



P E N S I O N S C O M M I T T E E

**Wednesday 24 June 2026 at 6.30pm
Council Chamber, Hackney Town Hall**

**Supplementary: Agenda item 15 Quarterly
Governance and Risk Update**

**Dawn Carter-McDonald
Chief Executive
Published on: Friday 19 June 2026
www.hackney.gov.uk**

**Contact: Gareth Sykes
Governance Officer
governance@hackney.gov.uk**

Pensions Committee
Wednesday 24 June 2026

**Supplementary: Agenda item 15 Quarterly
Governance and Risk Update**

15 Quarterly Governance and Risk Update

This supplementary paper is divided into the following sections:

- Cover report (Pages 3-15)
- Appendix 1:
 - Instructions (Page 17)
 - 1a – Governance (Page 19 -21)
 - 1b – Funding (Pages 23-24)
 - 1c – Investment (Page 25)
 - 1d - Administration and Communications (Page 27)
- Appendix 2 (Pages 29-48)
- Appendix 3 (Pages 49-70)
- Appendix 4 (Pages 71-91)



Title of Report	Governance, Risk, Policy and Regulatory Update
For Consideration By	Pensions Committee
Meeting Date	24 June 2026
Classification	Open
<u>Ward(s) Affected</u>	All
<u>Group Director</u>	Naeem Ahmed, Group Director, Finance & Corporate Resources
Report Author	Miriam Adams, Assistant Director Pension Investments and Administration miriam.adams@hackney.gov.uk

1. **Introduction**

- 1.1. This report is an update on Fund Governance since the last meeting covering:
- Updated Training Topics
 - Regulatory Update
 - Fit for the Future Governance Requirements and Hackney’s Position
 - Risk Register (Appendix 1A to 1D)
 - Conflict of Interest Policy Updates (Appendix 2)
 - 2025/26 Governance Compliance Statement (Appendix 3)
 - Pension Fund Business Plan covering the financial years 2026/27, 2027/28 and 2028/29 (Appendix 4)

2. **Recommendations**

- 2.1. **The Pensions Committee is recommended to note the report and appendices.**
- 2.2. **Note the Updates to the Committee Training Topics**
- 2.3. **Note the wider LGPS Regulatory Environment Updates**
- 2.4. **Note the Risk Register Changes (Appendix 1A - 1D)**
- 2.5. **Note the Fit for the Future and 2026 LGPS Regulatory Update**
- 2.6. **Approve the updated Conflict of Interest Policy (Appendix 2)**

2.7. Note the Governance Compliance Statement (Appendix 3)

2.8. Consider and approve the Pension Fund Business Plan covering the financial years 2026/27, 2027/28 and 2028/29 (Appendix 4)

3. Related Decisions

3.1. Various previous policies and strategies agreed at Pensions Committees.

4. Governance Update

Regulatory Update - Updated Training Topics

4.1. The Local Government Pension Scheme (Amendment) Regulations 2026, effective from 1 April 2026. Regulations 55A and 55B require Administering Authorities to prepare a Training Strategy. A Training Strategy is a document setting out how the authority will ensure that any persons to whom functions have been delegated under the regulations reach an appropriate level of 'knowledge and understanding' to meet their role's requirements. The regulations apply to all such persons on an individual basis.

4.2. The regulation also applies to the senior LGPS officer who must be conversant with the rules of the scheme, have knowledge and understanding of the law relating to pensions and have appropriate knowledge and understanding required to exercise their functions that have been delegated by the Administering Authority in accordance with guidance issued by the Secretary of State.

4.3. Pension Fund Committee (PFC) and Local Pension Board (LPB) members will undertake training throughout the year to ensure they are equipped to fulfil their obligations.

4.4. Training will be delivered mainly in three ways:

- Bespoke workshops and targeted subject matter training during meetings - these will be held in-house throughout the year to provide Fund specific training on key topics and have been included in the below schedule. In addition, pre-committee briefings or other training sessions may be provided on an ad-hoc basis as needed.
- Induction training – new members appointed to PFC or LPB along with any substitutes assigned to PFC will receive an in-house induction training session as needed and before they attend their first meeting. Delivery of in-house workshops/inductions will be dependent on member requirements and will be delivered in-person or hybrid, where appropriate.
- External training – Various conferences, training sessions, webinars etc are hosted by external parties such as, Pensions UK, Local

Government Association (LGA), and the Chartered Institute of Public Finance & Accountancy (CIPFA) throughout the year offering learning focused on key pension related topics.

Fund Officers/Democratic Services will inform the PFC and LPB of any external events that are relevant to them.

- Online self-learning portal
- Pensions Regulator Trustee Public Service Toolkits

4.5. The 2026 LGPS regulations require Funds to assess members' knowledge and understanding on an annual basis.

4.6. The training strategy approved in March was updated to incorporate the requirements of the 2026 regulations and draft statutory guidance on governance.

Regulatory Update - The LGPS Regulatory Environment

4.7. The Local Government Pension Scheme is a public service pension scheme and its rules are made with the approval of Parliament. This means that broadly Scheme rules can only be changed with the approval of Parliament.

4.8. Since 1968, there are currently [107](#) Local Government Pension Scheme (LGPS) statutory instruments issued for the LGPS in England and Wales. The first was issued in 1968. Northern Ireland 42. Scottish Instruments 41, One Northern Ireland Statutory Rules and Orders and one Welsh Statutory Instruments.

4.9. Administering Authorities are required to comply with these legislation or their amendments as they apply except the legislation is no longer in force/evoked. In addition, there are primary Acts such as Public Service Pensions Act 2013, Pension Scheme Act 1993 and 2015, Pensions Act 1995 and 2004, Finance Act 2004, Public Service Pensions and Judicial Offices Act 2022, Pensions Act 2008, Equality Act 2010, Statutory Guidance, Pensions Regulator General Code of Practice, Tax legislations, Ministry of (MHCLG) as well as various Actuarial guidance covering a whole raft of benefit calculations issued by MHCLG and the Government Actuary from time to time. Sample templates are also provided by the Local Government Administration (LGA).

Regulatory Update - Pension Schemes Act 2026

4.10. The Pension Schemes Bill has now completed its passage through Parliament and received Royal Assent, becoming the Pensions Schemes Act 2026. This marks a significant milestone in the Government's programme of pensions reform and introduces measures affecting both public and private sector schemes.

Regulatory Update - LGPS England & Wales Scheme Advisory Board (SAB)

- 4.11. On 12 May, the SAB published the letter received from Local Government Minister Alison McGovern MP setting out the government's view on making investment decisions based on boycott, divestment and sanctions reasons. The Board welcomes that a response has been provided and will continue to assess any appropriate further steps to take in supporting funds in these matters. The letter can be found [here](#).
- 4.12. On 15 May, the Board chair issued a statement on investment in response to the Minister's letter. This response can be found [here](#).

Regulatory Update - Pension Board and Pensions Committee Chairs Meeting

- 4.13. On 17 March, the Chair of the SAB, hosted a discussion with Pensions Committee Chairs on the strategic direction of the Scheme. Following similar meetings held last year, this session is aimed to provide opportunity for Committee Chairs to engage directly with the Board and share updates.

On 12 May, the SAB hosted an online event for Local Pension Board Chairs. The session was aimed at clarifying the role of SAB in a national context and also in supporting Local Pension Boards in their role. The current SAB guidance for Local Pension Boards is from 2015, so it will be updated in due course to reflect how the governance of the scheme has changed over the years.

Regulatory Update - 2025 Scheme Annual Report

- 4.14. The SAB published its thirteenth LGPS Scheme Annual Report. The aim of the Scheme Annual Report is to provide a single source of information about the status of the LGPS for its members, employers and other stakeholders. This report aggregates information supplied in the 87 fund annual reports, as of 31 March 2025 for the reporting year 2024/2025. The report can be found [here](#).

Regulatory Update: Fit for the Future Technical Consultation Response

- 4.15. The Government response to the 'Fit for the Future' reforms – technical consultation was published on 21 May. The consultation aimed at 2 sets of regulations required to implement the reforms was issued in November 2025 and closed 2 January 2026.
- 4.16. The Government aims to unlock the investment potential of the scheme through further consolidation, build on the scheme's successes as a local investor, and improve the governance of local pension funds to ensure stronger oversight, capability and accountability. The policy intent was set out in a consultation launched in November 2024 and confirmed in the government's subsequent response published in May 2025.

- 4.17. The first of these, the Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026 will replace the existing Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the '2016 Regulations') and provide the statutory underpinning for the government's minimum standards for pooling and its local investment proposals. The second set of regulations, the Local Government Pension Scheme (Amendment) (Governance) Regulations 2026 will introduce measures to strengthen the governance of LGPS.
- 4.18. The Government's response confirms that the vast majority of proposals in the November 2025 consultation remain unchanged. The regulations now allow for some phasing of implementation deadlines in specific circumstances and adds some additional clarity in the areas of local investment, the role of the independent person and governance expectations. The full response can be found [here](#).

Fit for the Future Governance Requirements and Hackney's Position

- 4.19. The table below summarises the position for the Fund and progress made to ensure compliance with new regulations.

Fit for the Future & Regulatory Requirement	Current Position	Target Completion Date
Training Strategy	<ul style="list-style-type: none"> • Committee Approved Strategy updated to reflect core areas identified in the regulations and draft guidance 	30 Mar 2026
Implement mandatory knowledge & understanding arrangement	<ul style="list-style-type: none"> • Training Topics updated to reflect new Pensions Committee membership - 24 June 2026 • Members of Committee issued with Hymans LOLA Online Learning Portal - 4 June 2026 • Mandatory Induction - 8 June 2026 • Issue members with Individual Training Knowledge & Skills Assessment Form 	24 Jun 2026
Conflicts of Interest Policy	Conflict of Interest Policy updated with requirements of 2026 regulations	24 June 2026
Administration strategy	Last updated in March 2022.	March 2027

	Review in progress	
Appoint Independent Person	<ul style="list-style-type: none"> Person specification and appointment process approved by Committee in March 2026 	Nov 2026
Participate in an asset pool	<ul style="list-style-type: none"> London Borough of Hackney Pension Fund participates in the London CIV asset pool LCIV IMA approved and delegated signing to Group Director Finance & Corporate Resources subject to changes in legislation and statutory guidance Side letter and schedules in progress 	30 March 2026
Formulate and publish updated ISS in line with new regulations and guidance	Draft prepared in line with new regulations and draft statutory guidance was approved 30 March 2026 subject to any additional changes in regulations and guidance	30 March 2026
Develop Local Investment Strategy	ISS includes local investment strategy. Publication date in 2026 regulation is March 2027	30 March 2026
Local investment opportunities	Fund participated in LCIV Local Investment survey	Feb 2026
Taking principal investment advice from the relevant pool	<ul style="list-style-type: none"> At the next ISS review, the Fund will take principal advice from London CIV. See Business Plan Officers liaising with LCIV to ensure strategic monitoring such as the Risk Framework can be continued 	2028 triennial valuation or earlier
Independence Governance Review (IGR)	Although Funds are required to have this completed by 31 March 2028, an interim IGR is	31 Mar 2028

	scheduled for 2026/27	
Governance Strategy	<ul style="list-style-type: none"> • This is a new strategy • Benefits & Governance Adviser to assist officers with draft 	Nov 2026

Risk Register (Appendix 1A to 1D)

- 4.20. The Pension Fund maintains a Risk Register covering investments and funding, governance and administration risks. The Risk Register is considered by both the Committee and Board on a quarterly basis.
- 4.21. The Pension Regulator Code of Practice was laid before Parliament in January 2024. The general code sets out in detail what The Pensions Regulator expects of a scheme that is required to maintain an effective system of governance including specific risk management requirements.
- 4.22. The Fund's updated Risk Policy approved by committee in March 2026 sets out the Risk Management Strategy for the Pension Fund, which includes:
- the risk philosophy for the management of the Fund, and in particular attitudes to, and appetite for risk
 - how risk management is implemented
 - risk management responsibilities
 - the procedures that are adopted in the Fund's risk management process
 - the key internal controls operated by the Administering Authority and other parties responsible for the management of the Fund.
- 4.23. Risk management is critical to minimise the impact and probability of events having a negative impact on the Pension Fund.
- 4.24. The Risk Register is organised into high-level categories aligned with the core areas of Pension Fund operations:
- Governance (G) (Appendix 1A)
 - Funding (F) (Appendix 1B)
 - Investment (I) (Appendix 1C)and
 - Administration & Communications (AC) (Appendix 1D)
- 4.25. The magnitude of risks within the register is assessed along two dimension:
- Likelihood – the probability that a risk will materialise
 - Impact – the consequences if the risk were to materialise

These are scored on a matrix, which indicates overall levels of risk as follows:

- High risk (red) – need for early action / intervention where feasible,
- Medium risk (amber) – action is required in the near future
- Low risk (green) – willing to accept this level of risk or requires action to improve over the longer term

- 4.26. The Administration & Communication Risk Register was updated with progress made to the Data Improvement Plan by LPPA. Officers meet with LPPA monthly to review progress. Expected completion of Phase 1 and 2 was 31 March. The bulk of the work is completed but LPPA are currently working through manual records and difficult cases.
- 4.27. The Governance Risk Register - Risk 2 -Knowledge and Skills - insufficient knowledge and skills amongst those charged with Fund Management (including Committee, Board members and officers) to reflect the new pensions committee membership being made up of a 100% of new councillors. A revised list of training topics has now been drafted. Risk 12 - Failure to carry out Senior Officer appointment and Risk 13 - Failure to appoint Independent Person have both been updated to reflect the revised statutory deadline of 31 December 2026.
- 4.28. Funding Risk Register - No changes since March 2026.
- 4.29. Investment Risk Register - Risk scores reviewed and heightened while LCIV remains in transition mode to implementing necessary resources and knowledge for asset management of all Fund assets.
- 4.30. Pensions Committee are asked to note the Risk Register changes attached at appendices 1A to 1D.

Conflict of Interest Policy (Appendix 2)

- 4.31. The London Borough of Hackney's Constitution (Part Seven, Section A), available on the Council's website, sets out detailed guidance on identifying, declaring, and managing Conflicts of Interest.
- 4.32. The Local Government Pension Scheme (Amendment) Regulations 2026 introduced a requirement for LGPS Administering Authorities to have a Conflict of Interest Policy specific to the Pension Fund. The Fund has a policy in place.
- 4.33. Conflicts of interest have always existed for those with LGPS Administering Authority responsibilities as well as for advisers to LGPS funds. This simply reflects the fact that many of those managing or advising LGPS funds will have a variety of other roles and responsibilities, and may also have individual personal, business or other interests which might conflict, or be perceived to conflict, with their role managing or advising an LGPS fund. It is generally accepted that LGPS Administering Authorities have both

fiduciary and public law duties to act in the best interest of both the scheme beneficiaries and participating employers.

- 4.34. Our Conflict of Interest Policy details how actual and potential conflicts of interest are identified and managed by those involved in the management and governance of the Fund whether directly or in an advisory capacity. The policy is established to guide Pensions Committee members, Pensions Board members, officers and advisers, ensuring that those individuals do not act improperly or create a perception that they may have acted improperly.
- 4.35. The Fund's Conflict of Interest Policy last approved by this committee in June 2025 is updated to reflect the requirement of the 2026 legislation. The policy should be seen as supplementary to the Council's current conflict of interest policies, which still apply. It introduces additional requirements tailored to the governance of the LGPS fund, consolidates legislative and regulatory expectations, including the Public Service Pensions Act 2013, LGS Regulations, the Pensions Regulator's General Code of Practice, Statutory guidance and CIPFA Investment Pooling Governance principles.
- 4.36. The policy defines conflicts broadly as any financial or other interest likely to prejudice a person's exercise of functions and provides detailed examples, including dual roles within the Council, investment decisions, membership of groups and adviser relationships that could create bias. It also highlights key risks such as reputational damage, legal non-compliance and operational inefficiency.
- 4.37. The policy includes the following requirements:
- Annual declarations and dedicated Fund Register of Interests
 - Formal procedures for identifying, managing and monitoring conflicts including mandatory declarations at the start of each meeting and exclusion from discussions or votes where actual conflict exists
 - Extended scope to advisers requiring them to provide their own conflicts policy and notify the Fund immediately of any issues.
 - Specific recognition of asset pooling and dual employer/administering authority roles
- 4.38. The policy applies to all members of the Pension Board and Pension Fund Committee, advisers, third-party suppliers, advisers, the Senior LGPS Officer, S151 Officer, Director of Financial Management, the Independent Person appointed under regulation 53A, any person who holds a position of authority within the administering authority, any person employed by the relevant asset pool company and all parties involved in the Fund's management. Officers, Members of the Committee and Board, Co-optees are required to complete the Fund's Conflict of Interest Declaration Form annually.
- 4.39. The policy also mandates a three-year review cycle and annual checks, going beyond the Council's general Code of Conduct by embedding pension-specific governance and fiduciary safeguards.

- 4.40. Changes to the Policy since last presented to the Committee in June 2025 have been highlighted in yellow. The Committee is asked to note approve the updated Conflict of Interest Policy (Appendix 2).

2025-26 Governance Compliance Statement (Appendix 3)

- 4.41. Regulation 55 of the Local Government Pension Scheme Regulations 2013 requires all administering authorities to publish a Governance Compliance Statement setting out the Fund's governance arrangements. Appendix 3 presents the annual Governance Compliance Statement setting out the governance arrangement of the London Borough of Hackney Pension Fund.
- 4.42. The statement has been reviewed and cosmetically and factually updated. The Committee is asked to note the revised Compliance statement (Appendix 3).
- 4.43. The Government's response to the Fit for the Future Consultation received on 29 May requires Administering Authorities to prepare strategies on governance, knowledge and training (replacing the governance compliance statement), and administration, and publish these either as separate strategies as a single document.
- 4.44. The draft Governance Strategy will be presented to this Committee in December 2026. The Committee approved the Training Strategy in March 2026 and an updated Training Plan reflecting the changes in administration is considered in a later agenda item whilst the updated Conflict of Interest Policy is presented for approval in this report

Draft 2026-27 to 2028-29 Business Plan (Appendix 4)

- 4.45. The Business Plan demonstrates good governance, the Pension Fund's Business Plan is presented to the Committee for consideration. The Business Plans include information on administration, investments and governance (including the Fund's Training Strategy). It sets out the core work over the next three years and how the objectives will be achieved.
- 4.46. The Business Plan will be presented to the Pensions Board at the July 2026 meeting.
- 4.47. The key priorities of the Business Plan are detailed in pages 12 to 17 covering Investment and Funding, Governance, Administration & Communications and Supplier & Contractor reviews and tenders.
- 4.48. The Quarterly Governance & Risk Update report provides the Committee with key Business Plan activity updates.
- 4.49. Appendix B of the Business Plan includes the 2026/27 pension fund budget.
- 4.50. Administration Costs - the significant drop in administration costs in 2026/27

mainly due to the LPPA migration costs incurred in 2025/26 alongside Equiniti.

- 4.51. Actuarial Charges - Whilst the triennial valuation ended in March 2026, the 2026/27 estimates include an allowance for additional work data improvement, admitted and academy monitoring and project support.
- 4.52. Staffing - Staffing costs are made up of the inhouse pensions administration staff, investment and accounting staff as well as a proportion of the Group Director Finance & Corporate Resources and Director Financial Management as well as additional resources required to support new processes. A proportion of staff salaries is also recharged to the Council's budget to reflect council tasks which the Fund undertakes on behalf of the Council. Such as council redundancy estimate calculations, Teachers Pensions Reconciliations and Audit and various treasury and control account reconciliations.
- 4.53. By producing a plan for the year, the Fund ensures that it works effectively and efficiently for its members and employers.

