



# Haringey Pension Fund DRAFT Annual Report

For the year ended 31 March 2025

**Haringey**  
LONDON

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## Introduction and overview

### About the Local Government Pension Scheme (LGPS)

Haringey Pension Fund is part of the Local Government Pension Scheme (LGPS).

The LGPS is a defined benefit pension scheme for employees of local government and related organisations within the United Kingdom. During their employment, scheme members can build up their pension benefits based on a fixed formula as set out in the LGPS Regulations.

The LGPS is a national scheme, administered locally by councils nominated as "administering authorities". Haringey Council is the administering authority for Haringey Pension Fund. It is responsible for running the pension scheme to provide pension benefits to current and former employees of Haringey Council and other employers participating in the pension scheme.

More information about the LGPS works can be found at [www.lgpsmember.org](http://www.lgpsmember.org).

with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom ('the Code').

This annual report includes information on the following sections:

- Management and Financial Performance which explains the governance and management arrangements for the pension fund, as well as a summary of the overall financial position and Fund's approach to risk management.
- Investment Policy and Performance which details the Fund's investment strategy, arrangements, and performance.
- Scheme administration which sets out how the scheme is administered including a summary of some key administration statistics.
- Actuary's report which provides an update on the Fund's Funding Position including a statement from the Fund Actuary.
- The Pension Fund's Annual Statement of Accounts for the year ended 31 March 2025 which have been prepared in accordance



## Governance Arrangements

### Pensions Committee and Board

Haringey Council, in its role as the Administering Authority, has delegated responsibility for administering the Haringey Local Government Pension Scheme (LGPS) to the Pensions Committee and Board. The terms of reference for Pensions Committee and Board are set out in the Council's constitution.

The Committee and Board is responsible for setting the investment strategy, appointing investment managers and monitoring the ongoing performance of investments. In doing so, the Committee and Board considers advice from officers and the Fund's appointed advisors.

The Committee and Board has dual responsibility over the decision-making functions and oversight of the administration of the Fund. This arrangement fulfils the duties required by LGPS regulations for the Council to operate a Pensions Board.

The Committee and Board consists of elected councillors, and employer and employee representatives, all with equal voting rights. Councillors are selected by their respective political groups and their appointments are confirmed at an annual meeting of the full Council. They are not appointed for a fixed term, but their membership is regularly reviewed by their respective political groups. The other representatives are appointed through a separate selection process for a fixed term.

Details of the individuals who served on the Committee and Board during 2024/25 are shown below.

### Service Delivery

Haringey Pension Fund is administered by officers working within Haringey Council's finance department. These officers provide the pensions service on behalf of the Council.

The service is responsible for accounting, investment management, and pensions administration activities for the Fund. In addition to this, the pension service is supported by other

Member	Member Representation	Meeting Attendance
Cllr George Dunstall (Chair)	Elected member	5/5
Cllr John Bevan (Vice Chair)	Elected member	5/5
Cllr Tammy Hymas	Elected member	3/5
Cllr Thayahlan lyngkaran	Elected member	5/5
Cllr Matt White	Elected member	5/5
Cllr Nick da Costa	Elected member	4/5
Keith Brown	Employer representative	4/5
Craig Pattinson	Employer representative	4/5
Ishmael Owarish	Employee representative	3/5
Randy Plowright	Employee representative	3/5

Members of the Committee and Board can be contacted at 7<sup>th</sup> Floor, Alexandra House, London, N22 7TR.

### Governance Compliance Statement

The LGPS Regulations 2013 require Pension Funds to prepare, publish and maintain a governance compliance statement, and to assess the governance arrangements in place against a set of best practice principles.

The most recent version of the Fund's Governance Compliance Statement is available on the Pension Fund's website.

departments within the Council including legal, human resources, procurement, and democratic services.

The key responsibilities for the Investments and Accounting team include:

- Supporting the Pensions Committee and Board in setting the investment strategy, as well as monitoring investment performance on an ongoing basis
- Producing the Pension Fund's Annual Report and Accounts

- Managing contractual relationships with the Fund's appointed advisors
- Maintaining the key governance statements the Fund is required to publish

The key responsibilities for the Pensions Administration service are included in the Scheme Administration section of this report.

The table below lists the key officers supporting the Fund.

Role	Officer
Corporate Director of Finance and Resources (S151 Officer)	Taryn Eves
Assistant Director of Finance	Josephine Lyseight
Assistant Director for Head of Legal & Governance	Fiona Alderman
Head of Pensions	Jamie Abbott Tim Mpofu (until Dec 24)

### Pension Fund Advisors

The LGPS regulations require members of the Pensions Committee and Board to receive proper advice to support the effective undertaking of their duties. The table below lists the Fund's appointed advisors.

Role	Appointed Advisor
Fund Actuary	Hymans Robertson
Investment Consultants	Mercer
Independent Advisor	John Raisin Financial Services Ltd

### Investment Managers

The Fund has appointed several external investment managers to undertake the day-to-day management of its investment portfolio. Each investment manager is appointed with a mandate to cover a specific asset class or strategy.

The table below provides a list of the Fund's current external investment managers and the mandates that they are responsible for.

Mandate	Investment Manager
Listed Equities	LGIM
Property	CBRE Aviva Investors London CIV, LPPI
Multi Asset Credit	London CIV CQS, PIMCO
Multi Asset	London CIV Ruffer
Index Linked Gilts	LGIM
Renewable Infrastructure	London CIV BlackRock CIP
Private Equity	Pantheon
Infrastructure Debt	Allianz

### Other service providers

The Fund has procured other services from external providers to support with the administration of the Fund.

The table below lists other service providers and the services they provide to the Pension Fund.

Service	Organisation
Custodian	Northern Trust
Bankers	Barclays Bank Aviva Investors
Auditors	KPMG (external) Mazars (internal)
Administration Software Provider	Heywood
Additional Voluntary Contributions (AVCs) Providers	Equitable Life Clerical & Medical Prudential

## Risk Management

The Pensions Committee and Board is responsible for the Fund's risk management strategy.

### Risk Register

The Fund maintains a risk register that is reviewed quarterly and discussed at the Committee and Board's meetings.

The risk register identifies the key risks that affect the Fund and outlines the planned actions to mitigate and/or reduce the impact of each identified risk.

The full risk register is made available in the public section of the meetings and published online.

#### Funding risks

The Funding Strategy Statement (FSS) outlines the key risks related to changing demographics, regulatory risks, employer related risks, and the measures in place to manage these risks. The FSS is reviewed regularly.

#### Operational risks

Haringey Council's internal audit team conducts risk based audits on the management risk of the

Pension Fund. These audits are carried at least once every two years.

#### Investment risks

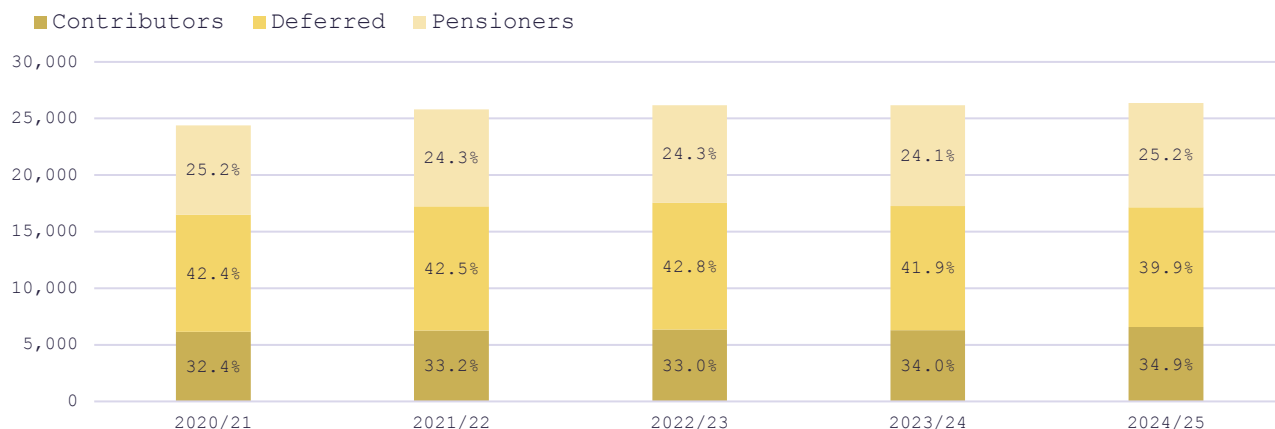
Further details of the Fund's policy regarding the management of investment risk are outlined in the Fund's Investment Strategy Statement (ISS).

Investment managers and other relevant service providers provide assurance over their internal controls annually through the disclosure of ISAE 3402 reports.

## Fund Membership

The chart below shows the breakdown of the Fund's membership over the past 5 years.

Fund Membership



As at 31 March 2025, the Fund had approximately 26,500 in total scheme members. This has been broken down into the following categories:

- Contributors (also referred to as active members) are employees who are currently contributing to the Fund. There were 6,683 active contributors as at 31 March 2025.
- Deferred members are members who have left Haringey LGPS but are not yet entitled to their accrued benefits. Some individuals may have multiple memberships due to having had multiple contracts of employment with different employers participating in the scheme. There were 10,588 deferred membership records as at 31 March 2025.
- Pensioners are individuals who have already reached retirement age and are receiving their pension benefits, paid out by the Fund. There were 9,254 pensioner members as at 31 March 2025.

