



Oxfordshire Pension Fund Administration Strategy Statement

Version: April 2019

Contents

1. Introduction	3
2. Legislative background.....	4
3. Purpose of this Strategy	5
4. Constituent Documents of the Strategy.....	6
5. Development areas	7
6. Supporting information for employers.....	8
7. Performance framework	9
7A. Performance Standards - Scheme Employer.....	9
7B. Performance Standards – Scheme Manager (Administering Authority)	13
8. How is Administration Performance Monitored?	17
9. Scale of Charges.....	18
10. Communications Policy	19
11. Escalation Process.....	20

1. Introduction

Oxfordshire County Council (the administering authority) as the scheme manager for the Oxfordshire Pension Fund (the 'Fund') has prepared this administration strategy ('the Strategy') in line with the Local Government Pension Scheme Regulations (LGPS) and the Code of Practice No 14 issued by the Pension Regulator (TPR)

This strategy prepared within the statutory framework covers

- the information which the Fund must provide,
- outlines where the Fund can recover costs following unsatisfactory employer performance, and
- outlines where the fund may make additional charges for work carried out beyond the general requirements included in the employer contribution rate.

The Fund is revising the Strategy to promote and ensure adoption of best practice and compliance with standards set by the Pensions Regulator regarding data quality, completeness and timeliness. This revised Strategy builds in more detail to incorporate the changed benefit structure of the 2013 regulations, changes to working practices, statutory time limits and the requirement for public service pension schemes to deliver efficiencies.

This version also introduces a wider schedule of charges for non-statutory administrative services and the ability to recover costs incurred by the Fund as a result of an employer not meeting the required pension performance standards.

This document follows consultation with employers and the Local Pension Board setting out a framework outlining the policies, statutory requirements and performance standards for the fund and fund employers to achieve a cost-effective and high-quality pension administration service. These standards apply to all scheme employers.

This document will be reviewed annually following consultation with Scheme Employers and Local Pension Board, if there are any changes.

A copy of the Strategy will be circulated to all employers, available on the fund website and sent to the Secretary of State.

2. Legislative background

LGPS Regulations 2013

The Fund and its Employers must have regard to this Strategy when carrying out their Scheme functions, and Regulation 59 sets out requirements to facilitate best practice and efficient customer service in respect of the following:

- The levels of performance which the administering authority and its Employers are expected to achieve in carrying out their Scheme functions
- Ensuring the Fund and its Employers comply with statutory requirements in respect of those functions
- Improving the communication between the administering authority and its employers of information relating to those functions

The Strategy includes a schedule of additional administration charges, in Section 9, Regulation 4(5) of the LGPS (Management and Investment of Funds) Regulations 2016 which provides scope for Funds to levy charges where disproportionate costs are being incurred for additional administration tasks relating to individual members or specific employers.

The Strategy outlines the circumstances where financial penalties will be incurred. Written notice will be provided to employers in accordance with Regulation 70 for recovery of Fund costs and the Fund's 'escalation process'.

Levels of performance achieved, by both Fund and Scheme Employer, are reported as part of the Pension Administration Report at each Pension Fund Committee and Local Pension Board meeting and documented in the Fund's Annual Report and Accounts.

3. Purpose of this Strategy

The purpose of the Strategy is to ensure the fund and employers understand their respective roles and responsibilities under the LGPS Regulations to deliver the administrative functions.

These responsibilities include, but are not limited to:

- Operating the Fund in accordance with LGPS regulations and the Pension Regulator Code of Practice in demonstrating compliance and scheme governance;
- Implementing communication processes to enable both the Fund and Scheme Employers to proactively and responsively engage with each other and partners;
- Maintaining accurate records for calculating pension entitlements and employer liabilities;
- Ensuring all information and data is communicated accurately, on a timely basis and is secure and compliant;
- Ensuring the Fund and Scheme Employers have appropriate skills and that training is in place to deliver the required service;
- Setting and monitoring standards to comply with the relevant regulations;
- Developing of digital administrative services to promote and streamline processes and minimise service costs.

