

To: Members of the Local Pension Board

## ***Notice of a Meeting of the Local Pension Board***

**Friday, 25 April 2025 at 10.30 am**

### **Virtual**

If you wish to view proceedings online, please click on this [Live Stream Link](#).  
However, that will not allow you to participate in the meeting.



Martin Reeves  
Chief Executive

April 2025

*Committee Officer:*

**Committee Services**

*Tel: [committeesdemocraticservices@oxfordshire.gov.uk](mailto:committeesdemocraticservices@oxfordshire.gov.uk)*

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### **Membership**

Chair – Matthew Trebilcock

#### **Scheme Members:**

Alistair Bastin	Stephen Davis	Liz Hayden
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#### **Employer Members:**

Angela Priestley-Gibbins	Susan Blunsden	Janet Wheeler
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#### **Notes:**

- ***Date of next meeting: 4 July 2025***

**If you have any special requirements (such as a large print version of these papers or special access facilities) please contact the officer named on the front page, but please give as much notice as possible before the meeting.**

# AGENDA

1. **Welcome by Chairman**
2. **Apologies for Absence**
3. **Declarations of Interest - see guidance note below**
4. **Minutes of the Meeting of 24 January 2025** (Pages 1 - 8)

To approve the minutes of the meeting held on 24 January 2025 (**LPB5**) and to receive information arising from them.

5. **Unconfirmed Minutes of the Pension Fund Committee on 7 March 2025** (Pages 9 - 16)

To receive the unconfirmed minutes of the Pension Fund Committee held on 7 March 2025.

6. **Review of the Annual Business Plan** (Pages 17 - 44)

Report by: Mark Smith, Head of Pensions

The Board are invited to review the position against the Annual Business Plan for 2024/25 and the Annual Business Plan for 2025/26 as considered by the Pension Fund Committee at their meeting on 7 March 2025 and to offer any comments to the Committee.

7. **Risk Register** (Pages 45 - 54)

Report by, Mukhtar Master, Head of Governance and Communications

This is the latest risk register as considered by the Pension Fund Committee on 7 March 2025. The Board are invited to review the report and offer any further views back to the Committee.

8. **Governance and Communications Report** (Pages 55 - 64)

Report by, Mukhtar Master, Head of Governance and Communications

The Board are invited to review the Governance and Communications Report as presented to the Committee at their meeting on 7 March 2025. The report includes a log of all regulatory and data breaches.

9. **Administration Report** (Pages 65 - 82)

Report of: Vicki Green, Pension Services Manager

The Board are invited to review the latest Administration Report as presented to the Pension Fund Committee on 7 March 2025, including the latest performance statistics for the service.

## **10. Strategic Asset Allocation (incl. active vs passive) Report (Pages 83 - 86)**

Report by: Greg Ley, Pension Fund Investment Manager

This report covers the Fund's current Strategic Asset Allocation, timescales for its review and information on active versus passive investment management.

**The Board is RECOMMENDED to note the report.**

## **11. Items to Include in the Report to the Pension Fund Committee**

The Board are invited to confirm the issues they wish to include in their latest report to the Committee.

## **12. Items to be Included in the Agenda for the next Board Meeting**

Members are invited to identify any issues they wish to add to the agenda of the next meeting of this Board.

## **Councillors declaring interests**

### **General duty**

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

### **What is a disclosable pecuniary interest?**

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

### **Declaring an interest**

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

### **Members' Code of Conduct and public perception**

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

### **Members Code – Other registrable interests**

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

- a) Any unpaid directorships
- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.

- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

### **Members Code – Non-registrable interests**

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registrable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

## LOCAL PENSION BOARD

**MINUTES** of the meeting held on Friday, 24 January 2025 commencing at 10.30 am and finishing at 11.57 am

**Present:**

**Voting Members:** Matthew Trebilcock – in the Chair

Susan Blunsden  
Alistair Bastin  
Stephen Davis  
Angela Priestley-Gibbins  
Janet Wheeler

**Other Members in Attendance:** Councillor Donna Ford

**By Invitation:**

**Officers:**

Whole of meeting Mark Smith (Head of Pension Services), Mukhtar Master (Governance and Communications Manager), Anna Lloyd (Governance and Communications Officer), Greg Ley (Pension Fund Investment Manager), Vicki Green (Pensions Service Manager) and Shilpa Manek (Interim Democratic Services Officer)

*The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting.*

**1/24 WELCOME BY CHAIRMAN**

(Agenda No. 1)

The Chairman welcomed all to the meeting. A warm welcome was also given to Councillor Ford.

**2/24 APOLOGIES FOR ABSENCE**

(Agenda No. 2)

Apologies had been received from Liz Hayden.

**3/24 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE BELOW**

(Agenda No. 3)

No declarations of interests were received.

**4/24 MINUTES**

(Agenda No. 4)

Resolved: that the minutes of the meeting on 18<sup>th</sup> October 2024 were a true and accurate record.

**5/24 UNCONFIRMED MINUTES OF THE PENSION FUND COMMITTEE ON 13 DECEMBER 2024**

(Agenda No. 5)

It was pointed out that there was an action that the Board had reviewed the timelines for the Strategic Asset Allocations, which would be on the agenda for the next Board meeting in January, however this was not on the agenda. Officers reported that they would look into this and report back.

ACTION: Officers to report back to Members on the action.

Resolved: that the unconfirmed minutes of the Pension Fund Committee on 13 December 2024 were noted.

**6/24 REVIEW OF THE ANNUAL BUSINESS PLAN, INCLUDING THE 'LGPS (E&W): FIT FOR THE FUTURE' CONSULTATION**

(Agenda No. 6)

The Head of Pension Funds presented the report to the Board. The main points were the review of the business plan and the recent government consultation. Progress had been made against all of the measures. The governance and communications report would include a section on the National Knowledge assessment. All Members were thanked as there had been 100% completion. At present the Fund remained on target to be fully compliant with the General Code by March 2025. It had been agreed to appoint Hyman's Robertson to undertake an independent review and scrutinise the work done by Fund Officers. A report would be provided later in the year.

A business planning meeting had taken place on 16 January and Fund Officers were reviewing the outcomes from that meeting and preparing a note for circulation and further comments. This would then be approved at the next Committee in March 2025.

The timelines for the McCloud project remained challenging but were on track. The resources within the Team had been flexed to assist with this work. These were regularly monitored to ensure that the statutory deadline of 31 August 2025 for the annual benefit statements. A modelling exercise had been completed for the initial valuation. Engagement had begun with the target employers, the councils and the university. The initial meeting had taken place with four of the seven largest employers. The progress was on track. Further details of progress and timescales would be provided in the Committee meeting. The actuary would attend the Committee meeting to provide training before and the timescale for discussion around the assumptions to take place in June 2025.



A meeting had taken place to discuss the Chancellors Mansion House speech and the Funds response to it. There was a consensus and that had been submitted.

There were a number of other consultations taking place.

The Fund Officers were currently working through the training plan with the outcomes of the National Knowledge Assessment. This would be on the March Committee agenda to formalise a training plan for the next 12 months.

Members made the following points:

- It had been noted that the largest item in the budget was the management fees. Members still wanted a breakdown of how much was on each individual asset class to assess if Value for Money was being achieved for the management fees paid. A breakdown of fees against each asset under management for each of the different Brunel portfolios that were held then the Value for Money could be clearly seen. Officers reported that a breakdown of management fees had been circulated but this would be further broken down by portfolio and circulated to the Board before the next meeting.  
ACTION: Officers to circulate breakdown of management fees by portfolio by the next meeting.

Resolved: that the Board reviewed the progress made against each of the key service priorities as set out in the report; and agreed any further actions to be taken to address those areas not currently on target to deliver the required objectives.

## **7/24 RISK REGISTER**

(Agenda No. 7)

The Governance and Communications Manager presented the Risk Register report to the Board. The following key changes were highlighted since the last meeting:

- One new emerging risk had been added to the risk register. It had been recognised that there was a possibility that the whole Committee could change following the May 2025 elections. This had been given an amber rating score of 8.
- During the quarter, no risks had increased, and one had, Risk 13, reduced. No risks had been removed off the risk register.

Board Members asked if the election in May would be delayed and were informed that a response from government was awaited. A letter had been sent from Cabinet indicating that they would reluctantly support the delay till 2026.

ACTION: Circulate decision to the Board once known

An amendment to the new risk was suggested and agreed by the Board. The risk should read:

*Impact of the potential turnover of Pension Fund Committee members as a result of elections.*

ACTION: Wording of risk to be amended in the Risk Register.

Resolved: that the Board noted the latest risk register with the amendment suggested and accepted that the risk register covered all key risks to the achievement of their statutory responsibilities, and that the mitigation plans were required, where appropriate.

## **8/24 GOVERNANCE AND COMMUNICATIONS REPORT**

(Agenda No. 8)

The Board received the report from the Governance and Communications Manager. The main points highlighted included:

- General Code of Practice work was continuing to ensure compliance against the new general Code of Practice. The Plan had been updated where some modules had been completed. The amber rated modules still had some small requirements outstanding. These should all be completed by the end of the year.
- Hymans LGPS National Knowledge Assessment 2024 – There had been 100% participation from the Committee and the Board. The results were good.
- Mandatory Training – This had been slightly amended so would be presented to the Audit & Governance Committee and then adopted as part of the Constitution. Committee Members and substitutes were required to do the fundamentals course by the end of 31 December 2025. This was the key change and would be adopted in the Constitution.
- Proposed Government Changes to fund governance as part of the ‘LGPS: Fit for the Future’ Consultation. The contentious point raised was that another independent advisor be on the Committee, but this was not supported by the Committee, and this had been submitted in the response to Central Government.
- Breaches -The report that went to the Committee covered the period July to September. The two breaches mentioned were the General Code of Practice, this had been reported to the Pensions Regulator and the material breach which had not been reported.
- Communications – The Annual Employer Forum was on 12 February 2025. This was an online event for employers. It was also good for the Board to know that the Communications Manager had returned from extended leave. It was also confirmed that all Board and Committee Members were up to date with their mandatory training as per the training schedule.

Members asked the following questions:

- The Chair asked that with respect to the TPR Code, was the review across all the modules. It was confirmed that the review would be across all three

elements, mandatory requirements, advisory requirements and best practice. All were being covered, looking at the entirety to show compliance across the Board.

- It was reported that the Employer Forum Events were really good days to attend, The Pension Geeks was really interesting too. There were very interesting webinars that were worth joining. Officers added that all employers were written to informing them of the event. The events were better attended if online. The Team may look at running an in-person event next year. Could details of the event be sent to Parish Clerks.  
ACTION: Pension Geeks details to be sent to Members.  
ACTION: Details of Parish Clerks to be sent to Anna Lloyd.
- It was good to see the General Code of Practice was on track for review but was there an action plan being put together to see how the fund would comply with all the modules? Was work being done with other Funds particularly within the Brunel pool as everyone was facing the same challenges? It was reported that the review was being carried out by looking at all the requirements and looking at the compliance against it and making a determination on whether the Fund was compliant or not. If not, then acting immediately to implement and resolve. This was a living action plan. The aim was to try and be fully compliant. The compliance was formed on what Officers thought. This would be independently challenged and reviewed by Hymans, who had been commissioned for the next year. Working with other Funds was difficult as each one was doing their own way. A recent webinar discussed ongoing work and issues to make all Funds aware. A number of Funds had been reviewed by the Team, and the general consensus was that Officers felt optimised of the Fund's position. Another review was due soon. There was a lot of cross working and regular meetings with Hymans. The Fund was ahead of other Funds and well positioned in terms of governance.

Resolved: that the Board:

- a) Noted the Fund's update on the Pension Regulator's General Code of Practice.
- b) Noted the results of the Hymans LGPS National Knowledge Assessment 2024.
- c) Agreed changes to mandatory training requirements for Committee members.
- d) Noted the proposed government proposals for fund governance as part of the 'Local Government Pension Scheme (England and Wales): Fit for the future' consultation.
- e) Noted the latest quarter's breaches for the fund.
- f) Noted the communications update.

## **9/24 ADMINISTRATION REPORT**

(Agenda No. 9)

The Pension Services Manager presented the report to the Board. There had been vacancies for administrators. Some vacancies were still present, and this continued to be an increased issue across local authorities. With respect to the employer monthly returns, in September 4.9% of returns had not been vetted. A lot of work had

been completed on vetting procedures to reduce the volume of work with training, increasing quality of checks and processes. The 37 closures to action backdated to 2022, there were a number of financial implications to find. There were no fines issued to employers in the last quarter, July to September 2024. There were 31 payments that were made past the deadline. In Benefit Administration, between July and September, there were 6367 cases created. There were a number of cases carried forward, pending information or pending further work. This had been mainly due to resource. The Team was now looking at how the work was being progressed. Members were asked to note that the top-line figure of the telephone statistics showed a lot of missed calls, these were out of hours calls or call that had been put down before being picked up. There was no pension scams reported. The data quality still required improvement on the missing addresses. All invoices were up to date. Of the 15 complaints reported, 14 were informal and had been resolved and the remaining had been resolved by the Pension Ombudsman. Some really good progress had been made with McCloud, completing 99% of status 1 active records and 96% of status 4 records. There were 25 records left with queries. There was no further update on the Pension dashboard and further work was being done for Members not using the self-service facility. The current way to use the facility was employees having to ask to use, could this be turned around so that employers were asking, would you like to use the self-service facility?

Members from Unison and Unite Trade Unions offered to assist to get Members to use the self-service facility. Members also requested further context on the MSF registration, adding the total number of active deferred pensioners on there so the percentages had context.

ACTION: Add information to report.

The Board commented that it was an excellent report.

Resolved: That the Board noted the progress of the McCloud project and the revised benefit administration statistics and confirmed the information required for the report.

## **10/24 POLICY REVIEWS**

(Agenda No. 10)

The Pension Services Manager presented the report. Board Members were reminded that the policies in the report required review. After the reviews, no changes had been made to the policies.

Resolved: That the Board received the report and noted that no changes had been made to the policies.

## **11/24 PENSION INVESTMENT REVIEW - A CALL FOR EVIDENCE**

(Agenda No. 11)

The Head of Pension Fund presented the report to the Board. This was the preamble of the Fit for Future consultation. On 4 September 2024 HM Treasury, Department for Work and Pensions and the Ministry of Housing, Communities and Local Government

issued a Call for Evidence from interested parties to inform the first phase of the Pensions Investment Review.

Since the Call for Evidence had been responded to, the outcome of the Mansion House speech on 14 November 2024 and the subsequent issuance of the Local Government Pension Scheme (England and Wales): Fit for the Future consultation had been issued. More information was included in the Review of the Annual Business Plan report to complement the summary communication issued to Committee on 19 November 2024.

Resolved: that the Board note the final version submitted to HM Treasury after feedback from Pension Fund Committee and the Executive Director for Resources & Section 151 Officer.

## **12/24 CORPORATE GOVERNANCE AND SOCIALLY RESPONSIBLE INVESTMENT**

(Agenda No. 12)

This was the report that had been presented to Committee and included the LEP update and how these linked to the Funds' investments.

Members asked what the difference was between holding shares and holding corporate bonds as there were many corporate bonds and were informed that they were similar to the equities with a slightly different process to look at climate credentials.

Resolved: that the Board noted the report.

## **13/24 EXEMPT ITEM**

(Agenda No. 13)

Resolved: that the Board agreed that the public be excluded for the duration of item 14 in the Agenda since it is likely that if they were present during those items there would be disclosure of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972 (as amended) and specified in relation to the respective items in the Agenda and since it is considered that, in all the circumstances of each case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

## **14/24 EXEMPT ITEM: WORKFORCE STRATEGY**

(Agenda No. 14)

The Board received an update from the Head of Pension Services and discussed the item in a private session.

Resolved: that the Board reviewed the progress on development of a Workforce Strategy for the Pension Fund and Agreed the further actions to be taken to support building an inclusive and sustainable workforce for the future.

## **15/24 ITEMS TO INCLUDE IN REPORT TO THE PENSION FUND COMMITTEE**

(Agenda No. 15)

It was agreed that the Pension Fund Committee would get involved in the Workforce Strategy.

**16/24 ITEMS TO BE INCLUDED IN THE AGENDA FOR THE NEXT BOARD MEETING**

(Agenda No. 16)

The Board requested the following items be included at the next Board meeting:

- Report of the Independent Financial Advisor regarding active vs passive investments.