## Financial Performance

The Fund's net asset value increased by over £62m during the financial year. This was largely due to the impact of rising interest rates and uncertainty in the economic environment, which negatively impacted the performance of various asset classes.

The table below provides a summary of the Fund's net investment trends over the past three years.

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
<b>Net Asset Statement</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>		
Pooled investment vehicles	1,667	1,841	1,880		
Cash and other balances	43	32	58		
<b>Total net assets</b>	<b>1,710</b>	<b>1,873</b>	<b>1,938</b>		

The table below provides a summary of the Fund's income and expenditure trends over the past three years.

	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
<b>Fund Account</b>			
<b>Fund value at start of the year</b>	<b>1,803,329</b>	<b>1,708,178</b>	<b>1,871,059</b>
Contributions received	56,043	57,692	62,276
Benefits paid	(56,232)	(65,047)	(73,669)
Net transfers	321	(3,405)	5,251
Net investment income	10,507	14,618	24,373
<b>Net Revenue</b>	<b>10,639</b>	<b>3,858</b>	<b>18,231</b>
Change in market value	(105,790)	159,023	43,812
<b>Net increase (decrease)</b>	<b>(95,151)</b>	<b>162,881</b>	<b>62,043</b>
<b>Fund value at end of the year</b>	<b>1,708,178</b>	<b>1,871,059</b>	<b>1,933,102</b>

The Fund's contributions have increased at a slower rate than benefits paid out due to the increasing maturity of the Fund's membership profile. Benefits paid have been higher than contributions received for some years now, the resulting gap being more than covered by investment income.

The amount of benefits paid to pensioners is uplifted annually by Consumer Price Index (CPI) inflation rate. This increase also depends on the number of individuals retiring in any given year.

Investment income increased from £14.6m in 2023/24 to £24.4m in 2024/25. The Fund's asset allocation is structured to include income generating assets such as Fixed Income, Property, and Infrastructure.

The table below provides a summary of the Fund's operational expenses, which are the costs of administering the Fund.

	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
<b>Investment, Administration and Governance Costs</b>			
<b>Investment</b>			
Management Fees	6,498	5,559	5,244
Custody	61	92	69
<b>Total Investment expenses</b>	<b>6,559</b>	<b>5,651</b>	<b>5,313</b>
<b>Administration</b>			
Employee related costs	865	832	957
Administration software	670	148	268
Ill health liability insurance	-	-	-
Other administration costs	312	38	112
<b>Total administration expenses</b>	<b>1,847</b>	<b>1,018</b>	<b>1,337</b>
<b>Oversight and governance</b>			
London CIV pooling costs	106	94	97
Actuarial fees	201	142	181
Investment consultancy and advice	89	92	98
Audit fees	-	-	88
Other governance costs	26	28	-
<b>Total oversight and governance expenses</b>	<b>422</b>	<b>356</b>	<b>464</b>

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
<hr/>					
<b>Total Investment, administration and governance costs</b>			<b>8,722</b>	<b>6,931</b>	<b>7,114</b>
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## Investments

### Investment Strategy

The Pensions Committee and Board is responsible for setting the Pension Fund's investment strategy. This strategy is formulated in accordance with the Local Government Pension Scheme (Management and Investment of Fund) Regulations 2016.

The strategy is outlined in detail in the Investment Strategy Statement (ISS) which can be found on Haringey Pension Fund's website. The ISS outlines the responsibilities relating to the overall investment policy of the Fund which includes:

- strategic asset allocation
- methods of investment management
- performance monitoring

The ISS also outlines the Fund's approach to responsible investment and demonstrates compliance with the "Myners Principles". These principles are a set of recommendations relating to the investment of pension funds originally prepared by Lord Myners in the early 2000s. These were subsequently endorsed by the UK Government and cover the following areas:

- Effective decision-making
- Clear objectives
- Risk & Liabilities
- Performance measurement
- Responsible ownership
- Transparency and report

### Asset Allocation

The strategic asset allocation is agreed by the Pensions Committee and Board, considering the advice of the Fund's advisers.

The table below shows the Fund's strategic asset allocation as at 31 March 2025.

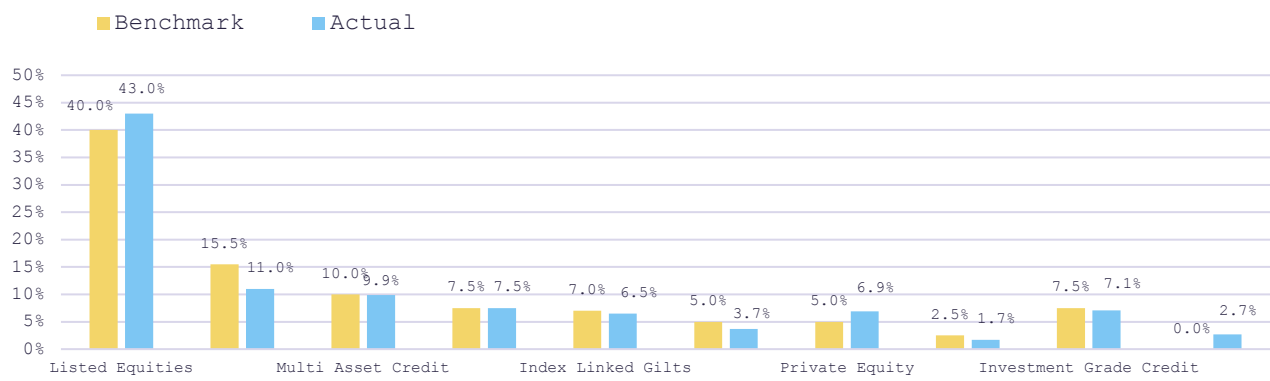
Asset Class	Target Allocation %
Listed Equities	40.0%
Property	15.5%
Multi Asset Credit	10.0%
Multi Asset – Absolute Return	7.5%
Index Linked Gilts	7.0%
Renewable Infrastructure	5.0%
Private Equity	5.0%
Infrastructure Debt	2.5%
Investment Grade Credit	7.5%
<b>Total</b>	<b>100.0%</b>

Haringey Pension Fund is a member of the London Collective Investment Vehicle (LCIV), one of the 8 asset pools that was set up after the government guidance issued in November 2015. At the reporting date, the Pension Fund had approximately 78% of assets invested with the pool.

### Portfolio distribution

The chart below shows a comparison of the Fund's benchmark asset allocation to the actual asset allocation as at 31 March 2025.

Asset allocation as at 31 March 2025

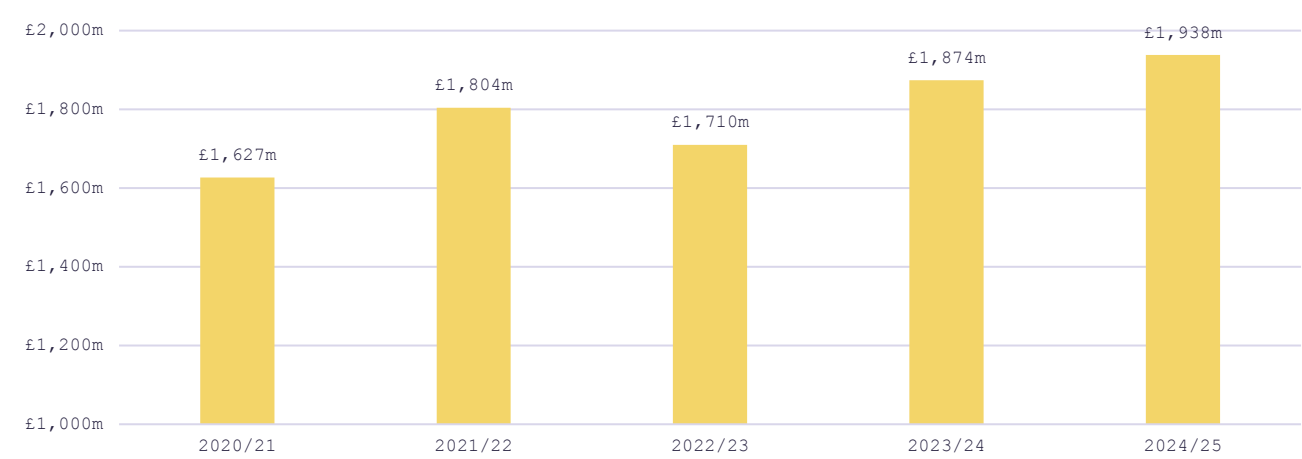


The current benchmark strategic asset allocation was set towards the end of the year and as time progresses, investment decisions will be made to move the current actual allocation towards the target allocation. The time taken to fund strategies as well as movements in investment performance can also result in a variance between the benchmark strategic asset allocation and the actual asset allocation.

Fund value

The chart below shows the growth in Fund Assets over the past 5 years.

Fund Assets



Since 1 April 2020, the Fund’s assets have increased by 19.1%. During this period, several significant events which include the COVID-19 pandemic, heightened geopolitical uncertainty and inflationary pressures have all had an impact on the financial markets. Despite these challenges, the Fund’s investment strategy has been resilient.