The Pensions Regulator (TPR)

- 4.54. During the quarter, TPR has updated its guidance on avoiding and reporting pension scams.

Other Governance Updates

- 4.55. Admitted Body Employer Co-optee vacancies on Pensions Committee and Pensions Board will be advertised to admitted and academy employers.
- 4.56. During the quarter no breaches were reported.

5. **Financial Implications**

- 5.1. The Pensions Committee has delegated responsibility for management of the Pension Fund. Whilst there are no direct financial impacts arising from the information contained in this report, quarterly monitoring of key aspects of the Pension Fund helps to provide assurance to the Committee of the Governance arrangements in place which supports and enables the Committee to make informed decisions about the management of the Fund.
- 5.2. Oversight and review of the Fund's key Policies and Governance arrangements ensures that the Fund's statutory responsibilities are being met and monies are being used appropriately including ensuring that the Fund is achieving value for money.

Financial Implications prepared by the Group Director Finance & Corporate Resources: Naeem Ahmed
Email: Naeem.Ahmed@hackney.gov.uk

6. **Legal Implications**

6.1. Regulation 55 of the Local Government Pension Scheme Regulations 2013 state that an administering authority must prepare a written statement setting out:

- Whether the authority delegates its functions to a committee
- If the authority does so:
 - the terms of the delegation
 - the frequency of the meetings
 - whether the committee includes representatives of Scheme employees and whether they have voting rights
- The extent to which the delegation complies with Secretary of State guidance
- Details of terms, structure and operational procedures relating to the local Pensions Board.

Legal implications prepared on behalf of the Director of Legal, Democratic & Electoral Services by: Georgia Lazari , Team Leader-Places
Email: georgia.lazari@hackney.gov.uk
Date: 18th June 2026

Appendices

Appendix 1A - 1D - Risk Register

Appendix 2 - Conflict of Interest Policy

Appendix 3 - 2025/26 Governance Compliance Statement

Appendix 4 - 2026/27 - 2028/29 Business Plan

Background documents and Regulations

- [Letter from Local Government Minister Alison McGovern MP](#)
- [The Local Government Pension Scheme \(Amendment\) \(Governance\) Regulations 2026](#)
- [The Local Government Pension Scheme \(Pooling, Management and](#)

[Investment of Funds\) Regulations 2026](#)

- [The Local Government Pension Scheme \(Miscellaneous Amendments\) \(Member Benefits\) Regulations 2026](#)
- [The Local Government Pension Scheme \(Management and Investment of Funds\) Regulations 2016](#)
- [The Local Government Pension Scheme Regulations 2013](#)
- [Pension Schemes Act 2026](#)
- [Public Service Pensions Act 2013](#)
- [The Pensions Regulator General Code of Practice](#) (some sections only apply to DC and DB schemes not the LGPS)
- [Pensions Act 2004](#)
- [Section 101 of the Local Government Act 1972 Act](#)
- [s.149 of the Equality Act 2010](#)

Fit for the Future Consultation links

- [Government Response to the Fit for the Future technical consultation](#) May 2026
- [Fit for the Future technical consultation](#)
- [Government Response to Fit for the Future Consultation](#) May 2025

This page is intentionally left blank

This sheet is a summary guide for users, on how to populate the risk register template.

Purpose

This risk register template is provided to help the Hackney Pensions Fund officers record the risks which could impact the Fund, and as a way of presenting the risks in alignment with the risk approach set by Hackney Council. The template is intended to be completed with the risks deemed relevant to the Fund, and to be kept updated on a regular basis.

Completing the risk register

The following steps should be completed for each of the 4 input tabs - "Governance", "Funding", "Investment" and Admin & Comms".

- Step 1 Identify risks which fit into each category
- Step 2 Enter the risk number in Column B and a description of the risk in column C. This should be a brief summary of the risk and how it relates to the Fund
- Step 3 Note the cause of the risk in Column D. This could be as a result of new Regulations, or a change in service provider for example.
- Step 4 Detail the impact if the risk occurs - what will be the effect on the Fund? There may be multiple inputs for each risk.
- Step 5 Note the strategic objective from the Fund's strategy/business plan that each risk relates to as appropriate.
- Step 6 Assign a current impact and current likelihood to each risk in Columns G and H respectively. This should be done in accordance with the LBH corporate Risk Impact Guide. The relevant tables from this guide are shown in Figures 1 and 2 below.
A risk score will be calculated automatically in column I and a RAG (Red, Amber, Green) rating applied in line with the approach laid out in the LBH Corporate Risk Impact Guide.
- Step 7 Determine a target impact and target likelihood to each risk in Columns J and K respectively. This should again be done in accordance with the LBH Corporate Risk Impact Guide, also shown in Figures 1 and 2 below.
- Step 8 Regular assessment of the internal controls and mitigations for the risks identified should take place. The agreed internal controls and risk mitigations should be noted in column M.
- Step 9
- Step 10 Actions resulting from the risk assessment and from the internal controls and mitigations identified should be recorded in column N. Where a named person is assigned responsibility for an action, this name should be included in the commentary in this column. The target date for completion of these actions should be noted in Column O
A risk manager who has overall accountability for each risk and the mitigations should be recorded in Column P. This may differ to the individual action owner in column N
- Step 11 The date at which the risk will next be reviewed should be recorded in Column Q
- Step 12 The date at which the last update was made to any columns relating to a risk should be recorded in Column R
- Step 13 Any further comments, next steps or notes relating to the risk or its mitigations should be set out in the "Further Comments" column (Column S).

Reliances and Limitations

This risk register template is a tool for the Fund to use to monitor and record risks. It is the responsibility of fund officers to ensure that it is completed regularly, and that the output are shared with the Pensions Committee and Pension Board, and that any updates are made promptly as required.

Figures 1 and 2 below are based on current documentation provided to Hymans Robertson in January 2026. If any of the Fund's risk management policies are updated, then this should also be reflected in the risk register template.

Hymans Robertson have provided the template for completion and upkeep by the Hackney Pension Fund. The contents of the existing risk register as at December 2025 have been used to pre-populate the template. The responsibility for ensuring these risks are current, and updated lies with the Hackney Pension Fund

Figure 1 - Risk Likelihood

Size of Risk – Likelihood [B]	
Descriptor	Likelihood
1 Rare	<6% likely to happen
2 Unlikely	6% - 20% likely to happen
3 Possible	21% - 50% likely to happen
4 Likely	51% - 80% likely to happen
5 Almost certain	>80% likely to happen

Figure 2 - Risk impact

	Impact descriptors [A]	Possible consequences	Examples*
1	Insignificant Issues arising can be managed without affecting objectives or opportunities	- Objectives or opportunities still achievable within original parameters	- Dates or actions have to be rearranged due to various factors but can still be managed within the original timescale and budget
2	Minor Objectives or opportunities may not be realised but are those that are unlikely to have a permanent or significant effect on the Council's reputation or performance	- Financial impact can be absorbed without significant impact [e.g. £100-500k or pro-rata to budget] - No breach of regulation or standing order - Minor adverse publicity	- Council sued successfully for wrongful dismissal - Member of staff has a work related injury e.g. slips
3	Moderate Objectives or opportunities may not be realised and may have a moderate but significant impact on the Council but can be managed without major impact in the medium term	- Financial impact will require Budgetary review in any year [e.g. £500k-£1m or pro-rata to budget] - Moderate breach of regulation or standing order - Local adverse publicity of Subject area	- Major Project is late or overspent - Contractual staff or member of staff injured due to Council negligence - Loss of a medium sized contract or partnership
4	Major Objectives or opportunities may not be realised and are those that will have a significant impact on the Council and will require additional resources or major effort to manage and resolve to avoid major impact in the medium term	- Financial impact will require Budgetary review in any year and additional resources [e.g. £1m – £5m or pro-rata to budget] - Major savings programme required to break-even in the medium term - Significant breach of regulation or standing order - Negative headlines in the national press	- Loss of a major contract or partnership - Serious injury or death to one or more members of staff, contractors or public - Deliberate action resulting in major impact e.g. on health issues - Major recruitment problems – may have the potential to escalate to very serious
5	Catastrophic Objectives or opportunities will not be realised with a significant effect that will require major effort to manage and resolve in the medium term which if not resolved in the medium term will threaten the existence of the Council in its present form e.g. London-wide re-structuring	- Financial impact (or loss of potential financial surplus) over one or more years [e.g. over £5m] - Substantial breach of regulations or standing orders - Sustained negative headlines in the national press - Major negative sanction or intervention by central government - Closure of major part of service	- Council financial systems fail completely and cannot be recovered - Major accident due to Council negligence - Significant numbers of serious injuries or death of members of staff, contractors or public - Major fire that prevents a substantial part of the Council delivering services - Event or circumstance that prevents access to significant number of council premises (e.g. siege/cordon) - Sustained failure to recruit staff

This page is intentionally left blank

June 2026

Risk No.	Description of Risk	Cause of risk	Impact if this risk occurs	Strategic objective(s) linked to	Current Impact	Current Likelihood	Risk Score	Target Impact	Target Likelihood	Target Date	Internal controls/mitigations for risk	Date for completion of action	Risk Manager	Further comments
1	Recruitment and Retention - insufficient experienced staff both within the Fund and within the third party administrator, as well as ensuring staffing levels remain appropriate.	1. Natural turnover of staff 2. Neighbouring funds paying more or revising their pay structure 3. Lack of training for staff or qualified trainers with sufficient time to spend on training	Lack of knowledge within those charged with Fund management leading to failure to make appropriate decisions Potential to impact on member and stakeholder experience. Insufficient levels of staff will lead to service delivery standards dropping and the potential for backlogs to build.	G1-G8	Moderate	Likely	12	Moderate	Unlikely	1/3/2027	1 - Salaries benchmarked, supplements paid where appropriate 2 - Internal Controls as required by GCOP 3 - Staff able to cover other roles where possible 4 - Increase reliance on advisors in short term where required 5 - Implementation of good governance recommendations, particularly around knowledge assessment and the Fund's training strategy. 6 - Develop a succession planning approach 7 - Further development of training programme - increase focus on mid level staff 8 - ensure all vacancies are filled as soon as possible	Ongoing monitoring	Lucy Patchell/ Miriam Adams	
2	Knowledge and Skills - insufficient knowledge and skills amongst those charged with Fund Management (including Committee, Board members and officers)	1. Pace of change of LGPS Regulations 2. upcoming elections 3. The amount of training required, and having sufficient time to complete this in advance of meetings 4. Lack of engagement with training/low attendance 5. Non compliance to 2026 LGPS Statutory Guidance	Potential to make inappropriate decisions (impacted by continuity of members and officers)	G1-G8	Major	Likely	16	Major	Possible	1/9/2027	1 - Improvements being made to both induction and ongoing training 2 - Regular review of training offered and its effectiveness 3 - Knowledge and Skills Policy/training plan in place 4 - Training needs analysis carried out periodically 5 - Ensure training requirements contained in 2026 regulations and 2026 statutory guidance are implemented 6. Mandatory induction training for new Committee, substitutes and Board members 7. Members to have access to LOLA online training portal	Ongoing monitoring	Miriam Adams	
3	Conflicts of interest - actual conflicts of interest permitted to materialise	1. Conflicts between the AA and the Fund not being appropriately managed 2. Personal conflicts of Committee and Board members not being disclosed and managed 3. Political conflicts - Personal conflicts of Committee influencing decision making	Failure to adequately monitor and disclose conflicts of interest results in potential conflicts not being managed	G2, G3, G4	Major	Likely	16	Major	Possible	1/6/2027	1 - Conflicts of interest policy and register maintained 2 - Standing item requesting disclosure at all Committee/Board meetings 3 - Annual update to declarations required 4 - Further training for committee and board members 5 - Broaden register of conflicts 6 - Consider management of advisor conflicts 7 - Update Conflicts of Interest Policy and review conflicts around the London CIV 8. Broaden Conflict of Interest questionnaire	Ongoing monitoring	Miriam Adams	
4	Fraud - financial loss resulting from actions of employee or third party	Improper conduct by employees or third parties	Potential loss of Funds through fraud. Sanctions from the Regulator or other oversight bodies Reputational damage	G1, G4, G6, G8	Moderate	unlikely	6	Moderate	Unlikely	1/5/2026	1 - Segregation of duties for key roles 2 - Regular scrutiny from internal audit 3 - Annual external audit of the Pension Fund 4 - Regular review of third parties' internal controls 5 - Reconciliations reviewed and signed off 6. Identification of reconciliations which cover all areas of work		Morgan Williams/Miriam Adams	
5	Data Protection - failure to adequately protect data	1. Unsafe transfer of files 2. Human error 3. system errors 4. Malicious act by hackers	Non-compliance with the GDPR results in potential financial or personal impact on members Potential sanctions from the ICO	G8	Moderate	Possible	9	Moderate	Unlikely	1/3/2027	1 - Compliance with the Council's ICT policy 2 - Use of encrypted email and/or TLS links for sensitive data 3 - Use of confidential waste disposal 4 - Use of secure courier to transmit sensitive hard copy files 5 - Appropriate access control measures 6 - Redaction of personal information where required 7 - Tailored training to be provided to Pensions team staff, Pensions Committee and Pension Board Members Contracts with third party suppliers acting as joint data processors must ensure that: a) - Third parties are GDPR compliant b) - Secure methods of transfer for sensitive data transmission/storage built into contract c) - Appropriate risk sharing between the Council and the third party supplier is in place. 8 - Ensure other cyber strategy elements are delivered		Lucy Patchell / Miriam Adams	
6	Failure of external systems	Reliance on third party systems for delivering the Fund's functions, and having limited control of these.	Potential impact on accessibility of Fund's assets, systems or data Insufficient security controls and heavy reliance on Host Authority and external systems including Cedar (accounting), NI (Outsidian), Lloyds Link, and LTPA LTPA system could result in a) failure to take appropriate action in the event of system failure and b)insufficient protection against cybercrime	G8	Major	Possible	12	Major	Unlikely	1/3/2027	1 - All teams complete a Business Impact Analysis to assess timescales/impact of system failure etc. 2 - The Pension Investments and Pensions Administration Business Continuity Plans detail actions to take in the event of system failure 3 - Assurances of system security from third parties 4 - Internal Council controls and firewalls 5 - Internal training on cybercrime risk 6 - Understand Council's approach to cybercrime prevention 7 - Receive written assurances from all suppliers re: management of cybercrime 8 - Implement pension fund cybercrime strategy requirements (MA) 9 - Update business continuity report 10 - Annual review of LPPA systems and controls		Lucy Patchell / Miriam Adams	
7	Business continuity failure	Business Continuity Plan failing to deliver as expected or a wider issue preventing the plan from working, such as complete power failure.	Fund or third parties unable to carry out business as usual	G6, G8	Moderate	unlikely	6	low	Unlikely	1/9/2026	1 - Business continuity plans in place 2 - Ability to homework 3 - Reassurances from third parties on their business continuity measures		Miriam Adams	
8	External factors including regulatory changes impact the governance of the Fund (e.g. changes introduced by TPR, Fit for the Future recommendations, SAB Good Governance review), LGPS 2026 regulations and Statutory guidance	Continuation of the frequent changes in Regulation or oversight, including backdating of benefit changes.	Fund or third parties unable to implement the changes in a timely manner resulting in poor practices and governance. Fund unable to recruit Independent Person and Senior LGPS Officer within statutory deadline of 31 December 2026	G6	Moderate	Possible	9	Moderate	Possible	31/12/2026	1 - Advice and guidance from professional advisors 2 - Attendance at regular LGPS national events/groups 3 - Implement Fit for Future consultation response 4 - Review Conflict of Interest Policy 5 - Committee member training	30/3/2026	Morgan Williams/Lucy Patchell / Miriam Adams	

9	Incorrect advice/guidance received from asset pool and third parties	1. Advisors not being fully qualified to provide advice, or having poor quality control/peer review processes in place 2. Poor advice given.	The Fund relies on external advisors in many areas so could be at risk if incorrect or no advice/guidance is provided.	G1 - G6	Moderate	Highly unlikely	3	Moderate	Highly unlikely	1/3/2027	1 - Relending exercises to ensure that contracts remain appropriate and that the advisors are appropriately qualified and experienced 2 - Regular meetings with external advisors discussing current pensions landscape 3 - Ensure proper scrutiny of procurement responses and appointment of adviser 4 - Appointments panel for appointment of advisers to include experienced and diverse officers and Members 5 - Ensure contracts are all up to date and signed and contain appropriate indemnity clauses	Miriam Adams	30/03/2026
10	Cybercrime attack	1. Targeted attack on Fund 2. Having poor controls in place 3. Lack of sufficient training	The Fund's assets or data become compromised	G8	Major	Likely	16	Major	Possible	1/12/2026	1 - Cyber security policy in place 2 - Cyber training as part of Committee and Board member induction 3 - Regular cyber assessments of key Fund suppliers 4 - Periodic social engineering exercises to test the Fund's internal response plans	Miriam Adams	
11	Material breaches requiring reporting to the Pensions Regulator	1. Lack of appropriate mitigation measures 2. Failure to escalate potential breach quickly enough before occurrence	Reputational damage, loss of confidence from stakeholders and potential requirement to put in place improvement plans	G5, G6	Major	Possible	12	Major	Possible	1/6/2026	1 - Breaches reporting in place and taken to each Committee and Board meeting 2 - Breaches training as part of Committee and Board member induction 3 - Ensuring the Breaches Policy is updated and published 4 - ensuring that officers are fully trained and aware of the Breaches Policy and reporting requirements 5 - Having professional advisers in place will help mitigate the risk of breaches occurring 6 - Factoring processes into the business planning exercise will mitigate the risk of breaches arising from missed deadlines 7 - Maintain breaches register 8 - Consider breaches register with administrator monthly 9 - Present Breaches Register at Pensions Board	Lucy Patchell / Morgan Williams / Miriam Adams	
12	Failure to carry out Senior Officer appointment	The Fund will have 6 months from the implementation of new Regulations to appoint a senior officer. Preparations will need to be made around preparing a role profile, ensuring the constitution is updated appropriately, and stakeholders are aware of the responsibilities attached to the role - ahead of the appointment. There is still some uncertainty about the specifics of the role, and the seniority within the current Council structure. There is also a risk of not being able to attract or retain appropriate candidates, if the salary offered is not at the correct level.	Reputational damage loss of confidence from stakeholders potential intervention and action taken by the Regulator.				#N/A			31/12/202	1 - Creating a role profile for the senior officer position, and start process for amending the Constitution, ahead of it coming into force. 2 - Develop the role profile 3 - Assessing whether there are potential internal candidates at the required level, or if role would need to be advertised externally. 4 - Initiate discussions with relevant groups in the Council to create the role and have it assessed for salary and ensure clarity of roles and responsibilities etc. 5 - Schedule training for the Committee, Board and officer group to ensure clarity is provided for this role, ahead of it coming into force. 6 - Appoint to the role as quickly as possible, and certainly by the end of the 6-month period - likely to be end September 2026. 7 - Investigate discussions within the Council to embed the role within the current structure.		
13	Failure to appoint Independent Person	The Fund will have 6 months from the implementation of new Regulations to appoint an independent advisor to the Committee. Preparations will need to be made around preparing a role profile, advertising for the role, interviewing prospective candidates and stakeholders are aware of the responsibilities attached to the role -	Reputational damage loss of confidence from stakeholders potential intervention and action taken by the Regulator.				#N/A			1/9/2026	1 - Begin the process of updating the Constitution to allow for this role on the Committee 2 - Create a role profile for the independent advisor ahead of it coming into force 3 - Schedule training for the Committee, Board and officer group to ensure clarity is provided for this role, ahead of it coming into force. 4 - Appoint to role by the end of the 6-month period - likely to be end August 2026.	Miriam Adams	31/05/2026
14	New Governance regulations	New regulations are imminent as set out in Guidance issued in December 2025 and 2026 LGPS Regulations.	Failure to comply with legislation leading to reputational damage, loss of confidence from stakeholders and potential intervention from the Regulator and increased scrutiny of the Fund's governance arrangements. As the ultimate sanction the Hackney fund could be merged with another by government				#N/A			25/2/2026	1 - Ensure officers are aware of new proposed regulations and the associated timescales 2 - Provide training for Committee and Board members on what is covered by these regulations, and their impact. 3 - Ensure workplan for delivery of requirements	Miriam Adams	
15	Implementing a new Training Strategy and ensuring induction training is completed within 3 months of new joiners beginning their role. This should also detail how training needs will be assessed annually.	As part of the Fit for the Future Guidance, funds must have in place a training strategy. This strategy should cover the training requirements for all Fund stakeholders including Committee members, Board members and officers. There is also a requirement for all new Committee and Board members to complete sufficient training ahead of either their first meeting, or within 3 months of starting the role - whichever comes sooner.	Lack of a coordinated training strategy. Failure to comply with legislation leading to reputational damage, loss of confidence from stakeholders and potential intervention from the Regulator and increased scrutiny of the Fund's governance arrangements. It may also prevent new Members attending their first meeting.							1/9/2026	1. Maintaining training records regularly 2. Developing an induction and training plan which applies to all new joiners in their first 3 months 3. Creating a new training strategy policy document and reviewing this annually 4. Conducting training for Committee and Board members as well as officers, to ensure the new requirements, including recording training, are fully understood 5. planning to do an annual knowledge assessment	Miriam Adams	28/05/2026
16	Material breaches arising from party manifestor taking precedence over fiduciary duty and LGPS regulations, legal guidance and guidance	1. Lack of appropriate mitigation measures 2. Failure to escalate potential breach quickly enough before occurrence	Reputational damage, loss of confidence from stakeholders and potential requirement to put in place governance improvement plans.		Major	Possible	12	Major	Possible	Monitoring	1 - Regulatory training training as part of Committee and Board member induction 2 - Ensuring the Breaches Policy is updated and published 3 - Having professional advisers in place will help mitigate the risk of breaches occurring 4. Inform Monitoring Officer of breaches	Miriam Adams	28/5/2026

