

By: Chairman Superannuation Fund Committee
Corporate Director of Finance

To: Superannuation Fund Committee – 8 September 2017

Subject: **Fund Employer Matters**

Classification: Unrestricted

Summary: To report on employer related matters and applications to join the Superannuation Fund.

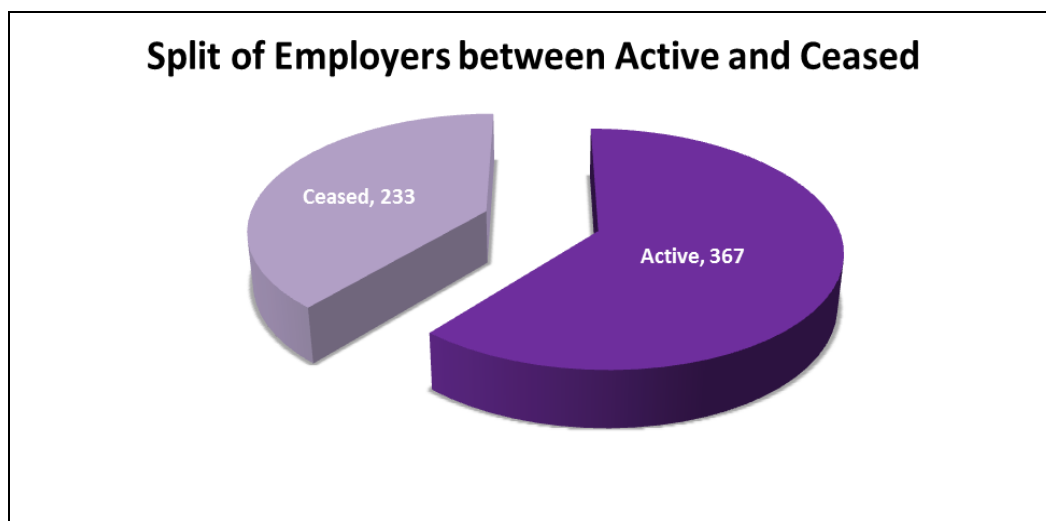
FOR DECISION

INTRODUCTION

1. This report sets out information on employer related matters and applications from organisations to become admitted bodies within the Superannuation Fund. The Committee's approval is sought to enter into these agreements.
2. The Committee is advised that the minutes relating to the new admission matters are to be signed at the end of today's meeting to facilitate completion on the desired dates.

EMPLOYER UPDATE AT 30 JUNE 2017

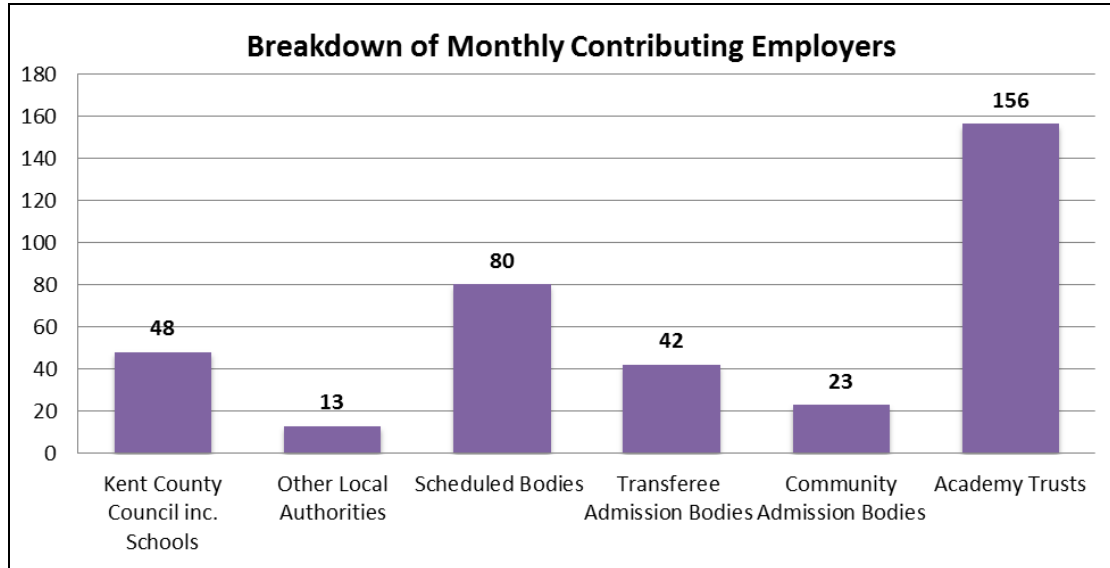
3. There are currently a total of 600 employers in the Kent Pension Fund.



