

PENSION FUND COMMITTEE

MINUTES of the meeting held on Friday, 6 March 2026 commencing at 10.00 am and finishing at 2.40 pm

Present:

Voting Members: Councillor Peter Stevens – in the Chair

Councillor Nick Cotter (Deputy Chair)

Councillor Andrew Crichton

Councillor David Henwood

Councillor Leigh Rawlins

Non-Voting Members: Steve Moran, Pension Scheme Member (non-voting)

By Invitation: John Arthur, Independent Financial Advisor
Russell Oades – Client Director. LGPS Central
Craig Payne, AON (for Item 16)
Jennie Green, AON (for Item 16)

Local Pension Board Members: Alistair Bastin
Liz Hayden

Officers: Mark Smith (Pension Service Manager), Vicki Green (Pension Services Administration Manager), Greg Ley (Pension Fund Investment Manager), Josh Brewer (Responsible Investment Manager), Mukhtar Master (Governance and Communications 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 Councillors Dan Levy and Nick Field-Johnson, and Lorna Baxter, Deputy Chief Executive (Section 151 Officer).

2/25 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE

(Agenda No. 2)

None received.

3/25 PETITIONS AND PUBLIC ADDRESS

(Agenda No. 3)

Andrew Finney of Fossil Free Oxfordshire addressed the Committee on Item 14. Presentation from LGPS Central, a copy of which is attached to these minutes.

4/25 MINUTES

(Agenda No. 4)

The minutes of the meeting held on 12 December 2025 were agreed as a correct record of the meeting.

5/25 MINUTES OF THE PENSION BOARD

(Agenda No. 5)

The Committee **RESOLVED** to note the unconfirmed minutes of the Local Pension Board meeting which had met on 23 January 2026.

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 drew the Committee's attention to the outstanding training requirements for one committee member, the ongoing need for employer representation on the board, and workforce resource challenges.

In response to a query regarding the current progress of committee members not meeting the training policy requirements, Mark Smith, Head of Pensions advised that only one member remained to complete all of the required modules, and that individual would not be able to vote in the committee until this was completed.

In response to the risks highlighted to quorum and effective representation with an ongoing vacancy on the Board, the Committee noted that this would be recorded and they would endeavour to encourage suitable candidates from District Councils to apply.

Mukhtar Master, Governance and Communications Manager provided an update on upcoming training requirements, including a comprehensive online training programme starting in April, a national knowledge skills assessment schedule for September, and the availability of bespoke training sessions for committee members.

The Committee acknowledged the ongoing workforce challenges, including staff vacancies and the need for improved employer engagement. These issues were noted for further discussion under the workforce strategy agenda item.

The Committee RESOLVED to note the comments of the Board.

7/25 ANNUAL BUSINESS PLAN 2026/7

(Agenda No. 7)

Mark Smith, Head of Pensions presented the report of the Deputy Chief Executive (Section 151 Officer) which proposed a Business Plan, Budget and Training Plan for the forthcoming financial year. The report also included a review against the key priorities set out in the Annual Business Plan for 2025/26 and an update on the Fit for the Future consultation.

Mark Smith summarised the improvements made in governance, administration and investment, including compliance with the General Code of Practice, high data quality scores and completion of the strategic asset allocation review.

He advised the Committee that the proposed budget for 2026/27 was £31.193 million, which was a 16.6% increase driven mainly by higher investment management expenses due to increased asset values and staffing costs. The Committee discussed the need to monitor transition costs and ensure value for money and requested that an update be brought to the next meeting. (ACTION)

Following concerns raised by the Committee regarding the level of training available to them, they requested more structured and regular training, including refresher training sessions before meetings and tailored recommendations for advanced courses. It was agreed that sessions would be scheduled into the meeting programme and that Officers would provide support for the upcoming national knowledge assessment.

The Committee confirmed the appointment of the Head of Pensions as the LGPS Central Shareholder representative, clarifying the distinction between this role and the Section 151 Officer's delegated powers.