4. Constituent Documents of the Strategy

With an increasing number of fund employers, the supply and exchange of accurate and timely information is vitally important, to ensure effective management of liabilities. In addition, the Fund must demonstrate heightened governance and administrative efficiency to comply with the Pensions Regulator's Code of Practice.

The following documents support the Strategy in meeting the governance and administrative objectives:

Performance framework (see section 7)

- Incorporates service level agreements
- Outlines roles and responsibilities of the Fund, the Scheme Manager and Fund Employers
- Development of new technologies to build effective working of the Fund and enables both the Fund and Employers to deliver continuous improvement and move to a higher standard of service

Scale of charges (see section 9)

- Sets out the charges for non-statutory and additional work and part of escalation policy following the failing performance.

Communications policy (see section 10)

- Ensures members have accessible and timely information on all aspects of their pension benefits and informs them of decisions in respect of entitlements
- Enables employers to make effective decisions in the management of risks and liabilities, and encourage engagement in the wider pension debate
- Encourages engagement in the wider pension debate through regular meetings and training to support Scheme employers and continue to enhance staff knowledge and skills.

Escalation process (see section 11)

- Provides a clear guide to the process the Fund will adopt following a failure to resolve issues or to comply with legislation, from first reminders to invoicing for fines.

5. Development areas

The Fund's administration processes are undergoing major changes led by automatic data transfer and member on-line access.

Member online access

The Fund is actively promoting *My Oxfordshire Pension*, the secure on-line portal which allows members, (active, deferred or pensioner) to view pension records and scheme documents.

The expectation is that *My Oxfordshire Pension* will become the default method of fund communication with members and improvement in customer service and information exchange is expected. Employers are asked to encourage their employees to register for this service.

Automatic data transfer (i-Connect)

The Pension Fund Committee has set a deadline, of August 2020, for digital transfer of data from all fund employers. The Fund performance schedule will reflect this in a later review. We are building training and assistance for employers in to this development process.

6. Supporting information for employers

Fund Employers should nominate a pension liaison contact who will be the primary contact for the Fund on pension issues. The Fund should be advised of any changes to the nominated personnel as they occur.

The Scheme Manager will:

- Send a monthly newsletter – Talking Pensions – to all nominated contacts.
- Hold quarterly Scheme Employer meetings to discuss current pension issues.
- Hold quarterly administration training sessions for new Scheme Employers.
- Provide ad-hoc training / information sessions as requested.
- Maintain the pension website at www.oxfordshire.gov.uk/pensions for Scheme Employers, including links to national websites.

The full Communication Policy can be found in Section 10.

Information for employers is also available online:

- at <https://www.oxfordshire.gov.uk/business/pensions/employer-toolkit>
- on the national website www.lgpsregs.org for:
 - Detailed HR and Payroll guides
 - Automatic enrolment guide

7. Performance framework

7A. Performance Standards - Scheme Employer

The following tables set out the Scheme Employers' Duties and Responsibilities:

Function/Task	Performance Target
Governance	
Designate a named individual to act as the main contact for any aspect of administering the LGPS.	Within 30 days of becoming a scheme employer or within one month of the change in officer role
Complete and return an "Employers Contact Form" detailing Authorised Signatories. Form available at: www.oxfordshire.gov.uk/employerforms	Within 30 days of becoming a scheme employer or within one month of the change in officer role
Confirm designated contact information for officers authorised to perform key policy decisions and administrative roles in the organisation	Within 30 days of becoming a scheme employer or within one month of the change in officer role
Appoint person for stage 1 of the Adjudication of Dispute process (AoD) and provide full up to date contact details to the Fund	Within 30 days of becoming a scheme employer or within one month of the change in officer role
Notify the Fund of the receipt of a complaint under the AoD process	Within 7 days of receiving the complaint
Notify the fund when the stage1 decision has been issued	Within 7 days of making the determination
Appoint an Independent Registered Medical Practitioner (IRMP) qualified in Occupational Health Medicine or arrange to contract to a third party to consider all ill health retirement applications and agree appointment with the Scheme Manager. www.oxfordshire.gov.uk/employerforms	Within 30 days of becoming a scheme employer or within one month of the change in officer role
Formulate, publish and keep under review policies in relation to all areas where the scheme employer may	A copy of the policy document is to be submitted to the Fund within 30 days of becoming a scheme employer or within