	Current	Current	Risk	Current	Current		Impact	Risk/Board
Governance Risks	Likely	Moderate	1	3.5	2.5	Insignificant	Highly unlikely	1
	Likely	Major	2	3.5	3.5	low	unlikely	2
	Likely	Major	3	3.5	3.5	Moderate	Possible	3
	unlikely	Moderate	4	1.5	2.5	Major	Likely	4
	Possible	Moderate	5	2.5	2.5	Catastroph	Highly Likely	5
	Possible	Major	6	2.5	3.5			

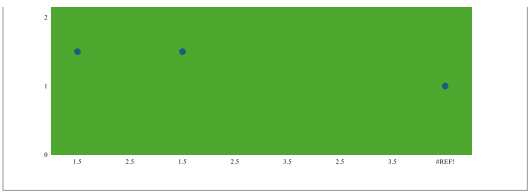
This page is intentionally left blank

Risk No.	Description of Risk	Cause of risk	Impact if this risk occurs	Strategic objective(s) linked to	Current Impact	Current Likelihood	Risk Score	Target Impact	Target Likelihood	Target Date	Internal controls/mitigations for risk	Date for completion of action	Risk Manager	Further comments
1	Funding experience - current employer contributions are insufficient to meet the cost of benefits	Assumptions made as part of the valuation are not borne out in practice. Investment returns do not meet expected levels of return, increasing reliance on employer contributions. 2025 triennial valuation discount rate - 6.3% while expected return 4.4%.	If growth rate of liabilities outstrips assets the risk is that contributions being paid will be insufficient	F1 - F5	low	unlikely	1	low	unlikely	1/3/2027	1 - Asset liability modelling shows low likelihood of not meeting objectives, even with increased prudence at the 2025 valuation. 2 - Assessment of liabilities at the triennial valuation and the roll-forward of liabilities between valuations 3 - Contribution rates assessed by actuary as having a low likelihood of not meeting objectives 4 - Actuary sets evidence-based assumptions using analysis of experience 5 - periodic monitoring of the funding level and investment strategy.	30/06/2028	Miriam Adams	
2	External Factor/Regulatory Risk	Current geopolitical uncertainty leading to market movements which impact the value of liabilities. Ongoing legislative changes which lead to changes in benefits for certain groups of members.	The risk that external (e.g. geopolitical) factors or the introduction of new regulations requires major changes to the operation of the Fund (e.g. McCloud, cost cap).	F1, I1, I6	Major	Possible	12	Major	Unlikely	10/6/2026	1 - Asset liability modelling to ensure the Fund's Investment Strategy helps the Fund meet its objectives under a range of economic conditions 2 - Horizon scanning to ensure awareness of potential future risks and prepare 3 - Monitoring and analysis of impact, taking advice from advisors where appropriate 4 - Adding items to business plan when appropriate 5 - Ensure business plan kept up to date 6 - Regular market updates from Hymans Robertson and LCV.	10/06/2026	Miriam Adams	
3	Employer Covenant/Affordability risks	Employers in the Fund all have different circumstances, captured by the risk based funding approach. However, specific employer circumstances can change quickly and may not be communicated to the Fund.	Employer Covenant and Affordability risks include: Employer default Rapidly increasing employer contribution rates Ability of employer to pay Substantial deficit or credit on termination	F4, F5	low	unlikely	4	Minor	Unlikely	31/3/2027	1 - Valuation and inter-valuation monitoring of employers near cessation (funding position and contract situation) 2 - Monitoring of payment of contributions 3 - Employer covenant checks with use of bonds/guarantees where necessary 4 - Employer engagement 5 - Annual review of (low) contribution rates set for	31/03/2028	Morgan Williams	
4	Cashflow	Income to the fund is exceeded by benefit outgoings, leaving a shortfall of cash available to cover monthly benefit payments which can not be covered by operational cash holdings. There is a risk that the Fund would become a forced seller of assets.	Employer contributions are insufficient to meet the cost of benefits in the short term	F1, F3	Moderate	Possible	9	Moderate	Unlikely	1/6/2026	1 - Ensure sufficient liquid assets are available if needed 2 - Contribution rates assessed by actuary as having a low likelihood of not meeting objectives 3 - Actuary sets evidence-based assumptions using analysis of experience 4 - Annual monitoring of projected new cashflow position to reflect recent experience 5 - Fund has processes in place to monitor and	30/06/2027	Morgan Williams / Miriam Adams	
5	Increase in inflation	Market volatility, macro-economic factors and political uncertainty.	Prolonged high inflation erodes asset value causing cashflow issues and affects employer affordability.	F1, I1, I6	Major	Likely	11	Moderate	Possible	1/6/2026	1 - planning within funding assumptions 2 - ensuring high level of inflation-sensitive assets held 3 - inflation hedging 4 - robust treasury management policy 5 - recent review of investment strategy	10/06/2028		
6	Funding experience - large surpluses emerge due to combination of fund experience and employer contributions	Positive funding experience such as (but not limited to) stronger than expected investment returns, lower than expected salary increases and demographic experience, such as more deaths than expected.	Change in economic environment has led to the emergence of large surpluses at the 2025 valuation. If situation persists, and surpluses grow, lead to pressure to significantly cut contribution rates at future (2028) valuations (which will exacerbate cashflow risks and increase the likelihood of future rate increases)	F1 - F5	Moderate	Possible	9	Moderate	Possible	1/12/2027	1 - Review of prudence in actuarial assumptions each triennial valuation - led to increase in prudence at the 2025 valuation 2 - Sustainable reductions to contribution rates applied at the 2025 valuation to reflect existence of surpluses 3 - Actuary sets evidence-based assumptions using analysis of experience 4 - Application of contribution stability mechanism (Academies) and contribution floors (T&Bs) at the 2025 valuation to ensure steady distribution of current surplus to employers.	31/03/2028	Morgan Williams / Miriam Adams	
7	Climate change and Environmental Risks	Transitional and physical risks associated with climate change. Impact of climate change on the market value of the Fund's assets. Impact of climate change on longevity of the Fund's members. Changes in reporting requirements or new environmental legislation or research.	Climate change and environmental risks have the potential to have significant impacts on both the Fund's assets and liabilities. This is likely to result in both transitional and physical risks to the Fund, where assets are diminished in value making it more difficult to meet future liabilities		Major	Likely	10	Moderate	Possible	1/9/2026	1 - Understand, measure and monitor potential risks to the portfolio 2 - Understand, measure and monitor potential impact on liabilities 3 - Consider climate and environmental investment opportunities for the Fund 4 - Tilt portfolio to assets that are better able to support climate transition and less exposed to physical risks 5. Prepare TCFD 6 - Annual TCFD reporting to monitor the Fund's exposure to climate change 7 - Consideration of climate issues in Strategic Asset Allocation review.	30/09/2026	Miriam Adams	

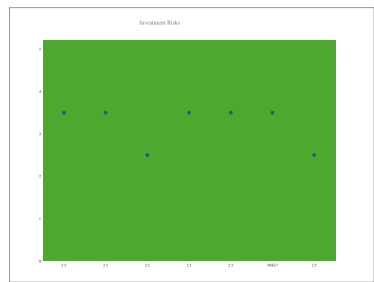


Current	Risk	Current	Current
low	1	1.5	1.5
Major	2	2.5	3.5
low	3	1.5	1.5
Moderate	4	2.5	2.5
Major	5	3.5	3.5
Moderate	6	2.5	2.5
Major	7	3.5	3.5
#REF!	#REF!	#REF!	1
#REF!	#REF!	#REF!	#REF!
#REF!	#REF!	#REF!	#REF!
#REF!	#REF!	#REF!	#REF!
#REF!	#REF!	#REF!	#REF!

Impact	likelihood
Insignificant	Highly unli
Major	unlikely
Moderate	Possible
Major	Likely
Catastroph	Highly Lik



No.	Description of risk	Cause of risk	Impact if the risk occurs	Strategic objective affected	Current Impact	Current Likelihood	Risk Score	Target Impact	Target Likelihood	Target Date	Internal controls/mitigations for risk	Further Action and who has responsibility	Date for completion of action	Risk Manager	Further comments
1	Strategy risk - Failure to meet objectives through poor asset performance	Poor strategy advice, holding investment risk at adverse times across the London CIV and they build up reserves for clients. Changes not adequately understood or understood by the Fund's Manager Underperformance	Asset risks include the following: Concentration - over allocation to a single asset class or manager. Liquidity - insufficient liquid assets. Currency risk - underperformance of asset classes. Manager Underperformance	Investment	Major	Possible	3	Major	Possible	31/2020	1 - Investment in a diversified range of asset classes 2 - Regular cash flow monitoring 3 - Currency hedging policy 4 - ESG and climate risk policy in place 5 - Multiple managers & performance monitoring	1 - Ongoing monitoring 2 - Review of Investment Strategy Statement to ensure Fund objectives are clear and transparent for London CIV to ensure capture latest regulations and guidance and the Fund to monitor performance against those objectives	Ongoing	Mark Adams	
2	Implementation - Asset pool risk - Implement the Fund's strategy to manage the assets allocated to it in line with the Fund's objectives and achieving objectives	Poor implementation by London CIV of the Fund's investment strategy objectives given that assets are not being managed in line with the Fund's objectives and achieving objectives	Investment risk - uncorrelated/positive correlation to the market. Liquidity risk - being unable to raise funds. Currency risk - being unable to raise funds. Manager Underperformance	Investment	Major	Possible	3	Major	Possible	15/2021	1 - Regular scrutiny of providers 2 - Monitoring and management may be delegated to investment managers in certain situations e.g. liquidity 3 - Seek appropriate advice including external to the fund where necessary (e.g. during significant market movements) 4 - Monitor proposed changes, communications and business from Government on the pending agenda, responding where appropriate to relevant outcomes. Asset process where required to ensure compliance 5 - Monitor general regulatory developments to ensure that the Fund is aware of developments in the post fund and the post is aware of and reports to the Fund's strategy requirements 6 - Planning for transition considered as part of investment strategy development to ensure assets are transferred effectively post when the required infrastructure 7 - Finance Committee Chair and S151 officer members of Shareholder Committee of London CIV 8 - Ongoing monitoring with London CIV to understand source of RISK	1 - Transition planning for upcoming legislative 2 - Management of relationships with Northern Trust as facilitator review to Business As Usual 3 - Monitor LCC aware of facility covenant processes and objectives to understand timing requirements 4 - Ongoing monitoring will take place.	Ongoing	Mark Adams	
3	Factor to carry out Engagement	Not all assets being in the Fund and the Fund is not in compliance with the requirements of the regulations, i.e. meeting LCC, etc.	The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives. The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives. The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives.	Investment	Medium	Possible	3	Medium	Possible	09/2020	1 - Bi-Party quarterly meetings to consider stewardship and regulatory updates 2 - Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 3 - Reporting to the Shareholder Code 4 - Regular review of voting and engagement reporting 5 - Regular review of FT related policies 6 - Regular monitoring of active member survey themes	1 - Annual Stewardship Report 2 - Review of Investment Strategy Code 2020 requirements and work towards the Shareholder Code for the 2021 3 - Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 4 - Regular review of voting and engagement reporting 5 - Regular review of FT related policies 6 - Regular monitoring of active member survey themes	Ongoing	Mark Adams	
4	Regulatory Risk - Given the scale of change being made there is a risk that the Fund is not compliant with the requirements of the regulations, i.e. meeting LCC, etc.	Failure to update in full the requirements, see above to the regulations being issued making a complete and long term actual requirements	The Fund would be subject to additional regulatory risk - compliance with the regulations being issued making a complete and long term actual requirements	Investment	Major	Possible	3	Medium	Unlikely	10/2020	1 - Training for Committee and officers alongside active monitoring and regulatory updates 2 - Use of external providers including legal, investment and governance to support with advice, workshops and monitoring progress 3 - Collaborative across LGPS funds and working with the Trust to understand and respond to regulatory changes	Investment Strategy Statement prepared in the full regulations and regulatory risk they need to change depending on that risk and guidance.	09/20	Mark Adams	Updated regulations and guidance published by May 2020
5	Strategy risk - Failure to meet objectives through poor asset performance	Poor strategy advice, holding investment risk at adverse times across the London CIV and they build up reserves for clients. Changes not adequately understood or understood by the Fund's Manager Underperformance	Asset risks include the following: Concentration - over allocation to a single asset class or manager. Liquidity - insufficient liquid assets. Currency risk - underperformance of asset classes. Manager Underperformance	Investment	Major	Possible	3	Major	Possible	31/2020	1 - Investment in a diversified range of asset classes 2 - Regular cash flow monitoring 3 - Currency hedging policy 4 - ESG and climate risk policy in place 5 - Multiple managers & performance monitoring	1 - Ongoing monitoring 2 - Review of Investment Strategy Statement to ensure Fund objectives are clear and transparent for London CIV to ensure capture latest regulations and guidance and the Fund to monitor performance against those objectives	Ongoing	Mark Adams	
6	Implementation - Asset pool risk - Implement the Fund's strategy to manage the assets allocated to it in line with the Fund's objectives and achieving objectives	Poor implementation by London CIV of the Fund's investment strategy objectives given that assets are not being managed in line with the Fund's objectives and achieving objectives	Investment risk - uncorrelated/positive correlation to the market. Liquidity risk - being unable to raise funds. Currency risk - being unable to raise funds. Manager Underperformance	Investment	Major	Possible	3	Major	Possible	15/2021	1 - Regular scrutiny of providers 2 - Monitoring and management may be delegated to investment managers in certain situations e.g. liquidity 3 - Seek appropriate advice including external to the fund where necessary (e.g. during significant market movements) 4 - Monitor proposed changes, communications and business from Government on the pending agenda, responding where appropriate to relevant outcomes. Asset process where required to ensure compliance 5 - Monitor general regulatory developments to ensure that the Fund is aware of developments in the post fund and the post is aware of and reports to the Fund's strategy requirements 6 - Planning for transition considered as part of investment strategy development to ensure assets are transferred effectively post when the required infrastructure 7 - Finance Committee Chair and S151 officer members of Shareholder Committee of London CIV 8 - Ongoing monitoring with London CIV to understand source of RISK	1 - Transition planning for upcoming legislative 2 - Management of relationships with Northern Trust as facilitator review to Business As Usual 3 - Monitor LCC aware of facility covenant processes and objectives to understand timing requirements 4 - Ongoing monitoring will take place.	Ongoing	Mark Adams	
7	Factor to carry out Engagement	Not all assets being in the Fund and the Fund is not in compliance with the requirements of the regulations, i.e. meeting LCC, etc.	The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives. The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives. The Fund is now a signatory of the Shareholder Code and since high importance to the Fund's objectives and achieving objectives.	Investment	Medium	Possible	3	Medium	Possible	09/2020	1 - Bi-Party quarterly meetings to consider stewardship and regulatory updates 2 - Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 3 - Reporting to the Shareholder Code 4 - Regular review of voting and engagement reporting 5 - Regular review of FT related policies 6 - Regular monitoring of active member survey themes	1 - Annual Stewardship Report 2 - Review of Investment Strategy Code 2020 requirements and work towards the Shareholder Code for the 2021 3 - Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 4 - Regular review of voting and engagement reporting 5 - Regular review of FT related policies 6 - Regular monitoring of active member survey themes	Ongoing	Mark Adams	
8	Regulatory Risk - Given the scale of change being made there is a risk that the Fund is not compliant with the requirements of the regulations, i.e. meeting LCC, etc.	Failure to update in full the requirements, see above to the regulations being issued making a complete and long term actual requirements	The Fund would be subject to additional regulatory risk - compliance with the regulations being issued making a complete and long term actual requirements	Investment	Major	Possible	3	Medium	Unlikely	10/2020	1 - Training for Committee and officers alongside active monitoring and regulatory updates 2 - Use of external providers including legal, investment and governance to support with advice, workshops and monitoring progress 3 - Collaborative across LGPS funds and working with the Trust to understand and respond to regulatory changes	Investment Strategy Statement prepared in the full regulations and regulatory risk they need to change depending on that risk and guidance.	09/20	Mark Adams	Updated regulations and guidance published by May 2020

