

## **PENSION FUND COMMITTEE – 6 MARCH 2020**

### **REPORT OF THE PENSION BOARD**

#### **Report by the Independent Chairman of the Pension Board**

#### **RECOMMENDATION**

1. **The Committee is RECOMMENDED to note the comments of the Board as set out below, and agree the appointment of the new Head of Pensions at the Gloucestershire Pension Fund to take on the role as the Independent Chairman of the Oxfordshire Pension Board following the retirement of the current Chairman.**

#### **Introduction**

2. At the first meeting of the new Pension Fund Committee on 23 June 2017, it was agreed at the suggestion of the Chairman, that each future meeting of the Committee should receive a written report from the Pension Board, setting out the key elements of their work and any matters which the Board wished to draw to the Committee's attention.
3. This report reflects the discussions of the Board members at their meeting on 24 January 2020. The Board was attended by the Independent Chairman and three of the six scheme employer and scheme member representatives.

#### **Matters Discussed and those the Board wished to bring to the Committee's Attention**

4. The Board considered the report received by the Pension Fund Committee on the review of the Annual Business Plan. They noted the progress on transitioning assets to Brunel and welcomed the comments that now around 50% of assets had been transitioned, Brunel would be asked to regularly attend the Pension Fund Committee to provide an update on performance and answer questions. The Board noted progress on the work on the Investment Strategy Statement and Climate Change Policy and welcomed the inclusion of a Board Member on the Climate Change Working Group, and the opportunity to review the draft Investment Strategy Statement at their next meeting. In respect of the training programme, the Board endorsed the benefit of the LGA's Fundamentals Training Courses, and their inclusion as an element of the training policy going forward.
5. The Board also reviewed the risk register and endorsed the proposal to add a new risk associated with the uncertainty arising from the McCloud/Sargeant Court cases. The Board was content that risks are being adequately monitored, with appropriate actions being taken where needed.

6. The Board reviewed the Administration report as presented to the December meeting of the Pension Fund Committee and welcomed the improvements in administration service performance as recorded in the annexes. To enable the Board to gain assurance that any future poor performance would be adequately addressed by the Committee, the Board asked to receive copies of the Committee minutes at their future meetings so that they could review any actions agreed.
7. The Board received a report updating them on the 2019 Valuation which included the draft Funding Strategy Statement. The Board commented on the clarity of the report and the recent presentation to the Employers Forum and in particular welcomed the opportunity for Scheme Employers to discuss any specific issues direct with the Fund Actuary at the surgery sessions held immediately after the Forum. They recommended that these should be a regular feature of the Valuation process going forwards.
8. Following a request at their last meeting, the Board received a full report on the Fund's approach to mitigating the risks associated with cyber security. The report covered both the risks to investment performance and the risks to the administration systems and the significant amounts of personal data held. The Board were content that the current arrangements were appropriate to mitigate the risks identified.
9. Finally, the Board received a detailed report covering the guidance issued by the Pension Regulator in their Code of Practice 14. The Board noted that the Oxfordshire Fund was compliant with most elements of the guidance. To address the identified gaps, the Board agreed to add a register of training attended by Board Members to their Annual Report as well as including a Board specific Conflicts of Interest Policy. The Board also agreed to receive an annual report on the management of contributions income, alongside quarterly updates identifying any performance issues and potential regulatory breaches.
10. The Board did not identify any further items they wished to bring to the attention of the Committee. The Board though noted that this was to be my last meeting as Independent Chairman as I was retiring from my role as Head of Pensions at Gloucestershire. They agreed that my successor should be invited to take on the role, retaining the current reciprocal arrangements where the Gloucestershire Pension Board is chaired by the Oxfordshire Head of Pensions.

**MARK SPILSBURY**

Independent Chairman of the Pension Board

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