



West Northamptonshire Council

Pension Committee

30/03/2022

Mark Whitby – Head of Pensions

Report Title	Employer Admissions and Cessations Report
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Contributors/Checkers/Approvers

MO	John Murphy on behalf of Catherine Whitehead	7/3/2022
S151	James Smith on behalf of Martin Henry	2/3/2022
Head of Pensions	Mark Whitby	15/2/2022

List of Appendices

None

1. Purpose of Report

- 1.1 To report the admission of two admission bodies to the Northamptonshire Pension Fund
- 1.2 To report the admission of one designating body to the Northamptonshire Pension Fund
- 1.3 To notify the Committee of four admission bodies ceasing participation in the Northamptonshire Pension Fund
- 1.4 To notify the Committee of one resolution body ceasing participation in the Northamptonshire Pension Fund

2. Executive Summary

- 2.1 Following a transfer of services and staff, two contractors; Maid Marion's Limited and Compass Contract Services have applied for admitted body status within the Northamptonshire Pension Fund and signed an admission agreement undertaking to meet the requirements of the Local Government Pension Scheme Regulations 2013. As a result, the Pension Committee must admit to the Scheme, all eligible employees of those bodies.

2.2 Corby Town Council was established following the reorganisation of local government in Northamptonshire. The Council has a statutory right to admit some or all employees into the Local Government Pension Scheme as long as the Council passes a resolution designating all or some of its employees as being eligible for membership of the Scheme. The Council passed such a resolution and enrolled 1 member to the LGPS on 6 January 2022.

2.3 As a result of the last active member leaving the Scheme, the following admission agreements have come to an end;

- Change-Grow-Live and West Northants Council
- Compass Contract Services and the Inspire Multi Academy Trust
- The Coombs Catering Partnership and Our Lady Immaculate Catholic Academies Trust
- TTC 2000 Limited and Northants Chief Constable

The assets and liabilities, in all cases, are being retained by the academy trust or local authority, meaning no exit payment or credit is required.

2.4 As a result of the closure of the organisation, CSN Resources Limited has ceased participation in the Fund. As a body controlling the organisation, the assets and liabilities are being retained by West Northamptonshire Council, meaning no exit payment or credit is required.

3. Recommendations

3.1 The Pension Committee is asked to:

a) Note the admission of the following admitted bodies to the Northamptonshire Pension Fund and approve the sealing of the admission agreements;

- Maid Marion's Limited
- Compass Contract Services

b) Note the admission of the following designating body to Northamptonshire Pension Fund:

- Corby Town Council

c) Note the exit of the following bodies from the Northamptonshire Pension Fund:

- Change-Grow-Live
- Compass Contract Services
- The Coombs Catering Partnership
- TTC 2000 Limited

3.2 Reason for Recommendations: To comply with the Local Government Pension Scheme Regulations 2013. The bodies listed have either passed a resolution or entered into an admission agreement to participate in the Fund. Under the Regulations, the Pension Fund Committee has no discretion to refuse entry in these circumstances.

4. Report Background

4.1 The Local Government Pension Scheme Regulations 2013 (as amended) [the Regulations] provide for the admission of a number of different types of body to the Local Government Pension Scheme; scheduled bodies, designating bodies, and admission bodies.

This report provides an update on admissions to and cessations from the Northamptonshire Pension Fund since the last meeting of the Pension Committee.

5. Issues and Choices

5.1 New Admission Bodies

5.1.1 Paragraph 1 of Part 3 of Schedule 2 to the Regulations provides for an Administering Authority to make an admission agreement with an admission body, enabling employees of the admission body to be active members of the Local Government Pension Scheme.

5.1.2 A body which falls under paragraph 1(d)(i) of Part 3 of Schedule 2 is an admission body that is providing a service, in connection with the function of a scheme employer, as the result of a transfer of service or assets by means of a contract or other arrangement.

5.1.3 Where an admission body of the description in paragraph 1(d) undertakes to meet the requirements of these Regulations, the appropriate administering authority must admit to the Scheme the eligible employees of that body.

5.1.4 The Pension Committee is asked to note the admission of the following bodies into the Northamptonshire Pension Fund and to approve the sealing of the admission agreements.

Date of admission	New Admission Body	Background Information
05/12/2016	Compass Contract Services (Fairfields School)	Fairfields School entered into a contract with Compass Contract Services Ltd to provide catering services. As a result, an employee covered by another admission agreement was transferred to this new employment. We were not informed of this and only became aware of the need for a new admission agreement on 8 October 2021. The agreement has been backdated to 5 December 2016 to ensure the membership for the employee remains valid. Contributions paid against the wrong admission have been reallocated accordingly.
01/08/2021	Maid Marions Limited (Southfield Primary Academy)	The Southfield Primary Academy Trust (SAT) have entered into a contract with Maid Marions Limited to provide cleaning services. As a result, a group of employees were transferred to the admission body and a pass through admission agreement has been put in place, with the liabilities retained by The Southfield Primary Academy Trust. This agreement has been backdated to 1 August 2021 and backdated contributions have been collected.