Function/Task	Performance Target
exercise discretion within the LGPS	one month of a change in policy.
Distribute any information the Fund provides for scheme members / potential scheme members	In a timely manner as required
Financial Administration	
Ensure correct employee contribution rate is determined each scheme year in line with the appropriate contribution banding	Prepare policy within 30 days of becoming a scheme employer setting out how and when employee contribution rates will be adjusted. Advise scheme members of the policy
Submit employer and employee contributions and the monthly contribution return to the Fund Investment Team	All payments to reconcile with monthly contribution return and monies cleared in bank by 19 th of month following deduction (earlier date when 19 th falls on weekend or bank holiday) Under the Pensions Act 2004 and the Public Service Pensions (Record keeping and Miscellaneous Amendments) Regulations 2014, the Pension Regulator may be notified if the above measurement is not met
Implement changes to employer contribution rates as instructed by the Fund at the date specified by the Fund Actuary	In line with the Rates and Adjustment Certificate / Contributions Report issued by the Fund's Actuary
Ensure and arrange for the correct deduction of employee contributions from a member's pensionable pay including any period of child related leave, trade dispute or other forms of leave of absence from duty	As per your payroll cycle
Manage the deduction of all additional contributions or amend such deductions, as appropriate	As required
Arrange for the deduction of AVC's and payment over of contributions to the Prudential and inform the Fund as required.	All payments to reconcile with the provider's monthly contribution return and monies cleared in bank no later than 19 th of month following deduction (earlier date when 19 th falls on weekend or bank holiday)

Function/Task	Performance Target
Advise Fund of any opt outs within first three months (when contributions are refunded through payroll)	By 19 th of the month following payroll
Remit additional fund payments in relation to early payment of benefits from flexible retirement, redundancy or business efficiency retirement or where a member retires early with employer's consent and a funding strain cost arises	As per invoice issued by the Fund
Remit recharge payments in respect of pension members e.g. Compensatory Added Years	As per schedule sent at start of year. We will send separate letters for any variation
Make payments in respect of FRS102 and IAS19 work carried out on behalf of Scheme employers by the Fund's Actuary and Investment Team	As per invoice issued by the Fund
Make payments in respect of all other work carried out on behalf of Scheme Employers by the Fund's Actuary and connected data quality assurance undertaken by the Fund's Administration Team	As per invoice issued by the Fund
Alternative Service Delivery Models / TUPE Transfer – New Employer	
Notify the Fund of contracting out services which will involve a TUPE transfer of staff to another organisation so that information can be provided to assist in the decision	As soon as possible ahead of any tender process
Notify Fund of lead decision making and operational officers in circumstances where a prospective new scheme employer or admitted body may request to join the Fund following re-organisation or TUPE transfer	At commencement of business review / ahead of any tender process
Work with Fund Officers to arrange for the admission agreement to be put in place	A minimum of 90 days in advance of the date of the contract
Notify the Fund if the employer ceases to admit new scheme members or is considering terminating membership of the Fund	As soon as the decision is agreed

