

## The Oxfordshire Local Government Pension Scheme (LGPS) Pension Board

All Public Sector Pension Schemes were required under the Public Service Pensions Act 2013 to set up a Pension Board with effect from 2015/16 to assist the administering authorities of their Pension Scheme in ensuring compliance with LGPS and other pension regulations.

The Oxfordshire Pension Fund Committee, acting as administering authority of the Oxfordshire LGPS, agreed the terms of reference of the Pension Board in March 2015. These terms of reference are available on the Board's website at <https://www.oxfordshire.gov.uk/cms/content/lgps-local-pension-board>.

Under the constitution of the Board, an annual report on the work of the Board should be produced by the Board for inclusion in the Fund's own annual report; and it should be presented to the Pension Fund Committee within 6 months following the end of the municipal year. This report meets that requirement for the 2023/24 financial year, covering the work from the July 2023 Board meeting to their meeting on 3 May 2024.

### Board Membership

The Board started the year with a vacancy for one scheme employer representative following the resignation of Elizabeth Griffiths who had taken on a new employment outside Oxfordshire and was therefore no longer eligible to serve on the Board as an Oxfordshire Scheme Employer representative. Following the July meeting, Marcia Slater also resigned her position on the Board in light of her impending retirement, which meant she too was no longer eligible to serve. The Board thanks both Elizabeth and Marcia for their contributions.

The two employer representative vacancies were advertised via the employer's newsletter and on the Fund Website. This attracted a very limited response, and whilst Susan Blunsden, the HR Manager at Cherwell District Council was appointed to serve on the Board, the other vacancy has remained empty for the rest of the year. Repeat advertisements have been made but no interest attracted. Attendance at Board meetings was as follows:

	Attended 7 July 2023 Meeting	Attended 20 October 2023 Meeting	Attended 26 January 2024 Meeting	Attended 3 May 2024 Meeting
Scheme Employer Representatives				
Angela Priestley-Gibbins (The Thera Trust)	Yes	Yes	Yes	Yes
Marcia Slater (Vale of White Horse/South Oxfordshire District Councils)	Yes	N/A	N/A	N/A
Susan Blunsden (Cherwell District Council)	N/A	Yes	Yes	Yes

Vacant Post	No	No	No	No
Scheme Member Representatives				
Stephen Davis (Oxford Direct Services & Unite)	Yes	Yes	Yes	Yes
Alistair Bastin (Oxfordshire County Council & Unison)	Yes	Yes	Yes	No
Liz Hayden (Retired Member)	No	Yes	No	Yes

All meetings were chaired by the Independent Chairman, Matthew Trebilcock, the Head of Pensions from the Gloucestershire Pension Fund. Cllr Bob Johnston attended all meetings of the Board in his capacity as Chairman of the Pension Fund Committee as part of the arrangements agreed within the Governance Review to improve communications between the Committee and Board.

Angela Priestley-Gibbins, Alistair Bastin and Stephen Davis all regularly attended the Pension Fund Committee as observers, with one of them presenting the report of the Board to the Committee. Board Members were also regular attenders at the training events run through the year, to which all Committee and Board members were invited.

With the agreement of the Independent Chairman and members of the Board, all meetings of the Board during 2023/24 were held virtually. As the Board was set up under separate legal provision from the other County Council Committees, there is no legal requirement for meetings to be held in person.

Members of the Board also attended the Planning Workshop held on 15 January 2024 which discussed the 2024/25 Business Plan, and the workshop held on 26 January 2024 to develop the draft Responsible Investment Policy.

The Board have also been represented throughout the year on the Climate Change Working Group by Alistair Bastin. Alistair has also served as a member of the Brunel Oversight Board as one of two representatives of all scheme members on that Board following an election process across the ten Funds within the Brunel Pension Partnership.

Alistair Bastin also sat as a member of the technical interview panel as part of the selection process for the new Head of Pensions position. The Panel provided advice to the Executive Director of Resources & Section 151 Officer on the LGPS knowledge, skills and experience evidenced by the candidates, who was responsible for making the final decision on the appointment.

## **Work Programme**

The work programme for the Board continued as a mix of a regular review of a set of standard reports as presented to the previous meeting of the Pension Fund Committee, ad-hoc review of reports to the Pension Fund Committee and new items brought direct by the Fund's officers or made at the request of Board members.

