

Cambridgeshire  
Pension Fund

Pension Fund Committee  
22<sup>nd</sup> July 2021

Report by: Head of Pensions

Subject: Employer Admissions and Cessations Report

Purpose of the Report: 1. To report the admission of twenty admitted bodies to the Cambridgeshire Pension Fund  
2. To notify the Committee of six bodies ceasing participation in the Cambridgeshire Pension Fund

Recommendations: That the Pension Fund Committee:

1. Approves the admission of the following admitted bodies to the Cambridgeshire Pension Fund and the sealing of the admission agreement.
  - Fusion Family and Youth Projects
  - Peterborough Investment Partnership
2. Notes the admission of the following admitted bodies to the Cambridgeshire Pension Fund and approves the sealing of the admission agreements:
  - ABM Catering Limited x 3
  - Aramark Limited
  - Aspens Service Limited
  - Centre 33
  - City Culture Peterborough Limited
  - Compass Contract Services Limited
  - Easy Clean Contractors Limited
  - Goshen Multiservices Limited
  - Hertfordshire Catering Limited x 6
  - Industrial Site Maintenance Limited
  - Lunchtime Company Limited
3. Notes the cessation of the following bodies from the Cambridgeshire Pension Fund:
  - ABM Catering Limited
  - Centre 33
  - Easy Clean Contractor Limited
  - Edwards & Blake Limited
  - Lunchtime Company Limited
  - Spurgeons

Enquiries to: Name – Cory Blose, Employer Services and Systems Manager  
Tel – 07990 560829  
E-mail – [cory.blose@westnorthants.gov.uk](mailto:cory.blose@westnorthants.gov.uk)

## 1. Background

- 1.1 The Local Government Pension Scheme Regulations 2013 (as amended) provide for the participation of a number of different types of body in the Local Government Pension Scheme; scheduled bodies, designating bodies, and admission bodies.
- 1.2 This report provides an update on admissions to and cessations from the Cambridgeshire Pension Fund since the last meeting of the Pension Fund Committee.

## 2 New Admission Bodies

- 2.1 Paragraph 1 of Part 3 of Schedule 2 to the Regulations provides for an Administering Authority making an admission agreement with an admission body, enabling employees of the admission body to be active members of the Local Government Pension Scheme.
- 2.2 Subject to approval by the Pension Fund Committee, a body which falls under paragraph 1(a) of Part 3 of Schedule 2 is an admission body that is providing a public service in the United Kingdom which operates otherwise than for the purposes of gain and has sufficient links with a scheme employer for the body and the scheme employer to be regarded as having a community of interest.
- 2.3 The Pension Fund Committee is asked to approve the admission of the following bodies into the Cambridgeshire Pension Fund under paragraph 1(a).

Date	New Admission Body	Background information
01/08/2019	Fusion Family and Youth Projects	Fusion Family and Youth Projects (Fusion) is a charity which provides support to families and young people in Huntingdon. A group of staff transferred from Cambridgeshire County Council to Fusion. There is no contract for services, Fusion have therefore applied for admission to the Fund under paragraph 1(a). The Council and Fusion have confirmed that there are sufficient links for the admission body and the Council to be regarded as having a community of interest and the Council has agreed to act as guarantor for Fusion. This agreement has been backdated to 1 August 2019 and backdated contributions have been collected.

Date	New Admission Body	Background information
01/05/2021	Peterborough Investment Partnership	Peterborough Investment Partnership is the joint venture partnership between Peterborough City Council and Peterborough Partnership Limited to aid regeneration of the city. Peterborough City Council and the admission body confirm that the purpose of the Peterborough Investment Partnership is not to make a profit and the admission body has sufficient links with the scheme employer for the admission body and the scheme employer to be regarded as having a community of interest. A group of staff was transferred from the scheme employer to the admission body and Community admission agreement has been put in place.

- 2.4 A body which falls under paragraph 1(d)(i) of Part 3 of Schedule 2 is an admission body that is providing a service, in connection with the function of a scheme employer, as the result of a transfer of service or assets by means of a contract or other arrangement.
- 2.5 The Regulations require that applications for bodies, assessed by officers as complying with paragraph 1(d)(i), and who agree to meet the terms of the admission agreement must be accepted. The Regulations also allow Funds to enter into backdated admission agreements.
- 2.6 There are a number of backdated admission agreements within this report. This is due either to difficulties in getting both the scheme employer and admitted body to sign the admission agreement. Older cases were previously closed down but we were asked to reopen the cases by the scheme employer. Officers have worked closely with these employers over recent months to bring these cases to completion.
- 2.7 The Pension Fund Committee is asked to note the admission of the following bodies into the Cambridgeshire Pension Fund under paragraph 1(d)(i) and to approve the sealing of the admission agreements.