Function/Task	Performance Target
Member Information / Data Quality and General Administration	
Provide information requested on monthly data return (MARS / i-Connect) including starters, leavers, CARE pay and changes in employees' circumstances	By 19 th month following payroll
Maintain records of final pay details in line with 2007 Regulations definition of final pay	To be maintained for all members with pre-2014 membership
Keep pay information to comply with any Regulation 10 decisions	To be maintained for all members until after benefits have been brought in to payment in line with prevailing data protection regulation
Provide new joiners / prospective members with information about LGPS; how contributions are assessed by employer, who to contact, in their organisation. www.lgpsmember.org/ www.oxfordshire.gov.uk/pensions	At date of appointment
Submit an annual end of year return in specified format including breakdown, per employee, of contributions deducted; FTE pay and service related data to feed in to the valuation; GAD cost sharing mechanism; annual benefit and pension saving statements for members. This data should be provided for each scheme member for each employment they hold	By 30 th April following end of year, subject to i-Connect
Scheme employers are responsible for the completeness and accuracy of the data submitted to the Fund. Any queries will be referred back to the scheme employer	To fully answer all queries from the Fund within 10 working days Note: if returns are not received at right time then timescales for queries may be shorter than 10 days.
Keep the Fund up to date with member events which may affect their pension entitlement such as child related leave, death or divorce	Within a reasonable timescale

Function/Task	Performance Target
Auto-enrolment – ensure that any staff who are not scheme members are auto-enrolled	within statutory deadline

7B. Performance Standards – Scheme Manager (Administering Authority)

The following table sets out the Scheme Manager’s Duties and Responsibilities:

Function/Task	Performance Target
Governance	
Regularly review the Funds’ Pension Administration Strategy and consult with all scheme employers	Annual review and revise following any material changes in policies relating to the strategy
Review the Fund’s Funding Strategy Statement at each valuation, following consultation with scheme employers and the Fund’s Actuary	Publish by 31 March following the valuation date, or as required
Review the Fund’s Communication Policy	Annual review and publish within 30 days of any revision to the policy being agreed by the Pension Fund Committee
Review the Fund’s Governance and Compliance Statement	Annual review and publish within 30 days of any revision to the policy being agreed by the Pension Fund Committee
Formulate and publish policies in relation to all areas where the Scheme manager may exercise a discretion within the scheme	Annual review and publish within 30 days of any revision to the policy being agreed by the Pension Fund Committee
Publish the fund’s Annual Report & Accounts	By 30 September following the year end or following the issue of the Auditor’s opinion
Notify the Scheme Employer of issues relating to the Scheme Employer’s unsatisfactory performance	If no response to request for information received in 10 days; second request marked “escalation” to be issued; if no response within 10 days third request issued and matter referred for fine / reporting to Pension Regulator

Function/Task	Performance Target
Financial Administration	
Consult with Scheme Employers on the outcome of the valuation	60 – 90 days in advance of signing the final Rates and Adjustment Certificate
Notify Scheme Employers of contribution requirements for 3 years effective from April following the actuarial valuation date	At least 30 days before signing final Rates and Adjustment Certificate
Notify new Scheme Employers of their contribution requirements	Within 60 days of receipt of data profile for submission to the Fund Actuary
Carry out termination valuations on admitted bodies / Scheme Employers ceasing participation in the Fund	Within 60 days of receipt of termination from exiting Scheme Employer
Notify Scheme Employer of decision to recover additional costs associated with the Scheme Employer's unsatisfactory performance	Within 10 working days of Scheme Employer failure to improve performance as agreed
Alternative Service Delivery Models / TUPE Transfer - New Employers	
Arrange for the setting up of separate admission agreement / new Scheme Employers including the allocation of assets and notification to the Secretary of State	Within 90 days of all necessary information being received
Arrange for all new prospective admitted bodies / new Scheme Employers to undertake, to the satisfaction of the Fund, a risk assessment of the level of bond or guarantee required to protect other Scheme Employers participating in the Fund	To be completed prior to the body being admitted. Timings predicated on timely submission of staff profile information for submission to the Fund Actuary
Undertake a review of the level of bond/guarantee to protect other Scheme Employers	Annual review or upon material change in a Scheme Employer's structure
Member Information/Data Quality and General Administration	
Provide support for Scheme Employers through a dedicated page on website; monthly newsletter; forums; quarterly meetings; quarterly training sessions and ad hoc bulletins and alerts	Dates published in monthly newsletter

