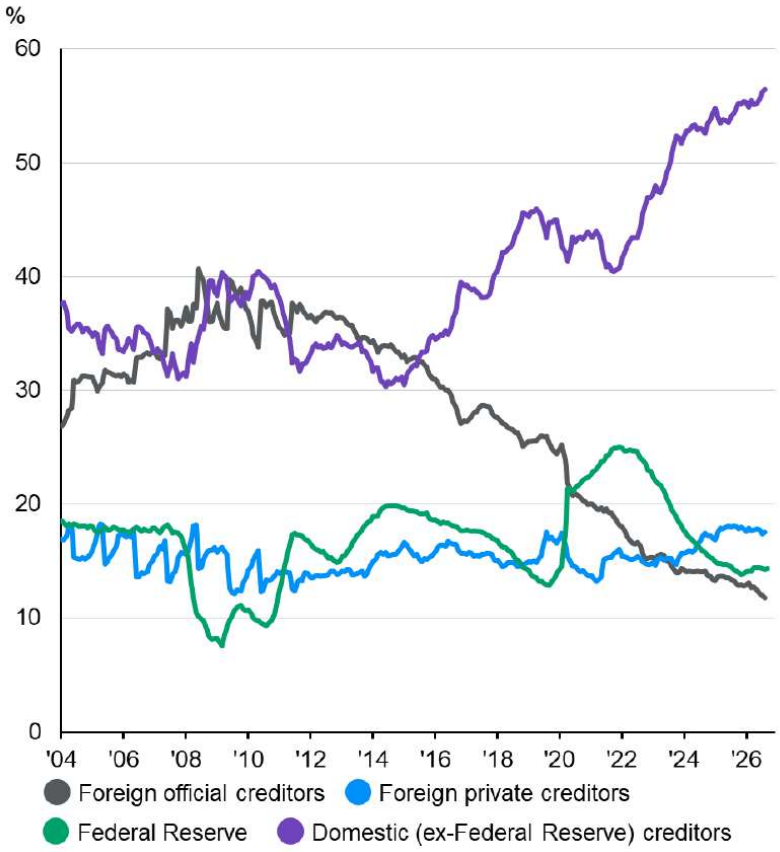


Source: (All charts) BEA, Bloomberg, BLS, CBO, LSEG Datastream, Treasury Department, J.P. Morgan Asset Management. Forecasts are based on the CBO's latest budget and economic outlooks. Years shown are fiscal years. *Guide to the Markets - UK*. Data as of 23 October 2026.

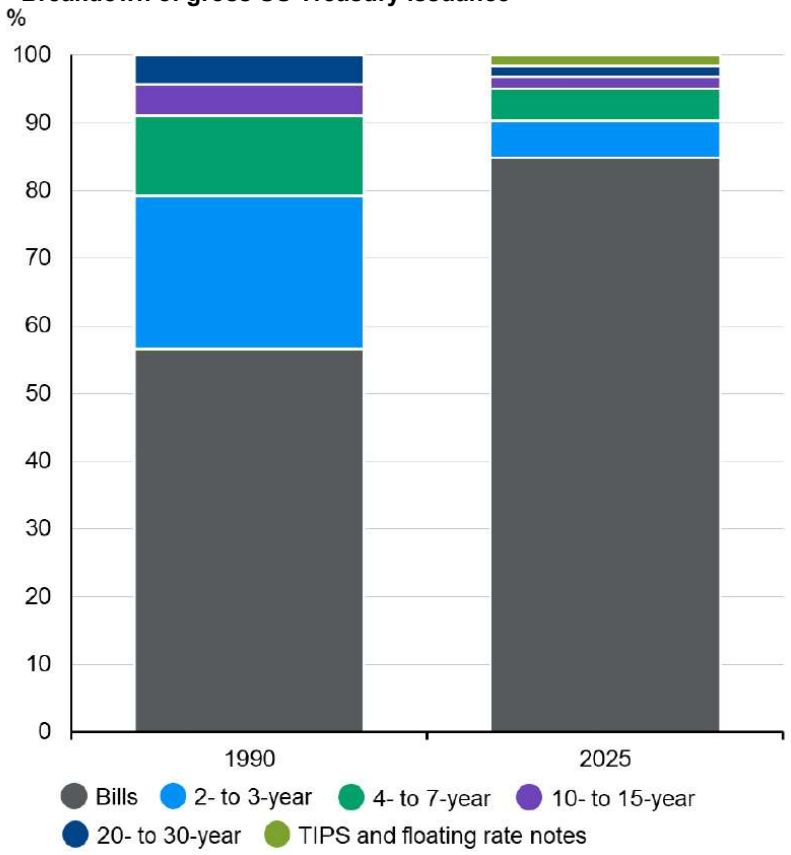
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US Treasury ownership and issuance

Holders of US federal debt



Breakdown of gross US Treasury issuance

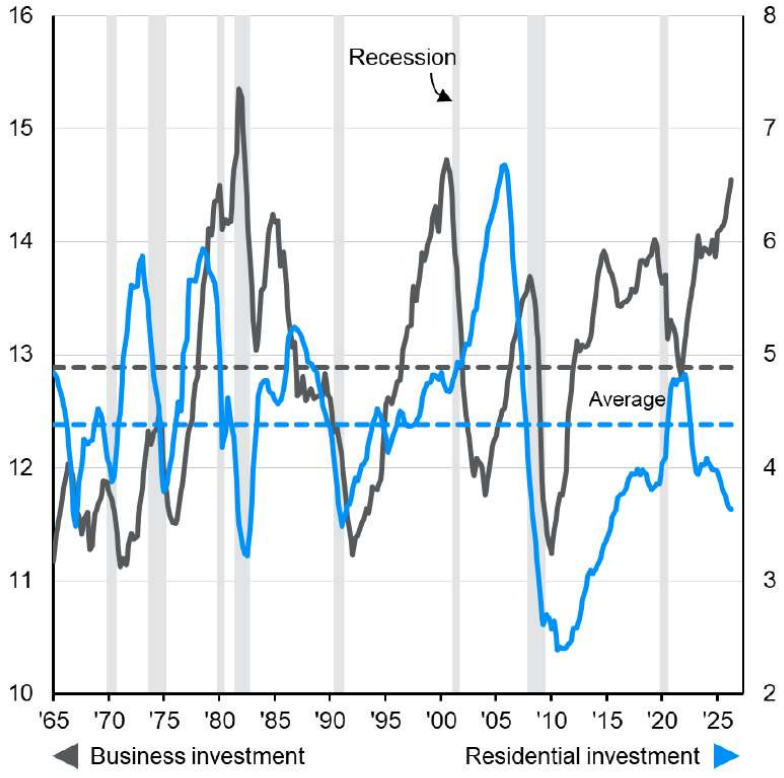


Source: (Left) Federal Reserve, LSEG Datastream, US Treasury, J.P. Morgan Asset Management. (Right) Bloomberg, US Treasury, J.P. Morgan Asset Management. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

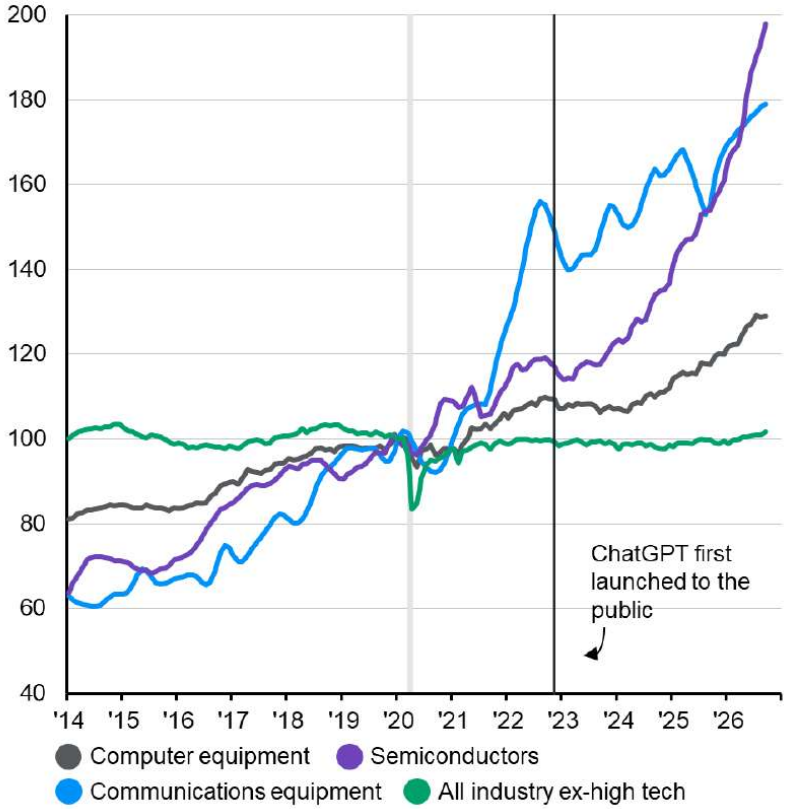
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US investment and industrial production

US business and residential investment
% of nominal GDP



US industrial production
Index level, rebased to 100 in January 2020



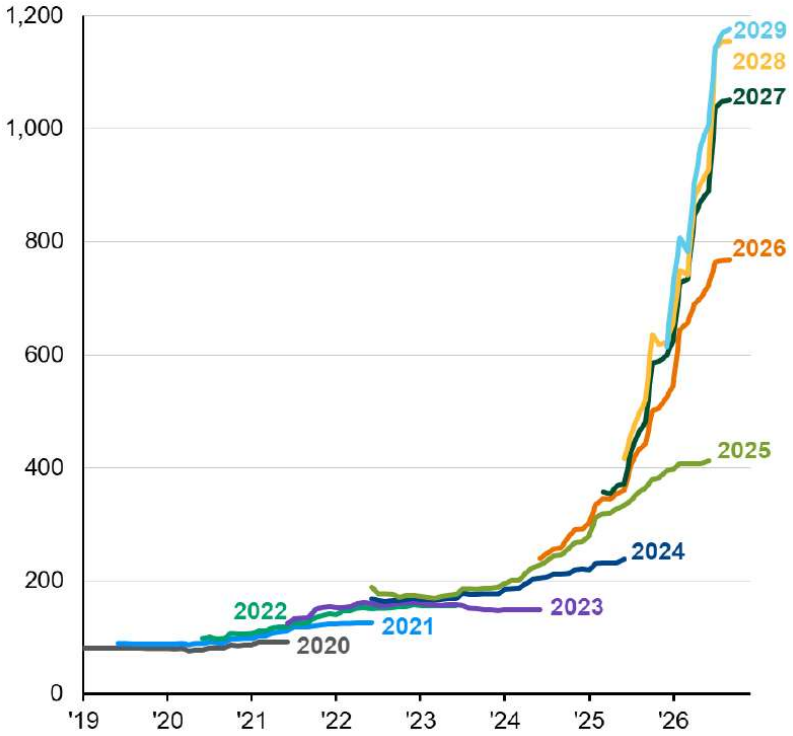
Source: (Left) BEA, LSEG Datastream, J.P. Morgan Asset Management. (Right) Federal Reserve, LSEG Datastream, J.P. Morgan Asset Management. Periods of recession are defined using US National Bureau of Economic Research (NBER) business cycle dates. *Guide to the Markets - UK*. Data as of 23 October 2026.

