

By: Chairman Superannuation Fund Committee  
Acting Corporate Director of Finance

To: Superannuation Fund Committee – 7 September 2018

Subject: **FUND EMPLOYER MATTERS**

Classification: Unrestricted

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

**FOR DECISION**

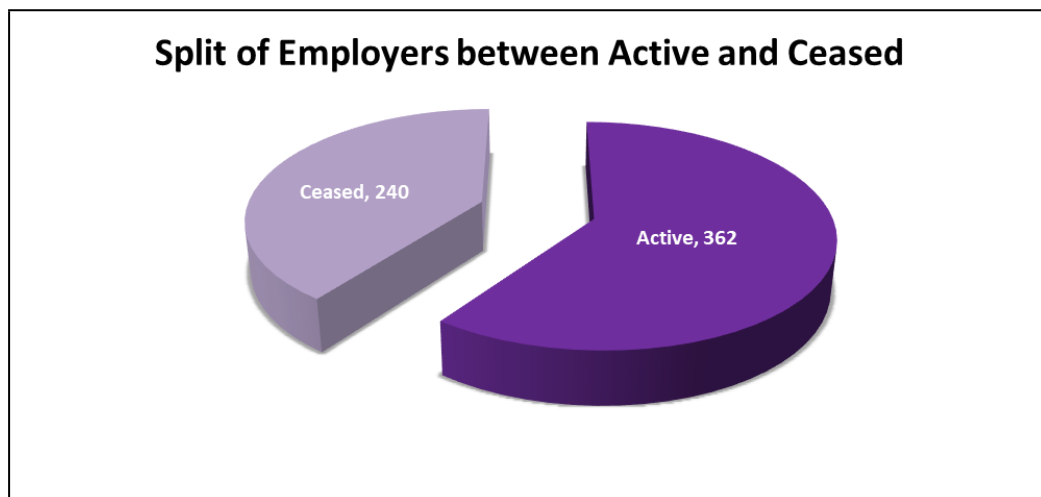
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**INTRODUCTION.**

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

**EMPLOYERS IN THE FUND AT 30 JUNE 2018**

3. There were a total of 602 employers in the Kent Pension Fund.



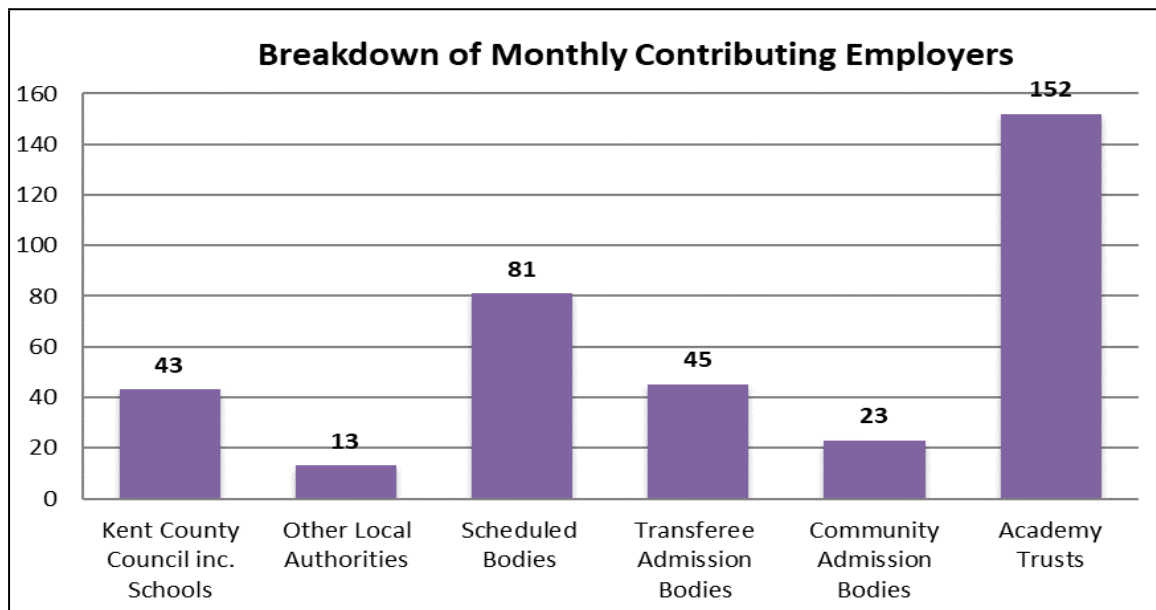
4. The number of active employers regularly paying contributions increased in the first 3 months up to 30 June 2018 to 362. This was as a result of 4 new employers joining the Fund and 3 Academies merging into new or existing Trusts. The number of Ceased employers hasn't changed at