The standard reports reviewed at each of the Board meetings in that last year were:

- Review of the Annual Business Plan and Budget
- Governance and Communications Report
- Risk Register
- Administration Report

The main issues identified by the Board in respect of these reports were in respect of the skills, knowledge and experience of those charged with the governance of the Fund. At the start of the year, this was focussed on the turnover of membership on the Board itself. During the year, the Board also expressed concern following the change in Independent Investment Adviser to the Fund and the retirements of the Head of Pensions and the Pension Services Manager. The Board also raised specific concerns around the resources available to manage the McCloud project and kept a regular review of the status of the project throughout the year.

A major element of the work of the Board during the year focussed on the new General Code of Practice, published by the Pension Regulator early in 2024. The Board reviewed the initial assessment of the Fund's position against the draft Code, as well as the Action Plan to address the identified gaps against the final version of the Code.

Other aspects of governance developed during the year with the support of the new Governance and Communications Team were the development of a register of the Fund's statutory policies and a timetable for their regular review, and the review of the Breaches Policy and the quarterly breaches log. In respect of the latter, the Board noted that improvements in process and reporting initially led to the reporting of an increased number of breaches. This did not reflect a decline in performance, and indeed the increased transparency should lead to earlier identification and resolution of any issues.

During the year, the Board reviewed the following Committee reports:

- October 2023 – the Annual Report and Accounts for the Pension Fund, and the Fund's first application against the Stewardship Code.
- May 2024 – the Board reviewed the annual assessment of the Fund's cyber security arrangements, a report on workforce planning, and the Fund's first Responsible Investment Policy. The Board welcomed the approach to workforce planning including the development of improved succession arrangements through the employment of a training officer, and the development of technology to automate many manual processes and improve the service to scheme members. The Board expressed some reservations about the increase in agile working. Whilst accepting the benefits, including widening the field from which new staff could be recruited, they expressed some concerns about the support for new staff where delivered remotely and the potential loss of team unity.

The new items considered by the Board which had not previously been presented to the Pension Fund Committee were:

- The Board's own Annual Report for the 2022/23 financial year considered at the July 2023 meeting.
- Two reports on investment management fees and portfolio performance. This included the standard annual report presented to the Board at its meeting in July 2023, and an additional report which looked to identify overall savings in investment management fees since the introduction of pooling, which was presented to the meeting in May 2024. The Board again noted the limitations of the reports given the lack of long-term data resulting from the significant transition in investments as a consequence of the Government's pooling agenda.
- A report on Pension Scams presented to the October meeting of the Board following concerns by Board members about the risks to scheme members and the Fund itself. The Board accepted the arrangements put in place by Pension Services mitigated these risks as far as possible.
- A further report on scheme member engagement to the January meeting, which followed up on the work led by the Board in 2022/23. The Board focussed on the process for obtaining the views of both scheme members and employers on service performance. The Board also supported the responsible investment survey which got over 4,000 responses from scheme members, significantly above previous consultation exercises. The Board noted that this consultation was undertaken through email to all members for whom we held an email address on their record, and that we continued to seek to collect email addresses and mobile phone numbers for all members to further improve our future communications.

## **Future Work Programme**

A key work area for the Board during 2023/24 will be the action plan for addressing all areas of non-compliance with the new General Code of Practice issued by the Pension Regulator. This is consistent with one of the primary objectives of the Board to ensure that the Pension Fund Committee is meeting its regulatory duties and ensuring all material breaches are reported to the Pension Regulator.

The Board will also maintain its focus on the standard administration report, review of the annual business plan, governance and communications report and the risk register to ensure that the Committee is able to meet its statutory duties, and performance is delivered to the appropriate standards.

The Board will also maintain its focus on the future governance arrangements for the Fund and in particular the impact of the changes to the leadership of the Fund both on the Committee and at Officer level. Key to this will be reviewing the current training arrangements and the effectiveness of these in ensuring appropriate levels of skills and knowledge on the Committee and the Board itself. Reviewing the development of the Workforce Strategy will also form a key part of the Board's work in this area, including the development of self-service tools for scheme members, the automation of certain processes, and a review of the level of checking undertaken within the administration teams.

Other areas of work for the Board in 2024/25 will be to oversight the preparation work undertaken by the Committee for the 2025 Valuation, and the implementation of the new Responsible Investment Policy.

To be completed for inclusion in the Annual Report and Accounts 2023/24