

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 2017/18 financial year, covering the work from the July 2017 Board meeting to their meeting on 20 April 2018.

Board Membership

Cllr Roger Cox resigned from the Board at the beginning of the year as he was unable to commit to regular attendance at the Board meetings due to his Cabinet responsibilities at the Vale of White Horse DC. Following a request for expressions of interest, District Councillor Sandy Lovatt (Vale of White Horse District Council) was appointed as the new Scheme Employer representative. Cllr Lovatt had previously served on the Pension Fund Committee during his time as a County Councillor. Attendance at Board meetings was as follows:

Scheme Employer Representatives	Attended 21 July 2017 Meeting	Attended 20 October 2017 Meeting	Attended 19 January 2018 Meeting	Attended 20 April 2018 Meeting
Cllr Bob Johnston (Oxfordshire County Council)	Yes	Yes	Yes	Yes
Cllr Sandy Lovatt (Vale of White Horse District Council)	n/a	Yes	Yes	Yes
David Locke (Oxford Diocesan Schools Trust)	Yes	Yes	Yes	Yes
Scheme Member Representatives				
Stephen Davis (Oxford City Council & Unite)	Yes	Yes	Yes	Yes
Alistair Bastin (Oxfordshire County Council & Unison)	Yes	Yes	Yes	Yes
Sarah Pritchard (Brookes University)	Yes	Yes	Yes	Yes

All meetings were attended and chaired by Mark Spilsbury, the Head of Pensions for the Gloucestershire Pension Fund in line with his appointment as the Independent Chairman. Mark took over as Independent Chairman at the beginning of 2017/18 following the retirement of Graham Burrow from his role as Head of Pensions at Gloucestershire, and his subsequent resignation from the Oxfordshire Local Pension Board. Sean Collins, the Head of Pensions for the Oxfordshire Fund remains as Independent Chairman of the Gloucestershire Local Pension Board.

A number of the Board Members regularly attended the Pension Fund Committee as observers, with Cllr Bob Johnston 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

The main area of focus for the Pension Board throughout 2017/18 was in respect of employer management, and in particular the timely and accurate submission of data from employers to the Pension Services team. The Board received up to date reports on the latest position on the submission of data, issuance of annual benefit statements, proposed changes to the process, the action plan for the 2017/18 statements and the on-going discussions with the Pension Regulator at each of their 4 meetings during the year. During the year, the Board raised a number of key issues back to the Pension Fund Committee for their further consideration including

- The need to keep scheme members fully informed of the position, and to write to each individual scheme member where it was not possible to produce their annual benefit statement, setting out an explanation for the position
- The opportunities in future to introduce greater standardisation and automation to the process, including the implementation of i-connect
- The need to build in sufficient time for scheme employers to amend their payroll systems and processes when considering changes to the monthly of end of year returns
- The need for national benchmark data on the key administration responsibilities to allow individual funds to consider their performance in comparison to other similar Funds.

At each of their meetings, the Board also reviewed the Risk Register papers presented to the meetings of the Pension Fund Committee, and offered a number of challenges to the risk scores as well as identifying areas which they did not believe were adequately covered in the risk register. The Board had a particular focus around the risks associated with cyber security and the introduction of the General Data Protection Regulations, as well as commenting on the risks associated with the lack of resources within the Pension Services Team, and the need for additional training for the new members of the Pension Fund Committee.

The third item which the Board considered at each of their four meetings during 2017/18 was the development of the Brunel Pension Partnership. The Board welcomed the progress made throughout the year. Key issues identified by the Board were a need to review the arrangements for shareholder decision making in light of the first year of operation, and a wish for a clear timetable of future milestones.

During the year, the Board also took an interest in the development and monitoring of the Annual Business Plan. The Board welcomes the introduction of a quarterly review of the Business Plan, and the links developed between the Business Plan and the Risk Register. The Board were keen to explore the mechanisms by which Scheme Members could be consulted in developing future iterations of the Investment Strategy Statement, with a focus on the ability to take non-financial factors into account where to do so would have no materially significant financial detriment, and where there is good reason to think that scheme members would support the decision.

Future Work Programme

The issues around data quality will continue to be a major item on the agenda of the Pension Board for 2018/19 as we look to ensure we fully comply with all statutory requirements including the timely issuance of all annual benefit statements, as well as ensuring we meet the target scores for both the Common and Scheme Specific Data Quality measures. This work will include the development of an appropriate performance management framework, as well as a review of current data collection processes to identify where these can be simplified, standardised and automated.

The Board will also be keen to review the new governance arrangements being developed to enable the Pension Fund Committee to hold the Brunel Company to account.

The Board will also maintain its focus on the risk register and annual business plan to ensure that the Committee is able to meet its statutory duties. This work will include a review of the resources in place as well as the skills and knowledge of both staff and the Pension Fund Committee. The Board Members will remain committed to completing their own training programmes to support them in their own activities.