LOCAL PENSION BOARD

MINUTES of the meeting held on Friday, 25 April 2025 commencing at 10.30 am and finishing at 11.55 am.

Present:

Voting Members:	Matthew Trebilcock – in the Chair Susan Blunsden Alistair Bastin Stephen Davis Liz Hayden Angela Priestley-Gibbins Janet Wheeler
Other Members in Attendance:	Councillor Donna Ford
Officers:	Mark Smith (Head of Pension Services), Vicki Green (Pension Services Manager), Mukhtar Master (Governance and Communications Manager), Anna Lloyd (Governance and Communications Officer), Greg Ley (Pension Fund Investment Manager) and Lucy Brown (Senior Democratic Services Officer)

The Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting, together with [a schedule of addenda tabled at the meeting] [the following additional documents:] and decided as set out below. Except as insofar as otherwise specified, the reasons for the decisions are contained in the agenda and reports [agenda, reports and schedule/additional documents], copies of which are attached to the signed Minutes.

17/25 WELCOME BY CHAIRMAN
(Agenda No. 1)

The Chairman welcomed all to the meeting.

18/25 APOLOGIES FOR ABSENCE
(Agenda No. 2)

There were no apologies received.

19/25 DECLARATIONS OF INTEREST - SEE GUIDANCE NOTE BELOW
(Agenda No. 3)

There were no declarations of interest received.

20/25 MINUTES OF THE MEETING OF 24 JANUARY 2025
(Agenda No. 4)

Resolved: that the minutes of the meeting held on 24 January 2025 were a true and accurate record.

21/25 UNCONFIRMED MINUTES OF THE PENSION FUND COMMITTEE ON 7 MARCH 2025
(Agenda No. 5)

The unconfirmed minutes of the Pension Fund Committee held on 7 March 2025 were noted.

22/25 REVIEW OF THE ANNUAL BUSINESS PLAN
(Agenda No. 6)

Mark Smith, Head of Pensions presented the report which reviewed the position against the Annual Business Plan for 2024/25 and the Annual Business Plan for 2025/26 as considered by the Pension Fund Committee at their meeting on 7 March 2025 and invited comments from the Board.

He highlighted that the key objectives for the Oxfordshire Pension Fund were set out in the Business Plan for 2025/26 in Annex 1 which showed one slight update to reflect the Fund’s improved funding position. He also advised that the National Knowledge Assessment (NKA) had been scored as Amber, and one of the factors leading to this score was because the Chair of the Board could not be included in the 2024 results and a number of new members to both the Committee and the Board.

In response to a question from the Board regarding the implementation of a new technical advisor post, Mark Smith advised that this post had been created primarily to support the existing Technical Manager to drive through improvements to the new systems coming on board.

In response to a query regarding increased management fees, Mark Smith advised that the fees shown were estimates, and that the Fund does not have direct control over these and are shown for transparency and information. The Board commented that a review of whether the investment costs were comparable to investment performance should be undertaken as part of the strategic asset allocation.

The Board were advised that consideration could be given as to whether the management fees should be presented as part of the budget process due to the lack of control of any increases, or whether these could be monitored via a separate process.

The Board noted that greater awareness could be provided to the Committee at the point when investments were agreed upon, and contracts signed, as this could determine the level of management fee and risk associated with those investments. The Board requested that the Committee be asked to question the level of investment and associated fees when reviewing the strategic asset allocation.

The Board noted the report.

23/25 RISK REGISTER

(Agenda No. 7)

The Governance and Communications Manager presented the Risk Register report as considered by the Pension Fund Committee at their meeting on 7 March 2025 and invited comments from the Board. He advised that there were no key changes to note but highlighted the following that the Board should be mindful of:

- Whilst there were no new emerging risks, a response from the Fit for the Future consultation had been received and identified that the Fund’s Pool would need to be merged, and this would be recognised as a new Risk for the next Committee meeting.
- Risk 13: Insufficient Skills and Knowledge on Committee, had reduced from an Amber to Green risk, however it was recognised that the introduction of a new Committee would cause this to rise following the local elections in May.
- No risks were removed from the Register.
- An update to those risks where the rating had not changed was provided to the Board to add context.

In response to a query from the Board regarding the risks around a completely new membership of the Committee following the May elections, Mukhtar Master advised that the new Training Policy, agreed by the Committee detailed that all new members would complete Induction Training prior to being able to sit on the Committee. Also, as part of the New Member Induction Programme, training sessions had been scheduled for all Councillors in May and June taking place prior to the first Committee meeting.