Investment Performance

The Fund’s investment assets are invested to meet the Fund’s liabilities over the medium to long term, and therefore its performance is assessed over the corresponding periods. Annual investment performance can be volatile and does not necessarily indicate the underlying long-term sustainability of the Fund.

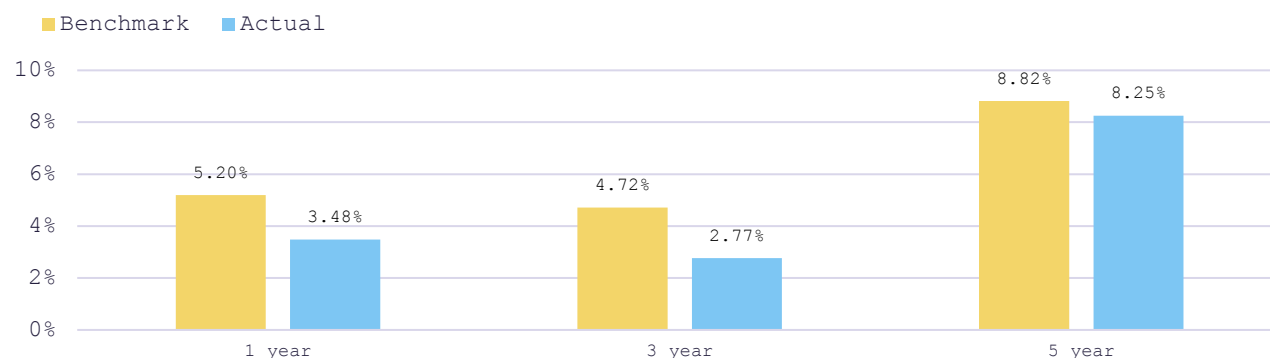
The performance of the Fund’s investment managers, and overall investment performance is reported on a quarterly basis to the Pensions Committee and Board. The Fund’s investment performance is compared against

the target strategic benchmark, based on the individual performance targets assigned to each investment manager.

## Annualised Investment Performance

The chart below shows the Fund's annualised investment performance over several time periods.

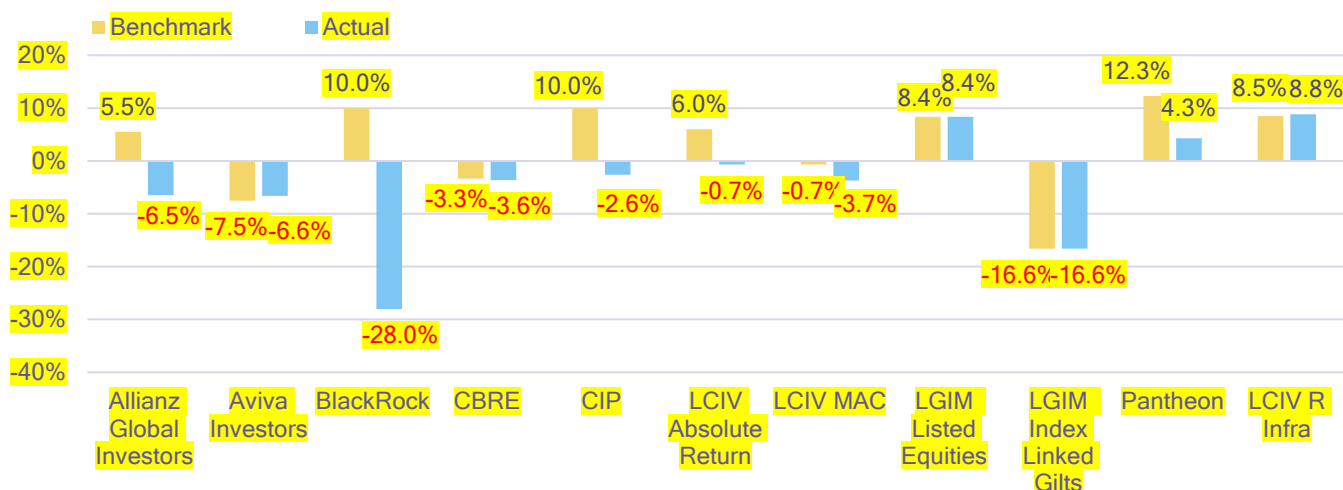
Annualised Fund Investment Performance



## Investment manager performance

The chart below shows the individual investment performance for each investment manager measured over the rolling three-year period.

Annualised Investment Manager Performance



Figures have been excluded for the London Fund which we currently do not have a three year financial period for as its a new fund.

## Asset Pooling

In 2015, the Government issued guidance on LGPS asset pooling (LGPS: Investment Reform Criteria and Guidance), which sets out the Government's expectations for LGPS funds to establish asset pooling arrangements. The Fund recognises the Government's requirement for LGPS funds to pool their investments and has over the years committed to supporting the pool and transitioning assets were possible.

The Fund is a member of the London Collective Investment Vehicle (London CIV), an asset pool comprised of the 32 local authorities within London and has £33.9bn of assets under management, including £17bn under direct management.

The Fund has transitioned assets into the London CIV with a value of £1.505bn or 75% of assets as at 31 March 2025. The table below provides a summary of the Fund's investment in the pool.

Investment Manager	Asset Class	Valuation £m	
Legal & General Investment Management	Listed Equities	834	
LCIV MAC Multi Asset Credit	Multi Asset Credit	192	
LCIV Absolute Return Fund	Multi Asset	146	
LCIV Long Duration Buy & Maintain Credit	Investment Grade Credit	137	As
Legal & General Investment Management	Index Linked Gilts	127	
LCIV Renewable Infrastructure	Renewable Infrastructure	47	
London Fund	Property/infrastructure	22	
Total		1,505	

shareholders in the London CIV, the Fund contributed £150k of shareholder capital alongside other London Borough funds. This amount is present on the Net Asset Statement in the Fund's Statement of Account. In addition to this, there is an annual service charge of £25k and the Development Funding Charge for 2024/25 was £76k.

The Fund estimates that asset pooling has generated net savings since inception, thereby offsetting the London CIV's costs due to savings achieved on the assets under the London CIV's oversight.

## Responsible Investment

The Pension Fund has a fiduciary duty to protect its members' pensions through its investments. The Fund recognises that managing Environmental, Social and Governance (ESG) risks that may have a financially material impact on future investment returns is consistent with this duty. Therefore, the Fund expects those responsible for managing its investments to demonstrate their ability to successfully integrate ESG factors into their investment decision-making process.

As part of its commitment to being a responsible investor, the Fund takes an engagement approach. This approach aims to engage with and encourage companies to take positive action on social, environmental and governance issues, rather than divesting from any specific companies. Research has shown that engagement achieves better outcomes than broad divestment.

The Fund is a member of the Local Authority Pension Fund Forum (LAPFF), an organisation comprised of several other local authorities across England and Wales. LAPFF engages directly with companies on behalf of its member funds and often issues voting recommendations to investment managers. Additionally, LAPFF meets with company boards and management to effect positive change. The Pension Committee and Board receive an update report at each meeting which reports on LAPFF's most recent engagement activity.

Over the past few years, the Fund has made several decisions to transition its listed equity investments into low carbon index funds. It was also one of the first London Borough pension funds to include an allocation to renewable energy infrastructure as part of its strategic asset allocation.

Furthermore, the Fund completed its transition to the RAFI Multifactor Climate Transition Fund. The goal of this strategy is to reduce the fund's carbon intensity by 7% annually in line with the Paris Agreement. As a result of this decision, all of the Fund's listed equity investments have been invested in low carbon index funds since 2022.

Since July 2024, the Fund has undertaken extensive analysis to identify and understand key Environmental, Social, and Governance (ESG) risks within its investment portfolio. These risks have been modelled against a range of tolerance levels to assess potential impacts and inform strategic decision-making. Through this process, a core set of investment beliefs has been established, which will form the foundation of the Fund's Responsible Investment (RI) Policy. The policy is currently under development, with publication targeted for the end of 2025..

## Scheme Administration

### Administration Service Delivery

The Local Government Pension Scheme (LGPS) is a national scheme, administered locally by the 85 Administering Authorities.

Haringey Council is the administering authority for the Haringey Pension scheme and therefore responsible for operating the Fund's pension administration service. The service interprets and implements the LGPS regulations and related legislation for administering the scheme. This includes maintaining a database of scheme members, including their employment service details. Additionally, the Pensions Administration service calculates and processes pension benefit payments.

### Communications Policy

Proper management and administration of the pension scheme require effective communication between the administering authority, scheme members, and participating employers. According to The LGPS Regulations 2013, pension funds must create, publish, and maintain a communication policy statement. Haringey Pension Fund's website provides the Fund's current communication policy, which has been prepared in accordance with the LGPS regulatory requirements.

The policy sets out the framework which defines the format, frequency, and method of distributing

information and publicity. Additionally, it outlines the processes for promoting the scheme to prospective members and scheme employers.

The policy also includes the provision for a Member Self Service portal on Haringey Pension Fund's website. This is a useful resource for members to view and amend details related to their pension benefits.

### Internal Dispute Resolution Procedure (IDRP)

Scheme members have statutory rights to ensure that complaints, queries, and problems concerning rights to pensions are properly resolved. To facilitate this process, an Internal Disputes Resolution Procedure policy has been established.

