

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Pension Fund Committee

Date: 28 February 2022

Subject: Pension Fund Risk Management Policy

Report author: Patrick Rowe, Pension Fund Manager

Responsible Director: Phil Triggs, Tri-Borough Director of Treasury and Pensions

SUMMARY

As part of the independent review of the Pension Fund, a recommendation was made to prepare a Risk Management Policy

This report is seeking approval for the adoption of the Risk Management Policy.

RECOMMENDATIONS

1. That the Pension Fund Committee approves the Risk Management Policy included at Appendix 1.

Wards Affected: None

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	Ensuring good governance for the Pension Fund should ultimately lead to better financial performance in the long run for the Council and the council tax payer.

Financial Impact

None

Legal Implications

None

DETAILED ANALYSIS

Background

1. As part of the independent review of the Pension Fund, a recommendation was made to compile and approve a Risk Management Policy.
2. CIPFA provide guidance on risk management in their publication 'Managing Risk in the Local Government Pension Scheme' (published in December 2018); alongside the Pensions Act 2004 and the Pensions Regulator's Code of Practice for Public Service Pension Schemes as they relate to managing risk.
3. The policy aims to draw on this guidance and adhere to the principles within.

Risk Management Policy

1. The Policy details the risk management strategy for the Fund, including:
 - the risk philosophy for the management of the Fund and, in particular, attitudes to and for risk;
 - how risk management is implemented;
 - risk management responsibilities;
 - the procedures that are adopted in the Fund's risk management process; and
 - the key internal controls operated by the Administering Authority and other parties responsible for the management of the Fund.

Risk Management Implications

1. By ensuring effective risk management the pension fund can ensure good and effective governance and minimise any risks that result from a failure in governance.

LIST OF APPENDICES

Appendix 1: Risk Management Policy