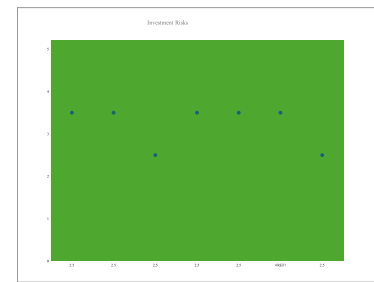


Impact: 1 - Negligible
2 - Low
3 - Moderate
4 - Major
5 - Catastrophic/Life

Likelihood: 1 - Negligible
2 - Low
3 - Moderate
4 - Major
5 - Catastrophic/Life

This page is intentionally left blank

No.	Description of risk	Cause of risk	Impact if the risk occurs	Strategic objective affected	Current Impact	Current Likelihood	Risk Score	Target Impact	Target Likelihood	Target Date	Internal controls/mitigations for risk	Further Action and who has responsibility	Date for completion of action	Risk Manager	Further comments
1	Strategy risk - Failure to meet objectives through poor asset performance	Our strategy advice, including investment risk advice, is not being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	Asset risks include the following: Concentration - over allocation to a single asset class or manager; Liquidity - insufficient liquid assets; Counterparty - underperformance of asset owners; Manager Underperformance	Strategic objective 1	Major	Possible	3	Minor	Possible	31/12/2026	1. Investment in a diversified range of asset classes 2. Regular cash flow monitoring 3. Currency hedging policy 4. ESG and climate risk policy in place 5. Multiple managers & performance monitoring	1. Ongoing monitoring 2. Review of Investment Strategy Statement to ensure Fund objectives are clear and transparent for London CIV to ensure liquid regulations and guidance and the Fund to monitor performance against those objectives	Ongoing	Mark Adams	
2	Implementation - Asset pool risk - Failure to implement the Fund's strategy to manage the assets transferred to the Fund through which the Fund is achieving objectives	Our implementation to London CIV of the Fund's investment strategy objectives is not being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	Asset risks include the following: Concentration - over allocation to a single asset class or manager; Liquidity - insufficient liquid assets; Counterparty - underperformance of asset owners; Manager Underperformance	Strategic objective 1	Major	Possible	3	Minor	Possible	1/1/2027	1. Regular activity of providers 2. Monitoring and management may be delegated to investment managers in certain situations e.g. liquidity 3. Seek appropriate advice including external to the fund where necessary (e.g. during significant market movements) 4. Monitor proposed changes, consultations and responses from Government on the pending agenda, responding where appropriate to relevant outcomes. Asset process where required to ensure compliance 5. Monitor ongoing developments to ensure that the Fund is not aware of developments in the asset base and the pool is aware of and reports to the Fund's strategy requirements 6. Planning for transition considered as part of investment strategy development to ensure asset and investment activity can move into the required infrastructure 7. Finance Committee Chair and S115 officer members of Shareholder Committee of London CIV 8. Ongoing engagement of London CIV 9. Ongoing engagement with London CIV to understand sources of RISK	1. Transition planning for upcoming legislative 2. Management of relationships with Northern Trust as facilitator review to Business As Usual 3. Annual LCV review of facility investment process and objectives to understand timing requirements 4. Ongoing monitoring will take place.	Ongoing	Mark Adams	
3	Factor to carry out Engagement	Not all assets meeting to the Fund's strategy objectives are being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	The Fund is now a signatory of the Shareholder Code and other high standards to ensure transparency and engagement with investors. The Fund is also a signatory of the Financial Reporting Council for the Shareholder Code and the Financial Reporting Council for the Shareholder Code. The Fund is also a signatory of the Financial Reporting Council for the Shareholder Code.	Strategic objective 1	Medium	Possible	3	Minor	Possible	1/1/2026	1. Bi-annual quarterly meetings to consider stewardship and engagement issues and to consider oversight of asset owners 2. Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 3. Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 4. Regular review of voting and engagement reporting 5. Regular review of ESG related policies 6. Regular monitoring of active member survey themes	1. Annual Stewardship Report 2. Review of Investment Strategy Code 2026 requirements and work with the Financial Reporting Council for the 2026 Stewardship Code submission 3. Actions arising from the active member survey	Ongoing	Mark Adams	
4	Regulatory risk - Given the scale of changes being made, there is a risk that the Fund is not compliant with all regulatory requirements, i.e. regulatory, etc. etc.	Failure to update in full the regulatory requirements being issued making a complete and long term actual requirements	The Fund would be subject to additional regulatory requirements and guidance with the latest regulatory and guidance	Strategic objective 1	Major	Possible	3	Minor	Possible	1/1/2026	1. Training for Committee and officers alongside regulatory requirements and regulatory updates 2. Use of external providers including legal, investment and governance to support with advice, workshops and monitoring progress 3. Collaborative across LGPS funds and working with the Trust to understand and respond to regulatory changes	Investment Strategy Statement prepared in the full regulatory and regulatory requirements they need to change depending on that regulatory and guidance	1/1/2026	Mark Adams	Updated regulatory and guidance completed by May 2026
5	Strategy risk - Failure to meet objectives through poor asset performance	Our strategy advice, including investment risk advice, is not being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	Asset risks include the following: Concentration - over allocation to a single asset class or manager; Liquidity - insufficient liquid assets; Counterparty - underperformance of asset owners; Manager Underperformance	Strategic objective 1	Major	Possible	3	Minor	Possible	31/12/2026	1. Investment in a diversified range of asset classes 2. Regular cash flow monitoring 3. Currency hedging policy 4. ESG and climate risk policy in place 5. Multiple managers & performance monitoring	1. Ongoing monitoring 2. Review of Investment Strategy Statement to ensure Fund objectives are clear and transparent for London CIV to ensure liquid regulations and guidance and the Fund to monitor performance against those objectives	Ongoing	Mark Adams	
6	Implementation - Asset pool risk - Failure to implement the Fund's strategy to manage the assets transferred to the Fund through which the Fund is achieving objectives	Our implementation to London CIV of the Fund's investment strategy objectives is not being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	Asset risks include the following: Concentration - over allocation to a single asset class or manager; Liquidity - insufficient liquid assets; Counterparty - underperformance of asset owners; Manager Underperformance	Strategic objective 1	Major	Possible	3	Minor	Possible	1/1/2027	1. Regular activity of providers 2. Monitoring and management may be delegated to investment managers in certain situations e.g. liquidity 3. Seek appropriate advice including external to the fund where necessary (e.g. during significant market movements) 4. Monitor proposed changes, consultations and responses from Government on the pending agenda, responding where appropriate to relevant outcomes. Asset process where required to ensure compliance 5. Monitor ongoing developments to ensure that the Fund is not aware of developments in the asset base and the pool is aware of and reports to the Fund's strategy requirements 6. Planning for transition considered as part of investment strategy development to ensure asset and investment activity can move into the required infrastructure 7. Finance Committee Chair and S115 officer members of Shareholder Committee of London CIV 8. Ongoing engagement of London CIV 9. Ongoing engagement with London CIV to understand sources of RISK	1. Transition planning for upcoming legislative 2. Management of relationships with Northern Trust as facilitator review to Business As Usual 3. Annual LCV review of facility investment process and objectives to understand timing requirements 4. Ongoing monitoring will take place.	Ongoing	Mark Adams	
7	Factor to carry out Engagement	Not all assets meeting to the Fund's strategy objectives are being followed by the London CIV and they are not adequately monitoring or understanding the Fund's performance	The Fund is now a signatory of the Shareholder Code and other high standards to ensure transparency and engagement with investors. The Fund is also a signatory of the Financial Reporting Council for the Shareholder Code and the Financial Reporting Council for the Shareholder Code. The Fund is also a signatory of the Financial Reporting Council for the Shareholder Code.	Strategic objective 1	Medium	Possible	3	Minor	Possible	1/1/2026	1. Bi-annual quarterly meetings to consider stewardship and engagement issues and to consider oversight of asset owners 2. Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 3. Regular reporting on stewardship activities including the annual submission to the Financial Reporting Council for the Shareholder Code 4. Regular review of voting and engagement reporting 5. Regular review of ESG related policies 6. Regular monitoring of active member survey themes	1. Annual Stewardship Report 2. Review of Investment Strategy Code 2026 requirements and work with the Financial Reporting Council for the 2026 Stewardship Code submission 3. Actions arising from the active member survey	Ongoing	Mark Adams	
8	Regulatory risk - Given the scale of changes being made, there is a risk that the Fund is not compliant with all regulatory requirements, i.e. regulatory, etc. etc.	Failure to update in full the regulatory requirements being issued making a complete and long term actual requirements	The Fund would be subject to additional regulatory requirements and guidance with the latest regulatory and guidance	Strategic objective 1	Major	Possible	3	Minor	Possible	1/1/2026	1. Training for Committee and officers alongside regulatory requirements and regulatory updates 2. Use of external providers including legal, investment and governance to support with advice, workshops and monitoring progress 3. Collaborative across LGPS funds and working with the Trust to understand and respond to regulatory changes	Investment Strategy Statement prepared in the full regulatory and regulatory requirements they need to change depending on that regulatory and guidance	1/1/2026	Mark Adams	Updated regulatory and guidance completed by May 2027



Risk Level	Color
Low	Green
Moderate	Yellow
High	Orange
Extreme	Red

This page is intentionally left blank

London Borough of Hackney Pension Fund

DRAFT

Conflicts of Interest Policy



To be approved 24 June 2026

Conflicts of Interest Policy

Introduction

Regulation 53A of the 2026 LGPS regulations defines a Conflict of Interest Policy as a document setting out the authority's approach to identifying, monitoring and managing actual, potential and perceived conflicts of interest in relation to the scheme.

The Pensions Regulator General Code of Practice which came into force in March 2024, acknowledges that conflict of interest may arise from time to time while running a pension scheme, either among members of the governing body themselves, or with service providers, sponsoring employers, advisers, and others. Conflicts can also arise for members of the governing body who for example, are members of the scheme or who represent trade unions. Conflicts of interest may be either actual conflicts or potential conflicts. Unless otherwise stated, references to 'conflict of interest' include both actual and potential conflicts.

Conflicts of interest have always existed for those with LGPS administering authority responsibilities as well as for advisers to LGPS funds. This simply reflects the fact that many of those managing or advising LGPS funds will have a variety of other roles and responsibilities, for example as a member of the scheme, as an Elected Member of an employer participating in the LGPS or as an adviser to more than one LGPS administering authority. Further any of those persons may have an individual personal, business or other interest which might conflict, or be perceived to conflict, with their role managing or advising LGPS funds.

It is generally accepted that LGPS administering authorities have both fiduciary and public law duties to act in the best interests of both the scheme beneficiaries and participating employers. This, however, does not preclude those involved in the management of the fund from having other roles or responsibilities which may result in an actual or potential conflict of interest. Accordingly, it is good practice to document within a policy, such as this, how any such conflicts or potential conflicts are to be managed.

This is the Conflicts of Interest Policy of the London Borough of Hackney Pension Fund, which is managed by the London Borough of Hackney ("the Council"). The Policy details how actual and potential conflicts of interest and risks are identified and managed by those involved in the management and governance of the London Borough of Hackney Pension Fund whether directly or in an advisory capacity.

This Conflicts of Interest Policy is established to guide the Pensions Committee members, local Pension Board members, officers and advisers. Along with other constitutional documents, including the various Codes of Conduct such as the Pensions Regulator Code of Practice, it aims to ensure that they do not act improperly or create a perception that they may have acted improperly. It is an aid to good governance, encouraging transparency and minimising the risk of any matter prejudicing decision making or management of the Fund otherwise.

Aims and Objectives

In relation to the governance of the Fund, the Administering Authority's objectives are to ensure that:

- all staff and Pensions Committee Members charged with the financial administration and decision-making with regard to the Fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them
- the Fund is open in all its dealings and readily provides information to interested parties

- to aid good governance
- all relevant legislation is understood and complied with
- the Fund is at the forefront of best practice for LGPS funds
- all Conflicts of Interest are managed appropriately
- the risk to the Fund that conflicts of interest crystallise is minimised.

The identification, monitoring and management of potential and actual conflicts of interest is therefore integral to the Administering Authority achieving its governance objectives.

To whom this Policy Applies

This Conflicts of Interest Policy applies to all members and substitute members of the Pensions Committee and the Pension Board, including scheme member and employer representatives, whether voting members or not, members of the Responsible Investment Working Group (RIWG).

It applies to all staff of the London Borough of Hackney Pension Fund Investment and Administration Team, the Chief Finance Officer (Section 151 Officer), the Senior LGPS Officer, Director of Financial Management, Independent Person appointed under regulation 53A of the 2026 regulation and advisers.

This Policy and the issue of conflicts of interest in general must be considered in light of each individual's role, whether this is a management, advisory or assisting role.

The Senior LGPS Officer will monitor all aspects of this Policy including potential conflicts for officers and members and highlight this Policy to them as he or she considers appropriate.

To ensure transparency, where this policy applies to the Senior LGPS Officer, the Group Director, Finance and Corporate Services and s151 Officer will monitor.

This Policy also applies to all advisers, all employees of London CIV and suppliers to the Fund, whether advising the Pension Board, Pensions Committee or Fund officers, in relation to their role in advising or supplying the Fund.

In this Policy, reference to advisers includes all advisers, suppliers, London CIV when providing strategic advice or other support services via LCIV Pensions Advisory Support Services (PASS) and other parties providing advice and services to the Administering Authority in relation to pension fund matters. This includes but is not limited to actuaries, investment consultants, independent advisers, benefits consultants, governance consultants, third party administrators, fund managers, lawyers, custodians, AVC providers and where the LGPS Pools acts as an adviser to the administering authority. Where an advisory appointment is with a firm rather than an individual, reference to "advisers" is to the lead adviser(s) responsible for the delivery of advice and services to the Administering Authority rather than the firm as a whole.

In accepting any role covered by this Policy, those individuals agree that they must:

- acknowledge any potential conflict of interest they may have;
- be open with the Administering Authority on any conflicts of interest they may have;
- adopt practical solutions to managing those conflicts; and
- plan ahead and agree with the Administering Authority how they will manage any conflicts of interest which arise in future.

The procedures outlined later in this Policy provide a framework for each individual to meet

these requirements.

Legislative and related context

There are a number of overriding requirements relating to the management of potential or actual conflicts of interest for those involved in LGPS funds which are included in legislation or guidance. These are considered further below.

The Public Service Pensions Act 2013

Section 5 of this Act requires that the scheme manager (in the case of the LGPS, this is the Administering Authority) must be satisfied that a local pension board member does not have a conflict of interest at the point of appointment and from time to time thereafter. It also requires local pension board members (or nominated members) to provide reasonable information to the scheme manager for this purpose.

The Act defines a conflict of interest as “a financial or other interest which is likely to prejudice the person’s exercise of functions as a member of the board (but does not include a financial or other interest arising merely by virtue of membership of the scheme or any connected scheme).”

Further, the Act requires that scheme managers must have regard to any such guidance that the national scheme advisory board issues (see below).

The Local Government Pension Scheme Regulations 2013

Regulation 108 of these Regulations applies the requirements of the Public Service Pensions Act (as outlined above) to the LGPS, placing a duty on each administering authority to satisfy itself that local pension board members do not have conflicts of interest on appointment or whilst they are members of the board. It also requires those pension board members to provide reasonable information to the administering authority in this regard.

Regulation 109 states that each administering authority must have regard to guidance issued by the Secretary of State in relation to local pension boards. Further, regulation 110 provides that the national scheme advisory board has a function of providing advice to administering authorities and local pension boards.

The Pensions Act 2004

Section 90A of the Pensions Act 2004 requires the Pensions Regulator to issue a code of practice relating governance matters including conflicts of interest for pension board members. The Pensions Regulator has issued a General Code of Practice for occupational pension schemes and this Conflicts of Interest Policy has been developed having regard to that code.

Further, under section 13, the Pensions Regulator can issue an improvement notice (i.e. a notice requiring steps to be taken to rectify a situation) where it is considered that the requirements relating to conflicts of interest for Pension Board members are not being adhered to.

Under section 249B of the Pensions Act 2004, scheme managers of public service pension schemes are required to establish and operate internal controls, which are adequate for the purpose of ensuring that the scheme is administered and managed in accordance with the requirements of the law.

The Local Government Pensions Scheme (Amendment) (Governance) Regulations 2026

Regulation 55 A requires an administering authority to prepare a Conflict of interest Policy. Section 90A of the Pensions Act 2004 requires the Pensions Regulator to issue a code of practice relating governance matters including conflicts of interest for pension board members.

CIPFA Investment Pooling Governance Principles for LGPS Administering Authorities Guidance

The CIPFA governance principles guidance states "the establishment of investment pooling arrangements creates a range of additional roles that committee members, representatives, officers and advisors might have." It includes some examples of how conflicts of interest could arise in these new roles. It highlights the need for Administering Authorities to:

- update their conflicts policies to have regard to asset pooling;
- remind all those involved with the management of the fund of the policy requirements and the potential for conflicts to arise in respect of asset pooling responsibilities; ensure declarations are updated appropriately.

This Conflicts of Interest Policy has been updated to take account of the possibility of conflicts arising in relation to asset pooling in accordance with the CIPFA governance principles guidance.

The Localism Act 2011

Chapter 7 of this Act requires councillors to comply with the code of conduct of their local authority and that code of conduct must be consistent with the Seven Principles of Public Life (considered further below). In addition the Act requires that the code of conduct must include provisions requiring the disclosure and registration of pecuniary interests and interests other than pecuniary interests.

The Seven Principles of Public Life

Otherwise known as the 'Nolan Principles', the seven principles of public life apply to anyone who works as a public office holder. This includes people who are elected or appointed to public office, nationally and locally, and all people appointed to work in:

- the civil service
- local government
- the police
- the courts and probation services
- non-departmental public bodies
- health, education, social and care services

The principles also apply to all those in other sectors that deliver public services.

Many of the principles are integral to the successful implementation of this Policy. The principles are as follows:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Advisers' Professional Standards

Many advisers will be required to meet professional standards relating to the management of conflicts of interest, for example, the Fund Actuary will be bound by the requirements of the Institute and Faculty of Actuaries. Any Protocol or other document entered into between an adviser and the Administering Authority in relation to conflicts of interest, whether as a requirement of a professional body or otherwise, should be read in conjunction with this Policy.

A separate update will be provided in respect of conflict of interests which apply to advice provided by London CIV.

Stewardship Code

Principle 2 of the UK Stewardship Code requires institutional investors to have a robust policy on managing conflicts of interest in relation to stewardship and this policy must be publicly disclosed.

Other Administering Authority Requirements

Pension Fund Committee Members

In addition to the requirements of this Policy, Pensions Committee members and co-opted members (including non-voting co-opted members) are required to adhere to the Hackney Council Members' Code of Conduct which, in Part 2, includes requirements in relation to the disclosure and management of pecuniary and other interests.

Local Pension Board Member

In addition to the requirements of this Policy, Local Pension Board members are required to adhere to Part 7 of the Terms of Reference of the Local Pension Board. This includes the following requirements:

“Part 2 of Hackney Council's Code of Conduct for Members and Co-optees shall apply in relation to the management of conflicts of interest on the Pension Board with the exception of the registration of pecuniary interests and how interests are to be disclosed which are detailed below.

Each member of the Pension Board, or a person proposed to be appointed to the Board, (as well as attendees participating in the meeting) must provide the Director, Financial Management and the Director Legal, Democratic Electoral Services and Monitoring Officer with such information as he or she reasonably requires for the purposes of demonstrating that there is no conflict of interest.

The Director, Financial Management and Director Legal Democratic Electoral Services and Monitoring Officer will jointly adopt the role of ensuring that the Chair and Vice Chair of the Pension Board does not have a conflict of interest. Further they must be satisfied that the Chair is carrying out his or her responsibilities under this part appropriately.”

Employees

In addition to the requirements of this Policy, officers of London Borough of Hackney are required to adhere to the Hackney Council Code of [Conduct](#) for Employees which includes requirements in relation to aiming to avoid conflicts of interests and declaring them in writing should they occur. Employees should comply with the Council's Policy on [Gifts and Hospitality](#).

Advisers

The Administering Authority appoints its own advisers. There may be circumstances where these advisers are asked to give advice to Hackney Council or other scheme employers, or even to scheme members or member representatives such as the Trades Unions, in relation

to pension matters. Similarly, an adviser may also be appointed to another administering authority which is involved in a transaction involving the Hackney Council Pension Fund and on which advice is required. An adviser may also be appointed to advise the London CIV Pool while giving advice to Hackney Council. An adviser can only continue to advise the Administering Authority and another party where there is no conflict of interest in doing so.

Where the Pension Board decides to appoint an adviser, this can be the same person as is appointed to advise the Pensions Committee or Fund officers as long as there is no conflict of interest between the two roles.

