

# Oxfordshire Pension Fund Administration Strategy Statement

## Introduction

Oxfordshire County Council as the scheme manager for the Oxfordshire Pension Fund (the “Administering Authority”) has prepared this administration strategy in line with Regulation 59 and Regulation 70 of the Local Government Pension Scheme Regulations 2013 (the “Regulations”).

This strategy *will* apply to all Employers whether they have signed up, or not. However, we would much rather work with Employers to provide a service that is both efficient and effective and in which scheme members can have confidence.

## Purpose

This policy sets out the role and responsibilities of the Scheme Manager (previously known as the Administering Authority) and the role and responsibilities of **all** Scheme Employers to ensure effective administration of the Local Government Pension Scheme.

## Aim

To administer the scheme in line with both the Regulations and The Pension Regulator’s codes of practice by ensuring that Scheme Employers understand and comply with the requirement to submit information to Pension Services for the administration of LGPS 2014 and what records Scheme Employers are required to maintain, in line with the definitions of the 2008 scheme regulations.

## Documents Making Up the Strategy

Service Level Agreement, setting out the roles and responsibilities of the Scheme Manager and the Scheme Employer; detailing the KPIs which will be used in reporting performance.

Oxfordshire Pension Fund’s Communication Strategy

Scale of Charges – setting out what charges will be made in certain circumstances

The Agreement – setting out trigger points, the extent and manner in which Scheme Employer contribution rates will be varied under this strategy.

## Review of Strategy

This strategy will be reviewed annually or earlier if there are material changes.

### **Service Level Agreement**

The following tasks are the responsibility of the Administering Authority in administering the scheme. The timescale shown is from receipt of *all* information: -

Task	Timescale Working days	Target	Notes
New Entrants	20	95%	
Transfers in	10	90%	
Estimates (member)	10	90%	Limited to one request per annum
General Enquiry (member)	10	90%	
Transfers out	10	95%	
Retirement	10	95%	
Deferred Benefits	40	90%	
Refund of Benefits – Payment	10	95%	
Death	10	95%	
Divorce - PSO	10	95%	
Estimates (employer)	10	90%	
General Enquiry (employer)	10	90%	
APCs	10	90%	
Re-employments	40	90%	
Changes e.g. address; name	10	90%	
Pension Adjustments – PI; MOD; GMP	Payroll Deadline	90%	
Annual Allowance	10	90%	

## Scheme Employer responsibilities:-

Data retention and submission	<ul style="list-style-type: none"> <li>• Keep records of final pay details in line with 2008 definition of final pay</li> <li>• Keep pay information to comply with any Regulation 10 decisions</li> <li>• Submit monthly data return (MARS) to <a href="mailto:pension.returns@oxfordshire.gov.uk">pension.returns@oxfordshire.gov.uk</a> by 19<sup>th</sup> of the month following payroll</li> </ul>
Data queries	<p>Oxfordshire Pension Fund is <u>not responsible</u> for verifying the accuracy of the data provided.</p> <ul style="list-style-type: none"> <li>• Any queries arising will be referred back to the scheme employer.</li> <li>• Scheme employers will be responsible for recovering any overpayments arising from provision of incorrect information.</li> </ul>
Pay over monies due	<ul style="list-style-type: none"> <li>• Monthly contributions to be paid correctly and on time. Payment to clear Oxfordshire Pension Fund bank account by 19<sup>th</sup> of the month following payroll. Should the 19<sup>th</sup> fall on a weekend or bank holiday the deadline date changes to the immediately preceding working day</li> <li>• Deficit contributions</li> <li>• Rechargeable benefits</li> <li>• Retirement strain costs</li> </ul> <p>All payments to be made to the Oxfordshire Pension Fund A/C.</p> <p>All paperwork supporting payments to be submitted when payment is processed to : <a href="mailto:pension.returns@oxfordshire.gov.uk">pension.returns@oxfordshire.gov.uk</a></p>
End of Year Returns	<p>You <b>must</b> submit your end of year return <b>by</b> 19<sup>th</sup> April at the latest, after the end of each financial year.</p> <p>Before making submission please ensure that contributions shown on this return balance to the contribution payments you have made during the year.</p>

