

CAMBRIDGESHIRE PENSION FUND



Pension Fund Committee

10th October 2019

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 five admitted bodies to the Cambridgeshire Pension Fund 2. To report the admission of one scheduled body to Cambridgeshire Pension Fund 3. To notify the Committee of twelve bodies ceasing 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"> • Edwards and Blake • Easy Clean Contractors Ltd • VHS Cleaning Services Ltd • Caterlink • CleanTec Services 2. Notes the admission of the following scheduled bodies to the Cambridgeshire Pension Fund: <ul style="list-style-type: none"> • St John the Baptist Catholic MAT 2. Notes the cessation of the following admission agreements with the Cambridgeshire Pension Fund: <ul style="list-style-type: none"> • Aspens (Brampton Village Primary) • Aspens (Willingham Primary) • Aspens (Staploe Ed Trust) • Advanced Cleaning Services (Ridgefield Primary School) • ABM Catering Limited (Morley Memorial) • Coram Cambridgeshire Adoption Limited • Improve IT Ltd • Pabulum Catering Ltd (Cottenham) • Pabulum (Ely College) • Pabulum (Sawtry Junior Academy) • Pabulum (Swavesey) • TNS Catering (WASP Cluster 2)
Enquiries to:	<p>Name – Cory Blose, Employer Services and Systems Manager Tel – 07990560829 E-mail – cblose@northamptonshire.gov.uk</p>

1. Background

- 1.1 The Local Government Pension Scheme Regulations 2013 (as amended) provide for the admission of a number of different types of body to 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 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
01/09/2018	Edwards and Blake (New Road Primary School)	Aspire Learning Trust has entered into a contract with Edwards & Blake Limited to provide catering services for New Road Primary School. As a result, a group of staff were transferred to the new admission body. Aspire Learning Trust has agreed to retain the pension risk under a Pass Through agreement.
22/10/2018	Easy Clean Contractors Ltd (Milton Primary CofE School)	Diocese of Ely Multi Academy Trust has entered into a contract with Easy Clean Contractors Ltd to provide cleaning services for Milton Primary C of E School. As a result, a group of staff were transferred to the new admission body. Diocese of Ely Multi Academy Trust has agreed to retain the pension risk under a Pass Through agreement.
01/01/2019	VHS Cleaning Services Ltd (Bassingbourne Village College and Sawston Village College)	Anglian Learning Trust has entered into a contract with VHS Cleaning services Ltd to provide cleaning services for Bassingbourne Village College and Sawston Village College. As a result, a group of staff were transferred to the new admission body. Anglian Learning Trust has agreed to retain the pension risk under a Pass Through agreement.

17/09/2018	VHS Cleaning Services Ltd (Bewick Bridge Community Primary School)	Bewick Bridge Community Primary School, a Cambridgeshire LEA School, have entered into a contract with VHS Cleaning Services Ltd to provide their cleaning services. As a result, a group of staff were transferred to the new admission body. Cambridgeshire County Council has agreed to retain the pension risk under a Pass Through agreement.
01/01/2018	Caterlink Ltd (The Vine Inter-Church Primary School)	The Vine Inter-Church Primary School, a Cambridgeshire LEA School, have entered into a contract with Caterlink Ltd to provide their catering services. As a result, a group of staff were transferred to the new admission body. Cambridgeshire County Council has agreed to retain the pension risk under a Pass Through agreement.
01/09/2018	Caterlink Ltd (Priory Park Infant School & Playgroup)	Priory Park Infant School and Playgroup, a Cambridgeshire LEA School, have entered into a contract with Caterlink Ltd to provide their catering services. As a result, a group of staff were transferred to the new admission body. Cambridgeshire County Council has agreed to retain the pension risk under a Pass Through agreement.
01/09/2018	CleanTec Services Ltd (Cromwell Academy)	ACES Academies Trust has entered into a contract with Clean Tec Services Ltd to provide cleaning services for Cromwell Academy. As a result, a group of staff were transferred to the new admission body. ACES Academies Trust has agreed to retain the pension risk under a Pass Through agreement.

3. New Scheduled Body

- 3.1 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.
- 3.2 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	Name of Academies transferring
01/09/2019	St John the Baptist Catholic MAT	St Thomas More Cathoric Primary School converted to an academy and joined St John the Baptist Catholic Multi Academy Trust.

4. Cessations

4.1 Pabulum Catering Ltd (Cottenham Village College)

- 4.1.1 Pabulum Catering Ltd were admitted to the Fund under a pass through agreement on 1 September 2012, after entering a contract to provide catering services to Cottenham Village Collage.
- 4.1.2 Their service contract with Cambridgeshire County Council ended on 31 July 2018. No exit payment or credit will be required as the pension liabilities were retained within Cambridgeshire County Council pool.

4.2 TNS Catering Management Ltd (WASP Cluster 2)

- 4.2.1 TNS Catering Management Ltd were admitted to the Fund under a pass through agreement on 24 September 2018, after entering a contract to provide catering services to Robert Arkenstall Primary School, Sutton C of E Primary School and Wilburton C of E Primary School.
- 4.2.2 Their service contract with Cambridgeshire County Council ended on 31 August 2019. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.3 Coram Cambridgeshire Adoption Limited

- 4.3.1 Coram Cambridgeshire Adoption Limited were admitted to the Fund on 1 August 2014, after entering a contract to operate the adoption services of Cambridgeshire County Council.
- 4.3.2 Their contract with Cambridgeshire County Council ended on 31 July 2019. No exit valuation has been completed as Cambridgeshire County Council agreed to accept the pension assests and liabilities at the end of their contract.