The key advisers are all expected to have their own policies or protocols on how conflicts of interest will be managed in their relationships with their clients, and these should have been shared with the Council.

What is a Conflict or Potential Conflict and how will they be managed?

The Public Service Pensions Act 2013 defines a conflict of interest as a financial or other interest which is likely to prejudice a person's exercise of functions.

Therefore, a conflict of interest may arise when an individual:

- has a responsibility or duty in relation to the management of, or provision of advice to, the LGPS fund administered by London Borough of Hackney, and
- at the same time, has:
- a separate personal interest (financial or otherwise) or
- another responsibility in relation to that matter, giving rise to a possible conflict with their first responsibility.
- the interests of any person or body from whom they have received a gift or hospitality with an estimated value of at least £25 within the last 12 months.

An interest could also arise due to a family member or close colleague having a specific responsibility or interest in a matter.

Some examples of potential conflicts are included in Appendix 1.

The Council encourages a culture of openness and transparency and encourages individuals to be vigilant; have a clear understanding of their role and the circumstances in which they may have a conflict of interest, and of how potential conflicts should be managed.

The Council will evaluate the nature of any dual interests or responsibilities that are highlighted and assess the impact on Pension Fund operations and good governance were an actual conflict of interest to materialise.

Ways in which conflicts of interest may be managed include:

- the individual concerned abstaining from discussion, decision-making or providing advice relating to the relevant issue
- the individual being excluded from the meeting(s) and any related correspondence or material in connection with the relevant issue (for example, a report for a Pensions Committee meeting)
- a working group or sub-committee being established, excluding the individual concerned, to consider the matter outside of the formal meeting (where the terms of reference permit this to happen)
- If an adviser declares a conflict of interest, then a decision should be taken by the Assistant Director, Pension Fund Investments & Administration Fund in

consultation with the Pension Committee Chair as to whether they can provide advice under these circumstances. The conflict should be declared ahead of the provision of any advice, and this requirement should be made clear to all advisors. If it is deemed that due to the conflict, they cannot provide advice, then an alternative adviser may be sought.

- For third parties, the Assistant Director, Pension Fund Investments & Administration Fund) should ensure that they have adequate conflict management policies in place. Any dealings with those third parties should not take place until the Assistant Director, Pension Fund Investments & Administration Fund is satisfied that any conflicts which arise shall be managed appropriately.

Provided that the Administering Authority (having taken any professional advice deemed to be required) is satisfied that the method of management is satisfactory, the Council shall endeavour to avoid the need for an individual to resign due to a conflict of interest. However, where the conflict is considered to be so fundamental it cannot be effectively managed, or where a Pension Board member has an actual conflict of interest as defined in the Public Service Pensions Act 2013, the individual will be required to resign from the Committee, Board or appointment.

LGPS Specific Conflicts

The Council recognises that its dual role as both an employer participating in the Fund and the body legally tasked with its management can produce the potential for conflicts of interest to arise in certain areas. It is important that these potential conflicts are managed in order to ensure that no actual or perceived conflict of interest arises and that all the Fund's employers and scheme members are treated fairly and equitably.

These areas are considered in more detail below.

Contribution setting for employers

The setting of employer contribution rates must be done in a way that is fair and transparent. No employer or individual should be in the position to unduly influence the contribution setting process.

The Fund achieves this in the following ways:

- The Funding Strategy Statement sets out the Fund's approach to all funding related matters including the setting of contribution rates. This policy is set with regard to the advice of the Fund Actuary and is opened to consultation with all Fund employers before being formally adopted by the Pension Committee. The approach to contribution setting is based on specific employer characteristics such as its time horizon, strength of covenant and risk profile. This approach ensures consistency across all employers and removes the possibility of any employer receiving more, or less, favourable treatment.

Delivering the LGPS function for all employers

All employers within the Fund are entitled to receive the same high-quality service and support from the Fund. Equally, the expectations required of all employers in respect of their obligations under the LGPS are the same for all employers. There should be no perception that the Council receives more favourable terms with regards to the service received from, or the obligations expected to, the Fund.

- The Fund's administration strategy sets out the way in which the Fund works with its employers and the mutual service standards expected. The policy details how the Fund will assist employers to ensure that they are best placed to meet their statutory LGPS obligations. On occasions where an employer's failure to comply with required processes and standards has led to the Fund incurring additional cost, the policy also provides for that cost to be recovered from the employer in question. This policy has been opened to consultation with all the Fund's employers and is operated in a consistent fashion across all the employer base.
- The pension fund is run for the benefit of its members and on behalf of all its employers. It is important therefore that the Fund's budget is set and managed separately from the expenditure of the Council. Decisions regarding pension fund resources are approved by the Pension Committee on recommendation from the S151 officer.

Investment decisions

The primary investment objective of the Fund is to ensure that over the long term there will be sufficient assets to meet all pension liabilities as they fall due. Investment decisions have an impact on all employers within the Fund and so should reflect the long-term requirements of the Fund.

- The Investment Strategy Statement sets out how the Fund's money will be invested in order to meet future liabilities and contains the Fund's investment objectives and the asset classes in which it will invest. It also contains the Fund's approach to assessing environmental, social and governance risks and how it will act as a responsible asset owner with regard to engagement and voting shares for companies in which it is invested. The Statement also explains the Fund's approach to investments which deliver a social impact as well as a purely financial return.
- The Investment Strategy Statement is a statement of the beliefs, objectives and strategies pertaining to pension fund investments and is separate to and distinct from any policies that apply to the Council. For example, the Council may have particular strategies regarding tobacco investment as a consequence of its public health duties. This should remain distinct from the Fund's investment strategy, as set by the Pension Committee and which is operated on behalf of all Fund employers. A similar situation arises in respect of the Council's policy regarding matters such as investment in local housing or other infrastructure within the county, which remain distinct from the policies and strategies of the Pension Fund.
- From time to time the Council may pursue certain climate related goals, for example a commitment to being carbon neutral by a certain date. Actions taken in pursuit of these goals may impact on members and employees of the Council in certain ways, for example members and staff may be required to pursue low carbon travel options when travelling on Council business. Where this is the case, members and employees carrying out work related to the management of the Fund will be subject to the same policies as all other Council members or staff, insofar as they reflect operational matters. However, decisions in respect of Fund investments are made by the Pension Fund Committee on behalf of all employers in the Fund and as such will be made independently of any such London Borough of Hackney policies and strategies, though the Committee could independently reach the same outcomes.
- All investment decisions are taken in accordance with the Investment Strategy Statement, following appropriate professional advice. No person with a conflict of interest relating to a particular investment decision may take part in that decision.

Pooling

The Council is one of 32 equal shareholders in the London CIV (“LCIV”). The shareholders, as LGPS administering authorities, also purchase investment management services from LCIV. The nature of this relationship has the potential to lead to conflicts of interest that must be managed. The following mechanisms are in place.

- The interests of the shareholders of LCIV and those of any specific administering authority may not always be aligned. In order to ensure that the interests of the shareholders and of those procuring services from LCIV are both protected it is important that there is appropriate separation between the two functions. LCIV maintains [Conflict of Interest Policy](#) and procedures.
- [LCIV Stewardship Report](#) sets out its approach to conflicts of interest which sets out how LCIV manages potential conflicts of interest through various mechanisms, which are summarised below:
 - Ensuring all staff discuss any foreseen potential conflict of interest from voting or engagement with their line manager and report to the Compliance and Risk Team.
 - Any potential conflicts arising over our approach to voting or engagement are discussed with the Chief Investment Officer (“CIO”) and reported to the Compliance and Risk Team
 - Split voting in exceptional circumstances in the event of a potential conflict
 - The Investment and Customer Outcomes Committee (“IOC”) to review voting decisions and engagement activities on a regular basis.
 - Allowing any unforeseen [conflicts of interests](#) to follow an escalation procedure involving the CIO
- Given the nature of the LGPS the likelihood exists that individuals with particular skills may move from employment with an administering authority to LCIV or the other way around. This is perfectly appropriate, and the transfer of knowledge can be beneficial to all parties. However, it is important that there is no suggestion that any individual is in a position to unduly influence the recruitment or remuneration setting processes. This is managed by ensuring that all recruitment to LCIV and to the constituent funds is carried out through a robust, open, competitive recruitment process involving HR professionals. LCIV has its own Remuneration Policy, setting out the remuneration practices of LCIV and ensuring that it complies with FCA remuneration requirements.

Responsibility

The Administering Authority for the London Borough of Hackney Pension Fund must be satisfied that conflicts of interest are appropriately managed. For this purpose, the Assistant Director, Pension Fund Investments & Administration Fund is the designated individual for ensuring the procedure outlined below is adhered to. For Pension Board members, the Director, Financial Management and the Director Legal, Democratic Electoral Services and Monitoring Officer and the Governance Services Team must be satisfied that no conflict of interest exists and, accordingly, all information relating to Pension Board members will be shared with the Assistant Director, Pension Fund Investments & Administration Fund Investment.

However, it is the responsibility of each individual covered by this Policy to identify any potential instances where their personal, financial, business or other interests might come into conflict with their pension fund duties.

Operational procedure for officers, Pensions Committee members and Pension Board members

What is required	How this will be done
<p><i>Step 1 - Initial identification of interests which do or could give rise to a conflict.</i></p>	<p>During the Board recruitment process, on appointment to their role or on the commencement of this Policy if later, all individuals will be provided with a copy of this Policy and be required to complete a Declaration of Interest the same or similar to that included in Appendix 2.</p> <p>The information contained in these declarations will be collated into the Pension Fund's Register of conflicts of interest in a format the same or similar to that included in Appendix 3.</p>
<p><i>Step 2 - Ongoing notification and management of potential or actual conflicts of interest</i></p>	<p>At the commencement of any Pensions Committee, Pension Board or other formal meeting where pension fund matters are to be discussed, the Chairman will ask all those present who are covered by this Policy to declare any new potential conflicts. These will be recorded in the Fund's Register of conflicts of interest. In addition, the latest version of the register will be made available by the Assistant Director, Pension Fund Investments & Administration Fund Investment to the Chairman of every meeting prior to that meeting.</p> <p>Any individual who considers that they or another individual has a potential or actual conflict of interest which relates to an item of business at a meeting, must advise the Chairman and the Assistant Director, Pension Fund Investments & Administration Fund Investment prior to the meeting, where possible, or state this clearly at the meeting at the earliest possible opportunity. The Chairman, in consultation with the Assistant Director, Pension Fund Investments & Administration, should then decide whether the conflicted or potentially conflicted individual needs to leave the meeting during the discussion on the relevant matter or to withdraw from voting on the matter.</p> <p>If such a conflict is identified outside of a meeting the notification must be made to the Assistant Director, Pension Fund Investments & Administration Fund and where it relates to the business of any meeting, also to the Chairman of that meeting. The Assistant Director, Pension Fund Investments & Administration Fund, in consultation with the Chair where relevant, will consider any necessary action to manage the potential or actual conflict.</p> <p>Where information relating to any potential or actual conflict has been provided, the Assistant Director, Pension Fund Investments & Administration Fund may seek such professional advice as he or she thinks fit (such as legal advice from the Monitoring Officer) on how to address any identified conflicts.</p> <p>Any such potential or actual conflicts of interest and the action taken must be recorded on the Fund's Register of conflicts of interest.</p>

<p><i>Step 3 - Periodic review of potential and actual conflicts</i></p>	<p>At least once every 12 months, the Assistant Director, Pension Fund Investments & Administration Fund Investment will provide to all individuals to whom this Policy applies a copy of the Fund's Register of conflicts of interest. All individuals will complete a new Declaration of Interest (see</p>
	<p>Appendix 2) confirming that their information contained in the Register is correct or highlighting any changes that need to be made to the declaration. The updated Register will then be circulated by the Assistant Director, Pension Fund Investments & Administration Fund to all individuals to whom it relates.</p>

Conduct at Meetings

There may be occasions / circumstances when a representative of employers or members wishes to provide a specific point of view on behalf of an employer (or group of employers) or member (or group of members). The Administering Authority requires that any individual wishing to speak from an employer's or member's viewpoint must state this clearly, e.g. at a Pension Board or Pensions Committee meeting, and that this will be recorded in the minutes.

Disclosure of Gifts and Hospitality - The Members' Code of Conduct of London Borough of Hackney applies to all Members. For the Purpose of this Policy, minor gifts such as t-shirts, pens, trade show bags and other promotional items obtained at events such as conferences, training events, seminars, that are offered equally to all members of the public or delegates attending the event do not need to be declared.

Operational procedure for advisers

Although this policy applies to all of the key advisers, the operational procedures outlined in steps 1 and 3 above relating to completing ongoing declarations are not expected to apply to advisers. Instead all advisers must:

- make declarations of interest and conflicts at their appointment
- be provided with a copy of this policy on appointment and whenever it is updated
- adhere to the principles of this Policy
- maintain and operate their own conflicts policy and disclosure of conflicts policy
- provide to the Assistant Director, Pension Fund Investments & Administration information in relation to how they will manage and monitor actual or potential conflicts of interests relating to the provision of advice or services to London Borough of Hackney as Administering Authority on appointment or when updated
- Advisers will be required to declare interests on an annual basis in writing to the Assistant Director, Pension Fund Investments & Administration
- Notify the Assistant Director, Pension Fund Investments & Administration immediately of any appointments with the London Collective Investment Vehicle
- Notify the Assistant Director, Pension Fund Investments & Administration immediately should a potential or actual conflict of interest arise.

All potential or actual conflicts notified by advisers will be recorded in the Fund's Register of conflicts of interest. Where a potential conflict of interest is particularly complex or requires specialist input, the Administering Authority will seek external conflicts of interest under this policy.

Monitoring and Reporting

The Fund's Register of conflicts of interest may be viewed by any interested party at any point in time. It will be made available on request to the Assistant Director, Pension Fund Investments & Administration Fund. In addition information relating to conflicts of interest will be published in the Fund's Annual Report and Accounts.

In order to identify whether the objectives of this Policy are being met the Pensions Committee and Monitoring Officer will review the Register of conflicts of interest on an annual basis and consider whether there has been any potential or actual conflicts of interest that were not declared at the earliest opportunity.

Key Risks

The key risks to the delivery of this policy are outlined below all of which could result in an actual conflict of interest arising and not being properly managed. The Corporate Director, Finance and Corporate Services will monitor these and other key risks and consider how to respond to them.

- Insufficient training or poor understanding in relation to individuals' roles on pension fund matters
- Insufficient training or failure to communicate the requirements of this Policy
- Absence of the individual nominated to manage the operational aspects of this Policy and no one deputising or failure of that individual to carry out the operational aspects in accordance with this Policy
- Failure by a chairperson to take appropriate action when a conflict is highlighted at a meeting.

Costs

All costs related to the operation and implementation of this Policy will be met directly by London Borough of Hackney Pension Fund. However, no payments will be made to any individuals in relation to any time spent or expenses incurred in the disclosure or management of any potential or actual conflicts of interest under this Policy.

Approval, Review and Consultation

This Conflicts of Interest Policy was approved at the London Borough of Hackney Pensions Committee meeting on 26 March 2019. It will be formally reviewed and updated at least every three years or sooner if the conflict management arrangements or other matters included within it merit reconsideration, including if there are any changes to the LGPS or other relevant Regulations or Guidance which need to be taken into account.

Further Information

If you require further information about anything in or related to this Conflicts of Interest Policy, please contact:

London Borough of Hackney Pension Fund
Financial Services Department
4th Floor, Hackney Service Centre
1 Hillman Street

London
E8 4RU

Telephone: 020 8356 2745

Email: pensions.investments@hackney.gov.uk

Appendix 1

Some Examples of Potential Conflicts of Interest

- An elected member on the Pensions Committee is asked to provide views on a funding strategy which could result in an increase in the employer contributions required from the employer he or she represents.
- Setting of employer contribution rates for the administering authority and other employers in the fund/or other parties which may impact decisions made in the best interest of the Fund. These may include shared service arrangements which impact the Fund operations directly or outsourcing relationships and companies related to or wholly owned by the London Borough of Hackney (“the Council”), which do not relate to pension fund operations.
- Any other roles within the Council being carried out by Pensions Committee members or officers which may result in a conflict either in the time available to dedicate to the Pensions Committee or in decision making or oversight. For example, some roles on other finance committees, Audit Committee or Cabinet should be disclosed.
- A member of the Pensions Committee is on the board of a supplier or has a personal or family relationship with an employee of a company that the Committee is considering appointing.
- A member representative (who is also a trade union representative) on the Board, only acts in the interests of their union and union membership rather than in the interest of all Fund members.
- An employer representative employed by the administering authority and appointed to the Pension Board to represent employers generally could be conflicted if he or she only acts in the interests of the administering authority, rather than those of all participating employers.
- An employer representative on the Local Pensions Board works for an employer who is not providing member information to the Fund in line with legislative requirements and the Board is considering whether this breach is reportable to The Pensions Regulator.
- An officer of the Fund or member of the Pensions Committee accepts a dinner invitation from a supplier who has submitted a bid as part of a tender process.
- An employer representative on the Local Pension Board is employed by a company to which the administering authority has outsourced its pension administration services and the Local Pension Board is reviewing the standards of service provided by that company.
- An employer has access to information by virtue of his or her employment, which could influence or inform the considerations or decisions of the Pensions Committee or Local Pension Board. He or she has to consider whether to share this information in light of their duty of confidentiality to their employer. Their knowledge of this information will put them in a position of conflict if it is likely to prejudice their ability to carry out their functions as a member of the Pensions Committee or Local Pension Board.
- The person appointed to consider internal disputes is asked to review a case relating to a close friend or relative.
- Officers of the Fund are asked to provide a report to the Local Pension Board or Pensions Committee on whether the administration services should be outsourced which, if it were to happen, could result in a change of employer or job insecurity for the officers.

- A Fund adviser is party to the development of a strategy which could result in additional work for their firm, for example, providing assistance with monitoring the covenant of employers or advising the Pool.
- Dual role of the administering authority as an owner and client of London CIV.
- Dual role of London CIV as strategic adviser, provision of support services and manager selection
- A Member of the Pensions Committee or officer of the Fund is on a London CIV Committee (e.g. Shareholders' Committee or Joint Advisory Group) and a matter is being considered that would benefit their originating Council or Pension Fund to a notably greater or lesser degree than other participating Councils or Funds.
- A member of the Pensions Committee is on the board of a Fund Manager that is being considered for appointment.
- Local investment decisions
- How the pension fund appropriately responds to Council decisions or policies on wider issues such as climate change.
- Stewardship related conflicts arise as a result of business relationships between asset owners and asset managers, ownership structure of invested companies, differences between the stewardship policies of asset managers and their clients, cross-directorships and client and other beneficiary interests which differ from each other.

