

**Report of the Section 1.5.1. Officer
Pension Fund Committee – 17 December 2015**

APPLICATION FOR ‘ADMITTED BODY’ STATUS OF WESTWARD ENERGY SERVICES LTD (BY NPT HOMES) TO THE CITY & COUNTY OF SWANSEA PENSION FUND

Purpose:	The report requests approval to admit Westward Energy Services Ltd. as an Admitted Body in the City & County of Swansea Pension Fund.
Reason for Decision:	To ensure compliance with the Local Government Pension Scheme Regulations 2013 (as amended).
Consultation:	Legal, and Finance
Recommendation(s):	<p>It is recommended that:</p> <ol style="list-style-type: none">1) The Pension Fund Committee approves the application of NPT Homes to admit Westward Energy Services Ltd. as an admitted body to the City & County of Swansea Pension Fund.2) The admission is subject to:<ol style="list-style-type: none">a) All parties signing an Admissions Agreement.b) An actuarial risk assessment.c) An insurance bond in an approved form with an authorised insurer or relevant institution, being put in place to protect the Pension Fund.
Report Author:	Lynne Miller – Pensions Manager
Finance Officer:	Jeff Dong – Treasury & Technical Officer
Legal Officer:	Stephanie Williams
Access to Services Officer:	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 that is providing or will provide a service or assets in connection with the exercise of a function of a Scheme employer as a result of the transfer of the service or assets by means of a contract or other arrangement”

- 1.2 The original contract was outsourced from Neath Port Talbot CBC to Colin Laver Heating Ltd. in November 2005 for a period of seven years but extended to November 2015 in 2012.
- 1.3 In the interim period, the contract for the function was transferred to NPT Homes as a result of the transfer of housing stock from Neath Port Talbot CBC in 2011.
- 1.4 The contract with Colin Laver Heating ceased with effect 4th November 2015 and awarded to Westward Energy Services Ltd with effect from 5th November 2015. Two members of staff, who were active members in the LGPS with Colin Laver Heating Ltd., were transferred to Westward Energy Services Ltd. as a result of the transfer and an application for them to remain in the Scheme has been received.

2.0 Background

2.1 Westward Energy Services Ltd. is a private company that was formed in 2001 and is based at Pontardawe, Swansea.

It provides heating and plumbing services to social housing landlords across South Wales. Clients include Cardiff Community Housing Association and Carmarthenshire County Council, as well as NPT Homes.

2.2 The contract with NPT Homes is for a period of seven years

2.3 If it is agreed that Westward Energy Services Ltd. becomes 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. They would only be admitted subject to this risk assessment.

2.4 Westward Energy Services Ltd. 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.

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 An Admissions Agreement needs to be completed complying with the Local Government Pension Scheme Regulations 2013 with an appropriate Bond provided by Westward Energy Services Ltd. to protect the Pension Fund

Background Papers: None

Appendices: None