4.4 Aspens Services (Brampton Village Primary)

- 4.4.1 Aspens Services were admitted to the Fund under a pass through agreement on 1 September 2018, after entering a contract to provide catering services to Brampton Village Primary School.
- 4.4.2 On 31 January 2019, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.5 Aspens Services (Willingham Primary)

- 4.5.1 Aspens Services were admitted to the Fund under a pass through agreement on 1 September 2018, after entering a contract to provide catering services to Willingham Primary School.
- 4.5.2 On 30 April 2019, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.6 Aspens (Staploe Ed Trust)

4.6.1 Aspens Services were admitted to the Fund under a pass through agreement on 1 April 2016, after entering a contract to provide catering services to the academies within Staploe Education Trust.

4.6.2 On 5 April 2019, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.7 Advanced Cleaning Services (Ridgefield Primary School)

4.7.1 Advanced Cleaning Services were admitted to the Fund under a pass through agreement on 1 May 2017, after entering a contract to provide cleaning services to Ridgefield Primary School.

4.7.2 On 31 March 2018, the last active member left employment. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.8 ABM Catering Limited (Morley Memorial Primary School)

4.8.1 ABM Catering Limited were admitted to the Fund under a pass through agreement on 5 April 2014, after entering a contract to provide catering services to Morley Memorial Primary School.

4.8.2 Their service contract with Cambridgeshire County Council ended on 5 April 2019. No exit payment or credit will be required as the pension liabilities were retained by Cambridgeshire County Council.

4.9 Pabulum Catering Ltd (Ely College)

4.9.1 Pabulum Catering Ltd were admitted to the Fund under a pass through agreement on 1 September 2016, after entering a contract to provide catering services to Cambridge Meridian Academies Trust for Ely Collage.

4.9.2 Their service contract with ended on 31 July 2019. No exit payment or credit will be required as the pension liabilities were retained by the Cambridge Meridian Academies Trust.

4.10 Pabulum Catering Ltd (Sawtry Junior Academy)

4.10.1 Pabulum Catering Ltd were admitted to the Fund under a pass through agreement on 1 June 2016, after entering a contract to provide catering services to Cambridge Meridian Academies Trust for Sawtry Junior Academy.

4.10.2 Their service contract with ended on 31 July 2019. No exit payment or credit will be required as the pension liabilities were retained by the Cambridge Meridian Academies Trust.

4.11 Pabulum Catering Ltd (Swavesey Village College)

4.11.1 Pabulum Catering Ltd were admitted to the Fund under a pass through agreement on 1 August 2011, after entering a contract to provide catering services to Cambridge Meridian Academies Trust for Swavesey Village College.

4.11.2 Their service contract with ended on 31 July 2019. No exit payment or credit will be required as the pension liabilities were retained by the Cambridge Meridian Academies Trust.

4.12 Improve IT Ltd

4.12.1 Improve IT Ltd were admitted to the Fund under a full admission on 1 September 2016, after entering a contract to provide IT services to The Morris Education Trust for Witchford Village College.

4.12.2 On 31 March 2019, the last active member left the scheme. The final valuation of the liabilities, has indentified a surplus of £23,000.

4.12.3 The Fund has repaid the surplus to Improve IT Ltd.

5. Relevant Pension Fund Objectives

Have robust governance arrangements in place, to facilitate informed decision-making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance. <i>Objective 1</i>
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. <i>Objective 2</i>
Ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment. <i>Objective 3</i>
Continually monitor and manage risk, ensuring the relevant stakeholders are able to mitigate risk where appropriate. <i>Objective 5</i>
Ensure regular monitoring of employer covenants, putting in place mitigations of adequate strength to protect the Fund. <i>Objective 6</i>
Ensure appropriate exit strategies are put in place in both the lead up to and termination of a scheme employer. <i>Objective 7</i>

6. Risk Management

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

6.2 The risks associated with failing to monitor admissions and cessations have been captured in the Fund's risk register as detailed below.

Risk No	Risk	Residual risk rating
10	Lack of understanding of employer responsibilities which could result in statutory and non-statutory deadlines being missed.	Green
13	Failure to administer the scheme in line with the regulations.	Green
16	Failure to provide relevant information to the Pension Fund Committee/Pension Board to enable informed decision making	Green
20	Failure to assess and monitor the financial strength of an employer covenant to ensure employer liabilities are met.	Green

6.3 The Fund's full risk register can be found on the Fund's website at the following link:

7. Communication Implications

Direct Communications	Direct communications will be required to facilitate employer start up in the LGPS.
Newsletter	Regular pension bulletins are issued to the scheme employers on topical matters.
Induction	New employers require an introduction to their employer responsibilities under the LGPS.
Seminar	Employers will be entitled to attend an annual Employer Forum.
Training	Generic and bespoke training courses will be made available.
Website	New employers are given access to the employer's guidance available on the LGSS Pensions 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.

Checklist of Key Approvals	
Is this decision included in the Business Plan?	No
Will further decisions be required? If so, please outline the timetable here	No
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Section 151 Officer?	Sarah Heywood – 23 rd September 2019
Has this report been cleared by Head of Pensions?	Mark Whitby – 18 th September 2019
Has the Chairman of the Pension Fund Committee been consulted?	Councillor Rogers – 23 rd September 2019
Has this report been cleared by Legal Services?	Fiona McMillan – 26 th September 2019

