

By: Chairman Superannuation Fund Committee  
Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 26 June 2015

Subject: **FUND EMPLOYER MATTERS**

Classification: Unrestricted

---

Summary: To provide an update on Oasis Community Learning Trust's plans, to report on applications to join the Superannuation Fund and a number of other admission matters.

**FOR DECISION**

---

**INTRODUCTION**

1. This report provides an update on the progress of Oasis Community Learning Trust plan for consolidation of its academies in the Kent Fund and sets out information on applications from organisations to be admitted to the Pension Fund. It also advises of a number of admission matters and the Committee's approval is sought to enter into these agreements.
2. The Committee are advised that the minutes relating to the new admission, the termination of Locate in Kent Limited agreement, and the updated legal agreements for Westgate Community Trust (Canterbury) Limited are to be signed at the end of today's meeting to facilitate completion on the desired dates.

**OASIS COMMUNITY LEARNING TRUST**

3. The Committee was first advised at their meeting on 6 February 2015 of the Oasis Trust's proposal to consolidate all of its academies into the Kent Superannuation Fund.
4. At their meeting on 20 March 2015 the Committee agreed that officers be authorised to enter into further dialogue with the Trust, representatives of central government and other administering authorities involved and following this dialogue and full due diligence, submit a report on the Trust's proposal to the next meeting of this Committee for decision.

5. Subsequently officers have had discussions with the Oasis Community Learning Trust and other interested parties to agree an outline plan for the project and identify risks for the Fund related to the project and mitigation arrangements. The Oasis Trust has also had meetings with representatives of the other administering authorities involved and no issues or concerns have been raised.
6. The Trust proposes to appoint Hymans Robertson as project manager and KCC officers have contributed to their plan for the project. Officers have also provided estimates of the Fund's costs involved and Oasis has agreed to pay all costs.
7. Officers have discussed with Oasis that the academies will be consolidated into one employer - the Trust, within the Kent Fund. This will have a marginal impact on future resources of the Fund however the risk and others have been recorded in the risk register which is attached at Appendix 1.
8. Officers have undertaken due diligence on the Trust and confirmed that the Trust would be joining the Fund under Schedule 2 Part 1 20 of the LGPS regulations 2013, as amended. The DfE has confirmed that their guarantee made in 2013 is applicable.
9. On the basis of the Trust being established as a single employer, there are advantages to the Fund including an additional inflow of monies from contributions of some £6million. A copy of the Trust's rationale for the proposed consolidation as provided to DCLG is attached at Appendix 2.
10. The Committee are now asked to agree that it supports the Oasis Community Learning Trust proposal for the consolidation of its academies in the Kent Fund and for the Secretary of State to make a direction to give the consolidation legal effect.
11. The next stage is for Oasis to agree the Hymans Robertson project plan and costs and then for arrangements to be made for a formal consultation with all parties involved which should then be followed by the making of the direction.

#### **MEDWAY COUNCIL ESTATE SERVICES (CARETAKERS)**

12. Medway Council is awarding a five year contract for Estate Services from 1 September 2015.
13. This involves the transfer of ten employees from Medway Council to the successful bidder.
14. To ensure the continuity of pension arrangements for these employees, all three bidders have made an application for admission to the Superannuation Fund.

15. The admission applications has been made under Schedule 2 Part 3 1 (d) (i) of the LGPS Regulations 2013, 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 £106,000 for the first year and set an employer's contribution rate of 20% for an open agreement and 23% for a closed agreement.
16. The completed questionnaire and supporting documents provided by the bidders have been examined by Officers to ensure compliance with the LGPS Regulations, and KCC Legal Services have given a favourable opinion on each application.

#### **LOCATE IN KENT LIMITED**

17. Locate in Kent Limited is a transferee admission body in the Kent Superannuation Fund following the transfer of staff from KCC on 1 July 2014.
18. They have given three months' notice to terminate their admission agreement and we will obtain an actuarial valuation which will show what, if anything, is payable to the Superannuation Fund.
19. It is proposed that we enter into a termination agreement with Locate in Kent Limited.