..... in the Chair

Date of signing .....

## PENSION FUND COMMITTEE

**MINUTES** of the meeting held on Friday, 7 March 2025 commencing at 10.15 am and finishing at 12.25 pm

**Present:**

**Voting Members:** Councillor Donna Ford – in the Chair

Councillor Michael O'Connor (Vice-Chair)  
Councillor Imade Edosomwan  
Councillor John Howson  
Councillor Peter Stevens

**Non-Voting Members:** Alistair Fitt, Oxford Brookes University (non-voting)  
Steve Moran, Pension Scheme Member (non-voting)

**By Invitation:** John Arthur, Independent Financial Advisor  
Tom Hoare, Hymans Robertson  
Reece Notman, Hymans Roberts

**Local Pension Board Members** Alistair Bastin  
Angela Priestley-Gibbins  
Janet Wheeler

**Officers** Mark Smith (Head of Pensions), Vicki Green (Pension Services Manager), Mukhtar Master (Governance & Communications Manager), Gregory Ley (Pension Fund Investment Manager), Josh Brewer (Responsible Investment Manager), Anna Lloyd (Governance & Communications Officer), Lucy Brown (Senior Democratic Services Officer)

*The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with [a schedule of addenda tabled at the meeting] [the following additional documents:] and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports [agenda, reports and schedule/additional documents], copies of which are attached to the signed Minutes.*

**1/25 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS**  
(Agenda No. 1)

Apologies were received from Councillor Nick Field-Johnson, Councillor Ian Middleton, Councillor Jo Robb (non-voting member of District Councils), Lorna Baxter (Executive Director for Resources and Section 151 Officer) and Liz Hayden (Local Pension Board member attending as observer only).

**2/25 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE**

(Agenda No. 2)

None received.

**3/25 PETITIONS AND PUBLIC ADDRESS**

(Agenda No. 3)

None received.

**4/25 MINUTES OF THE PENSION FUND COMMITTEE**

(Agenda No. 4)

The minutes of the meeting held on 13 December 2024 were agreed as a correct record of the meeting.

John Arthur, Independent Financial Advisor wished to clarify that the action raised at the previous meeting attended by his colleague, Anita Bhatia regarding information on benchmarking the Fund's quarterly and yearly performance against other funds could not be provided as this information was not publicly available. The Committee asked if this information could be provided in a private session to the Committee, and John Arthur agreed to follow this up and report back. **(ACTION)**

**5/25 MINUTES OF THE LOCAL PENSION BOARD**

(Agenda No. 5)

The Committee **RESOLVED** to note the unconfirmed minutes of the Local Pension Board which had met on 24 January 2025.

**6/25 REPORT OF THE LOCAL PENSION BOARD**

(Agenda No. 6)

Alistair Bastin, Local Pension Board Member introduced the report which set out the items the Local Pension Board wished to draw to the attention of the Committee following their last meeting. He advised that the Board considered the reports presented to the previous Committee meeting, and that a request had been made that the Independent Financial Advisor provide information regarding active vs passive investments within his next report.

He also advised that the Board had suggested the removal of the date 'May 2025' to Risk 24, as it was felt that every election contained the same risks in turnover of a committee. The Board had also suggested they be involved in the Workforce Strategy due to the wealth of experience contained within the Board.

The Committee **RESOLVED** to note the report.



**7/25 ANNUAL BUSINESS PLAN 2025/26**

(Agenda No. 7)

Mark Smith, Head of Pension Fund presented the report of the Executive Director of Resources and Section 151 Officer which reviewed progress against the key priorities set out in the Annual Business Plan for 2024/25. The Plan also set out the proposed business plan, budget, training plan and cash management strategy for the Pension Fund for 2025/26.

He provided further information regarding the key service priorities that were included in the 2024/25 Plan measured against their success, of which the majority were rated as being met or on target to be met. He also advised that the two main causes for overspend in the 2024/25 budget had been for payment of the previous year's external audit fees and the difficulty in estimating investment management fees in advance as the value of the asset fees were unknown at that time.

In response to a question from the Committee regarding the difficulties in estimating the investment management fees, Mark Smith advised that due to the recent push to investment in private markets, these are significantly more expensive than listed equities for example, but also depending on the size of the value of the assets and the value of the Fund, the fees increase in line with that.

In response to a question regarding the AMBER rating for the measure of success on key progress achieved for 2024/25, the increase in average scores for the National Knowledge Assessment, whilst at 100% completion rate, had not moved to GREEN due to the relatively new members of the Committee having just completed training.

In response to a question raised regarding the level of funding budgeted to support the required staffing to enable adequate resource to complete the work required, Mark Smith advised that whilst there was adequate staff in place, the challenge to promote existing staff to senior positions prevented those existing vacancies being filled. The Committee requested that up to date variances be provided for the 2024/25 Pension Fund Budget – Q3 Update as the % variance figure was not correct as reported due to the outstanding roles being carried.

In response to a question raised regarding the rising Brunel Contract Costs when compared to the Fund's local costs, Gregory Ley, Pension Fund Investment Manager advised that these costs had been reviewed by Officers as part of the Financial Sub-Group with Brunel, and felt to be appropriate increases, but would have also been caused by system upgrades. Officers were requested to check if these increases were in line with other Pools, to determine where Brunel were placed. **(ACTION)**

In response to queries raised regarding the level of increase for 2025/26 External and Internal Audit Fees, Gregory Ley advised that there had not been an internal audit carried out in 2024/25, but this has been confirmed for 2025/26, and external audit fees had been agreed by the public body, Public Sector Audit Appointments.

**The Committee were RESOLVED to:**

**i) Note the progress made against the service priorities for 2024/25; and**

**ii) Approve the Business Plan, Budget, Training Plan and Cash Management Strategy for 2025/26**

**8/25 RISK REGISTER REPORT**

(Agenda No. 8)

Mukhtar Master, Governance and Communications Manager presented the report of the Executive Director for Resources and Section 151 Officer which presented the latest position on the Fund's risk register, including any new risks identified since the report to the last meeting. He advised that following a holistic review of the register, no new or emerging risks were identified, however he wished to advise the Committee that a number of initiatives currently taking place within the Council that could potential present risks but cannot be taken into account until they are progressed.

He provided further context to Risk 12: insufficient resources from Committee to deliver responsibilities, which had increased from a green rating to an amber rating due to increased workload as a result of the OCC Transformation project that is underway which would lead to a likely increase in pension estimates, increasing the workload for the fund.

In response to a question from the Local Pension Board regarding Risk 15: insufficient skills and knowledge amongst officers, Mark Smith, Head of Pensions advised that all options for supporting retention and recruitment of staff would be explored as part of the Workforce Strategy, that would include agile working options and benefits as it was recognised that the Council was unable to match the higher salaries paid by the private sector.

In response to a question from the Committee regarding Risk 24: impact of a potential turnover of Pension Fund Committee members as a result of the election, it was agreed by the Committee that the Training Plan would be presented to the June meeting as an information item only, with no changes being made to the agreed policy, and Mark Smith updated the Committee on the proposed training scheduled as part of the new and existing Councillor Induction Programme. It was also agreed that the date of May 2025 be removed from the risk, as it should relate to any change to the Committee, and not just the election scheduled for May 2025, and this was confirmed as carried out by Mukhtar Master.

The Committee also raised concerns of the rating of Risk 19: failure of pooled vehicle to meet local objectives, and whether this should be increased due to failure of Brunel to meet benchmarking objectives and whether this should be raised to amber to ensure it is highlighted as a potential issue for future Committee members to consider.

In response to concerns raised regarding the impact of staffing changes within Employers of the Scheme, Mark Smith advised that any significant impact of staffing changes to the Fund could be included within the reports to the Committee.

The Committee requested that Officers write to the relevant Minister to highlight their concerns of any changes to government initiatives that would impact the number of staff in Academies and Higher Education establishments able to join the LGPS, for example the creation of subsidiaries. **(ACTION)**

**The Committee were RESOLVED to note the latest risk register and accept that the risk register covered all key risks to the achievement of their statutory responsibilities, and that the mitigation plans, where required, were appropriate.**

## **9/25 GOVERNANCE AND COMMUNICATIONS REPORT INCLUDING CYBER SECURITY REVIEW**

(Agenda No. 9)

Mukhtar Master, Governance and Communications Manager presented the report of the Executive Director for Resources and Section 151 Officer which covered the key governance and communication issues for the Fund, including a report on any breaches of regulation in the last quarter. The report also covered the recent Cyber Security review undertaken by the Fund.

He provided an update on the progress made regarding the General Code of Practice, which was coming to an end, and advised the Committee that these would be completed by the end of the financial year, and an independent compliance review would be carried out by Hymans Robertson against all 51 modules.

He also advised the Committee of the first annual review of Cyber Security undertaken by all fund staff, with mock phishing exercises run by OCC IT and quarterly update meetings to ensure that the fund are regularly briefed and updated on all the latest developments within the specialist area. He also advised of a decrease in breaches for the period October to December 2024 and provided additional context to the data breaches that had occurred in that quarter. It was noted that none of the breaches were materially significant and as such were not reported to either The Pensions Regulator or the Information Commissioner.

In response to a query from the Committee regarding the number of repeat contribution and data breaches recorded, which was not shown in the report. Vicki Green, Pension Services Manager advised that these had been identified as smaller employers and the Fund was working with those to rectify those issues and was covered in more detail in the Administration Report. She advised that these contribution breaches would be escalated, because although they were very small employers which only related to 12 members, it was highlighted as a concern.

In response to query regarding the use of OCC IT to review the Fund's cyber security processes, it was noted that the use of an external reviewer would be more beneficial and would explore whether OCC use an external provider when reviewing all cyber security processes within the Council, and would it be picked up under that.

**The Committee RESOLVED to:**

- i) Note the Fund's update on the Pension Regulator's General Code of Practice.**

- ii) **Note the Fund's annual review of Cyber Security.**
- iii) **Note the latest quarter's breaches for the fund.**
- iv) **Note the communications update.**

## **10/25 ADMINISTRATION REPORT**

(Agenda No. 10)

Vicki Green, Pension Services Manager presented the report of the Executive Director for Resources and Section 151 Officer which updated the Committee on the key administration issues including service performance measurement, the debt recovery process and any write offs agreed in the last quarter. She provided additional information regarding the increase in new cases of benefit administration work which was usual for this time of year due to new starters.

She also advised that 3.5% of employer monthly returns had not been vetted, however the workload had been distributed across the remaining team to be completed. It was also noted that there had been improvements to quality of checks, training and the monitoring of workload and performance to mitigate these issues going forward.

The Committee requested that subsequent reports show comparisons to the previous quarters to identify changes to any of the statistics presented in the report. **(ACTION)**

The Committee raised concerns that the team were carrying 2 Senior Administrator vacancies and 3 Administrator vacancies, and noted that this be flagged for review when moving into the new Committee following the May elections.

**The Committee were RESOLVED to note the decision made on the Fire Remedy project by the delegated Manager on behalf of the Pension Fund Committee.**

## **11/25 REPORT OF THE INDEPENDENT FINANCIAL ADVISER**

(Agenda No. 11)

John Arthur, Independent Financial Advisor presented the report which provided an overview of the financial markets, the overall performance of the Fund's investments against the Investment Strategy Statement and commentary on any issues related to the specific investment portfolios. The report included the quarterly investment performance monitoring report from Brunel.

He commented on the effect on the market environment on the newly elected US President, which led to the strong US equity market performance and strong performance of US technology stocks, particularly those focused on AI. He highlighted that over the long term the Fund continues to meet its requirements, despite it underperforming as a benchmark, being above the Fund's actuarial discount rate assumption for future investment returns, which would have helped improve the funding ratio between the triennial actuarial revaluations.

He provided additional context on Q4, and the impact of the Tesla share price and noted that if this was a fair reflection of the benefit of a close relationship to the US

president, then the rules of capitalism had changed and the role and reach of the US Government is vastly different from what we have experienced in the past.

In response to a question from the Committee regarding the decision to invest passively when compared with active management and their cheaper investment management costs, he advised that over the past 10 years passive managers had performed better, however due to the concentration, it would be a time to stick with active equity managers.

In response to a question from the Committee, John Arthur advised the use of Pimco as an external asset manager for a shorter duration bond portfolio, which would not require a full procurement process. Fund Officers agreed to provide Committee an update between meetings on options regarding rebalancing the overweight equities, noting Fund Officers had the delegated authority to rebalance the portfolios when appropriate (**ACTION**).

The Committee thanked the Independent Financial Advisor for his comprehensive report.

## **12/25 CORPORATE GOVERNANCE AND SOCIALLY RESPONSIBLE INVESTMENT** (Agenda No. 12)

Josh Brewer, Responsible Investment Officer presented the report which provided the Committee with an opportunity to raise any concerns concerning Corporate Governance and Responsible Investment which needed to be brought to the attention of the Committee. He highlighted that Brunel had provided a high-level report which identified the top 10 greenhouse gas emitters in the Fund's portfolio, and whilst the report only provided a snapshot, however due to the sensitive information within this report, could only be shared in a closed session of the Committee. It was agreed that this information could be shared by Brunel at a closed session of the Pension Fund Working Group.

He highlighted the link to the Local Authority Pension Fund Forum (LAPFF) quarterly engagement report and spoke to the table that outlined which companies from the LAPFF engagements held within the Oxfordshire equity portfolios and the engagement carried out by Brunel over the last 12 months.

In response to a query as to why there continued to be engagement with these companies, Josh Brewer agreed that there should be an evaluation of the engagement approach, and an Alignment Policy was being developed for 2025 to ensure that companies are on a realistic pathway to net zero.

In response to a query on private markets, the approach taken for climate change presents both a risk and opportunity and are reviewed differently when reviewing the markets within the Fund.

**The Committee noted the report.**

..... in the Chair

Date of signing .....

Division(s): n/a
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## ITEM 7

### PENSION FUND COMMITTEE

7 March 2025

### ANNUAL BUSINESS PLAN AND BUDGET 2025/26

Report by the Executive Director of Resources & Section 151 Officer

#### RECOMMENDATION

1. The Committee is **RECOMMENDED** to:

- i) **Note the progress against the service priorities for 2024/25; and**
- ii) **Approve the Business Plan, Budget, Training Plan and Cash Management Strategy for 2025/26**

#### Introduction

2. The report reviews the progress against the key service priorities set in the business plan for the Pension Fund for 2024/25.
3. The report also sets out the proposed business plan, budget, training plan and cash management strategy for the Pension Fund for 2025/26. It follows on from the workshop held on 16 January 2025, to which all members of the Committee and the Local Pension Board were invited. The Plan sets out the key priorities for the Fund as agreed at the workshop, details the key service activities for the year, and includes the proposed budget and cash management strategy for the service.
4. The key objectives for the Oxfordshire Pension Fund as set out in the Business Plan for 2025/26 (annex 1) and remain consistent with those agreed for previous years, with one slight update to reflect the Fund's improved funding position.
5. The overall objectives are summarised as:
  - To fulfil our fiduciary duty to all key stakeholders
  - To administer pension benefits in accordance with the LGPS regulations, and the guidance set out by the Pensions Regulator
  - To maintain a funding level above 100% (LGPS only)
  - To ensure there are sufficient liquid resources to meet the liabilities of the Fund as they fall due, and
  - To maintain as near stable and affordable employer contribution rates as possible

6. Part A of the plan sets out the broad service activity undertaken by the Fund. These are unchanged from previous years. The service priorities for the forthcoming financial year are then set out in more detail in Part B. These priorities for the most part, do not include the business as usual activity which will continue alongside the activities included in Part B.

### **Key Service Priorities – Review of 2024/25**

5. There were 3 key service priorities included in the 2024/25 Plan each with a number of key measures of success. The latest position on each is set out in the paragraphs below. The assessment criteria for each measure of success is as follows:

- Green – measures of success met, or on target to be met
- Amber – progress made, but further actions required to ensure measures of success delivered
- Red – insufficient progress or insufficient actions identified to deliver measures of success

6. Deliver further improvements to the governance arrangements of the Fund. The position against the 5 agreed measures of success are set out in the table below.