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ASSET MANAGEMENT

US focus: US capex

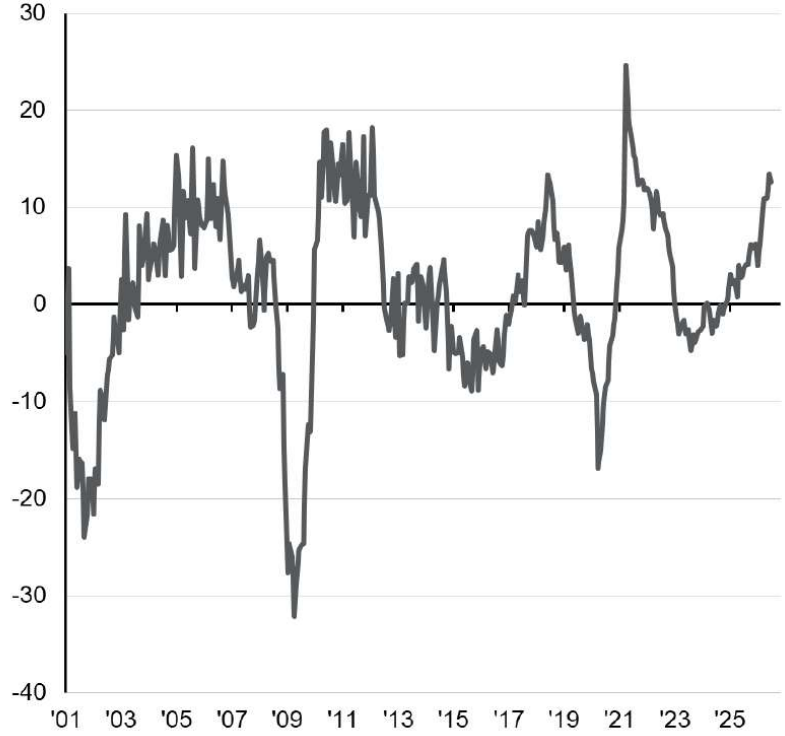
US hyperscaler capex estimates by year

USD billions



US core capital goods new orders

% change year on year



Source: (Left) FactSet, J.P. Morgan Asset Management. Hyperscaler capex includes Alphabet, Amazon, Meta, Microsoft and Oracle. (Right) Census Bureau, J.P. Morgan Asset Management. Core capital goods new orders are non-defence capital goods excluding aircraft in nominal USD terms. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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World stock market returns

GBP
Local

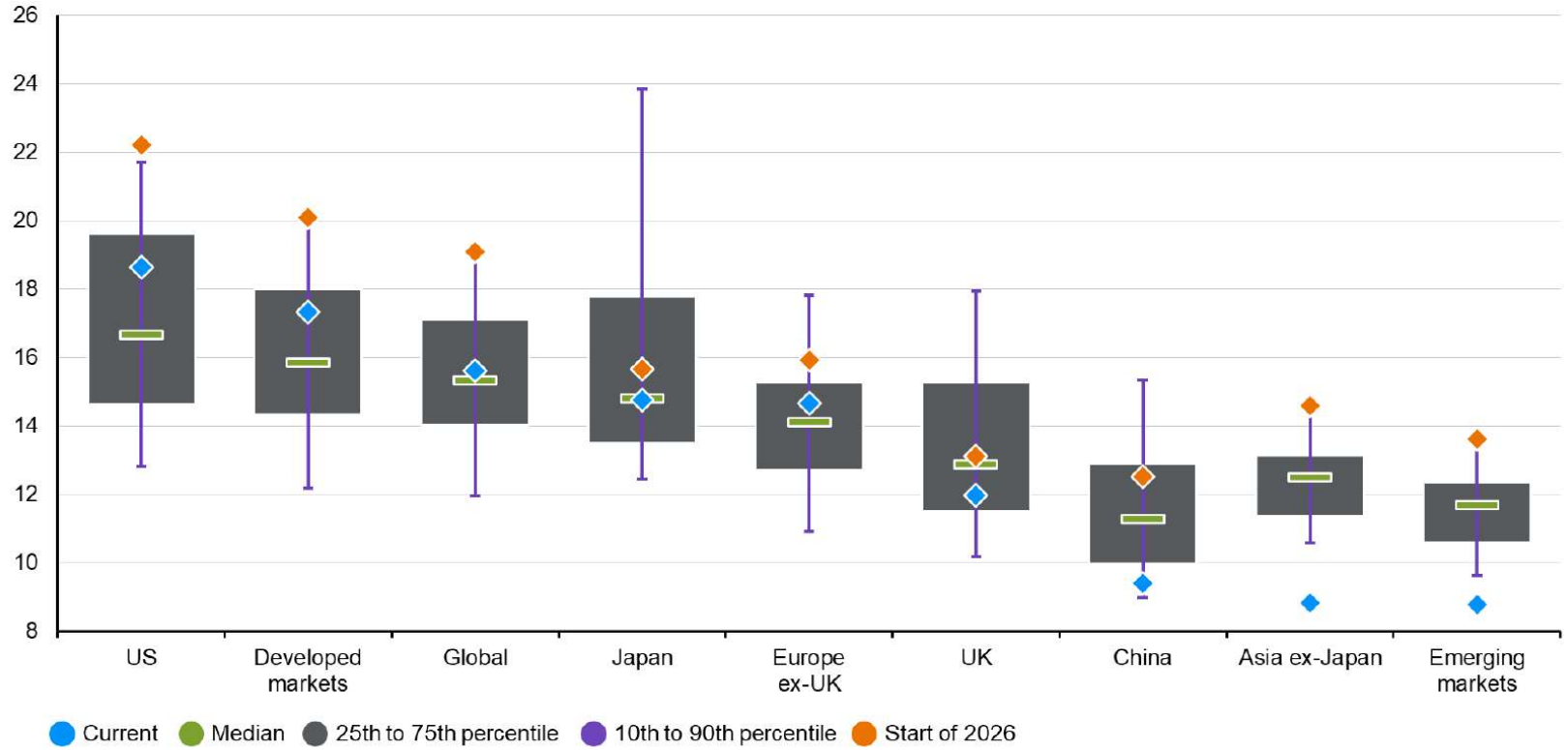
2019	2020	2021	2022	2023	2024	2025	Q3 '26	YTD	QTD	10-year ann. return
26.4% S&P 500 31.5%	21.5% Asia ex-Jp 22.7%	29.9% S&P 500 28.7%	0.3% FTSE All-Share 0.3%	19.2% S&P 500 26.3%	27.3% S&P 500 25.0%	27.2% Euro ex-UK 20.1%	7.3% TOPIX 3.8%	19.3% TOPIX 18.8%	0.7% FTSE All-Share 0.7%	15.9% S&P 500 14.8%
21.0% Euro ex-UK 27.5%	15.0% MSCI EM 19.5%	18.3% FTSE All-Share 18.3%	-4.1% TOPIX -2.5%	15.8% Euro ex-UK 17.3%	14.5% Asia ex-Jp 16.8%	25.1% MSCI EM 32.1%	2.4% FTSE All-Share 2.4%	15.6% Asia ex-Jp 15.3%	-1.1% S&P 500 -0.3%	11.2% Portfolio 10.8%
19.2% FTSE All-Share 19.2%	14.7% S&P 500 18.4%	17.6% Euro ex-UK 24.4%	-6.1% Portfolio -11.2%	13.3% TOPIX 28.3%	14.0% Portfolio 15.9%	24.0% FTSE All-Share 24.0%	2.2% S&P 500 2.3%	15.2% MSCI EM 14.6%	-2.5% Euro ex-UK -1.1%	10.7% Euro ex-UK 8.6%
19.0% Portfolio 22.9%	9.6% TOPIX 7.4%	14.0% Portfolio 16.0%	-6.9% Euro ex-UK -12.2%	11.3% Portfolio 16.7%	10.0% TOPIX 20.5%	23.9% Asia ex-Jp 32.4%	1.3% Portfolio 0.5%	12.9% S&P 500 12.4%	-3.1% Portfolio -2.4%	9.9% Asia ex-Jp 9.7%
14.6% TOPIX 18.1%	9.5% Portfolio 10.3%	2.0% TOPIX 12.7%	-7.8% S&P 500 -18.1%	7.9% FTSE All-Share 7.9%	10.0% MSCI EM 13.7%	18.5% Portfolio 22.6%	-0.3% Asia ex-Jp -3.2%	12.0% Portfolio 12.3%	-4.0% TOPIX -3.5%	9.9% MSCI EM 10.0%
14.3% MSCI EM 18.5%	8.2% Euro ex-UK 2.1%	-1.3% MSCI EM 0.1%	-9.2% Asia ex-Jp -15.1%	4.0% MSCI EM 10.3%	9.5% FTSE All-Share 9.5%	17.1% TOPIX 25.5%	-0.3% MSCI EM -2.8%	10.6% FTSE All-Share 10.6%	-8.1% MSCI EM -7.2%	8.9% TOPIX 10.8%
13.9% Asia ex-Jp 18.2%	-9.8% FTSE All-Share -9.8%	-3.6% Asia ex-Jp -2.8%	-9.6% MSCI EM -15.2%	0.3% Asia ex-Jp 6.8%	2.8% Euro ex-UK 8.1%	9.8% S&P 500 17.9%	-2.7% Euro ex-UK -1.3%	4.8% Euro ex-UK 9.1%	-9.4% Asia ex-Jp -8.5%	8.4% FTSE All-Share 8.4%

Source: LSEG Datastream, MSCI, S&P Global, TOPIX, J.P. Morgan Asset Management. Hypothetical portfolio (for illustrative purposes only and should not be taken as a recommendation): 25% FTSE All-Share; 25% S&P 500; 15% EM; 15% Euro ex-UK; 10% Asia ex-Japan; 10% TOPIX. All indices are total return. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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Regional equity valuations

12-month forward P/E ratios
x, multiple, percentiles and median since 2000

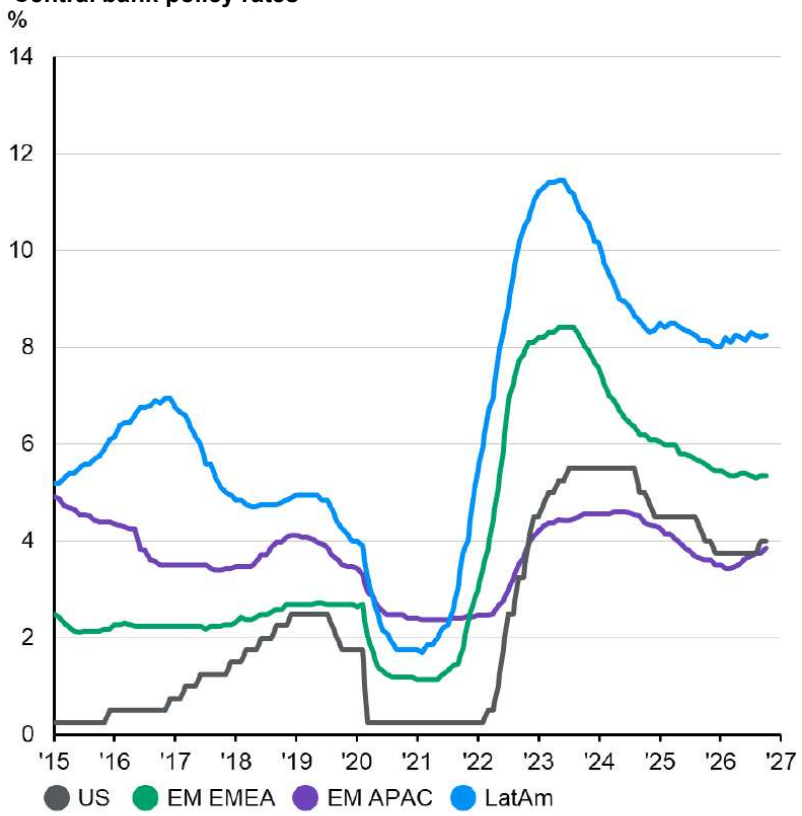


Source: FTSE, IBES, LSEG Datastream, MSCI, S&P Global, Tokyo Stock Exchange, J.P. Morgan Asset Management. Asia ex-Japan, China, DM, EM, Europe ex-UK and Global are MSCI. Japan: TOPIX; UK: FTSE All-Share; US: S&P 500. Valuation is price to 12-month forward earnings, as published by IBES. Percentiles and median calculated using monthly data since 2000. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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Emerging market debt

Central bank policy rates



Real global government bond yields



Source: (Left) LSEG Datastream, J.P. Morgan Asset Management. EM EMEA includes Czechia, Hungary, Poland, Romania and South Africa. EM APAC includes China, India, Indonesia, Malaysia, Philippines, South Korea and Thailand, where China policy rate is deposit rate until October 2015, and one-year prime loan rate thereafter. LatAm includes Brazil, Chile, Colombia, Mexico and Peru. US is fed funds rate. (Right) ICE BofA, LSEG Datastream, J.P. Morgan Asset Management. Developed markets is ICE BofA Global Inflation-Linked Government Index. Emerging markets is ICE BofA Global Diversified Emerging Markets Inflation-Linked Government Index. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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Equity market concentration

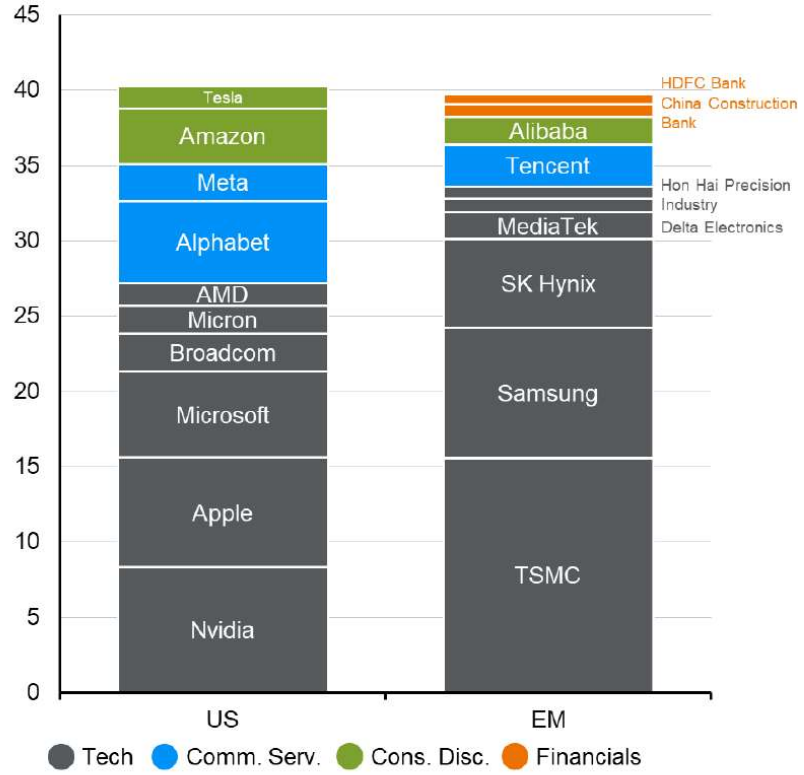
Technology sector and US weight in global equities

