

By: Chairman Superannuation Fund Committee
Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 2 July 2014

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

Classification: Unrestricted

Summary:

FOR DECISION To report on applications to join the Pension Fund and a number of admission matters.

INTRODUCTION

1. This report sets out information on applications from organisations to become admitted bodies within the Pension Fund. It also advises of three contract extensions and two name changes. The Committee's approval is sought to enter into these agreements.
2. The Committee are advised that the minutes relating to the two new admission applications, Total Facilities Management matter and the MCCH Society Limited matter are to be signed at the end of today's meeting to facilitate completion on the desired dates.

MEARS LIMITED

3. Medway Council is awarding a 5 year contract for housing repairs from 1 September 2014.
4. This involves the transfer of 5 employees from Medway Council to the successful bidder, Mears Limited. To ensure the continuity of pension arrangements for these employees, Mears Limited has made an application for admission to join 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 has assessed the level of bond at £15,000 for the first year and set an employer contribution rate of 16.5%.
6. The completed questionnaire and supporting documents provided by Mears Limited has 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.

ROCHESTER CARE HOME LIMITED

7. Medway Council is awarding a 15 year contract for emergency care at their Robert Napier Unit.
8. This involves the transfer of 24 employees from Medway Council to Rochester Care Home Limited. To ensure the continuity of pension arrangements for these employees, Rochester Care Home Limited has made an application for admission to join the Pension Fund.
9. The application has been made under Regulation 6 (2) (a) (i) of the Local Government Pension Scheme (Administration) Regulations 2008, as amended, and a guarantee will be provided by Medway Council as letting authority under Regulation 38 (3) (a) of the LGPS (Administration) Regulations 2008. The Fund Actuary has set an employer contribution rate of 21.1%.
10. The completed questionnaire supporting documents provided by Rochester Care Home Limited 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

TOTAL FACILITIES MANAGEMENT (East Kent, Mid Kent and West Kent)

11. At their meeting on the 7 February 2014 the Committee agreed to the admission of the successful bidders for the KCC Total Facilities Management contracts.
12. The Committee are now asked to note that the level of Bond and required employer contribution rates have been recalculated following changes to the staff being transferred and a limited guarantee being provided by KCC as the letting authority. The revised Bond and required employer contribution rates are £85,000 for the first year and 21.1% (East Kent), £321,000 for the first year and 20.4% (Mid Kent) and for West Kent £65,000 for the first year and 19.3% for an open agreement or 19.9% for a closed agreement.

CAPITA MANAGED IT SOLUTIONS LIMITED (regarding St George's CE Foundation School, Broadstairs)

13. Capita Managed IT Solutions Ltd is a Transferee Admission Body in the Kent Fund following the transfer of staff from KCC.

14. As this contract has now been extended by 16 months from 20 April 2014 it is necessary to extend the original admission agreement by way of an updated admission agreement.

CAPITA MANAGED IT SOLUTIONS LIMITED (regarding Thamesview School, Gravesend)

15. Capita Managed IT Solutions Ltd is a Transferee Admission Body in the Kent Fund following the transfer of staff from KCC.
16. As this contract has now been extended by one year from 10 January 2014 it is necessary to extend the original admission agreement by way of an updated admission agreement.

PROJECT SALUS

17. Project Salus is a transferee admission body who joined the Pension Fund on 1 June 2011 the following the transfer of staff to them from KCC.
18. The original contract has been extended to 22 June 2015 it is necessary to extend the original admission agreement by way of an updated admission agreement.

MITIE CLEANING AND SUPPORT SERVICES LIMITED

19. MITIE Cleaning and Support Services Limited is a transferee admission body who left the scheme on the 31 January 2014. This cessation was presented to Committee at their meeting on the 21 March 2014 and a cessation report is currently being obtained.
20. The Committee are asked to note that MITIE Cleaning and Support Services Limited has changed its name to MITIE Cleaning and Environmental Services Limited.

MCCH SOCIETY LIMITED

21. At their meeting on 2 March 2012 the Committee agreed that a Deed of Modification could be entered into to reflect the continuation of the contract beyond the original expiry date of June 2012.
22. At their meeting on 28 June 2013 the Committee agreed that a termination agreement could be entered into as MCCH gave notice to leave the Fund on 1 July 2013. At that time a cessation report was being obtained from the actuary.

23. The cessation report shows that MCCH has a £140,000 surplus, which the pension regulations do not allow to be returned to them.
24. On 1 April 2014 MCCH Society Limited became a registered charity and a company limited by guarantee. They also changed their name and are now just known as MCCH. The previously agreed documents will now need to be entered into with MCCH.

RECOMMENDATION

25. Members are asked to:

- 1) Agree to the admission to the Kent County Council Pension Fund of Mears Limited, and
- 2) Agree to the admission to the Kent County Council Pension Fund of Rochester Care Home Kent Limited, and
- 3) Note the amended Bond levels and employer contribution rates for KCC's Total Facilities Management contract relating to the admissions agreed by Committee on the 7 February 2014, and
- 4) Agree that an amended agreement can be entered into with Capita IT Managed Solutions Limited (re St George's CE Foundation School, Broadstairs), and
- 5) Agree that an amended agreement can be entered into with Capita IT Managed Solutions Limited (re Thamesview School, Gravesend), and
- 6) Agree that an amended agreement can be entered into with Project Salus, and
- 7) Note the name change of MITIE Cleaning and Support Services Limited and,
- 8) Note the name change for MCCH Society Limited,
- 9) agree that the Chairman may sign the minutes of today's meeting relating to recommendations 1), 2), 3) and 8) above at the end of today's meeting, and
- 10) Agree that once legal agreements have been prepared for (1) to (9) above, the Kent County Council seal can be affixed to the legal documents.

Steven Tagg
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