#### **WESTGATE COMMUNITY TRUST (CANTERBURY) LIMITED**

20. At their meeting on 28 June 2013 the Committee agreed that an admission agreement may be entered into with Westgate Community Trust (Canterbury) Limited, who are taking over the running of a community hall from Canterbury City Council.
21. This involves the transfer of one employee from Canterbury City Council to Westgate Community Trust (Canterbury) Limited.
22. The level of bond has since been calculated as £5,000 for the first year however it has not been possible for Westgate Community Trust (Canterbury) Limited to source a bond for this amount at a price that they can afford.
23. At their meeting on 6 February 2015 the Committee agreed to Canterbury City Council providing a guarantee as Scheme Employer as an alternative to a bond.
24. The admission agreement was executed on the agreed transfer date, being 1 March 2015, although it has now transpired that the staff did not transfer until 1 April 2015.

25. It is proposed that we enter into further legal documentation to give effect to this change.

#### **PRINCIPLE CATERING CONSULTANTS LIMITED (Our Lady of Hartley RC Primary School, Longfield)**

26. Principle Catering Consultants Limited is a transferee admission body in the Kent Fund following the transfer of staff from Kent County Council on 1 August 2012.
27. As this contract has now been extended to 31 July 2017 it is necessary to update the original admission agreement to reflect this extension.

#### **NORWEST HOLST LIMITED**

28. Norwest Holst Limited is an admission body in the Kent Fund following the transfer of staff from the Kent Police Authority on 3 July 2006.
29. It has recently been noted that they changed their name to Vinci Construction UK Limited.
30. As the Local Government Pension Scheme Regulations have been amended since the original admission agreement was made, it is proposed that a new admission agreement be entered into which reflects both the name change and the changes to the Regulations.

#### **CHILDREN AND FAMILIES LIMITED**

31. Children and Families Limited is a transferee admission body in the Kent Superannuation Fund following the transfer of staff from KCC on 1 August 2011.
32. As the last active member left in January 2015 Children and Families Limited has become an exiting employer. We have obtained an actuarial valuation which shows there is nothing payable to the Superannuation Fund at that date.
33. It is proposed that we enter into a termination agreement with Children and Families Limited.

#### **CONNEXIONS PARTNETSHIP KENT AND MEDWAY LIMITED**

34. Connexions Partnership Kent and Medway Limited is a community admission body that joined the Kent Superannuation Fund on 27 May 2002.

35. As the last active member will leave on 30 June 2015 Connexions Partnership Kent and Medway Limited will become an exiting employer. We will obtain an actuarial valuation which will show what, if anything, is payable to the Superannuation Fund.
36. It is proposed that we enter into a termination agreement with Connexions Partnership Kent and Medway Limited

### **RECOMMENDATION**

37. Members are asked to agree:
  - 1) That it supports the Oasis Community Learning Trust proposal for the consolidation of its academies in the Kent Fund and for the Secretary of State to make a direction to give the consolidation legal effect.
  - 2) To the admission to the Kent County Council Superannuation Fund of the successful bidder for the Medway Council Estate Services (Caretakers) contract; and
  - 3) That a termination agreement may be entered into with Locate in Kent Limited; and
  - 4) That further legal agreements may be entered into to reflect the change in staff transfer date from Canterbury City Council to Westgate Community Trust (Canterbury) Limited; and
  - 5) That the Chairman may sign the minutes of today's meeting relating to recommendation (1) to (3) above at the end of today's meeting; and
  - 6) That an amended agreement can be entered into with Principle Catering Consultants Limited (re Our Lady of Hartley R C Primary School Longfield); and
  - 7) That an amended agreement can be entered into with Vinci Construction UK Limited; and
  - 8) That a termination agreement may be entered into with Children and Families Limited; and
  - 9) That a termination agreement may be entered into with Connexions Partnership Kent and Medway Limited; and

- 10) That once legal agreements have been prepared for (2) to (4) above and (6) to (9) above, the Kent County Council seal can be affixed to the legal documents.

**Alison Mings and Steven Tagg**  
**Treasury and Investments**  
**03000 416747**