

Consultation on Hampshire Pension Fund's Draft Investment Strategy Statement



Introduction

The Hampshire Pension Fund (“the Fund”) manages the pension assets of the Local Government Pension Scheme (LGPS). Part of this responsibility is consulting stakeholders on the Fund’s Investment Strategy Statement (ISS).

Stakeholders are invited to have their say on the priorities for the Fund over the coming years, such as the types of assets that the Fund holds, and how environmental, social and governance (ESG) factors influence investment choices.

The ISS sets out how money that has been received from scheme members’ and employers’ contributions will be invested. The value of those investments **do not** affect the value of pension benefits – these are guaranteed as the LGPS is a Defined Benefit scheme.

The LGPS is a ‘funded’ pension scheme – scheme members’ and employers’ contributions are invested so that money is available to pay pensions benefits.

However, the ISS is none the less important as the return on Fund’s investments impacts the contributions that are required to be made by employers and ultimately scheme members.

The Draft ISS has been developed by the Fund’s Joint Pension Fund Panel and Board. This draft can be viewed at <https://documents.hants.gov.uk/consultation/Draft-HampshirePensionFundInvestmentStrategyStatement-March2026.pdf>. The Panel and Board have taken advice from the Fund’s Actuary and Investment Consultant in their 2025 valuation of the Fund, who have recommended an asset allocation to achieve the Fund’s required investment return (as set out in the Funding Strategy Statement at <https://documents.hants.gov.uk/pensions/Pension-Fund-FundingStrategyStatement.pdf>). The Fund’s investment consultant undertakes extensive modelling of different combinations of investments and future economic conditions in order to recommend the asset allocation.

This box is for office use only. Please **do not** write in the box.

Completing the Response Form

This consultation has the following parts that cover the Draft ISS:

- Part 1 – Changes that have been made following pension fund valuations and changes to the law
- Part 2 – How we allocate pension assets
- Part 3 – Our proposed investment priorities for future investments
- Part 4 – Any other comments you have on our Draft ISS

If you have any queries about this consultation, or need this Response Form in another language or format, please contact the County Council by emailing insight@hants.gov.uk, or calling 0300 555 1375. Calls from a landline will be charged at the local rate, although mobile phone charges may vary.

Please be constructive and considerate in your response. All Hampshire County Council staff are entitled to be treated with respect by those they work with or for, and the County Council operates a [Zero Tolerance Policy](#) towards harassment, discrimination, bullying and abuse.

This Response Form should take about 15 minutes to complete.

This consultation will close at 11:59pm on Sunday 2 August 2026.

Please use a black or blue pen and mark your responses by putting a cross within the appropriate box. If you make a mistake, please fill in the entire box and put a cross in the correct box.

Alternatively if you have access to the internet then you can complete this Response Form online at:

www.hants.gov.uk/pension-fund-consultation

Completing the Response Form online ensures that your response is received instantly and securely, and the online form is simple to use on devices such as computers, tablets and smartphones.

If you require any extra space for your response to any of the questions, please write on an additional page and include it with this form.

Your data

Privacy notice

Hampshire County Council is seeking your views, comments, and information about you in order to understand stakeholders' views on the Hampshire Pension Fund's proposed Investment Strategy Statement. The legal basis for the use of your information is UK GDPR Article 6 1 e 'performance of a task carried out in the public interest in the exercise of official authority vested in the County Council'. Responses will be used to inform the final Investment Strategy Statement document.

All data will remain within the UK/EEA and will only be shared with third parties where they are undertaking data processing on behalf of Hampshire County Council. Personal information will be held securely for 2 years, after which it will be deleted or destroyed.

You have some legal rights in respect of the personal information we collect from you. Please see our Data Protection page (www.hants.gov.uk/aboutthecouncil/strategiesplansandpolicies/dataprotection) for further details. You can contact the County Council's Data Protection Officer at data.protection@hants.gov.uk. If you have a concern about the way we are collecting or using your personal data, you should raise your concern with us in the first instance or directly to the Information Commissioner's Office at <https://ico.org.uk/concerns/>.

About your response

To get started, we have a few questions so we can make the rest of the survey relevant for you.

Are you... *(Please choose one option)*

- Responding as an individual**
- Providing the **official response of an organisation, group or business**
- Responding as a **democratically Elected Representative** of a constituency (e.g. as a county, district, borough, parish or town council Member or MP)

If you are **responding as an individual**, please answer the question below and then go to **page 5**.

Are you... *(Please choose all that apply)*

- A Hampshire Pension Fund pensioner
- An active member of the Hampshire Pension Fund (i.e. currently paying into the Hampshire Pension Fund and not yet drawing a pension)
- A deferred member of the Hampshire Pension fund (i.e. no longer paying into the Hampshire Pension Fund but not yet drawing a pension)
- None of these

If you are responding as a **democratically Elected Representative** of a constituency, please answer the two questions below and then go to **page 5**.

ⓘ If you are responding officially or as a democratically Elected Representative, the name of the constituency you represent may appear in the final report, and the information you provide may be subject to publication or release to other parties or to disclosure regimes such as the Freedom of Information Act 2000.

Which constituency do you represent? *(Please specify in the box below)*

What is your name? *(Please write in the box below. NB: This will only be used if we need to contact you to validate your response)*

If you are providing the **official response of an organisation, group or business**, please go to **page 4**.

About your response (continued)

If you are providing the **official response of an organisation, group or business**, please answer the two questions below and then go to **page 5**.

ⓘ If you are providing the official response of an organisation, group or business, its name may appear in the final report, and the information you provide may be subject to publication or release to other parties or to disclosure regimes such as the Freedom of Information Act 2000.

