

PENSION FUND COMMITTEE – 7 DECEMBER 2012

EMPLOYER UPDATE

Report by Assistant Chief Executive and Chief Financial Officer

Introduction

1. This report is to update members on recent employer issues including applications for admission and the possible closure of a scheme employer.
2. The report also appraises members of academy conversions and the intention to consult with academies on future pooling arrangements.

Admission Agreements

3. All admission agreements reported in September relating to Oxford Health NHS Foundation Trust; The Camden Trust and Home Farm Trust have been signed.
4. The admission agreements for Care Outlook and Fresh Start Catering have yet to be finalised.
5. The September report failed to include details of the application from Hayward Services Limited who took over the cleaning contract of St Birinus School.
6. This application and TUPE transfer of two members of staff, both of whom are members of the pension scheme, was prior to the school converting to academy status.
7. However, to reflect the subsequent change in status of the school, the admission agreement will be a three way agreement between the academy, contractor and the fund, thereby ensuring that any pension liabilities are underwritten by the academy.

Academy Consultation

8. In March 2012 this Committee decided to defer establishing new pooling arrangements for academies in Oxfordshire until such time as the number of academies was more significant.
9. There are now 26 academies in Oxfordshire with another 36 schools either starting or in the process of converting to academy status. To date, ahead of the 2013 valuation process, the employer contribution rate for the majority of

academies has been kept in line with the Oxfordshire County Council contribution rate.

10. Given the valuation process will, potentially, produce very different employer contribution rates for the academies and with the increasing numbers of academies, it felt that now is an opportune time to consult with academies to seek their views on the options of pooling.
11. This report seeks Committee approval to undertake a consultation with the academies to inform future Committee decisions regarding pooling which can then instruct the 2013 valuation process.

RECOMMENDATION

12. The Committee is RECOMMENDED to:

- (a) note the progress of previously approved applications for admitted body status;**
- (b) retrospectively approve the application for admitted body status by Hayward Services; and**
- (c) agree the consultation process with academies in relation to pooling options.**

Sue Scane
Assistant Chief Executive and Chief Finance Officer

Background papers: None
Contact Officer: Sally Fox, Pensions Services Manager, Tel: (01865) 797111

November 2012