% of total market cap



Top 10 companies in US and EM equity benchmarks

%, index weight

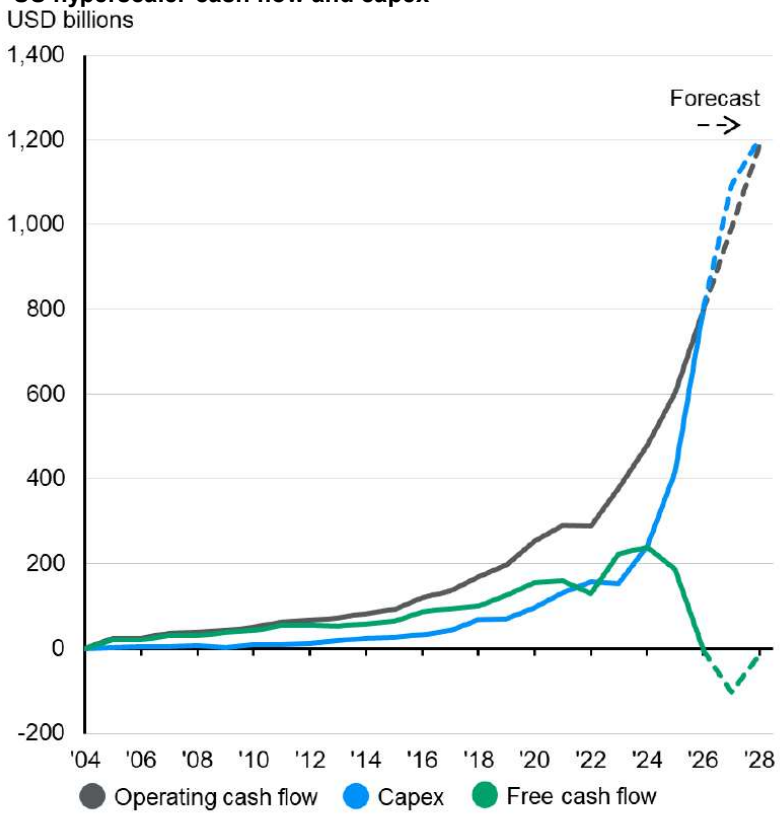


Source: (Left) LSEG Datastream, MSCI, J.P. Morgan Asset Management. MSCI All-Country World Index is used to represent global equities. (Right) LSEG Datastream, MSCI, S&P Global, J.P. Morgan Asset Management. US: S&P 500; EM: MSCI Emerging Markets. Index weights are as of the end of the previous calendar month. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

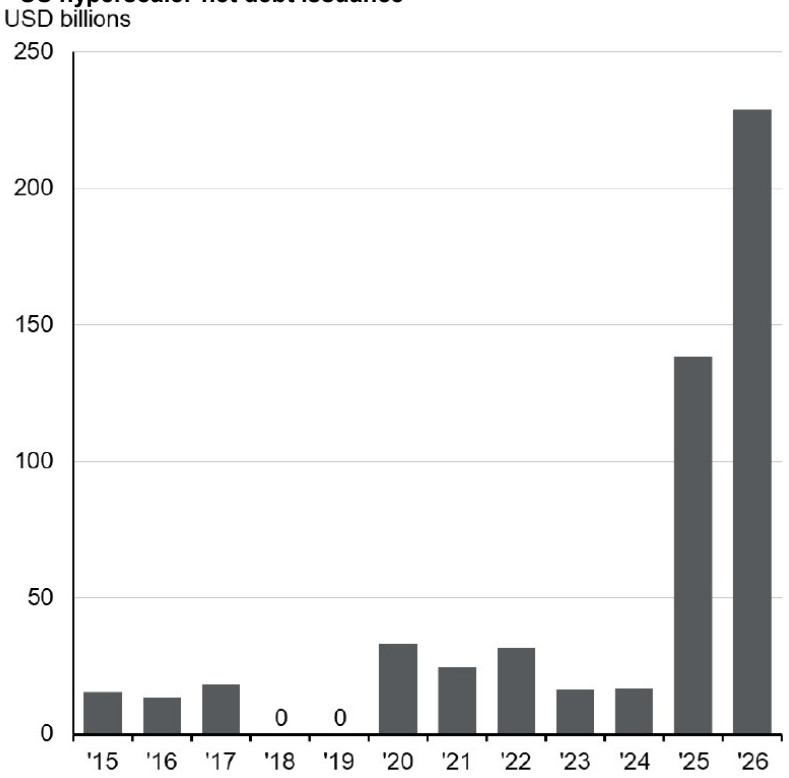
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Fixed income focus: Hyperscaler issuance

US hyperscaler cash flow and capex



US hyperscaler net debt issuance



Source: (Left) Bloomberg, J.P. Morgan Asset Management. Operating cash flow represents cash flow before capital expenditures. Data for 2026, 2027 and 2028 reflect consensus estimates for Alphabet, Amazon, Meta, Microsoft and Oracle. Capex shown is company total. Free cash flow is equal to operating cash flow minus capex. (Right) Bloomberg, LSEG, J.P. Morgan Asset Management. Debt issuance includes net new long-term debt issued by Alphabet, Amazon, Meta, Microsoft and Oracle, as well as $30bn of debt issued by Meta and Blue Owl Capital. Past performance is not a reliable indicator of current and future results. *Guide to the Markets - UK*. Data as of 23 October 2026.

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UK Budget 2026

6 Chancellors in 5 Years

OBR downgrades UK economic growth	+1.0% next year
Forecast economic growth until 2031	Below +2% per annum
Real Household Disposable Income	−0.6% for 2027
By 2031, assuming oil prices normalise somewhat	+2.0 above pre-pandemic
Inflation (CPI)	+3.5% for 2027
Tax to GDP to reach a new high	Almost +6% of GDP above pre-pandemic level
Government departmental spending	21.5% of GDP to 20.0% in 2031?
Public sector debt continues around	96% of GDP

90 small measures announced, largely to help with the rising cost of living.

Spending control	To be announced
Growth Strategy	To be announced

Actuarial update

Catherine McFadyen & Ciaran Henry
Hymans Robertson



Hampshire Pension Fund

2026 AEM – Actuarial Update

Catherine McFadyen
Ciaran Henry
Ben Macdonald

3 November 2026

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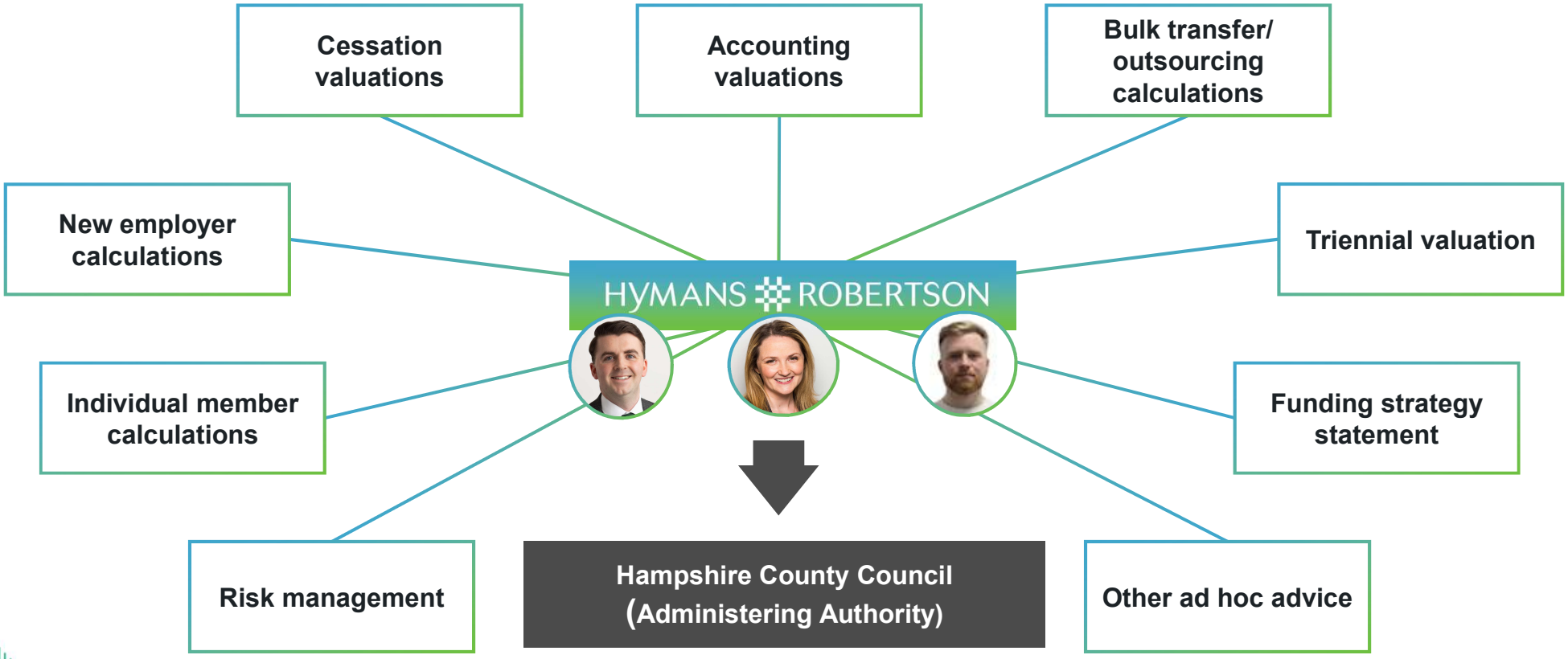
What we will cover today

