

Oxfordshire County Council Pension Fund Administration Strategy Statement

Introduction

Oxfordshire County Council Pension Fund has prepared this administration strategy in line with Regulation 59 and Regulation 70 of the Local Government Pension Scheme Regulations 2014.

All scheme employers are being asked to sign up to the administration strategy by 31 December 2014 and to comply with the standards set out in the service level agreement. It should be noted that under the LGPS regulations the terms of this strategy will apply to all employers whether they have signed up, or not. However, we would much rather work with employers to provide a service in which scheme members can have confidence.

Purpose

This policy sets out the role and responsibilities of Oxfordshire County Council Pension Fund 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.

Aim

The 2014 Regulations more clearly set out what information scheme employers are required to submit for the administration of LGPS 2014 and what records scheme employers are required to maintain, in line with the definitions of the 2008 scheme regulations, thereby ensuring that both the Administering Authority and the Scheme Employers meet the statutory requirements of the regulations.

Documents Making Up the Strategy

Service Level Agreement, setting out the roles and responsibilities of the Administering Authority and Scheme Employer; detailing the KPI which will be used in reporting performance.

Oxfordshire County Council Pension Fund's Communication Strategy

Scale of Charges – setting out what charges will be made in certain circumstances

The Agreement – setting out trigger points, the extent and manner in which Scheme Employer contribution rates will be varied under this strategy.

Review of Strategy

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

Service Level Agreement

The following tasks are the responsibility of the Administering Authority in administering the scheme. The timescale shown is from receipt of *all* information: -

Task	Timescale Working days	Target	Notes
New Entrants	20	95%	
Transfers in	10	90%	
Estimates (member)	10	90%	Limited to one request per annum
General Enquiry (member)	10	90%	
Transfers out	10	95%	
Retirement	10	95%	
Deferred Benefits	40	90%	
Refund of Benefits – Payment	10	95%	
Death	10	95%	
Divorce - PSO	10	95%	
Estimates (employer)	10	90%	
General Enquiry (employer)	10	90%	
APCs	10	90%	
Re-employments	40	90%	
Changes e.g. address; name	10	90%	
Pension Adjustments – PI; MOD; GMP	Payroll Deadline	90%	
Annual Allowance	10	90%	
Maternity / Unpaid	20	90%	

Employer responsibilities:-

<p>Decisions</p>	<ul style="list-style-type: none"> • Decide to whom to offer membership of the LGPS • Decide which employees to nominate for membership of the LGPS • Decide whether to extend the 12 month option period for non-aggregation of deferred benefits • Decide rate of employees' contributions
<p>Data retention and submission</p>	<ul style="list-style-type: none"> • Keep final pay details in line with 2008 definition of final pay • Keep pay information to comply with any Regulation 10 decisions • Submit monthly data return (MARS) to pension.services@oxfordshire.gov.uk by 19th of the month following payroll
<p>Data queries</p>	<p>Oxfordshire County Council Pension Fund is not responsible for verifying the accuracy of the data provided.</p> <ul style="list-style-type: none"> • Any queries arising will be referred back to the scheme employer. • Scheme employers will be responsible for recovering any overpayments arising from provision of incorrect information.
<p>Pay over monies due</p>	<ul style="list-style-type: none"> • Monthly contributions to be paid correctly and on time. Payment to clear OCC Pension Fund bank account by 19th of the month following payroll. Should the 19th fall on a weekend or bank holiday the deadline date changes to the preceding working day. • Deficit contributions • Rechargeable benefits • Retirement strain costs <p>All payments to be made to the Oxfordshire County Council Pension Fund A/C.</p> <p>All paperwork supporting payments to be submitted when payment is processed to : pension.contributions@oxfordshire.gov.uk</p>
<p>End of Year Returns</p>	<p>You <i>must</i> submit your end of year return by 30th April, after the end of each financial year.</p>

	<p>This return must include a figure for pensionable remuneration that reflects the full time equivalent pay (plus any other pensionable salary additions) for the period 01 April to 31 March of each tax year, in line with the 2008 definition of pay.</p>
<i>End of Year Errors</i>	<p>From April 2015 Oxfordshire County Council Pension Fund will be limited in its ability to carry out on the data submitted.</p> <ul style="list-style-type: none"> • Any queries arising will be referred back to the scheme employer • Scheme employers will be responsible for recovering any overpayments arising from provision of incorrect information.
Discretionary Policies	<p>Discretionary Policies must be</p> <ul style="list-style-type: none"> • Made within three months of a material change • Published • Reviewed • A copy of the discretionary policies must be sent to Pension Services
Pension Contacts	<p>Notify Pension Services of any new contact within one month of the change – form on website - https://www.oxfordshire.gov.uk/cms/content/pension-scheme-forms-employers</p>
Outsourcing of Services	<p>Scheme employers have a responsibility through either Fair Deal or Best Value Directions Orders to ensure that staffs pension rights are protected on transfer to another employer, even if the member is not currently in the pension scheme. Please contact Pension Services if you are considering outsourcing.</p>