The Committee RESOLVED to:

- i) Note the progress against the service priorities for 2025/26; and**
- ii) Approve the Business Plan, Budget, Training Plan and Cash Management Strategy for 2026/27; and**
- iii) To confirm the appointment of the LGPS Central Shareholder representative as the Head of Pension Fund role.**

8/25 RISK REGISTER REPORT

(Agenda No. 8)

Mukhtar Master, Governance and Communications Manager presented the report of the Deputy Chief Executive (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 provided further information regarding Risk 25, a new risk related to access and fairness regulations, which may be unachievable due to system constraints, and

ongoing risks from the Brunel transition, and the potential loss of FCA status, and the failure of pooled vehicles to meet local objectives.

In response to a query regarding how the Brunel transition would be monitored and key staff retained, the Committee requested that backup plans and paths to reduce risk be provided and updated at each meeting. (ACTION)

The Committee discussed the implications of local government reorganisation and the need to update the risk register to reflect migration paths. It was agreed that this would be picked up in the private session later on the agenda.

The Pension Fund Committee 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 migration plans, where required, were appropriate.

9/25 GOVERNANCE AND COMMUNICATIONS REPORT INCLUDING CYBER SECURITY REVIEW

(Agenda No. 9)

Mukhtar Master, Governance and Communications Officer presented the report of the Deputy Chief Executive (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.

He also presented the annual cyber security review, which had found no critical issues with most third-party suppliers providing assurance. The Committee requested confirmation of external penetration testing for both internal systems and key suppliers, including LGPS Central and Convera. (ACTION)

Mukhtar Master informed the Committee that all but one member had fully completed all of the training requirements to enable them to sit on the Committee, and that member that had not completed training would be unable to vote until the training had been completed. The Committee requested that communications be made in clear lay-person friendly language and regular training updates be provided alongside Committee meetings.

The Committee were also provided with an update on compliance with the General Code of Practice, and were informed that all but one compliance module had been completed, with full compliance expected by March 2026. An independent oversight and challenge was planned for the following year.

The Pension Fund Committee RESOLVED to:

- a) Note the Fund's annual review of Cyber Security.**
- b) Note the Fund's update on General Code of Practice Compliance 2026/26.**
- c) Note the Pension Fund Committee training update.**
- d) Note the latest quarter's breaches for the fund.**
- e) Note the communications update.**

10/25 ADMINISTRATION REPORT

(Agenda No. 10)

Vicki Green, Pension Services Manager presented the report of the Deputy Chief Executive (Section 151 Officer) which updated the Committee on the key administrative issues including service performance measurement, the debt recovery process and any write offs agreed in the last quarter.

She highlighted the level of casework volume, current staff vacancies and improvements in processing. The Committee were informed that the new member portal had been launched, and they continued to work towards completing backlogs and employer compliance issues.

In response to a query raised regarding the level of outstanding casework queries, Vicki Green informed the Committee that the administration team had processed 10,369 cases in the last quarter, which was a 5.5% increase in completion rate, and this was attributed to the use of agency staff. Despite these improvements, backlogs remained high due to high incoming volumes, and the current level of staff vacancies which totalled nine at the time of the meeting. The team had currently four agency staff employed to assist the team.

The Committee were provided with an update on the use of automation and has Vicki advised that she had initiated contact with West Midlands for AI solutions. It was also noted that employer engagement was being addressed to improve data quality and compliance.

The Committee expressed concerns that the new member self-service portal that was launched in January could cause some confusion for members as users were required to re-register. They requested that appropriate measure were taken to ensure that members were not lost during transition to the new portal.

The Committee approved the changes to key performance indicators which had been consulted on with employers and are aligned with national standards to alleviate team pressures and prioritise statutory deadlines.

The Committee RESOLVED to:

- a) Note the report;**
- b) Approve the changes made to the Key Performance Indicators in the Administration Strategy.**

11/25 REPORT OF THE INDEPENDENT INVESTMENT ADVISOR

(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 specific investment portfolios. The report included the quarterly investment performance monitoring report from Brunel.

He reported that, despite geopolitical instability, the Fund had achieved positive returns, with Global Equities increasing by 21% in local currency terms over the past year. However, it was noted that the three-to-five-year fund performance had lagged benchmarks, primarily due to underperformance in the global high alpha and sustainable equity portfolios managed by Brunel.

It was highlighted to the Committee that asset allocation changes which had increased UK exposure, inflation linked assets and infrastructure, and reduced US equity exposure, and the implications for the future strategy was discussed alongside the rationale for these moves.

