

Cambridgeshire
Pension Fund

Pension Fund Committee
25 October 2022

Report by:	Head of Pensions
Subject:	Employer Admissions and Cessations Report
Purpose of the Report:	<ol style="list-style-type: none">1. To report the admission of six admitted bodies to the Cambridgeshire Pension Fund across seven admission agreements.2. To notify the Committee of thirteen bodies ceasing participation in the Cambridgeshire Pension Fund.
Recommendations:	<p>That the Pension Fund Committee</p> <ol style="list-style-type: none">1. Notes the admission of the following admitted bodies to the Cambridgeshire Pension Fund and approves the sealing of the admission agreements:<ul style="list-style-type: none">• Aspens Services Ltd (2 admissions)• Clean Tec Services Ltd• Coombs Catering Partnership Ltd• Easy Clean Contractors Ltd• Miquill South Ltd• Servicemaster Clean2. Notes the cessation of the following bodies from the Cambridgeshire Pension Fund:<ul style="list-style-type: none">• ABM Catering Limited (2 admissions)• Caterlink Ltd (2 admissions)• City Culture Peterborough Ltd• Easy Clean Ltd (2 admissions)• Elior UK Ltd• Excellerate Services UK Ltd (formerly known as LCC Support Service Ltd)• Greater Peterborough UTC• Miquill South Ltd• Peterborough Investment Partnership• Vero HR Limitd
Enquiries to:	<p>Name – Cory Blose, Employer services manager Tel – 07990 560829 E-mail – cory.blose@westnorthants.gov.uk</p>

1. Executive Summary

- 1.1 The Pension Fund Committee is asked to note the entry, to the Fund, of five admitted bodies across six admission agreements and to approve the sealing of the admission agreements.
- 1.2 Each admission body is a contractor providing cleaning or catering services in schools. The Committee cannot refuse entry to the Fund where the admission body has agreed to meet their obligations under the Local Government Pension Scheme Regulations, which each has done by signing an admission agreement.
- 1.3 All admissions within this report are “passthrough” admissions meaning the assets and liabilities are retained by the awarding authority, so there is no additional risk to the Fund by admitting these employers.
- 1.4 The Committee is also asked to note the exit of ten employers across thirteen admission agreements from the Fund. The assets and liabilities of all exiting employers included in this report have either been retained by or transferred to another employer in the Fund and therefore no exit payments or exit credits are required.

2. Background

- 2.1 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.
- 2.2 This report provides an update on admissions to and cessations from the Cambridgeshire Pension Fund since the last meeting of the Pension Fund Committee.

3. New Admission Bodies

- 3.1 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.
- 3.2 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.
- 3.3 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:
 - Aspens Services Ltd (Fulbourn Primary School)
 - Aspens Services Ltd (St Philip’s CofE Aided Primary School)
 - Clean Tec Services Ltd
 - Coombs Catering Partnership Ltd
 - Easy Clean Contractors Ltd
 - Miquill South Ltd
 - Servicemaster Clean

3.4 Full details of each admission is set out in Appendix A.

4. Cessations

4.1 The following ten admitted bodies have exited the Fund:

- ABM Catering (Bushmead & Elsworth Primary School)
- ABM Catering (Werrington Primary School)
- Caterlink (The Diamond Learning Partnership Trust)
- Caterlink (Witchford VC Academy)
- City Culture Peterborough
- Easy Clean (The Phoenix Secondary School)
- Easy Clean (William de Yaxley CE Academy)
- Elior UK
- Greater Peterborough UTC
- LCC Services (Witchford College)
- Miquill South Limited
- Peterborough Investment Partnership
- Vero HR Limited

4.2 Full details of each cessation is included in Appendix B.

4.3 The assets and liabilities for all exiting employers included in this report have either been retained by or transferred to another scheme employer in the Fund and therefore no exit payments or exit credits are required.

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.

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 Squire Patton Boggs, specialist pension legal advisers.
- 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? Yes.

Has this report been cleared by Head of Pensions? Yes.

Has the Chair of the Pension Fund Committee been consulted? Yes

Has this report been cleared by Legal Services? Yes.

Appendix A: New Admission Bodies		
Date	New Admission Body	Background information
13/02/2021	Aspens Services Ltd (Fulbourn Primary School)	Aspens Services Ltd have entered into a contract with Fulbourn Primary School to provide catering services. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by Cambridgeshire County Council. The backdated contributions have been collected.
01/04/2021	Aspens Services Ltd (St Philip's CofE Aided Primary School)	Aspens Services Ltd have entered into a contract with St Philip's CofE Aided Primary School to provide catering services. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by Cambridgeshire County Council. We set a deadline of 19th September for the return of contributions.
14/10/2021	CleanTec Services Ltd (Godmanchester Community Academy)	CleanTec Services Ltd have entered into a contract with the Aces Academies Trust to provide cleaning services at The Godmanchester Community Academy. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by Aces Academies Trust. The backdated contributions have been collected.
01/09/2021	Coombs Catering Partnership Ltd (Leighton Primary School)	Coombs Catering Partnership Ltd have entered into a contract with Peterborough City Council to provide catering services at Leighton Primary School. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by Peterborough City Council. The backdated contributions have been collected.
08/11/2021	Easy Clean Contractors Ltd (William de Yaxley CE Academy)	Easy Clean Contractors Ltd have entered into a contract with the Diocese of Ely Multi Academy Trust (DEMAT) to provide cleaning services at The William de Yaxley CE Academy. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by DEMAT. We have set a deadline of 19th September for the return of contributions.

