

Oxfordshire Pension Fund: Business Plan 2019/20

Service Manager - Pensions: Sean Collins

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
- Council Tax payers

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>	Pension Fund deficit is minimised by securing favourable returns on investments (compared to benchmarks).
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	<p>Cash management strategy and outturn reports.</p> <p>Cash Managed in accordance with the strategy.</p>	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. Work is completed within specified time scales</p> <p>No adverse comments from the Fund's auditors, and the Pension Regulator</p> <p>Implementation of actions arising from regulation changes</p>

Part B – Service Priorities

Task	Actions	Measures of Success
<p>Contribute to the planning and delivery of the continued development of the Brunel Pension Partnership.</p>	<p>Work with the Company and Client Group to develop the client reporting and assurance processes.</p> <p>Work with the Company, Client Group and Transition Managers on delivery of the remaining transition plan.</p> <p>Work with the company and Client Group to monitor the development of the Partnership against the initial Business Case.</p>	<p>Development of comprehensive client reporting, providing assurance on the processes and performance of the Brunel company.</p> <p>Delivery of the outstanding asset transitions in accordance with the revised Transition Plan and the initial business case.</p> <p>Delivery of robust financial reports monitoring all elements of the business case, including company and investment costs, investment performance and transition costs.</p>
<p>Manage the 2019 Valuation, including the review the Funding Strategy and Investment Strategy Statements to meet the requirements of future cash flows, and employer covenants and risk appetites.</p>	<p>Work with the large scheme employers to understand their key strategic direction in so far as it relates to their LGPS workforce, and their risk appetite.</p> <p>Work with the Fund Actuary to develop a technical model which allows liability, contribution and investment income forecasts to be modelled for the potential scenarios discussed with the scheme employers.</p> <p>Review employer covenants and the different risk appetites expressed by employers and determine any changes required to the Funding Strategy Statement.</p>	<p>Cash flows managed to ensure all pension liabilities are met as they fall due, with minimal impact on employer contribution rates.</p> <p>Investment Strategy and Funding Strategy Statements reviewed and aligned to meet risk and cash flow levels consistent with the 2019 Valuation process.</p> <p>Delivery of the 2019 Valuation results to time, and to the satisfaction of scheme employers.</p>
<p>Delivery of the current Improvement Plan to ensure all Pension Fund data is kept in accordance with the requirements of the Pension Fund Regulator</p>	<p>Manage the end of year process in line with the timetable set out in the Improvement Plan.</p> <p>Work with the Scheme Advisory Board on developing a national standard for the</p>	<p>No issues raised by the Pension Regulator.</p> <p>Annual Benefit Statements, Deferred Benefit Statements etc issued in accordance with Statutory Timescales</p> <p>Data Quality Scores equal or</p>

	<p>Data quality Tests, and ensure Oxfordshire data is collected, and measured consistent with these standards.</p> <p>Work with scheme employers to ensure all requirements are understood and data submitted accurately and timely, and all omissions are promptly escalated.</p> <p>Delivery of the iConnect implementation plan as included in the Improvement Plan.</p>	<p>above national standard targets.</p> <p>All business as usual activity completed within targets set in the Service Level Agreements, leading to a reduced level of queries and complaints from Scheme Members.</p> <p>Successful implementation of iConnect.</p>
<p>Finalise a more robust approach to monitoring Fund Manager performance in respect of delivery against the Fund's governance policies.</p>	<p>Review the initial ESG reports developed by Brunel to measure performance against benchmarks, and determine any additional measures which help determine compliance with the agreed ESG policies, and set benchmarks against which to judge Fund Manager performance.</p> <p>Review Fund Manager performance against benchmarks and follow up all exceptions as part of the Committee's regular monitoring of investments</p>	<p>Benchmark data published, and regular reports made publicly available at quarterly Committee meetings.</p> <p>Clear audit trail of fund management review process published.</p>
<p>Improve Scheme Member Communications</p>	<p>Monitor take up of MSS, as well as activity in terms of numbers accessing newsletters etc, and promote increased service usage as appropriate.</p> <p>Develop the functionality of MSS to maximise the use of self-help facilities for scheme members, and the amount of information available electronically.</p>	<p>Reduction in the number of simple tasks being undertaken by the team, in response to paper requests.</p>

Part C. Budget:

	2019/20 Budget	2018/19 Budget
	£'000	£'000
Administrative Expenses		
Administrative Employee Costs	1,576	1,523
Support Services including ICT	634	608
Printing and Stationery	72	61
Advisory and Consultancy Fees	160	115
Other	60	40
	2,502	2,347
Investment Management Expenses		
Management Fees	8,484	8,415
Custody Fees	0	159
Brunel Contract Costs	1,043	650
	9,527	9,224
Oversight and Governance		
Investment Employee Costs	254	247
Support Services Including ICT	11	11
Actuarial Fees	160	40
External Audit Fees	35	24
Internal Audit Fees	15	14
Advisory and Consultancy Fees	95	65
Committee and Board Costs	49	39
Subscriptions and Membership	50	0
	669	440
Total Pension Fund Budget	12,698	12,011