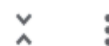
Action - It should be disclosed that they have a role with that employer, and this should be noted in the register of interest. If the decision relates solely to that employer, then they may be required to abstain in the vote

Review date	Reviewed by	Amendments	Version
11 June 2025	Miriam Adams (LBH) and Ian Colvin (Hymans Robinson)	New, original version	2025.1

Appendix 2 Declaration of Interest Form

Section 1 of 3

Declaration of Interests relating to the management of the London Borough of Hackney Pension Fund administered by Hackney Council



Form description

This form is automatically collecting emails from all respondents. [Change settings](#)

What is your relationship/ role to the Council *



- an officer involved in the management
- a Pension Fund Committee Member
- a Pension Board Member
- a Co-optee
- a Trade Union Representative
- an Independent Person
- Option 7

What responsibilities or other interests that could result in a conflict of interest relating to me



Please answer all questions if non applicable N/A

a. Responsibilities relating to an employer in the pension fund *

Long-answer text

b. Membership of the LGPS *

Long-answer text

c. Other Employment & Business (Any paid employment, self-employment, directorships, or other business interests you or a close family member hold.) *

Long-answer text

d. Other Public or Council Roles (e.g., Councillor on another authority, member of another Hackney Council committee, school governor, etc.) *

Long-answer text

e. Financial Interests (e.g., Significant shareholdings or partnerships in organisations that provide, or could provide, services to the Fund (such as fund managers, advisers, or administrators) *

Long-answer text

f. Pension & Investment Roles (Any role (paid or unpaid) on another LGPS fund, pension scheme, investment pool (e.g., London CIV), or any body related to the Fund's investments.) *

Long-answer text

g. Any interest, loyalty, or relationship (e.g., membership of a campaign group) that could, or could be perceived to, conflict with your role at the Fund. *

Long-answer text

What responsibilities or other interests that could result in a conflict of interest relating to family members or close colleagues



Please answer all questions if non applicable N/A

a. Responsibilities relating to an employer in the pension fund *

Long-answer text

b. Membership of the LGPS *

Long-answer text

c. Personal Relationships (Any close personal or family relationship with another person covered by this policy (e.g., another Committee/Board member, a Fund Officer, or a key individual at an advisory firm). *

Long-answer text

d. Other (See examples in the Guidance Document) *

Long-answer text

I declare that I understand my responsibilities under the London Borough of Hackney Pension Fund Conflicts of Interest Policy. I undertake to notify the Head of Pension Investment & Actuarial Services of any changes in the information set out above. *

I agree with the above statement

Appendix 3

London borough of Hackney Pension Fund - Register of Potential and Actual Conflicts of Interest

All reported conflicts of interest will be recorded in the minutes and a register of conflicts will be maintained and reviewed annually by Hackney Council, the Administering Authority.

Date identified	Name of Person	Role of Person	Details of conflict	Actual or potential conflict	How notified(1)	Action taken(2)	Follow up required	Date resolved

(1) E.g. verbal declaration at meeting, written conflicts declaration, etc

(2) E.g. withdrawing from a decision making process, left meeting

Pension Fund

DRAFT

Governance Policy and Compliance Statement



Governance Policy and Compliance Statement – Administering Authority

Contents

Governance Policy and Compliance Statement – Administering Authority	2
Introduction and Legal Requirements	3
Aims and Objectives	3
Governance Arrangements and Structure	4
Pensions Committee	5
Terms of Reference for the Pensions Committee	5
Membership of the Pensions Committee	6
Pensions Committee Meetings	7
Senior Officers	7
Other Delegations of Responsibilities	7
Pensions Board	8
Role of the Pensions Board	8
Membership of the Pensions Board	8
Pensions Board Meetings	9
Policy Documents	9
Annual Report and Accounts	10
Funding Strategy Statement	10
Investment Strategy Statement	10
Governance Compliance Statement	10
Knowledge and Skills Policy	11
Conflicts of Interest Policy	11
Breaches Policy	12
Risk Policy	12
Communications Strategy Statement	12
Pension Administration Strategy	12
Discretions Policies	13
Key Risks	13
Approval, Review and Consultation	15
Contact Information	16
Appendix A - Governance Best Practice	17

Introduction and Legal Requirements

The London Borough of Hackney Council is the Administering Authority responsible for managing the London Borough of Hackney Pension Fund and the administration of the Local Government Pension Scheme (LGPS) on behalf of participating employers and members.

Regulation 55 of the LGPS Regulations 2013 requires Administering Authorities to publish a Governance Policy and Compliance Statement setting out information relating to how the Administering Authority delegates its functions under those regulations and whether it complies with guidance given by the Secretary of State for Ministry of Housing Communities and Local Government. It also requires the Administering Authority to keep the statement under review, to make revisions as appropriate and, where such revisions are made, to publish a revised statement.

This document is the Governance Policy and Compliance Statement for the London Borough of Hackney Pension Fund that has been prepared to meet the requirement of the LGPS Regulations.

Aims and Objectives

Hackney Council recognises the significance of its role as Administering Authority to the London Borough of Hackney Pension Fund on behalf of its stakeholders, which include:

- around 28,000 current and former members of the Fund, and their dependants
- over 38 employers within the Hackney Council area or with close links to Hackney Council
- local taxpayers within the London Borough of Hackney.

In relation to the governance of the Fund, our objectives are as follows:

- aim to act in the best interests of the Fund's members and employers
- have robust governance arrangements in place, to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies
- ensure that the London Borough of Hackney Pension Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and skills

- provide transparency with the Fund's decision-making with oversight from the Pensions Board
- understand, manage and report potential conflicts of interest
- act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- understand and monitor risk across all areas of the Fund
- strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance
- clearly articulate our objectives and how we intend to achieve those objectives through business planning, and we will continually measure and monitor success
- ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services are protected and preserved.

Governance Arrangements and Structure

The London Borough of Hackney, as the Administering Authority of the Pension Fund, has delegated responsibility for the management of the Hackney Pension Fund to the Pensions Committee as set out in the Council's Constitution..

The overall responsibility for the day to day running of the Fund has been delegated to the Group Director, Finance and Corporate Resources.

The Pension Fund Investment and Administration Team carries out the day to day running of the Fund including administration, investments and accounting. Some of this is contracted out to external suppliers or providers including:

- Local Pension Partnership Administration (LPPA) – many aspects of the administration and member communications of the Hackney Pension Fund are carried out on the Fund's behalf by LPPA
- London Collective Investment Vehicle (London CIV) - the Fund participates in the London CIV as a partner fund and shareholder. The London CIV has oversight of all of the Fund's assets on its behalf.

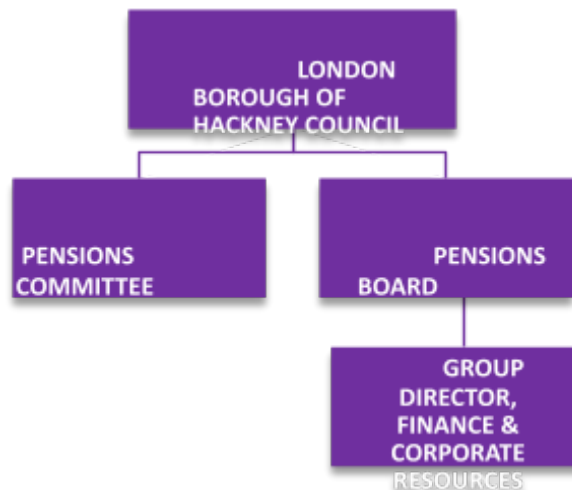
A range of consultants also provide guidance in relation to the management of the

Fund. The Fund procures its services through the National LGPS Framework.

In line with the Local Government Pension Regulations 2013, a Pensions Board has been established which assists the Administering Authority in ensuring:

- compliance with the regulations and The Pensions Regulator's requirements and
- the effective and efficient governance and administration of the Fund.

The Constitution of the Council sets out how the Council operates, how decisions are made, the procedures which are followed to ensure that those decisions are efficient and transparent and that those who made the decisions are accountable to local people. The Constitution sets out the framework under which the Pension Fund is to be administered. This framework is depicted in the diagram below.



Pensions Committee

The Pensions Committee acts as trustee of the Council's pension fund in accordance with legislation. The Committee is responsible for monitoring performance of the fund, setting and reviewing strategic objectives and appointing administrators, advisers, investment managers and custodians.

Terms of Reference for the Pensions Committee

The Constitution allows for the appointment of a Pensions Committee which has responsibility for the discharge of all non-executive functions assigned to it. The following are the terms of reference for the Pensions Committee as agreed by the Council and included in the Constitution:

1. To act as Trustees of the Council's Pension Fund, consider pension matters and meet the obligations and duties of the Council under the Superannuation Act 1972, and the various pension legislation.

2. To act as Scheme Manager for the Pension Fund.
3. To make arrangements for the appointment of and to appoint suitably qualified pension fund administrators, actuaries, advisers, investment managers and custodians and periodically to review those arrangements.
4. To formulate and publish a Statement of Investment Principles.
5. To set the overall strategic objectives for the Pension Fund, having taken appropriate expert advice, and to develop a medium term plan to deliver the objectives.
6. To determine the strategic asset allocation policy, the mandates to be given to the investment managers and the performance measures to be set for them.
7. To make arrangements for the triennial actuarial valuation, to monitor liabilities and to undertake any asset/liability and other relevant studies as required.
8. To monitor the performance and effectiveness of the investment managers and their compliance with the Statement of Investment Principles.
9. To set an annual budget for the operation of the Pension Fund and to monitor income and expenditure against the budget.
10. To receive and approve an Annual Report on the activities of the Fund prior to publication.
11. To make arrangements to keep members of the Pension Fund informed of performance and developments relating to the Pension Fund on an annual basis.
12. To keep the terms of reference under review.
13. To determine all matters relating to admission body issues.
14. To focus on strategic and investment related matters at two Pensions Committee meetings.
15. To review the Pension Fund's policy and strategy documents on a regular basis and review performance against the Fund's objectives within the business plan.
16. To maintain an overview of pensions training for Members.

Membership of the Pensions Committee

The Council decides the composition and makes appointments to the Pensions Committee. Currently the membership of the Pensions Committee is nine elected Members from Hackney Council on a politically proportionate basis. The Council will also elect a Chair and Vice Chair. All Hackney Council elected Members have voting rights on the Committee; two Hackney Council elected members of the Committee are

required to deem the meeting quorate.

In addition the membership includes a co-opted non-voting employer representative and a co-opted non-voting member representative. Although the co-opted representatives do not have voting rights they are treated as equal members of the Committee and have access to all Committee meeting papers, advisers, officers, meetings and training as if they were Council Members and have the opportunity to contribute to the decision making process. Voting rights are restricted to elected Members as they are deemed to be fulfilling the role of the Administering Authority (effectively quasi-trustees) of the Pension Fund with all the legal responsibilities that this entails. As the co-opted members are not Hackney Council elected members, it was therefore not felt to be appropriate to apply the same legal definition to them; hence their role as non-voting members.

Pensions Committee Meetings

The Pensions Committee meets on dates set out in the Council's meetings calendar and additional meetings may be arranged as required to facilitate its work.

The Council will give at least five clear working days' notice of any meeting by posting details of the meeting at the Hackney Town Hall and on the Council's website.

There may on occasions be items which may be exempt from the agenda, reports and minutes of the meetings when it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed. Items which are most likely to be excluded are issues which contravene an individual's privacy or where there are financial interests which may be compromised as a result of disclosure, for example discussions surrounding contracts.

Minutes of meetings and records of decisions are available for inspection on the Council's website: <https://hackney.gov.uk/council-business>.

Senior Officers

Under the Council's Constitution responsibility for all other functions relating to pensions, not already delegated to the Pensions Committee, are delegated to the Group Director, Finance and Corporate Resources. This is in addition to their role as Chief Finance Officer (often called Section 151 Officer). As the Chief Finance Officer they are responsible for ensuring the proper financial administration of the Fund.

Pensions Board

Each Administering Authority is required to establish a local Pensions Board to assist them with:

- securing compliance with the LGPS Regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed in relation to the LGPS by the Pensions Regulator

- ensuring the effective and efficient governance and administration of the Hackney Pension Fund

Such Pensions Boards are not local authority committees; as such the elements of the Constitution of Hackney Council, such as the procedure rules, do not apply to the Pensions Board unless it is expressly referred to in the Board's terms of reference. The Hackney Pensions Board was established by Hackney Council and the full terms of reference of the Board can be found within the Council's Constitution. The key points are summarised below.

Role of the Pensions Board

The Council has charged the Pensions Board with providing oversight of the matters outlined above. The Pensions Board, however, is not a decision making body in relation to the management of the Pension Fund. The Pension Fund's management powers and responsibilities which have been delegated by the Council to the Pensions Committee and Group Director, Finance and Corporate Resources remain solely their responsibilities, including but not limited to the setting and delivery of the Fund's strategies, the allocation of the Fund's assets, the administration of pension benefits and the appointment of contractors and advisors as required.

Membership of the Pensions Board

The Pensions Board consists of either four or five members as follows:

- Two Employer Representatives, one of which must be from Hackney Council
- Two Scheme Member Representatives, one of which must be a member of the London Borough of Hackney Pension Fund
- One Independent Member (non-voting) to act as chair of the Pensions Board, which is an optional position that may be utilised if it is considered that the other members of the Board do not have the requisite knowledge and skills to undertake this position at the time of appointment.

The members of the Board are appointed by an Appointments Panel which consists of:

- the Lead Councillor for Finance
- the Group Director, Corporate Finance and Resources
- the Director, Financial Management
- the Director, Legal Democratic Electoral Services and Monitoring Officer.

Pensions Board members, (excluding any Independent Member), have individual voting rights but it is expected the Pensions Board will as far as possible reach a

consensus.

A meeting of the Pensions Board is only quorate when two of the four Employer and Scheme Member Representatives are present. If the Board has an Independent Member they must also be present.

Each member of the Pensions Board is expected to declare, on appointment and at each meeting, any interests which may lead to conflicts of interest in the subject area or specific agenda of that Pensions Board.

Pensions Board Meetings

The Pensions Board meets at least four times each calendar year and additional meetings may be arranged as required to facilitate its work.

Members of the public may attend Pensions Board meetings and papers will be made public in the same way as described above for the Pensions Committee.

The London Collective Investment Vehicle (London CIV)

Hackney Council has partnered with the London Local Authorities (including the City of London) and Buckinghamshire Council to form a collective investment pool, known as London Collective Investment Vehicle (LCIV) in accordance with Government requirements for pooling the management of LGPS investment assets. The Council as a partner fund is a shareholder of the London CIV.

Accordingly we are both a client and a shareholder of the London CIV.

Policy Documents

There are a number of key documents which are relevant to the governance and management of the Fund, including various policies and strategies which incorporate the Fund's objectives. Brief details of these are listed below and the full copies of all documents can be obtained on the Fund's website - <https://hackneypension.co.uk/>.

Annual Report and Accounts

As part of the financial standing orders it is the duty of the Chief Finance Officer to ensure that record keeping and accounts are maintained by the Pension Fund. The Pension Fund accounts are produced in accordance with CIPFA's Code of Practice on Local Authority Accounting. The financial statements within the accounts summarise the transactions of the Fund and detail the net assets of the Fund. The statement of accounts are presented to the Pensions Committee and the Audit Committee and incorporated in the Statement of Accounts for the Council. The accounts are incorporated into an Annual Report which provides an update on other key matters

during the year such as scheme details, financial performance and administration matters. Full copies of the Fund's Annual Report and Accounts are distributed to interested parties and a copy placed on the Fund's website.

Funding Strategy Statement

The Funding Strategy Statement is one of two key parts of the framework which ensures there are sufficient assets in the Fund to pay its liabilities (mainly pension benefits) and contains a schedule of the minimum contribution rates that are required to be paid by the employers participating in the Fund. The Funding Strategy Statement (FSS) is developed by us in collaboration with the Fund's actuary and, after consultation with the Fund's employers, it is formally approved by the Pensions Committee.

Investment Strategy Statement

The Investment Strategy Statement is the second key part of the framework for ensuring appropriate assets are in the Fund to meet the liabilities. The strategy sets out:

- our approach to investment risk including ways in which risks are measured and managed
- our approach to pooling of assets (which is done through the London CIV)
- how social, environmental or corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments
- the exercise of voting rights attached to investments.

The Investment Strategy Statement also sets out the target percentage of the total value of all fund money that should be invested in particular asset classes, including any restrictions on those investments.

Governance Compliance Statement

This sets out our compliance with the Secretary of State's Statutory Guidance on Governance in the LGPS. The Hackney Pension Fund's Governance Compliance Statement is attached as Appendix A and shows where we are compliant or not compliant with the expectations in the statutory guidance and the reasons why we may not be compliant.

Training Strategy

Our Training Strategy provides Pensions Committee members, Pensions Board

members and senior officers with a clear framework setting out how they acquire and retain the knowledge and skills required to perform their individual roles. The aim of this policy is to ensure that those responsible for the management, delivery and governance and decision making in the Fund have the appropriate levels of knowledge and skills.

As part of this policy, we aim to comply with the requirements of:

- 2026 LGPS Regulations and Statutory Guidance
- MiFID II (Markets in Financial Instruments Directive)
- the CIPFA Code of Practice and Knowledge and Skills Frameworks
- the knowledge and skills elements of the Public Service Pensions Act 2013 and the Pensions Regulator's (TPR) General Code of Practice for Public Service Schemes introduced in 2024.

Members of the Pensions Committee, Pensions Board and officers involved in the management of the Fund receive training to ensure that they meet the aims of the Training Strategy, with a Training Plan developed and reviewed on at least an annual basis.

Conflicts of Interest Policy

Conflicts of interest have always existed for those with LGPS Administering Authority responsibilities as well as for advisers to LGPS funds. This simply reflects the fact that many of those managing or advising LGPS funds will have a variety of other roles and responsibilities, and may also have individual personal, business or other interests which might conflict, or be perceived to conflict, with their role managing or advising an LGPS fund. It is generally accepted that LGPS Administering Authorities have both fiduciary and public law duties to act in the best interest of both the scheme beneficiaries and participating employers.

Our Conflict of Interest Policy details how actual and potential conflicts of interest are identified and managed by those involved in the management and governance of the Fund whether directly or in an advisory capacity. The policy is established to guide Pensions Committee members, Pensions Board members, officers and advisers, ensuring that those individuals do not act improperly or create a perception that they may have acted improperly.

Breaches Policy

The Breaches Policy sets out how we monitor, record and take action where breaches of the law occur. The policy sets out the responsibility of Pensions Committee

members, Pensions Board members, Fund officers and advisers to report breaches of the law to The Pensions Regulator where they are deemed material (as set out in the Policy). A log is maintained of all breaches of the law and presented to the Board each quarter, whether reported to The Pensions Regulator or not.

Risk Strategy and Policy

We recognise that effective risk management is an essential element of good governance in the LGPS. Our Risk Policy details the risk management strategy for the Hackney Pension Fund, including:

- the risk philosophy for the management of the Fund, and in particular attitudes to, and appetite for, risk
- how risk management is implemented
- risk management responsibilities
- the procedures that are adopted in the risk management process

We recognise that it is not possible, or even desirable, to eliminate all risks. Accepting and actively managing risk is therefore a key part of the risk management strategy for Hackney Pension Fund. A key determinant in selecting the action to be taken in relation to any risk will be its potential impact on the Fund's objectives in light of our risk appetite, particularly in relation to investment matters. Equally important is striking a balance between the cost of risk control actions against the possible effect of the risk occurring.

Communications Strategy Statement

This document sets out our communications strategy for the Fund. The aim of the strategy is to ensure that all stakeholders are kept informed of developments in relation to the Fund. This helps to ensure transparency and an effective communication process for all interested parties.

Pension Administration Strategy

Our Pension Administration Strategy is key to the administration and efficient running of the Pension Fund. It encompasses administrative procedures and responsibilities for us (as the Administering Authority for the Fund) and employing authorities participating in the Fund. It includes quality and performance standards. It is distributed to employers within the Fund following regular review and consultation. This represents part of the process for ensuring the ongoing efficient management of the Fund and maintenance of accurate data and forms part of the overall governance procedures for the Fund.

Discretions Policies

Under the Local Government Pension Scheme regulations, we have a level of discretion in relation to a number of areas. Our approaches to these areas of discretion are outlined in our Statement of Administering Authority Discretions Policies. We review these policies as appropriate and will notify interested parties of any significant changes. Employing Authorities are also required to set out their discretions policies in respect of areas under the Regulations where they have a discretionary power.

