



PENSIONS COMMITTEE

18 MARCH 2025

REPORT TITLE:	RISK POLICY
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to seek approval from Members for the Fund's risk policy.

RECOMMENDATION/S

Pensions Committee is recommended to approve the risk policy as set out as Appendix 1 to this report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 It is important that Merseyside Pension Fund (“the Fund’s”) risk policy is kept up-to-date and reflects best practice. The Fund recognises that risk is inherent in many of its activities and the governance arrangements the Fund has in place are intended to ensure that effective risk management is integrated at all levels with appropriate levels of oversight by the Pensions Committee.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 No other options have been considered because it is important that Pensions Committee has oversight of the Fund’s risk policy.

3.0 BACKGROUND INFORMATION

- 3.1 Risk management is an integral part of the Fund’s business planning, policies and procedures. MPF has had regard to Wirral’s risk management framework in preparing this risk policy but the Fund has also taken account of the regulatory requirements and various guidance publications under which the Fund operates including:

- The Pensions Act 2004 (as amended);
- Public Service Pensions Act 2013 (as amended);
- Local Government Pension Scheme Regulations 2013 (as amended);
- Local Government Pension Scheme Investment Regulations 2016 (as amended);
- The Pension Regulator General Code of Practice 2024;
- CIPFA Managing Risk Publication;
- CIPFA Investment Pooling Governance Principles for LGPS Administering Authorities;
- SAB/CIPFA Preparing the Pension Fund Annual Report – Guidance for LGPS Funds 2024.

- 3.2 The Fund continues to monitor changing requirements under the regulations and guidance and will update this policy as required.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Risk management may have financial and non-financial implications. Identifying, evaluating and measuring risk can provide the Fund with opportunities as well as managing threats to the achievement of its objectives to the benefit of stakeholders.

5.0 LEGAL IMPLICATIONS

- 5.1 The Pension Regulator has identified the management of risk as a key objective for pension funds.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are none arising directly from this report. The assessment of risk is a factor in the direction and allocation of resources by management.

7.0 RELEVANT RISKS

7.1 The degree of the Fund's success in dealing with the risks faced can significantly impact on the achievement of the Fund's priorities and the trust placed in it by stakeholders. Risk management is an integral part of the Fund's business planning, policies and procedures.

8.0 ENGAGEMENT/CONSULTATION

8.1 There has been no consultation planned or undertaken for this report. There are no implications for partner organisations arising from this report.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT, BIODIVERSITY AND CLIMATE IMPLICATIONS

10.1 There are none arising directly from this report. Environmental, biodiversity and climate risks are also addressed in the Fund's Investment Strategy Statement and Funding Strategy Statement.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are none arising from this report.

REPORT AUTHOR: Peter Wallach
(Director of Merseyside Pension Fund)

APPENDICES

Appendix 1- Risk Policy

BACKGROUND PAPERS

CIPFA: Managing Risk in the Local Government Pension Scheme

TERMS OF REFERENCE

This report is being considered by the Pensions Committee in accordance with Section A of its Terms of Reference:

(d) To monitor the Local Government Pension Scheme including the benefit regulations and payment of pensions and their day-to-day administration and to be responsible for any policy decisions relating to the administration of the scheme

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Minutes of all IMWP, GRWP and RIWP meetings are brought to the subsequent Pensions Committee.	