Function/Task	Performance Target
Organise quarterly training sessions on Scheme Employer's roles and responsibilities	Provide quarterly
Notify Scheme Employers and Scheme Members of changes to the scheme regulations	Within 60 days of a regulatory change
Produce Annual Benefit Statements (ABS) to active and deferred Scheme Members as at 31 March each year	By 31 August following end of year
Produce and issue Pension Saving Statements (PSS) to Scheme Members who have exceeded their annual allowance	By 6 October following end of year (subject to receipt of all relevant information from the Scheme Employer)
Publish and keep up to date all forms required for completion by Scheme Employers or Scheme Members	Within 30 days of having all information of the revision
Issue and keep up to date links to web-based Scheme Employer guides	Within 30 days of any revision
Set up new scheme joiners and issue PPF	Within 40 working days of receipt of all information
Process changes in Scheme Member's circumstances which may impact on pension benefits	Within 10 working days of receipt of all information
Process transfer in quotations	Within 10 working days of receipt of all information
Transfer notification of credited membership / accrued pension account to be notified to the Scheme Member	Within 10 working days of receipt of all information
Process transfer out quotations	Within 10 working days of receipt of all information
Process transfer out payments	Within 10 working days of receipt of all information
Determine necessary category in relation to aggregation/interfund cases and issue notification to member of service credit and accrued pension account	Within 40 working days of receipt of all information
Process divorce quotation	Within 10 working days of receipt of all

Function/Task	Performance Target
	information
Member Information/Data Quality and General Administration	
Notify the Scheme Employer of any Scheme Member's election to pay additional pension contributions (APC) including all information to enable deductions to be made	We ask members to return their application to their employer for assessment of any shared costs. We notify employer within 10 working days of receipt of all information
Process Scheme Member requests to pay, amend or cease additional voluntary contributions (AVC)	Within 10 working days of receipt of all information
Process deferred benefits for payment	Within 40 working days of receipt of all information
Process refund of contributions	Within 10 working days of receipt of all information
Provide member estimate of benefits	Within 10 working days of receipt of all information
Provide retirement options to Scheme Member	Within 10 working days of receipt of all information
Process payment of retirement benefits	Within 10 working days of receipt of all information
Acknowledgement of death	Within 5 working days
Process payment of death grant	Within 10 working days of receipt of all information
Notify dependents of benefits due	Within 10 working days of receipt of all information
Reply to general enquiries – Scheme Member	Within 10 working days of receipt of all information
Produce and send end of year queries to Scheme Employers	Within 30 days of receipt of all information
Provide bulk estimate data to Scheme Employers	As agreed at time of request

*All performance targets relating to payments exclude BACS processing period

8. How is Administration Performance Monitored?

- The Fund will work collaboratively with Scheme Employers towards
 - meeting the TPR's code of practice,
 - complying with the regulations and
 - delivering quality benefits paid accurately and on time to Scheme Members.

- This cannot override the statutory responsibility all employers accept as Scheme Employers, who must ensure adequate resources to enable them to fulfil these duties.

- The performance indicators set out in this document are monitored internally and reported to the Pension Fund Committee and the Local Pension Board on a quarterly basis. Copies of these reports are available online at www.oxfordshire.gov.uk

- Both the Pension Fund Committee and the Local Pension Board, which has both Scheme Employer and Scheme Member representation, will scrutinise and challenge performance in meeting these standards.

- Scheme Employers can either contact an employer representative on the Local Pension Board or the Pension Services Manager should they wish to raise any comment regarding the Fund's performance as set out in this document.