<b>Measure of Success</b>	<b>Key Progress Achieved</b>	<b>Outstanding Actions</b>
Succession Plan in place, and suitably skilled and knowledgeable replacements recruited for Head of Pensions and Pension Services Administration Manager. GREEN	Heads of Pensions and Pension Services Administration Managers appointed.	
Workforce Strategy in place. GREEN	Workforce Strategy in place and currently in process of being implemented.	Continuation of this work included in Service Priorities for 2025/26.
End of year compliance with General Code of Practice in line with targets set. GREEN	On track to completed by end of March 2025.	New item created for Service Priorities for 2025/26 including independent scrutiny and review to be completed in the first half of 2025.
Committee satisfied they are able to evidence compliance with their policies and demonstrate the performance	All Committee and Board members have completed induction training and required mandatory along with	Continuation of the focus on knowledge and understanding is included in Service Priorities for 2025/26.



standards of the Fund. GREEN	receiving details of Fund policies.	
Increase in average scores for the National Knowledge Assessment. AMBER	National Knowledge Assessment has been completed with 100% completion rate.	Training plan for 2025/26 is included in this paper (annex 2), with particular focus on key areas identified in the National Knowledge Assessment which require development.

7. The first 4 measures of success under this objective have all been rated green, largely due to the successful appointment to roles, the development of the Workforce Strategy, progress on the General Code of Practice and both Committee and Board being up to date on training requirements.
8. The National Knowledge Assessment (NKA) has scored as amber due to a number of factors, the Chair of Board not being included in the 2024 results and a number of new members to both Committee and Board. Fund Officers will continue to monitor and offer bespoke support to work on key areas highlighted by the NKA. More information can be found in the Fund's Training Plan 2025/26 (Annex 2).
9. Deliver further operational effectiveness of the administration function, including delivery of regulatory changes. There were also 6 specific measures of success set out in the 2024/25 Business Plan in respect of this priority. The progress against these is set out in the table below.

Measure of Success	Key Progress Achieved	Outstanding Actions
Issue all estimates/benefit calculations in line with the McCloud requirements. AMBER	All fire pension scheme Annual Benefit Statements were issued including McCloud requirements where possible, with the exception when external guidance from Government changed and these statements were all issued in the following 6 months, once the systems and GAD calculators had been updated to reflect the new requirements.	Continuation of the McCloud priority has been included in Service Priorities for 2025/26.  The key focus remains the Active and Deferred members of the LGPS in order to comply with the Statutory date for Annual Benefits Statements by 31 August 2025.
Increased Common Data and Scheme Specific Data Quality scores. GREEN	Completed. Common Data – 94.5% Scheme Specific – 98.69%	Continuation of this work included in Service Priorities for 2025/26.

Reduction in numbers of reported regulatory breaches/fines issued under the Administration Strategy. GREEN	Overall reduction in breaches and fines achieved, focus moving to employer engagement and relationship management to maintain this progress going forward.	Continuation of this work included in Service Priorities for 2025/26.
Reduction in number of formal complaints. GREEN	Numbers of complaints have fallen.	Continuation of this work included in Service Priorities for 2025/26.
Increased customer satisfaction scores. GREEN	Customer satisfaction survey results remain positive with the majority of interactions rated as either 4 or 5 stars (72%).	Continuation of this work included in Service Priorities for 2025/26.
Reduction in scheme costs associated with technology improvements. AMBER	Resource constraints have limited progress on developments, a revised project timetable has been put in place to ensure delivery as part of the Service Priorities for 2025/26.	Carried forward work and included in Service Priorities for 2025/26.

10. Out of 6 measures of success, 4 are rated as green, this is largely due to improvements in data scores which represents the work done by Fund officers to work in partnership with our scheme employers on data quality and the internal processes the team use to further check data. Improved data quality will typically impact numbers of fines, complaints and customer satisfaction scores and this demonstrates the Fund's commitment to continually improving the service we provide.
11. We have rated amber the McCloud measure of success; this is largely due to last minute changes in guidance on the calculation to be included in Annual Benefit Statements for Fire Fighter pensions. This was external guidance and impacted all Fire Authorities across the country. This resulted in a number of delayed Annual Benefit Statements being issued, these statements have been issued now, and scheme members were kept up to date during the delay.
12. The measure of success for reduction in costs associated with technological improvements has also been rated as amber due to delays in progress resulting from resource constraints within the technical and systems team. A revised plan is now in place to make progress on system enhancements during 2025/26.
13. Review the Fund's Investment Strategy Statement in light of:
- The 2025 Valuation
  - Government Policy
  - Cashflow Requirement

- Responsible Investment Priorities

There were 5 measures of success set for this service priority within the Business Plan, and progress against these measures is set out below.

Measure of Success	Key Progress Achieved	Outstanding Actions
Clear Strategic Direction agreed for 2025 Valuation, to the satisfaction of scheme employers. GREEN	<p>Pre-valuation focus on data quality with employers continues.</p> <p>Housing keeping on historic employer matters, ahead of valuation have been completed.</p> <p>Initial valuation modelling has taken place and initial meetings with 6 out of 7 largest employers have been held, with the 7<sup>th</sup> booked in for later in March 2025.</p>	Carried forward work and included in Service Priorities for 2025/26.
Revised cashflow model in place and sufficient cash in place to meet pension benefits and investment commitments as they fall due. GREEN	Ongoing monitoring of the cashflow position is in place.	<p>Cashflow model to be reviewed in light of decisions made throughout 2025 Valuation process. Cashflow monitoring policy to be developed.</p> <p>Carried forward work and included in Service Priorities for 2025/26.</p>
Plans in place to deliver Government Policy requirements. GREEN	<p>Responses issued to call for evidence and consultations.</p> <p>Working closely with partner Funds and Brunel on Brunel's response due in March 2025.</p>	Continuation of this work included in Service Priorities for 2025/26.
Publish Fund's first Responsible Investment Policy and Strategy Documents. GREEN	Press release issued on exclusions.	Continuation of this work included in Service Priorities for 2025/26.
Revised Strategic Asset Allocation agreed. GREEN	Initial discussions scheduled.	Strategic Asset Allocation to be reviewed as part of the 2025 valuation.

		Continuation of this work included in Service Priorities for 2025/26.
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14. All 5 measures of success are rated green, largely due to work progressing well on the 2025 valuation, cashflow modelling and producing the revised Strategic Asset Allocation will naturally align as part of the valuation work during 2025/26. The Fund's Responsible Investment Policy has been well received, and progress continues to be made in line with the Policy. The Fund is also working closely with partner Funds and the Brunel Pensions Partnership, on the preparation for the implementation of proposed Government policy.

### Budget 2024/25

15. The budget for 2024/25 was agreed at £20,741,000.

### 2024/25 Pension Fund Budget – Q3 Update

	Budget	YTD	%	Forecast Outturn	Variance
	2024/25	2024/25		2024/25	2024/25
	£'000	£'000		£'000	£'000
<b>Administrative Expenses</b>					
Administrative	1,861	1,266	68%	1,861	0
Employee Costs					
Support Services	1,338	1,205	90%	1,338	0
Including ICT					
Printing & Stationary	82	73	89%	82	0
Advisory &	165	1	0%	165	0
Consultancy Fees					
Other	60	31	51%	60	0
<b>Total Administrative Expenses</b>	<b>3,506</b>	<b>2,575</b>	<b>73%</b>	<b>3,506</b>	<b>0</b>
<b>Investment Management Expenses</b>					
Management Fees	14,800	3,000	20%	15,000	200
Custody Fees	30	21	71%	30	0
Brunel Contract Costs	1,453	1,499	103%	1,453	0

<b>Total Investment Management Expenses</b>	<b>16,283</b>	<b>4,520</b>	<b>28%</b>	<b>16,483</b>	<b>200</b>
<b>Oversight &amp; Governance</b>					
Investment & Governance Employee Costs	444	274	62%	400	-44
Support Services Including ICT	13	0	0%	13	0
Actuarial Fees	292	275	94%	292	0
External Audit Fees	50	115	229%	120	70
Internal Audit Fees	9	0	0%	9	0
Advisory & Consultancy Fees	101	25	25%	70	-31
Committee and Board Costs	24	0	0%	24	0
Subscriptions and Memberships	20	60	300%	20	0
<b>Total Oversight &amp; Governance Expenses</b>	<b>953</b>	<b>749</b>	<b>79%</b>	<b>948</b>	<b>-5</b>
<b>Total Pension Fund Budget</b>	<b>20,742</b>	<b>7,844</b>	<b>38%</b>	<b>20,937</b>	<b>195</b>

16. Key points to note are that Brunel invoices are paid in advance so the year to date includes all 4 quarters of fees.

17. Subscriptions and memberships have increased significantly due to paying the annual subscription to the Pensions and Lifetimes Savings Association (PLSA), which was circa £20k.

18. The two main causes for overspend have been payment of the previous year's external audit fees and the difficulty in estimating investment management fees in advance.

### **Service Priorities for 2025/26**

19. The service priorities for 2025/26 were developed through a workshop to which all members of the Pension Committee and Pension Board were invited. This year,

the workshop was held on 16 January 2025 and was facilitated by Hymans Robertson.

20. The workshop enabled members of the Committee and Board to identify key priority areas for the Fund for 2025/26 and what they see as measures of success. Officers have sought to bring this together under 4 key priorities within the 2025/26 Business Plan (annex 1) which are summarised as follows.
21. First key priority is to deliver further improvements to the governance arrangements of the Fund. Key amongst this is to continue work on the Workforce Strategy to ensure we maintain a skilled and resilient workforce into the future. Along with continued work on the General Code, implementing the outcomes from the Good Governance Review, continue work on the outcomes from the National Knowledge Assessment and to track and respond to Local Government Reform.
22. The second key priority is to deliver further operational effectiveness of the service delivery/administration function, including delivery of regulatory changes. This will include implementing the McCloud remedy, improving common data scores, a particular focus on developing the services we provide to our employers. Greater focus on monitoring customer satisfaction, enhancing our reporting on day-to-day activities and implementing Government tax changes.
23. The third key priority is to develop further the Fund's Investment and Funding service. This will include delivering the 2025 valuation, enhanced cashflow modelling and monitoring, reviewing the Strategic Asset Allocation, implementing both Government policy and our Responsible Investment Policy. In addition, further value for money analysis will be undertaken.
24. The fourth and final key priority is to deliver service enhancements and cost reductions through increased use of technology. This will include development and launch of a new website, implementation of Pension Dashboard, further developments of our system to enhance Fund services and also regular software updates.
25. The full details of the 4 priority areas, action plans and measures of success are included in Part B of the draft Business Plan included in annex 1.
26. The key priority areas detailed in annex 1 represents a significant challenge. This is similar for all other LGPS Funds, the delivery of McCloud, pension dashboards, the 2025 valuation, General Code, outcomes from the Good Governance Review, Government reform of pooling, development of Local Investment, Local Government devolution to name a few. This creates significant challenges and pressures on Fund resources.
27. Given the resource challenges LGPS Funds face, we welcome the recent letter from Scheme Advisory Board dated 27 January 2025, which can be read using this link: [January 2025 SAB letter to administering authorities on budget setting.pdf](#) . This letter highlights the importance of having an adequately resourced Fund to support delivery of business plans.

## **Budget 2025/26**

28. The proposed budget for 2025/26 is set out as Part C of the Business Plan which also includes a comparison with the budget for 2024/25. Overall, there is an increase in the proposed budget from £20,742,000 to £26,742,000 (28.9%). The main element of the variation is explained in more detail below.
29. Other than inflationary increases, there are a number of points to note on increases in the budget.
30. The increase in the administration staffing budget reflects the proposed increased staffing to add an employer services manager role. This will enhance the service delivered to our diverse range of employers, focusing on reviewing all employer-based guidance and policies to ensure we remain compliant with our duties to employers. This is an area which has recently been highlighted as an area the Fund needed to improve and was included in the business priorities under both delivering further improvements to the governance arrangements of the Fund and to develop further the Fund's Funding service.
31. In line with our priority to deliver service enhancements and cost reductions through increased use of technology, the proposal to create a deputy technical and systems manager role will support this priority. In the scheme year 2024/25, the Fund has found it challenging due to resource constraints within this team to deliver both pensions technical projects and technological enhancements, as such this role is vital in order to make progress on many of the systems enhancement items carried over from 2024/25.
32. In both, cases the roles act to remove single points of failure from within the Fund and aid the succession plan for the future.
33. A further proposed change is to convert one of the existing benefit team leader roles, which is vacant due to internal promotion, to a benefits manager role. This will create an escalation route for informal complaint resolution, without impacting the independence of our Internal Dispute Resolution Procedure (IDRP). The IDRP stage 1 & 2 must be independent from previous complaints, with the current structure this is becoming increasingly difficult, this is an area of risk this change immediately resolves.
34. The increase in administrative employee costs is offset in other areas of administration, as a result overall administrative expenses are expected to decrease by circa £100k.
35. The largest increase in the budget is for Investment Management Fees, which has seen a significant increase from £14,800,000 to £20,500,000 and partly reflects the growth in the assumed average asset value over the course of the next year on which fees are payable. The Committee have no control over this aspect of the budget.

## **Training Plan**

36. Annex 2 sets out the broad Training Plan for Committee and Board Members. This reflects the Knowledge Assessment and feedback from Committee and Board members in 2024. Various training sessions have been held throughout the year such as a session covering affordable housing. A session on Governance in the Brunel Pensions Partnership was held prior to the Committee Meeting on 13 December 2024. We have pre-Committee training at this meeting from the Scheme Actuary.
37. The Plan also includes reference to the on-line training offered by Hymans Robertson which all Members are encouraged to complete, a list of recommended external courses and conferences which Members are invited to consider as well as the offer of individual sessions with Officers and the development of a specific training plan to meet individual needs.
38. Since our last Committee meeting, we are encouraged to see a number of Committee and Board Members booking on the external courses and conferences, should you need any further information on these please see the links in the Training Plan (annex 2) and for any questions, please contact Anna Lloyd our Governance and Communications Officer.

## **Cash Management**

39. The final section of the business plan, Part D, provides the annual cash management strategy for the Fund. The Strategy is based on the Treasury Management Strategy for the Council but has a significantly reduced number of counterparties reflecting the lower sums of cash involved, and the wider set of alternative investment classes open to the Pension Fund.

Lorna Baxter  
Executive Director of Resources & Section 151 Officer

Annex:           1 – Business Plan 2025-26  
                  2 - Oxfordshire Pension Fund Training Plan 2025-26

Background papers: Scheme Advisory Board letter dated January 2025  
[January 2025 SAB letter to administering authorities on budget setting.pdf](#)

Contact Officer: Mark Smith, Head of Pensions, 01865 328734,  
mark.smith@oxfordshire.gov.uk

March 2025



## Oxfordshire Pension Fund: Business Plan 2025/26



### Service Definition:

- To administer the Local Government Pension Scheme and the Fire Fighters Pension Schemes on behalf of Oxfordshire County Council in line with the Regulatory Framework and the Committee's Fiduciary Duty.

### Our Customers:

- Scheduled scheme employers e.g. County Council, District Councils, Oxford Brookes University, other Colleges and Academies
- Designating scheme employers e.g. Town & Parish Councils
- Admission Bodies including charitable organisations with a community of interest, and bodies where services have been transferred on contract from other Scheme Employers
- Contributory Employees
- Pensioners and their Dependants
- Council Tax payers

### Key Objectives:

- Fulfil the Fiduciary Duty to all key stakeholders
- Administer pension benefits in accordance with the relevant regulations and the guidance as set out by the Pension Regulator, to a high service standard for scheme members
- To maintain a funding level above 100% (LGPS only)
- Ensure there are sufficient liquid resources available to meet the Fund's liabilities and commitments (LGPS only) and
- Maintain as nearly a constant employer contribution rate as is possible (LGPS only).