5.2 New Designating Body

- 5.2.1 Regulation 3 (1) of the Regulations provides for a person employed by a body listed in Schedule 2 and is designated, or belongs to a class of employees designated, by the body, to be an active member of the Local Government Pension Scheme.
- 5.1.2 The designating body has to pass a resolution to designate employees as eligible for membership of the Local Government Pension Scheme.
- 5.1.3 Paragraph 2(a) of Part 2 of Schedule 2 provides for a precepting authority within the meaning of section 69 of the Local Government Finance Act 1992 (interpretation) to be a designating body.
- 5.1.4 The Committee is asked to note that the following employer is a designating body by means of being a precepting authority within the meaning of paragraph 2(a) of Part 2 of Schedule 2 to the Regulations.

Date of Admission	Designating Body	Background Information
06/01/2022	Corby Town Council	Corby Town Council was established as part of the reorganisation of local government in Northamptonshire and appointed a Parish Clerk on 6 January 2022. Corby Town Council passed a resolution designating their clerk as eligible for the LGPS from the start of their employment.

5.3 Cessations

5.3.1 Change-Grow-Live (previously known as CRI Probation)

- 5.3.1.1 Change-Grow-Live were admitted to the Fund under a pass through agreement on 1 February 2013, after entering into a contract with Northamptonshire County Council to provide wellbeing and substance abuse support services in the county.
- 5.3.1.2 On 31 October 2021, the last active member left the scheme. No exit debit or credit will be required as the pension liabilities were retained and shared by both West Northamptonshire Council and North Northamptonshire Council.

5.2.1 Compass Contract Services (The Abbey Primary and Standens Barn Primary Schools)

- 5.2.1.1 Compass Contract Services were admitted to the Fund under a pass through agreement on 1 September 2016 after entering into a contract with Northamptonshire County Council to provide catering services at The Abbey Primary and Standens Barn Primary Schools. The schools since converted to Academies, joining Inspire Multi Academy Trust and the admission agreement was updated accordingly.
- 5.2.1.2 On 30 October 2018, the last active member left the scheme. No exit debit or credit will be required as the pension liabilities were retained by Inspire Multi Academy Trust.

5.3.1 The Coombs Catering Partnership (The Good Shepherd Primary Academy)

5.3.1.1 The Coombs Catering Partnership was admitted to the Fund under a pass through agreement on 1 September 2018 after entering into a contract with St Thomas of Canterbury Catholic Academies Trust to provide catering services at The Good Shepherd Primary Academy. The academy has since joined the Our Lady Immaculate Academies Trust and the admission agreement was updated accordingly.

5.3.1.2 On 20 October 2021, the last active member left the scheme. No exit debit or credit will be required as the pension liabilities were retained by Our Lady Immaculate Catholic Academies Trust.

5.4.1 TTC 2000 Limited

5.4.1.1 TTC 2000 Limited were admitted to the Fund under a pass through agreement on 4 January 2018 after entering into a contract with Northamptonshire Chief Constable to provide Drunk Driving Rehabilitation services.

5.4.1.2 On 30 November 2021, the last active member left the scheme. No exit debit or credit will be required as the pension liabilities were retained by Northamptonshire Chief Constable.

5.5.1 CSN Resources

5.5.1.1 CSN Resources was set up as a jointly owned subsidiary of South Northamptonshire Council and Cherwell Council and were admitted to the Fund, as a designating body, on 1 April 2018 when they passed a resolution designating their staff to become eligible for the scheme. Following local government reorganisation, South Northamptonshire Council's share of ownership passed to West Northamptonshire Council.

5.5.1.2 On 5 November 2021, the organisation was closed. No exit debit or credit will be required as the pension liabilities were retained by West Northamptonshire Council.

6. Implications (including financial implications)

6.1 Resources and Financial

6.1.1 Actuarial costs incurred by obtaining a calculation of the employer's contribution rate and opening funding position at commencement are recharged directly to the employer.

6.1.2 The employer contribution rate contains an allowance for administration charges, and the employer is charged a fee to recover the Funds administration costs of on boarding new employers and terminating ceased employers. This means that admissions and cessations should be cost neutral.

6.1.3 Employers who are unable to pay monies due during the course of active membership may result in unpaid liabilities being borne by other employers in the Fund.

6.2 Legal

6.2.1 Admitted bodies enter into an admission agreement with the administering authority in order to become an employer within the Northamptonshire Pension Fund. This agreement sets out the statutory responsibilities of an employer, as provided for under the Regulations governing the LGPS.

6.3 Risk

6.3.1 The Pension Committee are responsible for approving some admission bodies into the Fund as well as monitoring all admissions and cessations.

6.3.2 The mitigated risks associated with this report has been captured in the Fund's risk register as detailed below -

Risk	Residual risk rating
Lack of understanding of employer responsibilities which could result in statutory and non-statutory deadlines being missed.	Green
Failure to administer the scheme in line with regulations and guidance	Green
Failure to provide relevant information to the pension Committee/Pension Board to enable informed decision making	Green
Failure to assess and monitor the financial strength of an employer covenant to ensure employer liabilities are met.	Green

6.3.3 Please see the [Northamptonshire Pension Fund Risk Register](#) for full details

6.4 Relevant Pension Fund Objectives

6.4.1 The following objectives have been considered in this report -

- To manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.
- To continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate.
- To ensure appropriate exit strategies are put in place both in the lead up to and termination of a scheme employer.

6.5 Consultation

6.5.1 Contribution rate assessments are undertaken by Hymans Robertson, the Fund Actuary.

7. Background Papers

None