

## **PENSION FUND COMMITTEE – 2 DECEMBER 2011**

### **ADMISSION AGREEMENTS**

#### **Report by Assistant Chief Executive and Chief Finance Officer**

##### **Introduction**

1. At the September meeting of this Committee it was agreed that any new non-contentious admission agreements could be agreed by the Service Manager (Pensions, Insurance & Money Management) following consultation with the Chairman, Vice Chairman and Opposition Spokesperson.
2. No new cases arose since that meeting that have required urgent decision before the meeting of this Committee. However we have recently received a number of applications as a result of outsourcing exercises within the Council, and these are brought to the Committee today for approval.
3. This report also brings to this Committee's attention a technical change in the admission arrangements for staff in our Foundation schools. The committee are requested to note the retrospective changes.

##### **New Applications**

4. There are two applications in respect of the outsourcing of extra care housing services from Adult Social Care. These result from the outsourcing of the extra care housing schemes based at Nicholson House and across Greater Leys.
5. In both cases, the County Council as the contracting authority have agreed a risk sharing arrangement whereby they will fund the pension costs associated with the contract, unless the costs result directly from the actions of the contractor (e.g. awarding pay increases in excess of that awarded to similar staff within the Council). The risk to the Pension Fund of the admission agreements is therefore mitigated.
6. Application 1 is from Leonard Cheshire and is in respect of 12 employees who provide the extra care housing from Nicholson House. The admission agreement will be closed, i.e. membership will not be open to new employees of Leonard Cheshire who were not employed at the point of transfer.
7. Application 2 is from Allied HealthCare and is in respect of 4 employees who provide the extra care housing service in Greater Leys. This is also a closed agreement restricted to the staff covered by TUPE.
8. The next application is in respect of Food for Thought a private catering company who have successfully tendered for the outsourced contract to provide the school catering service to Faringdon Community College.

9. The service contract will include the normal risk sharing arrangements, such that the Pension Fund is indemnified against the key financial risks. At the point of transfer, Food for Thought will be grouped with the County Council. However if the school obtains Academy status, then Food for Thought will be grouped with the Academy.
10. The admission agreement will be closed and cover 5 transferring employees, although only 2 are current members of the scheme.
11. The final application for consideration at this Committee results from a change to the contractual arrangements for the Children and Adolescents Mental Health Services (CAMHS) social care service. This service is currently provided by Oxford Health under contract to the County Council. Oxford Health is a transferee admission body, employing staff transferred under TUPE from the County Council.
12. From April 2012, the contractual arrangements for the service change, coming under the pooled budget, with the contract held by the PCT. As the PCT is not a scheme employer, the transferee admission agreement must cease, and a new community admission agreement needs to be set up to enable Oxford Health to remain admitted to the Oxfordshire Fund, and the current LGPS member to retain their scheme membership.

### **Technical Changes**

13. As part of the work on exploring the pension arrangements for Academies, it came to the attention that a number of Oxfordshire schools had adopted Foundation status. This change in status should have amended the nature of the membership arrangements for the school staff.
14. Non-teaching employees of Oxfordshire maintained schools are automatically members of the Local Government Pension Scheme through their employment by the County Council. On the change to Foundation Status, the employment position changes, with the Governing Body taking on the employer role.
15. To enable employees to maintain their LGPS membership, the Governing Body of each new Foundation School should pass a resolution to seek to allow membership for their staff and this must be accepted by the Education Authority.
16. We have now retrospectively obtained the appropriate resolutions from the Governing Bodies of The Warriner, Banbury, Oxford, Woodeaton Manor and King Alfred Schools and the approval from the Director for Children, Education and Families to formalise the continued LGPS membership of the employees from these schools.
17. All schools which switch to Foundation Status in future will need to pass the appropriate resolution.

## **Recommendation**

**18. The Pension Fund Committee is RECOMMENDED to approve the admission applications from:**

- **Leonard Cheshire**
- **Allied HealthCare**
- **Food for Thought**
- **Oxford Health**

**and note the retrospective changes in respect of Oxfordshire's Foundation schools as listed in paragraph 16.**

Sue Scane  
Assistant Chief Executive and Chief Finance Officer

Background papers: Nil  
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