Date	New Admission Body	Background information
01/09/2017	Compass Contract Services Limited (Anglian Learning Trust)	Anglian Learning Trust have entered into a contract with Compass Contract Services Limited to provide catering services in their academies. As a result, a group of employees were transferred to the admission body and a pass through admission agreement has been put in place, with the liabilities retained by the Trust. This agreement has been backdated to 1 September 2017 and backdated contributions have were expected prior to this Meeting. A verbal update will be provided.

Date	New Admission Body	Background information
01/08/2018	Aramark Limited (Cambridge Regional College)	Cambridge Regional College have entered into a contract with Aramark Limited to provide catering services. As a result, a group of employees were transferred to the admission body and a full admission agreement has been put in place. This agreement has been backdated to 1 August 2018 and backdated contributions have been collected.
01/08/2019	Lunchtime Company Limited (Cambridge Primary Education Trust)	Cambridge Primary Education Trust have entered into a contract with Lunchtime Company Limited to provide catering services in their academies. As a result, a group of employees were transferred to the admission body and a pass through admission agreement has been put in place, with the liabilities retained by the Trust. This agreement has been backdated to 1 August 2019 and backdated contributions have been collected.
01/08/2019	ABM Catering Limited (St Augustine's C of E Voluntary Aided Junior School)	St Augustine's C of E Voluntary Aided Junior School, a Peterborough LEA school, have entered into a contract with ABM Catering Limited to provide catering services. As a result, a group of staff were transferred to the new admission body and a pass through admission agreement has been put in place, with the liabilities retained by the City Council. This agreement has been backdated to 1 August 2019 and backdated contributions have been collected.
01/01/2020	Easy Clean Contractors Limited (Arbury Primary School)	Arbury Primary School, a Cambridgeshire LEA school, have entered into a contract with Easy Clean Contractors Limited to provide cleaning services. As a result, a group of staff were transferred to the new admission body and a pass through admission agreement has been put in place with the liabilities retained by the Council. This agreement has been backdated to 1 January 2020 and backdated contributions have been collected.
01/01/2020	ABM Catering Limited (Priory Junior School)	Priory Junior School, a Cambridgeshire LEA school, have entered into a contract with ABM Catering Limited to provide catering services. As a result, a group of staff were transferred to the new admission body and a pass through admission agreement has been put in place with the liabilities being retained by the Council. This agreement has been backdated to 1 January 2020 and backdated contributions have been collected.

Date	New Admission Body	Background information
05/04/2020	ABM Catering Limited (Holywell C of E Primary School)	Holywell C of E Primary School, a Cambridgeshire LEA school, have entered into a contract with ABM Catering Limited to provide catering services. As a result, a group of staff were transferred to the new admission body and a pass through admission agreement has been put in place with the liabilities being retained by the Council. This agreement has been backdated to 5 April 2020 and backdated contributions have been collected.
01/10/2020	City Culture Peterborough Limited	Peterborough City Council entered into a contract with City Culture Peterborough Limited to manage the city's culture and heritage facilities. As a result, a group of staff were transferred to the new admission body and a pass through admission agreement has been put in place with the liabilities being retained by the City Council. This agreement has been backdated to 1 October 2020 and backdated contributions have been collected.
01/07/2020	Aspens Service Limited (Brampton Village Primary School)	Aspens Service Limited is a former admission body whose last active member opted out of the scheme. The admission has been re-opened and backdated to 1 July 2020 after the eligible employee re-joined the scheme. The backdated contributions from 1 July 2020 have been collected.
01/08/2020	Centre 33	Cambridgeshire County Council entered into a contract with Centre 33 to provide assessments of and support services to young carers. As a result, a single member of staff was transferred to the new admission body and a pass through admission agreement has been put in place with the liabilities retained by the Council. This agreement has been backdated to 1 August 2020 and backdated contributions have been collected. This body also appears in section 3 (Cessations) of this report as the transferring member has since left the Scheme.
01/09/2020	Hertfordshire Catering Limited	Hertfordshire Catering Limited has entered into a contract with a number of LEA schools to provide catering services. As a result, a group of employees were transferred to the admission body and separate pass through admission agreements have been put in place for each separate contract. A list of the separate admission agreements can be found in appendix 1. These agreements have been backdated to 1 September 2020 and backdated contributions have been collected.

Date	New Admission Body	Background information
01/04/2021	Goshen Multiservices Limited	Cambridge City Council have entered into a contract with Goshen Multiservices Limited to provide cleaning services. As a result, a group of employees were transferred to the admission body and a full admission agreement has been put in place. A bond is required for this admission, and a bond agreement will be put in place in due course.
01/04/2021	Industrial Site Maintenance Limited	Cambridge City Council has entered into a contract with Industrial Site Maintenance Limited to provide cleaning services. As a result, a group of employees were transferred to the admission body and a full admission agreement has been put in place. This agreement will be backdated to 1 April 2021 and backdated contributions will be collected once the agreement is sealed.

### 3. Cessations

#### 3.1 Spurgeons

3.1.1 Spurgeons were admitted to the Fund under a full agreement on 1<sup>st</sup> April 2012, after entering a contract to provide children's services.