## Part A - Service Activities

Service Activity	Outputs	Outcomes
<b>Investment Management – LGPS Only</b>		
Management of the Pension Fund Investments	<p>The Fund is invested in assets in accordance with the Committee's wishes</p> <p>The Fund's assets are kept securely</p> <p>Quarterly reports to the Pension Fund Committee</p>	<p>Sufficient resources available to pay all pension benefits as they fall due</p> <p>Employer contribution rates maintained at a stable and affordable level</p> <p>Investments achieved in line with the Fund's Climate Change Policy</p>
Management of the Pension Fund Accounts	Completion of the Annual Report and Accounts	No adverse comments from the Fund's auditors
Management of the Pension Fund Cash	<p>Cash management strategy and outturn reports</p> <p>Cash Managed in accordance with the strategy</p>	The Pension Fund cash is managed securely and effectively
<b>Scheme Administration and Governance</b>		
Management of the Pension Fund Administration	<p>The administration procedures are robust and in accordance with regulations and service standards, with particular focus on regular reviews to safeguard scheme members from Pension Scams</p> <p>Changes to regulatory framework of the scheme</p>	<p>The workload is completed &amp; checked in accordance with regulations and procedures</p> <p>Work is completed within specified time scales</p> <p>No adverse comments from the Fund's auditors, the Pension Regulator and Scheme Members/Employers</p> <p>Implementation of actions arising from regulation changes</p>

## Part B – Service Priorities

Objective	Actions	Measures of Success
Deliver further improvements to the governance arrangements of the Fund	Continue to develop and implement the <b>Workforce Strategy</b>	<p>Complete the review of staffing needs</p> <p>Complete the identification of gaps in resource and skills</p> <p>Career pathways defined to support retention (to be completed in line with other OCC service areas during 2025)</p> <p>LGPS Academy rolled out across the team</p>
	Continue to work on <b>General Code</b> compliance and provide external scrutiny/review	<p>Review of GCOP compliance completed by officers end of March 2025</p> <p>Independent review completed by end of summer 2025</p> <p>Reviews demonstrate Fund is meeting Regulatory Requirements and TPR expectations</p>
	Monitor, review and implement <b>Good Governance Review</b> outcomes once known	Governance review complete and plan in place to implement recommended changes (dates to be confirmed once Government confirms outcomes)
	<b>National Knowledge Assessment (NKA)</b> and Knowledge and Understanding	<p>All Committee and Board members complete TPR Toolkit</p> <p>Maintain NKA score from previous year</p> <p>All Committee and Board members enrolled on LOLA and complete 50% of modules</p>
	<b>Local Government Reform</b> - tracking and responding to potential risks and resource implications	<p>Respond effectively to Government consultations</p> <p>Keep Committee and Board regularly consulted and updated</p> <p>Identify stakeholders impacted and track any associated risks through risk register</p>
Deliver further operational effectiveness of the service delivery/administration function, including delivery of regulatory changes	Implement <b>McCloud</b> (data and IT requirements)	<p>Process in place to confirm calculations carried out correctly and within SLA timeframes</p> <p>Issue all Annual Benefit Statements containing McCloud information with Plain English explanation by 31 August 2025</p>
	Monitor and improve <b>Common Data</b> scores	<p>Maintain data score at 95%</p> <p>Aim to exceed 95% and increase to 98%</p>
	<b>Employer Engagement/Client</b>	<p>Contributions reconciled monthly</p> <p>Member data reconciled monthly</p>

	<b>Relationship</b> (including escalation process/fines)	<p>Late data and/or contributions pursued within 1 week - large employers, smaller employers within 2 weeks</p> <p>Employer survey introduced</p> <p>Develop Employer Services team</p> <p>Improve employer knowledge and understanding of responsibilities through provision of a user guide</p> <p>Review and update of all Fund provided employer policies/processes and procedures completed</p>
	<b>Customer Satisfaction</b> - (Compliments/complaints/feedback) [Employer and Member]	<p>Improve scores from member surveys</p> <p>Reduce number of upheld complaints from members</p> <p>Improve scores from employer surveys</p>
	<b>Day to Day delivery</b> of BAU activities	<p>Administration SLAs –</p> <ul style="list-style-type: none"> <li>▪ Call to helpdesk answered within 40 seconds</li> <li>▪ Deaths processed in 10 days</li> </ul> <p>Reported KPI's all above 80%</p>
	Implement Government <b>tax changes</b>	Full process map developed, reviewed and implemented
Develop further the Fund's Investment and Funding service	<b>Deliver the 2025 Valuation</b>	<p>Data provided to Actuary by requested date</p> <p>Less than 5% data quality queried by Actuary (actual % will be reported to Committee/Board)</p> <p>Maintain stability of costs i.e. employer contributions</p> <p>Achieve consensus around valuation assumptions with Committee by end of June 2025</p>
	<b>Cashflow modelling</b> - Committee to see more information on how the Fund handle cashflow	Cashflow modelling policy introduced in 25/26 - with regular reporting, built into existing report
	<b>Strategic Asset Allocation</b> (subject to consultation)	<p>Asset Allocation decided with scope for swift response to developing risk and opportunity, March 2026</p> <p>Consultation with key stakeholders</p>
	Implement <b>Government Policy</b>	<p>Response issued to relevant consultations</p> <p>Take leading role through SPOG/PLSA and</p>

		<p>other cross industry groups in responding to consultations</p> <p>New Regulations complied with ahead of deadline (where practically possible)</p>
	<b>Responsible Investment</b> Policy development	Leading/recognised accreditation scores within Stewardship Code
	<b>Value for Money</b> analysis	<p>Ensure analysis is completed (active vs. passive) and next steps agreed.</p> <p>Cost transparency reviewed</p>
Deliver service enhancements and cost reductions through increased use of technology	<b>Website</b> development and launch	<p>Website domain and host agreed by mid-2025</p> <p>New website launched by end of the scheme year (March 2026)</p> <p>Overwhelmingly positive feedback from users</p> <p>Accessible requirements completed - WCAG 2.2 requirements, useable on all devices (mobile, computer etc)</p>
	Implement Pensions <b>Dashboard</b>	<p>ISP contract in place – by March 2025</p> <p>Connected to ecosystem by mid-October 2025 for both pension benefits and Additional Voluntary Contributions (AVCs)</p> <p>Report updates to Committee/Board and provide information on how successful connection has been</p>
	Development of <b>iConnect</b> - continue to utilise further improvements to the service	<p>Patches implemented on release day</p> <p>Regular engagement with Heywoods maintained to understand upcoming improvements and how to utilise them</p> <p>Training delivered to relevant officers</p>
	Ensure all technology used is <b>compatible with Windows 11</b>	<p>Engage support of host authority IT Team</p> <p>Complete review of all devices and software</p> <p>Replace those not compatible with Windows 11 by 30 September 2025</p>
	<b>Other developments</b> – MSS, address checker, electronic pension payslips, EA2P, bank account verification	<p>MSS development implemented</p> <p>Increased members uptake and online activity</p> <p>Positive user feedback in surveys received</p>

## Part C – Budget

	2025/26 Budget	2024/25 Budget
	£'000	£'000
<b>Administrative Expenses</b>		
Administrative Employee Costs	2,067	1,861
Support Services including ICT	1,193	1,338
Printing and Stationery	78	82
Advisory and Consultancy Fees	5	165
Other	60	60
	<b>3,403</b>	<b>3,506</b>
<b>Investment Management Expenses</b>		
Management Fees	20,500	14,800
Custody Fees	30	30
Brunel Contract Costs	1,630	1,453
	<b>22,160</b>	<b>16,283</b>
<b>Oversight and Governance</b>		
Investment Employee Costs	470	444
Support Services Including ICT	13	13
Actuarial Fees	350	292
External Audit Fees	100	50
Internal Audit Fees	19	9
Advisory and Consultancy Fees	110	101
Committee and Board Costs	25	24
Subscriptions and Membership	92	20
	<b>1,179</b>	<b>953</b>
<b>Total Pension Fund Budget</b>	<b>26,742</b>	<b>20,742</b>

## **Part D - Pension Fund Cash Management Strategy 2025/26**

### **Introduction**

1. The Oxfordshire Pension Fund maintains a balance of cash arising from the receipt of employer and employee contributions, and income from internally managed investments. This incoming cash currently exceeds the amount of payments made on behalf of the Fund. The situation is forecast to continue for the whole of 2025/26. Income generated in investment portfolios is generally reinvested, the exceptions being listed private equity and some private market investments. Were the Pension Fund's cashflow to turn negative the Fund could look to have income generated from its portfolios paid back to the Fund as required to make up any cash shortfall. This could be achieved by switching to income share classes within a number of Brunel portfolios. The cash managed in-house by the Administering Authority, provides a working balance for the fund to meet its short-term commitments.
2. The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 state that administering authorities must hold in a separate bank account all monies held on behalf of the Pension Fund. The regulations also state that the Administering Authority must formulate an investment strategy to govern how the authority invests any Pension Fund money that is not needed immediately to make payments from the fund. This document sets out the strategy for cash for the financial year 2025/26.

### **Management Arrangements**

3. The Pension Fund cash balances are managed by the Council's Treasury Management team and Pension Fund Investments team. Cash balances are reviewed on a daily basis and withdrawals and deposits arranged in accordance with the current strategy. Pension Fund cash deposits are held separately from the County Council's cash.

### **Rebalancing**

4. The Fund's cash balance is regularly monitored and reviewed as part of a quarterly fund rebalancing exercise undertaken by officers and the Independent Investment Adviser.
5. Arrangements will be made for cash balances which are not required for cashflow purposes, to be transferred to the Pension Fund's Investment Managers in accordance with the decisions taken during the rebalancing exercises.
6. In general, a minimum cash balance of £40 million will be retained following a fund rebalancing exercise, to meet cashflow requirements and private market investment transactions. The level of cash balances will fluctuate on a daily basis and may be considerably higher than the minimum balance dependent upon the timing of transactions and strategic asset allocation decisions.

## **Investment Strategy**

7. The Pension Fund cash investment policies and procedures will be in line with those of the administering authority. Priorities for the investment of cash will be:-
  - (a) The security of capital
  - (b) The liquidity of investments
  - (c) Optimum return on investments commensurate with proper levels of security and liquidity

## **Investment of Pension Fund Cash**

8. Management of the Pension Fund's cash balances will be in accordance with the Administering Authority's approved Treasury Management Strategy and policies and procedures.
9. The Pension Fund cash balances will be held predominantly in short-term instruments such as notice accounts, money market funds and short-term fixed deposits. Approved instruments for pension fund cash deposits will be the County Council's list of specified investments for maturities up to 1 year, excluding the Debt Management Account deposit facility which is not available to pension funds and UK Government Gilts which are managed by an external fund manager. The County Council's current approved list of specified investments is attached at appendix 1.
10. Pension Fund deposits will be restricted to a subset the County Council's approved counterparties at the time of deposit and will include the Fund's custodian bank. Approved counterparties as at 11<sup>th</sup> February 2025 are shown in appendix 2. There will be a limit of £30m for cash held with each counterparty.

## **Borrowing for Pension Fund**

11. The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 give administering authorities a limited power to borrow on behalf of the pension fund for up to 90 days. The power cannot be used to invest, but only for cashflow management in specified circumstances which should in practice be exceptional, i.e. to ensure that benefits are paid on time, and in transition management situations when the allocation of a pension fund's assets is being amended. Money can only be borrowed for these purposes if, at the time of borrowing, the administering authority reasonably believes that the sum borrowed, and any interest charged as a result, can be repaid out of the pension fund within 90 days of the date when the money is borrowed.
12. Pension Fund management arrangements presume no borrowing normally, but the possibility remains of unexpected pressures occurring and in these circumstances the power would enable the Pension Fund to avoid becoming forced sellers of fund assets due to cashflow requirements.
13. The Executive Director of Resources and Section 151 Officer and Deputy Chief Executive has delegated authority to borrow money for the Pension Fund in accordance with the regulations but only in exceptional circumstances. It is proposed that the authority to borrow on behalf of the



Pension Fund continues to be delegated to the Executive Director of Resources and Section 151 Officer and Deputy Chief Executive during 2025/26.

Lorna Baxter

Executive Director of Resources and Section 151 officer and Deputy Chief Executive

February 2025

**Oxfordshire County Council 2022/23 Approved Specified Investments for  
Maturities up to one year**

<b>Investment Instrument</b>	<b>Minimum Credit Criteria</b>
Term Deposits – UK Government	N/A
Term Deposits – other Local Authorities	N/A
Term Deposits – Banks and Building Societies	Short-term F1, Long-term BBB+, Minimum Sovereign Rating AA+
Certificates of Deposit issued by Banks and Building Societies	A1 or P1
Money Market Funds	AAA
Other Money Market Funds and Collective Investment Schemes <sup>1</sup>	Minimum equivalent credit rating of A+. These funds do not have short-term or support ratings.
Reverse Repurchase Agreements – maturity under 1 year from arrangement and counterparty of high credit quality (not collateral)	Long-term Counterparty Rating A-
Covered Bonds – maturity under 1 year from arrangement	Minimum issue rating of A-

<sup>1</sup> I.e., credit rated funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.

**Approved Counterparties**

Aberdeen Standard Sterling Liquidity Fund  
State Street Bank & Trust Company  
Lloyds Bank Plc  
Other Local Authorities

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## **Oxfordshire Pension Fund Training Plan 2025/26**

### **Regulatory Requirements**

Pension Fund Committee and Local Pension Board Members face different requirements for gaining and maintaining knowledge and understanding. This reflects that their remit and responsibilities originate from different pieces of legislation. Knowledge requirements falling on Board members are defined statutorily under section 248a of the Public Service Pensions Act 2013 and are personal to each individual. Learning requirements for Committees have been less stringently defined in legislation and fall collegiately on Committees as collective bodies rather than on their members as individuals.

Though their learning obligations under legislation are different, Committee and Board members share significant common ground in terms of the sphere of knowledge and understanding they need to be conversant with. Across the range of Technical Knowledge and Skills Frameworks it has published to date, CIPFA has identified a syllabus of 8 core areas of knowledge under the CIPFA Knowledge and Skills Framework (2021) for LGPS Committee Members and LGPS Officers. These 8 core areas are as follows:

1. Pensions Legislation and Guidance
2. Pensions Governance
3. Fund Strategy and Actuarial Methods
4. Pensions Administration and Communications
5. Pensions Financial Strategy, Management Accounting, Report and Audit Standards
6. Investment Strategy, Asset Allocation, Pooling, Performance and Risk Management
7. Financial markets and product
8. Pension Services Procurement, Contract Management and Relationship Management

There is a separate technical knowledge and skills framework which is CIPFA Local Pension Boards (2015) with the following 8 core areas:

1. Pensions Legislation
2. Pensions Governance
3. Pensions Administration
4. Pensions Accounting and Auditing Standards
5. Pension Services Procurement and Relationship Management
6. Investment Performance and Risk Management
7. Financial Markets and Product Knowledge
8. Actuarial Methods. Standards and Practices

## **Mandatory Committee and Board Training Requirements**

Committee and Board members are required to:

1. In the first year, and normally no later than 31 December in the year the member joins:
  - a. Attend an induction on the Oxfordshire Pension Fund's Policies
  - b. And either
    - The 3-day LGA Fundamentals Course or
    - The 5 Core and 4 DB on-line modules of the Pension Regulators Trustee Toolkit
2. In each subsequent year:
  - a. All pre-Committee training, and a minimum of 2 days' additional training
  - b. Complete the annual Knowledge Assessment exercise run by Hymans Robertson
  - c. Maintain a score on the Knowledge and Assessment exercise consistent with their responsibilities as a serving member of the Pension Fund Committee or Pension Board as appropriate
3. Only named substitutes of the Committee are allowed where they have completed an induction on the Oxfordshire Pension Funds Policies

TPR Trustee Toolkit: <https://trusteetoolkit.thepensionsregulator.gov.uk/>

## **Training Needs Analysis 2024**

A regular training needs analysis is carried out by the Fund to understand how best to meet the training needs of the Pension Fund Committee and Local Pension Board members. Most recently, Hymans Robertson ran the National Knowledge Assessment which was completed by Pension Fund Committee and the Local Pension Board members in Autumn 2024.

