



pensions@hackney

London Borough of Hackney Pension Fund

Governance Policy and Compliance Statement



Approval date – November 2021
Version 2

Governance Policy and Compliance Statement – Administering Authority

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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 Levelling Up, Housing, and Communities. 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 25,000 current and former members of the Fund, and their dependants
- over 40 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:

- we will aim to act in the best interests of the Fund's members and employers
- we will have robust governance arrangements in place, to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies
- we will 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
- we will act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based
- we will understand and monitor risk

- 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
- we will clearly articulate our objectives and how we intend to achieve those objectives through business planning, and we will continually measure and monitor success
- we will 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.

The overall responsibility for the day to day running of the Fund has been delegated to the Group Director, Finance and Corporate Resources who is supported in this role by:

- the Director, Financial Management and
- the Pensions Team within the Council.

The Pensions 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:

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

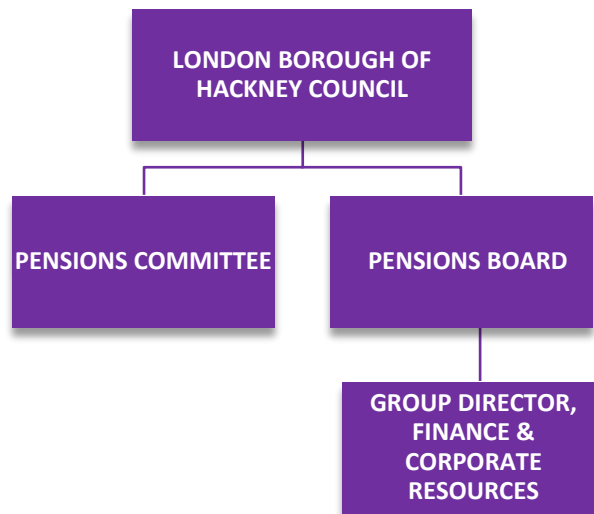
A range of consultants also provide guidance in relation to the management of the Fund.

In line with the Local Government Pension Regulations 2013, 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, the Public Service Pensions Act 2013, 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 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 at least four times a year in the ordinary course of business and additional meetings may be arranged as required to facilitate its work. Work for the year will be agreed with the Committee and will include dedicated training sessions for Committee members.

Agendas for meetings will be agreed with the Chair and will be circulated with supporting papers to all members of the Committee, officers of the Council as appropriate and the Fund's Consultants.

We 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. We make copies of the agenda and reports open to the public available for inspection at least five clear working days before the meeting. If an item is added to the agenda later, the revised agenda will be open to inspection from the time the item was added to the agenda. The reason for lateness will be specified in the report.

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.

We aim to make available copies of the minutes of the meeting and records of decisions taken for six years after a meeting. 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. As appropriate the Group Director, Finance and Corporate Resources will delegate aspects of the management of the Pension Fund to other officers of the Council including the Director, Financial Management, the Pensions Manager and the Head of Pensions , as well as appointing suppliers and consultants to assist with this.

Other Delegations of Responsibilities

The Pensions Committee has also agreed a further scheme of delegation as included in Appendix B. This includes responsibilities relating to how the ongoing implementation of decisions made by them are carried out, as well as how urgent matters that must be considered outside of the Pensions Committee cycle are dealt with.

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 and Governance.

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 twice 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)

LGPS regulations require that all LGPS funds must include within their investment strategy an approach to pooling investments. This is clarified in separate guidance from government which outlines criteria for investment pooling in the LGPS. As a result of this, in 2015, Hackney Council and the other London local authorities who also manage London LGPS funds established London LGPS CIV Ltd. Therefore Hackney Council, with those other London local authorities, is a shareholder of the London CIV. The Chair of Hackney Pensions Committee and the Group Director, Finance and Corporate Resources currently sit on the London CIV Shareholder Committee.

The London CIV is the investment pool which we use to invest some of the assets of the Hackney Pension Fund. 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 is reviewed by 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 employers in the Fund and other 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.

Knowledge and Skills Policy

Our Knowledge and Skills Policy 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:

- 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) Code of Practice for Public Service Schemes / the new TPR Single Code due to be introduced in 2022.

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 Knowledge and Skills Policy, 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, whether reported to The Pensions Regulator or not.

Risk 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
- 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
We will 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.

Objective	Monitoring Arrangements
<p>We will have robust governance arrangements in place, to facilitate informed decision making in a transparent manner, supported by appropriate advice, policies and strategies</p>	<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. ● Pensions Board prepares and publishes an annual report.
<p>We will 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</p>	<ul style="list-style-type: none"> ● Training Policy is in place together with monitoring and reporting of all training by Pensions Committee members, Pensions Board members and key officers in accordance with the Training Policy.
<p>We will act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based</p>	<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.
<p>We will understand and monitor risk</p>	<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.

