

Oxfordshire Pension Fund: Business Plan 2013/14

Service Manager - Pensions & Treasury Management: 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.</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		
Manage new global custody arrangements and monitor the global custodian's performance.	<p>Agree contractual arrangements and legal documentation.</p> <p>Set up performance monitoring arrangements.</p> <p>If new provider Set up custody accounts.</p> <p>Arrange transfer of assets.</p> <p>Reconcile all custody accounts</p>	<p>Contracts signed by 31 May</p> <p>Performance monitoring processes operating effectively.</p> <p>All segregated fund assets transferred efficiently.</p>
Review investment team and member training arrangements.	<p>Review knowledge and skills requirements and individual training needs.</p> <p>Develop training plan.</p>	Members and Officers knowledge and skills requirements met.
Produce Pension Fund Final Accounts in accordance with new CIPFA guidance.	<p>Assess CIPFA guidance.</p> <p>Identify changes, obtain required data and amend procedures to comply with recommendations.</p>	<p>Final accounts produced on time and in compliance with CIPFA recommendations.</p> <p>No adverse comments from auditors</p>
Explore efficiencies through partnership working	Discuss opportunities for joint working with other investment teams.	Clear position statement on future partnership working.

Task	Actions	Measures of Success
Scheme Administration		
Implementation of new regulations	<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>
Review of communications ahead of 2014 scheme	<p>Work with LGE national group</p> <p>Review website content</p> <p>Review publication content</p>	<p>Scheme members are informed about new scheme</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:

	2013/14	2012/13
	Budget	Budget
	£'000	£'000
Investment Management		
Fund Management fees	2,900	2,800
Global custody fee	100	60
Independent Financial Adviser	58	58
Consultancy fees	60	60
Performance Measurement Service	13	13
Member training	12	12
Pensions Investment Team and other support services	253	242
Other	5	5
	3,401	3,250
Less: Stock lending fees	60	100
Total Investment Management	3,341	3,150
Scheme Administration		
Pensions Admin Team and other support services	893	883
Printing & Stationery	40	40
Postage	8	8
Software Support & Licensing	234	293
Actuary fees	90	90
External Audit fees	57	57
Appointed person fees	0	3
Other	69	71
	1,391	1,445
Less: Income (e.g. Fire & Teacher Admin)	29	29
Total Scheme Administration	1,362	1,416
Total Pension Fund Budget	4,703	4,566