

## Report of the Section 151 Officer

Pension Fund Committee – 24 September 2015

### APPLICATION FOR 'ADMITTED BODY' STATUS OF RATHBONE TRAINING LTD. TO THE CITY & COUNTY OF SWANSEA PENSION FUND

<b>Purpose:</b>	The report requests approval, in principle to admit Rathbone Training Ltd. as an Admitted Body in the City & County of Swansea Pension Fund.
<b>Reason for Decision:</b>	To ensure compliance with the Local Government Pension Scheme Regulations 2013 (as amended).
<b>Consultation:</b>	Legal, Finance and Access to Services.
<b>Recommendation(s):</b>	It is recommended that: 1) The Pension Committee approve, in principle, the application of Rathbone Training Ltd., as an admitted body to the City and County of Swansea Pension Fund, subject to Actuarial risk assessment and completion of admission agreement
<b>Report Author:</b>	Lynne Miller – Pensions Manager
<b>Finance Officer:</b>	Jeff Dong – Chief Treasury & Technical Officer
<b>Legal Officer:</b>	Tracey Meredith
<b>Access to Services Officer:</b>	N/A

#### 1.0 Introduction

1.1 The Local Government Pension Regulations 2013 permit an Administering Authority to make an admission agreement with

“a body which provides a public service in the United Kingdom which operates otherwise than for the purposes of gain and has sufficient links with a Scheme employer for the body and the Scheme employer to be regarded as having a community of interest”

1.2 Rathbone Training Ltd was awarded a contract for the Government's Work Based Learning 4 in Wales from Gower College on 1<sup>st</sup> April 2015, resulting in 8 staff TUPE transferring to Rathbone Training Ltd with effect from 1<sup>st</sup> April 2015.

1.3 Rathbone Training Ltd. has subsequently applied for admitted body status as a closed scheme employer in the City and County of Swansea Pension Fund.

## **2.0 Main Body of Report**

2.1 Rathbone Training Ltd. is a UK-wide youth charity that provides access to training and qualifications to young people.

2.2 They form part of the Newcastle College Group (NCG), one of the largest education, training and employability groups in the UK and report directly to the Chief Executive of NCG. The NCG Board of Governors has the ultimate responsibility for decision-making.

2.3 Rathbone Training Ltd was awarded a contract for the Government's Work Based Learning 4 in Wales from Gower College on 1<sup>st</sup> April 2015, resulting in staff TUPE transferring to Rathbone Training Ltd with effect from 1<sup>st</sup> April 2015.

2.4 Assumptions had been made by Rathbone Training Ltd. and Gower College that the staff transferring from Gower College to the employment of Rathbone Training, would be transferred to the Admission Agreement already established between Rathbone Training Ltd. and the London Pension Fund Authority (LPFA); however, the LGPS regulations specify that each contract must have a separate admission agreement and therefore the City and County of Swansea has been approached as the Pension Fund the staff contributed to while they were employed directly by Gower College.

2.5 If it is agreed in principle for Rathbone Training Ltd. to become an admitted body in the Fund, the Fund's Actuary will be approached to carry out a risk assessment to assess the liability that would be transferred.

2.6 Rathbone's would also be required to enter into a bond in order to protect the Fund against any level of risk arising on premature termination of the provision of service or assets by reason of insolvency, winding up, or liquidation of the admission body and any future unfunded liabilities arising

## **3.0 General Issues**

3.1 There are no other variations proposed.

## **4.0 Equality and Engagement Implications**

None.

**5.0 Financial Implications**

5.1 There are no financial implications associated with this report.

**6.0 Legal Implications**

6.1 There are no legal implications associated with this report.

**Background Papers:** None

**Appendices:** None