

By: Chairman Superannuation Fund Committee
Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 29 June 2012

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

Classification: Unrestricted

Summary: To report on applications to join the Pension Fund and the termination of an admission agreement.

FOR DECISION

INTRODUCTION.

1. This report sets out information on applications from organisations to become admitted bodies within the Pension Fund and seeks committee approval to enter into an admission agreement with these organisations. It also advises of the need to terminate an existing admission agreement. Committee approval is sought to enter into these agreements.

ROFFA LIMITED

2. Medway Council is awarding a contract for running the Sterling Sports Centre to Roffa Limited, who are based at a private school, Kings School Rochester.
3. This involves the transfer of 6 employees from Medway Council to Roffa Limited on 1 October 2012. To ensure the continuity of pension arrangements for these employees, Roffa 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 £41,000 for the first year and set an employer's contribution rate of 18.5%.
5. The completed questionnaire and Memorandum and Articles of Association provided by Roffa Limited have been examined by Legal Services to ensure compliance with the Local Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

INNOVATE SERVICES LIMITED

6. KCC is awarding a contract to Innovate Services Limited for catering services at Harvey Grammar School in Folkestone, although the effective date is currently unclear.
7. This involves the transfer of 5 employees from KCC to Innovate Services Limited. To ensure the continuity of pension arrangements for these employees, Innovate Services Limited have made an application for admission to join the Pension Fund.
8. 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 £42,000 for the first year and set an employer's contribution rate of 19.5%.
9. The completed questionnaire and Memorandum and Articles of Association provided by Innovate Services Limited have been examined by Legal Services to ensure compliance with the Local Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

OAKWOOD HOUSE

10. At the previous committee meeting it was explained that two bidders for the Oakwood House contract had made an application for admission to the Pension Fund and that there was a third bidder who, if successful, would provide a comparable pension scheme of their own.
11. The third bidder has now made an application for admission to join the Pension Fund, rather than providing a comparable alternative.
12. The admission 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 £55,000 for the first year and set an employer's contribution rate of 20%.
13. The completed questionnaire and Memorandum and Articles of Association provided by the third bidder have been examined by Legal Services to ensure compliance with the Local Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

PRINCIPAL CATERING CONSULTANTS LIMITED (re Upton Junior School)

- 14 Principal Catering Consultants is a transferee admission body who joined the pension fund on the 3 October 2011 following the award of a catering contract by Upton Junior School, who are a KCC School.
- 15 As this contract is not being extended after 31 July 2012 a cessation report has been requested from the actuary. This will show if anything is due from Principal Catering Consultants to the Pension Fund. If any payment is required, it will be made before the termination is completed.

RECOMMENDATION

16. Members are asked to:
 - (1) Agree to the admission to the Kent County Council Pension Fund of Roffa Limited, and
 - (2) Agree to the admission to the Kent County Council Pension Fund of Innovate Services Limited, and
 - (3) Agree to the admission to the Kent County Council Pension Fund of the third bidder for the Oakwood House contract, and
 - (4) Note the withdrawal of Principal Catering Consultants Limited (re Upton Junior School) as a participating employer in the Pension Fund, and
 - (5) Agree that once legal agreements have been prepared for the above matters, the Kent County Council seal can be affixed to the legal documents.

Steven Tagg
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