1. Role of the actuary
2. Recap of 2025 valuation results
3. Where are we now?
4. Current LGPS issues

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1. Role of the actuary

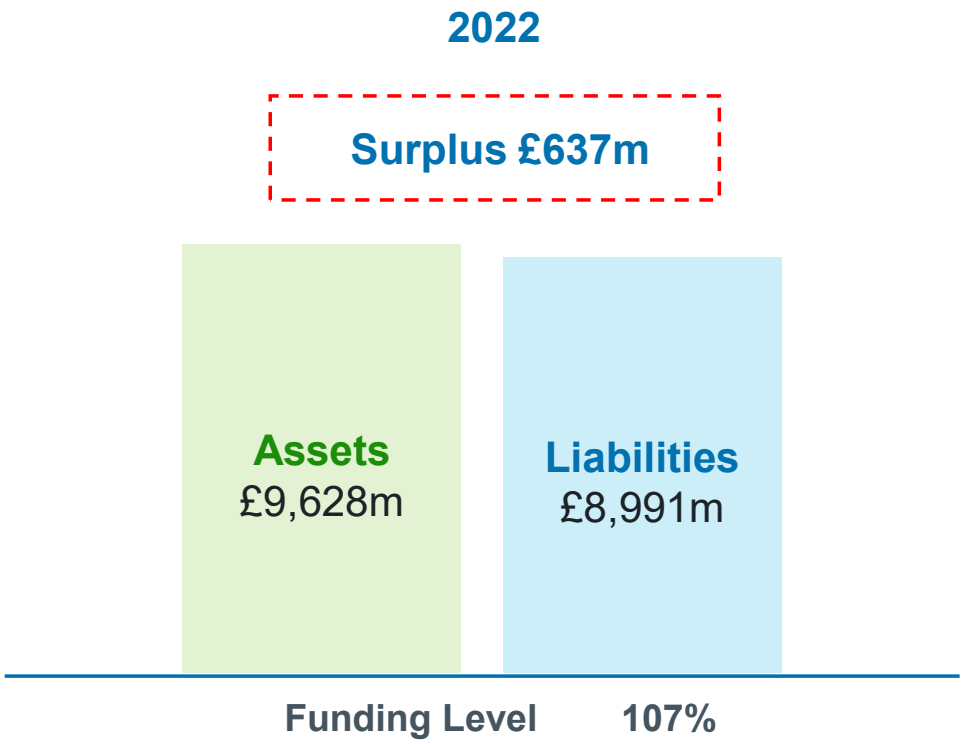
Role of the Fund Actuary

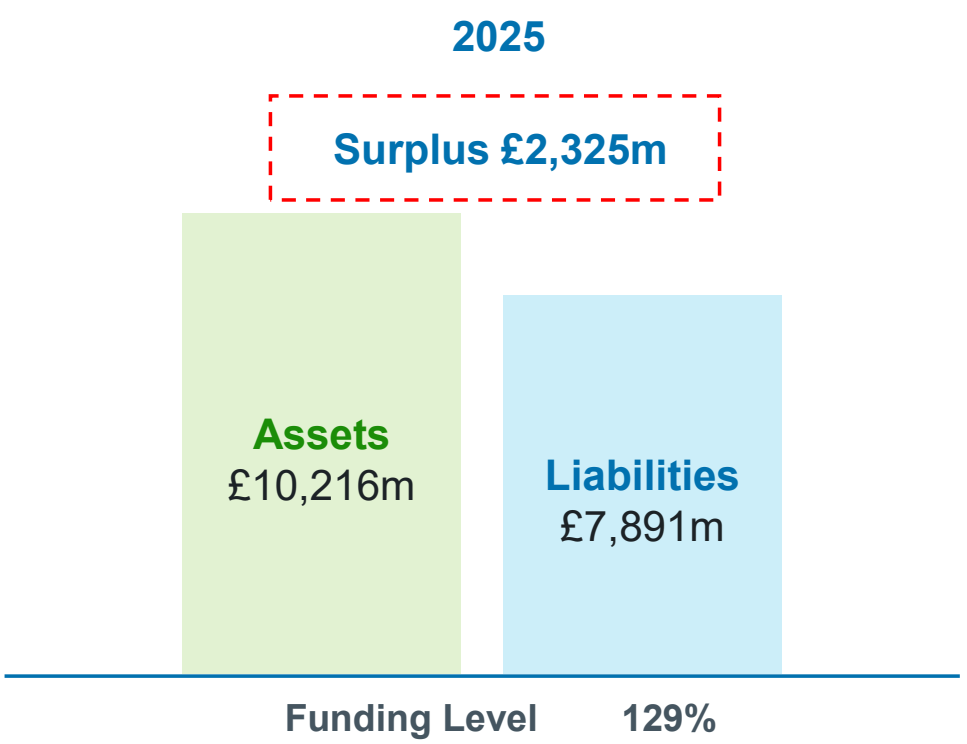


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2. Recap of 2025 valuation results

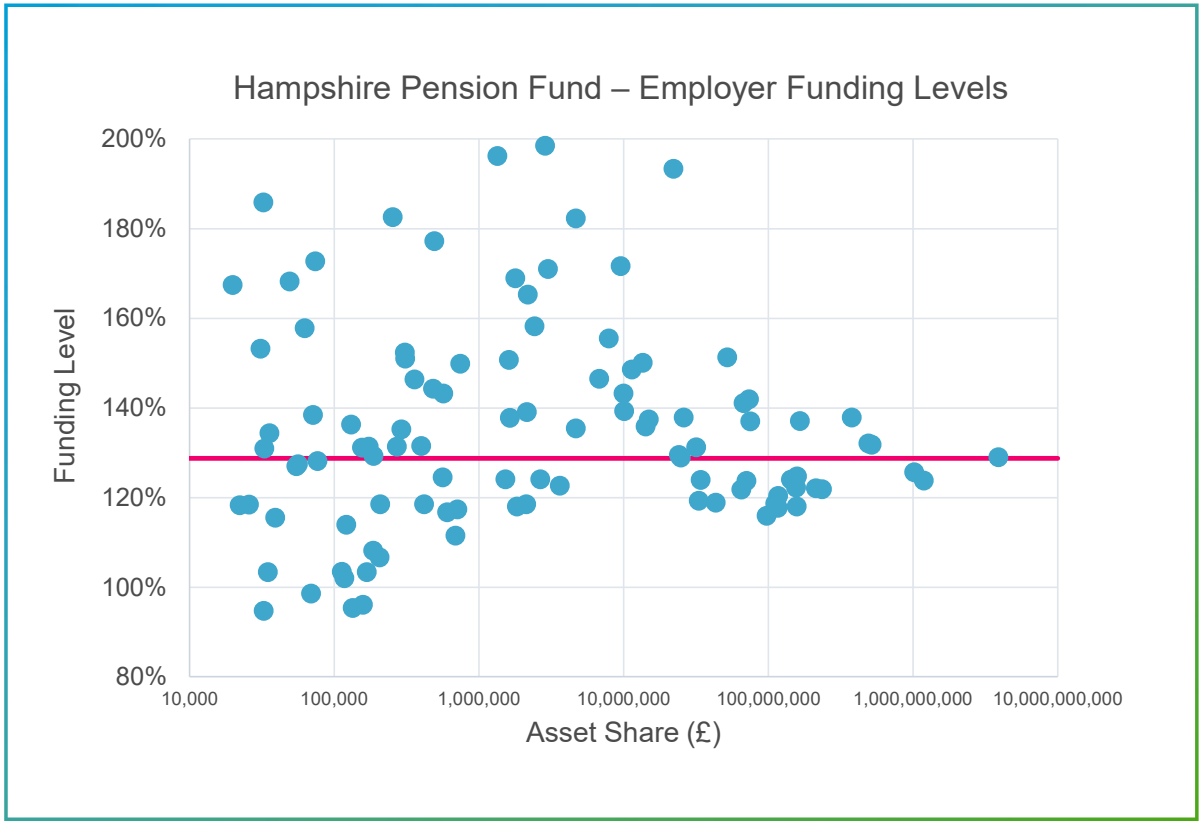
Whole fund valuation results





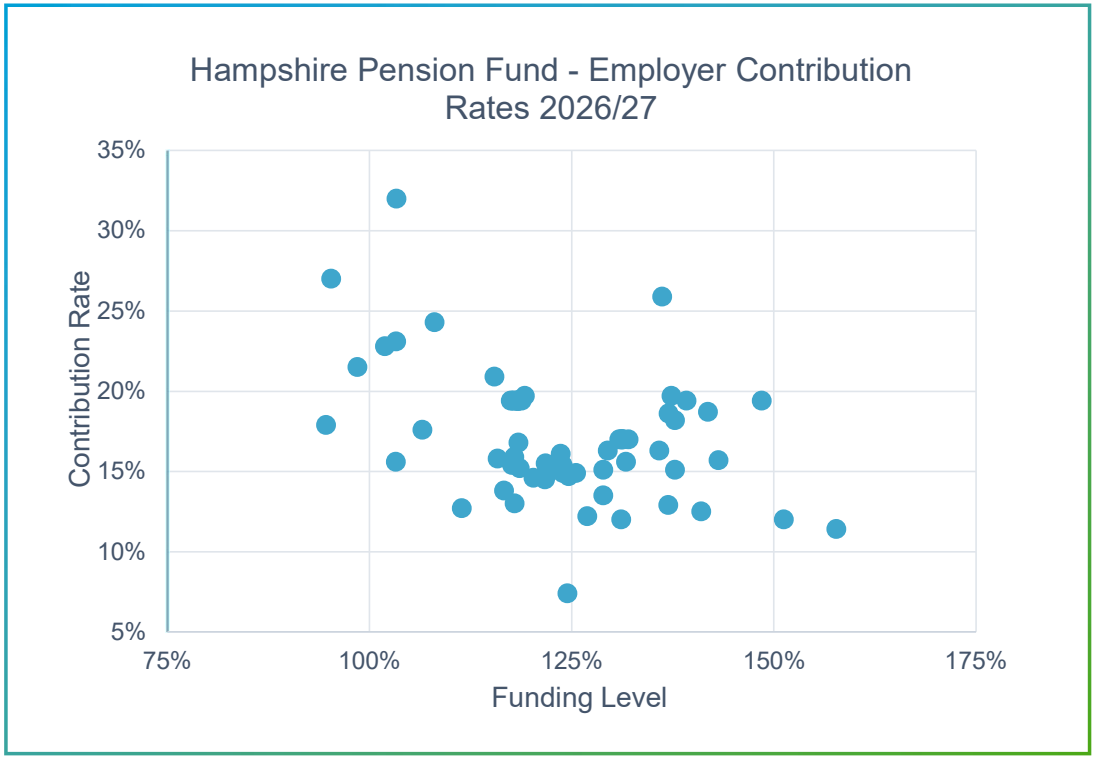
Employer valuation results

- Councils, Police and Fire
- Academies and Colleges
- Town and Parish Councils
- Universities
- Housing Associations, Charities, Contractors



Employer contribution rates

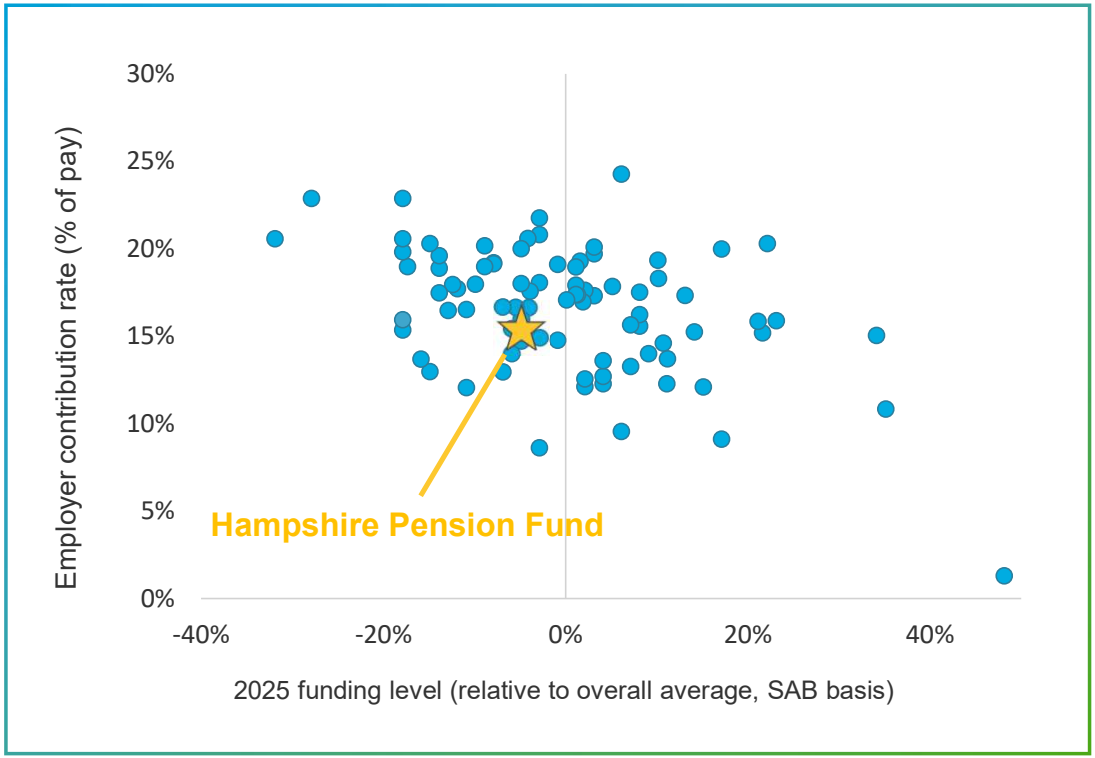
Average fund contribution rate		
Valuation Date	**31 March 2022**	**31 March 2025**
Primary Rate	18.3%	18.8%
Secondary rate	0.0%	-3.3%
Total rate	**18.3%**	**15.5%**



