

Business Improvement
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PENSIONS
RECEIVED

29 APR 2016

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Central Number: 01865 249811



27th April 2016

Mrs S Fox
Pensions Services Manager
Pension Services
Oxfordshire County Council
Unipart House
Garsington Road
Oxford
OX4 2GQ

Dear Mrs Fox

Flexible Retirement Policy

We refer to your letter of 8th April 2016 regarding several pension matters which are addressed below.

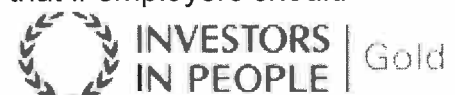
Consultation on Administration Strategy

The proposal is to significantly increase charges for late returns. For an employer of our size this represents a significant increase from £100 to £1000 for late MARS returns and from £50 per day to £1000 per day of being late for the year end return. The incremental charge based on size of membership significantly impacts on larger organisations in the fund who are relatively few. The County is one of the only employers larger than us, and although they are substantially larger they are subject to the same charges as us, this does not seem equitable.

Normally a penalty imposed for non-compliance with a timetable as in the case on liquidated damages on construction projects would need to bear some resemblance to the cost incurred by the aggrieved party. We are failing to see what cost you would bear which would equate to £1000 per day for late returns and therefore the penalty would seem disproportionate to the 'crime'.

There is an expectation of 100% compliance, which is not a target that you seek to achieve within your Service Level Agreement commitment to employers. There is no recognition of previous performance and even where employers regularly provide the information on time, you are imposing a very severe penalty for what may be a genuine one off incident eg a system failure. It seems unreasonable that no allowances are being made for any errors.

We fully accept that late submission of information can have a significant impact on your service and always do our utmost to comply with timeframes. Equally not receiving information from yourselves can have an impact on our business, yet we do not have an option to seek compensation for this. We think it only reasonable that if employers should



be charged for failure to deliver the information you require, then likewise employers should be able to seek compensation from yourselves when you do not meet your service levels.

We are also concerned about the cost and administrative effectiveness of this proposal as we suspect that many of the employers who do not comply are the smaller ones and the cost to the fund of charging probably outweighs any income. We would propose that you work individually with those employers where you are experiencing problems on a one to one basis, rather than trying to implement a 'one size fits all' approach and waste time and money administering charges.

Discretionary Policy Statements

You are requesting we complete a template which is some 70 pages long to confirm our discretionary policies. We have comprehensive statements which we regularly review and provide to you. We have not been made aware of any gaps in our statements and therefore do not see the necessity to replicate this in a second document. If this is not the case and there are areas that we need to review please can you advise us? Again this appears to be another example of taking a 'one size fits all' approach, rather than working with those employers where there are problems.

Egress

We note that you are using Egress for sensitive information and we will ensure we adopt the same approach where we are not doing so already.

Contacts

An updated contacts list is enclosed.

In conclusion we would not be supportive of our authority signing this agreement at this stage and whilst we note that this is not necessary since the agreement 'will apply to all Employers whether they have signed up or not' we would nonetheless welcome an opportunity for an open discussion on the subject as we suspect other District Councils within Oxfordshire may share the same concerns.

We look forward to hearing from you

Yours sincerely



Helen Bishop
Head of Business Improvement



Nigel Kennedy
Head of Financial Services

cc Lorna Baxter