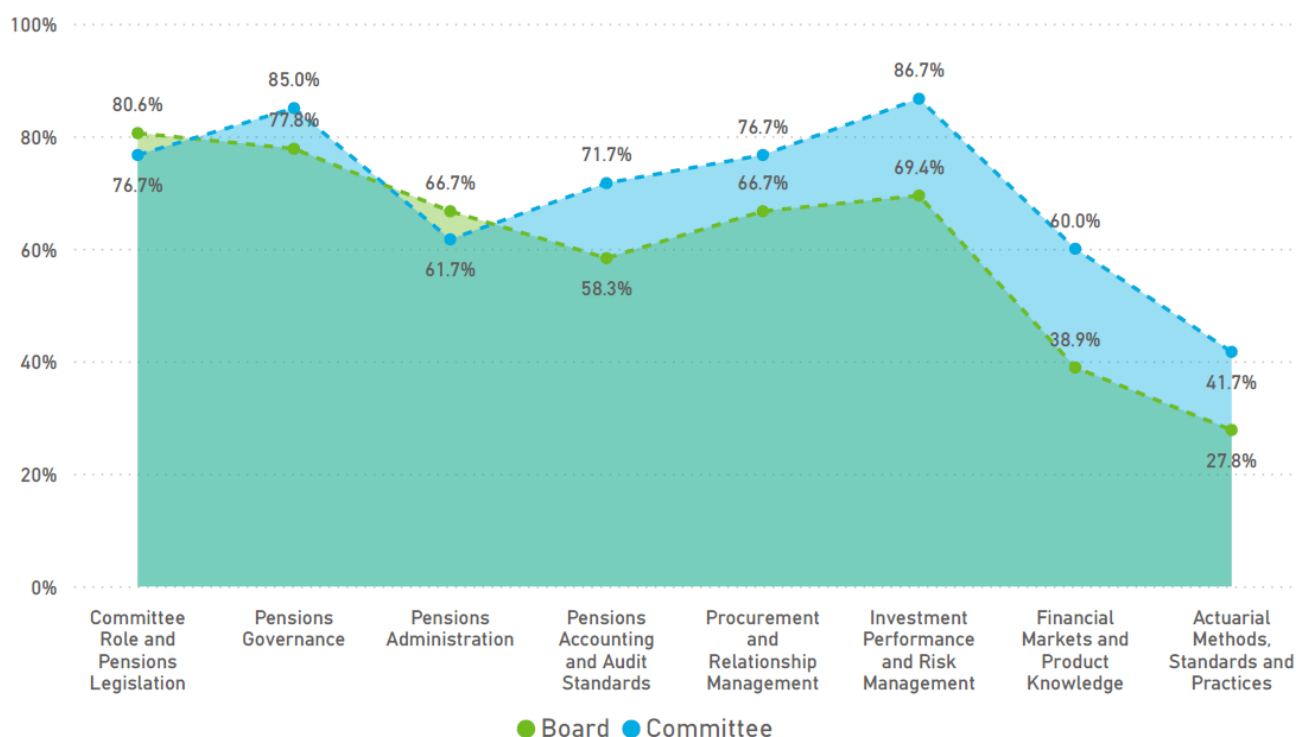
Each assessment consists of 48 multiple choice questions across 8 key areas. Each question contains the option "I currently have no knowledge relating to this topic" to discourage individuals from guessing answers and therefore potentially distorting the results. The 8 areas covered are:

- Committee Role and Pension Legislation
- Pensions Governance
- Pensions Administration
- Pensions Accounting and Audit Standards
- Procurement and Relationship Management
- Investment Performance and Risk Management
- Financial Markets and Product Knowledge
- Actuarial Methods, Standards and Practices

## Key Findings of the Training Needs Analysis

2024 LGPS National Knowledge Assessment

### Average Score for Board & Committee



- In terms of engagement, 100% of both the committee and board participated in the National Knowledge Assessment.
- The performance of the Committee (average overall score of 70.0 %) was stronger than that of the Board (average overall score of 60.8 %). This is reflection of the fact that the Committee has longer-serving members and a new member of the board took the assessment to provide us with a baseline for their training.
- The area of Actuarial Methods, Standards and Practices is the area where both groups saw a regression from the Knowledge Progress Assessment in 2023 to the 2024 assessment. As a result, future training will be focussed on this area to support understanding. Other lower scoring areas included Financial Markets and Product Knowledge which will be the focus for targeted training this year.
- Each member of the Committee and Board was given an individual score and assessment, enabling better targeted training.

### Training Plan 2025-6

#### Hymans Robertsons – LGPS Online Learning Academy (LOLA)

All members of the Pension Fund Committee and the Local Pension Board to undertake all modules of the LGPS Online Learning Academy. The modules cover the following topics:

- Committee Role and Pension Legislation
- Pensions Governance
- Pensions Administration
- Pensions Accounting and Audit Standards
- Procurement and Relationship Management
- Investment Performance and Risk Management
- Financial Markets and Product Knowledge
- Actuarial Methods, Standards and Practices
- Current issues in the LGPS

This training is highly recommended for all Committee and Board Members.

Committee and Board members are recommended to complete all modules during the year and to continue to watch the 'Current Issues' videos as they are added to the platform.

Hymans also run live sessions on the platform which are advertised which are available as recordings after the event.

### **Hymans Robertson Knowledge Progress Assessment**

Pension Fund Committee and Local Pension Board members will again be asked to participate in the Knowledge Progress Assessment (or equivalent) in the Autumn of 2025.

### **Business Plan and Current Issues Training**

Potential training for the year will include workshops on

- Actuarial Methods, Standards and Practices - pre-committee training has been scheduled for March 2025 in this area
- Financial Markets and Product Knowledge - dates to be confirmed

We are evaluating a potential joint training event with another LGPS Fund as part of the Business Plan 2025/26.

### **Individual Training for Committee and Board Members**

All members can arrange to meet with fund officers to discuss their individual training needs. Based on this meeting, an individualised training plan can be developed to best suit each individual member.

### **External Training**

<b>Training</b>	<b>Dates</b>
<b>Local Government Association:</b>	
LGPS Fundamentals Training for newly Elected Members.	TBC – 3 days in the Autumn
LGA Governance Conference (Cardiff)	29 – 30 January 2026



LGA Annual Conference (Liverpool) Link: <a href="#">LGA Annual Conference and Exhibition 2025</a>	1 – 3 July 2025
<a href="#">LGPS-Live   Home</a> Regular webinar hosted by the LGA and SAB on key LGPS issues	Bi-monthly
PLSA Local Authority Conference (Bedfordshire) Link: <a href="#">Local Authority Conference   PLSA</a>	16 – 18 June 2025
PLSA Local Authority Forum (London)	TBC – December 2025
LGPS Pooling Symposium (Birmingham) <a href="#">LGPS Pooling Symposium</a>	6 – 7 May 2025
LAPF Strategic Investment Forum (Hertfordshire) Link: <a href="#">LAPF Strategic Investment Forum</a>	30 June – 1 July 2025
LAPFF Annual Conference	TBC – December 2025
The Pensions Regulator Trustee Toolkit <a href="https://trusteetoolkit.thepensionsregulator.gov.uk/">https://trusteetoolkit.thepensionsregulator.gov.uk/</a>	<p>The Trustee toolkit is a free, online learning programme from The Pensions Regulator aimed at trustees of occupational pension schemes. The Trustee toolkit includes a series of online learning modules and downloadable resources developed to help you meet the minimum level of knowledge and understanding introduced in the Pensions Act 2004.</p> <p>This toolkit can form part of a committee/board member's 1st year training (see 'Mandatory Training' section).</p>
The Pensions Regulator's Public Service Toolkit <a href="https://education.thepensionsregulator.gov.uk/login/">https://education.thepensionsregulator.gov.uk/login/</a>	The Pensions Regulator also offers online training consisting of seven separate modules which support the General Code of Practice guidance.

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Division(s): n/a
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## ITEM 8

### PENSION FUND COMMITTEE – 7 MARCH 2025

#### RISK REGISTER

Report by the Executive Director of Resources & Section 151 Officer

#### RECOMMENDATION

1. The Committee is **RECOMMENDED** to note the latest risk register and accept that the risk register covers all key risks to the achievement of their statutory responsibilities, and that the mitigation plans, where required, are appropriate.

#### Introduction

2. The risk register sets out the current risk scores in terms of impact and likelihood, and a target level of risk and a mitigation action plan to address those risks that are currently not at their target score. The risk register can be found at **APPENDIX 1**. This report sets out any progress on the mitigation actions agreed for those risks not yet at target and identifies any changes to the risks which have arisen since the register was last reviewed.

#### Comments from the Pension Board

3. The Local Pension Board did review and consider the risk register at its last meeting on the 24 January, however there were no comments for consideration.

#### Latest Position on Existing Risks/New Risks

#### New Emerging Risks

4. Having carried out a holistic review of all the current risks – it was determined that there are no new known emerging risks to assess and mitigate. However, fund officers recognise that there are various central government initiatives which have been initiated or are currently on-going. These may potentially result in emerging risks that the fund has to consider. These initiatives include:
  - i) The 'fit for the future' Consultation;
  - ii) Local Government devolution and reorganisation;
  - iii) New Fair Deal.

The fund is closely monitoring each of these initiatives to ensure that any potential risks to the fund are quickly identified, such that mitigating actions can be agreed and actioned swiftly. Any such risks would be presented to Committee/Board on the risk register.

### **Increasing Risk**

5. Risk 12 – ‘Insufficient resources from Committee to deliver responsibilities’ – has increased from a green rating to an amber rating. Increasing workload as a result of the OCC Transformation project which is underway. This is likely to increase the numbers of pension estimates that are requested. Additionally, the requirements for the national Pensions Dashboard and McCloud are likely to increase workloads for the fund.

### **Reducing Risk**

6. None of the risks on the risk register were deemed as decreasing in their respective risk rating.

### **Risks removed from the Risk Register**

7. None of the risks were removed from the Risk Register.

### **Same Risk Rating**

8. Risk 14 – ‘Insufficient Skills and Knowledge amongst Board Members’ – this has remained at an amber rating. The Board results from the National Knowledge Assessment 2024, warrants the risk remaining at an amber rating. The training plan for 2025/26 will seek to address the training requirements for the Board.
9. Risk 15 – ‘Insufficient Skills and Knowledge amongst officers’ – the team continues to experience challenges in recruiting to lower-level management posts. As such, this risk has been assessed as remaining at an amber rating.
10. Risk 21 – ‘Insufficient Resource and/or Data to comply with consequences of McCloud Judgement & Sergeant’ – work on the project continues in earnest, and there has been some good progress. However, there is still work outstanding related to data uploads. There is a plan in place to ensure that all aspects of this project are completed effectively and in a timely manner. As such, this risk has been assessed as remaining at an amber rating at present.
11. Risk 24 – ‘Impact of a potential turnover of Pension Fund Committee members as a result of the election’ – the next elections are due in May 2025. Hence, this is an active risk and as such remains at an amber rating.

12. All other risks have been assessed as remaining the same as last quarter and are at the target risk rating.
13. The Pension Fund Committee are asked to note the Risk Register.

Lorna Baxter  
Executive Director of Resources & Section 151 Officer

Contact Officer: Mukhtar Master    Tel: 07732 826419    March 2025

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Risk Register

Identification of Risks:

These are the risks that threaten the achievement of the Pension Services objectives. Risks have been analysed between:

- Funding, including delivering the funding strategy;
- Investment;
- Governance
- Operational; and
- Regulatory.

Key to Scoring

Impact		Financial	Reputation	Performance
5	Most severe	Over £100m	Ministerial intervention, Public inquiry, remembered for years	Achievement of Council priority
4	Major	Between £10m and £100m	Adverse national media interest or sustained local media interest	Council priority impaired or service priority not achieved
3	Moderate	Between £1m and £10m	One off local media interest	Impact contained within directorate or service priority impaired.
2	Minor	Between £100k and £500k	A number of complaints but no media interest	Little impact on service priorities but operations disrupted
1	Insignificant	Under £100k	Minor complaints	Operational objectives not met, no impact on service priorities.

Likelihood

4	Very likely	This risk is very likely to occur (over 75% probability)
3	Likely	There is a distinct likelihood that this will happen (40%-75%)
2	Possible	There a possibility that this could happen (10% - 40%)
1	Unlikely	This is not likely to happen but it could (less than 10% probability)

RAG Status/Direction of Travel

	Risk requires urgent attention
	Risks needs to be kept under regular review
	Risk does not require any attention in short term
↑	Overall Risk Rating Score is Increasing (Higher risk)
↔	Risk Rating Score is Stable
↓	Overall Risk Rating Score is Reducing (Improving Position)

Ref	Risk APPENDIX 1	Scheme	Risk Category	Cause	Impact	Risk Owner	Controls in Place to Mitigate Risk	Current Risk Rating			RAG Status and Directi on of Travel	Further Actions Required	Date for completi on of Action	Target Risk Rating			Date of Review	Comment
								Impact	Likeliho od	Score				Impact	Likeliho od	Score		
1	Investment Strategy not aligned with Pension Liability Profile	LGPS	Investment	Pension Liabilities and asset attributes not understood and matched.	Long Term - Pension deficit not closed.	Head of Fund	Triennial Asset Allocation Review after Valuation.	4	1	4	↔			4	1	4	Mar 2025	At Target
2	Investment Strategy not aligned with Pension Liability Profile	LGPS	Investment	Pension Liabilities and asset attributes not understood and matched.	Short Term – Insufficient Funds to Pay Pensions.	Head of Fund	Monthly cash flow monitoring and retention of cash reserves.	4	1	4	↔			4	1	4	Mar 2025	At Target
3	Investment Strategy not aligned with Pension Liability Profile	LGPS	Investment	Poor understanding of Scheme Member choices.	Long Term - Pension deficit not closed. Short Term – Insufficient Funds to Pay Pensions.	Head of Fund	Monthly cash flow monitoring and retention of cash reserves.	3	1	3	↔			3	1	3	Mar 2025	At Target
4	Under performance of asset managers or asset classes	LGPS	Investment	Loss of key staff and change of investment approach at Brunel or underlying Fund Managers.	Long Term - Pension deficit not closed.	Financial Manager	Quarterly assurance review with Brunel. Diversification of asset allocations. As an open defined benefit scheme – investments are long-term.	3	2	6	↔			3	2	6	Mar 2025	At Target – however Brunel have announce d the departure of their CIO.
5	Actual results vary to key financial assumptions in Valuation	LGPS	Funding	Market Forces	Long Term - Pension deficit not closed.	Head of Fund	Actuarial model is based on 5,000 economic scenarios, rather than specific financial assumptions. As an open defined benefit scheme – investments are long-term.	3	2	6	↔			3	2	6	Mar 2025	At Target



## APPENDIX 1

Ref	Risk	Scheme	Risk Category	Cause	Impact	Risk Owner	Controls in Place to Mitigate Risk	Current Risk Rating			RAG Status and Direction of Travel	Further Actions Required	Date for completion of Action	Target Risk Rating			Date of Review	Comment
								Impact	Likelihood	Score				Impact	Likelihood	Score		
6	Under performance of pension investments due to ESG factors, including climate change.	LGPS	Investment	Failure to consider long term financial impact of ESG issues	Long Term - Pension deficit not closed.	Financial Manager	The Fund has an RI Policy requiring ESG factors to be considered in all investment decisions. The Fund have a Climate Change Policy and implementation plan.	4	1	4	↔			4	1	4	Mar 2025	At Target.
7	Loss of Funds through fraud or misappropriation.	LGPS	Investment	Poor Control Processes within Fund Managers and/or Custodian	Long Term - Pension deficit not closed	Financial Manager	Review of Annual Internal Controls Report from each Fund Manager. Clear separation of duties.	3	1	3	↔			3	1	3	Mar 2025	At Target
8	Employer Default – LGPS	LGPS	Funding	Market Forces, increased contribution rates, budget reductions.	Deficit Falls to be Met by Other Employers	Pension Services Manager	All new employers set up with ceding employer underwriting deficit, or bond put in place. Contribution escalation policy provides early indicator/warning.	3	2	6	↔			3	2	6	Mar 2025	At Target
9	Inaccurate or out of date pension liability data	LGPS	Funding	Late or Incomplete Returns from Employers	Errors in Pension Liability Profile impacting on Risks 1 and 2 above.	Pension Services Manager	Monitoring of Monthly returns	3	1	3	↔			3	1	3	Mar 2025	At Target
10	Inaccurate or out of date pension liability data from Employer	LGPS	Operational	Late or Incomplete Returns from Employers	Late Payment of Pension Benefits.	Pension Services Manager	Monitoring of Monthly returns. Direct contact with employers on individual basis.	3	1	3	↔			3	1	3	Mar 2025	At Target
11	Inaccurate or out of date pension liability data from Employer	LGPS	Operational	Late or Incomplete Returns from Employers	Improvement Notice and/or Fines issued by Pension Regulator.	Pension Services Manager	Monitoring of Monthly returns. Direct contact with employers on individual basis.	4	1	4	↔			4	1	4	Mar 2025	At Target
12	Insufficient resources from Committee to deliver responsibilities-	LGPS	Operational	Budget Reductions	Breach of Regulation	Head of Fund	Annual Budget Review as part of Business Plan.	4	2	8	↑	OCC transformation will increase workload based on numbers in scope and requesting	On-going	4	1	4	Mar 2025	Above target

