

**CAMBRIDGESHIRE
PENSION FUND**



Pension Fund Committee

Date: 22 October 2015

Report by: Deputy Head of Pensions

Subject:	Amendment of Policy for Admission Bodies, Scheme Employers and Bulk Transfer
Purpose of the Report	To provide the Committee with full details of the revised Admission Bodies, Scheme Employers and Bulk Transfer Policy as a result of new Regulations.
Recommendations	The Committee is asked to approve the Policy for Admission Bodies, Scheme Employers and Bulk Transfer of Members provided in the Appendix to this report.
Enquiries to:	Mark Whitby, Deputy Head of Pensions Services Tel – 01604 368502 E-mail – Mwhitby@northamptonshire.gov.uk

1. Background

- 1.1 The Admission Bodies, Scheme Employers and Bulk Transfer Policy was last approved by the Pension Fund Committee in 2012 and has been updated to reflect The Local Government Pension Scheme Regulations 2013 (as amended) which is a change in name only and has not changed the nature of the existing policy. The policy has also been completely reformatted to enable the reader to easily access the information that they require.
- 1.2 The Local Government Pension Scheme Regulations 2013 (as amended) (“The Regulations”) provides for a variety of different categories of body that have access to the LGPS as a pensions saving vehicle for their employees. The right of access varies and may be as an automatic right, at the discretion of the administering authority or contingent on a body agreeing admission terms.
- 1.3 The Regulations also set out broadly the manner in which an administering authority can manage the financial risks associated with bodies in the Pension Fund and the treatment of bodies withdrawing from the Fund.
- 1.4 The Regulations set out certain rules governing the treatment of bulk transfers, including when a transfer should be treated as bulk transfer as opposed to an individual transfer.
- 1.5 In formulating policies in these areas it is also important to consider the links with the Funding Strategy Statement and the guidance and regulatory framework beyond the

LGPS, such as Fair Deal, the Office of the Deputy Prime Minister's Code of Practice on Workforce Matters and the Best Value Authorities Staff Transfers (Pensions) Direction 2007.

2. Draft Policy

- 2.1 There are no major changes to the nature of the policy as a result of The Regulations except for the removal of reference to Community and Transferee Admission Bodies. The Regulations no longer refers to different types of employers by these names, though these bodies still exist. They are now referred to according to the relevant clause of The Regulations which permits their entry to the scheme.
- 2.2 The draft Policy for Admission Bodies, Scheme Employers and Bulk Transfer of Members is in appendix one.

3. Relevant Pension Fund Objectives

Perspective	Outcome
Funding and Investment	<ul style="list-style-type: none"> To ensure that the Fund is able to meet its liabilities for pensions and other benefits with the minimum, stable level of employer contributions. To ensure that sufficient resources are available to meet all liabilities as they fall due. To maximise the returns from its investments within reasonable risk parameters.
Administration	<ul style="list-style-type: none"> Ensure the Funds and its stakeholders are aware of and understand their roles and responsibilities under the LGPS regulations and in the delivery of the administration functions of the Funds. Ensure benefits are paid to, and income collected from, the right people at the right time in the right amount. Maintain accurate records and ensure data is protected and has authorised use only.

4. Finance & Resources Implications

- 4.1 The financial implications for each area of the policy are contained within the draft policy.

5. Risk Implications

- a) Risk(s) associated with the proposal

Risk	Mitigation	Residual Risk
The reader will not have access to the background information that informed the policy	Full explanations can be provided upon request from the reader	Green

decisions		
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b) Risk(s) associated with not undertaking the proposal

Risk	Risk Rating
The length of the existing policy could deter employers from reading the policy document and hinder their understanding of the Fund's policies in these areas	Green

6. Communication Implications

Direct Communications	Approved policy to be communicated to employers
Website	Approved policy to be added to LGSS Pensions Service website
Training	Staff need training on updated policy and processes

7. Legal Implications

7.1 Not Applicable

8. Consultation with Key Advisors

8.1 Discussions between Officers in Pension Services and the Fund's actuarial and benefits consultancy adviser, Hymans Robertson were undertaken as part of the process in amending the policy.

9. Alternative Options Considered

9.1 In undertaking the review, consideration has been given to the existing policy in these areas, possible alternatives where they exist, as well as best practice across other LGPS Funds.

10. Background Papers

10.1 The key provisions of the draft policy can be found in the Local Government Pension Scheme Regulations 2013 (as amended). Other relevant guidance and applicable regulatory framework is referred to in the text of the proposed policy.

11. Appendices

11.1 Appendix 1 – Draft Policy for Admission Bodies, Scheme Employers and Bulk Transfer of Members

Checklist of Key Approvals	
Is this decision included in the Business Plan?	No
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Deputy Head of Pensions.	Mark Whitby – 24/09/2015
Has this report been cleared by the Section 151 Officer?	Sarah Heywood – 29/09/2015
Has the Chairman of the Pension Fund Board been consulted?	Councillor Hickford – 29/09/2015
Has this report been cleared by Legal Services?	Copy sent to Quentin Baker – 09/10/2015