Please provide details about the organisation, group or business that you represent:

Name of the organisation, group or business:

Postcode of the organisation, group or business:

Your name:

Your position in the organisation, group or business:

Is your organisation an employer of the Hampshire Pension Fund? (Please choose one option)

Yes

No

Not sure

Which of these best describes the function of your organisation, group or business? (Please choose one option)

Charity, voluntary or local community group

Local business or business representative (e.g. BID)

Local authority (e.g. county, district, parish, town or borough council)

College or place of education (18+)

Other public sector organisation (e.g. Police, Fire, Health Authority)

Trade union

Other

For 'other' please specify in the box below:

Part 1 – Changes that have been made following pension fund valuations and changes to the law

The draft ISS explains some changes that have already been made to the Fund:

Increasing the target rate of return

The Fund's target return (how much the Fund aims for its investments to grow by per year) has increased from 4.4% to 5.9% per year, inline with the increase in the discount rate that the Fund's Actuary uses to calculate the future value of the pension obligations that the Fund will have to pay. [This change is explained on page 3 of the draft ISS.](#)

Pooling investments to meet legal requirements

The Fund's assets are now managed by the investment pool LGPS Central (LGPSC), following changes in the law about how local government pension funds are managed. [This change is explained on page 9 of the draft ISS.](#)

Do you have any comments or feedback that we should consider about these changes?

Please do not provide any personal details in your comments

Part 2 – How we allocate the Fund's assets

The Fund's investment beliefs

The Pension Fund Panel and Board have prepared an updated set of investment beliefs based on their experience of the workings of the Fund and the assets it includes. These will set an expectation on how LGPSC will manage the Fund's assets. [These investment beliefs are explained on page 3 of the draft ISS.](#)

How assets are allocated to balance growth, income, and stability

The Fund allocates its assets to get a balance of delivering growth, generating income, and protecting the Fund's stability. The Draft ISS suggests keeping this mix of assets the same as it has been for the past three years. This is based on the advice that the Pension Fund Panel and Board have received from its investment consultant. [This is explained on page 6 of the draft ISS.](#)

Do you have any feedback on how we allocate the Fund's assets? *Please do not provide any personal details in your comments*

Part 3 – Our proposed investment priorities for future investments

The Draft ISS lays out the Fund’s investment priorities for how it invests its assets:

Setting a target for local investment

By law we need to set a target for how much of our Fund we invest locally. The Fund proposes a long-term target of 3% to 5% for this, [explained on page 8 of the draft ISS](#).

The Responsible Investment Policy

Last year the Fund engaged with members and other stakeholders about its Responsible Investment Policy. Following this feedback, the proposed Responsible Investment Policy has been written. It explains how environmental social, and corporate governance (ESG) priorities are balanced with the focus to deliver financial returns. [This draft policy is included on page 11 of the draft ISS](#).

Investing for a positive impact

The Draft ISS proposes that 11.5% of its assets are invested in ways which deliver positive environmental and social benefits, while also delivering the target financial returns. [This proposal is explained on page 13 of the draft ISS](#).

As explained above we propose setting a target of 3% to 5% of the Fund being invested locally. Do you think the target should be: *(Please choose one option)*

- Less than 3%
- 3% to 5%
- More than 5%
- Don't know

Are there any particular local sectors or outcomes which you would want local investment to focus on, and if so why? *Please do not provide any personal details in your comments*

Do you have any comments or suggestions regarding our proposed investment priorities? *Please do not provide any personal details in your comments*

Part 4 – Any other comments you have on our Draft Investment Strategy Statement

Is there anything else you would like to tell us in relation to the Draft Investment Strategy Statement? *Please do not provide any personal details in your comments*

Section 5 – About you

Please answer the questions on this page if you are **responding to this consultation as an individual**.

If you are providing the **official response of an organisation, group or business**, or **responding as a democratically Elected Representative of a constituency**, please go to page 10 of this document without answering the questions on this page.

Hampshire County Council is committed to improving its services, eliminating unlawful discrimination and promoting equality of opportunity for all people. The following questions may feel sensitive but we would be grateful if you could answer as it is important that we understand the views of, and potential impacts on, different types of people within Hampshire.

What was your age on your last birthday? *(Please choose one option)*

Under 16

16 to 24

25 to 34

35 to 44

45 to 54

55 to 64

65 to 74


75 to 84

85 or over

Prefer not to say

If you are **aged under 16** then please now go to page 10 of this document without answering the rest of the questions on this page.

Please provide your postcode:

 *Providing your postcode is optional. It would help us to understand the impact of proposed changes if you could provide at least the first five digits of your postcode. If you do provide your full postcode it is possible that in rural areas this might identify your property. By providing your postcode you are consenting to the County Council using this information to analyse the response to the consultation from different areas, to understand how views differ by area and to help model data for different types of respondent.*

Which of the following best describes your gender? *(Please choose one option)*

Female

Male

Prefer to self-describe

Prefer not to say

If you prefer to self-describe, please specify in the box below:

And finally...

Finally, to help us improve access to future consultations, please tell us where you first heard about this consultation: *(Please choose one option)*

- On social media (e.g. Facebook, Twitter, etc)
- Hampshire County Council website
- Hampshire Pension Fund website
- Via an email or letter sent to you
- Through my employer
- By word of mouth
- Reported in the news (e.g. TV, radio, newspaper)
- Other

For 'other', please specify where you heard about the consultation below:

Thank you for your response. Your feedback will inform the Hampshire Pension Fund's Investment Strategy Statement.

Please send this form to arrive no later than Sunday 2 August 2026 to:

**Hampshire Pension Fund Consultation
Policy and Public Affairs, Corporate Services
Hampshire County Council
The Castle
Winchester
SO23 8UJ**