

By: Chairman Superannuation Fund Committee
Director of Finance

To: Superannuation Fund Committee – 20 November 2009

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

Classification: Unrestricted

Summary: To report on applications to join the Pension Fund.

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.

AVANTE PARTNERSHIP LIMITED

2. A report on Kent Community Housing Trust (KCHT) was submitted to the 3 July Committee meeting and approval was given for this organisation to be admitted to the Kent County Council Pension Fund. However, prior to the legal documents being signed by KCHT and Kent County Council, the organisation changed its name to Avante Partnership Limited. Consequently, an admission application has been made in the name of the new organisation and the details are given in the following paragraphs of this report.
3. Avante Partnership Limited is the successful bidder for a contract outsourced by Kent County Council to provide domiciliary care services. Two employees are involved in the TUPE transfer from Kent County Council to Avante Partnership Limited.
4. The application has been made under Regulation 6(2)(a)(i) of the Local Government Pension Scheme (Administration) Regulations 2008, as amended. Under this Regulation, there is a requirement for a form of bond or indemnity to be provided. The bond/indemnity is actuarially assessed to cover the costs of early retirement in the event of redundancy. The actuary has assessed the level of the bond/indemnity as £2,000 for the first year.
5. The completed questionnaire and Memorandum and Articles have been examined by Legal Services to ensure compliance with the Local

Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

TURNER CONTEMPORARY

6. Turner Contemporary is a charitable trust which has been set up by Kent County Council to deliver a wide range of artistic and educational programmes in Margate and Thanet. It is moving to an independent status to take effect from 1 April 2010. The employees, finance and legal liabilities are to be transferred to a company limited by guarantee which will be known as Turner Contemporary.

The charity aims to promote art for the benefit of the public through activities including exhibitions, displays, events and commissions. Funding for the company is from a number of sources – including KCC and Arts Council England (ACE)

7. There are currently four employees on the project who will be transferred to the new company. The application to join the Pension Fund has been made to ensure the continued pension provision for those employees.
8. The application has been made under Regulation 5(2)(a)(i) of the Local Government Pension Scheme Regulations. There is no requirement under this regulation for a bond or indemnity. There is a potential financial risk to the Pension Fund if Turner Contemporary ceases to exist. This risk will be covered by KCC acting as a guarantor.
9. The completed questionnaire and Memorandum and Articles have been examined by Legal Services to ensure compliance with the Local Government Pension Scheme Regulations. Legal Services have given a favourable opinion.

NORWEST HOLST

10. Norwest Holst is a Transferee Admission Body participating in the Pension Fund. The company has recently advised the Pension Fund that the company name was changed to Vinci Construction UK Limited at 29 December 2008.
11. This change of name needs to be reflected in our legal agreements by means of a deed. Committee approval is required for KCC to enter into the deed and use the KCC seal.

ORCHARD THEATRE DARTFORD LIMITED

12. At its meeting on 3 July 2009 the Superannuation Fund Committee approved the admission to the Fund of the Orchard Theatre as HQ Theatres Limited.
13. Prior to the legal agreement being signed it was noticed however that the correct name of the admission body was Orchard Theatre Dartford Limited. The Committee approval at the 3 July meeting did not

therefore provide authority for Kent County Council to enter into the legal agreement and use the KCC seal.

14. The date for the transfer as agreed between Dartford Borough Council and Orchard Theatre Dartford Limited was 1 October 2009. As the transfer of employees was imminent, the agreement of the Committee Chairman was sought to ensure that the legal documentation to effect the admission of Orchard Theatre Dartford Limited could proceed, subject to officers giving an update at the next Committee meeting, so that this change of name can be properly reflected in the Committee's minutes.
15. Steps are being taken to prevent this situation arising in the future. These include advising employers of the process and timetable for admission applications and the committee timetable and ensuring that the applicant name in the Committee report matches that on the application.

RECOMMENDATION

16. Members are asked to agree to the admission to the Kent County Council Pension Fund of:
 - (1) Avante Partnership Limited;
 - (2) Turner Contemporary;
 - (3) and agree that a deed can be entered into in respect of the change of name from Norwest Holst to Vinci Construction UK Limited;
 - (4) and in respect of all of the above matters agree that once legal agreements or deeds have been prepared for all of the above matters, the Kent County Council seal can be affixed to the legal documents.
 - (5) note the action taken in respect of Orchard Theatre Dartford Limited.

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