

Cambridgeshire
Pension Fund

Pension Fund Committee
30th September 2021

Report by: Head of Pensions

Subject: Employer Admissions and Cessations Report

Purpose of the Report:

1. To report the admission of five admitted bodies to the Cambridgeshire Pension Fund
2. To report the admission of one scheduled body to the Cambridgeshire Pension Fund
3. To notify the Committee of six bodies 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:
 - Compass Contract Services
 - Elinor Holdings UK Ltd
 - Milestone Infrastructure Limited – M Group Services
 - Multi-Active Holiday Courses Limited
 - VHS Cleaning Services Limited
2. Notes the admission of the following scheduled body to the Cambridgeshire Pension Fund
 - Eastern Learning Alliance
3. Notes the cessation of the following bodies from the Cambridgeshire Pension Fund:
 - ABM Catering Limited
 - CleanTec Services Ltd
 - Easy Clean Limited
 - Edwards & Blake Limited
 - TBAP Multi-Academy Trust
 - William Law C of E Primary School

Enquiries to: Name – Cory Blose, Employer Services and Systems 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 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.
- 2.5 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
27/10/2018	Compass Contract Services (Holme C of E Primary School)	Holme C of E Primary School, a Cambridgeshire LEA school, have entered into a contract with Compass Contract Services 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 Cambridgeshire County Council. This agreement has been backdated to 27 October 2018. The appropriate contribution rate is currently being determined and backdated contributions will be collected once the contribution rate has been agreed.

Date	New Admission Body	Background information
03/01/2017	Elior Holdings UK Ltd (Jack Hunt School)	Jack Hunt School, a Peterborough LEA school have entered into a contract with Bouygues E & S Solutions Ltd and Bouygues sub-contracted to Elior Holdings UK Ltd to provide school 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 3 January 2017 and backdated contributions have been collected.
01/05/2021	Milestone Infrastructure Limited – M Group Services	Peterborough City Council entered into a contract with Atkins Limited in 2013 to provide highway services, which was immediately subcontracted to Skanska. Subsequently, Peterborough City Council, Skanska and Milestone Infrastructure Limited entered into an agreement to novate the contract to Milestone Infrastructure Limited. 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 Peterborough City Council. This agreement has been backdated to 1 May 2021 and backdated contributions were due to be collected before 19 September 2021.
16/04/2021	Multi-Active Holiday Courses Limited (Houghton Primary School)	Houghton Primary School, a Cambridgeshire LEA school, have entered into a contract with Multi-Active Holiday Courses Limited to provide wrap around care 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 Cambridgeshire County Council. This agreement has been backdated to 16 April 2021 and backdated contributions were due to be collected by 19 September 2021.
24/10/2020	VHS Cleaning Services Limited (Linton Village College)	Anglian Learning have entered into a contract with VHS Cleaning Services Limited to provide cleaning services in Linton Village College. 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 Anglian Learning. This agreement has been backdated to 24 October 2020 and backdated contributions were due to be collected by 19 September 2021.

4. New Scheduled Body

- 4.1 Regulation 3 (1) of the Regulations provides for a person employed by a body listed in Schedule 2 to be an active member of the Local Government Pension Scheme. Part 1 of Schedule 2 includes “a proprietor of an Academy” as being a class of Schedule 2 employer and therefore a Scheduled Body. There is no discretion on the administering authority or the employer as to whether or not employers in Schedule 2 are provided with access to the Fund; it is a requirement.
- 4.2 The LGPS Regulations recognise the proprietor of the Academy Trust as the scheme employer. Where Academies are part of a Multi Academy Trust (MAT), the Trust is the scheme employer and not each individual Academy. Academies joining an existing MAT are not reported, as they are therefore not recognised as new scheme employers.

Date of admission	Academy Trust	Back ground infomration
01/09/2021	Eastern Learning Alliance	Eastern Learning Alliance is a Multi Academy Trust that opened a new free school, The Cavendish School,in Cambridgeshire on 1 September 2021. .

5. Cessations

5.1 ABM Catering Ltd (Middleton Primary School)

- 5.1.1 ABM Catering Ltd were admitted to the Fund under a pass through agreement on 26th October 2018 after entering a contract to provide the cleaning services in Miccleton Primary School.
- 5.1.2 On 28st February 2021, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Peterborough Keys Academy Trust.

5.2 CleanTec Services Ltd (Cromwell Academy)

- 5.2.1 Clean Tec Services Ltd were admitted to the Fund under a pass through agreement on 1st September 2018 after entering a contract to provide the cleaning services in Cromwell Academy.
- 5.2.2 On 31st March 2021, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by ACES Academies Trust.

5.3 Easy Clean Limited (Greater Peberborough UTC)

- 5.3.1 Easy Clean Limited were admitted to the Fund under a pass through agreement on 1st October 2019 after entering a contract to provide the cleaning services in Greater Peterborough UTC.

5.3.2 On 12th May 2021, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Greater Peterborough UTC Single School Academy Trust.

5.4 Edwards & Blake Ltd (Cottenham Primary School)

5.4.1 Edwards & Blake Ltd were admitted to the Fund under a pass through admission agreement on 30th October 2017 after entering a contract to provide the catering services in Cottenham Primary School.

5.4.2 On 21st October 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

5.5 TBAP Multi Academy Trust

5.5.1 TBAP became a scheduled body within the Fund on 1st October 2015 when it took over alternative education provision with Cambridgeshire.

5.5.2 On 1st May 2021, all three academies were transferred to other academy trusts. All assets and liabilities in relation to each academy have been transferred to receiving trusts.

5.6 William Law C of E Primary School (Single School Academy Trust)

5.6.1 William Law C of E Primary School became a scheduled body within the Fund on 1st June 2014 when the school converted to an academy trust.

5.6.2 On 1st June 2021, the academy joined Peterborough Diocese Education Trust. All assets and liabilities in relation to the school have been transferred to Peterborough Diocese Education Trust.

6. 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*

7. Risk Management

7.1 The Pension Fund Committee are responsible for approving some admission bodies into the Fund as well as monitoring all admissions and cessations.

7.2 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

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

[Pension Fund Risk Register hyperlink](#)

8. Finance & Resources Implications

- 8.1 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.
- 8.2 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.
- 8.3 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.

9. 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.

10. Legal Implications

- 10.1 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.

11. Consultation with Key Advisers

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

12. Alternative Options Considered

- 12.1 None available.

Checklist of Key Approvals

Has this report been cleared by Section 151 Officer? Sarah Heywood 17/9/2021

Has this report been cleared by Head of Pensions? Mark Whitby 3/9/2021

Has the Chairman of the Pension Fund Committee been consulted? Councillor Whelan
17/9/2021

Has this report been cleared by Legal Services? Amy Brown on behalf of Fiona McMillan
– 10/9/2021