IDRP Stage 1 involves making a formal complaint in writing. This would normally be considered by the body that made the decision in question. If the scheme member is not satisfied with the actions taken at Stage 1, the complaint will progress to Stage 2.

IDRP Stage 2 involves a referral to the administering authority, Haringey Council, to undertake an independent review which is conducted by the Head of Pensions.

IDRP Stage 3 is a referral of the complaint to the Pensions Ombudsman.

For more information about the scheme generally, or to get in touch with the Pensions Team, please see contact details in the table below.

Contact	Details
Head of Pensions Pensions Manager Pensions Team	7 <sup>th</sup> Floor Alexandra House 10 Station Road Wood Green London, N22 7LR Email: <a href="mailto:pensions.mailbox@haringey.gov.uk">pensions.mailbox@haringey.gov.uk</a> Telephone: 020 8489 5916 Website: <a href="http://www.haringeypensionfund.co.uk">www.haringeypensionfund.co.uk</a>

### Administration Management Performance

Administration statistics

The table below provides a summary of some of the key activities undertaken by the Pensions Administration service during the financial year.



Type of case	Target	% Completed within SLA
Letter detailing transfer in quote	20 days	87%
Letter detailing transfer out quote	20 days	83%
Calculation and notification of deferred benefits	30 days	96%
Letter notifying of estimate retirement benefits	15 days	87%
Letter notifying of actual retirement benefits	10 days	92%
Letter notifying of dependant's benefits	5 days	91%
Processing of refunds	10 days	87%

#### Key performance indicators

The Fund aims to provide value for money for its members and employers participating in the scheme. The Fund participates in a benchmarking exercise which compares its costs and staff numbers against other similar pension funds.

The table below provides an analysis of the administration costs per fund member over the past 3 years.

Type of administration cost	2022/23	2023/24	2024/25
Administration costs per member	£44.03	£38.87	£50.40
Administration FTEs	9.0	10.0	11.0
LGPS members per FTE staff	2,909	2,618	2,411

# Actuary's Report

## Statement of Fund Actuary

### Introduction

CIPFA's Code of Practice on Local Authority Accounting 2024/25 requires Administering Authorities of LGPS funds that prepare pension fund accounts to disclose what IAS26 refers to as the actuarial present value of promised retirement benefits. I have been instructed by the Administering Authority to provide the necessary information for the London Borough of Haringey Pension Fund ("the Fund").

The actuarial present value of promised retirement benefits is to be calculated similarly to the Defined Benefit Obligation under IAS19. There are three options for its disclosure in the pension fund accounts:

- showing the figure in the Net Assets Statement, in which case it requires the statement to disclose the resulting surplus or deficit;
- as a note to the accounts; or
- by reference to this information in an accompanying actuarial report.

If an actuarial valuation has not been prepared at the date of the financial statements, IAS26 requires the most recent valuation to be used as a base and the date of the valuation disclosed. The valuation should be carried out using assumptions in line with IAS19 and not the Fund's funding assumptions.

### Present value of promised retirement benefits

	31 March 2025 £m	31 March 2024 £m
Active members	518	577
Pensioner members	359	430
Deferred members	623	718
Total (£m)	1,500	1,725

The promised retirement benefits as at 31 March 2025 have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2022. The approximation involved in the roll forward model means that the split of benefits between the three classes of member may not be reliable. However, I am satisfied that the total figure is a reasonable estimate of the actuarial present value of benefit promises

The figures include both vested and non-vested benefits, although the latter is assumed to have a negligible value. Further, I have not made any allowance for unfunded benefits.

It should be noted the above figures are appropriate for the Administering Authority only for preparation of the pension fund accounts. They should not be used for any other purpose (i.e. comparing against liability measures on a funding basis or a cessation basis).

### Assumptions

The assumptions used are those adopted for the Administering Authority's IAS19 report and are different as at 31 March 2025 and 31 March 2024. I estimate that the impact of the change in financial assumptions to 31 March 2025 is to decrease the actuarial present value by £266m. I estimate that the impact of the change in demographic assumptions is to decrease the actuarial present value by £4m.

	31 March 2025	31 March 2024	Longevity assumptions
Pension Increase Rate (CPI)	2.80%	2.80%	
Salary Increase Rate	3.80%	3.80%	
Discount Rate	5.80%	4.80%	

The longevity assumptions have changed since the previous IAS26 disclosure for the Fund.

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a.. Based on these assumptions, the average future life expectancies at age 65 are summarised below

	Males	Females	All other demographic assumptions are unchanged from
Current pensioners	21.1 years	24.0 years	
Future pensions (assumed to be aged 45 at the latest formal valuation)	22.4 years	25.6 years	

last year and as per the latest funding valuation of the Fund.

### Sensitivity Analysis

CIPFA guidance requires the disclosure of the sensitivity of the results to the methods and assumptions used. The sensitivities regarding the principal assumptions used to measure the obligations are set out below:

Change in assumption as at 31 March 2025	Approximate % increase to promised retirement benefits	Approximate monetary amount £m
0.1% p.a. decrease in the Discount Rate	2%	24
1 year increase in member Life Expectancy	4%	60
0.1% p.a. decrease in the Salary Increase Rate	0%	1
0.1% p.a. increase in the Rate of CPI inflation	2%	23

### Professional notes

This paper accompanies the 'Accounting Covering Report – 31 March 2025' which identifies the appropriate relances and limitations for the use of the figures in this paper, together with further details regarding the professional requirements and assumptions.

Prepared by:

Julie Baillie FFA

9 May 2025

For and on behalf of Hymans Robertson LLP

# Financial Statements

## Statement of Responsibilities for the Statement of Accounts

Haringey Council's Responsibilities  
The Council is required to:

- make arrangement for the proper administration of its affairs and ensure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Corporate Director of Finance and Resources (Section 151 Officer)
- to manage its affairs to secure economic, efficient, and effective use of resources and to safeguard its assets; and
- to approve the Statement of Accounts

The Section 151 Officer's Responsibilities

The Section 151 Officer is responsible for the preparation of the Council's Statement of Accounts, which include the Pension Fund's Statement of Accounts.

These accounts must be prepared in accordance with the proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom ('the Code') which require that the Statement of Accounts give a true and fair view of the financial position of the Council at the accounting date and

its income and expenditure for the year ended 31 March 2025.

In preparing these Statement of Accounts, the Section 151 Officer has:

- selected suitable accounting policies, and then applied them consistently
- made judgements and estimates that were reasonable and prudent; and
- complied with the Code.

The Section 151 Officer has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities

I confirm that these accounts give a true and fair view of the financial position of the Council at the reporting date and its income and expenditure for the year ended 31 March 2024.

Taryn Eves, CPFA

Corporate Director of Finance and Resources (S151 Officer)

## Pension Fund Accounts

Fund Account for the year ended 31 March 2025

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LONDON BOROUGH OF HARINGEY**

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
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[TO BE INSERTED AT END OF AUDIT]



# Independent Auditor's Report

To follow, subject to the completion of the external audit exercise for 2024/25.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF THE LONDON BOROUGH OF HARINGEY

[TO BE INSERTED AT END OF AUDIT]

2024/25	Pension Fund Account	Note	2023/24
£000			£000
	Dealings with members, employers and others directly involved in the fund		

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
62,276	Contributions	7	57,692		
15,796	Transfers in from other pension funds	8	8,923		
78,072			66,615		
(73,669)	Benefits	9	(65,047)		
(10,545)	Payments to and on account of leavers	10	(12,328)		
(84,214)			(77,375)		
(6,142)	<b>Net additions/(withdrawals) from dealings with members</b>		<b>(10,760)</b>		
(7,114)	Management expenses	11	(6,931)		
(13,256)	<b>Net withdrawals including fund management expenses</b>		<b>(17,691)</b>		
	<b>Returns on Investments:</b>				
31,487	Investment Income	12	21,549		
-	Taxes on income		-		
43,812	Profit and losses on disposal of investments and changes in market value of investments	13a	159,023		
75,299	<b>Net return on investments</b>		<b>180,572</b>		
62,043	<b>Net increase/decrease in the net assets available for benefits during the year</b>		<b>162,881</b>		
1,871,059	<b>Opening net assets of the scheme</b>		<b>1,708,178</b>		
1,933,102	<b>Closing net assets of the scheme</b>		<b>1,871,059</b>		

2024/25	Net Assets Statement	Note	2023/24
£000			£000
150	Long Term Investments	13	150
1,937,717	Investment assets	13	1,878,532
-	Investment liabilities	13	(4,800)
1,937,867	<b>Total net investments</b>		<b>1,873,882</b>
2,453	Current assets	19	1,657
(7,218)	Current liabilities	20	(4,480)
1,933,102	<b>Net assets of the fund available to fund benefits at the end of the reporting period</b>		<b>1,871,059</b>

## Notes to the Haringey Pension Fund Accounts for the year ended 31<sup>st</sup> March 2025

### 7. Description of the fund

The Haringey Pension Fund is part of the Local Government Pension Scheme (LGPS) and is administered by Haringey Council.

#### 1 a) General

The scheme is governed by the Public Service Pensions Act 2013. The fund is administered in accordance with the following secondary legislation.

