

PENSION FUND COMMITTEE – 11 SEPTEMBER 2020

GOVERNANCE REVIEW

Report by the Director of Finance

RECOMMENDATION

The Committee is RECOMMENDED to:

- (a) note the update provided by Hymans Robertson at Annex 1 and in particular, the results of Oxfordshire’s participation in the National Knowledge Assessment;**
- (b) agree to ask Hymans Robertson to undertake the proposed governance review, and to ask Officers to finalise the details of the review with Hymans Robertson including the fee payable; and**
- (c) agree the proposed training programme and ask Officers to continue to work with Hymans Robertson to develop appropriate options for each of the subjects to be covered. Members are asked to provide any preferences for on-line, face-to-face or written training delivery.**

Introduction

- 2. This report responds to the service priority included in the 2020/21 Business Plan to review the governance arrangements for the Fund. This service priority in turn reflected the increased focus on good governance from both the Pension Regulator and the national Scheme Advisory Board.
- 3. Hymans Robertson were appointed by the Scheme Advisory Board to undertake the Good Governance Project to facilitate an investigation and develop approaches for enhancing governance arrangements in the LGPS. They were also responsible for the LGPS National Knowledge Assessment which this Committee agreed to complete at its March 2020 meeting.
- 4. We therefore requested Hymans Robertson to provide a governance update covering the work on the Good Governance project and its draft findings, and the results of the National Knowledge Assessment. We also asked Hymans Robertson to propose next steps for the Committee to consider in reviewing and strengthening their governance arrangements.
- 5. Annex 1 of this report sets out the update from Hymans Robertson, which summarises the results of the Oxfordshire Committee and Board members who undertook the National Knowledge Assessment, with the more detailed findings included in Appendix 2.

6. Hymans Robertson propose 2 key next steps in their report. The first of these is a training programme which sets out to address i) the areas requested by Members, and ii) the weaknesses identified from the results in the National Knowledge Assessment. The proposal is to implement the training plan over the next 18-month period. Officers support the proposal and recommend that the Committee agree the programme, and ask Officers to continue to work with Hymans Robertson to produce specific proposals about the delivery mechanism for each subject, and to confirm the timetable for each subject in line with national priorities and standard Committee business.
7. The second proposal is for Hymans Robertson to undertake a detailed review of our governance arrangements and to report back to a future meeting of this Committee on further actions that could be taken to improve our overall governance arrangements. Again, Officers support the proposal and recommend the Committee to agree to the proposed review. Officers previous experience of working with the Pension Regulator is that they will seek re-assurance about whether the Committee has the appropriate skills and knowledge to undertake their responsibilities and will welcome a pro-active approach to addressing any issues.

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