

PENSION FUND COMMITTEE – 8 SEPTEMBER 2023

GOVERNANCE & COMMUNICATIONS REPORT

Report by the Director of Finance

RECOMMENDATION

1. **The Committee is RECOMMENDED to:**
 - i) **Note the latest governance matters and agree the schedule for the review of fund policies.**
 - ii) **Agree the proposal to carry out a survey of members regarding investment matters.**

Introduction

2. Governance and Communications are very important functions of an LGPS fund. The requirements for a fund are set out by central government within statutory legislation and regulations. One of the key regulatory requirements for effective governance is the Pensions Regulator's Code of Practice 14 - soon to be replaced by the 'General Code of Practice'.
3. It is vitally important that the Pension Fund Committee is kept informed and abreast of work in this area and current developments, such that the Committee are then able to carry out its role effectively. As such, the Committee will be presented with a new 'Governance & Communications Report' each quarter.

Governance & Communications Team

4. Further to a governance review carried out by Hymans Robertson in 2020, the Committee agreed a number of Governance recommendations at their meeting in September 2021. The review recommended the establishment of a new Governance and Communications Team.
5. All the new posts have now been recruited to, including, the new Governance and Communications Officer post. The successful candidate is due to start in the near future. The team now consists of its full complement of staff:
 - (1) Governance & Communications Manager
 - (2) Communications Manager
 - (3) Governance & Communications Officer

Fund Policy Review Schedule

6. It is both a requirement and good practice to ensure that all fund policies and procedures are regularly reviewed and signed off by the Pension Fund Committee. To this end, all fund policies have been reviewed to produce the following fund policy review schedule.

Fund Policy	Last Reviewed	Next Review	Responsible Officer	Note
Academies Policy	Dec-22	Dec-25	SC	Annex to the FSS
Admission and Terminations Policy	N/A	Dec-23	SF	New policy document
Breaches Policy	Jun-23	Jun-24	MM	
Bulk Transfer payment policy	Dec-22	Dec-25	SC	Annex to the FSS
Cessation Policy	Dec-22	Dec-25	SC	Annex to the FSS
Communication Policy	Mar-23	Jun-24	MM	
Contribution Review	Dec-22	Dec-25	SC	Annex to the FSS
Early Release of Pension Benefits Policy	Jun-19	Dec-23	SF	
Discretion Policy	May-19	Dec-23	SF	
Funding Strategy Statement	Dec-22	Dec-25	SC	
Governance Policy Statement	Jun-23	Jun-24	MM	
Governance Compliance Statement	Jun-23	Jun-24	MM	
Investment Strategy Statement	Jun-20	Dec-23	GL	
Pass-through Policy	Dec-22	Dec-25	SC	Annex to the FSS
Administration Strategy	Dec-19	Sep-23	SF	
Prepayment Policy	Dec-22	Dec-25	SC	Annex to the FSS
Responsible Investment Policy	N/A	Dec-23	GL	New section of ISS
Risk Management Framework	N/A	Dec-23	MM	New policy document
Scheme of Delegations Policy	Jun-21	Mar-24	SC/MM	
Voluntary Scheme pays policy	Jun-20	Dec-23	SF	

The committee are asked to review and agree the schedule.

Breaches for the period April to June 2023

7. 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 Code of Practice 14.
8. The Pension Fund Committee agreed a new breaches policy at its last meeting on the 9 June. Since then, the fund implemented new processes for effectively identifying and recording breaches. The following table shows the number of breaches in the last quarter - Apr to June 2023.

Note – The breaches policy has been revised and new improved systems have been implemented for identifying breaches. Consequently, there may be increasing numbers of breaches identified and report due to the improved systems being in place

Breach Type	2023/24				
	Apr-Jun (Q1)	Jul-Sep (Q2)	Oct-Dec (Q3)	Jan-Mar (Q4)	TOTAL
Data	3				3
CoP Administration	0				0
CoP Contribution	2				2
TOTAL	5	0	0	0	5

Data Breaches

9. Two of the 3 data breaches were letters being sent to the wrong address. Corrective action was taken. The other data breach was as a result of software being used by a third-party company contracted to provide print services, Adare. The data breach affected 35 members, much of which was password protected. Many steps have been taken in conjunction with Adare to minimise a future occurrence.

Code of Practise – Contribution Breaches

10. There were two contribution breaches in the quarter. Both were escalated appropriately to ensure a successful resolution.
11. None of the breaches were materially significant and as such were not reported to either the Pensions Regulator or the Information Commissioner.

Communications

12. At the request of the Pension Board, the fund is planning to carry out a member survey regarding investments. The investment survey will be sent to members who use My Oxfordshire Pension and will also be publicised on the website. This should target approximately 50% of members across each of the Active, Deferred and Pensioner members ensuring a good representation of all members.
13. The questions for the survey are currently being developed by the Service Manager. The survey will be sent out at the end of September 2023 with a closing date of 31 October 2023.

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