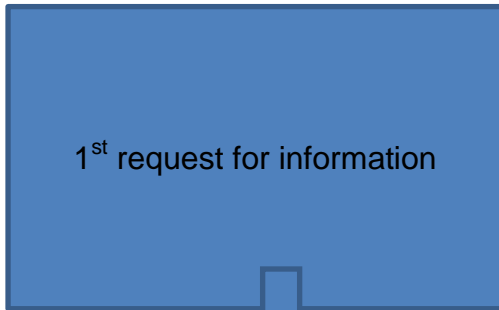
9. Scale of Charges

Event	Charge levied
Making payment to Oxfordshire County Council bank account rather than Oxfordshire Pension Fund bank account	£75 per return
Late receipt of contributions	Interest at 1% above bank rate as per regulation 71
Failure to provide contribution return by 19 th of month following deduction	£150 per return
Failure to provide MARS / i-Connect return by 19 th of following month	£150 per return
Failure to provide End of Year return by 30 th April	£150 per return
Failure to provide information requested within 10 working days.	£75 per request
Re-do of work due to incorrect information supplied by scheme employer	£75 per return
Where a retirement payment is paid late due to scheme employer providing information	The interest payable will be recharged to the scheme employer
Bespoke administration work	£35 per hour

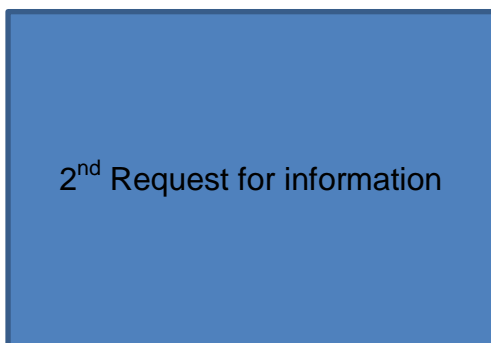
10. Communications Policy

The Communications Policy is undergoing its annual review and will be inserted here once it is complete.

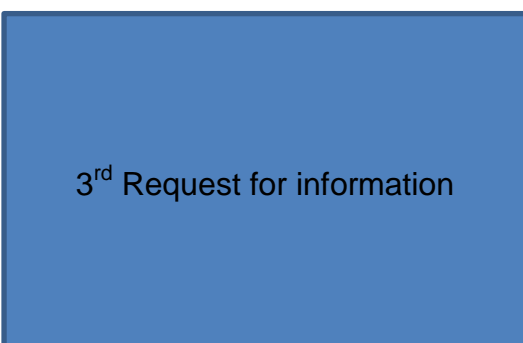
11. Escalation Process



10 Working Days



10 Working Days



- E-mail to the scheme employer, with a copy to the 3rd party provider.
- Individual requests to be saved to member's Altair record.
- Bulk requests to be saved in employer e-mails folder. Please number accordingly.

- This e-mail must show '**Escalation**' in the subject line.
- Include link to administration strategy.
- Be reasonable with time scales, but mindful of statutory deadlines.
- Individual chases to be saved to member's Altair record.
- Bulk chases to be saved in employer e-mails folder. Please number accordingly.

- Label the e-mail as '**Escalation**' in the subject line.
- Send to senior escalation point and copy to any previous contacts.
- Copy to employer team / instruct to raise invoice

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For bulk requests also escalate to senior pensions management.

For individual chases; escalate to your line manager after 5 days.

- Include link to administration strategy.
- Do not stop chasing information.
- Individual chases to be saved to member's Altair record.
- Bulk chases to be saved in employer e-mails folder. Please number accordingly.
- Senior Management to make decision on reporting a breach to the Pensions Regulator where required.

Scheme Employers can escalate issues to the Fund by raising the matter with:

- The appropriate Team Leader
- The Pension Services Manager – Sally Fox
- The Head of Pensions – Sean Collins

If there are continuing concerns or failure to resolve the issues then a breach report can be made to The Pension Regulator