- The [Local Government Pension Scheme Regulations 2013](#) (as amended)
- The [Local Government Pension Scheme \(Transitional Provisions, Savings and Amendment\) Regulations 2014](#) (as amended)
- The [Local Government Pension Scheme \(Management and Investment of Funds\) Regulations 2016](#).

It is a contributory defined benefit pension scheme administered by Haringey Council to provide pensions and other benefits for pensionable employees of Haringey Council, a range of other scheduled bodies, and admitted bodies within the London Borough of Haringey area. Teachers, police officers and firefighters are not included as they come within other national pension schemes. The fund is overseen by Haringey Pension Fund's Combined Pensions Committee and Board, which is a committee of Haringey Council.

#### b) Fund administration and membership

Membership of the LGPS is voluntary and employees are free to choose whether to join the scheme, remain in the scheme or make their own personal arrangements outside of the scheme.

Organisations participating in the Haringey Pension Fund include the following:

- scheduled bodies, which are automatically entitled to be members of the fund.
- admitted bodies, which participate under the terms of an admission agreement between the fund and the employer. Admitted bodies include voluntary, charitable, and similar not-for-profit organisation, or private contractors undertaking a local authority function following outsourcing to the private sector.
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Membership details of the Pension Fund are set out below:

<b>Haringey Pension Fund</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
Number of employers	63	62
<b>Number of employees in scheme</b>		
Haringey Council	5,463	5,206
Other employers	1,100	1,093
<b>Total</b>	<b>6,563</b>	<b>6,299</b>
<b>Number of pensioners</b>		
Haringey Council	8,194	7,919
Other employers	1,034	987
<b>Total</b>	<b>9,228</b>	<b>8,906</b>
<b>Deferred pensioners</b>		

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
	Haringey Council		8,806	9,172	
	Other employers		1,774	1,801	
	<b>Total</b>		<b>10,580</b>	<b>10,973</b>	
	<b>Total number of members in pension scheme</b>		<b>26,371</b>	<b>26,178</b>	

## 2 c) Funding

3 Benefits are funded by contributions and investment earnings. Contributions are made by active members of the fund in accordance with the [Local Government Pension Scheme Regulations 2013](#) and ranged from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2025. Employers' contributions are set based on triennial actuarial funding valuations. The valuation for the period to 31 March 2025 was carried out as at 31 March 2022. The primary employer contribution rate for the whole fund was 17.5%.

## 4 d) Benefits

5 Prior to 1 April 2014, pension benefits under the LGPS were based on final pensionable pay and length of pensionable service. From April 2014, the scheme became a career average scheme, whereby members accrue benefits based on their pensionable pay in that year at an accrual rate of 1/49<sup>th</sup>. Accrued pension is uplifted annually in line with the Consumer Prices Index inflation rate.

6 A range of other benefits are also provided included early retirement, disability pensions and death benefits, as explained on the LGPS website – see [www.lgpsmember.org](http://www.lgpsmember.org).

## 8. Basis of Preparation

The statement of accounts summarises the fund's transactions for the 2024/2025 financial year and its financial position at 31 March 2025. The accounts have been prepared in accordance with the *Code of Practice on Local Authority Accounting 2024/25* (the Code), which is based upon International Financial Reporting Standard (IFRS), as amended for the UK public sector. The accounts have been prepared on a going concern basis.

The accounts report on the net assets available to pay pension benefits. They do not take account of obligations to pay pensions and benefits that fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the net assets statement, in the notes to the accounts or by appending an actuarial report prepared for this purpose. The pension fund has opted to disclose this information in Note 18.

## 9. Summary of significant accounting policies

### Fund account – revenue recognition

#### a) Contribution income

Normal contributions are accounted for on an accruals basis as follows:

- Employee contribution rates are set in accordance with LGPS regulations, using common percentage rates for all schemes that rise according to pensionable pay.
- Employer contributions are set at the percentage rate recommended by the fund actuary for the period to which they relate.

Employer deficit funding contributions are accounted for on the basis advised by the fund actuary in the rates and adjustment certificate issued to the relevant employing body.



Additional employer contributions in respect of ill-health and early retirements are accounted for in the year the event rose. Any amount due in year but unpaid will be classed as a current financial asset. Amounts not due until future years would be classed as long-term financial assets.

## b) Transfers to and from other schemes

Transfers in and out relate to members who have either joined or left the fund. Individual transfers in/out are accounted for when received or paid. Bulk (group) transfers are accounted for in accordance with the terms of the transfer agreement.

## c) Investment income

- Interest income is recognised in the fund account as it accrues, using the effective interest rate of the financial instrument as at the date of acquisition or origination.
- Distributions from pooled funds are recognised at the date of issue. Any amount not received by the end of the reporting period is disclosed in the net assets statement as a current financial asset.
- Changes in value of investments (including investment properties) are recognised as income and comprise all realised and unrealised profits/losses during the year.

## Fund account – expense items

### d) Benefits payable

Pensions and lump-sum benefits payable include all amounts known to be due as at the end of the financial year. Any amounts due but unpaid are disclosed in the net assets statement as current liabilities, providing that payment has been approved.

### e) Management expenses

The fund discloses its management expenses in line with the CIPFA guidance *Accounting for Local Government Pension Scheme Management Expenses* (2016), as show in the following table. All items of expenditure are charged to the fund on an accrual basis as follows:

<b>Administrative expenses</b>	All staff costs relating to the pensions administration team are charged directly to the fund. The Council recharges for management and legal costs which are also accounted for as administrative expenses of the fund.
<b>Oversight and governance</b>	All costs associated with governance and oversight are separately identified, apportioned to this activity, and charged as expenses to the fund.
<b>Investment management expenses</b>	<p>Investment fees are charged directly to the fund as part of management expenses and are not included in, or netted from, the reported return on investments. Where fees are netted off returns by investment managers, these are grossed up to increase the change in value of investments.</p> <p>Fees charged by external investment managers and the custodian are set out in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under management and therefore increase or reduce as the value of the investments change throughout the year.</p>

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
	In addition, the fund has agreed with Pantheon Ventures and BlackRock that an element of their fee be performance related.				

## f) Taxation

The fund is a registered public service scheme under Section 1 (1) of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin unless exemption is permitted. Irrecoverable tax is accounted for as a fund expense as it arises.

## Net assets statement

### g) Financial assets

All investment assets are included in the financial statements on a fair value basis as at the reporting date. A financial asset is recognised in the net assets statement on the date the fund becomes party to the contractual acquisition of the asset. Any amounts due or payable in respect of trades entered into but not yet completed as at 31 March each year are accounted for as financial instruments held at amortised cost and reflected in the reconciliation of movements in investments and derivatives in Note 13. Any gains or losses on investment sales arising from changes in the fair value of the net asset are recognised in the fund account.

The values of investments as show in the net assets statement have been determined at fair value in accordance with the requirements of the Code and IFRS13 (see Note 15). For the purposes of disclosing levels of fair value hierarchy, the fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

### h) Foreign currency transactions

Dividends, interest and purchases and sales of investments in foreign currencies have been accounted for at the spot market rates at the date of transaction. End-of-year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, overseas investments and purchases and sales outstanding at the end of the reporting period.

### i) Cash and cash equivalents

Cash comprises cash in hand and demand deposits and includes amounts held by the fund's external managers. All cash balances are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to minimal risk of changes in value.

### j) Loans and receivables

Financial assets classified as amortised cost are carried in the net asset statement at the value of outstanding principal receivable at the year-end date plus accrued interest.

### k) Financial liabilities

A financial liability is recognised in the net assets statement on the date the fund becomes legally responsible for that liability. The fund recognises financial liabilities related to investments trading at fair value. Any gains or losses arising from changes in the fair value of the liability's value, between the contract date, the year-end date, and the eventual settlement date, are recognised in the fund account as part of the change in value of investments.

Other financial liabilities classed as amortised cost are carried in the net asset statement at the value of the outstanding principal as at 31 March each year. Any interest due not yet paid is accounted for on an accruals basis and included in administration costs.

## I) Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS19 and relevant actuarial standards. As permitted under the Code, the fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the net assets statement (Note 18).

### m) Additional voluntary contributions

The fund provides an additional voluntary contribution (AVC) scheme for its members. The assets of these AVCs are invested separately from those of the pension fund, and are therefore not included in the accounts in accordance with Section 4 (1) (b) of the [Local Government Pension Scheme \(Management and Investment of Funds\) Regulations 2016](#). However, this information is disclosed in Note 21 for informational purposes only.

### n) Contingent assets and contingent liabilities

A contingent asset arises where an event has taken place giving rise to a possible asset whose existence will only be confirmed or otherwise by future events.

A contingent liability arises where an event prior to the end of the year-end has created a possible financial obligation whose existence will only be confirmed or otherwise by future events. Contingent liabilities can also arise when it is not possible at the balance sheet date to measure the value of the financial obligation reliably.

Contingent assets and liabilities are not recognised in the net assets statement but are disclosed by way of narrative in the notes.

## 10. Critical judgements in applying accounting policies

The Council has not applied any critical judgements in applying accounting policies in the preparation of the statement of accounts.

