

Oxfordshire Pension Fund: Business Plan 2011/12

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Service Definition:

- To administer the Local Government Pension Scheme on behalf of Oxfordshire County Council

Our Customers:

- Scheduled scheme employers e.g. County Council, District Councils, Oxford Brookes University, other Colleges and Academies
- Designating scheme employers e.g. Town & Parish Councils
- Community Admission Bodies e.g. charitable organisations with a community of interest
- Transferee Admission Bodies i.e. bodies where services have been transferred on contract from County or Districts
- Contributory Employees
- Pensioners and their Dependants

Key Objectives:

- Administer pension benefits in accordance with the LGPS regulations
- Achieve a 100% funding level;
- Ensure there are sufficient liquid resources available to meet the Fund's liabilities and commitments; and
- Maintain as nearly a constant employer contribution rate as is possible.

Part A: Service Activities

Service Activity	Outputs	Outcomes
Investment Management		
Management of the Pension Fund Investments	<p>The Fund is invested in assets in accordance with the Committee's wishes</p> <p>The Fund's assets are kept securely.</p> <p>Quarterly reports to the Pension Fund Committee.</p>	<p>Pension Fund deficit is minimised by securing favourable returns on investments (compared to benchmarks)</p> <p>Value for money for the taxpayer by minimising employer contributions</p>
Management of the Pension Fund Accounts	Completion of the Annual Report and Accounts	No adverse comments from the Fund's auditors
Management of the Pension Fund Cash	Cash management strategy and outturn reports	The Pension Fund cash is managed securely and effectively
Scheme Administration		
Management of the Pension Fund Administration	<p>The administration procedures are robust and in accordance with regulations and service standards</p> <p>Changes to regulatory framework of the scheme</p>	<p>The workload is completed & checked in accordance with regulations and procedures.</p> <p>Work is completed within specified time scales</p> <p>No adverse comments from the Fund's auditors</p> <p>Implementation of actions arising from regulation changes / Hutton Commission Report</p>

Part B – Service Priorities

Task	Actions	Measures of Success
Investment Management		
Monitor implementation of new bank account	<p>Ensure Pension Fund transactions pass through the correct account</p> <p>Regular (daily and monthly) reconciliation of bank account</p>	<p>95% of transactions pass through Pension Fund Bank Account first time by September 2011</p> <p>No delays in reconciling accounts</p>
Development of a members hand book	<p>Agree content, including Member responsibilities, Committee terms of reference, key documents.</p> <p>Pull content together from various parts of the organisation by Sept 2011</p>	Members of the committee happy with the content of the handbook.
Review of the voting arrangements	<p>Review the RREV contract before the May renewal.</p> <p>Consider voting arrangements for overseas and pooled equities by Sept 2011.</p>	Council compliant with the Pension Fund Investment principle on responsible ownership
Review skills and knowledge of pension fund officers	<p>Undertake a skills and knowledge audit by Dec 2011</p> <p>Develop a training plan by Dec 2011</p>	Members and the Chief Finance Officer have confidence in the officers advising the Committee
Review roles of pension fund officers	Set out roles and responsibilities of key officers by Dec 2011	Individual officers have clarity over their individual responsibilities

Task	Actions	Measures of Success
Scheme Administration		
Implementation of new regulations that follow from the Hutton review.	<p>Assess the new regulations when they are published</p> <p>Make changes to the processes and procedures</p> <p>Communicate changes to customers and actions for participating employers</p>	<p>New regulation implemented by the relevant due date.</p> <p>Stakeholders kept up to date with the proposed changes and what action they need to take</p>
Rebranding of Oxfordshire Pension Fund by Dec 2011	<p>Agree logo</p> <p>Review website design and content</p> <p>Review publication design and content</p>	<p>Improved recognition of and interest in the Fund by Stakeholders</p> <p>Easier access for interested stakeholders</p>
Continuous improvement of processes and procedures	<p>Review remaining procedures</p> <p>Implement pension task management system for procedures already reviewed and for those to be reviewed</p> <p>Identify and implement efficiencies</p>	<p>All procedures are efficient and meet both regulatory and customer requirements</p> <p>Task management system is used effectively across the admin team</p> <p>Time and cost savings identified</p>
Improved customer focus	<p>Monitor performance information to identify opportunities for improvement</p> <p>Improve service delivery times</p> <p>Explore customer self service options</p>	Improved customer satisfaction
Explore efficiencies through partnership working	<p>Hold discussions with other scheme administrators to identify opportunities</p> <p>Where appropriate, bring forward any proposals to Committee for consideration</p>	<p>Clear position statement on future partnership working</p> <p>Action plan agreed where appropriate</p>

Part C. Budget:

	2011/12	2010/11
	Budget	Budget
	£'000	£'000
Investment Management		
Fund Management fees	2,800	3,000
Global custody fee	80	95
Independent Financial Adviser	57	57
Consultancy fees	112	62
Performance Measurement Service	13	13
Member training	12	12
Pensions Investment Team and other support services	252	221
Other	5	5
	3,331	3,465
Less: Stock lending fees	171	230
Total Investment Management	3,160	3,235
Scheme Administration		
Pensions Admin Team and other support services	904	944
Printing & Stationery	35	35
Postage	23	23
Software Support & Licensing	134	130
Actuary fees	90	90
External Audit fees	83	83
Appointed person fees	3	2
Other	44	43
	1,316	1,350
Less: Income (e.g. Fire & Teacher Admin)	29	29
Total Scheme Administration	1,287	1,321
Total Pension Fund Budget	4,447	4,556