

APPLICATION FOR ADMISSION OF EMPLOYER BODIES

Introduction

1. The Local Government Pension Scheme (LGPS) Regulations give the County Council power to admit to the Pension Fund any employer body, so long as it "*provides a public service in the United Kingdom other than for the purpose of gain*", subject to County Council approval as administering authority. Such organisations are known as Community Admission Bodies.
2. An application can also be made from an outside contractor under a "best value" arrangement, and so long as the transferring employer agrees to be party to the agreement, the administering authority must enter into an admission agreement, subject to certain terms being met. Such organisations are known as Transferee Admission Bodies.
3. Two cases are brought to this Committee as Community Admission Bodies for a decision on their applications to join the Fund.

New Applications

4. Swindon Borough Council has been working to establish **Swindon Dance** as an independent charitable organisation and transfer the 15 staff who are members of the Fund to the organisation under TUPE Regulations with effect from 1 April 2005. Initially funded for three years jointly by Swindon Borough Council and the South West Arts Council, Swindon Dance will operate as a not for profit organisation seeking funds from other sources to secure its long term future.
5. Following the de-commissioning of Waverley House, Wiltshire County Council is working in partnership with **Cottage and Rural Enterprise Ltd (CARE Ltd)** who will provide personal support services to the former residents. CARE Ltd is a national charitable organisation and will employ the 14 staff who are members of the Fund under TUPE Regulations.

Risk Assessment

6. Membership of the Pension Fund is a long-term commitment. If an admitted body were to fold after admittance to the Fund it is possible that it may not have paid sufficient amounts into the Fund to meet the liabilities arising from membership of their employees.
7. If either of these two organisations were to fail, liability would fall on the County Council (as administering authority) or the whole Pension Fund, if it could not be met from any other source. For both these organisations Hymans Robertson, the Fund's Actuary has recommended that one of the following actions is put in place to protect the Fund –
 - i) to ensure that a Guarantor is in place
 - ii) to require the body to put an indemnity in place
 - iii) to add a loading to the contribution rate quoted as a charge for the additional risk to the Fund.

8. I will conclude the formal financial checks on the bodies making applications, and subject to these proving satisfactory and one of the above conditions being met, new admission agreements will be drawn up by the Solicitor to the Council. On that basis I can see no reason not to admit these organisations to the Fund.

Environmental Impact of the Proposal

9. There are none.

Proposal

10. The Committee is asked to approve the following employer body admissions to the Wiltshire Pension Fund, subject to the County Treasurer and the Solicitor to the Council being satisfied that all required conditions are met and that admission agreements can be settled:

- Swindon Dance Company
- Cottage and Rural Enterprises (CARE) Ltd

MIKE PRINCE
County Treasurer

Report Author: Jayne Slee

Unpublished documents relied upon in the production of this report:

NONE

45/2006/WPF/JS