Employer contribution rates range from 0.0% to 32.0%

2025 valuations – the big picture

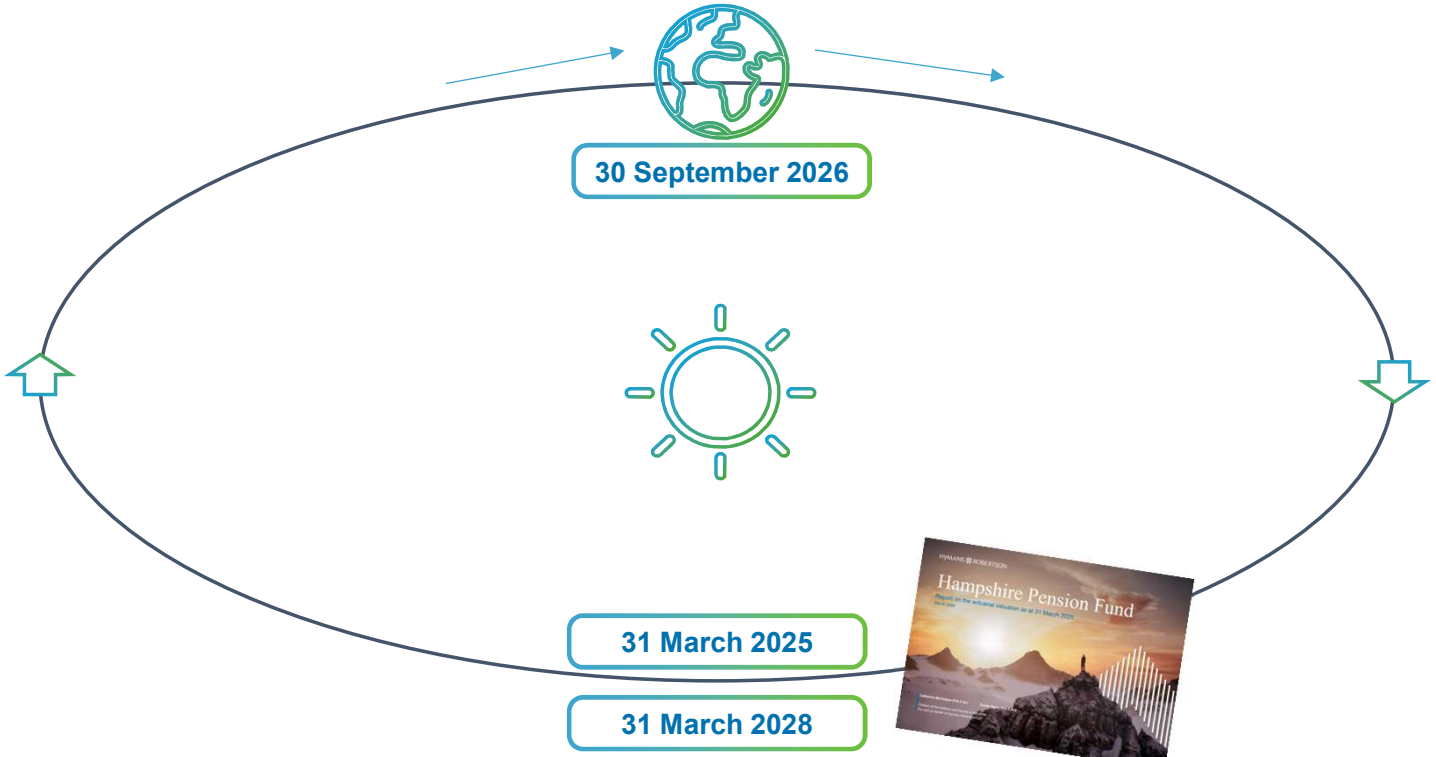
- All 86 LGPS Funds in England & Wales carried out a funding valuation at 31 March 2025.
- Measured on the Scheme Advisory Board's actuarial basis, Hampshire Pension Fund had the **53rd highest** funding level out of the 86 LGPS Funds in England & Wales.
- The Fund's average employer contribution rate for 2026/27 is 15.5%. This is the **30th lowest** of the 86 LGPS Funds in England & Wales.



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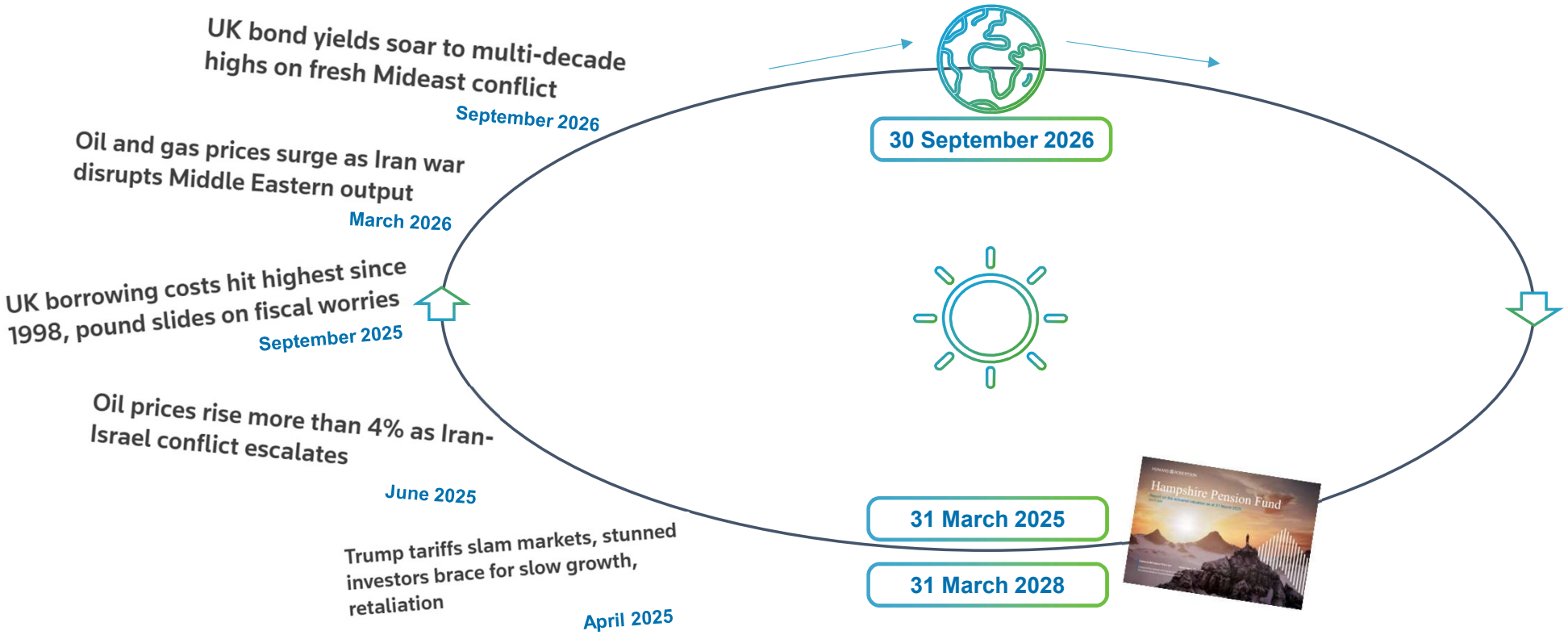
3. Where are we now?

30 September 2026 – ‘The Actuarial Solstice’



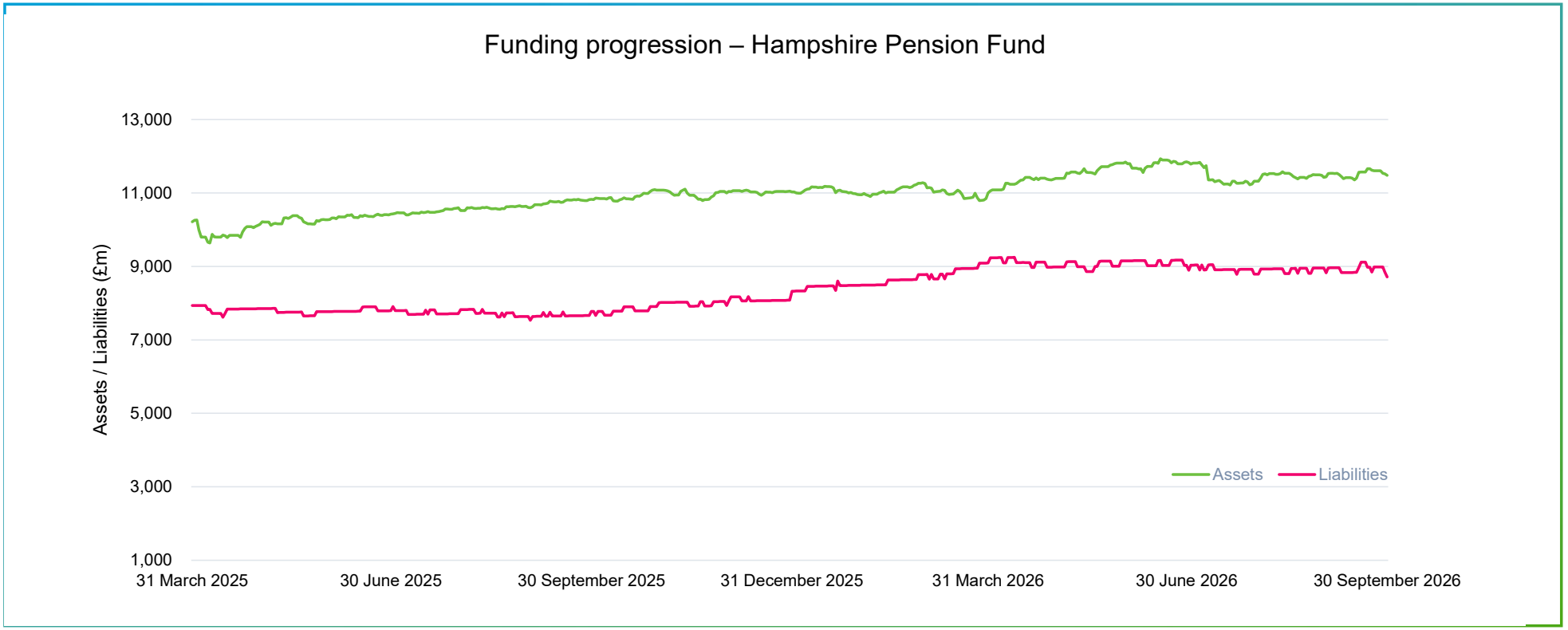
LGPS valuations are a 3-year cycle

What has happened since 31 March 2025?



A lot has happened in 18 months, but what has this meant for funding?

What has happened since 31 March 2025?



Funding level has remained strong since the valuation – increasing from 129% to 132%

What does this mean for future contributions?

STRONG FUNDING

Funding levels remain healthy

- Whole Fund funding level remains strong at **132%** at 30 September 2026.
- Most individual employer funding levels also remain strong.

STABLE TO POSITIVE

Contribution outlook remains encouraging

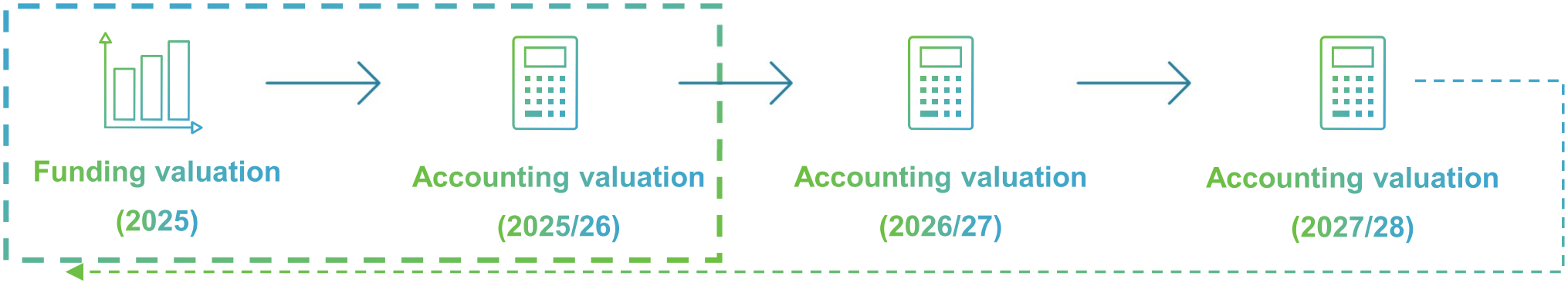
- Most employers saw **contribution reductions** at the 2025 valuation.
- If current conditions continue, contributions are likely to **remain broadly stable**.
- Some employers could see **further reductions** at the next valuation.

REASONS FOR CAUTION

There is still a long time to go

- Any contribution changes would not take effect until **1 April 2029**.
- Investment, demographic and economic risks remain.
- Outcomes will reflect **stability, solvency and long-term cost efficiency**, as well as employer-specific circumstances

IAS19 and FRS102 accounting



2025/26 results will implement the 2025 funding valuation for the first time	Accounting positions continue to be strong – majority of employers will have a surplus (or 'net asset' position)	Accounting standards place a limit on the net asset that can be disclosed – an 'asset ceiling	Treatment of net asset positions is a decision for you and your auditor

IAS19 and FRS102 balance sheets do not impact contribution rates

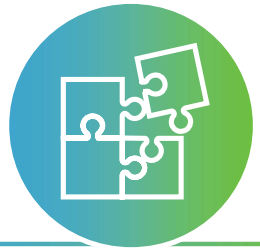
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4. Current LGPS issues

Current LGPS issues



Local Government Re-organisation - **PAUSED**



Fit for the future – new partnership with LGPS Central



Pensions dashboard



Access & Protections



Access & Fairness



Academy consolidation



Employer exits



Strong political interest in the LGPS

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Thank you

Hymans Robertson LLP (HR) has relied upon or used third parties and may use internally generated estimates for the provision of data quoted, or used, in the preparation of this report. Whilst reasonable efforts have been made to ensure the accuracy of such estimates or data, these estimates are not guaranteed, and HR is not liable for any loss arising from their use. This report does not constitute legal or tax advice. Hymans Robertson LLP (HR) is not qualified to provide such advice, which should be sought independently.