4. During the 3 months to the end of June 2017 the number of Active employers who are regularly paying contributions has increased from 359 to 367 as the result of 11 new employers joining the Fund, being 2 parish councils, 1 resolution body, 3 Kent schools changing payroll

providers and 5 new academy trusts. The number of Ceased employers has increased from 230 to 233. These no longer have active contributing members in the LGPS and the Fund has an existing or future liability to pay pensions.

5. The following chart shows the Employers from whom the Fund receives monthly contributions, by Employer Group.



6. The following is a list of new Active / Ceased employers in the Kent Pension Fund

Active Employers	Effective date
<i>Scheduled Bodies</i>	
Walmer Parish Council	1 April
Barham Parish Council	1 April
Invicta Law Ltd	1 June
<i>Kent County Council Incl Schools (Change of Payroll Provider)</i>	
Dover Grammar School	1 April
Holmesdale School	1 April
The Malling School	1 April
<i>Academy Trusts</i>	
The Areté Trust	1 June
Aletheia Anglican Academies Trust	1 April
Barnsole Primary Trust	1 May
The Inspiring Change Multi Academy Trust	1 June
Endeavour Academy Trust	1 April

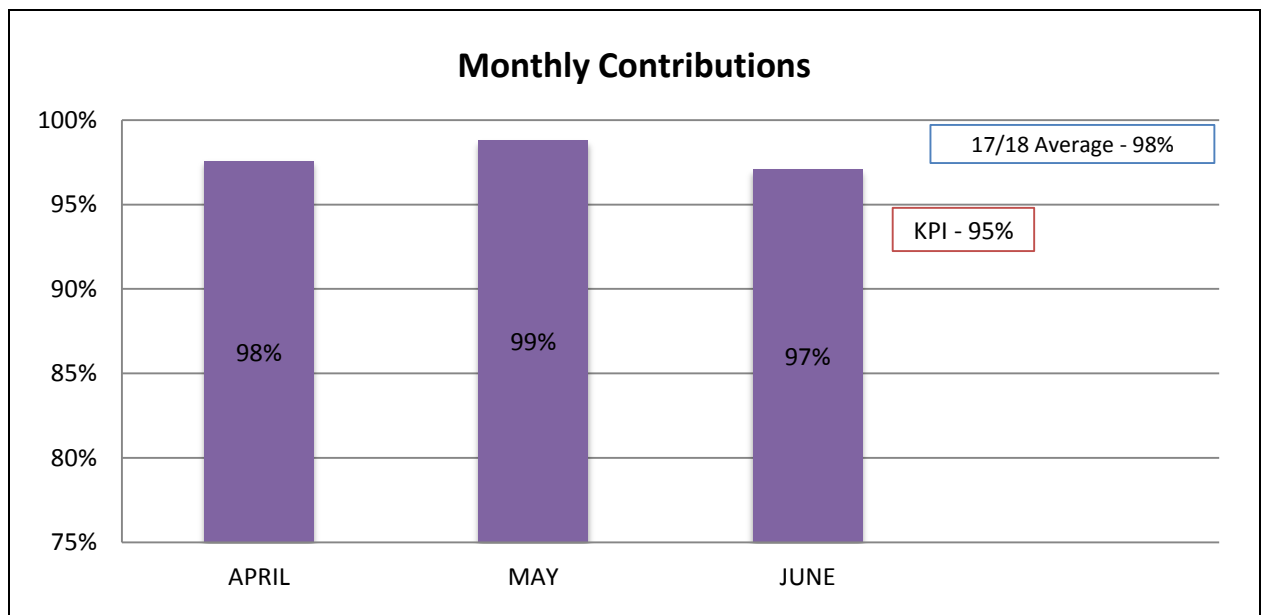
Ceased Employers	Effective date
Community Admission Body	
Kent College Pembury	1 April
Academy joined a Multi-Academy Trust	
Wilmington Boys School Academy	1 April
Wilmington Girls School Academy	1 April