Mark Smith, Head of Pensions also reassured the Board that he would be meeting potential new members of the Committee at the New Member Welcome Day scheduled for 9 May and would also be aware of the Committee membership following Annual Council on 20 May, and work would start to induct new members from that point.

In response to a query raised by the Board regarding the MIFID II status of a new Committee being able to make investment decisions, Greg Ley, Pension Fund Investment Manager advised that this would be dependent on the individual Funds, however governance information was provided alongside those decisions to meet that status. The Board requested that this be reviewed alongside Risk 21 going forward.

In response to queries surrounding training also be made available to Board members, Mark Smith advised that future training events could be made available to the Board, and that a joint training session for the Committee and Board was being planned for the Autumn.

The Board requested that Risk 18: Failure to Meet Government Requirements on Pooling and the direct intervention by a Secretary of State be raised to a Red Risk, and Mark Smith advised that this would be reviewed as part of the next Risk Register review.

The Board noted the report.

24/25 GOVERNANCE AND COMMUNICATIONS REPORT
(Agenda No. 8)

Mukhtar Master, Governance and Communications Manager presented the Governance and Communications Report which had been presented to the Committee on 7 March 2025. He advised the Board of the following:

- The updated plan detailing compliance against the General Code of Practice was shown in Appendix 1.
- Hymans will review the completed modules to ensure they align with our own judgments, providing independent assurance.
- The annual review of Cyber Security was presented as part of the report and shown in more detail in Appendix 2. The report concluded that no critical security issues had been identified.
- An overview of reportable breaches was provided, and were consistent with the number of breaches received each quarter. Of the 4 breaches escalated, 3 had been resolved and 1 outstanding breach had been reported to the Pensions Regulator.

In response to a question regarding member engagement in the General Code of Practice action plan, No. 19: General Principles for Member Communications was currently showing as Amber due to outstanding work on meeting statutory obligations. It was also noted that positive feedback had been received from the recent Member Engagement events.

The Board noted the report.

25/25 ADMINISTRATION REPORT
(Agenda No. 9)

Vicki Green, Pension Services Manager presented the Administration Report, presented to the Pension Fund Committee on 7 March 2025 which included the latest performance statistics for the service. She highlighted the following:

- A breakdown of the benefit administration work completed in the last quarter was shown in Annex 1.
- There was an increase to that quarter, but this was in line with usual practice at the start of the new school academic year.
- The telephone statistics will be built into the performance statistics; however, no issues had been raised to date.
- There had been 18 informal complaints and details of those were included within the report.
- The contract has been signed for the Pension Dashboard and would be in place before the statutory required date of October 2025.

- Huge progress had been made on the McCloud Project on the OCC Status 1 and 4 cases. Following completion of this stage, work would commence on those outstanding cases.
- An update on outstanding vacancies within the team was provided.

The Board noted the report.

26/25 STRATEGIC ASSET ALLOCATION (INCL. ACTIVE VS PASSIVE) REPORT

(Agenda No. 10)

Greg Ley, Pension Fund Investment Manager presented the report which had been requested by the Board and covered the Fund's current Strategic Asset Allocation, timescales for its review and information on active versus passive investment management.

He highlighted the following:

- The Committee would receive a report with recommendations on future asset allocation to its March 2026 meeting to obtain greater engagement with both the Board and Committee prior to any decisions being taken.
- Considerations for the 2025 fundamental review were outlined in the report and advised that changes to Pooling would not adversely affect asset allocation decisions.
- Within the Fund's current strategic allocation to equities there is a 70%/30% split between active and passive equities, and the review would consider the appropriateness of this split.

The Board requested that future breakdowns of the current strategic asset allocation include information on target performance and the management cost per £ invested. Greg Ley advised that this could be included, however it would be difficult to include fee structures but would be able to include an indication of costs in future reports. (ACTION)

The Board noted the report.

27/25 ITEMS TO INCLUDE IN THE REPORT TO THE PENSION FUND COMMITTEE

(Agenda No. 11)

Whilst there were no items to report to the Pension Fund Committee, it was noted that the Board placed importance on the Committee having the relevant information on Strategic Asset Allocation around the risks and the costs are incorporated into the decision making process.

28/25 ITEMS TO BE INCLUDED IN THE AGENDA FOR THE NEXT BOARD MEETING

(Agenda No. 12)

The Board agreed to include Pooling as an agenda item for the next meeting to discuss the impact of the government's directive and the options available for the fund.

The Board expressed their gratitude to Councillor Ford for her service on the Pension Fund Committee and her contributions to the Board, acknowledging her efforts and dedication.

.... in the Chair

Date of signing ....