

AGENDA ITEM: 7

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Meeting	Pensions Fund Committee
Date	15 September 2010
Subject	Extension of Admissions Agreement between London Borough of Barnet and Go Plant Ltd
Report of	Deputy Chief Executive
Summary	This report proposes a deed of variation to the 2008 Admissions Agreement between London Borough of Barnet and Go Plant Ltd. in order to open up the Local Government Pensions Scheme for one additional employee

Officer Contributors	Tony Lampert, HR Business Partner Vandana Duggal, HR Employee Relations Adviser
Status (public or exempt)	Public
Wards affected	None
Enclosures	None
For decision by	Pension Fund Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	Non Applicable

Contact for further information: Tony Lampert – 020 8359 7882
Vandana Duggal – 020 8359 7899

1. RECOMMENDATIONS

- 1.1 That the Admissions Agreement dated 3 September 2008 between London Borough of Barnet and Go Plant Ltd be amended by a Deed of Variation to allow one additional employee of Go Plant Ltd to have access to the Barnet Pensions Fund.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 23 March 2008 – Cabinet Resources Committee – Item 20. FLEET PROCUREMENT WITH MAINTENANCE SERVICES CONTRACT - Approved the Fleet Procurement with Maintenance Services Contract be awarded for a period of 10 years with the option at the Council's discretion to extend it for a further 5 years as indicated within the body of the report

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Maximising admissions into the Pensions Fund and ensuring that the contribution levels cover their risk is one way of sustaining a viable Pensions Fund to the benefit of the London Borough of Barnet and its Pension Fund members. This principle supports the corporate priority of getting the best value from our resources.

4. RISK MANAGEMENT ISSUES

- 4.1 The pension regulations require actuarial assessments of the value of the fund and the liabilities of the employer. This is done initially and at each triennial valuation. The actuarial assessment will determine the employer contributions required to be made to the fund, dependant on the profile of the workforce and the potential risk to the fund of admitting the body.
- 4.2 The Council, on behalf of the employer, Go Plant Ltd, has carried out an assessment with actuarial advice, as required by the regulations, of the level of risk exposure arising from the inclusion of the one extra member of staff.
- 4.3 The Actuaries have confirmed that there is no immediate risk to the Pensions Fund and any future liability will be met by Go Plant Ltd. through the employer's pension contribution rate.
- 4.4 I have considered whether the issue involved are likely to raise significant levels of public concern or give rise to policy considerations that it was not considered that the issues would raise significant levels of public concern.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 This proposal will not give rise to any issues under the Council's Equalities and Diversity policies.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 Financial implications are set out under Section 4 above
- 6.2 The Pension Fund will be in receipt of additional appropriate employer and employee contributions to cover the liability associated with the one additional member of staff
- 6.2 Approval of this proposal would ensure membership of the local government pensions scheme for the additional one member of staff .

7. LEGAL ISSUES

- 7.1 The one additional member of staff may only be added if the original admissions agreement is opened up, by way of a DEED of Variation.
- 7.2 The Deed of Variation will need to be executed on behalf of both the Authority and Go Plant Ltd, to record the variation of the admissions agreement to include the extra one member of staff.
- 7.3 The Council has the power to enter into this agreement by virtue of the provisions of regulation 6 of Local Government Pension Scheme (Administration) Regulations 2008/239

8. CONSTITUTIONAL POWERS

- 8.1 The Council's constitution, Part 3 – Responsibility for Functions, Pension Fund Governance Compliance Statement, paragraph 2.2.13 empowers the Pension Fund Committee to “approve applications from organisations wishing to become admitted bodies into the Fund where legislation provides for discretion, including the requirements for bonds.”

9 BACKGROUND INFORMATION

- 9.1 The Cabinet Resources Committee on 23 March 2008 approved a proposal to award the Fleet Procurement with Maintenance Services contract to Go Plant Ltd. to provide fleet procurement and vehicle maintenance services to the Council. As a consequence of this decision an Admissions Agreement between London Borough of Barnet and Go Plant Ltd. was approved to ensure the 12 staff who transferred from London Borough of Barnet to Go Plant Ltd. under the Transfer of Undertakings (Protection of Employment) (TUPE) Regulations were entitled to maintain their membership of the Local Government Pensions Scheme.
- 9.2 The current Admissions Agreement between this Authority and Go Plant Ltd. covers twelve employees. Go Plant have now requested the inclusion of one additional member of staff employed by Go Plant Ltd on the Barnet Contract subsequent to the original Admissions Agreement.

9.3 The Pensions Committee is asked to approve the Deed of Variation to admit this additional one member of staff.

10. LIST OF BACKGROUND PAPERS

- 10.1 Correspondence between LBB and Go Plant Ltd requesting a Deed of Variation to the Admissions Agreement
- 10.2 Any person wishing to inspect the background papers listed above should telephone Hansha Patel – 020 8359 7895

Legal: TE
CFO: CM