

## Administration Strategy – Annex 7

### Introduction

Oxfordshire County Council Pension Fund has prepared this administration strategy to set out their role and responsibilities as the Scheme Manager (referred to in this document as the Administering Authority) and the role and responsibility of all Scheme Employers to ensure effective administration of the Local Government Pension Scheme. Thereby ensuring that both the Administering Authority and the Scheme Employers meet the statutory requirements of the regulations and work to agreed levels of performance so that scheme members can have confidence in the information and service that they receive.

### Regulatory Framework

This strategy is prepared in line with regulation 59 of The Local Government Pension Scheme Regulations 2014, which includes

- (a) procedures for liaison and communication with Scheme employers in relation to which it is the **administering authority** ("its Scheme employers");
- (b) the establishment of levels of performance which the **administering authority** and its Scheme employers are expected to achieve in carrying out their Scheme functions by—
  - (i) the setting of performance targets,
  - (ii) the making of agreements about levels of performance and associated matters, or
  - (iii) such other means as the **administering authority** considers appropriate;
- (c) procedures which aim to secure that the **administering authority** and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;
- (d) procedures for improving the communication by the **administering authority** and its Scheme employers to each other of information relating to those functions;
- (e) the circumstances in which the **administering authority** may consider giving written notice to any of its Scheme employers under **regulation 70 (additional costs arising from Scheme employer's level of performance)** on account of that employer's unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under sub-paragraph (b);
- (f) the publication by the **administering authority** of annual reports dealing with—
  - (i) the extent to which that authority and its Scheme employers have achieved the levels of performance established under sub-paragraph (b), and
  - (ii) such other matters arising from its pension administration strategy as

it considers appropriate; and

- (g) such other matters as appear to the **administering authority** after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in that strategy.

## Communication and Liaison

Scheme employers are required to provide contact details of nominated staff dealing with pension issues. The scheme employer is required to notify Oxfordshire County Council Pension Fund of any changes as soon as they occur.

In line with the Oxfordshire County Council Pension Fund Communication Policy, the administering authority will:

- Send a monthly newsletter – Talking Pensions – to all nominated contacts.
- Hold quarterly 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](http://www.oxfordshire.gov.uk/pensions) for scheme employers, including links to national websites.

## Levels of Performance

The introduction of the CARE scheme from 01 April 2014 has changed the information scheme employers need to provide and way in which this is sent to the administering authority.

All scheme employers will have received a Monthly Administration Return Spreadsheet (MARS) to complete and return to [pension.services@oxfordshire.gov.uk](mailto:pension.services@oxfordshire.gov.uk) by the 19<sup>th</sup> of the month following payroll.

Payment and the return detailing the contributions deducted must be received by the Pension Investment Team ( [pension.contributions@oxfordshire.gov.uk](mailto:pension.contributions@oxfordshire.gov.uk) ) by 19<sup>th</sup> month following deduction.

The 2014 regulatory provisions require scheme employers to maintain information, in line with the definitions of the 2008 scheme regulations, for all staff to be reported at end of year.

Scheme employers are required to produce a written statement, for their staff, setting out how employee contribution rates will be assessed and reviewed.

Scheme employers must provide Oxfordshire County Council Pension Fund with end of year data as at 31 March each year in line with the format provided by 30 April, to enable reconciliation of the data and the production of annual benefit statements to scheme members.

Oxfordshire County Council Pension Fund is not responsible for verifying the accuracy of the data, provided by the scheme employer, to be used in the calculation of benefits or provision of information to scheme members. This responsibility rests with the scheme employer and any queries arising will be referred back to the scheme employer.

Any overpayments arising from incorrect information will be recovered from the scheme employer.

A **Scheme employer** must prepare a written statement of its policy in relation to the exercise of its functions under LGPS 2013 regulation 60 (1): -

- (a) 16(2)(e) and 16(4)(d) (funding of additional pension);
- (b) 30(6) (flexible retirement);
- (c) 30(8) (waiving of actuarial reduction); and
- (d) 31 (award of additional pension)

And such other policies which are still operational under previous regulations.

Oxfordshire County Council Pension Fund will, in addition to providing regular information about the operation of the scheme via its newsletter and website work with scheme employers to provide accurate and timely information to scheme members.

Performance indicators are detailed in the attached Service Level Agreement. All Performance Levels are subject to the timely provision of draft regulations, guidance and financial factors from the Government, and the Government's Actuarial Department.

Headline performance data is posted on the website and a full report will be made to the Pension Fund Committee each August.

The administering authority is required to prepare, maintain and publish the following policy statements:

- Communications
- Administration Strategy
- Exercise of Discretionary Powers

Copies of the current policy are available on the website

## Payments & Charges

Payment of all contributions, with the exception of AVCs, deducted each month should be paid to the Oxfordshire County Council Pension Fund bank account. Payment and the return detailing the contributions deducted must be received and cleared through the account by the Pension Investment Team by 19<sup>th</sup> month following deduction.

AVC contributions should be paid directly to the scheme's AVC provider – The Prudential.

Employers will be sent a separate invoice for any early strain costs arising from redundancy, early or flexible retirement, or the waiving of any actuarial percentage reductions along with a proposed payment schedule. Early strain costs arising from ill-health retirements will not be charged directly, but assessed as part of the triennial valuation exercise.

Interest on late payments will be charged at 1% above base rate and compounded with three-monthly rests in line with Regulation 71.

The schedule of charges is:

Making payment to OCC bank account rather than OCC Pension Fund bank account	£50
Late receipt of contributions	Interest at 1% above bank rate as per regulation 71
Failure to provide contribution return by 19 <sup>th</sup> month following deduction	£50 + £25 each time information is chased
Failure to provide MARS return by 19 <sup>th</sup> month	£50 + £25 each time information is chased
Failure to provide End of Year return by 30 April	£50 per working day
Failure to provide information requested within 10 working days.	£50

Note: The Pension Fund will only seek to impose charges where there are clear breaches by scheme employers of their responsibilities. The fund reserves the right to waive charges where a scheme employer is deemed to be acting reasonably in the discharge of their responsibilities, or where exceptional circumstances have led to the charge.

## Review of Strategy

This strategy will be reviewed annually or earlier if there are material changes.