

# **Pension Board Annual Report 2025**

## Contents

1. Chair's Foreword
2. Introduction
3. Summary of the Work of the Board
4. Areas of investigated by the Board
5. Details of Conflict of Interest
6. Areas of Concern or Risk
7. Training
8. Work Plan
9. Expenses

## 1 Chair's Foreword

Welcome to the Annual Report of the Local Pension Board (LPB) of Hillingdon Pension Fund (HPF). This report covers the period from January to December 2025. At the Board meeting in February 2025, I was privileged to be elected to serve a third term as Chair of the Board during the calendar year 2025.

The Board met face-to-face for all four meetings during 2025. The Fund's administration partner, Hampshire Pension Services (HPS), also continued to attend virtually presented to the Board at each meeting. This is in continuation of the commitment of HPS to work collaboratively with the Fund, but also an extra layer of governance as the Board can now directly scrutinise and monitor the partnership administration arrangement and satisfy themselves that all day-to-day and ongoing administration requirements are being delivered.

Some of the key achievements the Board oversaw in addition to the regular review of the Pensions Committee reports were:

- Maintaining full compliance with the Pension Regulators General Code of Practice (GCoP)
- Assisting with the development of the Governance Plan in line with updated Pensions Regulator General Code and SAB Good Governance framework
- Production and implementation of a Cyber Security policy
- Production and implementation of an Equality, Diversity and Inclusion Policy (EDI) as part of the General Code of Practice (GCoP) compliance
- Monitoring breaches and ensuring corrective actions were implemented
- Undertaking targeted training
- Keeping abreast of Pension Dashboard progress
- Monitoring progress against implementation of McCloud, GMP and data cleansing projects
- Closely monitoring service provision of Hampshire Pension Services.
- Monitoring progress and implementation of Investment Strategy Statement
- Scrutinising and challenging investment and adviser performance
- Supporting the development of the Administration Strategy
- Supporting with the Pensions Committee and Officers

The year ahead continues to be met with governance and compliance challenges and the resulting uncertainties in terms of changes in rules that the government may implement.

There are upcoming regulatory changes with which the Fund must comply and that the Board will oversee, many of which continue to roll forward from the previous year; these include:

- The Fit for the future regulations
- Good Governance Framework
- The Pensions Dashboard Programme
- The Data Improvement Programme
- Continued implementation of McCloud

In closing I would like to thank the Pensions Committee, Officers, Advisers and fellow Board Members for their cooperation and support during my time as Chair and I look forward to helping the Fund address the challenges we expect to face in 2026.

Roger Hackett - Chair of Hillingdon Local Pension Board (2025)

## 2 Introduction to the Local Pension Board

The Public Service Pensions Act 2013 introduced the requirement to have a Local Pensions Board to assist in the good governance of the Local Government Pension Scheme 'Scheme'.

The purpose of the Board is to assist the Administering Authority in its role as a Pension Fund Manager of the Scheme. Such assistance is to:

- Secure compliance with the regulations and any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme; and
- To ensure the effective and efficient administration of the Scheme.

London Borough of Hillingdon Council established the with effect from 1<sup>st</sup> April 2015 with subsequent amendments to Board structure and Board flexibilities being approved in the intervening years.

The Board meets four times a year and for 2025 consisted of three Employer representatives, and three scheme member representatives.

### Membership of the Board

<b>Employer Representatives</b>	<b>Scheme/Fund Member Representatives</b>
Anna Beattie	Roger Hackett
Shane Woodhatch	Tony Noakes
Jack Francis-Kent – From July 2024	Vicky Trott – From Nov 2024

### Record of Attendance

<b>Name</b>	<b>Feb-25</b>	<b>Apr-25</b>	<b>Jul-25</b>	<b>Nov-25</b>
<b>Roger Hackett</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>Tony Noakes</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>Shane Woodhatch</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>

<b>Jack Francis-Kent</b>	<b>N</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>Anna Beattie</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>N/A</b>
<b>Vicky Trott</b>	<b>Y</b>	<b>Y</b>	<b>N</b>	<b>N</b>

The Scheme Advisory Board's LGPS Guidance on the Creation and Operation of Local Pension Boards in England and Wales recommends that the Board produces a report to the Pensions Committee, on the work undertaken during the year and future work plans. This report covers the work of the 2025 period.