## 11. Assumptions made about the future and other major sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts. Estimates and assumptions take account of historical experience, current trends, and future expectations. However, actual outcomes could be different from assumptions and estimates made. The items in the net assets statement for which there is a significant risk of material adjustment the following year are as follows:

Items	Uncertainties	Effect if actual results differ from assumptions
<b>Actuarial present value of promised retirement benefits (Note 18)</b>	<p>Estimation of the net liability to pay pensions depends on several complete judgements relating to the discount rate used, salary increases, changes in retirement ages, mortality rates and returns on fund assets.</p> <p>A firm of consulting actuaries is engaged to provide the fund with expert advice about the assumptions to be applied.</p>	<p>For instance:</p> <ul style="list-style-type: none"> <li>a 0.1% decrease in the discount rate would increase future pension liabilities by c. £23m (2%)</li> <li>a 0.1% increase in earnings inflation would increase future pension benefits by c. £0.9m (0%)</li> </ul>

Items	Uncertainties	Effect if actual results differ from assumptions
		<ul style="list-style-type: none"> <li>a one-year increase in assumed life expectancy would increase future pension benefits by c. £58m (4%)</li> </ul>
<b>Private equity investments (Note 14)</b>	<p>Private equity investments are valued at fair value in accordance with <i>International Private Equity and Venture Capital Valuation Guidelines</i> (December 2018). Investments are not publicly listed and as such there is a degree of estimation involved in the valuation.</p> <p>For the purposes of estimation, private equity investments include infrastructure and private debt.</p>	<p>Private equity investments are valued at £204m in the financial statements. There is a risk that this investment may be under- or overstated in the accounts by up to 5% i.e., an increase or decrease of approximately £10m.</p>

## 12. Events after the reporting date

No significant events occurred after the reporting date.

## 13. Contributions receivable

2024/25		2023/24
£000	By category	£000
14,122	Employee contributions	13,305
	Employer contributions	
47,370	- Normal contributions	43,850
-	- Deficit recovery contributions	-
784	- Augmentation contributions	537
<b>48,154</b>	<b>Total employers' contributions</b>	<b>44,387</b>
<b>62,276</b>	<b>Total contributions receivable</b>	<b>57,692</b>
2024/25		2023/24
£000	By type of employer	£000
55,508	Administering authority	51,489
6,048	Scheduled bodies	5,553
720	Admitted bodies	650
<b>62,276</b>	<b>Total contributions receivable</b>	<b>57,692</b>

## 14. Transfers in from other pension funds

During 2024/25, there were transfers of £15.8 million into the Pension Fund, an increase compared to £8.9 million in 2023/24. These transfers all related to individuals.

## 15. Benefits payable

2024/25		2023/24
£000	By category	£000
57,375	Pensions	52,380
14,951	Commutation and lump sum retirement benefits	10,721
1,343	Lump sum death benefits	1,946
<b>73,669</b>	<b>Total benefits payable</b>	<b>65,047</b>

## 9. Benefits payable (continued)

2024/25		2023/24
£000	By type of employer	£000
65,433	Administering authority	57,747
5,653	Scheduled bodies	5,143
2,583	Admitted bodies	2,157
<b>73,669</b>	<b>Total benefits payable</b>	<b>65,047</b>

## 10. Payments to and on account of leavers

2024/25		2023/24
£000		£000
182	Refunds to members leaving service	215
10,363	Individual transfers	12,113
<b>10,545</b>	<b>Total</b>	<b>12,328</b>

## 11. Management Expenses

2024/25		2023/24
£000		£000
1,337	Administrative costs	1,018
5,410	Investment management expenses	5,651
367	Oversight and governance costs	262
<b>7,114</b>	<b>Total management expenses</b>	<b>6,931</b>

### 11a. Investment Management Expenses



2024/25		2023/24
£000		£000
4,959	Management Fees	4,738
-	Performance Related Fees	529
69	Custody fees	92
382	Transaction Fees	292
<b>5,410</b>	<b>Total</b>	<b>5,651</b>

## 12. Investment income

2024/25		2023/24
£000		£000
31,121	Pooled investments - unit trusts and other managed funds	21,207
366	Interest on cash deposits	342
<b>31,487</b>	<b>Total</b>	<b>21,549</b>

## 13. Investments

Market Value 31 March 2025		Market Value 31 March 2024
£000	Investment assets	£000
<b>Pooled funds</b>		
834,154	Global equity	837,719
456,998	Fixed income unit trusts	420,823
146,239	Multi-asset absolute return fund	141,154
70,958	Infrastructure funds	72,148
<b>1,508,349</b>		<b>1,471,844</b>
<b>Other investments</b>		
206,560	Pooled property investments	192,182
133,147	Private equity funds	142,615
31,999	Infrastructure debt funds	34,478
<b>371,706</b>		<b>369,275</b>
57,437	Cash deposits	37,126
225	Accrued Income	287
<b>1,937,717</b>	<b>Total investment assets</b>	<b>1,878,532</b>
<b>Long-term investments</b>		
	UK unquoted equities	
150	Shares in London CIV	150
<b>Investment liabilities</b>		
-	Payables for purchases	(4,800)

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1,937,867	Total net investment assets	1,873,882
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### 13a. Reconciliation of movements in investments and derivatives

2024/25	Market Value 1 April 2024	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2025
	£000	£000	£000	£000	£000
Pooled investment vehicles	1,841,119	81,465	(86,680)	44,151	1,880,055
	1,841,119	81,465	(86,680)	44,151	1,880,055
<b>Other Investment balances</b>					
Cash deposits	37,126			(339)	57,437
Investment income due	287			-	225
Payable for purchases of Investments	(4,800)			-	-
<b>Total</b>	<b>1,873,732</b>			<b>43,812</b>	<b>1,937,717</b>

2023/24	Market Value 1 April 2023	Purchases at cost	Sales proceeds	Change in market value	Market Value 31 March 2024
	£000	£000	£000	£000	£000
Pooled investment vehicles	1,667,019	192,902	(177,877)	159,075	1,841,119
Cash deposits	42,639	70,457	(75,920)	(50)	37,126
Other investment assets/ liabilities*	166	136	(4,813)	(2)	(4,513)
<b>Total</b>	<b>1,709,824</b>	<b>263,495</b>	<b>(258,610)</b>	<b>159,023</b>	<b>1,873,732</b>

### 13b. Investments analysed by fund manager

Market Value 31 March 2025			Market Value 31 March 2024	
£000	%		£000	%
		<b>Investments managed by London CIV asset pool:</b>		
960,939	49.6	Legal & General Investment Management	960,774	51.3
146,239	7.5	LCIV Absolute Return	141,154	7.5
192,515	9.9	LCIV Multi-Asset Credit	146,779	7.8
46,788	2.4	LCIV Renewable Infrastructure	36,819	2.0
22,047	1.1	London Fund	17,927	1.0
137,700	7.1	LCIV Long Duration Buy and Maintain Credit Fund	150,998	8.1
<b>1,506,228</b>	<b>77.6</b>		<b>1,454,451</b>	<b>77.7</b>

Introduction and overview		Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
		<b>Investments managed outside of London CIV asset pool:</b>				
133,147	6.9	Pantheon		142,615	7.6	
106,571	5.5	CBRE Global Investors		99,824	5.3	
83,592	4.3	Aviva Investors		84,887	4.5	
31,999	1.7	Allianz Global Investors		34,478	1.8	
3,419	0.2	BlackRock		20,053	1.1	
20,752	1.1	CIP		15,276	0.8	
52,009	2.7	In-house cash deposits*		22,148	1.2	
<b>431,489</b>	<b>22.4</b>			<b>419,281</b>	<b>22.3</b>	
<b>1,937,717</b>	<b>100.0</b>	<b>Total</b>		<b>1,873,732</b>	<b>100.0</b>	

\*In-house cash excludes non-discretionary cash managed by external managers. Any such cash is allocated to the respective asset manager.

The following investments represent over 5% of net assets of the fund.

Market Value 31 March 2025			Market Value 31 March 2024	
£000	%		£000	%
364,905	18.8	LGIM MSCI World Low Carbon Index Fund	358,473	19.1
343,099	17.7	LGIM RAFI Multi Factor Climate Transition Fund	356,725	19.0
192,512	9.9	LCIV Long Duration Buy and Maintain Credit Fund	150,998	8.1
146,239	7.5	LCIV Multi-Asset Credit	146,779	7.8
137,700	7.1	LCIV Absolute Return Fund (Ruffer LLP)	141,154	7.5
126,786	6.5	LGIM Index Linked Gilts (Over 5 year) Fund	123,056	6.6
126,149	6.5	LGIM Bespoke Low Carbon Emerging Markets Fund	122,519	6.5
<b>1,437,390</b>	<b>74.0</b>	<b>Total</b>	<b>1,399,704</b>	<b>74.6</b>

#### 14. Fair Value – Basis of valuation

All investment assets are valued using fair value techniques based in the characteristics of each instrument where possible, using market-based information. There has been no change in the valuation techniques used during the year.

Assets and liabilities have been classified into three levels, according to the quality and reliability of information used to determine fair values.

**Level 1** – where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities, comprising quoted equities, quoted bonds, and unit trusts.

**Level 2** – where quoted market prices are not available, or where valuation techniques are used to determine fair value based on observable data.