	<p>This return must include a figure for pensionable remuneration that reflects the full time equivalent pay (plus any other pensionable salary additions) for the period 01 April to 31 March of each tax year, in line with the 2008 definition of pay.</p>
End of Year Errors	<p>From April 2015 Oxfordshire Pension Fund will be limited in the checks it is able to carry out on the data submitted.</p> <ul style="list-style-type: none"> <li>• Any queries arising will be referred back to the Scheme Employer</li> <li>• Scheme Employers will be responsible for recovering any overpayments arising from provision of incorrect information.</li> </ul>
Discretionary Policies	<p>Discretionary Policies must be</p> <ul style="list-style-type: none"> <li>• Made within three months of a material change</li> <li>• Published</li> <li>• Reviewed</li> </ul>
Pension Fund Meetings	<p>Scheme Employers to attend at least one meeting arranged by the Pension Fund during the year.</p>
Pension Contacts	<p>Notify Pension Services of any new contact in your organisation within one month of the change – form on website -  <a href="https://www.oxfordshire.gov.uk/cms/content/pension-scheme-forms-employers">https://www.oxfordshire.gov.uk/cms/content/pension-scheme-forms-employers</a></p>
Outsourcing of Services	<p>Most Scheme Employers have a responsibility through either Fair Deal or Best Value Directions Orders to ensure that staffs pension rights are protected on transfer of scheme eligible staff to another employer, even if not currently in the pension scheme. Please contact <a href="mailto:pension.employers@oxfordshire.gov.uk">pension.employers@oxfordshire.gov.uk</a> if you are considering outsourcing.</p>

## Communication and Liaison

Scheme Employers are required to provide contact details of any nominated staff dealing with pension issues. The Scheme Employer is required to notify the Scheme Manager of any changes as soon as they occur.

In line with the Oxfordshire Pension Fund Communication Policy, the Scheme Manager will:

- Send a monthly newsletter – Talking Pensions – to all nominated contacts.
- Hold quarterly Scheme Employer meetings to discuss current pension issues.
- Hold quarterly administration training sessions for new Scheme Employers.
- Provide ad-hoc training / information sessions as requested.
- Maintain the pension website at [www.oxfordshire.gov.uk/pensions](http://www.oxfordshire.gov.uk/pensions) for Scheme Employers, including links to national websites.

## Payments & Charges

Payment of all contributions, with the exception of AVCs, deducted each month should be paid to the Oxfordshire Pension Fund bank account. Payment and the return detailing the contributions deducted must be received and cleared through the account by the Pension Investment Team by 19<sup>th</sup> month following deduction.

AVC contributions should be paid directly to the scheme's AVC provider – The Prudential Assurance Company, again by the 19<sup>th</sup> of the month following deduction.

Scheme Employers will be sent a separate invoice for any early strain costs arising from redundancy, early or flexible retirement, or the waiving of any actuarial percentage reductions. Early strain costs arising from ill-health retirements will not be charged directly, but assessed as part of the triennial valuation exercise.

Interest on late payments will be charged at 1% above base rate and compounded with three-monthly rests in line with Regulation 71.

The schedule of charges is:

Making payment to Oxfordshire County Council bank account rather than Oxfordshire Pension Fund bank account	£75 per case
Late receipt of contributions	Interest at 1% above bank rate as per regulation 71*
Failure to provide contribution return by	£150 per case

19 <sup>th</sup> month following deduction	
Failure to provide MARS return by 19 <sup>th</sup> month	£150 per case
Failure to provide End of Year return by 19 <sup>th</sup> April	£150 per case
Failure to provide information requested within 10 working days.	£75 per case
Re-do of work due to incorrect information supplied by scheme employer	£75 per case
Where a retirement payment is paid late due to scheme employer providing information	The interest payable will be recharged to the scheme employer

\*The Local Government Pension Scheme Regulations 2013



Dated (Please write date)

(1) THE OXFORDSHIRE PENSION FUND

And

(2) (EMPLOYER – Please write name of organisation)

The Agreement  
In relation to the Oxfordshire Pension Fund  
County Hall  
New Road  
Oxford  
OX1 1TH

## Pensions Administration Strategy (PAS)

This Agreement is made the            day of            2018

### Between:

- (1) **THE OXFORDSHIRE PENSION FUND** of County Hall, New Road, Oxford OX1 1TH (the “**Scheme Manger**”); and
- (2) **xx** of **xx** (the “Employer”)

### Whereas

(A) The Scheme manager is an administering authority for the purposes of the Local Government Pension Scheme Regulations 2013 (the “Regulations”). It administers and maintains the Oxfordshire Pension Fund (the “Fund”) in accordance with the Regulations.

(B) The Scheme Employer is a body listed in Schedule 2 of the Regulations and, in the case of a body listed in Part 3 of Schedule 2 of the Regulations, has entered into one or more admission agreements with the Scheme Manager.

