

## **PENSION FUND COMMITTEE – 2 SEPTEMBER 2016**

### **ADMINISTRATION REPORT**

#### **Report by the Chief Finance Officer**

#### **Introduction**

1. This report updates members on current issues within the Pension Services team from both management and operational perspectives. It also sets out the latest position in respect of the employers within the Oxfordshire Fund. The report also includes new requests for admission to the Fund, an update on previously approved applications and the write off of any amounts due to the Fund.

#### **Staffing**

2. External recruitment overall has been patchy in that some jobs have had to be advertised several times either because of no applications, or the applicants have pulled out ahead of interview. However, where process has worked, the successful candidates have been of a high calibre.
3. Both the Communication Manager and the Employer Liaison Officer roles have been filled internally which has created another administrator vacancy that is being held at present since recruitment is ongoing for the previously advertised posts.
4. One administrative assistant post has been filled and the second is now being recruited.
5. Team Leaders are making some changes to the team structure to accommodate the higher proportion of new staff to ensure that training and mentoring is provided alongside maintaining workflow.

#### **Performance Data / Data Quality**

6. The focus over the past weeks has been on end of year returns to get the valuation data to our actuaries by 31 July. Overall there has been an improved response from scheme employers with 78% providing end of year returns. Whilst the non-return rate of 22% looks high, this is mainly from a couple of the smaller employers with multiple contracts each of which is recorded as a separate scheme employer, so overall, not a huge number of scheme members are affected by these non-returns.
7. It was disappointing that so few employers checked their data before making their return causing the team to send back a high number of these returns simply because a basic check hadn't been made. However, some employers have had much more significant issues to resolve ahead of their data submission which meant that returns

did come in very late – up to 3 days ahead of submitting the data to our actuaries. These employers are now at the back of the queue in terms of processing for ABS.

8. In addition to the data, information has been sent to the Actuary about each scheme employer highlighting any issues which will affect the submission made.
9. Focus now turns to the production of Annual Benefit Statements (ABS) for active scheme members. The number of statements issued as at 31 August will be reported at the meeting.
10. MARS returns and CARE data submitted will be reviewed in September to identify employers making arbitrary changes, or failing to complete the spreadsheet thus preventing uploading of data.

### **Payment of Contributions**

11. There is no issue with contribution payments.

### **Assessment of Employer Covenant**

12. Once the valuation has been completed our Actuaries will be repeating the exercise to assess all scheme employer covenants.

### **Write Offs**

13. In June 2015, the Committee reviewed the scheme of financial delegation and agreed the following:
  - Write off of outstanding debts to the Local Government Pension Scheme above £10,000 needs the approval of the Pension Fund Committee.
  - The authorisation of debt write offs up to and including £10,000 is delegated to the Service Manager – Pensions. For debts between £7,500 and £10,000 authorisation is in conjunction with the Chief Finance Officer.
  - For debts below £500, authorisation of debt write off is delegated to the Pensions Services Manager
  - All debts below £10,000 need to be reported to Committee following write off. This report provides the details of those debts written off in the last quarter.
14. In the current period, the Pension Services Manager has approved the write off of £28.37 chargeable to the Pension Fund in respect of six cases where the member has died.
15. In the period December 2015 to September 2016 a total of £371.07 has been written off, in respect of 26 cases where the member has died.
16. The Service Manager (Pensions) has also written off a single debt totalling £1,620.29 during this period. This debt related to the overpayment of a pension where the

previous employer (Oxfordshire County Council) initially advised us of the wrong date for the start of the pension payment.

17. The case was in respect of a scheme member who had worked in one of the Council's maintained schools, until such time as they suffered from ill-health. Their initial request for ill-health retirement was refused, and the scheme member remained on sick leave without pay for a significant period. A second request for ill-health was accepted and back dated.
18. Initially the Council backdated the request to the individual's last day at work, and the pension was brought into payment from that date. Subsequently though the Council amended the retirement date by 6 months to allow for the period that the scheme member had been in receipt of sick pay.
19. Given the delays associated with this case, and the poor health of the scheme member, the Council requested that we did not seek to recover the overpaid pension. The cost will be met by the Council through future Valuation results.

### **Update on Previous Applications for Admission**

20. Admission agreements need to be finalised in respect of:
  - The outsourcing from William Fletcher School to Carillion on 01 April 2016.
  - Optalis Ltd, second generation contract following on from Leonard Cheshire Disability, which was effective from 15 February.
  - The admission agreement between Age UK and Oxfordshire County Council is outstanding.
  - Civicare Oxford, a second generation contract following on from Allied Healthcare, effective 14 March 2016
  - The long outstanding admission agreement between Carillion and Oxfordshire County Council for the second transfer of staff has not yet been resolved despite reminders and meetings with Carillion.
  - The application by Groundworks South is progressing with a revised transfer date of 01 October 2016.

### **RECOMMENDATION**

21. **The Committee is RECOMMENDED to note the report, including the write off of £1,648.66 during this period.**

Lorna Baxter  
Chief Finance Officer  
August 2016

Background papers: None

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