

AGENDA MANAGEMENT SHEET

Name of Committee Pension Fund Investment Board
Date of Committee 3 August 2007
Report Title Restructuring of Heart of England Housing Group and Amalgamation with the Orbit Housing Group

Summary

For further information please contact:

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Would the recommended decision be contrary to the Budget and Policy Framework?

Background papers

CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

- Other Committees
- Local Member(s)
- Other Elected Members Cllr Davis, Chair of Pension Fund Board
- Cabinet Member
- Chief Executive
- Legal Tony Maione
- Finance David Clarke, Strategic Director of Resources (reporting officer)
- Other Chief Officers
- District Councils
- Health Authority
- Police

Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

Further consideration by this Committee

To Council

To Cabinet

To an O & S Committee

To an Area Committee

Further Consultation

Agenda No

Pension Fund Investment Board - 3 August 2007

Restructuring of Heart of England Housing Group and the Amalgamation with the Orbit Housing Group

Report of the Strategic Director of Resources

Recommendation

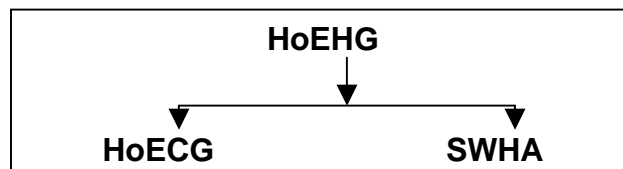
That the Board note the change and agree in principle that Heart of England Housing Group continues its status as a member of the Warwickshire County Council Pension Fund subject to further clarification on the status of its scheme members and reassurances regarding its admitted body status.

1. Introduction

- 1.1 The purpose of this report is to note the restructuring of Heart of England Housing and the amalgamation with the Orbit Housing Group.

2. Admitted Body Status

- 2.1 Heart of England Housing Group (HoEHG) originally became an admitted body with the Warwickshire Pension Fund when Stratford-on-Avon District Council transferred its Housing Department to South Warwickshire Housing Association (SWHA) in October 1996.
- 2.2 In April 1999, SWHA restructured to create the Heart of England Housing Group and later that year the Heart of England Housing and Care Group (HoEH&CG).
- 2.3 HoEHG is the umbrella organisation for all three existing organisations within the Pension Fund.



- 2.4 July 1999 saw the transfer of approximately 120 scheme members from Worcestershire County Council Care Services to HoEH&CG.

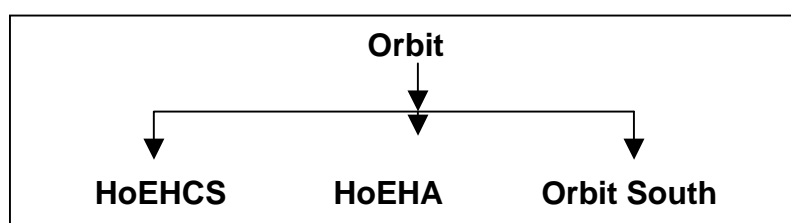
2.5 Both SWHA and HoEHG continue to offer membership of the LGPS to their employees, whereas HoEH&CG has restricted membership to only existing members.

3. Restructuring of the Heart of England Housing Group and the Amalgamation with the Orbit Housing Group.

3.1 In May 2007, representatives of HoEHG approached the County Council seeking clarification of its admitted body status should HoEHG be amalgamated with the Orbit Housing Group (Orbit) and become a subsidiary of Orbit.

3.2 It is proposed that the restructuring and amalgamation will take place with effect from 1 April 2008.

3.3 At a meeting attended by Oliver Winters, representatives of HoEHG confirmed that HoEH&CG will remain unchanged. SWHA and HoEHG will be known as the Heart of England Housing Association (HoEHA). A further Group will be created known as Orbit South.



3.4 HoEHG is seeking confirmation that existing members affected by the restructuring will retain membership of the LGPS.

3.5 HoEHG's legal advisors have submitted an opinion that the amalgamation does not constitute an Employer Cessation Event under the provisions of the Local Government Pension Scheme Regulations.

3.6 The County Council agrees with this opinion and agrees in principle subject to assurances that scheme members are not employed by Orbit.

4. Recommendation

4.1 That the Pension Board note the change and agree in principle that Heart of England Housing Group continues its status as a member of the Warwickshire County Council Pension Fund subject to further clarification on the status of its scheme members and reassurances regarding its admitted body status.

DAVID CLARKE
Strategic Director, Resources
Shire Hall
Warwick
July 2007