Communication and Liaison

Scheme employers are required to provide contact details of any 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.
- Maintain the pension website at www.oxfordshire.gov.uk/pensions for scheme employers, including links to national websites.

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 19th month following deduction.

AVC contributions should be paid directly to the scheme’s AVC provider – The Prudential Assurance Company. A copy of the list should also be sent to Pension Services.

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 of The Local Government Pension Scheme Regulations 2013.

The schedule of charges is:

Making payment to Oxfordshire County Council bank account rather than Oxfordshire County Council 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 th month following deduction	£50 + £25 each time information is chased
Failure to provide MARS return by 19 th 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 per working day

Dated (Please write date)

(1) THE OXFORDSHIRE COUNTY COUNCIL PENSION FUND

And

(2) (EMPLOYER – Please write name of organisation)

The Agreement
In relation to the Oxfordshire County Council Pension Fund
County Hall
New Road
Oxford
OX1 1TH

Pensions Administration Strategy

This Agreement is made the day of 2014

Between:

- (1) **THE OXFORDSHIRE COUNTY COUNCIL PENSION FUND** of County Hall, New Road, Oxford OX1 1TH (the “Administering Authority”); and
- (2) **[Please write name]** of
[] (the “Employer”)

Background

(A) The Administering Authority is an administering authority. It administers and maintains the Fund in accordance with the Regulations.

(B) The Employer is a [community/transferee admission] body [listed in Schedule 2 of The Local Government Pension Scheme Regulations 2013.]. **[Please delete as appropriate]**

(C) In accordance with Regulation 59 of The Local Government Pension Scheme Regulations 2013, the Administering Authority has prepared the Pension Administration Strategy Statement setting out amongst other things the Service Level Agreement.

(D) In preparing the Pension Administration Strategy Statement, the Administering Authority consulted the employing authorities in the Fund (including the Employer) [and such other persons it considered appropriate]. The Administering Authority published the Pension Administration Strategy Statement and sent a copy of it to each of the employing authorities in the Fund (including the Employer) and to the Secretary of State.

(E) The Administering Authority will keep the Pension Administration Strategy Statement (including the Service Level Agreement) under review and will make such revisions as are appropriate following any material change in its policies in relation to any of the matters contained in the Pension Administration Strategy Statement.

(F) The Administering Authority and the Employer have agreed to enter into this Agreement to document their agreement to comply with and be bound by the terms of the Service Level Agreement.

Now it is agreed as follows:

Regulation Extract / Interpretation

Pension Administration Strategy

59. — (1) An **administering authority** may prepare a written statement of the authority's policies in relation to such of the matters mentioned in paragraph (2) as it considers appropriate ("its pension administration strategy") and, where it does so, paragraphs (3) to (7) apply.

(2) The matters are—

- (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.

(3) An **administering authority** must—

- (a) keep its pension administration strategy under review; and
- (b) make such revisions as are appropriate following a material change in its policies in relation to any of the matters contained in the strategy.

(4) In preparing or reviewing and making revisions to its pension administration strategy, an **administering authority** must consult its Scheme employers and such other persons as it considers appropriate.

(5) An **administering authority** must publish—

- (a its pension administration strategy; and
)
- (b where revisions are made to it, the strategy
) as revised.

(6) Where an **administering authority** publishes its pension administration strategy, or that strategy as revised, it must send a copy of it to each of its Scheme employers and to the Secretary of State as soon as is reasonably practicable.

(7) An **administering authority** and its Scheme employers must have regard to the pension administration strategy when carrying out their functions under these Regulations.

(8) In this regulation references to the functions of an **administering authority** include, where applicable, its functions as a Scheme employer.

Statement of Policy about exercise of Discretionary Functions

60. —(1) A **Scheme employer** must prepare a written statement of its policy in relation to the exercise of its functions under regulations—

- (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 an **administering authority** must prepare such a statement in relation to the exercise of its functions under **regulation 30(8)** in cases where a former employer has ceased to be a Scheme employer.