(C) In accordance with Regulation 59 of the Regulations, the Scheme Manager has prepared the Pension Administration Strategy Statement setting out amongst other things the Service Level Agreement.

(D) In preparing the Pension Administration Strategy Statement, the Scheme Manager consulted the employing authorities in the Fund (including the Employer) [and such other persons it considered appropriate]. The Scheme Manager published the Pension Administration Strategy Statement and sent a copy of it to each of the employing authorities in the Fund (including the Scheme Employer) and to the Secretary of State for Communities and Local Government.

(E) The Scheme Manager will keep the Pension Administration Strategy Statement (including the Service Level Agreement) under review and will make such revisions as are appropriate following any material change in its policies in relation to any of the matters contained in the Pension Administration Strategy Statement.

(F) The Scheme Manager and the Scheme Employer have agreed to enter into this Agreement to document their agreement to comply with and be bound by the terms of the Service Level Agreement.

**Now it is agreed** as follows:



## **1. Interpretation**

Terms not otherwise defined herein shall bear the meaning ascribed to them in the Regulations.

## **2. The Service Level Agreement**

2.1 With effect from the date of this Agreement, the Scheme Manager and the Scheme Employer agree to use their reasonable endeavours to comply with and be bound by the terms of the Service Level Agreement.

2.2 In consideration of this Agreement the Scheme Manager will charge the Scheme Employer a contribution towards the cost of the administration of the Fund which reflects the fact that compliance with the Service Level Agreement will result in greater efficiencies and lower administration costs for the Fund.

2.3 If in the opinion of the Scheme Manager the Scheme Employer has not complied with the terms of the Service Level Agreement the Scheme Manager may charge the Scheme Employer a higher contribution towards the cost of the administration of the Fund.

2.4 When considering whether to charge the Scheme Employer a higher contribution towards the cost of the administration of the Fund in accordance with Clause 2.3 the Scheme Employer shall take into account any failure on its own part to comply with the terms of the Service Level Agreement.

2.5 Clause 2.3 shall not affect the Scheme Manager's ability under Regulation 70 of the Regulations to give written notice to the Scheme Employer where it has incurred additional costs which should be recovered from the Scheme Employer because of the Scheme Employer's level of performance in carrying out its functions under the Regulations or the Service Level Agreement.

2.6 The Scheme Employer acknowledges that the Service Level Agreement may be revised from time to time by the Scheme Manager in accordance with Regulation 59 of the Regulations and that the Scheme Employer will comply with and be bound by the terms of the revised Service Level Agreement.

## **3. Other Charges**

3.1 The Scheme Employer acknowledges that the contribution it is required to pay towards the cost of the administration of the Fund is to cover the cost of meeting the Core Scheme Functions.

3.2 Where the Scheme Employer requests that the Scheme Manager provides services beyond these functions the Scheme Manager reserves the right to charge the Scheme Employer for the provision of such services. Non-core services include by way of example and without limitation the provision of FRS102 reports, bulk redundancy calculations, bulk information requests, member presentations, site visits and the payment of compensatory added year's benefits. Such services will be provided on terms agreed at the time between the Scheme Manager and the Scheme Employer.



#### **4. Notices**

4.1 Any notices under this Agreement shall be in writing and shall be served by sending the same by first class post, facsimile or by hand or leaving the same at the headquarter address of the Scheme Employer or the headquarter address of the Scheme Manager.

#### **5. Waiver**

Failure or neglect by the Scheme Manager to enforce at any time any of the provisions of this Agreement shall not be construed nor shall be deemed to be a waiver of the Scheme Manager's rights nor in any way affect the validity of the whole or any part of this Agreement nor prejudice the Scheme Manager's rights to take subsequent action.

#### **6. More than one Counterpart**

This Agreement may be executed in more than one counterpart, which together constitutes one agreement. When each signatory to this Agreement has executed at least one part of it, it will be as effective as if all the signatories to it had executed all of the counterparts. Each counterpart Agreement will be treated as an original.

#### **7. Laws**

7.1 This Agreement will be governed by and interpreted in accordance with the laws of England and subject to the exclusive jurisdiction of the English courts.

7.2 Any rights that a third party may have under the Contracts (Rights of Third Parties) Act 1999 are excluded.

**AS WITNESS** the hands of the parties hereto have been set the day and year first before written.

Sally Fox

.....  
**SIGNED FOR AND ON BEHALF OF  
THE OXFORDSHIRE PENSION FUND**

**For and on behalf of the [Name of Employer]:**

**SIGNED by [name]**

**Signature**

**Position**

**(and duly authorised signatory)**