240. 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 table lists employers who either joined or ceased to have active members in the Fund for the first quarter of the year for 2018-19

<b>New Employers</b>	<b>Effective date</b>
<b><i>Scheduled Bodies</i></b>	
Westgate on Sea Parish Council	1 April 2018
<b><i>Academy Trusts</i></b>	
Veritus Multi Academy Trust	1 May 2018
Fortis Trust	1 June 2018
<b><i>Admitted Bodies</i></b>	
Nourish Contract Catering Limited (Swale Academy Trust)	1 April 2018
<b>Ceased/Merged to Trust Employers</b>	
<b><i>Academy joined a Multi-Academy Trust</i></b>	
Danecourt Academy (Argent)	1 April 2018
Veritus Academy	1 May 2018
Bradfields Academy	1 June 2018

6. The following chart shows the Employers from whom the Fund receives monthly contributions, by Employer Group. Note the KCC figures reflect the County's and schools' relationships with a number of payroll providers.

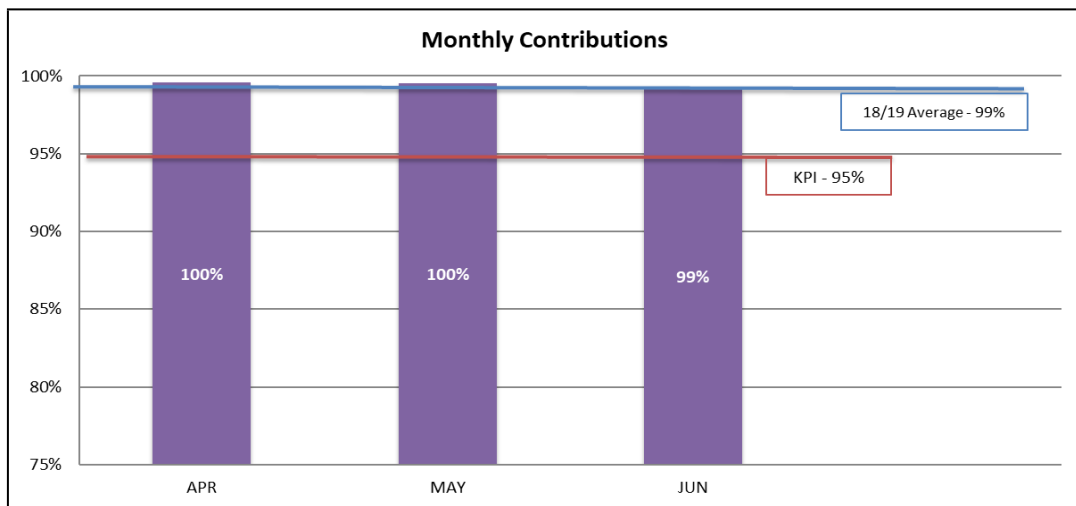


## CONTRIBUTIONS FROM EMPLOYERS

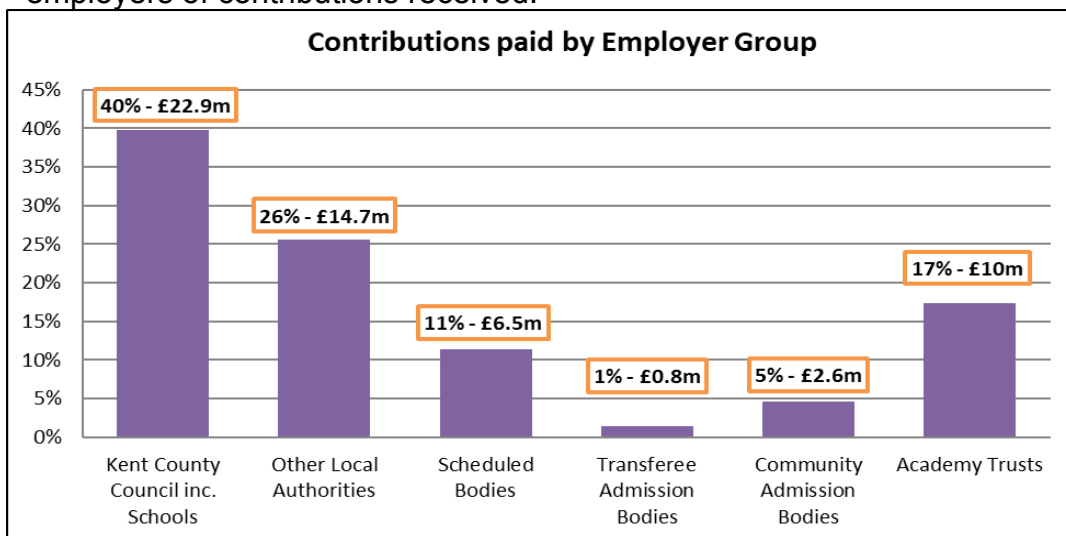
7. In the first quarter of 18-19 ,the Fund received £57.5m from Employers in respect of their monthly contributions (employer and employee) as follows:

	Received Early	Cash on 19th	Received Late	Total
	£	£	£	£
April	10,125,904	9,140,793	84,200	19,350,896
May	11,766,335	7,105,259	93,664	18,965,259
June	10,401,830	8,559,473	150,331	19,111,634

8. KCC monitors the timing of receipt of these contributions compared to a KPI of 95%. The KPI was exceeded ieach of the first 3 months of 2018-19 and the average for this quarter for contributions received was 99%.



9. The following chart shows the proportion paid by KCC and other employers of contributions received.



10. Canterbury City Council is awarding a three and a half year contract for Cleaning Services from 1 December 2018. This involves the transfer of 1 employee from Kingdom Services Group to Monitor Services Ltd.
11. To ensure the continuity of pension arrangements for this employee, Monitor Services Ltd has made an application for admission to join the Superannuation Fund.
12. The admission application has been made under Schedule 2 Part 3 1(d) (i) of the Local Government Pension Scheme Regulations 2013, as amended, and under this regulation the admitted body is required to provide a form of bond or indemnity.
