

******You have received this email because we hold your details as a high level or finance contact for your organisation in relation to the LGPS. If you need to pass this email to a colleague, please can you also update your contacts and authorisations form for pensions so that we can update our records.******

Dear Colleague,

The Hampshire Pension Fund has a statutory obligation to produce certain key documents. When these documents are revised, the regulations require us to undertake consultation with appropriate stakeholders before the changes can be finalised and agreed by the Pension Fund Panel and Board.

We would be grateful for your feedback on the attached documents. Please could this be provided by email to pensions.employer@hants.gov.uk no later than **Monday 27 November 2023**. The changes are highlighted in each attached document and are summarised in the remainder of this email.

If you have any questions, then please send an email to us at pensions.employer@hants.gov.uk

Funding Strategy Statement (FSS) and Employer Policy

These documents have been updated in light of the policy paper from 17 May 2023 titled "DfE local government pension scheme guarantee for academy trusts: pensions policy for outsourcing arrangements".

Following discussion with the Fund's Actuary, the proposed changes to the FSS and Employer Policy mean that:

- most academy contractors will now be admitted to the Academy Group and receive a contribution rate based on the Secure Scheduled Bodies funding target
- clarification that Academy Group employers will share any surplus in proportion to their liabilities (not just responsibility for deficits)

Administration Strategy

We work with Employers with the aim of improving the quality of the data we hold which in turn means we can provide a better service to members. The proposed changes to the Administration Strategy seek to formalise the requirement for employers to provide a named contact to be responsible for LGPS data and to be more explicit on the administrative charges the Fund will make for late submission or poor quality data on annual returns.

We have also clarified our timescales for the payment of death grants.

Investment Strategy Statement

Following the Pension Fund's latest 2022 Actuarial Valuation, the Pension Fund Panel and Board has reviewed the Fund's Investment Strategy having taken specialist external investment advice.

[Investmentstrategy2022-ResponsibleInvestmentpolicy.pdf \(hants.gov.uk\)](#)

As a result of the review the Panel and Board have agreed changes to the allocations shown in the tables on pages 5 and 6 of the strategy document as follows:

	Previous limits		Revised limits	
	Minimum	Maximum	Minimum	Maximum
Growth assets – To deliver sufficient return to meet the funding target and maintain the affordability of the target level of contributions (assets such as public and private equity)	40%	70%	30%	60%
Income assets – Structuring the assets to meet the Fund’s income requirements or increase the confidence of achieving required returns through a more stable and observable return stream (assets such as property, infrastructure, loans and alternative credit)	10%	45%	20%	50%
Protection assets – Employing investment strategies that provide some downside protection or diversification benefit to maintain stability in the level of contributions (assets such as traditional gilts and index-linked gilts)	10%	30%	10%	30%

Investment sector	Position as at 31 March 2023	Long term strategic allocation
Growth	49.3%	38.5%
Income	32.4%	39.5%
Protection	18.3%	22.0%
Total Fund	100%	100%

Comments on the updated investment strategy are invited which will be reported to the Pension Fund Panel and Board.

Kind regards,

Hampshire Pension Services

Hampshire Pension Services, The Castle, Winchester, SO23 8UB

How are we doing? Click [here](#) to let us know.

Have you registered to view your pension details on our Member Portal?



Our values

- Working as one organisation
- Integrity and respect
- Professionalism
- Making a difference
- Continuous improvement