Key Risks

The main governance risks that Pensions Committee members monitor on an ongoing basis are:

- Recruitment and Retention - insufficient experienced staff to meet Fund objectives
- Knowledge and Skills - insufficient knowledge and skills amongst those charged with Fund Management
- Conflicts of Interest - actual conflicts of interest permitted to materialise
- Internal Fraud - financial loss resulting from actions of employee
- Data Protection - failure to adequately protect data results in potential financial or personal impact on members
- Reliance on external systems - the Fund's assets, systems or data are compromised including financial/data loss or systems downtime
- Business continuity failure and cyber security risk
- External factors including regulatory changes impact the governance of the Fund
- Incorrect advice/guidance received from third parties.

Monitoring Governance Objectives

Our governance objectives will be monitored as follows:

Objective	Monitoring Arrangements
Aim to act in the best interests of the Fund's members and employers	<ul style="list-style-type: none"> ● Conflicts of Interest Policy in place. ● Training undertaken on role in managing the fund on behalf of members/employers as part of induction.
Have robust governance arrangements in place, to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies	<ul style="list-style-type: none"> ● Pensions Committee carry out an effectiveness of governance survey at least every three years. ● Governance consultant in place providing ongoing view of effectiveness of governance arrangements. ● The Pensions Board prepares and publishes an annual report. ● The Pensions Committee has sight of Board meeting minutes.
Provide transparency with the Fund's decision-making with oversight from the Pensions Board	Pensions Board have sight of all Pensions Committee meeting papers
Understand, manage and report potential conflicts of interest	Conflicts of Interest Policy is in place together with ongoing reporting and monitoring of the register of conflicts in accordance with the Conflicts of Interest Policy
Ensure that the London Borough of Hackney Pension Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and skills	<ul style="list-style-type: none"> ● Training Strategy is in place together with monitoring and reporting of all training by Pensions Committee members, Pensions Board members and officers in accordance with the Training Policy.

Objective	Monitoring Arrangements
Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based	<ul style="list-style-type: none"> ● Conflicts of Interest Policy is in place together with ongoing reporting and monitoring of the register of conflicts in accordance with the Conflicts of Interest Policy. ● Employers within the Fund are invited to an Annual Employers' Forum. Attendees receive presentations and have the opportunity to ask questions on the governance of the Fund. ● Pensions Committee includes representatives from scheme members and employers in the Fund. ● Pensions Board includes representatives from scheme members and employers in the Fund. ● Pensions Committee receive advice from officers and a range of consultants are in place to provide advice across all fund aspects. ● Pensions Board prepares and publishes an annual report which may include comment on decision making.
We will understand and monitor risk	<ul style="list-style-type: none"> ● Risk Policy and register in place, and monitoring and reporting of risks is carried out in accordance with the Risk Policy. ● Ongoing consideration of key risks at Pensions Committee meetings.
We will strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance	<ul style="list-style-type: none"> ● Governance of the Fund is considered by both the External and Internal Auditors. ● Compliance check is carried out at least annually against The Pension Regulator's current Code of Practice. ● A log of all breaches of the law is maintained in accordance with the Fund's breaches procedure which is reported on and monitored as outlined in that procedure. ● Pensions Board prepares and publishes an annual report which may include comment on compliance matters.
We will clearly articulate our objectives and how we intend to achieve those objectives through business planning, and continually measure and monitor success	<ul style="list-style-type: none"> ● All strategies and policies include reference to how objectives will be monitored. ● Ongoing monitoring against key objectives at Pensions Committee meetings. ● Ongoing monitoring of business plan targets at Pensions Committee meetings.

Objective	Monitoring Arrangements
<p>We will ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services are protected and preserved.</p>	<ul style="list-style-type: none"> ● All information security breaches relating to data being issued insecurely, or other incidents affecting confidentiality, integrity or accessibility of data, systems or services relating to the Fund are recorded and reviewed. ● A cyber incident response plan is in place. ● A business continuity plan and a testing schedule (including cyber incident testing) is in place which is adhered to. ● All Fund staff undertake data protection training in accordance with the Council's training programme.

Approval, Review and Consultation

This Governance Policy and Statement was approved at the London Borough of Hackney Pensions Committee meeting in June 2026. In line with the requirements of the 2026 LGPS regulations, the Fund is now required to conduct an Independent Governance Review by 31 March 2028 as well as prepare a Governance Strategy. The Governance Strategy will be formally reviewed and updated annually or sooner if the governance arrangements or other matters included within them merit reconsideration.

Contact Information

Further information on the London Borough of Hackney Pension Fund can be found as shown below:

London Borough of Hackney Pension Fund
Pensions Team
Hackney Service Centre
1 Hillman Street
London E8 1DY

Telephone: 020 8356 2745

Email: pensions.investments@hackney.gov.uk (Governance)

Pensions@hackney.gov.uk (Administration)

<https://www.lppapensions.co.uk/> (3rd Party Administrator)

Website: www.hackneypensions.co.uk

Hackney Council Website: www.hackney.gov.uk (Minutes and Agendas)

Appendix A - Governance Best Practice Compliance Statement

Regulation 55 of the Local Government Pension Scheme Regulations 2013 requires Local Government Pension Scheme (LGPS) Administering Authorities to measure their governance arrangements against the standards set out in the Statutory Guidance issued by the Secretary of State for Communities and Local Government.

The following compliance statement has been approved by the Pensions Committee. This sets out where we are compliant with the guidance and where we are not compliant, we provide an explanation for non-compliance.

Structure

Page 66	a)	The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing council.	Fully compliant	Council Constitution delegates responsibility for the Pension Fund to the Pensions Committee in respect of these matters.
	b)	That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	Fully compliant	Employer and Scheme member representatives are appointed to the Pensions Committee. Employer representative currently vacant as at March 2026
	c)	That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	Fully Compliant	No secondary committee.
	d)	That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.	Fully Compliant	No secondary committee.

Further information:

Decision taken by Pensions Committee not to hold a secondary committee and that employer and scheme member representatives may participate at main Pensions Committee.

Representation

Page 67

<p>a)</p>	<p>That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:-</p> <ul style="list-style-type: none"> i) employing authorities (including non-scheme employers, e.g., admitted bodies); ii) scheme members (including deferred and pensioner scheme members); iii) where appropriate, independent professional observers; and iv) expert advisers (on an ad-hoc basis). 	<p>Fully Compliant</p>	<ul style="list-style-type: none"> (i) Employing authorities are represented by an employer representative. (ii) Scheme members are represented by a scheme member representative. (iii) An independent Person is in the process of appointment. (iv) Expert advisers – investment consultant and governance consultant - participate at all meetings of the Pensions Committee and other expert advisers are invited to attend as and when required.
<p>b)</p>	<p>Where lay members sit on a main or secondary committee, they are treated equally in terms of access to advisers and meetings, training and are given full opportunity to contribute to the decision making process, with or without voting rights.</p>	<p>Fully Compliant</p>	<p>All members are sent Pensions Committee papers ahead of meetings, are invited to training and are able to fully contribute to the decision making process.</p>

Selection and role of lay members

a)	That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee.	Fully Compliant	As set out in the Terms of Reference of the Pension Fund Committee
b)	That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda.	Fully Compliant	Members of the Pensions Committee declare interests at the start of each meeting.

Voting

Page 68

a)	The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees	Fully Compliant	As set out in the Terms of Reference of the Pensions Committee in the Council's Constitution
----	---	-----------------	--

Further information:

Whilst the co-opted employer and scheme member representatives do not have voting rights, they are encouraged to fully participate in the meetings and decision making discussions.

Training/Facility time/Expenses

a)	That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process.	Fully Compliant	As set out in the Council's allowances policy and the Pension Fund Training Strategy
----	--	-----------------	--

b)	That where such a policy exists, it applies equally to all members of committees, advisory panels or any other form of secondary forum.	Fully Compliant	As set out in the Terms of Reference
c)	That the administering authority considers the adoption of annual training plans for committee members and maintains a log of all such training undertaken.	Fully Compliant	As set out in the Training Strategy

Further information:

Please see the Fund's Training Strategy.

Meetings (frequency/quorum)

Page 69	a)	That an administering authority's main committee or committees meet at least quarterly.	Fully Compliant	As set out in the Terms of Reference of the Pensions Committee
	b)	That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.–	Fully Compliant	All Pension Fund matters are considered by the Pension Fund Committee.
	c)	That an administering authority that does not include lay members in their formal governance arrangements must provide a forum outside of those arrangements by which the interests of key stakeholders can be represented	Not applicable	Employer and scheme member representatives are on the Pensions Committee.

Further information:

c) An annual employers' forum is also held.

Access

a)	That subject to any rules in the council’s constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee	Fully Compliant	Committee papers are despatched 5 clear working days prior to a Committee meeting
----	---	-----------------	---

Scope

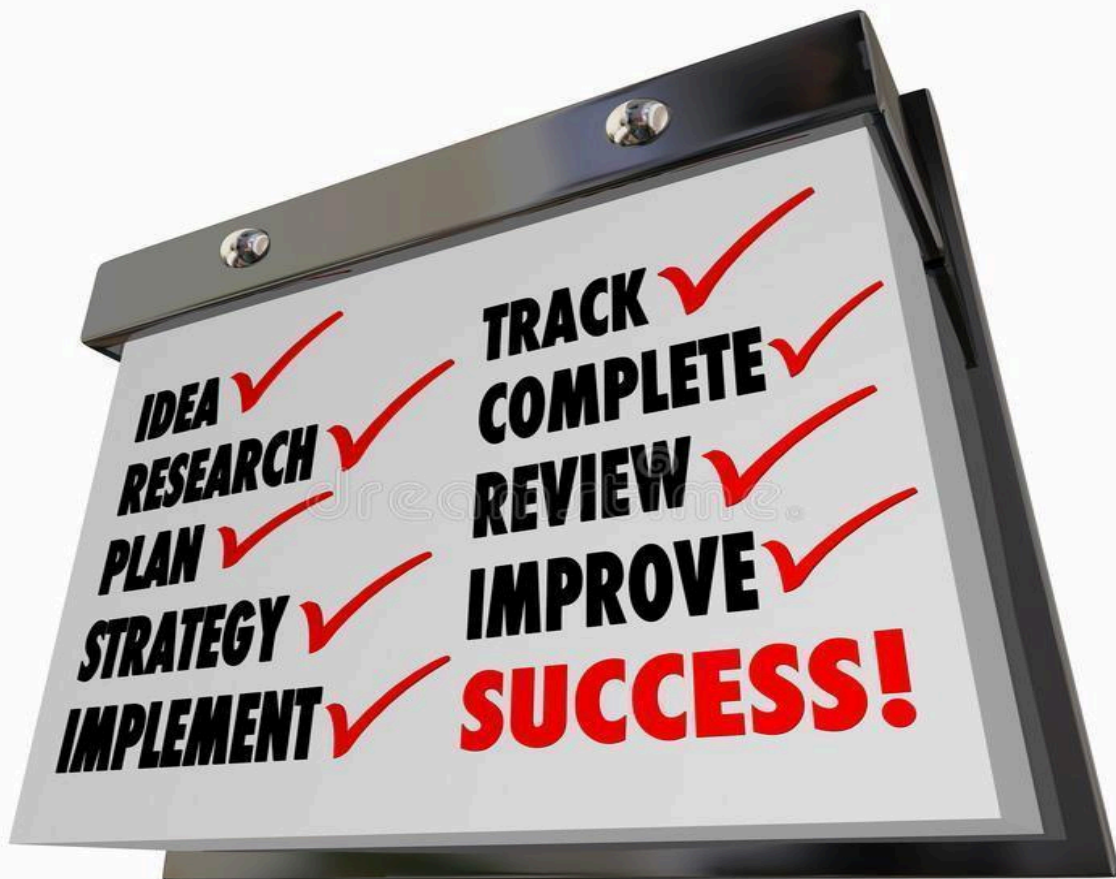
a)	That administering authorities have taken steps to bring wider scheme issues within the scope of their governance arrangements	Fully Compliant	The Pensions Committee reviews all aspects of Pension Fund management
----	--	-----------------	---

Publicity

a)	That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements	Fully Compliant	Governance Policy and Compliance Statement published in full in the Pension Fund Annual Report & Accounts and on the Fund’s website https://hackneypension.co.uk/documents-library
----	---	-----------------	--

LONDON BOROUGH OF HACKNEY PENSION FUND

DRAFT BUSINESS PLAN 2026/27 TO 2028/29



Proposed approval
date – 24 June 2026

CONTENTS

	CONTENTS	2
1.	Introduction	3
	Further Information	3
2.	Background to the Hackney Pension Fund	4
	Governance and Management of the Fund	4
3.	Vision and Objectives	5
	Governance Objectives	5
	Funding Objectives	5
	Investment Objectives	6
	Administration Objectives	7
	Communications Objectives	7
4.	The plan for the next three years	8
	Key Challenges and Influences	9
	Delivering the Business Plan	10
	Significant risks that may impact delivery of the Business Plan	10
	Training Plan	11
5.	Business plan key priorities	12
6.	How we communicate with our members	17
7.	Appendix A – List of Key Priorities and Reports	19
	Appendix B – 2026/27 Budget Estimate	21

1. Introduction

The London Borough of Hackney is the Administering Authority for the Hackney Pension Fund which is part of the Local Government Pension Scheme (LGPS).

The overriding policy context for the Pensions Committee is the pensions regulations and Members' fiduciary duty to the beneficiaries of the Fund. The purpose of this document is to set out a business plan for the Hackney Pension Fund for the period 2026/27 to 2028/29 and to outline the Fund's goals and objectives over the longer term. The business plan is formally reviewed and agreed every year. However, throughout the year it is monitored and there may be changes to it. Fund policies are made publicly available on the Fund's website <https://hackneypension.co.uk> and where necessary is reviewed annually by the Pensions Committee and Board..

The purpose of the business plan is to:

- Set out the plan of work for the forthcoming three years.
- document the priorities and improvements to be implemented by the pension team during the next three years to help achieve those objectives
- enable progress and performance to be monitored in relation to those priorities
- provide staff, partners and customers with a clear vision for the next three years.

A 2026/27 budget estimate (Appendix B) is set for expected payments to and from the Hackney Pension Fund during 2026/27 including the resources required to manage the Fund and deliver this business plan.

The business plan also has an impact on the Committee's agenda items. Accordingly, these are also included within this document.

Further Information

If you require further information about anything in or related to this business plan, please contact:

Miriam Adams
Assistant Director Pension Fund Investment & Administration
E-mail – miriam.adams@hackney.gov.uk
Telephone – 020 8356 2734

2. Background to the Hackney Pension Fund

The Hackney Pension Fund (“the Fund”) is a £2.3bn¹ Local Government Pension Fund which provides death and retirement benefits for local government employees (other than teachers, police and firefighters) in the London Borough of Hackney and employees of other participating employers which provide similar services in the Hackney area.

Total Fund membership at 31 March 2025 is 27,986 with 7,592 active contributors from 38 contributing employers and 11,635 deferred members and 8,759 pensioners and dependents.

Governance and Management of the Fund

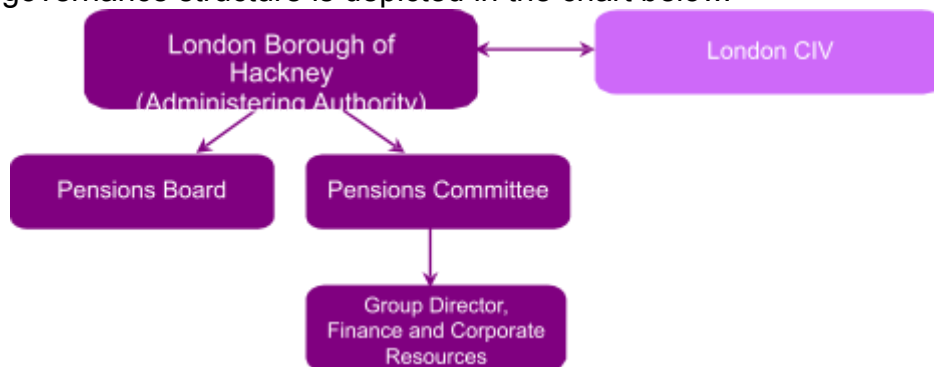
The Fund operates under a governance framework designed to ensure effective oversight, transparent decision-making and adherence to statutory and regulatory requirements. The London Borough of Hackney, as the Administering Authority of the Fund, has delegated responsibility for the management of the Hackney Pension Fund to the Pensions Committee as set out in the Council’s Constitution. Governance of the Fund is delivered through the Pensions Committee and Pensions Board.

The day to day running of the Fund has been delegated to the Group Director, Finance and Corporate Resources; The Pensions section has responsibility for all aspects of the day to day running of the Fund including administration, investments and accounting. Some of this is carried out by external suppliers or providers including:

- LPPA – many aspects of the administration and communications of the Hackney Pension Fund are carried out on the Fund's behalf by LPPA
- London Collective Investment Vehicle (London CIV) - the Fund is a participating scheme in the London CIV which means the London CIV manages the Fund's assets on its behalf. The London Borough of Hackney is also a shareholder of the London CIV.

A range of consultants also provide guidance in relation to the management of the Fund. In line with the Local Government Pension Regulations 2013, the Pensions Board assists the Authority in ensuring compliance with the regulations and helps oversee the work of the Pensions Committee and how the Fund is administered.

The Fund's governance structure is depicted in the chart below.



¹ Information correct as at 31 March 2026

3. Vision and Objectives

Vision

Our vision is to deliver outstanding pension services to our scheme members and employers.

Objectives

The primary objectives of the Fund are shown below. They were last updated in January 2026 by the Pensions Committee as part of the Fund's key strategies and policies, and as such are a key driver in determining what is in the Fund's business plan. The objectives are sub-divided into specific areas of governance, funding, investments, administration and communications.

Governance Objectives

We will:

- aim to act in the best interests of the Fund's members and employers
- have robust governance arrangements in place, to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies
- ensure that the London Borough of Hackney Pension Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and skills
- Provide transparency with the Fund's decision-making with oversight from the Pensions Board
- Understand, manage and report potential conflict of interest
- act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- understand and monitor risk across all areas of the Fund
- strive to ensure compliance with the appropriate legislation and statutory guidance, and to act in the spirit of other relevant guidelines and best practice guidance
- clearly articulate our objectives and how we intend to achieve those objectives through business planning, and we will continually measure and monitor success
- ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services are protected and preserved.