Objective	Monitoring Arrangements
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.
We will ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services are protected and preserved.	<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 on 23 November 2021. This governance policy and compliance statement will be formally reviewed and updated at least every three years or sooner if the governance arrangements or other matters included within either of 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@hackney.gov.uk (Governance)
hackney.pensions@equiniti.com (Administration)

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

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.
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

a)	That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee structure. These include:- 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).	Fully Compliant	(i) Employing authorities are represented by an employer representative. (ii) Scheme members are represented by a scheme member representative. (iii) At this stage the Pensions Committee has determined that there is no requirement for an independent professional observer. (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.
b)	That 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.	Fully Compliant	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.

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	See Governance Policy
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

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	See Pensions Committee Terms of Reference in the Council's Constitution and the Fund's Governance Policy
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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	
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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	
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	

Further information:

Please see the Fund's Knowledge and Skills Policy.

Meetings (frequency/quorum)

a)	That an administering authority's main committee or committees meet at least quarterly.	Fully Compliant	
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	only main Pensions 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 main 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
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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
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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
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Appendix B - Delegation of Functions by Pensions Committee – November 2021

Key:

PC – Pensions Committee

GDFCR – Group Director, Finance & Corporate Resources

DFM –Director, Financial Management

PM – Pensions Manager

HoP – Head of Pensions

IC – Investment Consultant

FA – Fund Actuary

Advisers – Investment, actuarial, governance and/or benefits consultants as appropriate

Function delegated to PC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
To formulate and publish an Investment Strategy Statement and to monitor performance and effectiveness of investment managers	Implementation of strategic allocation including use of both rebalancing and conditional ranges	HoP (having regard to ongoing advice of the GDFCR, DFM and advisers) and in consultation with the Chair of PC	High level monitoring at PC with more detailed monitoring by HoP and GDFCR
To set the overall strategic objectives for the Pension Fund, having taken appropriate expert advice and develop a medium term plan to deliver the objectives	Implementation of agreed Flightpath triggers	DFM, HoP and GDFCR (having regard to ongoing advice of the FA and IC)	High level monitoring at PC with more detailed monitoring by HoP and GDFCR

Function delegated to PC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
<p>Selection, appointment and dismissal of the Fund's suppliers, including actuary, benefits consultants, governance consultants, investment consultants, global custodian and pension funds administrator.</p>	<p>Ongoing monitoring of suppliers</p>	<p>HoP or PM with DFM (having regard to ongoing advice of advisers)</p>	<p>High level monitoring at PC with more detailed monitoring by advisers</p>
	<p>Selection, appointment and termination of suppliers following approval by PC</p>	<p>DFM, HoP and/or PM and GDFCR (having regard to ongoing advice of advisers) and subject to ratification by PC</p>	<p>Notified to PC via ratification process.</p>
<p>To determine all matters relating to admission body issues.</p>	<p>Agreeing the terms and payment of bulk transfers into and out of the Fund where there is a bulk transfer of staff from the Fund. Making decisions relating to employers joining and leaving the Fund and compliance with the Regulations and policies. This includes which employers are entitled to join the Fund, any requirements relating to their entry, ongoing monitoring and the basis for leaving the Fund other than where the responsibilities are articulated in separate policy or strategy documents (e.g. in FSS or discretionary policy statement).</p>	<p>DFM and HoP or PM after taking appropriate advice from the FA.</p>	<p>Ongoing reporting to PC for noting</p>

Function delegated to PC	Further Delegation to Officer(s)	Delegated Officer(s)	Communication and Monitoring of Use of Delegation
To review the Pension Fund's policy and strategy documents on a regular cycle and review performance against the Fund's objectives within the business plan	<p>Changes to Administering Authority discretionary policies necessitated by changes to regulations - authority to amend the policies to reflect the requirements of such new regulations, subject to those decisions having no significant financial implications.</p> <p>Changes to other policy and strategy documents - authority to make minor amendments (i.e. of no impact on strategy and having no significant financial implications).</p>	DFM and HoP or PM after taking appropriate advice from advisers.	Copy of policy to be circulated to PC members once approved.
Agreeing the Administering Authority responses to consultations on LGPS matters and other matters where they may impact on the Fund or its stakeholders.	Agreeing the Administering Authority responses where the consultation timescale does not provide sufficient time for a draft response to be approved by PC.	HoP or PM, DFM and GDFCR, subject to agreement with Chairman and Deputy Chairman (or either, if only one available in timescale)	PC advised of consultation via e-mail (if not already raised previously at PC) to provide opportunity for other views to be fed in. Copy of consultation response provided at following PC for noting.
The Committee may delegate a limited range of its functions to one or more officers of the Authority. The Pension Fund Committee will be responsible for outlining expectations in relation to reporting progress of delegated functions back to the Pension Fund Committee.	Other urgent matters as they arise	HoP or PM, DFM and GDFCR, subject to agreement with Chairman and Deputy Chairman (or either, if only one is available in timescale)	PC advised of need for delegation via e-mail as soon as the delegation is necessary. Result of delegation to be reported for noting to following PC.
	Other non-urgent matters as they arise	Decided on a case by case basis	As agreed at PC and subject to monitoring agreed at that time.