

By: Chairman Superannuation Fund Committee  
Acting Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 1 July 2011

Subject: **APPLICATION FOR ADMISSION TO THE FUND**

Classification: Unrestricted

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Summary: To report on an application to join the Pension Fund, a notice to withdraw from the Pension Fund and to provide an update on Academies.

**FOR DECISION**

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**INTRODUCTION**

1. This report sets out information on an application from an organisation to become an admitted body within the Pension Fund and seeks committee approval to enter into an admission agreement with this organisation. It also advises of an admitted body who has given notice to cease as a participating employer in the Pension Fund and provides information on academies that have joined the Fund as scheme employers.

**PRINCIPAL CATERING CONSULTANTS LIMITED**

2. Upton Junior School which is a KCC school is awarding a contract to Principal Catering Consultants Limited for catering services, effective from 1 September 2011.
3. This involves the transfer of one employee from Upton Junior School to Principal Catering Consultants Limited. To ensure the continuity of pension arrangements for this employee, Principal Catering Consultants Limited have made an application for admission to join the Pension Fund.
4. The application has been made under Regulation 6 (2) (a) (i) of the Local Government Pension Scheme (Administration) Regulations 2008, as amended, and under this regulation the admitted body is required to provide a form of bond or indemnity. The Fund Actuary has assessed the level of bond at £1,000 for the first year and set an employer's contribution rate of 12.6%.
5. The completed questionnaire and Memorandum and Articles of Association provided by Principal Catering Consultants Limited have been examined by Legal Services to ensure compliance with the Local

Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

### **ASHFORD'S FUTURE COMPANY LIMITED**

6. Ashford's Future Company Limited is a Community Admission Body which joined the Pension Fund on 31 March 2009.
7. Under the terms of their admission agreement Ashford's Future Company Limited are required to give the Administering Authority three months written notice to terminate this agreement. This notice was received on 19 April 2011.
8. The scheme actuary has been asked to provide a cessation report at 18 July 2011 that will show if any payment is due from Ashford's Future Company Limited to the Pension Fund. If any payment is required, it will be made before the termination is completed.

### **ACADEMIES**

9. As at 31 March 2011 there were 42 academies in the Pension Fund as scheme employers and we are aware of a further 50 schools converting during 2011/2012, the majority due at 1 September 2011. The number converting is likely to increase in the future.
10. The current actuarial fee for each conversion calculation is £1,575 which is charged to the Pension Fund.
11. The 2010/2011 actuarial fees relating to academies joining the fund and new admissions totalled £76,325. This figure includes fees incurred for some academies who are due to convert during 2011/2012.

### **RECOMMENDATION**

12. Members are asked to:
  - (1) Agree to the admission to the Kent County Council Pension Fund of Principal Catering Consultants Limited, and
  - (2) Note the withdrawal of Ashford's Future Company Limited as a participating employer in the Pension Fund, and
  - (3) Agree that once legal agreements have been prepared for the above matters, the Kent County Council seal can be affixed to the legal documents, and
  - (4) Note the information provided on academies.

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