**Level 3** – where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data.

The valuation basis for each category of investment asset is set out below:

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
<b>Level 1</b>			
Quoted equities and pooled fund investments	The published bid market price on the final day of the accounting period	Not required	Not Required
Quoted fixed income bond and unit trusts	Quoted market value based on current yields	Not required	Not Required
Cash and cash equivalents	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not Required
Amounts receivable from investment sales	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not required
Investment debtors and creditors	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments	Not required	Not required

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
<b>Level 2</b>			
Pooled property funds where regular trading takes place	Closing bid price where bid and offer prices are published; closing single price where single price published	NAV-based pricing set on a forward pricing basis	Not Required

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
<b>Level 2</b>			
Unquoted fixed income bonds and unit trusts	Average broker prices	Evaluated price feeds	Not required

Description of asset	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
<b>Level 3</b>			
Pooled property funds where regular trading does not take place	Valued by investment managers on a fair value basis each year using PRAG guidance	NAV-based pricing set on a forward pricing basis	Not required
Shares in London CIV asset pool	Based on the historical cost at acquisition of shares	Not required	Not required
Other unquoted and private equities	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines 2018	EBITDA multiple Revenue multiple Discount for lack of marketability Control premium	Valuations could be affected by changed to expected cashflows or by differences between audited and unaudited accounts.

### Sensitivity of assets valued at level 3

The fund has determined that the valuation methods described above for Level 3 investments are expected to be accurate within the following ranges, and has set out below the consequent potential impact on the closing value of investments held as at 31 March 2025.

Potential variation in fair value	Valuation as at 31 March 2025	Value on Increase	Value on Decrease
	£000	£000	£000

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Pooled property investments	2%	105,638	107,751	103,525	
Private equity and joint venture funds	5%	133,147	139,804	126,490	
Infrastructure funds	5%	70,958	74,506	67,410	
<b>Total</b>		<b>309,743</b>	<b>322,061</b>	<b>297,425</b>	

#### 14a. Fair value hierarchy

The following table provides an analysis of the assets and liabilities of the pension fund grouped into levels 1 to 3, based on the level at which the fair value is observable.

Values as at 31 March 2025	Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
	£000	£000	£000	£000
<b>Financial assets / liabilities at fair value through profit and loss</b>				
Pooled investments	1,437,390	32,000	70,958	1,540,348
Pooled property investments	-	100,922	105,638	206,560
Private equity	-	-	133,147	133,147
Cash deposits	57,437	-	-	57,437
Accrued income	225	-	-	225
Payables for investment purchases	-	-	-	-
<b>Total</b>	<b>1,495,052</b>	<b>132,922</b>	<b>309,743</b>	<b>1,937,717</b>

Values as at 31 March 2024	Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
	£000	£000	£000	£000
<b>Financial assets / liabilities at fair value through profit and loss</b>				

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
Pooled investments	1,399,696	34,478	72,148	1,506,322	
Pooled property investments	-	89,380	102,802	192,182	
Private equity	-	-	142,615	142,615	
Cash deposits	37,126	-	-	37,126	
Accrued income	287	-	-	287	
Payables for investment purchases	(4,800)	-	-	(4,800)	
<b>Total</b>	<b>1,432,309</b>	<b>123,858</b>	<b>317,565</b>	<b>1,873,732</b>	

#### 14b. Transfers between Levels 1 and 2

There were no transfers between levels 1 and 2 during the year.

#### 14c. Reconciliation of fair value measurements within level 3

2024/25	Value at 1st April 2023	Purchases in the year	Sales in the year	Unrealised gains (losses)	Realised gains (losses)	Value at 31st March 2025
	£000	£000	£000	£000	£000	£000
Pooled UK property unit trusts	102,802	3,477	(314)	(327)	-	105,638
Private Equity	142,615	4,431	(15,380)	(10,475)	11,956	133,147
Infrastructure	72,148	17,923	(10,000)	(12,850)	3,737	70,958
<b>Total</b>	<b>317,565</b>	<b>25,831</b>	<b>(25,694)</b>	<b>(23,652)</b>	<b>15,693</b>	<b>309,743</b>

#### 15. Classification of financial instruments

	31 March 2025		
	Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost
	£000	£000	£000
<b>Financial assets</b>			
Pooled investments	1,540,348		
Pooled property investments	206,560		
Private equity	133,147		
Equities		150	
Cash	39,512	17,925	

Introduction and overview	Investments	Scheme Administration	Actuary's Report	Financial Statements	Independent Auditor's Report
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Debtors		2,453	
Other investment balances		225	
<b>Total financial assets</b>	<b>1,919,567</b>	<b>20,753</b>	<b>-</b>
<b>Financial liabilities</b>			
Other investment balances			-
Creditors			(7,218)
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>(7,218)</b>
<b>Grand total</b>	<b>1,919,567</b>	<b>20,753</b>	<b>(7,218)</b>

31 March 2024			
	Fair value through profit and loss	Assets at amortised cost	Liabilities at amortised cost
	£000	£000	£000
<b>Financial assets</b>			
Pooled investments	1,506,322		
Pooled property investments	192,182		
Private equity	142,615		
Equities		150	
Cash	31,295	5,831	
Debtors		1,657	
Other investment balances		287	
<b>Total financial assets</b>	<b>1,872,414</b>	<b>7,925</b>	<b>-</b>
<b>Financial liabilities</b>			
Other investment balances			(4,800)
Creditors			(4,480)
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>(9,280)</b>
<b>Grand total</b>	<b>1,872,414</b>	<b>7,925</b>	<b>(9,280)</b>

### 15a. Net gains and losses on financial instruments

All realised gains and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements. The fund has not entered into any financial guarantees that are required to be accounted for as financial instruments.

2024/25		2023/24
£000		£000
	<b>Financial Assets</b>	
44,152	Fair value through profit or loss	159,075
(340)	Financial assets and liabilities at amortised cost	(52)
<u>43,812</u>		<u>159,023</u>

## 16. Nature and extent of risks arising from Financial Instruments

### Risk and risk management



The fund's primary long-term risk is that its assets will fall short of its liabilities (i.e., promised benefits payable to members). The aim of investment risk management is to minimise the risk of an overall reduction in the value of the fund and to maximise the opportunity for gains across the whole fund portfolio. The fund achieves this through asset diversification to reduce exposure to market risk (price risk, currency risk, and interest rate risk) and credit risk to an acceptable level. In addition, the fund manages its liquidity risk to ensure there is sufficient liquidity to meet the fund's forecast cash flows. The fund manages these investment risks as part of its overall pension fund risk management programme.

Responsibility for the fund's risk management strategy rests with the pension fund's Combined Committee and Board. Risk management policies are established to identify and analyse the risks faced by the pension fund's operations, then reviewed regularly to reflect changes in activity and market conditions.

### a) Market risk

Market risk is the risk of loss from fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The fund is exposed to market risk from its investment activities, particularly through its equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements, and the overall asset mix. The objective of the fund's risk management strategy is to identify, manage and control market risk exposure within acceptable parameters, while optimising investment return.

In general, excessive volatility in market risk is managed through the diversification of the portfolio's strategic asset allocation across different asset classes, industry sectors, and jurisdictions. To mitigate market risk, the pension fund and its investment advisors undertake appropriate monitoring of market conditions and benchmark analysis on a regular basis. The strategic asset allocation is reviewed each quarter and any significant deviations from this are rebalanced as appropriate.

### Other price risk

Other price risk represents the risk that the value of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or by factors affect all such instruments in the market.

The fund is exposed to share price risk. The fund's investment managers mitigate this price risk through diversification and the selection of securities and other financial instruments is monitored to ensure it is within limits specified in the fund investment strategy.

### Other price risk – sensitivity analysis

A significant portion of the pension fund's assets are invested in pooled investment vehicles with underlying assets which can fluctuate daily as market prices change. To demonstrate the impact of this volatility, the table below shows the impact of potential price changes based on the observed historical volatility of asset class returns. The assessment of the potential volatilities is consistent with a one standard deviation movement in the change in value of assets over the last three years.

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	960,939	12.0	1,076,252	845,627
Fixed Income	476,455	11.9	533,153	419,757
Property	206,670	6.3	219,690	193,650
Alternatives	236,104	16.5	275,062	197,147
Cash	57,549	0.0	57,549	57,549

<b>Total Assets</b>	<b>1,937,717</b>	<b>2,161,706</b>	<b>1,713,730</b>
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As at 31 March 2024	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	960,774	12.0	1,076,067	845,481
Fixed Income	438,931	11.9	491,164	386,698
Property	187,631	6.3	199,452	175,810
Alternatives	249,241	16.5	290,366	208,116
Cash	37,155	0.0	37,155	37,155
<b>Total Assets</b>	<b>1,873,732</b>		<b>2,094,203</b>	<b>1,653,261</b>

### Interest rate risk

The fund recognises that interest rates can vary and can affect both income into the fund and the carrying value of fund assets, both of which affect the value of net assets available to pay benefits. A 100-basis point (BPS) movement in interest rates is consistent with the level of sensitivity applied as part of the fund's risk management strategy.

### Interest rate risk – sensitivity analysis

The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/- 1% change in interest rates. The analysis demonstrates that a 1% increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value, and vice versa. Changes in interest rates do not impact on the value of cash and cash equivalent balances but they will affect the interest income received on those balances.