In response to a query raised by the Committee regarding the effects of management costs on pooling, John Arthur advised that whilst pooling had reduced management costs and broadened investment options, it had not consistently delivered outperformance through manager selection. The Committee noted the difficulties of selecting active managers and the potential for more passive strategies.

The Committee expressed their concerns regarding the need for an independent advisory role to the committee to ensure accountability and challenge, especially in light of the investment decision making shifts whilst moving to the new Pool.

The Committee thanked John Arthur and noted the Independent Financial Advisor's report.

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

Josh Brewer, Responsible Investment Officer presented the report of the Deputy Chief Executive (Section 151 Officer) which provided the opportunity to raise any issues concerning Corporate Governance and Responsible Investment which needed to be brought to the attention of the Committee.

Josh Brewer presented an update on responsible investment activities, including the results of a member survey on investment priorities, engagement with companies such as Microsoft, and the climate alignment process.

The Committee were advised that the member survey of approximately 2,000 members indicated strong support for responsible investment, with two-thirds prioritising positive impact and one-third prioritising financial returns. The survey had also explored attitudes towards defence, aerospace and local investment, and the Committee discussed the survey methodology used, and if sector definitions were appropriate and easily understood by users.

Josh Brewer also provided an update on the climate alignment process, noting that 12 companies were identified as climate controversial, with recommendations for divestment from three of those. The Committee stated its intention to share its robust framework with LGPS Central and seek alignment with them for responsible investment practices.

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

13/25 EXEMPT ITEMS

(Agenda No. 13)

The Committee **RESOLVED** that the public be excluded for the duration of Items 14, 15, and 16 on the Agenda since it was likely that if they were present during those items there would be disclosure of exempt information as defined in Part 1 of Schedule 12A of Page 10 the Local Government Act 1972 (as amended) and specified in relation to the respective items in the Agenda and since it was considered that, in all circumstances of each case, the public interest in maintaining the exemption outweighed the public interest in disclosing that information.

14/25 PRESENTATION FROM LGPS CENTRAL

(Agenda No. 14)

The Committee received a verbal update from Russell Oades, Client Director at LGPS Central and discussed the item in private session.

Following detailed discussions, the Committee requested that they be provided with a detailed transition plan which provided more information on the funds Oxfordshire Pension Fund would move into under LGPS Central, including their structure and performance. (ACTION)

The Committee thanks Russel Oades for his presentation.

15/25 WORKFORCE STRATEGY

(Agenda No. 16)

The Committee received an update on progress made on the workforce planning project. Aon presented their report, which was provided as an annex to this report.

The Committee discussed the item in private session.

The Committee RESOLVED to:

- i) **Note the update; and**
- ii) **Note the benchmarking report and salary survey and instruct officers to use this data in support of discussions with Oxfordshire County Council as part of the organisational redesign; and**
- iii) **Approve the approach to addressing loss of experienced staff and challenges due to increased requirements from Government on LGPS Funds.**

16/25 INVESTMENT AND FUNDING UPDATE

(Agenda No. 15)

The Committee received a report from the Deputy Chief Executive (Section 151 Officer) which provided an update on and sought approval of the:

- 2025 valuation and certification of employer results

- Strategic Asset Allocation
- Investment Strategy Statement
- Funding Strategy Statement and supporting policies.

The Committee discussed the item in private session.

Following discussion, the Committee requested that LGPS Central work through the concerns raised by the Committee in this meeting, and that they present detailed estimates of transition costs for each asset class and provide a post-transition report comparing estimated and actual costs to the Committee. (ACTION)

The Committee RESOLVED to:

- i) Note the progress on finalising the 2025 valuation; and**
- ii) Review the responses to the consultation exercise and note the comments from employers; and**
- iii) Approve the final version of the Funding Strategy Statement (and linked policies) to support the 2025 Valuation exercise.**
- iv) Note the Strategic Asset Allocation Review report and instruct officers to use the proposed detailed asset allocation for the basis of discussions with LGPS Central on portfolio construction and implementation.**
- v) Approve the Investment Strategy Statement to be issued for consultation.**
- vi) Approve the Local Investment Policy to be issued for consultation.**
- vii) Approve the Cash Management Policy to be issued for consultation.**

..... in the Chair

Date of signing