Funding Objectives

- Take a prudent long-term view to secure the regulatory requirement for long-term solvency, with sufficient funds to pay benefits to members and their dependents

- Use a balanced investment strategy to minimise long-term cash contributions from employers and meet the regulatory requirement for long-term cost efficiency
- Where appropriate, ensure stable sustainable employer contribution rates
- Reflect the different employers' characteristics to set their contribution rates, using a transparent funding strategy
- Use reasonable measures to reduce the risk of an employer defaulting on its pension obligations
- Monitor the funding level through the triennial valuation and ongoing monitoring processes

Investment Objectives

- Set an appropriate investment strategy so as to:
 - Achieve an expected return in-line or in excess of the return required by the Fund's triennial valuation and Funding Strategy Statement over the long term.
 - Ensure expected liability outflows are broadly covered by asset income. This is measured by the proportion of assets in income distributing mandates and the proportion of cash outflows are expected to be matched over the next 5 years.
- Target an ambition to achieve net zero emissions by 2040 and set appropriate interim targets to assist in achieving this. Monitor climate change developments to identify risks and opportunities
- Increase local or recognise local investments over time where these meet both financial and broader objectives of the Fund
- Aim to implement asset allocation decisions via the London CIV (the Fund's asset pool) where appropriate and monitor the proportion of Fund assets invested via the pool accordingly.
- Ensure that the Fund continues to invest responsibly taking account of environmental, social and governance issues, whilst adhering to its overarching fiduciary duties. Specifically, to ensure that the following investment beliefs agreed by the Committee in January 2026 are incorporated into the Committee's decision-making:
 - Environmental, social and corporate governance issues have a material impact on the long-term performance of investments;
 - The UN Sustainable Development Goals highlights investment risks and potential opportunities as well as areas in which asset owners can have a positive impact
 - Engagement with managers, and through them with investee companies, can have a material impact on progress towards the chosen goals as well as on investment performance; and
 - Responsible investment is relevant to the performance of the entire fund across asset classes

- Seek to gain feedback from the Fund's key stakeholders including scheme members and employers to feed into ESG policy objectives where feasible
- Responsible Investment Policy, Engagement Policy and Voting Policy to be implemented
- Enhance the Fund's transparency and communication around investments

Administration Objectives

- Deliver an efficient, quality and value for money service to its scheme employers and scheme members.
- Ensure payment of accurate benefits and collect the correct contributions from the right people in a timely manner.
- Ensure the Fund's employers are aware of and understand their role and responsibilities under the LGPS regulations and in the delivery of the administration function.
- Maintain accurate records and communicate all information and data accurately, and in a timely and secure manner.
- Set out clear roles and responsibilities for the Council and Administration Partner Local Pension Partnership Administration (LPPA) and work together to provide a seamless service to scheme employers and scheme members.
- Continuously review and improve the service provided.

Communications Objectives

- Promote the scheme as a valuable benefit and provide sufficient and up to date information so members can make informed decisions about their benefits.
- Communicate in a plain language style.
- Ensure the Fund uses the most appropriate means of communication, taking into account the different needs of different stakeholders.
- Look for efficiencies in delivering communications including greater use of technology.
- Evaluate the effectiveness of communications and shape future communications appropriately.

4. The plan for the next three years

Key Challenges and Influences

The last decade saw an unprecedented number of external factors that impacted or could impact the management of the Fund on top of major changes that have been implemented to the Fund in recent years, such as:

- The implementation of the new Local Government Pension Scheme from April 2014.
- Establishing the London CIV and investing assets in it from 2018.
- Introduction of a carbon reduction target for investments and development of the Fund's responsible investment approach.
- The challenges of implementing the regulatory changes brought about by McCloud and Pensions Dashboard.
- The Fund's third-party administration contract commenced from 24 October 2025
- The challenges of implementing the requirements of the Fit for the Future Government Consultation.
- The challenges of implementing the requirements of the 2026 Local Government Pensions Scheme Regulations and all 3 Statutory Guidance.

These and other areas of recent focus put us in a strong position to meet the challenges ahead. The following are just some of the key areas of focus for the Fund over the next three years:

- Ongoing implementation of the remedy for the McCloud court case, and any further "cost cap" changes to member benefits and contributions
- Increasing the number of members signed up to the member on-line self-service facility
- Continuing to embed the employer on-line system, allowing more timely submission of data and ensure employers resolve upload queries
- Complying with The Pension Regulator's General Code of Practice
- Implementing any governance changes as a result of the 2026 Pensions Act, the Local Government Pension Scheme (Amendment) Regulations 2026 and the Local Government Pension Scheme (Pooling, Management and Investment of Funds) Regulations 2026
- Implementing the Access and Fairness regulatory requirements
- Improving member data integrity
- Further development of controls relating to cybercrime and business continuity
- Carrying out the 31 March 2028 actuarial valuation and reviewing the Funding Strategy as part of this
- Implementing the Fund's climate change targets and annual measurements

- Maintaining the annual UK Stewardship Signatory Status
- Maintaining signatory status of the Stewardship Code and complying with 2026 regulations
- Comply with the requirements of the 2026 LGPS regulations
- Appoint the Independent Person and LGPS senior officer within 6 months from the date of the regulations coming into force
- Support the transition of all Fund assets to London CIV

These, and other priorities for the next three years, are articulated in more detail in the later sections of this business plan, split into three sections: governance; funding and investments; administration and communications.

Delivering the Business Plan

Monitoring and Reporting

In order to identify whether we are meeting our business plan we will:

- continue to monitor progress of the key priorities and the agreed budgets on an ongoing basis
- provide updates on progress against these key priorities on a quarterly basis to the Pensions Committee, which will be shared with the Pension Board
- as part of these quarterly updates:
- highlight any areas where we are exceeding or failing to achieve our targets and the reasons why, and identify any changes to the planned priorities as a result of this
- highlight any significant additional spend or underspend in relation to the agreed budget as it becomes apparent.

Significant risks that may impact delivery of the Business Plan

Overall, the next few years will be challenging for those involved in the governance, management and operation of the Fund. The following are the key known risks which may impact on the delivery of this business plan.

- Failure of the third party administrator Local Pension Partnership administration (LPPA) to deliver in accordance with contractual requirements, impacting on the service to the Administering Authority, scheme members and employers. This is exacerbated by the likely increase in work due to required improvements in member data, Pensions Dash Board and ongoing McCloud remedy.
- Insufficient resources and/or lack of skills within the Administering Authority Pensions Team. Again, this could be exacerbated by the demands of increased regulatory changes.
- Failure to meet investment objectives due to market volatility and geopolitics.
- Failure to achieve desired returns in relation to investments made under the umbrella of the Fund's Responsible Investment Policy.
- Inability to pay pension benefits due to market volatility and insufficient illiquid assets.
- Failure by London CIV to deliver services required to achieve asset pooling objectives.
- Breach or loss of data or assets due to a cyber-attack, or business continuity incident affecting systems or ability to work effectively.

Training Strategy and Plan

In line with the 2026 regulations, the Fund has a Training Strategy which sets out the training requirements for and knowledge expected of Senior LGPS Officer, senior officers, Pensions Committee and Pension Board members. Key areas of training identified for the Committee and Board members for the period covered by this business plan include:

- Induction training for new members
- Pensions Committee roles and responsibilities
- Fit for the Future and Pool Oversight
- Understanding Responsible Investment
- Understanding Investment Strategy
- Understanding Investment Asset Classes & Types
- London CIV
- LGPS Regulatory Background
- Key Skills and Behaviours
- Pensions Administration & Communications
- Taskforce on Climate-Related Financial Disclosures (TCFD)
- UK Stewardship Code
- Annual Report, Accounts and Audit Standards
- Risk Management & Risk Register
- The Pensions Regulator General Code of Practice
- Taskforce on Nature-related Financial Disclosures (TNFD)
- Investment Strategy, Performance & Risk Management
- Cyber Security and Pensions Scam
- Procurement & Contract Management
- Funding Strategy, Actuarial Methods
- Triennial Valuation Climate Change Scenario Analysis
- Triennial Valuation Assumptions, Cash Flow and Asset Liability Modelling

In addition, a programme of induction training will be delivered to all new Committee and Board members in line with the Fund's Policy.

5. Business plan key priorities

The following are the expected key priorities for the Hackney Pension Fund for the period 2026/27 to 2028/29 so that the objectives of the Fund are achieved. This excludes ongoing business as usual items that take place annually or more frequently. Key policies and reports are included in Appendix A to this business plan.

Many of the timescales are estimated due to reliance on external bodies, such as the Government. As a result, these timescales may change. These are shown with an asterisk (*).

Key Action/Task	2026/27 Period				2027/ 28	2028/ 29	Regulatory Deadline
	Q1 June 2026	Q2 Sept 2026	Q3 Dec 2026	Q4 Mar 2027			
Governance							
G1. Business Plan Annual Update	✓				✓	✓	Annual
G2. Induction training and training needs analysis for Pensions Committee, Board and key officers	✓	✓			✓		March 2025
G3. Review of Cyber Strategy and cybercrime risk to the Fund			✓	✓	✓	✓	Annual
G4. Quarterly reporting of breaches and Annual Review of Breaches procedure	✓	✓	✓	✓	✓	✓	Quarterly/ Annual
G5. Governance review and implementation of actions			✓	✓	✓		Quarterly/A nnual
G6. Review against new TPR General Code of Practice				✓	✓		December 2026
G7. Review of Conflicts of Interest Policy	✓				✓	✓	Annual
G8. Diversity and Inclusion			✓	✓	✓		TBA
G9. Prepare Governance Strategy			✓		✓	✓	December 2026
G10. Independent Governance Review					✓		31 March 2028
G11. Training Strategy & Policy				✓	✓	✓	Annual
G12. Quarterly Risk Register Update and Annual Review of Risk Policy	✓	✓	✓	✓	✓	✓	Quarterly/ Annual
G13. Review and Update Business Continuity Planning			✓		✓	✓	Annual no decision required
G14. Pension Fund Annual Report & Accounts			✓		✓	✓	Annual November

G Key Action/Task	2026/27 Period				2027/ 28	2028/ 29	Regulatory Deadline
G.15 Pension Fund Audit Plan	✓				✓	✓	Annual
G16. Review appointments of Pensions Committee co-opted members and Local Pension Board members				✓			Jan 2027
G17. Quarterly Review of Administration Service	✓	✓	✓	✓	✓	✓	Quarterly
Investments and Funding							
F1.Work with London CIV to meet Hackney Local investment requirements		✓	✓	✓	✓	✓	On going
F2. Quarterly Performance Monitoring & LCIV Oversight Monitoring	✓	✓	✓	✓	✓	✓	Quarterly
F3. 2028 Investment Strategy review and implementation					✓	✓	March 2028
F4. Responsible Investing – TCFD & Climate Risk		✓			✓	✓	June and September 2026
F5. Responsible Investing – Explore Nature reporting		✓	✓		✓	✓	
F6. Responsible Investing - TNFD Report			✓		✓	✓	Annual
F7. Responsible Investment - Annual News Letter	✓				✓	✓	Annual
F8. Responsible Investing – Annual Stewardship Code Submission		✓			✓	✓	September 2026
F9. Responsible Investing - LAPPF Update	✓	✓	✓	✓	✓	✓	Quarterly
F10. Responsible Investing - LAPPF Annual Work Plan				✓	✓	✓	Annual
F11. Responsible Investing – Update Voting Policy				✓	✓	✓	Annual
F12. Review LCIV Cost Report				✓	✓	✓	No decisions required
F13. 2028 actuarial valuation, review of funding strategy and inter-valuation monitoring					✓	✓	June, September, December 2028 & March 2029
F14. GAD Section 13 valuation results/engagement						✓	To be confirmed
F15. Annual Contribution Rate Review		✓			✓	✓	Annual

Key Action/Task	2026/27 Period				2027/ 28	2028/ 29	Regulatory Deadline
	Q1 June 2026	Q2 Sept 2026	Q3 Dec 2026	Q4 Mar 2027			
Investment and Funding							
F16. Climate risk and Responsible Investment modelling ahead of next valuation					✓	✓	June, September, December 2028 & March 2029
F17. Actuarial Cashflow management and Fund liquidity			✓		✓	✓	Annual
F18. Academy Consolidation Review			✓	✓			Dec 2026
F19. Annual review of Funding Strategy Statement and Policy Documentation				✓	✓	✓	Annual
F20. Strengthen formal monitoring of funding risk			✓	✓	✓	✓	TBC
F21. Prepare for Fair Deal and Contractor-related regulatory changes						✓	Dependent on Legislation
F22. Work with LCIV to implement new advisory requirements		✓	✓	✓	✓		On going
Administration and Communications							
A1. Expand number of users of member self-service online functionality	✓				✓	✓	Annual no decision required
A2. Work with Hackney Council/Hackney Education to develop solutions for monthly pensions interface/extract errors		✓	✓	✓			No decisions required
A3. Monitoring of administration contract	✓	✓	✓	✓	✓	✓	Monthly No decisions required
A4. Document and update processes and procedures		✓	✓	✓			Dec 2026/No decisions required
A5. Preparation of Member Data for Valuation	✓	✓	✓	✓	✓	✓	No decision required
A6. Prepare scheme for increases to minimum to pension ages to 57					✓	✓	In advance of changes on 6th April 2028
A7. Review of Pension Fund website	✓	✓	✓	✓	✓	✓	No decision required
A8. Procurement of Pension Fund website support					✓		December 2027

	2026/27 Period			2027/	2028/		
A9. Annual Allowance statements issued			✓		✓	✓	Annual(October)
A10. Annual benefit statements issued		✓			✓	✓	Annual 31 August
A11. Carry out Aggregation cleaning exercise							No decision required
A12. Address tracing exercise							
A13. Carry out frozen refund clearing exercise			✓	✓	✓		No decision required
A14. Implement changes required for national pensions dashboard(s)	✓*	✓*	✓*	✓			Ongoing
A15. Review under/overpayment policy			✓				December 2026
A16. Review Communications Strategy			✓	✓			December 2026
A17. Review Administering Authority and Employing Authority discretions policies	✓					✓	Mar 2029
A18. Review Voluntary Scheme Pays policy			✓				December 2026
A19. Review Administration Strategy		✓	✓				September 2026
A20. Other expected national legislation changes	✓*	✓*	✓*	✓*	✓*	✓*	To be confirmed
A21. National Fraud Initiative			✓		✓	✓	Annual
A22. Internal audit of Pension Administration Service		✓	✓				December 2026
A23. Complete upcoming schemes actions for regulation changes for Access and Protection and Access and Fairness (including back dates recalculations)							Dependent on regulations
A24. Statutory Returns	✓	✓	✓	✓	✓	✓	Quarterly/Annual
Supplier and contractor reviews and tenders							
Custodian tender options						✓	Jan 2029
Independent Person Appointment		✓	✓				December 2026
Benefits and governance consultant tender options	✓						Sept 2027
Investment consultant tender options					✓	✓	January 2028
AVC fund provider review					✓		June 2027
Stewardship Advisory Services tender options					✓	✓	Mar 28

	2026/27 Period				2027/	2028/	
Banking services tender (as part of Council's procurement)							To be confirmed

6. How we Communicate with Scheme Members

The aim of the Fund's communications strategy is to make sure that all stakeholders are engaged with and kept informed of developments within the Pension Fund. We want to ensure transparency and an effective communication process will help to maintain the efficient running of the scheme. An outline communications plan for 2026/27 is set out below

Type of Communication	Scheme Member	Prospective Scheme Members	Employers	Press & FOI Requests	Central Government & the Pensions Regulator
Annual Benefit Statements	July-August				
Newsletters	Annually and as required				
Individual Member Self-Service (on-line portal)	Continuous role out				
Notice of Pensions Increase (PI)	April (pensioners only)				
LPPA Website	As required	As required	As required		As required
Hackney Pension Fund Website	As required	As required	As required		As required
Scheme Guides	As required	Upon entry to the scheme	Upon entry to the scheme and as required		As required
Scheme legislation updates/changes	As required		As required		As required
Induction Sessions	Weekly/LPPA website information and recordings	Weekly	LPPA Website recording/As required		
Pre-Retirement Seminars	As required/LPPA website		As required/LPPA website		
Employer Forum			February-March		
Employer training workshops			As required		
Pensions Administration Strategy			Dec 2026		
Communications Strategy	Dec 2026		Dec 2026		
Report & Accounts	Annual Newsletter/ website		November		1 December
Funding Strategy Statement			Mar 2029		
Investment Strategy Statement			TBC		

Type of Communication	Scheme Member	Prospective Scheme Members	Employers	Press & FOI Requests	Central Government & the Pensions Regulator
Ad-Hoc Queries	Within set timescales	Within set timescales	Within set timescales	Within set timescales	Within set timescales
Pension Committee	April - March	April - March	April - March	April - March	
Pension Board	April - March	April - March	April - March		As Required
Pensions Dashboard communications	To be confirmed		As required		
Scheme Cost management changes	As required		As required		

7. Appendix A – List of All Key Policies and Reports

Further information relating to key priorities

It is expected that work scheduled for 2026/27 will be carried out within the existing resource/budget unless indicated otherwise. Work scheduled for 2027/28 and 2028/29 will be included in the relevant budgets for those years. Many of the timescales are estimated due to reliance on external bodies, such as the Government. As a result, these agenda items may be moved to a later committee date. These are shown with an asterisk (*).

Key Fund Policies & Reports

Policies and Reports				
Policy/Report	Existing Policy	Last Review	Next Review	Review Frequency
Investment Strategy Statement & Local Investment Strategy	✓	Mar 2026	Mar 2029	3 years
Treasury Management Strategy	✓	Mar 2026	Mar 2029	3 years
Funding Strategy Statement	✓	Mar 2026	Mar 2029	3 years
Administration Strategy	✓	Mar 2022	Nov 2026	3 years
Communication Strategy	✓	Mar 2021	Nov 2026	3 years
Training Strategy	✓	Mar 2026	Mar 2027	1 year
Triennial Valuation Report	✓	Mar 2026	Mar 2029	3 years
Conflict of Interest Policy	✓	June 2025	June 2026	1 year
Governance Strategy	x	n/a	Dec 2026	New regulatory requirement
Administering Authority Discretions Policy	✓	June 2026	June 2029	3 years
Administering Authority Death Grant Policy	✓	Mar 2026	Mar 2029	3 years
Policy on Academies	✓	Mar 2026	Mar 2029	3 years
Policy on Small Employers (Fund Employer Risk Policy)	✓	Mar 2026	Mar 2029	3 years
Cyber Security Strategy	✓	Mar 2022	Jun 2027	3 years
Risk Policy	✓	Mar 2026	Mar 2027	1 year
Administering Authority Overpayment Policy	✓	Feb 2024	Mar 2027	3 years

Data Improvement Plan	✓	Jan 2026	Jan 2027	1 year
Internal Dispute Resolution Procedure (IDRP)	✓	n/a	n/a	Now LPPA
Complaints Process	✗	n/a	Dec 2026	New policy
Reporting of Breaches Policy	✓	Jun 2022	Mar 2027	3 years
Policy on Contributions Reviews	✓	Mar 2026	Mar 2029	3 years
Policy on Cessations	✓	Mar 2026	Mar 2029	3 years
Investment Engagement Policy	✓	Jun 2025	June 2028	3 years
Responsible Investment Policy	✓	Jun 2025	June 2028	3 years
Voting Policy	✓	Jan 2026	Jan 2029	3 years
Data Privacy Policy	✓	Jan 2026	Jan 2029	3 years
Voluntary Scheme Pay Policy	✓	June 2021	Mar 2027	3 years
Exit Credit Policy	✓	Jul 2024	n/a	n/a
Stewardship Code	✓	Sep 2025	Sep 2026	1 year
Governance Compliance Statement	✓	July 2025	Jun 2026	1 year
Annual Report and Accounts	✓	Nov 2025	Nov 2026	1 year
Business Plan Update	✓	Nov 2024	June 2027	3 years/1 year
Task Force on Climate-related Financial Disclosures	✓	Sep 2025	Sep 2026	1 year
Independent Governance Review Report	✗	n/a	Mar 2028	New
Risk Register		Mar 2026	Jun 2026	Quarterly

Appendix B – Draft Budget

Budget Heading	2025/26 £'000	2026/27 Estimate £'000
Staffing	756	857
Member Training	14	27
Supplies		
Administration Costs*	2,278	1,392
Other Recharges	12	12
Postage and other costs	0.8	0.8
External Audit Fees	81	81
Third Party Costs		
Internal & External Legal Costs	36	46
Custody Fees	64	64
Bank Charges	9	24
Actuarial & Related Costs	476	475
Investment Consultant	366	365
Other Governance Costs	16	16
LCIV	98	98
Total Expenditure	3,451	2,601

*2025/26 administration costs includes LPPA migration project costs

This page is intentionally left blank