

**Oxfordshire Pension Fund: Business Plan 2021/22**

**Service Manager - Pensions: Sean Collins**

**Service Definition:**

- To administer the Local Government Pension Scheme on behalf of Oxfordshire County Council

**Our Customers:**

- Scheduled scheme employers e.g. County Council, District Councils, Oxford Brookes University, other Colleges and Academies
- Designating scheme employers e.g. Town & Parish Councils
- Community Admission Bodies e.g. charitable organisations with a community of interest
- Transferee Admission Bodies i.e. bodies where services have been transferred on contract from County or Districts
- Contributory Employees
- Pensioners and their Dependants
- Council Tax payers

**Key Objectives:**

- Administer pension benefits in accordance with the LGPS regulations
- Achieve a 100% funding level;
- Ensure there are sufficient liquid resources available to meet the Fund's liabilities and commitments; and
- Maintain as nearly a constant employer contribution rate as is possible.

## Part A: Service Activities

Service Activity	Outputs	Outcomes
<b>Investment Management</b>		
Management of the Pension Fund Investments	<p>The Fund is invested in assets in accordance with the Committee's wishes.</p> <p>The Fund's assets are kept securely.</p> <p>Quarterly reports to the Pension Fund Committee.</p>	Pension Fund deficit is minimised by securing favourable returns on investments (compared to benchmarks).
Management of the Pension Fund Accounts	Completion of the Annual Report and Accounts.	No adverse comments from the Fund's auditors.
Management of the Pension Fund Cash	<p>Cash management strategy and outturn reports.</p> <p>Cash Managed in accordance with the strategy.</p>	The Pension Fund cash is managed securely and effectively.
<b>Scheme Administration</b>		
Management of the Pension Fund Administration	<p>The administration procedures are robust and in accordance with regulations and service standards</p> <p>Changes to regulatory framework of the scheme</p>	<p>The workload is completed &amp; checked in accordance with regulations and procedures. Work is completed within specified time scales</p> <p>No adverse comments from the Fund's auditors, and the Pension Regulator</p> <p>Implementation of actions arising from regulation changes</p>

## Part B – Service Priorities

Objective	Actions	Measures of Success
<p>Deliver key progress on the implementation of the Climate Change Policy</p>	<p>Agree the benchmark carbon emission scores and targets for the equity and fixed income portfolios.</p> <p>Work with Brunel to identify suitable metrics and benchmarks for the remaining portfolios and set targets for improvements.</p> <p>Develop suitable metrics for the assessment of the engagement and voting programme.</p> <p>Agree and implement a suitable metric for assessing the amount of positive climate change investments undertaken within the Fund and agree a target for improvement.</p>	<p>Metrics, benchmarks and targets in place for all portfolios to assess progress against the 7.6% per annum reduction in carbon emissions.</p> <p>Metrics, benchmarks and targets in place to assess progress in investing in climate solutions.</p> <p>Robust arrangements in place to assess the effectiveness of the current engagement and voting process in advance of the 2022 stocktake.</p>
<p>Deliver further improvements to the governance arrangements of the Fund</p>	<p>Implement any changes to the Committee constitution.</p> <p>Develop clear and robust roles and responsibility guidance for the Committee and Pension Board including rules for engagement and escalation.</p> <p>Develop and implement a full training programme including mechanisms to assess the effectiveness of the training and the engagement of Committee and Board members.</p> <p>Review the future agendas of both the Pension Fund Committee and Pension Board to ensure these align with the key responsibilities of the respective Boards and allow sufficient time for discussion of all items</p>	<p>New Committee constitution in place.</p> <p>New ways of working for the Committee and Board in place and increased satisfaction scores reported by Committee and Board members.</p> <p>Full training programme in place, with levels of engagement and skills and knowledge scores increasing.</p>

<p>Further improve the data management arrangements between the Fund and both scheme employers and scheme members.</p>	<p>Develop a project plan for the collection of the data required as a result of the McCloud judgement, including decisions on risks and the approach where data is not easily accessible. Review the implementation of the iConnect to ensure it is working effectively for both scheme employers and the administering authority. Continue to roll out increased self-help functionality as part of Members Self-Service (MSS).</p>	<p>Improving customer scores recorded in satisfaction surveys.  Increased take up of MSS  Further improvements in Data Quality Scores.  Clear policy in place for calculating benefits where underpin benefits cannot be established due to missing data.</p>
<p>Review the arrangements with Brunel to ensure these are aligned with the Committee's statutory duties following transition of the majority of the Funds assets to Brunel portfolios.</p>	<p>Work with colleague Funds within Brunel to review current reporting arrangements.  Establish a timetable of regular performance monitoring meetings with Brunel and the Committee/Officers.</p>	<p>All investment portfolios deliver long term performance in line with their specifications.  High confidence/satisfaction expressed by Committee members in next Client Survey.</p>

## Part C. Budget:

	<b>2021/22 Budget</b>	<b>2020/21 Budget</b>
	<b>£'000</b>	<b>£'000</b>
<b>Administrative Expenses</b>		
Administrative Employee Costs	1,335	1,391
Support Services including ICT	812	694
Printing and Stationery	82	72
Advisory and Consultancy Fees	165	165
Other	59	59
	<b>2,453</b>	<b>2,381</b>
<b>Investment Management Expenses</b>		
Management Fees	11,316	10,374
Custody Fees	25	25
Brunel Contract Costs	1,065	1,028
	<b>12,406</b>	<b>11,427</b>
<b>Oversight and Governance</b>		
Investment Employee Costs	263	259
Support Services Including ICT	12	11
Actuarial Fees	190	160
External Audit Fees	40	35
Internal Audit Fees	16	15
Advisory and Consultancy Fees	89	106
Committee and Board Costs	61	50
Subscriptions and Membership	58	50
	<b>729</b>	<b>686</b>
<b>Total Pension Fund Budget</b>	<b>15,588</b>	<b>14,494</b>

## **Part D – Committee Training Plan**

### Mandatory Training

All Members to have completed either:

LGA Fundamentals 3 Day Training or  
On-Line Pension Regulators Trustee ToolKit – 5 core modules and 4  
modules specific to managing a defined benefit scheme,

within 1 year of joining the Committee

Plus

A minimum of 2 days external training or attendance at relevant pension  
conferences (or equivalent) each year.

### Specific Training for 2021/22

To be reviewed following results of May 2021 elections and the formation of the  
new Committee.