## APPENDIX 1

Ref	Risk	Scheme	Risk Category	Cause	Impact	Risk Owner	Controls in Place to Mitigate Risk	Current Risk Rating			RAG Status and Direction of Travel	Further Actions Required	Date for completion of Action	Target Risk Rating			Date of Review	Comment
								Impact	Likelihood	Score				Impact	Likelihood	Score		
												pension estimates. Additionally, work on Pensions Dashboard and McCloud.  Workforce Planning in progress.						
13	Insufficient Skills and Knowledge on Committee	LGPS	Operational	Poor Training Programme. New Committee Members.	Breach of Regulation.  Loss of Professional Investor Status under MIFID II	Head of Fund	Training Review	4	1	4	↔	Implement new training plan 24/25 based on the outcomes of the National Knowledge Assessment from Hymans	Mar 2025	4	1	4	Mar 2025	At target
14	Insufficient Skills and Knowledge amongst Board Members	LGPS	Operational	Turnover of Board membership	Insufficient Scrutiny of work of Pension Fund Committee leading to Breach of Regulations	Head of Fund	Training Policy	4	2	8	↔	Implement new training plan 24/25 based on the outcomes of the National Knowledge Assessment from Hymans	Mar 2025	4	1	4	Mar 2025	Above target
15	Insufficient Skills and Knowledge amongst officers.	LGPS	Operational	Poor Training Programme and/or high staff turnover.  Pay grades not reflecting market rates and affecting recruitment and retention.	Breach of Regulation, errors in Payments and ineffective scheme member engagement.  Inability to effectively meet RI and Climate related objectives.	Head of Fund	Training Plan. Control checklists. Use of staff from 3 <sup>rd</sup> party agencies	3	2	6	↔	The Workforce Strategy and workforce planning is work to be completed and changes to workforce agreed and implemented. Recruitment of Seniors currently happening.	Dec 2024  Dec 2024	3	1	3	Mar 2025	Above target
16	Key System Failure	LGPS	Operational	Technical failure	Inability to process pension payments	Pension Services Manager	Disaster Recovery Programme, and Cyber Security Policy	4	1	4	↔	Quarterly Meetings with ICT Cybersecurity Lead have been established. Business Continuity plan being completed at present.	On going	4	1	4	Mar 2025	At Target
17	Breach of Data Security	LGPS / FPS	Operational	Poor Controls	Breach of Regulation, including GDPR	Pension Services Manager	Security Controls, passwords etc.	4	1	4	↔			4	1	4	Mar 2025	At Target

## APPENDIX 1

Ref	Risk	Scheme	Risk Category	Cause	Impact	Risk Owner	Controls in Place to Mitigate Risk	Current Risk Rating			RAG Status and Direction of Travel	Further Actions Required	Date for completion of Action	Target Risk Rating			Date of Review	Comment
								Impact	Likelihood	Score				Impact	Likelihood	Score		
							GDPR Privacy Policy and Cyber Security Policy.											
18	Failure to Meet Government Requirements on Pooling	LGPS	Governance	Inability to agree proposals with other administering authorities.	Direct Intervention by Secretary of State	Head of Fund	Full engagement within Brunel Partnership	5	1	5	↔	Consultation completed and submitted. Working with Brunel for the submission of their return.	TBC	5	1	5	Mar 2025	At Target
19	Failure of Pooled Vehicle to meet local objectives	LGPS	Investment	Sub-Funds agreed not consistent with our liability profile.	Long Term - Pension deficit not closed	Head of Fund	Full engagement within Brunel Partnership	4	1	4	↔			4	1	4	Mar 2025	At Target
20	Significant change in liability profile or cash flow as a consequence of Structural Changes	LGPS	Funding	Significant Transfers Out from the Oxfordshire Fund, leading to loss of current contributions income.	Insufficient cash to pay pensions requiring a change to investment strategy and an increase in employer contributions	Head of Fund	Engagement with key projects to ensure impacts fully understood	4	1	4	↔	Increased focus on cashflow monitoring going forward.  Monitoring developments in Local Government re-organisations.	On going	4	1	4	Mar 2025	At Target
21	Insufficient Resource and/or Data to comply with consequences of McCloud Judgement & Sergeant.	LGPS / FPS	Operational	Significant requirement to retrospectively re-calculate member benefits	Breach of Regulation and Errors in Payments	Pension Services Manager	Re-organising this work between the whole team based on existing skill sets.	4	2	8	↔	There has been some good progress however still work required in relation to uploading data.	On-Going	4	1	4	Mar 2025	Above target
22	Loss of strategic direction	LGPS / FPS	Governance	Loss of key person	Short term lack of direction on key strategic issues	Head of Fund	Establishment of a Governance & Communications Team provides the resilience that the fund requires.	2	1	2	↔			2	1	2	Mar 2025	At Target.
23	Impact of Pension Scams	LGPS FPS	Operational	Failure to follow TPR guidance for transfers out.	Financial loss to members.  Potential cost to Fund for making good any loss.  Potential TPR sanctions and reputational damage.	Pension Services Manager	TPR guidance for transfers out and the forthcoming regulations in the General Code of Practice.  All processes are in line with the above.	3	1	3	↔			3	1	3	Mar 2025	At target

Ref	Risk	Scheme	Risk Category	Cause	Impact	Risk Owner	Controls in Place to Mitigate Risk	Current Risk Rating			RAG Status and Direction of Travel	Further Actions Required	Date for completion of Action	Target Risk Rating			Date of Review	Comment
								Impact	Likelihood	Score				Impact	Likelihood	Score		
24	Impact of a potential turnover of Pension Fund Committee members as a result of the election.	LGPS FPS	Governance	Council Election in May 2025 and natural turnover leading to significantly new Pension Fund Committee members	Significant deterioration of knowledge and skills of the Pension Fund Committee.  Impaired decision making due to lack of knowledge and skills.	Pension Services Manager	Additional resources devoted to ensure that Pension Fund Committee members are trained appropriately.  Additional support for decision making possibly through a third-party or the Pension Board	4	2	8	↔	The training plan for 2025/26 to establish actions to implement the mitigations outlined.	Mar 2025	4	1	4	Mar 2025	Above target

Division(s): n/a
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## ITEM 9

### **PENSION FUND COMMITTEE – 7 MARCH 2025**

### **GOVERNANCE & COMMUNICATIONS REPORT**

**Report by the Executive Director of Resources & Section 151 Officer**

#### **RECOMMENDATION**

1. The Committee is **RECOMMENDED** to:
  - i) Note the Fund's update on the Pension Regulator's General Code of Practice.
  - ii) Note the Fund's annual review of Cyber Security.
  - iii) Note the latest quarter's breaches for the fund.
  - iv) Note the communications update.

#### **General Code of Practice**

2. The Pensions Regulator have recently published the final General Code of Practice which replaces the Code of Practice 14 for the Local Government Pension Scheme (LGPS).
3. The new General Code of Practice consists of 51 modules which relate to 5 main areas:
  - i) Governing Body – 18 modules
  - ii) Funding and Investments – 2 modules
  - iii) Administration – 10 modules
  - iv) Communications and Disclosure – 11 modules
  - v) Reporting to TPR – 4 modules.
4. All funds within the Local Government Pension Scheme (LGPS) need to be compliant to the new General Code of Practice by March 2025. To this end, the Oxfordshire Pension Fund have developed a plan to ensure compliance against the 51 modules. A visual plan has been developed which shows progress against the key stages of the plan with a red/amber/green (RAG) rating to show the current status of each key stage of the plan. This plan can be seen at **APPENDIX 1**.
5. Summary of the progress this quarter regarding the General Code of Practice:
  - i) Modules and actions completed satisfactorily this last quarter include:
    - (1) Review other LGPS fund compliance;
    - (2) Assurance of governance and internal controls (audit);

- (3) Planning and maintaining administration;
- (4) Cyber Controls;
- (5) Maintenance of IT systems;
- (6) Climate Change.

ii) A number of modules will require further work prior to being compliant:

- (1) Planning and maintaining administration;
- (2) General principles for member communications;
- (3) Reporting payment failures;
- (4) Continuity Planning.

These four modules will be complete and green after the completion of a couple of minor actions.

The fund continues to be on track to meet the March 2025 deadline of having reviewed all the required modules for the General Code of Practice.

- 6. Ensuring that the fund is compliant with the requirements of the General Code of Practice will remain a priority going into the new financial year. As such the fund will be looking into commissioning Hymans to carry out an independent oversight and challenge of the compliance work that has been carried out. Additionally, the fund will be looking to review the modules that were assessed as being compliant during the initial gap analysis carried out in 2023/24.

### **Annual Review of Cyber Security**

- 7. In March 2024, the fund presented its first annual review of cyber security. This year's review encompasses the good practice which was adopted last year, but also incorporates the guidance and requirements that have been set out for fund's within the General Code of Practice.
- 8. All fund staff have successfully undertaken all the relevant training for cyber security and have also been 'tested' through mock phishing exercises run by OCC IT.
- 9. Quarterly meetings have been established with OCC IT to ensure that the fund is regularly briefed and updated on all the latest developments within this specialist area.
- 10. All suppliers to the fund have been asked to verify whether they are compliant with regards to effective management of cyber risk. All suppliers have confirmed this except for two who we are still waiting for.

<b>3<sup>rd</sup> Party Supplier</b>	<b>Service Provided</b>	<b>Cyber Security Assurances Received</b>	<b>Response checked by OCC IT</b>
Aquila Heywood	Pensions Software	03/02/2025	11/02/2025
Hymans Robertson	Actuarial and Governance Services	10/02/2025	11/02/2025
Prudential (M&G)	AVC Provider	20/01/2025	11/02/2025
Adare	Printing Services	14/01/2025	11/02/2025
Legal and General	AVC Provider	Chased 13/02/2025	
Bottomline	BACS Services	Chased 13/02/2025	

11. As reported above for the General Code of Practice update, the fund have reviewed the requirements set out within the 'Cyber Controls' module, and it was deemed that we met the those requirements.
12. **APPENDIX 2** is the 'Pension Services – OCC Cyber Security' report written by OCC IT. The report concludes that 'No critical security issues have been identified.'
13. The fund has now established the systems and processes to ensure that the risk of a cyber security is minimised. It clearly does not entirely eradicate the risk, however it should provide assurance that the fund is taking all the necessary steps to do so.

#### **Breaches for the period October to December 2024**

14. There are various legislative and regulatory requirements for Pension Funds regarding breaches which include the Pensions Act 2004, the UK General Data Protection Regulation (UK GDPR) and the Pension Regulator's General Code of Practice (GCOP).
15. The following table shows the number of breaches in the last quarter – October to December 2024.

	<b>2023/4</b>	<b>2024/5</b>			
<b>Breach Type</b>	<b>Jan-Mar (Q4)</b>	<b>Apr-Jun (Q1)</b>	<b>Jul-Sept (Q2)</b>	<b>Oct-Dec (Q3)</b>	<b>Total</b>
<b>Contribution - GCOP</b>	8	18	21	10	57
<b>Data - GCOP</b>	30	32	35	35	132
<b>Other - GCOP</b>	0	0	1	0	1
<b>Data - GDPR</b>	2	1	1	1	5
<b>Total</b>	40	51	58	46	195

Escalations in Q3					
Type of Breach	Contribution (GCOP)	Data (GCOP)	Other (GCOP)	Data (GDPR)	Total
Number escalated	2	2	0	0	4
Number resolved	2	1	0	0	3
Number carried over to next quarter	0	1	0	0	1

### Code of Practice Breaches

A breach is recorded every time a contributions payment or data return is submitted after the 19th of the month following payroll. A breach is also recorded when an employer fails to provide member data or information to the administration team in line with the escalation policy.

All contribution and data breaches, including 3 of the 4 which were escalated to the Team Leader, have been resolved. The remaining escalated case is awaiting admission paperwork and is being monitored by the Team Leader.

The 'Other' GCOP breach reported in Q2 related to the delay in issuing Firefighters' Pension Scheme annual benefit statements (ABS) to members who are eligible for the remedy in the McCloud/Sargeant cases. These have been further delayed. Members have been notified of the delay to their ABS by letter and statements will be issued by 28 February 2025. The TPR is already aware of the delays in the FPS annual benefit statements and a breach was reported to TPR in Q2.

### Data Breaches

One data breach occurred in Q3, which was assessed and closed by the Information Management Team.

None of the Q3 breaches were materially significant and as such were not reported to either The Pensions Regulator or the Information Commissioner.

### Communications Update

16. Work to review the arrangements for the Pension Fund website is underway. Fund Officers are in discussion with the OCC web team to agree the scope of the project with a view to having a new website rolled out by March 2026.
17. The Annual Employer Forum took place on 12th February with 66 attendees across 35 employers. The agenda focussed on the 2025 valuation and investment matters.
18. Preparation is in progress for a series of six member talks for OCC, at different locations across the county - to take place in March 2025.



Lorna Baxter  
Executive Director of Resources & Section 151 Officer

Contact Officer: Mukhtar Master Tel: 07732 826419

March 2025

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Oxfordshire Pension Fund  
General Code of Practice Action Plan 2024/5

Project Stage	#	Action/task	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Project Initialisation	1	Evaluate compliance checkers on the market.													
Project Initialisation	2	Research how other funds are tackling the their implementation of the GCOP													
Project Initialisation	3	Purchase compliance checker													
Project Initialisation	4	Determine which of the 51 modules apply to the fund													
Project Maintenance	5	Review other LGPS fund committee/board reports for updates on their GCOP compliance													
Project Maintenance	6	Prioritise modules based on levels of requirement													
Module Review 1	7	Managing advisers and service providers (Contract monitoring)													
Module Review 1	8	Assurance of governance and internal controls (audit)													
Module Review 2	9	Recruiting to governing body													
Module Review 2	10	Knowledge and understanding													
Module Review 2	11	Governance of knowledge and understanding													
Module Review 3	12	Publishing information about public service pension schemes													
Module Review 3	13	Notification of right to cash transfer sum or contribution refund													
Module Review 3	14	Financial transactions													
Module Review 3	15	Receiving contributions }													
Module Review 3	16	Monitoring contributions }													
Module Review 3	17	Resolving overdue contributions }													
Module Review 4	18	Planning and maintaining administration								Amber rated	Amber rated		Review actions		
Module Review 4	19	General principles for member communications							Amber rated			Review actions	Review actions		
Module Review 4	20	Reporting payment failures								Amber rated	Amber rated			Review actions	
Module Review 5	21	Cyber controls													
Module Review 5	22	Scheme records													
Module Review 5	23	Data monitoring													
Module Review 6	24	Maintenance of IT systems													
Module Review 6	25	Climate change													
Module Review 6	26	Continuity Planning												Review actions	Review actions

	Scheduled tasks
	Completed
	Some requirements/actions still outstanding
	Requirements/actions overdue

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## Pension Services – OCC Cyber Security

### Scope

This report provides an updated assessment of the high-level security posture of Pension Services systems and processes.

Including a technical review and vulnerability assessment of the following:

- “R Drive” – The Pension Services shared drive and operational file storage.
- Bottomline/PTX Server.

These services have not changed significantly since the last report and continue to rely primarily on externally hosted software managed by third-party providers. These continue to be checked on an annual basis for their security certifications to evidence compliance with expected standards. There are no concerns with any of the information provided or the wider security posture from these providers.

### Summary

OCC IT have reviewed and verified the cyber security requirements detailed in the Pensions Regulator’s General Code of Practice and are satisfied that appropriate controls are in place –

OCC maintains industry-standard cyber security controls, including robust technical measures, a comprehensive incident response plan, and regularly tested backups. Policies governing IT systems, data protection, and disaster recovery are reviewed annually, ensuring compliance with GDPR and the Data Protection Act. Staff complete mandatory training, and cyber security risks are actively managed through regular reviews and governance processes.

No critical security issues have been identified. All outstanding software vulnerabilities are in line with expected patching cycles and will be addressed as part of business-as-usual maintenance.

### Vulnerabilities

This includes a check for any technical, software vulnerabilities, covering the Operating System and any supported applications.

- The “R Drive” has no significant security vulnerabilities.
- The Bottomline/PTX server has no outstanding vulnerabilities, following regular scheduled maintenance which took place on Sunday February 2nd, 2025.

## Access Control

- Access to the R drive is marked as 'Restricted', subject to approval from Vicki Green and Mark Smith. 45 colleagues currently have access.
- Access to the 'PTX-DataIn' folder on the Bottomline/PTX server is restricted to the following individuals: Rachael Salsbury and Amy Middleton.