CONTRIBUTIONS FROM EMPLOYERS QUARTER 1 2017-18

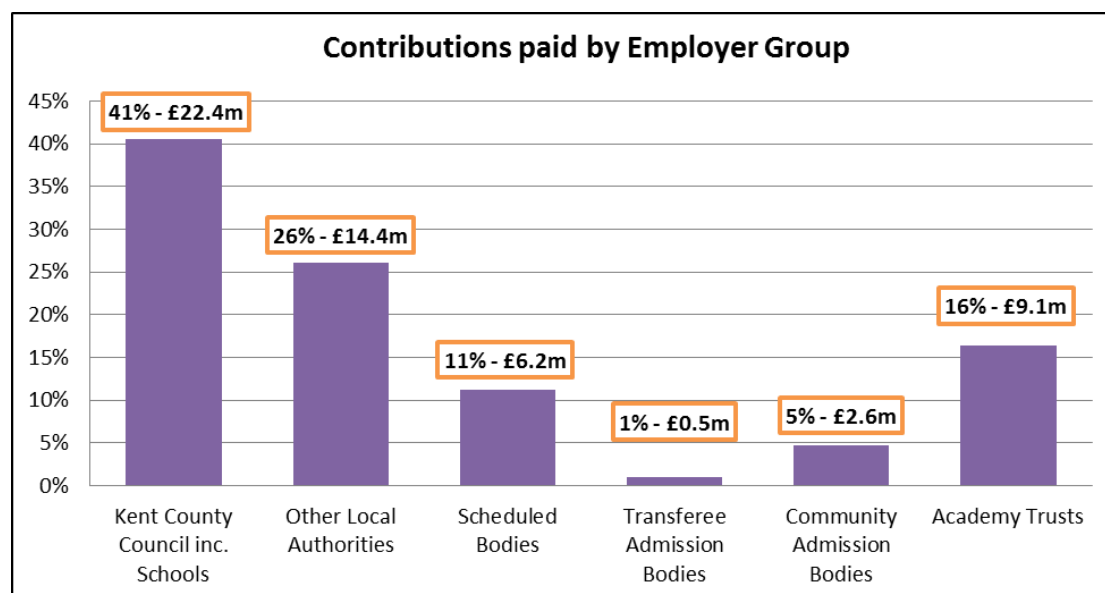
7. In quarter 1 2017-18 the Fund received £55.3m from Employers in respect of their monthly contributions (employer and employee) as follows:

	APRIL	MAY	JUNE
	£	£	£
Received Early	9,229,792	9,567,508	9,329,874
Cash on 19th	8,995,087	8,485,886	8,456,378
Received Late	451,570	217,665	533,514
Total	18,676,449	18,271,059	18,319,766

8. KCC monitors the timing of receipt of these contributions compared to a KPI of 95%. During quarter 1 2017-18 the KPI has been exceeded each month with an average 98% of all contributions being received on or before the due date.



9. The following table shows that KCC and other local authorities have paid £36.8m, 67% of all contributions received from employers.



SOLO SERVICE GROUP LTD

1. St John's CEP School, Tunbridge Wells, is awarding a 3 year contract with a possible 1 year extension for cleaning services effective from 1 December 2017. This involves the transfer of 4 employees from the school to Solo Service Group Ltd.
2. To ensure the continuity of pension arrangements for these employees, Solo Service Group Ltd has made an application for admission to the Superannuation Fund.
3. The admission application 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.
4. The Fund Actuary has assessed the level of bond at £8,000 for the first year, £22,000 for the second year and £24,000 for the third year and the employer's contribution rate has been set as 16.8% for an open agreement.
5. The completed questionnaire and supporting documents provided by Solo Service Group Ltd have been examined by Officers to ensure compliance with the LGPS Regulations, and Invicta Law have given a favourable opinion.

PABULUM LTD

6. Swale Academies Trust is awarding a 3 year contract with a possible 2 year extension for catering services at its primary schools although the effective date is yet to be confirmed. This involves the transfer of approximately 11 employees from the trust to Pabulum Ltd.
7. To ensure the continuity of pension arrangements for these employees, Pabulum Ltd has made an application for admission to the Superannuation Fund.
8. The admission application 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.
9. The Fund Actuary has assessed the level of bond at £10,000 for the first year, £18,000 for the second year and £23,000 for the third year and the employer's contribution rate has been set at 26.4% for a closed agreement. However, Swale Academies Trust has agreed to act as guarantor instead of a Bond.
10. The completed questionnaire and supporting documents provided by Pabulum Ltd have been examined by Officers to ensure compliance with the LGPS Regulations, and Invicta Law have given a favourable opinion in principle subject to all the formalities being completed to their satisfaction.

RECOMMENDATION

11. Members are asked to agree:
 - a) to the admission to the Kent County Council Superannuation Fund of Solo Service Group Ltd;
 - b) to the admission to the Kent County Council Superannuation Fund of Pabulum Ltd;
 - c) that the Chairman may sign the minutes relating to recommendations (a) to (b) at the end of today's meeting; and
 - d) that once legal agreements have been prepared for these matters the Kent County Council seal can be affixed to the legal documents.

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