Governance adviser Marian George assisted the Fund on Governance issues and supported the development and work of the Board and attended meetings.

### **3 Summary of the Work of the Board**

#### **Administration Partnership.**

2025 saw the Fourth year with Hampshire Pension Services; our partner in delivering administration services for the Hillingdon Fund.

The Board were heavily involved in monitoring of their performance and governance. The Board continue to provide robust challenge to ensure all aspects relating to ongoing issues such as backlog of leavers and joiners processing, McCloud and Pension Dashboard projects are sufficiently resourced and remain on track.

The Board's direct involvement in terms of monitoring was enhanced during the year as HPS now attend Board meetings which allows direct engagement and the ability scrutinise all areas of the administration service and compliance with all governance items.

The Board are pleased to report that HPS continues to deliver a high level of service, remained at 100% against all key performance indicators and has been pro-active and at the forefront in all governance requirements. Attendance at Board meeting has strengthened the partnership and demonstrates a high level of good practice.

#### **TPR code compliance review**

During 2025, the Board has collaborated closely with officers and the Fund to ensure full compliance with the new General Code of Practise by the September 2025 deadline. Due to work load issues and other regulatory changes faced by the fund and officers, Pensions Board agreed to move full compliance date to March 2026 and inform TPR accordingly. It was noted various other LGPS funds around the country were in the same situation.

Furthermore, the Board has been fully supportive in terms of steps taken by the Fund to ascertain where there may be gaps based on the new General Code of Practise (GCoP) and Good Governance Framework. This has enabled the Fund to highlight key areas of focus and device an implementation timeline ahead of the new compliance deadline date.

## **Cyber Security & Equality Diversity and Inclusion (EDI)**

The Board has continued to focus on cyber security to ensure all possible measures are in place to protect the IT infrastructure from malicious behaviour. As part of the GCoP compliance effort, the Pensions Board agreed with officers for the fund to commission and develop a Cyber Security Policy in collaboration with AON. Officers of the fund and a member of the PB, Vicky Trott collaborated to develop and produce an EDI policy for the fund in line with GCoP compliance and this was approved by the committee with further instructions to produce a gap analysis for the fund based on the policy

## **Other key areas of work have been undertaken as outline below**

- Monitoring of the data quality and breaches
- Review of Policy documents to ensure they are kept up to date
- Monitoring the performance of the Pension Administration and observing Fund investment performance

## **Future Work of the Board**

As partly noted in the Chair's foreword, several key areas will to be monitored in 2026 including:

- The Pensions Regulator's General Code of Practice
- Fair Deal and Gender Pay Gap
- Good Governance Framework
- The Pensions Dashboard Programme
- The Data Improvement Programme
- Funding Strategy and Investment Strategy implementation
- ESG issues including the revision of Responsible Investment Policy
- Review and update of the Board's function and responsibilities.
- Board resilience and succession planning
- Review of the risk register
- Knowledge Assessment

## **4 Areas Investigated by the Board**

No official investigations were required or undertaken by the Board.

## **5 Details of any Conflicts of Interest**

The SAB guidance recommends that the Board reports details of any conflicts of interest that have arisen in respect of individual Local Pension Board members and how these have been managed.

Declaration of interest remains on the agenda at the start of each meeting and in addition to the register of interest Pension Board members have been requested to renew their declaration of interest form in line with best practice.

No major conflicts of interests have arisen other than the declarations made at the start of each meeting.

Board members and officers continue to monitor conflicts of interest.

## 6 Areas of Concern or Risk

6.1 **Regulatory changes** – The Board recognises that there are currently many regulatory changes to be implemented in the LGPS. These include Fit for the future; McCloud Judgement; and Pensions Dashboard and potentially a new iteration of the Exit Cap.

The Board will continue to monitor and seek assurance from Officers that the changes can be effectively delivered in compliance with the regulatory deadlines.

## 7 Training

7.1 Regular training has been made available to the Board and is a standing item on the quarterly work programme. As a result of the move to virtual meetings, training has been delivered separately from the meetings. The schedule below outlines the training undertaken by the Board.

Training events will be carried out in conjunction with Pension Committee where viable.