Appendix A: New Admission Bodies		
Date	New Admission Body	Background information
18/12/2021	Miquill South Ltd (Bewick Bridge Community Primary School)	Miquill South Ltd have entered into a contract with Bewick Bridge Community Primary School to provide catering services. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by Cambridgeshire County Council. The backdated contributions have been collected. This admission has since ceased and will also appear in the cessations section of this report.
01/09/2021	Servicemaster Clean (Kingsfield Primary School)	Servicemaster have entered into a contract with The Active Learning Trust to provide cleaning services at Kingsfield Primary School. As a result, a group of employees were transferred to the admission body and a backdated pass through admission agreement has been put in place with the liabilities retained by The Active Learning Trust. The backdated contributions have been collected.

Appendix B: Exiting Scheme Employers

ABM Catering (Bushmead & Elsworth Primary School)

ABM Catering were admitted to the Fund under a pass through agreement on 1 September 2018 after entering a contract to provide catering services to Bushmead and Elsworth Primary Schools.

On 31 March 2022, the contract ended. No exit payment or credit is required as the pension liabilities were retained by Cambridgeshire County Council.

ABM Catering (Werrington Primary School)

ABM Catering were admitted to the Fund under a pass through agreement on 1 August 2018 after entering a contract to provide catering services to Werrington Primary School.

On 28 February 2022, the last active member left the scheme. No exit payment or credit is required as the pension liabilities were retained by the SOKE Education Trust Ltd.

Caterlink (The Diamond Learning Partnership Trust)

Caterlink were admitted to the Fund under a pass through agreement on 1 June 2016 after entering a contract to provide catering services to The Diamond Learning Partnership Trust.

On 31 August 2022, the contract ended. No exit payment or credit is required as the pension liabilities were retained by The Diamond Learning Partnership Trust.

Caterlink (Witchford VC Academy)

Caterlink were admitted to the Fund under a pass through agreement on 1 September 2018 after entering a contract to provide catering services to the Witchford Village College Academy.

On 28 August 2021, the last active member left the scheme. No exit payment or credit was required as the pension liabilities were retained by The Eastern Learning Alliance.

City Culture Peterborough

City Culture Peterborough were admitted to the Fund under a pass through agreement on 1 October 2020 after entering a contract with Peterborough City Council to manage the city's culture and heritage facilities.

On 31 March 2022, the contract ended. No exit payment or credit is required as the pension liabilities were retained by Peterborough City Council.

Easy Clean (The Phoenix Secondary School)

Easy Clean Contractors Ltd were admitted to the Fund under a pass through agreement on 1 September 2019 after entering a contract to provide catering services to The Phoenix Secondary School.

On 29 April 2022, the contract ended. No exit payment or credit is required as the pension liabilities were retained by The Lime Trust.

Easy Clean (William de Yaxley CE Academy)

Easy Clean Contractors Ltd were admitted to the Fund under a pass through agreement on 8 November 2021 after entering a contract to provide cleaning services to William de Yaxley CE Academy.

On 16 June 2022, the last active member left the scheme. No exit payment or credit is required as the pension liabilities were retained by the Diocese of Ely Multi Academy Trust.

Elior UK

Elior UK were admitted to the Fund under a pass through agreement on 3 January 2017 after entering a sub-contract to provide catering services to Peterborough City Council.

On 16 June 2022, the last active member left the scheme. No exit payment or credit is required as the pension liabilities were retained by Peterborough City Council.

Greater Peterborough UTC

Greater Peterborough UTC was created as an Academy Trust on 1 September 2016 and began participating as a Scheduled Body from that date..

On 31 May 2021 Greater Peterborough UTC joined Meridian Trust and ceased participating as a separate employer in the Fund. All pension assets and liabilities in relation to Greater Peterborough UTC have been transferred to Meridian Trust.

LCC Services (Witchford College)

LCC Services Ltd were admitted to the Fund under a pass through agreement on 1 April 2016 after entering a contract to provide cleaning services to Witchford College.

On 28 August 2021, they ceased participation in the Fund following their last active member leaving the LGPS. No exit payment or credit was required as the pension liabilities were retained by The Eastern Learning Alliance.

Miquill South Ltd (Bewick Bridge Community Primary School)

Miquill South Ltd were admitted to the Fund under a pass through agreement on 18 December 2021 after entering a contract to provide catering services to Bewick Bridge Community Primary School.

On 31 March 2022, they ceased participation in the Fund following their last active member leaving the LGPS. No exit payment or credit was required as the pension liabilities were retained by Cambridgeshire County Council.

Peterborough Investment Partnership

Peterborough Investment Partnership (PIP) were admitted to the Fund under a pass through agreement on 1 May 2021 having been created as a joint venture between Peterborough City Council and Peterborough Partnership Limited to undertake activities with the aim of regenerating the city.

On 30 April 2022, the last active member left the scheme. No exit payment or credit is required as the pension liabilities were retained by Peterborough City Council.

Vero HR Limited

Vero HR Ltd were admitted to the Fund under a pass through agreement on 1 April 2016 after entering a contract to provide HR services to Peterborough City Council.

On 30 Jun 2022, the contract ended. No exit payment or credit is required as the pension liabilities were retained by Peterborough City Council.