(2) Each **Scheme employer** must send a copy of its statement to each relevant **administering authority** before 1st July 2014 and must publish its statement.

(3) A body required to prepare a statement under paragraph (1) must—

- (a keep its statement under review; and
)
- (b make such revisions as are appropriate following a change
) in its policy.

(4) Before the expiry of a month beginning with the date any such revisions are made, each **Scheme employer** must send a copy of its revised statement to each relevant **administering authority**, and must publish its statement as revised.

(5) In preparing, or reviewing and making revisions to its statement, a body required

to prepare a statement under paragraph (1) must have regard to the extent to which the exercise of the functions mentioned in paragraph (1) in accordance with its policy could lead to a serious loss of confidence in the public service.

(6) In this regulation a relevant **administering authority** in relation to a Scheme employer, is any authority which is an appropriate **administering authority** for that employer's employees.

Additional costs arising from Scheme employer's level of performance

Please click [here](#) for a list of the Statutory Instruments which have amended this regulation since its introduction.

70. — (1) This regulation applies where, in the opinion of an administering authority, it has incurred additional costs which should be recovered from a **Scheme employer** because of that employer's level of performance in carrying out its functions under these Regulations.

(2) The **administering authority** may give written notice to the **Scheme employer** stating—

- (a) the administering authority's reasons for forming the opinion mentioned in paragraph (1);
- (b) the amount the authority has determined the **Scheme employer** should pay under **regulation 69(1)(d) (payments by Scheme employers to administering authorities)** in respect of those costs and the basis on which the specified amount is calculated; and
- (c) where the **administering authority** has prepared a pension administration strategy under **regulation 59**, the provisions of the strategy which are relevant to the decision to give the notice and to the matters in sub-paragraphs (a) or (b).

The Service Level Agreement

- With effect from the date of this Agreement, the Administering Authority and the Employer agree to use their best endeavours to comply with and be bound by the terms of the Service Level Agreement.
- In consideration of this Agreement the Administering Authority will charge the Employer a contribution towards the cost of the administration of the Fund which reflects the fact that compliance with the Service Level Agreement will result in greater efficiencies and lower administration costs for the Fund.
- If in the opinion of the Administering Authority the Employer has not complied with the terms of the Service Level Agreement the Administering Authority may charge the Employer a higher contribution towards the cost of the administration of the Fund.
- When considering whether to charge the Employer a higher contribution towards the cost of the administration of the Fund the Administering Authority shall take into account any failure on its own part to comply with the terms of the Service Level Agreement.
- This shall not affect the Administering Authority's ability under Regulation 70 of The Local Government Pension Scheme Regulations 2013 to give written notice to the Employer where it has incurred additional costs which should be recovered from the Employer because of the Employer's level of performance

in carrying out its functions under the Regulations or the Service Level Agreement.

- The Employer acknowledges that the Service Level Agreement may be revised from time to time by the Administering Authority in accordance with Regulation 59 of the Local Government Pension Scheme Regulations 2013 and that the Employer will comply with and be bound by the terms of the revised Service Level Agreement.

Other Charges

- The Employer acknowledges that the contribution it is required to pay towards the cost of the administration of the Fund is to cover the cost of meeting the Core Scheme Functions.

Notices

Any notices under this Agreement shall be in writing and shall be served by sending the same by first class post, facsimile or by hand or leaving the same at the headquarter address of the Employer or the headquarter address of the Administering Authority.

Waiver

Failure or neglect by the Administering Authority to enforce at any time any of the provisions of this Agreement shall not be construed nor shall be deemed to be a waiver of the Administering Authority's rights nor in any way affect the validity of the whole or any part of this Agreement nor prejudice the Administering Authority's rights to take subsequent action.

More than one Counterpart

This Agreement may be executed in more than one counterpart, which together constitute one agreement. When each signatory to this Agreement has executed at least one part of it, it will be as effective as if all the signatories to it had executed all of the counterparts. Each counterpart Agreement will be treated as an original.

Laws

This Agreement will be governed by and interpreted in accordance with the laws of England and Wales.

Any rights that a third party may have under the Contracts (Rights of Third Parties) Act 1999 are excluded.

.....
**SIGNED FOR AND ON BEHALF OF
THE OXFORDSHIRE COUNTY COUNCIL PENSION FUND**

was affixed in the presence of:

.....
SIGNED FOR AND