

Cambridgeshire
Pension Fund

Pension Fund Committee

10 June 2022

Report by: Head of Pensions

- Subject: Employer Admissions and Cessations Report
- Purpose of the Report: 1. To report the admission of three admitted bodies to the Cambridgeshire Pension Fund
2. To notify the Committee of one body ceasing participation in the Cambridgeshire Pension Fund
- Recommendations: That the Pension Fund Committee
1. Notes the admission of the following admitted bodies to the Cambridgeshire Pension Fund and approves the sealing of the admission agreements:
- Everyone Health Limited
 - GPC Skills Limited
 - Goshen Multiservices Limited
2. Notes the cessation of the following body from the Cambridgeshire Pension Fund:
- Caterlink Ltd
- Enquiries to: Name – Cory Blose, Employer services manager
Tel – 07990 560829
E-mail – 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 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.
- 2.3 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.
- 2.4 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
01/10/2020	Everyone Health Limited	Everyone Health Limited have entered into a contract with Cambridgeshire County Council to provide community health services. 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 Cambridgeshire County Council. The backdated contributions have been collected.
01/09/2021	GPC Skills Limited	Cambridgeshire and Peterborough Combined Authority (CPCA) created a company known as Cambridgeshire and Peterborough Business Growth Company Limited (Growth Co) and entered into a joint agreement with GPC Skills Limited to manage efforts to stimulate economic growth in the Greater Cambridgeshire and Peterborough area. As a result a group of staff were transferred from CPCA to GPC Skills Limited. CPCA has agreed to retain the pension risk under a Pass Through agreement. The backdated contributions will be collected by 19 May.
01/04/2022	Goshen Multiservices Limited	Goshen Multiservices Limited have entered into a contract with Cambridge City Council 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.

3. Cessations

Caterlink Limited

- 3.1 Caterlink Limited were admitted to the Fund under a pass through agreement on 1 September 2009 after entering a contract to provide catering services to Bottisham Village College.

3.2 On 31 March 2021, the last active member left the scheme. 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 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.
- 9.3 Advice was received from the Fund's legal advisers, Squire Patton Boggs, on individual admission cases, where required.

10. Alternative Options Considered

- 10.1 None available.

Checklist of Key Approvals

Has this report been cleared by Section 151 Officer? Sarah Heywood 27/5/22

Has this report been cleared by Head of Pensions? Mark Whitby 9/10/22

Has the Chair of the Pension Fund Committee been consulted? Cllr Whelan 27/5/22

Has this report been cleared by Legal Services? Amy Brown – 23 May 2022