

**Oxfordshire Pension Fund: Business Plan 2020/21**

**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
<b>Investment Management</b>		
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.
<b>Scheme Administration</b>		
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 &amp; 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>Manage the completion of the transition of assets to the new Brunel Portfolios, and contribute to delivery of the business as usual investment performance and assurance reporting for the Brunel Pension Partnership.</p>	<p>Work with the Company and Client Group to embed the new investment monitoring and assurance reporting processes, revising the reports as appropriate.</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>Brunel Oversight Board and the Pension Fund Committee have all the information needed to provide 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>Implement the Climate Change Policy.</p>	<p>Produce an implementation plan to transform the Pension Fund operations to be carbon neutral by 2030.</p> <p>Working with Brunel, develop a robust set of metrics to assess the investment portfolios against the requirements of the Paris Agreement, setting targets as appropriate.</p> <p>Establish monitoring arrangements to ensure Brunel and Fund Managers are compliant with the Fund's Policy.</p> <p>Work with Brunel and the Client Group to ensure a full range of portfolios compliant with the Paris Agreement, alongside portfolios tilted to companies working to deliver a sustainable future.</p>	<p>Implementation Plan in place with clear interim targets.</p> <p>Metrics and appropriate targets agreed.</p> <p>Committee able to demonstrate to all stakeholders, compliance with the Climate Change Policy.</p> <p>Fund in a position to meet full investment strategy, compliant with the Climate Change Policy through Brunel portfolios.</p>

<p>Improve the overall governance of the Pension Fund.</p>	<p>Develop a full implementation plan for the 6 key areas covered with the Good Governance in the LGPS report agreed by the Scheme Advisory Board</p> <ul style="list-style-type: none"> <li>• Governance including agreeing a Senior LGPS Officer with responsibility for all LGPS matters, and production of the Annual Governance Compliance Statement</li> <li>• Conflicts of Interest</li> <li>• Representation</li> <li>• Skills and Training</li> <li>• Service Delivery</li> <li>• Compliance and Improvement</li> </ul>	<p>Annual Governance Compliance Statement identifies no areas of significant weakness.</p> <p>Independent Governance Review as proposed under the Scheme Advisory Board proposals identifies no areas of significant weakness.</p>
<p>Improve the efficiency and effectiveness of scheme employer and scheme member engagement.</p>	<p>Complete the implementation of the iConnect project.</p> <p>Continue the development of the functionality available through the on-line portal (Member Self-Service)</p> <p>Review the current website to ensure more intuitive and user friendly and key scheme information is readily accessible</p> <p>Develop the on-line provision of investment data setting out where the Fund is invested, including key information on investments in fossil fuel companies, and carbon intensity of the Fund's investments and compliance with the Fund's Climate Change Policy</p>	<p>Improved reported satisfaction from scheme employers and scheme members from their engagement with the Fund.</p> <p>Improve data quality scores from the automation of data transfer through iConnect.</p> <p>Increased numbers of scheme members activating their on-line account and access services and data on-line.</p>

## Part C. Budget:

	<b>2020/21 Budget</b>	<b>2019/20 Budget</b>
	<b>£'000</b>	<b>£'000</b>
<b>Administrative Expenses</b>		
Administrative Employee Costs	1,391	1,576
Support Services including ICT	694	634
Printing and Stationery	72	72
Advisory and Consultancy Fees	165	160
Other	59	60
	<b>2,381</b>	<b>2,502</b>
<b>Investment Management Expenses</b>		
Management Fees	10,374	8,484
Custody Fees	25	0
Brunel Contract Costs	1,028	1,043
	<b>11,427</b>	<b>9,527</b>
<b>Oversight and Governance</b>		
Investment Employee Costs	259	254
Support Services Including ICT	11	11
Actuarial Fees	160	160
External Audit Fees	35	35
Internal Audit Fees	15	15
Advisory and Consultancy Fees	106	95
Committee and Board Costs	50	49
Subscriptions and Membership	50	50
	<b>686</b>	<b>669</b>
<b>Total Pension Fund Budget</b>	<b>14,494</b>	<b>12,698</b>

## **Part D – Committee Training Plan**

All Members to have completed either:

LGA Fundamentals 3 Day Training or  
On-Line Pension Regulators Trustee ToolKit – 5 core modules and 4  
modules specific to managing a defined benefit scheme.

Pre-Committee Training on Scheme Advisory Board Guidance on Governance  
Compliance Statements.

Pre-Committee Training on Scheme Advisory Board Guidance on Responsible  
Investment.

Pre-Committee Training on revised Codes of Practice published by the Pension  
Regulator.

All Members to complete 2 days external training or attendance at relevant  
pension conferences.