

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 2019/20 financial year, covering the work from the July 2019 Board meeting to their meeting on 24 January 2020 (N.B. The meeting scheduled for 1 May 2020 was cancelled due to the lockdown restrictions in place at that time as a result of the Covid-19 pandemic).

Board Membership

Angela Priestley-Gibbins, the Pensions Specialist at the Thera Trust joined the Board during the year to replace Cllr Sandy Lovatt as a Scheme Employer representative. Cllr Lovatt was required to step down from the Board having lost his seat in the local government elections in May 2019, and therefore no longer met the criteria to qualify as a Scheme Employer Representative. Mark Spilsbury retired from his post as Head of Pensions in Gloucestershire and therefore stepped down from his position as Chair of the Board following the January 2020 meeting. Attendance at Board meetings was as follows:

	Attended 12 July 2019 Meeting	Attended 25 October 2019 Meeting	Attended 24 January 2020 Meeting	1 May 2020 Meeting - Cancelled
Scheme Employer Representatives				
Cllr Bob Johnston (Oxfordshire County Council)	Yes	Yes	Yes	n/a
Angela Priestley-Gibbins (The Thera Trust)	n/a	Yes	No	n/a
Lisa Hughes (River Learning Trust)	Yes	No	Yes	n/a
Scheme Member Representatives				
Stephen Davis (Oxford City Council & Unite)	Yes	Yes	Yes	n/a
Alistair Bastin (Oxfordshire County Council & Unison)	Yes	No	No	n/a
Sarah Pritchard (Brookes University)	Yes	Yes	No	n/a

All meetings were attended and chaired by Mark Spilsbury in line with his appointment as the Independent Chairman. Sean Collins, the Head of Pensions for the Oxfordshire Fund sits as Independent Chairman of the Gloucestershire Local Pension Board in a reciprocal arrangement.

Cllr Bob Johnston, Alistair Bastin and Stephen Davis 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.

Work Programme

During 2019/20 the Pension Board continued to review the progress of the Fund in delivering against the Improvement Plan, developed to address the issues in previous years of breaches of the statutory requirements to issue Annual Benefit Statements by the end of August each year. The Board received up to date reports on the latest position at both their July and October meetings and welcomed the positive improvement in performance.

At their January meeting, the Board reviewed the standard performance data presented to the Pension Fund Committee. They welcomed the data presented and asked that the minutes of the Committee meetings were added to their own agenda so that they could assure themselves that the Committee were properly challenging the performance data presented.

At each of their meetings, the Board reviewed the Risk Register papers presented to the meetings of the Pension Fund Committee and offered a number of challenges to the presentation of the data and to individual risk scores, as well as identifying areas which they did not believe were adequately covered in the risk register. The Board noted that the risk management arrangements had improved as a direct consequence of their scrutiny and advice back to the Committee and confirmed they were happy with the current level of detail and scrutiny.

The Board also considered the Committee's Annual Business Plan at each of their meetings during 2019/20. The key issue identified by the Board was the need to strengthen the governance arrangements in terms of Committee membership and training so all members attending and voting at a Committee meeting had the necessary skills and knowledge to contribute on the agenda items presented to them. The Board also advised the Committee on the benefits amending their investment strategy to switch investments to the new low carbon portfolio developed by Brunel.

In respect of the Fund's asset allocation and climate change policy, all members of the Board with the exception of the Independent Chairman and Lisa Hughes attended the full day Climate Change Workshop held in November 2019 to support the Committee in developing its first Climate Change Policy. Alistair Bastin presented to the workshop on the findings of a recent scheme member

survey on their views on the subject. Alistair subsequently joined the working group which produced the draft Policy presented to the Committee at their March meeting.

During the year, the Board also received reports on the 2019 Valuation and the new Funding Strategy Statement. The Board commented favourably on the information presented by Hymans Robertson who were undertaking their first Valuation for the Oxfordshire Fund. In particular, they welcomed the presentation by the Fund Actuary at the Employer Forum in January and the employer surgery sessions which took place that same afternoon and suggested they became a regular feature of future valuation arrangements.

Other issues looked at during the year by the Pension Board included Employer Training, Fund Manager Fees, Cyber Security and the requirements of the Pension Regulators Code of Practice 14. On this final item, they welcomed the extent to which Oxfordshire complied with the Code, whilst identifying the need to improve reporting on their own training plans, and on the monitoring of the collection of employer contributions.

Future Work Programme

Two of the key issues picked up by the Board during 2019/20 have been included in the Annual Business plan of the Pension Fund Committee and therefore will continue to areas of focus for the Board during the course of 2020/21.

The first of these is the need to review the overall governance arrangements of the Fund in light of increased scrutiny and the Good Governance review commissioned by the national Scheme Advisory Board. This work will include further review of the skills and knowledge of the Committee and the Board themselves, including a report on the results of the National Knowledge Assessment undertaken by Hymans Robertson, which all members of the Board completed.

The second key issue is the continued development of the Climate Change Policy with the development of the Implementation Plan and the future monitoring arrangements. This will be a regular item at each of the Committee and Board meetings, with the Board expected to play a key role to ensure the views of scheme employers and scheme members are fed into the new arrangements.

The Board will also have the opportunity to review the new governance arrangements being developed to enable the Pension Fund Committee to hold the Brunel Company to account. This work will cover both investment performance and performance against the engagement and responsible investment policies.

The Board will also maintain its focus on the risk register to ensure that the Committee is able to meet its statutory duties.