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Coffee break

Please rejoin us at 11:15



Introduction to LGPS Central

Richard Law-Deeks
LGPS Central




LGPS Central Limited
Hampshire Employers Meeting
LGPS Central Update
3 November 2026
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Hampshire

Agenda

AGENDA ITEM
The Evolution of LGPS Central
The Central Way
Working in Partnership
Implementation of ‘Fit for the Future’
Cost Benefits of Pooling

LGPS Central Limited

Meet our CEO



Richard Law-Deeks

About Richard...

Richard has more than 20 years' experience across pensions, asset management and financial services, and began his career in local government, giving him a deep understanding of the LGPS from both an administering authority and investment perspective. He was previously Chief Executive of the Royal Mail Pension Plan, one of the UK's largest private sector pension schemes, and is a strong advocate for pooling that delivers genuine value for funds, employers and members.

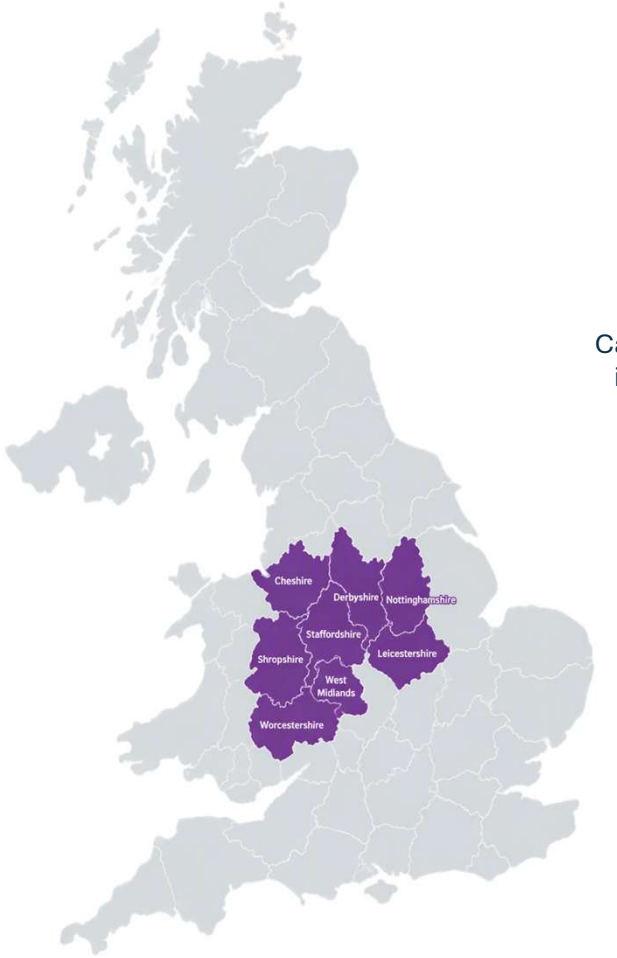
Richard joined LGPS Central in June 2024 and has led the organisation through a period of significant change, including LGPS pooling reform and the onboarding of new Partner Funds, which has taken LGPSC's assets under stewardship to c.£103bn.

LGPS Central Limited

The Evolution of LGPS Central

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The Founding Partner Funds



Lead up to 2018

Policy direction became pooling principles, then formal submissions — culminating in LGPS Central opening for business.

May 2013

Policy signal

Call to consolidate 89 funds into fewer, more efficient vehicles.

Nov 2015

Pooling principles

Scale, savings, governance and infrastructure set as tests.

Feb 2016

Pool submissions

Authorities propose eight pools, aligned by geography and strategy.

3 Apr 2018

LGPS Central launches

LGPS Central Limited opens for business.

Outcome of 2018: Eight partner funds aligned into LGPS Central

Shropshire County Pension Fund

Nottinghamshire Pension Fund

Cheshire Pension Fund

Staffordshire Pension Fund
Local Government Pension Scheme

West Midlands Pension Fund

Leicestershire County Council Pension Fund

Derbyshire Pension Fund

Worcestershire Pension Fund

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New Partner Funds and Collaborations



c. £108bn AUM

c. 5000 Employers

1.6 million scheme members

168 Employees

2021

Private Markets Platform launch
Focus on product development

November 2023

DLUHC publishes "Next Steps on Investments"
£10bn+ and 5% levelling-up goal

April 2025

Fit For The Future plan
Supported by Government

September 2025

6 funds confirm
LGPS Central as preferred pool

Oxfordshire Pension Fund
CHESHIRE PENSION FUND
HAMPSHIRE PENSION FUND
Gloucestershire Pension Fund
Derbyshire Pension Fund
Worcestershire Pension Fund
Wiltshire Pension Fund
Staffordshire Pension Fund
Local Government Pension Scheme
Norfolk Pension Fund
NOTTINGHAMSHIRE PENSION FUND
Leicestershire County Council PENSION FUND
Shropshire County Pension Fund
West Midlands Pension Fund
Suffolk County Council

Fit for the Future – A New Framework for Pooling

- **Reduction in Pools:** The government has consolidated the existing eight pools into **six**. Funds from the decommissioned **Access** and **Brunel** pools were directed to select one of the remaining six pools to join.
- **Minimum Standards:** All pools must be FCA-authorised investment management companies with the expertise to manage complex and local investments.

Further changes have also been implemented that are not related to pooling including: Administering Authorities must appoint a senior LGPS officer with responsibility across all pension functions and must also appoint an independent person (where functions are delegated) to support the discharge of duties relating to investment strategy, governance and administration.



Fit for the Future – Asset Pooling

- **Mandatory Delegation:** Administering Authorities (AAs) must delegate the implementation of their investment strategy to their chosen pool and take their principal investment advice from that pool.
- **Full Asset Transfer:** AAs are required to transfer all assets (including legacy and illiquid investments) to the management of their pool by 1 April 2026.
- **Role of Pool Company (FCA Authorised):** The principal / main advisor on investment strategy and has implementation of the investment strategy fully delegated.

Pool Company has management of all assets including buy, / sell / hold powers. It also provides RI & Stewardship.

Pools need to carry out due diligence and decide on local investments and manage these investments.



Publicly available reporting on costs and performance.



LGPS Central Limited

The Central Way

LGPS Central Today

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Vision and Mission

Our Purpose:

To bring Partner Funds together to invest collectively for stakeholders, combining scale, expertise and strong governance to deliver long-term value beyond what Partner Funds could achieve individually.



Cheshire Pension Fund · Derbyshire Pension Fund · Gloucestershire Pension Fund · Hampshire Pension Fund · Nottinghamshire Pension Fund · Norfolk Pension Fund · Oxfordshire Pension Fund · Shropshire County Pension Fund · Staffordshire Pension Fund · Suffolk County Council · West Midlands Pension Fund · Wiltshire Pension Fund · Worcestershire Pension Fund

Vision:

To be the partner of choice, central to the LGPS and trusted for collaboration, alignment and excellence in investment management and advice.

Mission:

We invest for the long term to deliver outstanding solutions for our Partner Funds, their employers and scheme members, always acting in their best interests and supporting them to pay pensions. Our scale, people and partnerships are our greatest strengths.

Risk:

Appetite
Assessment
Monitoring
Capital
Enterprise
Risk Registers

Strategic Goals:

Advisory capability
Investment performance
Value for Money & Efficiency
Local Investment
Performance and client centric culture
Trust and governance excellence

Initiatives:

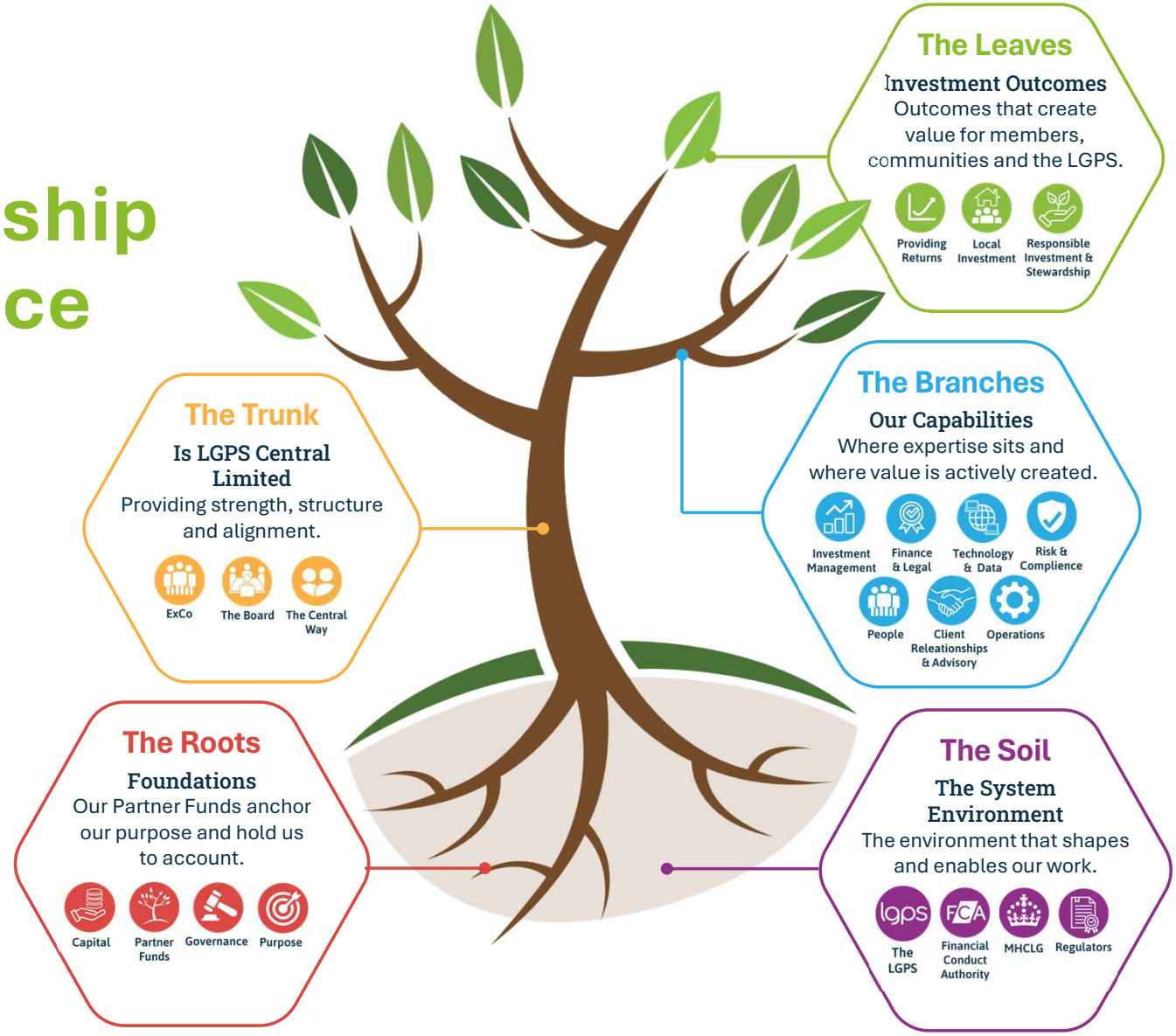
People
Technology
Strategic Partnerships
Policy & Regulation

Values & Culture

LGPS Central Limited

From Partnership to Performance

Strong roots.
Aligned trunk.
Connected branches.
Visible outcomes.



