

Staff and Pensions Committee

5 October 2022

Employers Joining and Leaving the Pension Fund

Recommendations

That the Committee:

1. Delegates authority to the Strategic Director for Resources to approve applications from the listed employers subject to the applications meeting the criteria for admission:

New Academies

- Kineton High School (Part of the Stour Federation), 1st July 2022

New Employers

- ABM Catering LTD (Holy Spirit Multi Academy Trust), 1st August 2021 (See 1.5)
 - Alliance In Partnership LTD (Castle Phoenix Trust), 4th October 2021 (see 1.5)
2. Notes that the following employers will no longer be active in the Warwickshire Pension Fund:
 - Chartwells Compass Group UK (Community Academy Trust), Community Academy Trust, 30th September 2022
 - Chartwells Compass Group UK (The Polesworth School), 30th September 2022.

1. Executive Summary

- 1.1 The Pension Fund must accept applications from scheduled bodies where the requirements of the regulations are met.
- 1.2 An academy is automatically a Scheme Employer on the basis that it meets the criteria of paragraph 20 of Part 1 of Schedule 2 of the Local Government Pension Scheme Regulations 2013, i.e., it is a 'scheduled body'.
- 1.3 When submitting an application for membership each academy will be required to confirm:
 - That it has internal authority to be admitted to the Pension Fund.
 - The number of members to join the Pension Fund.
 - That the academy will comply with the relevant LGPS Regulations.

- 1.4 The Pension Fund must accept an application from an applicant body made under paragraph 1(d) of Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 where that body has undertaken to comply with the Regulations.
- 1.5 Castle Phoenix Trust is the letting authority for the contract with Alliance In Partnership LTD. Holy Spirit Multi Academy Trust is the letting authority for ABM Catering LTD.
- 1.6 Alliance in Partnership LTD and ABM Catering LTD have made an application on the basis that they meet the criteria of paragraph 1(d) of Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 i.e., it is a 'transferee body'.
- 1.7 The Applicant Bodies have contracts with another Scheme Employer within the Pension Fund and have access to LGPS admission in respect of this contract.
- 1.8 The Applicant Bodies will be carrying out a function or service on behalf of the Scheme Employer under a contract.
- 1.9 The Applicant Bodies have confirmed that the Scheme Employer will be party to the admission agreement.
- 1.10 The Applicant Bodies have undertaken to comply with the relevant LGPS Regulations.
- 1.11 For the Chartwells admission relating to Community Academy Trust, this was under a full liability arrangement. This means that the contractor is liable for any exit debt/surplus calculated so this will not pass back to the Letting Authority upon termination of the contract.
- 1.12 For the Chartwells admission relating to Polesworth School, this admission was by way of a pass-through arrangement. A pass-through arrangement is one in which the risks inherent in participating in the LGPS are shared between the new employer and the Letting Authority.

2. Financial Implications

- 2.1 New entrants to the scheme will be required to cover their own costs and the actuarial process will ensure that employer contributions are appropriate to ensure this is the case.
- 2.2 Cessation costs will be calculated in relation to the exit for Chartwells (CAT).

3. Environmental Implications

- 3.1 None

4. Supporting Information

- 4.1 Warwickshire Pension Fund, Admissions and Terminations Policy 2021.
- 4.2 Warwickshire Pension Fund, Funding Strategy Statement 2021.

5. Timescales associated with the decision and next steps

- 5.1 The dates for some of the new admissions are from 2021. This is because it can take some time to get an admission agreement in place. Very often the Pension Fund is not informed about a transfer of a service until after the event. Training has been provided to Academies to remind them of the need to consider pension arrangements at the beginning of a procurement exercise
- 5.2 The Pension Fund must accept an application from an applicant body made under paragraph 1(d) of Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 where that body has undertaken to comply with the Regulations.
- 5.3 Provided that the Committee is satisfied that the requirements of the Regulations are met, the application should be granted
- 5.4 In the event that the application is accepted, arrangements will be made for the Applicant Body to enter into an admission agreement with the Pension Fund. Should admission commence prior to any admission agreement being completed, the Applicant Body has agreed to be bound by the terms of the standard form admission agreement appended to the Pension Fund's Admissions and Termination Policy.

Background Papers

- 1. Warwickshire Pension Fund, Admissions and Terminations Policy 2020

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The report was circulated to the following members prior to publication:

Local Member(s): None

Other members: Cllrs Butlin, Jenns, and Gifford