

By: Chairman Superannuation Fund Committee
Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 21 March 2014

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

Classification: Unrestricted

Summary: To report on an application to join the Pension Fund and a number of admission matters.

FOR DECISION

INTRODUCTION.

1. This report sets out information on an application from an organisation to become an admitted body within the Pension Fund. It also advises of two extensions, an extension including a name change and termination, a closure of an admission agreement to new members and a termination. An update is also given on a matter previously agreed by Committee at an earlier meeting. Committee's approval is sought to enter into these agreements.

TCS INDEPENDENT LIMITED (Sutton at Hone Primary School)

2. Total Catering Solutions is a transferee admission body who joined the Kent Pension Fund on the 2 April 2012 following a transfer of one employee to them from Sutton at Hone Primary School.
3. It has now been established that this catering contract was in fact awarded to TCS Independent Limited and not as previously thought Total Catering Solutions Limited. It is believed that this was due to an administrative error from the transferee admission body and, since coming to light, should be rectified.
4. To ensure the continuity of pension arrangements for this employee, TCS Independent Limited have made an application for admission to the Pension Fund.
5. 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 assessed the level of bond at £500 for the first year and set an employer's contribution rate of 18.2%.

6. The completed questionnaire and supporting documents provided by TCS Independent Ltd have been examined by Officers to ensure compliance with the Local Government Pension Scheme Regulations, and Legal Services have given a favourable opinion on the application.

PROJECT SALUS

7. Project Salus is a transferee admission body who joined the Pension Fund on 31 May 2011 following a transfer of staff to them from Kent County Council, to deliver training to other public, private and voluntary organisations to better enable them to work with vulnerable young people. Their current contract which is due to expire on 22 June 2014 is being extended, although the exact duration of extension is currently unclear.
8. It is therefore necessary to extend the original admission agreement by a Deed of Modification.

CHILDREN AND FAMILIES LIMITED

9. Children and Families Limited is a transferee admitted body who joined the Pension Fund on 1 August 2011 following a transfer of staff to them from Kent County Council, to provide early education and childcare services.
10. The original contract has been extended by five years and it is necessary to extend the original admission agreement by a Deed of Modification.

CONNEXIONS KENT AND MEDWAY (2) (CXK LIMITED)

11. Connexions Partnership Kent and Medway (2) is a transferee admission body who joined the Pension Fund on the 31 March 2010 following the award of a three year contract by Kent County Council, to provide youth services.
12. Connexions Partnership Kent and Medway has changed its name to CXK Limited and will continue to provide this service until 31 March 2014. It is therefore necessary to amend and extend the original admission agreement by a Deed of Modification and enter into a termination agreement. A cessation report will be obtained which will show what, if anything, is payable to the Pension Fund.

MAIDSTONE HOUSING TRUST (GOLDING HOMES)

13. Maidstone Housing Trust is an admitted body participating within the Pension Fund who joined on 27 January 2004. At its meeting in August 2010 the Committee agreed a new admission agreement could be entered into, to reflect their change of name to Golding Homes and changes in Regulations. This new admission agreement still needs to be completed which is why they are still referred to as Maidstone Housing Trust.
14. Maidstone Housing Trust has given notice to close their admission agreement to new members although existing members will be allowed to continue. A further update to the admission agreement is therefore required.

MITIE CLEANING AND SUPPORT SERVICES

15. Mitie Cleaning and Support Services is a transferee admission body who joined the Pension Fund on the 18 August 2006 following the transfer of staff from three Kent schools, to provide cleaning services.
16. As their last active member left on the 31 January 2014 it is necessary to enter into a termination agreement with them. A cessation report will be obtained which will show what, if anything, is payable to the Pension Fund.

ORBIT SOUTH HOUSING ASSOCIATION LIMITED (previously Thanet Community Housing Association Limited)

17. At their meeting on the 16 November 2012 the Committee agreed that a termination agreement can be entered into with Orbit South Housing Association Limited based on the Closed Fund Approach.
18. Since that time Officers have been discussing with Legal Services and Orbit South Housing Association Limited arrangements for the company to continue in the Fund on a Closed Fund approach. It has been established that a termination agreement may only be entered into at a future date and the Committee's approval will be sought at that time.
19. The Committee is now being asked to agree a new admission agreement to reflect the Company's historical name change and closure of the agreement to new members; a supplementary admission agreement to support their continued membership of the Fund on a Closed Fund Approach; and to accept a parent company guarantee from Orbit Group Limited in support of the supplementary agreement.
20. The Actuary will be asked to assess the liabilities of Orbit South Housing Association Limited to the Fund every three years as part of the triennial

valuation. At 31 March 2013 the valuation results show there is nothing payable on the Closed Fund Approach from 1 April 2014 to 31 March 2017.

21. The Chairman is asked to sign the minute of the decision re Orbit South Housing Association Limited at the end of today's meeting to facilitate completion of the agreements on 31 March 2014.

RECOMMENDATION

22. Members are asked to:

- 1) Agree to the admission to the Kent County Council Pension Fund of TCS Independent Limited, and
- 2) Agree that an amended agreement can be entered into with Project Salus, and
- 3) Agree that an amended agreement can be entered into with Children and Families Limited, and
- 4) Agree that an amended agreement and a termination agreement can be entered into with Connexions Kent and Medway (2) (CXL Limited), and
- 5) Agree that an amended agreement can be entered into with Maidstone Housing Trust/Golding Homes, and
- 6) Agree that a termination agreement can be entered into with Mitie Cleaning and Support Services, and
- 7) Agree that the admission agreement, supplementary agreement and parent company guarantee can be entered into with Orbit South Housing Association Limited and their parent company, and
- 8) Agree that the Chairman may sign the minute of the decision re Orbit South Housing Association Limited at the end of today's meeting, and
- 9) Agree that once legal agreements have been prepared for (1) to (7) above, the Kent County Council seal can be affixed to the legal documents.

Steven Tagg
Treasury and Investments
Ext. 4625