## Outstanding actions

The opportunity to implement Single Sign-On for the Bottomline application is still being explored. This will simplify service access, enhance security, remove the manual 'leavers' process, and enable IT auditing. Real-time security checks will detect risks like 'impossible travel' and unusual access patterns.

This is awaiting technical details from the 3<sup>rd</sup> party, and implementation should be straightforward following planning and governance from IT. This is scheduled to take place in Q1 2025.

Division(s): n/a
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## ITEM 10

### PENSION FUND COMMITTEE

07 March 2025

### ADMINISTRATION REPORT

**Report by Executive Director Resources and Section 151 Officer**

## RECOMMENDATION

1. **The Committee is RECOMMENDED to note the decision made on the Fire Remedy project by the delegated Manager on behalf of the Pension Fund Committee.**

## Executive Summary

2. This report updates the Committee on the key administration topics including service performance, statutory compliance, staffing, debt recovery and write offs in the last quarter.

## Service Performance

### Benefit Administration

3. Annex 1 confirms a breakdown of the benefit administration work completed in the last quarter, October to December 2024.
4. There were 6,877 new cases created: an increase of 515 from the previous quarter, mainly relating to new starters, which increased by 744.
5. The team completed 6,800 cases, of which 87% were completed within SLA deadline, an increase of 7.2% from the previous quarter.
6. There were 1,912 cases outstanding at the end of the period, an increase of 170 from the previous quarter. At the time of writing this report, this number has reduced to 1,484.
7. Annex 2 contains the volume of e-mails received per month from April to December 2024. These include a mixture of new case requests and member queries.

8. Annex 3 contains the telephone statistics for the period October to December 2024. The two additional telephone numbers highlighted missing in the previous report are now included and shown as General Payroll Queries – AA and Pension-MSS-AA.
9. Telephone statistics will be built into monthly performance reviews from April 2025 to monitor and improve customer service. It should be noted that the current statistics are not considered a concern, and no complaints have been received on the service.
10. There is no pension scams reported in the last quarter October to December 2024. All transfer payments made from the scheme are checked vigilantly to ensure due diligence checks have been carried out correctly.

### **Statutory Returns**

11. A breach report has been submitted to the Pension Regulator in connection with the Fire Scheme Active and Deferred benefit statements which were not issued by 31 August 2024 because of the complexity of the pension age discrimination remedy work.

### **Fire Service Administration**

12. In the last quarter October to December 2024, the team completed 121 cases of which 75% were completed within SLA deadline. At the point of writing this report, there are 89 cases outstanding.
13. Annual benefit statements were issued to most Active scheme members by 31 October 2024. The deferred remediable service statements were further delayed pending a software update to enable these to be issued. This release has now been delivered, and testing is continuing to enable statements to be issued by the deadline of 31 March 2025.

### **Employer Monthly Returns**

14. On 31 December 2024, 3.5% of returns (44 employers) were not vetted. This was due to performance related issues which have now been resolved. The workload is being redistributed across the remaining team.
15. The vetting process is currently under review to improve the quality of checks, reporting and monitoring of workload and performance. This will ultimately reduce time spent on the end of year process.
16. In the last quarter, to 31 December there is:
  - 2 new admissions.
  - 3 academy conversions.2 closure valuations, which will become 4 new admissions pending the employer telling us the new provider.



### **Member Self Service**

17. Annex 4 confirms the latest numbers signed up to Member Self-service.
18. Communication has been issued to employers annually since 2019 offering a list of staff who have not made a positive election, to help encourage staff to sign up. The last communication was issued in July 2024.
19. Activation codes will be issued to members as part of the preparation of 2025 ABS to encourage members to sign up.

### **Employer SLA Monitoring**

20. In the last quarter to 31 December 2024, no fines were issued to employers.

## **Financial Implications**

### **Transfers**

21. In the last quarter October to December 2024, a report on the values of transfers paid in and out of the fund confirmed £4.1 million was transferred into the fund and £4.8 million was transferred out of the fund.

### **Invoices Outstanding**

22. On 31 December 2024, there were 11 outstanding invoices amounting to £328,392.56, of which £316,851.16 relates to an employer cost for early release of employee benefits. This has now since been paid.

### **Contribution Monitoring**

23. In the quarter October to December 2024, 19 payments were made past the deadline of 19<sup>th</sup> month following payroll. These relate to 14 employers and affects a total of 148 employees.
24. There are 5 employers who missed the deadline on more than one occasion in the last quarter. This affects 12 employees in total, and we are working with these employers in line with the Administration Strategy to improve performance.

## Complaints

25. The table below shows number of complaints for each financial year.

Year	Informal	Resolved	IDRP Stage 1	Upheld	IDRP Stage 2	Upheld	TPO
2023/24	18	16	9	1	8	2	1
2024/25	18	16	2	2	1	0	1

26. In the current year 2024/25, there have been 18 informal complaints to 31 December 2024, an increase of 3 cases from the previous quarter.

27. Two cases relate to the same person and is resolved and 1 has progressed to IDRP Stage 2 relating to an ill-health appeal, which is currently on-going.

28. The Pension Ombudsman case in the last report has been resolved informally. The complaint was upheld and Oxfordshire Pension Fund made payment of £500 compensation and £626.32 for financial redress to the member.

## Historic Death Cases

29. The review of historical deaths highlighted in previous reports has been put on hold whilst we focus on statutory projects and deadlines, with a view that this has no ongoing impact on the pension fund or service. An update will continue to be provided at these meetings.

## Legal Implications

### Pension Dashboard Project

30. Annex 5 confirms The Pension Dashboard project plan. There has been no movement since the last report, however the contract is due to be completed by early March.

31. A new date to install the Integrated Software Provider (ISP) has been scheduled for March 2025, with a contractual agreement to complete by August 2025 ensuring we meet our statutory deadline of 31 October 2025.

32. Data cleansing of pension records is being carried out, including liaising with AVC providers to ensure we are compliant with the dashboard requirements.

### **McCloud Project**

- 33. Annex 6 confirms the current position of the McCloud Project. The focus continues to be on status 1 and 4 records ahead of issuing Annual Benefit Statements (ABS) with the McCloud Remedy included by 31 August 2025.
- 34. OCC status 1 have 15 cases remaining that we are currently unable to run due to a system error. These are being investigated by our system provider.
- 35. OCC status 4 have had all data checked and uploaded. A bulk calculation is required to complete the outstanding 96 cases, after which these are complete.
- 36. For non-OCC cases, the team have a weekly completion target of 375 cases with a target end date to be completed by 31 May 2025 ready for ABS preparation. Regular meetings and feedback are being provided to stay on track.
- 37. There are 2FTE staff resourced to this project, and good progress has been made to date, however unforeseen absence has impacted this work and therefore remains an amber rating on the Risk Register.

### **Age Discrimination Remedy – Fire Service**

- 38. Remedy work will conclude in March 2025 when the remaining pensioner members will be contacted with their options and any members where we are unable to carry out remediable work due to guidance still being awaited.
- 39. The remedy work has highlighted that if a firefighter has had a period of authorised unpaid absence since 2015, they have not been offered the opportunity to repay the pension contributions owing for the unpaid period.
- 40. The employer is working to rectify this error, and all regular firefighters will be individually contacted with full details of the contributions owing.
- 41. The Chief Fire Officer has decided that on-call firefighters will be contacted with details of their service breaks, and provided with a worked example of the effect that this could have on ongoing pension rights. A tailored quote will be provided on request if required.

### **On-call Second Options Exercise – Fire Service**

- 42. The second options exercise for on-call firefighters was due to conclude on 31 March 2025, but a consultation has just ended, with the likelihood that the closing date will be extended by one year to 31 March 2026.

43. Any quotes issued by 31 March 2025 will require a decision to be made by the member by 31 March 2025, and this has been highlighted as a possible disparity in the consultation response submitted by the Local Government Association.
44. A decision has been taken by the Chief Fire Officer to carry on issuing quotes in the interim period up to 31 March, with the understanding that if anyone is unhappy, they can contact us individually.

## Staffing

45. At the point of writing this report the team are carrying 2 Senior Administrator vacancies and 3 Administrator vacancies. There is also one Administrator on maternity leave and two Seniors on long-term sickness.
46. In the last recruitment for Administrator positions, we made an offer to 3 candidates; one withdrew due to finding alternative employment, one has started, and one is finalising pre-employment checks with a date to be confirmed.
47. A new post has been created in the team, to continue the work on the on-call second options in Fire Service administration, which is currently a temporary position held under the Fire Service due to end in May 2025.

Lorna Baxter

Annex:

- 1 – Benefit Administration Statistics
- 2 – E-mail statistics
- 3 – Telephone statistics
- 4 – MSS Registration statistics
- 5 – Pension Dashboard project plan
- 6 – McCloud statistics

Background papers: Nil

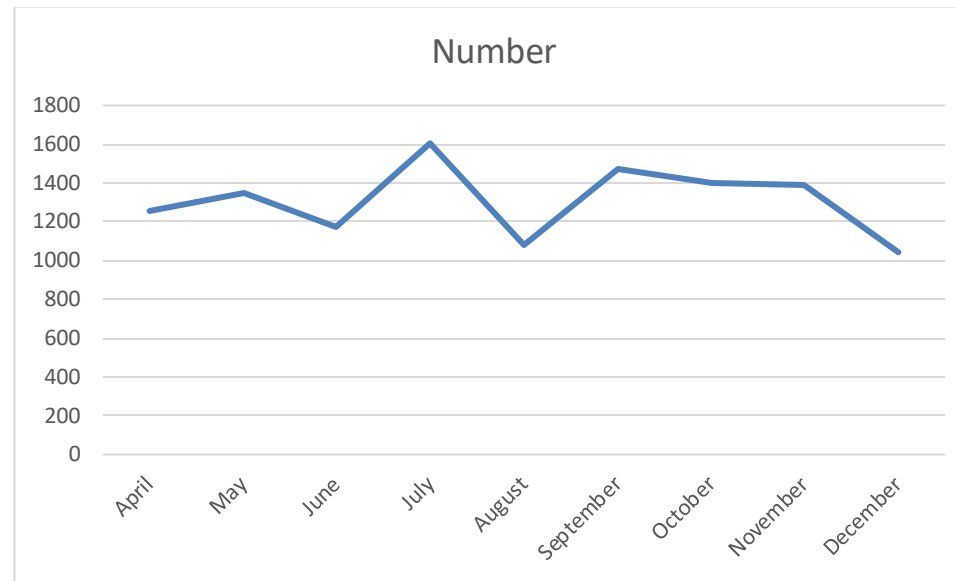
Contact Officer: Vicki Green, Pension Administration Manager, 01865 323660, [vicki.green@oxfordshire.gov.uk](mailto:vicki.green@oxfordshire.gov.uk)

March 2025

Subcategory	Complete at End of Period	# Completed Within Customer Target	% Complete Within Customer Target	# Completed Within Legally Required Response Time	% Complete Within Legal Target
Total	6,800	5,917	87.0%	4,266	98.6%
B1: Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	158	153	96.8%	24	
B2: Communication issued confirming benefits payable	140	130	92.9%	140	100.0%
B2: Communication issued confirming benefits payable (frozen refund)	1	1	100.0%	0	
B2: Communication issued confirming payment of death grant	17	17	100.0%	11	
B3: Communication issued to deferred member with confirmation of pension and lump sum options (actual)	229	225	98.3%	229	100.0%
B3: Communication issued to deferred member with pension and lump sum options (quotation)	172	168	97.7%	172	100.0%
B3: Payment of lump sum (both actives and deferreds)	343	308	89.8%	65	
B4: Communication issued to active member with confirmation of pension and lump sum options (actual)	128	115	89.8%	125	97.7%
B4: Communication issued to active member with pension and lump sum options (quotation)	8	8	100.0%	8	100.0%
B4: Communication issued to confirm recalculated benefits (actual)	9	6	66.7%	2	
B5: Communication issued with deferred benefit options	540	273	50.6%	488	90.4%
B5: Communication issued with frozen refund options	524	391	74.6%	506	96.6%
B5: Communication issued with recalculated deferred benefit options	32	26	81.3%	2	
B5: Communication issued with recalculated frozen refund options	4	3	75.0%	0	
B6: Communication issued to scheme member with completion of interfund in	93	72	77.4%	1	
B6: Communication issued to scheme member providing quotation of interfund in	154	117	76.0%	2	
B7: Communication issued to scheme member with completion of interfund out	81	58	71.6%	0	
B7: Communication issued to scheme member providing quotation of interfund out	44	37	84.1%	0	
B8: Payment of refund	189	184	97.4%	4	
B9: Divorce quotation	27	24	88.9%	27	100.0%
B10: Communication issued following actual divorce proceedings i.e application of a Pension Sharing Order	0	0		0	
B11: Member estimates requested by scheme member and employer	132	108	81.8%	3	
B12: Communication issued to new starters	1,820	1,820	100.0%	1,820	100.0%
B13: Communication issued to member who has rejoined the scheme (Actual)	136	125	91.9%	1	
B13: Communication issued to member who has rejoined the scheme (Quote)	35	22	62.9%	0	
B14: Transfers in (including club transfers) Actual	12	12	100.0%	1	
B14: Transfers in (including club transfers) Quotation	26	23	88.5%	26	100.0%
B15: Transfers out (including club transfers) Actual	16	11	68.8%	1	
B15: Transfers out (including club transfers) Quotation	92	75	81.5%	92	100.0%
B16: Communication issued to members to confirm set up of additional contributions	22	19	86.4%	0	
B17: Trivial commutation paperwork issued to member (payment)	8	8	100.0%	0	
B17: Trivial commutation paperwork issued to member (quotation)	11	10	90.9%	0	
B18: Communication issued with concurrent merge options	107	51	47.7%	1	
B19: Communication with member and provider for additional voluntary contributions	15	14	93.3%	0	
B20: Pension enquiry received from customer (member, 3rd party)	889	717	80.7%	206	
B21: Updating member's personal details	150	150	100.0%	41	
B22: Communication sent to members chasing decision on frozen refund	139	139	100.0%	1	
B22: Initial request issued to previous LG fund for interfund information	297	297	100.0%	267	

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### Incoming E-mail Statistics - April to December 2024



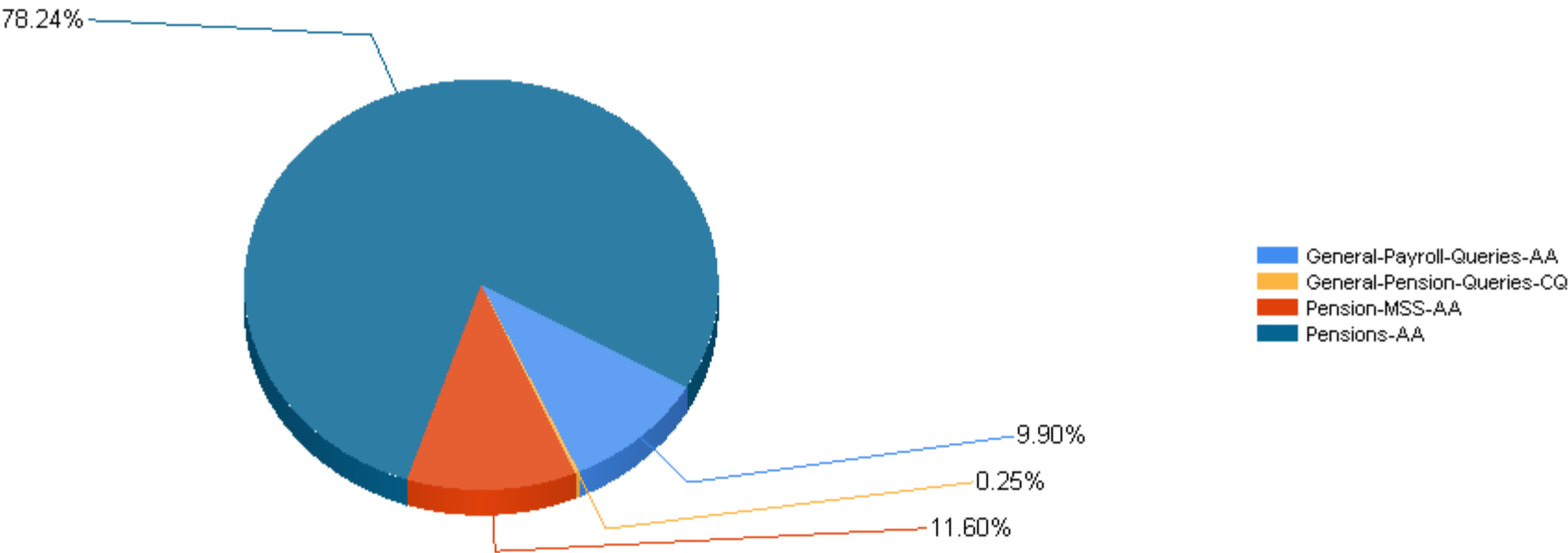
Month	Number
April	1260
May	1350
June	1173
July	1605
August	1084
September	1474
October	1399
November	1392
December	1043