Assets exposed to interest rate risk:

	Interest earned 2024/25	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	366	425	265
<b>Total</b>	<b>366</b>	<b>425</b>	<b>265</b>

	Interest earned 2023/24	Interest rate if 1% higher	Interest rate if 1% lower
	£000	£000	£000
Cash deposits	342	407	233
<b>Total</b>	<b>342</b>	<b>407</b>	<b>233</b>

### Currency risk

Currency risk represents the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The fund is exposed to currency risk on any cash balances and investment assets not denominated in UK sterling. The table below demonstrates how a 10% strengthening/weakening of the pound against the various currencies in which the fund holds investments would increase/decrease the net assets available to pay benefits as follows.

## Currency risk – sensitivity analysis

As at 31 March 2025	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	473,073	10.0	520,381	425,766
Fixed Income	192,515	10.0	211,766	173,263
Private equity	133,147	10.0	146,462	119,832
Infrastructure	24,171	10.0	26,588	21,754
Cash	19,563	10.0	21,520	17,607
<b>Total Assets</b>	<b>842,469</b>	<b>10.0</b>	<b>926,717</b>	<b>758,222</b>

As at 31 March 2024	Value	% change	Value on increase	Value on decrease
	£000	%	£000	£000
Overseas equities	480,900	10.0	528,990	432,810
Fixed Income	146,779	10.0	161,457	132,101
Private equity	142,615	10.0	156,877	128,354
Infrastructure	35,329	10.0	38,862	31,796
Cash	5,416	10.0	5,958	4,874
<b>Total Assets</b>	<b>811,039</b>	<b>10.0</b>	<b>892,144</b>	<b>729,935</b>

### b) Credit risk

Credit risk represents the risk that the counterparty to a financial transaction will fail to discharge an obligation and cause the fund to incur a financial loss. Assets potentially affected by this risk are investment assets, cash deposits and third-party loans. The selection of high-quality counterparties, brokers and financial institutions minimises credit risk and the market values of investments generally reflect an assessment of credit risk.

Credit risk may also occur if an employing body not supported by central government does not pay contributions promptly, or defaults on its obligations. The pension fund has not experienced any actual defaults in recent years and the current practice is to obtain a guarantee before admitting new employers so that all pension obligations are covered in the event of that employer facing financial difficulties. All contributions due at 31 March 2025 were received within the first two months of the financial year.

Money market funds and bank accounts all have AAA rating from a leading ratings agency, and the pension fund has experienced no defaults from fund managers, brokers or bank accounts over the past five years.

Summary	Credit Rating	Balances at 31 March 2025	Balances at 31 March 2024
		£000	£000
<b>Money Market Funds</b>			
Blackrock institutional sterling liquidity fund	AAA	7,925	780

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Invesco liquidity fund		AAA	10,000	5,000	
<b>Bank current accounts</b>					
Northern Trust		A+	39,513	31,295	
Barclays Bank plc		A+	142	51	
<b>Total</b>			<b>57,580</b>	<b>37,126</b>	

### c) Liquidity risk

Liquidity risk represents the risk that the fund will not be able to meet its financial obligations as they fall due. The pension fund therefore takes steps to ensure that it always has adequate cash resources to meet its commitments.

### Refinancing risk

The key risk is that the pension fund will need to replenish a significant proportion of its financial instruments at a time of unfavourable interest rates. The pension fund does not have any financial instruments that have a refinancing risk as part of its investment strategy.

## 17. Funding Arrangements

In line with the [Local Government Pension Scheme Regulations 2013](#) the fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contributions rates for the forthcoming triennial period. The pensions fund accounts for the period were based on the most recent valuation which took place as at 31 March 2022.

The key elements of the funding policy are:

- to ensure the long-term solvency of the fund, using a long-term prudent view i.e., that sufficient funds are available to meet all members'/dependants' as they fall due for payment.
- to ensure that employer contribution rates are reasonably stable where appropriate.
- to minimise the long-term cost of the scheme by recognising the link between assets and liabilities and adopting an investment strategy that balances risk and return.
- to reflect the different characteristics of employing bodies in determining contribution rates where it is reasonable to do so.
- to use reasonable measures to reduce the risk to other employers and ultimately to the council taxpayer from an employer defaulting on its obligations.

The aim is to achieve 100% solvency over a period of 20 years and to provide stability in employer contribution rates by spreading any increases in rates over a period of time. Normally this is three years but, in some cases, a maximum period of 12 years can be granted. Solvency is achieved when the funds held, plus future expected investment returns and future contributions, are sufficient to meet expected future pension benefits payable. When an employer's funding level is less than 10% of the 100% funding target, then a deficit recovery plan will be put in place requiring additional employer contributions.

At the 2022 actuarial valuation, the fund was assessed as 113% funded (100% at the March 2019 valuation). Contribution increases will be phased in over the three-year period ending 31 March 2026 for both scheme employers and admitted bodies.

The whole-fund primary contribution rate was due to decrease over a three-year period from 18.6% to 17.5% of pensionable pay. However, each employer will be different, and the primary contribution rate will reflect the membership and experiences of each employer.

In addition to the primary contribution rate, most employers also pay a secondary contribution rate depending on the demographic and actuarial factors particular to each employer. Full details of the contribution rates payable can be found in the 2022 actuarial valuation report and the funding strategy statement on the fund's website.

The valuation of the fund has been undertaken using the projected unit method under which the salary increase for each member is assumed to increase until they leave active service by death, retirement, or withdrawal from service. The principal assumptions were as follows.

### Financial assumptions

Future assumed rates	31-Mar-22	31-Mar-19
	%	%
Discount rate (annual nominal return rate)	4.3	4.2
Pay increase (annual change)	3.7	3.3
Benefit increase (CPI)	2.7	2.3

### Demographic assumptions

The assumed life expectancy from 65 is as follows:

Life expectancy from age 65		31-Mar-25	31-Mar-24
Retiring today	Males	21.1	21.2
	Females	24.0	24.0
Retiring in 20 years	Males	22.4	22.5
	Females	25.6	25.6

### 18. Actuarial present value of promised retirement benefits

In addition to the triennial funding valuation, the fund's actuary also undertakes a valuation of the pension fund liabilities on an IAS 19 basis every year using the same base data as the funding valuation rolled forward to the current financial year but taking account of changes in membership numbers and updating assumptions to the current year. This valuation is not carried out on the same basis as that used for setting fund contribution rates and the fund accounts do not take account of liabilities to pay pensions and other benefits in the future.

In order to assess the value of the benefits on this basis, the actuary has updated the actuarial assumptions (set out below) from those used for funding purposes (see Note 17). The actuary has also valued ill health and death benefits in line with IAS 19.

31 Mar 25		31 Mar 24
£000		£000
(1,500,000)	Present Value of promised retirement benefits	(1,725,000)
1,933,102	Fair Value of scheme assets	1,871,058
<b>433,102</b>	<b>Net (liability)/asset</b>	<b>146,058</b>

As noted above, the liabilities above are calculated on an IAS 19 basis and therefore will differ from the results of the 2022 triennial funding valuation (see Note 17) because IAS 19 stipulates a discount rate rather than a rate which reflects market rates.

Other key assumptions used are:

	31-Mar-25	31-Mar-24
	%	%
Pension increase rate (CPI)	2.8	2.8
Salary increase rate	3.8	3.8
Discount rate	5.8	4.8

## 19. Current assets

31/03/2025		31/03/2024
£000		£000
116	Contributions due - employees	94
1,283	Contributions due - employers	1,081
912	Sundry debtors	482
<b>2,311</b>		<b>1,657</b>
142	Cash	-
<b>2,453</b>		<b>1,657</b>

## 20. Current liabilities

31/03/2025		31/03/2024
£000		£000
5,061	Sundry creditors	2,924
2,157	Benefits payable	1,556
<b>7,218</b>		<b>4,480</b>

## 21. Additional Voluntary Contributions ("AVCs")

	Contributions Paid 2024/25	Market Value 31 March 2025
	£000	£000
Utmost life and pensions	-	99
Prudential assurance	361	1,250
Clerical and medical	1	22
	<b>Contributions Paid</b>	<b>Market Value</b>

	2023/24	31 March 2024
	£000	£000
Utmost life and pensions	-	188
Prudential assurance	269	1,182
Clerical and medical	-	17

## 22. Related party transactions

### Haringey Council

The Haringey Pension Fund is administered by Haringey Council. During the reporting period, the Council incurred costs of £0.966m (2023/24 £0.835m) in relation to the administration and management of the fund and was reimbursed by the fund for these expenses.

The Council is also the single largest employer of members of the pension fund. As at 31 March 2025, an amount of £0.546m was due from the fund to the Council.

Each member of the pension fund's Combined Pensions Committee and Board is required to declare their interests at each meeting. One member of the Combined Pensions Committee and Board were a scheme member in the Haringey Pension Fund.

## 23. Key management personnel

Key management personnel are the Section 151 Officer and the head of pensions. Their remuneration is set out below:

31/03/2025	Key Management Personnel	31/03/2024
£000		£000
77	Short - term benefits	28
6	Post-employment benefits	6
83		34

## 24. Contingent liabilities and contractual commitments

Outstanding capital commitments (investments) at 31 March 2025 were £82.2m (2023/24 £105.4m). These commitments relate to outstanding capital call payments due on limited partnership funds held within the private equity and infrastructure portion of the portfolio. The amounts 'called' by these funds are irregular in both size and timing over a period of between four and six years from the date of each original commitment.

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