LGPS Central Limited

Working in Partnership

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The Partnership: Hampshire & LGPSC

Hampshire is involved through formal governance, client forums and regular direct engagement



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Working with Partner Funds

Preservation of Value	Preservation of value in assets to be transitioned.
Depth of Knowledge	Recognition of the value of Partner Fund knowledge and experience.
Collaborative Solutions	Delivering the high standard of service our Partner Funds expect, working with our Partner Funds to develop solutions to meet their strategic needs.
Robust Governance	Reviewing and enhancing pool governance to ensure it meets Partner Fund requirements for oversight as well as the Government's objectives.
Flexible and Pragmatic Approach	Working together to transition assets and enhance LGPS Central's investment solutions

Our Clients & Advisory Team



Trevor Castledine
Chief Client & Advisory Officer
25+ years experience



Cara Forrest
Head of Clients
15 years experience

Client Directors



Louis-Paul Hill
Partner Fund Client Director
25 years experience



Russell Oades
Partner Fund Client Director
20+ years experience



Richard Lunt
Partner Fund Client Director
25 years experience

Client Portfolio Managers

Mark Jessop
Client Portfolio Manager
30 years experience

Shyam Karavadra
Client Portfolio Manager
11 years experience

Kyrun Uppal
Total Portfolio Analyst

Client Advisory Managers

Kam Atwal
Client Advisory Manager
4 years experience

Arfah Jawid
Client Advisory Manager
7 years experience

Aamir Husain
Client Advisory Analyst

Priyanka Prasher
Client Advisory Analyst

Michael Kerr
Client Advisory Analyst

Client Services Team

Xanthe Haden
Client Services Manager
10 years experience

Eleanor Kennedy
Client Services Manager
8 years experience

Thalia Popplewell
Client Services Officer

Luca Chandrana
Graduate

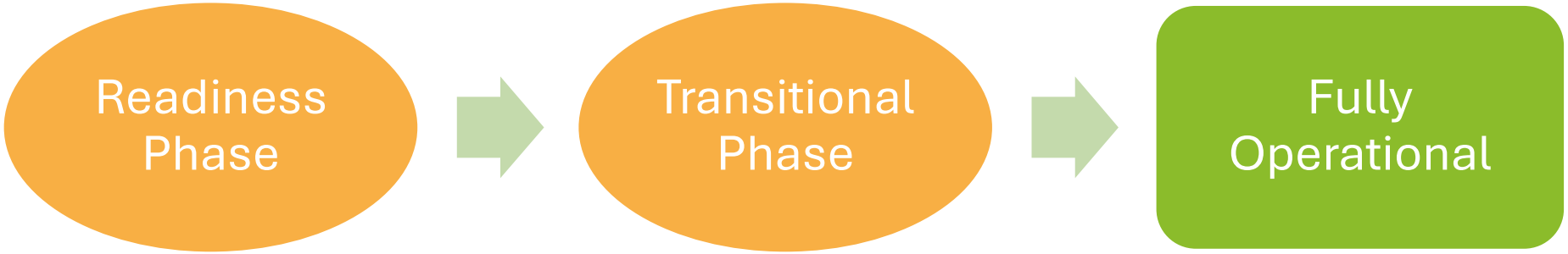
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Implementation of Fit for the Future

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Phased Delivery Plan

- The Phased Delivery Plan summarises the roles and responsibilities for Partner Funds and LGPSC for each of the services described in the FMA.



Partner Fund retains responsibility

Shared responsibilities for Partner Funds and LGPSC

Responsibility transferred to LGPSC

- With effect from 1 April, the Phased Delivery Plans for all Partner Funds are the same, with minor amendments for specific circumstances. The Plans will evolve at different rates and will be updated to reflect any changes in responsibilities as move to Fully Operational Status.
- The Phased Delivery Plans sit alongside a snapshot of a bespoke “Asset Transition Plan” for each Partner Fund, which confirms on a line-by-line basis, the services applicable as well as implementation responsibilities.

LGPSC Readiness Assessment

Example readiness assessment for individual FMA service phases



Each of the above domains will be rated using a consistent scale:

Green – Fully ready; operating effectively

Amber – Partially ready; remediation required

Red – Not ready; material gaps identified

The assessment is anchored on the following principles:

- Always acting in the best interests of clients
- Clear alignment of advice, decisions, and outcomes
- Robust management of conflicts of interest
- Accountability for delegated decisions
- Transparency and evidencing of value and suitability

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Cost Benefits of Pooling

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Collective scale and cost savings

How collective scale supports value

Pooling combines Partner Fund assets into a larger investment base.

Greater purchasing power

A larger pool can strengthen the purchasing and review of investment management and support services.

Costs shared more widely

Common operating, governance and service costs can be spread across more assets and Partner Funds.

Shared investment capability

Funds share investment management, oversight and specialist expertise instead of recreating separate arrangements.

How savings are assessed

LGPS Central uses two complementary measures of cost effectiveness.

Pre-pooling comparison

Compare today's costs with an estimate of what Partner Funds would pay if pre-pooling prices continued. The calculation includes LGPS Central and service-provider operating costs.

Peer benchmarking

CEM Benchmarking independently compares LGPS Central product costs with the relevant peer-group average, using the same asset mix.

What this means for employers	Collective scale aims to support efficient investment arrangements and long-term value for Partner Funds, employers and members. The two measures assess costs against pre-pooling prices and comparable organisations.

How operating costs are shared

LGPS Central operates a recharge model based on actual expenditure.

Costs are identified

Operating costs incurred during the financial year are identified across investment management and supporting services.

Costs are allocated

Costs are allocated to the relevant activities and then shared across Partner Funds using the applicable allocation basis.

Actual costs are recharged

Partner Funds are charged only for the amount actually spent. The model is designed to recover expenditure rather than generate a surplus.

What this means for employers	Partner Funds consider the annual budget and monitor actual expenditure against that budget throughout the year.

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Looking Forward

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Our goals to deliver for HPF

One accountable manager	Advice, implementation and oversight in one place, with no gap between strategy and execution.
Scale beyond products	Operations, reporting and stewardship delivered at full pool scale.
Less operational burden	Cashflow, rebalancing and manager oversight move across as we implement Fit for the Future changes
A whole-fund view	Legacy and pooled assets managed, monitored and reported together.
More time on strategy	Committee and Officers freed to focus on objectives, risk and outcomes.

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Thank you

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All information is prepared as of October 2026

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Pensions & AI

Callum Duckmanton & Michael Hayles

Burges Salmon



Hampshire Pension Fund: Annual Employer Meeting (AEM)

Update on AI in the Pensions Industry – Employer Perspective

Callum Duckmanton (Solicitor)

3 November 2026

Agenda & Key Points

- **What AI is and its use cases in the industry.**
- **How AI is currently regulated (TPR).**
- **Risks posed by AI and how to solve them.**
    - Member/Staff usage of AI (outside of work),
    - The Fund's usage of AI, and
    - Staff usage of AI (for work purposes).
- **Actions to consider**

What is AI and what are its use cases?

What is AI?

EU

*'Artificial intelligence system' (AI system) means a machine-based system that is **designed** to operate with **varying levels of autonomy** and that **may exhibit adaptiveness after deployment** and that, for **explicit or implicit objectives**, **infers**, from the **input** it receives, how to **generate outputs** such as predictions, content, recommendations, or decisions, that can **influence** physical or virtual environments'.*

- EU AI Act, Article 3(1)

Issues

Autonomy

Adaptiveness

- reasonableness, foreseeability

Design / Objectives

- objectives misalignment and drift
- dual purpose

Infers

- governance, human oversight, monitoring, liabilities

Inputs

- IP, privacy, bias

Outputs

- systems do not decide, digital literacy, transparency, IP

Influence

- risk of harm
- scale and speed of harm

Examples

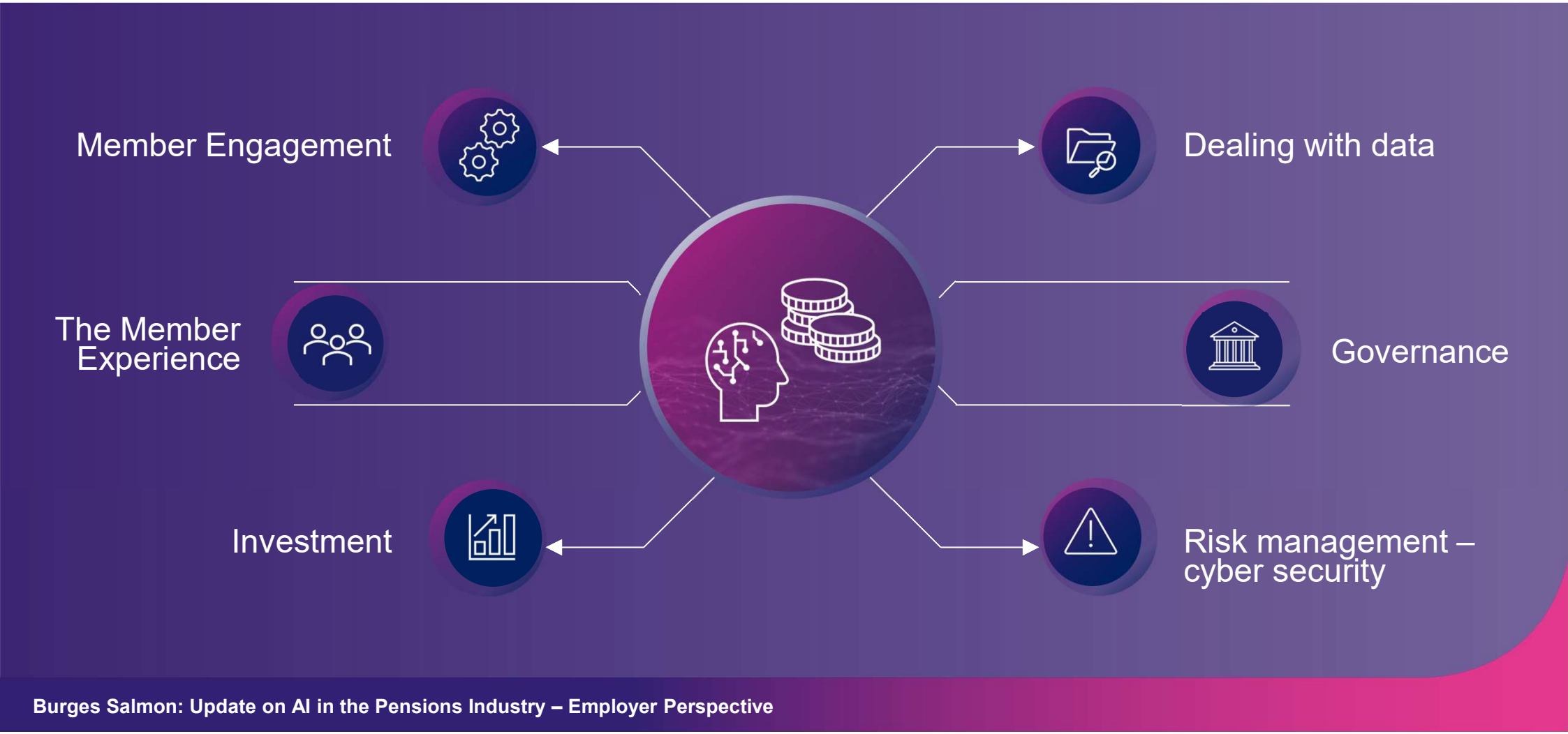
Includes

- Generative AI, Agentic AI, Predictive AI, machine learning
- OpenAI ChatGPT
- Anthropic Claude
- Google Gemini
- Microsoft CoPilot

Unlikely to include

- Expert systems – if this, then that
- Spreadsheet formulae

How could AI be used in the pensions industry?



AI Regulatory Landscape

Regulatory Approach – TPR's "AI Plan"

TPR set out the following in the AI Plan…

- How they will use AI
- Their *"expectations of trustees, administrators and scheme managers"*, and
- The steps that they *"will take to enable safe AI adoption [and] innovation"* in pensions

Looking forwards, TPR state they will **publish AI guidance in 2026** and **annual reports** regarding AI innovation in the industry



Key remarks from the AI Plan include…

- *"Scheme managers need to understand where and how AI is being used by or on behalf of their pension scheme."*
- *"AI adoption and innovation must be safe and in the interests of members"*
- *"We expect scheme managers to…*
  - *establish clear governance and accountability for the use of AI systems and technologies,*
  - *work to prevent their members being [victims of] AI-driven fraud, [and]*
  - *understand how AI models use and process data and ensuring there are robust controls in place."*
- *"We expect scheme managers to seek appropriate and proportional professional advice when considering or implementing innovations."*

Other important documents

PASA Guidance:
AI in Pensions Administration

- ✓ Provides useful guidance on what administrators should be doing regarding AI, including with member-facing services

SPP Guide:
Governance in the Age of AI

- ✓ Provides useful guidance on governance and how advisers are already using AI in the industry

Joint LPPA-Burges Salmon survey
Member usage of and sentiment towards AI

- ✓ Received over 1,700 responses)
- ✓ Provides an insight into how members are already using AI, how they plan to use AI in the future, and what they expect from pension scheme providers.