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Summary grouped by Auto attendants, Queue

10/01/2024 - 12/31/2024 (UTC+00:00) Dublin, Edinburgh, Lisbon, London  
Call Direction Out In Internal



## Summary grouped by Auto attendants, Queue

10/01/2024 - 12/31/2024 (UTC+00:00) Dublin, Edinburgh, Lisbon, London

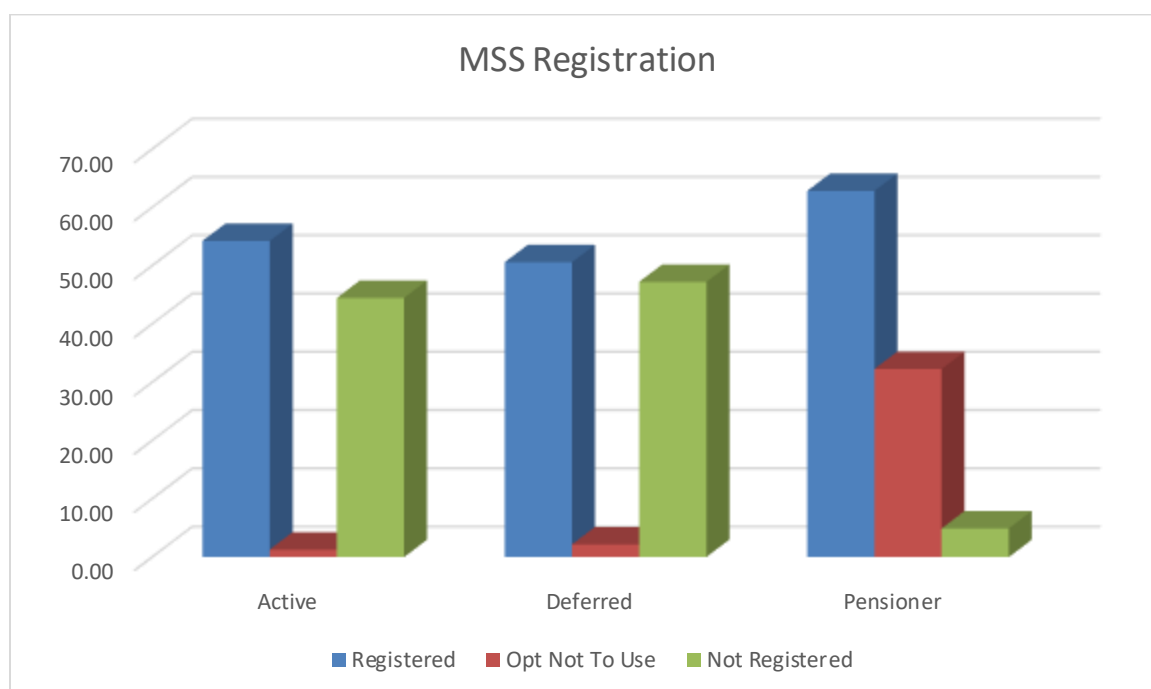
Call Direction Out In Internal

Auto attendant	Queue name	Total Calls	Answered Calls	Answered Calls %	Missed Calls	Missed Calls %	Incoming Calls	Internal Calls	VM Calls	Answered Calls RT 0-60sec	Answered with RT over 61sec	Avg Ring time	Total Duration	Avg Duration
General-Payroll-Queries-AA	Pensions-Systems-Team-CQ	274	256	93.43	18	6.57	274	0	47	209	47	0:00:24	12:46:08	0:02:59
General-Pension-Queries-CQ	General-Pension-Queries-CQ	7	4	57.14	3	42.86	7	0	1	3	1	0:00:40	0:41:31	0:10:22
Pension-MSS-AA	Pension-MSS-CQ	321	297	92.52	24	7.48	321	0	84	209	88	0:00:40	13:48:12	0:02:47
Pensions-AA	pension-benefit-administration-CQ	1747	1626	93.07	121	6.93	1747	0	538	765	861	0:01:04	109:41:25	0:04:02
Pensions-AA	Pension-employer-team-CQ	99	95	95.96	4	4.04	99	0	76	56	39	0:00:58	1:54:23	0:01:12
Pensions-AA	pension-Fire-Service-Pension-Scheme-CQ	68	66	97.06	2	2.94	68	0	45	39	27	0:00:53	1:21:02	0:01:13
Pensions-AA	pension-payroll-CQ	172	163	94.77	9	5.23	172	0	79	117	46	0:00:53	5:15:54	0:01:56
Pensions-AA	pension-self-service-CQ	79	77	97.47	2	2.53	79	0	39	39	38	0:00:59	2:53:14	0:02:14

Total for 2767 calls

2767 2584 93.39 183 6.61 2767 0 909 1437 1147 0:00:56 148:21:49 0:03:26

### Member Self Service Registration



Membership Status	Registered		Opted not to use		Not Registered	
	Number	%	Number	%	Number	%
Active	12,127	54.25%	286	1.28%	9,940	44.47%
Deferred	15,244	50.61%	654	2.17%	14,223	47.22%
Pensioner	10,990	62.82%	5,643	32.26%	860	4.92%

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## Pension Dashboard

Oxfordshire Pension Fund

Project Start:

Sat, 01/06/2024

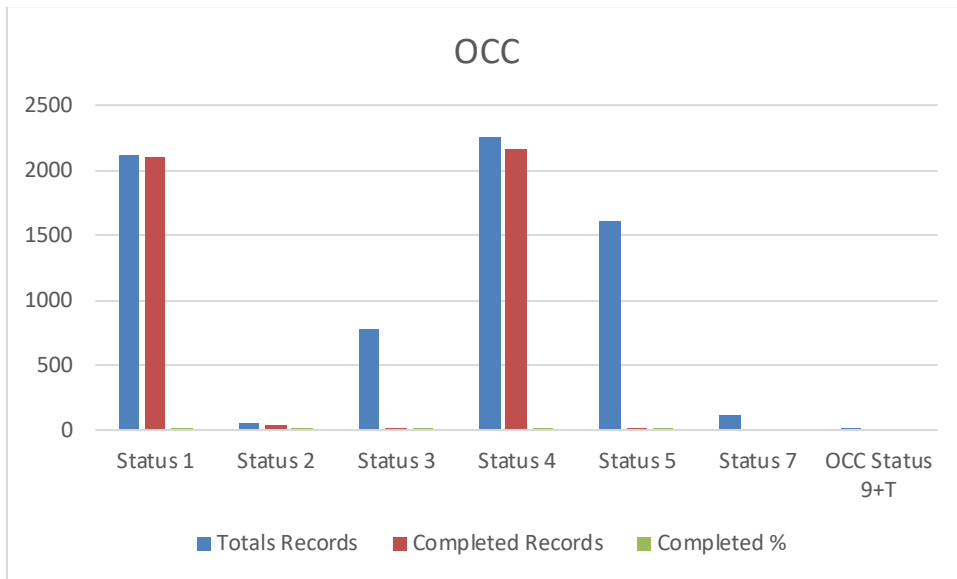
Display Week:

**1**

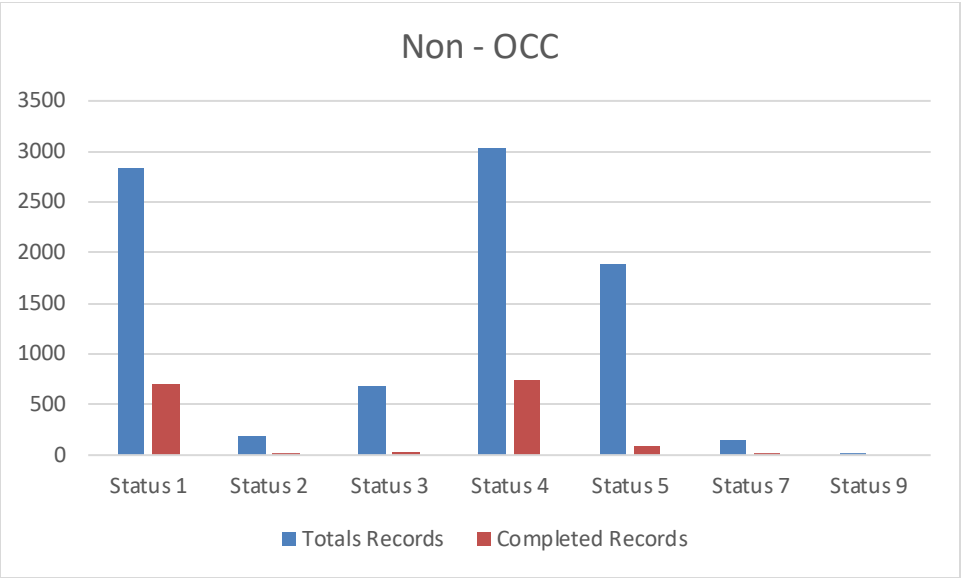
Display Week:					1																																																							
					27 May 2024					3 Jun 2024					10 Jun 2024					17 Jun 2024					24 Jun 2024					1 Jul 2024					8 Jul 2024					15 Jul 2024																				
					27	28	29	30	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
					M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S							
TASK					ASSIGNED TO					PROGRESS					START					END																																								
Planning																																																												
Project Scoping					R Salsbury					<div></div> 25%					1/6/24					30/6/24																																								
ISP Scoping / Decision					M Smith / V Green / R Salsbury					0%					17/6/24					30/11/24																																								
Committee / Pension Board updates					V Green					0%					1/9/24					31/3/26																																								
Monthly updates at Manager meetings					R Salsbury					0%					1/6/24					31/3/26																																								
Testing - our connection deadline is 31/10/25																																																												
ICT Healthcheck - tbc					Heywood?					0%																																																		
ISP Connection set up - timings tbc										0%					1/1/25					31/10/25																																								
Test connection - timings tbc										0%					1/1/25					31/3/25																																								
Determine Matching criteria - timings tbc					Managers					0%					1/1/25					31/3/25																																								
View Data Dashboard checks					Systems Team					0%					1/1/25					31/3/25																																								
Find Data Dashboard checks					Systems Team					0%					1/1/25					31/3/25																																								
Test access and enquiries					? Systems Team					0%					1/1/25					31/3/25																																								
AVC (L&G and Prudential) - data connection tbc					R Salsbury					0%					1/1/25					31/10/25																																								
Go Live Planning																																																												
Enquiries - who will deal with these										0%					1/1/25					31/3/25																																								
Workflow - what changes required										0%					1/1/25					31/3/25																																								
Comms - what required for scheme members										0%					1/1/25					31/10/25																																								
Employer communication - what involved										0%					1/1/25					31/10/25																																								
Go Live execution																																																												
Dashboards Available point - 6 months notice will be given by Central Government										0%					date					date																																								
Team Training										0%					date					date																																								
Processes documented										0%					date					date																																								
Workflows set up										0%					date					date																																								
										0%					date					date																																								
Insert new rows ABOVE this one																																																												

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### McCloud Statistics



OCC	Totals Records	Completed Records	%
Status 1	2115	2100	99%
Status 2	58	35	60%
Status 3	781	2	0%
Status 4	2251	2155	96%
Status 5	1612	5	0%
Status 7	112	0	0%
OCC Status 9+T	7	0	0%
<b>Totals</b>	<b>6936</b>	<b>4297</b>	<b>62%</b>
	<b>Totals</b>	<b>Completed</b>	



Non-OCC	Totals	Completed	
	Records	Records	%
Status 1	2840	704	25%
Status 2	187	17	9%
Status 3	690	38	6%
Status 4	3034	740	24%
Status 5	1882	87	5%
Status 7	156	10	6%
Status 9	7	0	0%
Totals	8796	1596	18%



## LOCAL PENSION BOARD – 25 April 2025

### STRATEGIC ASSET ALLOCATION REVIEW

Report by Executive Director Resources & Section 151 Officer & Deputy Chief Executive

#### 1. RECOMMENDATION

The Board is **RECOMMENDED** to note the report.

#### 2. Introduction

Every three years the Pension Fund undertakes a fundamental review of its asset allocation to tie in with the triennial valuation of the Fund. The review has typically been undertaken by the Fund's Independent Investment Adviser and Fund officers.

The review determines the strategic asset classes that the Fund will invest in and then sets a target allocation and range for them. The range is managed operationally by Fund officers with regular meetings held to consider whether any rebalancing is required.

The strategic asset allocation is arguably the most important investment decision undertaken by the Fund with research showing it to be the primary driver of investment performance.

#### 3. Current Strategic Asset Allocation

The last fundamental review of the strategic asset allocation was considered by the Pension Fund Committee at their meeting on 3<sup>rd</sup> March 2023. The table below shows the current strategic asset allocation agreed from the fundamental review, including any subsequent changes.

Asset Class	Target Allocation (%)	Range (%)
UK Equities	10	8 – 12
Global Equities	41	39 – 43
<b>Total Equities</b>	<b>51</b>	<b>47 – 55</b>
Index Linked Gilts	7	
Corporate Bonds	4	
Multi-Asset Credit	5	
<b>Total Fixed Interest</b>	<b>16</b>	<b>14 – 18</b>
Property	8	6 – 10
Private Equity	10	8 – 12
Secured Income	5	4 – 6
Infrastructure	5	4 – 6
Private Debt	5	4 – 6
Cash	0	0 – 5

<b>Total Other Assets</b>	<b>33</b>	<b>26 - 45</b>
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Within Global Equities the allocation is currently split as follows: 16% Paris Aligned Benchmark passive global equities, 16% Sustainable Equities, 9% Global High Alpha.

#### **4. Timescales**

The Fundamental review will take place over the second half of 2025 alongside the triennial valuation process. Draft whole fund results from the valuation are expected to be available by the end of September 2025. A report setting out the proposed strategic asset allocation and detailing the rationale for any changes will be taken to the Pension Fund Committee meeting on 6<sup>th</sup> March 2026.

Prior to the preparation of the formal report officers intend to run a session for the Pension Fund Committee and Local Pension Board members to get their views.

#### **5. Considerations in the 2025 Fundamental Review**

The 2025 review will take into account the draft results of the latest valuation undertaken by the Fund actuary. The valuation will determine the funding position of the Fund and assumed investment return for the Fund. The review will consider whether asset allocation is appropriate to deliver the returns expected by the actuary.

The Fund has agreed a Responsible Investment Policy and a series of metrics and targets. The review will consider how the Policy goals can be incorporated and reflected in the strategic asset allocation. For example, work is currently in progress with Brunel and other client funds to develop a natural capital portfolio.

The government's consultation, Local Government Pension Scheme (England and Wales): Fit for the future, included a number of investment related points. We are awaiting legislation and/or guidance on the outcome of the consultation and will need to consider this in the fundamental review. For example, there is expected to be a drive for increased local investment.

The review will consider the latest cashflow position of the Fund and forecast over the next few years. As the Fund approaches a cashflow negative position on contributions compared to pension payments it will need to consider the most efficient way meet those cashflow requirements. This may be through the use of investment income and so the asset allocation will need to ensure appropriate availability of income through the asset classes selected. It may also be necessary to redeem investments to meet cashflow requirements and so the Fund will need to consider this when allocating to illiquid asset classes.

#### **6. Active vs Passive Equities**

Within the Fund's current strategic allocation to equities there is a 70%/30% split between active and passive equities. The review will consider the appropriateness of this split taking into account what is best able to deliver

against the Fund's investment objectives. This will include consideration of investment management costs and the Fund's investment beliefs as set out in its Responsible Investment Policy.

At the 7<sup>th</sup> March 2025 Pension Fund Committee meeting the Independent Investment Adviser's report gave his views on the merits of active vs passive equities.

Lorna Baxter  
Executive Director Resources & Section 151 Officer & Deputy Chief Executive  
April 2024

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