

	<p><b>Pension Fund Committee</b></p> <p><b>22 October 2015</b></p>
<p style="text-align: right;"><b>Title</b></p>	<p><b>Update on Admitted Bodies Organisations</b></p>
<p style="text-align: right;"><b>Report of</b></p>	<p>Chief Operating Officer</p>
<p style="text-align: right;"><b>Wards</b></p>	<p>N/A</p>
<p style="text-align: right;"><b>Status</b></p>	<p>Public</p>
<p style="text-align: right;"><b>Urgent</b></p>	<p>No</p>
<p style="text-align: right;"><b>Key</b></p>	<p>No</p>
<p style="text-align: right;"><b>Enclosures</b></p>	<p>Appendix 1 – Admitted Bodies Monitoring Sheet</p>
<p style="text-align: right;"><b>Officer Contact Details</b></p>	<p>Karen Scott, Service Delivery Manager, Capita  <a href="mailto:Karen.scott2@capita.co.uk">Karen.scott2@capita.co.uk</a> 07785 454929</p>

<b>Summary</b>
London Borough of Barnet Pension Fund – Admitted Bodies Update Report

<b>Recommendation</b>
<b>That the Committee note the information in Appendix 1.</b>

## **1. WHY THIS REPORT IS NEEDED**

- 1.1 The Report is to update the Pensions Fund Committee on the current position in terms of Admitted Bodies to the London Borough of Barnet Pension Fund

## **2. REASONS FOR RECOMMENDATIONS**

- 2.1 There are no recommendations

## **3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

- 3.1 Not Applicable

## **4. POST DECISION IMPLEMENTATION**

- 4.1 Once any recommendations in terms of Admitted Bodies have been approved, the Pension Fund will take appropriate action to update records and obtain Bond information.

## **5. IMPLICATIONS OF DECISION**

### **5.1 Corporate Priorities and Performance**

- 5.1.1 To maintain the integrity of the Pension Fund by monitoring of admitted body organisations and ensuring all third-parties comply fully with admission agreements and bond requirements. This ensures that pension fund liabilities are covered by the responding admitted bodies; this in return protects Barnet's liabilities and supports the Council's corporate priorities as expressed through the Corporate Plan.

### **5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

- 5.2.1 Appendix 1 notes the bond levels required for each admitted body which will act as guarantee for the Pension Fund liabilities.

- 5.2.2 All organisations that have been paying their contributions in a timely way in line with the terms of their admittance to the pension board have been rated green in Appendix 1.

### **5.3 Social Value**

- 5.3.1 Not applicable

### **5.4 Legal and Constitutional References**

- 5.4.1 Schedule 2 of the Local Government Pension Scheme Regulations 2013 provide that a Local Authority, as an 'Administering Authority' for the Fund, may admit an organisation into the Local Government Pension Scheme, subject to that organisation, or the contractual arrangement between that organisation and the Council, meeting the criteria set out in the Regulations.

- 5.4.2 With respect to an admission agreement, the Regulations further provide for an assessment of the level of risk arising on premature termination of the

provision of the service or assets by reason of insolvency, winding up or liquidation of the admission body. The assessment must be with the benefit of actuarial advice and, where the level of risk is such as to require it, the transferee admission body shall enter into an indemnity or bond to meet the level of risk identified.

5.4.3 The Council's standard admissions agreement makes provision for the admission body to maintain a bond in an approved form and to vary the level of risk exposure under the bond as may be required from time to time

5.4.4 Under the Council's constitution, Part 15 – Responsibility for Functions, one of the Pension Fund Committee's functions is to "approve applications from organisations wishing to become admitted bodies into the Fund where legislation provides for discretion, including the requirements for bonds."

## 5.5 Risk Management

5.5.1 The ongoing viability of the Pension Fund is dependent on maximising contributions to the Fund. All admitted bodies are subject to actuarial assessments and are reviewed to ensure compliance with admissions agreements and maintenance of appropriate employer contribution levels in order to mitigate against any risk to the financial viability of the pension fund

5.5.2 There is a possibility of financial losses on the Pension Fund where arrangements around admitted bodies and bond agreements are not sufficiently robust. Monitoring arrangements are in place to ensure that Admissions Agreements and bond (where relevant) are in place and that bonds are renewed, as appropriate, during the lifetime of the relevant Admission Agreement.

## 5.6 Equalities and Diversity

5.6.1 Ensuring the long term financial health of the Pension Fund will benefit everyone who contributes to it. Access to and participation in the Pension Fund is open to those with and those without protected characteristics, alike, provided that the criteria set out within the relevant Regulations are met

The 2010 Equality Act outlines the provisions of the Public Sector Equalities Duty which requires Public Bodies **to have due regard** to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- advance equality of opportunity between people from different groups
- foster good relations between people from different groups

The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services

## 5.7 Consultation and Engagement

5.7.1 Not Applicable

5.8 **Insight**

5.8.1 Not applicable

6. **BACKGROUND PAPERS**

6.1 None