3.1.2 On 17<sup>th</sup> January 2021, the last active member was transferred out from Spurgeons. A surplus of £385K has been identified by the Fund Actuary, officers will now assess whether an exit credit should be paid and if so, the value of that exit payment, in line with paragraph 64 of the Regulations.

#### 3.2 Lunchtime Company Limited (Fulbourn Primary School)

3.2.1 Lunchtime Company Limited were admitted to the Fund under a pass through agreement on 1<sup>st</sup> May 2017 after entering a contract to provide the catering services in Fulbourn Primary School.

3.2.2 Their service contract ended on 12<sup>th</sup> February 2021. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

#### 3.3 ABM Catering Limited (Abbots Ripton CoE Primary School)

3.3.1 ABM Catering Limited were admitted to the Fund under a pass through admission agreements on 1<sup>st</sup> January 2018 after entering a contract to provide the catering services in Abbots Ripton CoE Primary School.

3.3.2 Their service contract ended on 31<sup>st</sup> December 2020. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council

### 3.4 Easy Clean Limited (Little Paxton Primary School)

- 3.4.1 Easy Clean Limited were admitted to the Fund under a pass through agreement on 1<sup>st</sup> June 2018, after entering a contract to provide catering services in Netherall School.
- 3.4.2 On 24<sup>th</sup> December 2020, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

### 3.5 Edwards & Blake Limited (Spring Common Academy)

- 3.5.1 Edwards & Blake Limited were admitted to the Fund under a pass through agreement on 1<sup>st</sup> June 2018, after entering a contract to provide catering services.
- 3.5.2 On 29<sup>th</sup> January 2021, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Spring Common Academy Trust.

### 3.6 Centre 33

- 3.6.1 Centre 33 were admitted to the Fund under a pass through agreement effective from 1 August 2020 after entering into a contract with Cambridgeshire County Council to provide assessments of and support to young carers.
- 3.6.2 On 31 August 2020, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

## 4. Relevant Pension Fund Objectives

Manage the Fund in a fair and equitable manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers. *Objective 2*

Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. *Objective 5*

Ensure appropriate exit strategies are put in place in both the lead up to and termination of a scheme employer. *Objective 7*

## 5. Risk Management

- 5.1 The Pension Fund Committee are responsible for approving some admission bodies into the Fund as well as monitoring all admissions and cessations.
- 5.2 The risks associated with failing to monitor admissions and cessations have been captured in the Fund's risk register as detailed below.

Risk	Residual risk rating
Lack of understanding of employer responsibilities which could result in statutory and non-statutory deadlines being missed.	Green
Failure to administer the scheme in line with the regulations.	Green
Failure to provide relevant information to the Pension Fund Committee/Pension Board to enable informed decision making.	Green
Failure to assess and monitor the financial strength of an employer covenant to ensure employer liabilities are met.	Green

5.3 The Fund's full risk register can be found on the Fund's website:

[Pension Fund Risk Register hyperlink](#)

## 6. Finance & Resources Implications

- 6.1 Actuarial costs incurred by obtaining a calculation of the employer's contribution rate and opening funding position at commencement are recharged directly to the employer.
- 6.2 The employer contribution rate contains an allowance for administration charges, and the employer is charged a fee to recover the Funds administration costs of on boarding new employers and terminating ceased employers. This means that admissions and cessations should be cost neutral.
- 6.3 Employers who are unable to pay monies due during the course of active membership may result in unpaid liabilities being borne by other employers in the Fund.

## 7. Communication Implications

Direct Communications - Direct communications will be required to facilitate employer start up in the LGPS.

Direct communications will be required with the exiting employers.

Training - Training will need to be provided to new employers on a number of LGPS issues.

Website - New employers are given access to the employer's guidance available on the pension's website.

## 8. Legal Implications

- 8.1 Admitted bodies enter into an admission agreement with the administering authority in order to become an employer within the Cambridgeshire Pension Fund. This agreement sets out the statutory responsibilities of an employer, as provided for under the Regulations governing the LGPS.



## 9. Consultation with Key Advisers

- 9.1 Contribution rate and bond assessments are undertaken by Hymans Robertson, the Fund Actuary.
- 9.2 A precedent admission agreement has been drafted by Eversheds, specialist pension legal advisers in consultation with LGSS Law.

## 10. Alternative Options Considered

- 10.1 None available.

## 11. Appendix

- 11.1 Appendix 1: List of admission agreements for Hertfordshire Catering Limited

### Checklist of Key Approvals

Has this report been cleared by Section 151 Officer? Sarah Heywood – 8/7/2021

Has this report been cleared by Head of Pensions? Mark Whitby – 25/6/2021

Has the Chair of the Pension Fund Committee been consulted? Councillor Whelan – 8/7/2021

Has this report been cleared by Legal Services? Fiona McMillan – 28/6/2021