	Date	Pensions Board Members						Advisers & Actuary	
		Roger Hackett	Tony Noakes	Shane Woodhatch	Vacant	Jack Francis-Kent	Vicky Trott	Marian George	Craig Alexander
The Pensions Regulator Public Sector Toolkit	On-demand	*	*	*	*	*	*		
AON CIPFA Knowledge & Skills Areas of Training (7 Modules)	On-demand	*	*	*	*	*	*		
Equities Investment Review Webinar	03/02/2025	1							
Net-zero in LGPS: Articulating ambition and navigating the journey	18/02/2025	1							
Local Government Devolution and Reorganisation and the LGPS.	28/02/2025	1							
Outlook for Investments in private Markets for 2025	19/03/2025	1							
Triennial Valuation Training - Hymans Robertson	15/05/2025	2	2	2		2	2	2	2
AON Addressing the Cyber Insurance Protection Gap in the Age of AI	12/06/2025	1					1		
Pension fund Investment Forum - By Isio	18/07/2025	2	2	0				2	
Local Government Association - LGPS Fundamentals	08/10/2025						6		
Investment Review Webinar - Equity (LCIV)	06/08/2025	1							
Quarterly Portfolio Review - Equities (Fisher)	26/08/2025	1							
2025 LGPS Valuations - Hymans Robertson	02/09/2025	1	1						
SAB Conference	22/10/2025	5							
Addressing the Cyber Insurance Protection Gap in the Age of AI (AON)	23/10/2025	1							
Tri Borough Training Morning	30/10/2025	4							
<b>Other Training Hours</b>			5.95				1.5		
<b>Total Training Hours January-December 2025</b>		22	10.95	2	0	2	10.5	26.5	15
<b>*Required Minimum PB Annual Training Hours (14 Hours)</b>		14	14	14	14	14			
	<b>Keys</b>								

\*Following the training needs assessment suitable knowledge was either demonstrated in these areas or completed in previous years.

7.2 The Board will continue training as required during 2026 to address any emerging issues and to ensure it is up to date with any regulatory or guidance requirements or outcome from the governance review.

7.3 In line with the Training policy Board members are required to undertake 14 hours of training annually.

## 8 Work Plan

The workplan below sets out the tasks undertaken by the Pension Board during 2025

Meetings	Specific topics
05 February 2025	<ul style="list-style-type: none"> <li>• Board appointment matters</li> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• Draft LPB Annual Report</li> <li>• Governance including General Code of Practice</li> <li>• Draft Cyber Policy</li> <li>• Draft EDI Policy</li> <li>• Update on Fit for the future consultation</li> <li>• Update on Inheritance Tax Consultation (HPS)</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>
23 April 2025	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• Governance – Pensions Dashboard, EDI Policy update, Cyber Security Policy</li> <li>• Workplan</li> <li>• Effectiveness of Pension Board</li> <li>• Review of Pension Committee Reports</li> </ul>
09 July 2025	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• General Code &amp; Good Governance Update – EDI, Cyber Security, Breaches log update and McCloud Remedy Implementation</li> <li>• Governance including Code of Practice</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>
5 November 2025	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• Governance</li> <li>• Workplan</li> <li>• Review of Effectiveness of Pension Board</li> <li>• Cyber Security strategy Update</li> <li>• EDI Policy Update</li> <li>• PDP (Pensions Dashboard Programme) Update</li> </ul>

	<ul style="list-style-type: none"> <li>• Breaches log update</li> <li>• Review of Pension Committee Reports</li> </ul>
--	--

The 2026 future workplan of the Board is set out below.

<b>Meetings</b>	<b>Specific topics</b>
04 February 2026	<ul style="list-style-type: none"> <li>• Election of Board Chair</li> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• Draft LPB Annual Report</li> <li>• Governance Including General code of Practise</li> <li>• Cyber Update</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>
08 April 2026	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Review of Effectiveness of the Board</li> <li>• Training Update Report</li> <li>• Governance Including General code of Practise</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>
22 July 2026	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Training Update Report</li> <li>• Governance Including General code of Practise</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>
4 November 2026	<ul style="list-style-type: none"> <li>• Pension Administration &amp; Performance</li> <li>• Election of Employer/Scheme Rep</li> <li>• Training Update Report</li> <li>• Governance Including General code of Practise</li> <li>• Workplan</li> <li>• Review of Pension Committee Reports</li> </ul>

## **9 Expenses**

The Board incurred expenses of £135 in relation to its operations in 2025. (This does not include the standard governance support fees)