The Employer Perspective:
Risks posed by AI and how they can be solved *(by the employer and/or the Fund)*

Overview: Risks posed by AI

1. Limitations of AI
2. Cyber risk / data protection
3. Bias / discrimination
4. Absence of human oversight
5. Lack of transparency

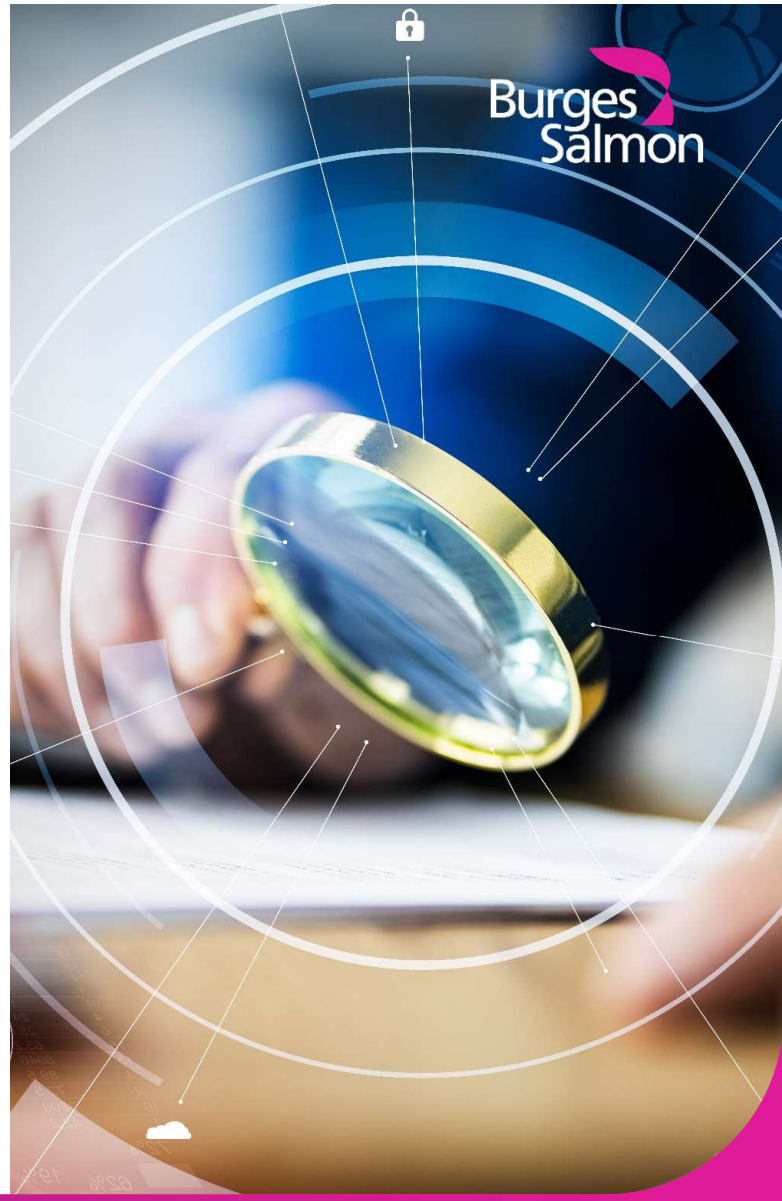


Risks and Solutions: Three Types of AI Usage

Member/Staff usage of AI for their own purposes (including for their pension)

The Fund's usage of AI (e.g. for internal governance and member experience)

Staff usage of AI whilst at work (e.g. for research, analysis, drafting)



Risks and Solutions: Members/Staff usage in a personal capacity (e.g. to understand their pension)

Area	Further Information	Risk Mitigation	HPF Position
Cyber	Generative AI platforms risk exposing sensitive pension data (of the member/employee, the employer, and the Fund).	The Fund and employer should consider communicating this risk with members.	Warnings included in annual benefit statements and member newsletters. Review of other letters/website to include warnings.
Complaints	Members using AI to produce complaints – resulting in more complaints and potentially complaints that are more difficult to deal with.	Monitor volume of complaints received and consider whether action should be taken.	Under review – currently no significant increase but alert to possibility.
Misinformation	Risk of hallucination, either based on general pensions materials or Fund-specific materials.	Communicate this risk to member and audit online information (Fund and employer).	Ongoing audit of online information. Teams are alert to the risk. Any queries raised which reference incorrect information are investigated to help remove or correct available information.
Information gaps	If there is insufficient reliable online information, the AI may refer to guidance from "bad actor" advisory firms (which encourage the member to e.g. transfer-out).		

Risks and Solutions: The Fund

Area	Further Information	Relevance to employers	Risk Mitigation	HPF Position
AI usage by the Fund	The Fund will be using AI, which adds a further potential breach point for a cyber incident. The key point is whether the AI they are using is “private” / “enterprise” AI.	Fund is theoretically at a higher risk of a cyber incident due to AI usage.	Engage with the Fund to understand safeguards in place with AI usage.	Using “enterprise-grade” Co-Pilot, which is common in the industry.
Reduction in service levels	Whilst AI can/should improve service levels, it could also have the opposite effect. Some members/staff may prefer to speak to a human rather than AI.	Could result in the employer receiving complaints or more queries directly.	Engage with the Fund to understand plans for AI and whether it will continue to be possible for callers to talk to a human.	No plans at the moment to introduce member-facing AI technology. Plans to ensure a human is always contactable.

Risks and Solutions: Staff whilst at work

Summary of Risk	Further Information	Mitigation
Cyber (Licensed AI usage by your employees)	Employees may have access to “private” / “enterprise” AI, e.g. CoPilot. This adds an extra cyber access point for hackers.	Ensure AI tool providers have appropriate safeguards in place, as well as appropriate contractual provisions.
Cyber (Personal usage by employees – i.e. ‘shadow’ AI)	The key point is that employees must use “private” / “enterprise” AI only that has been approved for work purposes.	Training of employees and ensuring clear messaging that only “private” / “enterprise” AI should be used by employees for work purposes.
Recording / Transcribing Meetings	AI usage to record/transcribe meeting minutes poses legal and practical risks. *See next slide.*	*See next slide.*

Consider position on using AI to transcribe meetings

Potential of efficiency gains…

Legal Risks

Requirement to disclose the transcription down the line

- Loss of legal privilege
- Litigation disclosure requirements
- DSAR/FOI disclosure requirements

Practical Risk

- Hampering discussion
- Not picking up sarcasm

Mitigations

Implement a policy on using AI for this purpose.

- AI turned off for a section(s) of meetings
- Human review and updating by someone at the meeting
- Delete transcription asap following human review

Risks involved (legal and practical)… but these can be mitigated with a proper policy in place

Summary and recommended actions

Summary and recommended actions

Training	Governance Frameworks / Policies	Continued liaison with HPF re their AI usage, governance, and plans (particularly member-facing plans)
Warning wording to members in comms	Webpage warning wording (publicly-available)	Consider position on using AI to transcribe meetings


Q
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Hampshire Pension Fund
Annual Employer Meeting (AEM)

Legal Update

Michael Hayles (Partner)

Alec Bennett (Senior Associate)

3 November 2026

Agenda

- Staff transfers – New Fair Deal
- Local Government Reorganisation
- Recent Pensions Ombudsman decisions
- Pension Schemes Act 2026 – LGPS and Investment

Staff Transfers – New Fair Deal

Staff transfers – New Fair Deal

Government consulted (Oct–Dec 2025) on introducing ‘New Fair Deal’ in the LGPS, aiming for simpler, more consistent protection.

Draft regulations published, but no government response on Fair Deal yet – reforms may or may not proceed.

Arguably, the proposals would make the process more complicated, not less (see next slide).

For now, employers and contractors must continue to use the existing admission body process.

No change yet: allow sufficient time for the current LGPS admission process.

New Fair Deal – what would change?

	Current position	Proposed New Fair Deal
Access route	Admission agreement, or 'broadly comparable' scheme (Best Value Direction 2007)	LGPS only, via 'deemed employer' approach; admission and broadly comparable routes removed (save exceptional cases)
Who is protected	Transferring staff (new joiners only via open admission)	'Protected transferees' working wholly or mainly on the contract; option to cover all contract staff
Pension risk	Allocated by admission agreement and contract	Contractor pays normal contributions; outsourcing authority keeps deficit risk
When it applies	Current outsourcings	New outsourcings and retenders; voluntary for existing contracts

Intended to simplify – but may add complexity. No change until government confirms.

Staff transfers – the current process

1 Identify affected staff

Confirm who transfers and who is entitled to continued LGPS access.

2 Engage with the Pension Fund early

Obtain the Fund's admission requirements and standard documents.

3 Agree risk allocation

Address contributions, funding risk, security and exit liabilities.

4 Complete the documents

Put the admission agreement and contractual protections in place.

5 Manage the contract lifecycle

Plan for expiry, retendering, insourcing or early termination.

Local Government Reorganisation

Local Government Reorganisation

March 2026 decision (four mainland unitaries plus Isle of Wight from April 2028) withdrawn on 7 September 2026.

Government is now reviewing the plans for Hampshire and the Solent.

No timetable for the review; Hampshire and the Solent mayoral election now May 2028.

Until the position is confirmed, avoid assumptions about:

the future employing authority;
responsibility for existing pension liabilities;
payroll and administration arrangements; and
the timing and legal basis of any staff transfer.

Monitor developments, but do not wait to identify the pension issues.

If reorganisation proceeds – pensions checklist

People and payroll

Staff transfers and continuity of LGPS membership

Employer records, payroll interfaces and member communications

Funding and liabilities

Allocation of assets and liabilities

Contribution rates, covenant and exit positions

Governance and contracts

Employer status and statutory responsibilities

Admission agreements, outsourcings and discretions

Delivery

Data transfer and systems testing

Clear implementation timetable and named workstream leads

Start early: pensions will cut across the whole reorganisation programme.

Recent Pensions Ombudsman decisions

Recovering overpayments from members

Mrs E (CAS-32779-Q6R1) | Mrs N (CAS-14810-F3K6)

Legal Background

Section 91 of the Pensions Act 1995:

- *"No set-off can be exercised in respect of"* someone's right to a pension, **unless…**
- The set-off is in respect of money owed by that person to the fund *"arising out of a payment made in error in respect of the pension"*, **although…**
- where a dispute arises about the set-off, it must not take place unless the dispute is resolved or a court / TPO determine that it can proceed.

Facts and Outcome

Facts

In both cases, the schemes *(TPS and PCSPS)* identified an overpayment which the member disputed. The scheme deducted the overpayment from the member's pension.

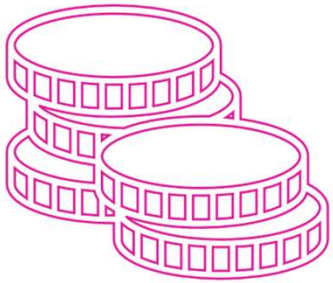
Outcomes:

In both cases, whilst the scheme had indeed made an overpayment; because it was *"in dispute"* at the time the set-offs were applied, they amounted to *"maladministration"* and had to be repaid by the scheme.

In the Mrs E case only, £500 compensation for non-financial injustice was payable.

Takeaway

Even with a strong right of set-off, a fund must wait until any overpayment dispute is resolved before recovering the overpayment.



Incorrect benefit information

Mr L (CAS-90404-K0X2)

Legal Background

Pensions Ombudsman guidance

- A scheme/fund should make payments only in accordance with statute and its governing documents, even where it has provided incorrect information to a member that they are due additional benefits, **unless…**
- A specific defence is in place, **such as…**
- The member having reasonably relied on incorrect information and suffered a financial loss as a result.

Facts and Outcome

Facts

The member received a benefit statement from the scheme *(FPS)* in 1997 that did not explain his spouse's benefit was discretionary and contingent. This error was only corrected in 2022.

The member argued 25 years of reliance on the incorrect information.

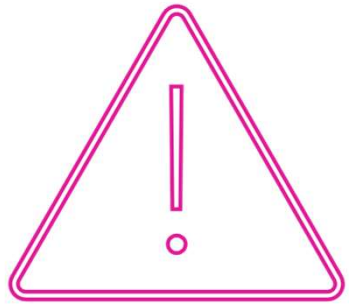
Outcomes:

The scheme was not bound by the incorrect information, because there was insufficient evidence of reliance.

However, the incorrection information amounted to *"maladministration"* and compensation of £1,000 was payable.

Takeaway

Incorrect information does not create a benefit entitlement (the member must assert a specific defence to be able to claim the benefit). However, compensation for maladministration may still be payable.



Determining ill-health applications

Mr W (CAS-52188-D3K5)

Legal Background

LGPS Regulations 2013

- Regulations provide for three tiers of IHER benefits depending upon the member's incapacity for future employment.
- "Tier 3" – revolves around the member being "likely to be capable of undertaking gainful employment within three years of leaving the employment, or before [NPA] if earlier".
- "Tier 2" – revolves around being unlikely to take up "gainful employment" within three years, but likely to do so before NPA.

Facts and Outcome

Facts

Member was awarded "Tier 3 IHER" based on a non-face-to-face medical assessment. At the 18-month review, a face-to-face assessment led to uplift to Tier 2.

Mr W argued the uplift proved the original Tier 3 decision was wrong and he should have had Tier 1.

Outcomes

Not upheld.

The original decision was properly made on the evidence available at the time. The later uplift reflected changed prognosis, not original error.

Takeaway

Hindsight does not invalidate an original decision.

The Ombudsman assesses based on evidence available at the time, and considers whether the decision maker applied the law correctly, asked itself the right questions, and considered relevant factors.



Pension Schemes Act 2026 – LGPS and Investment

Pension Schemes Act 2026

- **Introduced new asset pooling obligations on LGPS funds**
- **Requirement for:**
  - all LGPS fund assets to be pooled
  - the management of fund assets to be undertaken by pool companies (which must be FCA authorised)
  - LGPS funds to determine their investment strategies (within a new framework) with pool companies to implement the investment strategy
  - principle source of investment advice to be sourced from the pool company (with limited exceptions)
  - consultation on investment strategy with stakeholders
- **Detail of the requirements contained in new regulations**



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Any questions?