13. The Fund Actuary has assessed the employer contribution rate as 15.5% for a closed agreement and the Bond for the first year as £5,000.
14. The completed questionnaire and supporting documents provided by Monitor Services Ltd have been examined by Officers to ensure compliance with the LGPS Regulations, and Invicta Law have given a favourable opinion.

#### **SODEXO LTD**

15. Oasis Academy is awarding a two year contract for Catering Services from 1 September 2018. This involves the transfer of a number of employees from Oasis Academy to Sodexo Ltd.
16. To ensure the continuity of pension arrangements for these employees, Sodexo Ltd has made an application for admission to join the Superannuation Fund.
17. The admission application has been made under Schedule 2 Part 3 1(d) (i) of the Local Government Pension Scheme Regulations 2013, as amended, and under this regulation the admitted body is required to provide a form of bond or indemnity.
18. The Fund Actuary will assess the employer contribution rate and Bond.
19. The completed questionnaire and supporting documents provided by Sodexo Ltd have been examined by Officers to ensure compliance with the LGPS Regulations, and Invicta Law will give a favourable opinion subject to their completion of further due diligence of the commercial contract.

#### **ABM CATERING LTD**

20. The Committee previously resolved to note the withdrawal of ABM Catering Ltd as a participating employer in the Pension Fund. Their liability has now been settled and the Committee are asked to agree that we may enter into a termination agreement with ABM Catering Ltd.

## **RECOMMENDATION**

21. Members are asked to agree:

- a) to the admission to the Kent County Council Superannuation Fund of Monitor Services Ltd;
- b) to the admission to the Kent County Council Superannuation Fund of Sodexo Ltd;
- c) to a termination agreement being entered into with ABM Catering Ltd;
- d) that the Chairman may sign the minutes relating to recommendations (a) to (c) at the end of today's meeting; and
- e) 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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