



Brent Pension Fund Sub-Committee
7 October 2026

Report from the Corporate Director of Finance and Resources

Investment Strategy Statement

Wards Affected:	All
Key or Non-Key Decision:	Not Applicable
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
List of Appendices:	One Appendix 1: Investment Strategy Statement
Background Papers:	None
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1.0 Executive Summary

- 1.1 This report presents the Fund's revised Investment Strategy Statement ("ISS") (Appendix 1) for approval by the Committee. The ISS has been updated following completion of the 2025 actuarial valuation and subsequent investment strategy review and has been prepared to reflect the Government's Fit for the Future reforms and the updated statutory guidance.

- 1.2 Prior to presentation to the Committee, the draft ISS was issued for consultation with participating employers, member representative groups and London CIV.

2.0 Recommendations

- 2.1 The Committee is recommended to approve the revised Investment Strategy Statement (Appendix 1)

3.0 Detail

3.1 Background & Strategic Context

- 3.2 Regulation 10(2) of the Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations requires administering authorities to maintain and publish an Investment Strategy Statement setting out the Fund's investment objectives, strategic asset allocation, approach to risk management, responsible investment arrangements and other matters prescribed by the legislation.
- 3.3 The Fund carried out an actuarial valuation as at 31 March 2025. The valuation assessed the Fund's funding position, employer contribution requirements, cashflow profile and long-term funding needs, providing an updated assessment of the investment returns required to meet the Fund's liabilities over the longer term.
- 3.4 Following completion of the valuation, the Committee undertook a comprehensive review of the Fund's investment strategy. The review considered the findings of the actuarial valuation alongside expected long-term investment returns, funding and investment risks, liquidity requirements, changes in market conditions and the evolving LGPS regulatory framework.
- 3.5 The ISS, prepared by the Fund's investment advisers Hymans Robertson LLP, reflects the conclusions of that investment strategy review and establishes the framework through which the Fund will seek to achieve its long-term investment objectives whilst ensuring pension benefits can be paid as they fall due.

4.0 Investment Strategy and Objectives

- 4.1 The ISS reflects the investment strategy agreed by the Committee in February 2026 following the investment strategy review.

In accordance with the new regulatory framework, the ISS establishes clear investment objectives across four key areas:

- 4.2 **Return**
The Fund's return objective is to generate sufficient long-term investment returns to support the Funding Strategy Statement and maintain the long-term solvency of the Fund.

4.3 Risk

The Fund's risk objective is to manage investment risk in a manner consistent with achieving its return objectives while maintaining an appropriate probability of meeting funding targets. This includes maintaining diversification across asset classes and ensuring investment risk remains appropriate for the Fund's funding position and covenant strength.

4.4 Cashflow

The Fund's cashflow objective is to ensure sufficient liquidity is available to meet pension payments, transfer values, operational expenditure and investment commitments as they fall due, whilst maintaining an efficient long-term investment strategy.

4.5 Local Investment

The Fund's local investment objective sets out the Fund's approach to investing in opportunities that support local and regional economic growth where such investments are consistent with fiduciary duty and are expected to deliver suitable risk-adjusted returns. Given the evolving nature of the local investment framework for Funds Pools and Strategic Authorities, the Fund's approach will continue to be refined and updated through future reviews of Investment Strategy.

5. Strategic asset allocation

- 5.1 The strategic asset allocation is expressed through nine broad asset buckets, as prescribed in the statutory guidance. This structure is intended to provide a clear framework for implementation by the Pool while retaining flexibility to adapt portfolios over time in response to market opportunities, evolving investment beliefs and regulatory requirements.

The nine-bucket framework is also intended to enhance transparency, support effective risk management and improve accountability between the Fund and the Pool.

- 5.2 The revised Investment Strategy Statement gives effect to the conclusions of the investment strategy review undertaken following completion of the 2025 actuarial valuation. It reflects the requirements of the new LGPS regulatory framework, clarifies the respective responsibilities of the Fund and the Pool, establishes investment objectives covering return, risk, cashflow and local investment, and sets out the Fund's strategic asset allocation through nine asset buckets.

6 Stakeholder and ward member consultation and engagement

- 6.1 The draft ISS was circulated to participating employers, recognised member representative groups and London CIV for consultation. Any comments received have been considered in finalising the document. No material changes to the proposed investment strategy were required as a result of the consultation process.

7 Financial Considerations

7.1 There are no direct financial considerations arising out of this report.

8 Legal Considerations

8.1 The Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026, now governs the management of the pension fund and the investment of fund money. Under the new laws, an administering authority must formulate an investment strategy in accordance with guidance and is legally required to keep the Investment Strategy Statement (ISS) under regular review; with strategic investment strategy reviews must occur within 18 months of the actuarial valuation date. Whilst ongoing monitoring, the statement must be updated and reviewed without delay following any significant change in the fund's investment policy.

9 Equality, Diversity & Inclusion (EDI) Considerations

9.1 There are no equality considerations arising out of this report.

10 Climate Change and Environmental Considerations

10.1 There are no climate change or environmental considerations arising out of this report.

11 Human Resources/Property Considerations (if appropriate)

11.1 There are no HR or property considerations arising out this report

12 Communication Considerations

12.1 There are no communication considerations arising out of this report.

Related document(s) for reference:

[Brent Pension Fund Sub Committee Report - Investment Strategy Review \(18 February 2026\)](#)

Report sign off:

Minesh Patel

Corporate Director of Finance and Resources