

PENSIONS COMMITTEE

13 December 2023

Title: Application for Admitted Body Status	
Report of the Strategic Director, Finance & Investment	
Public Report	For Decision
Wards Affected: None	Key Decision: No
Report Author: Jesmine Anwar, Pension Fund Accountant	Contact Details: Tel: 020 8227 3763 E-mail: Jesmine.anwar@lbbd.gov.uk
Accountable Director: Jo Moore, Interim Strategic Director Finance and Investment (S151 Officer)	
Accountable Strategic Director: Fiona Taylor, Chief Executive	
Summary: To consider two new applications for Admitted Body status to the Local Government Scheme (LGPS).	
The Committee is asked to agree: <ul style="list-style-type: none">the application for Admitted Body Status by Taylor Shaw and Alliance in Partnership as a 'closed' agreement.	

1 Introduction and Background

- 1.1 At present, the Pension Fund has a number of Admitted Bodies, some of which have been members of the London Borough of Barking and Dagenham Pension Fund ("the Fund") for a number of years.
- 1.2 As the Administering Authority, the Council cannot decline to admit a contractor if the contractor and the letting authority agree to meet the relevant requirements of the Local Government Pension Scheme (LGPS) regulations. In cases where the requirement of the LGPS regulations have been met, the Pension Committee can agree to retrospectively agree an admission agreement.

2 Admission Agreement

- 2.1 There are two applications for Admitted Body status. Taylor Shaw a catering company for schools have recently won a contract with United Learning Trust / Gorsebrook, and there will be 1 employee who will TUPE transfer to Taylor Shaw. The length of the contract will be 3 years.
- 2.2 Alliance in Partnership which specialises in Education Catering have won a contract with Parsloes Primary School and Monteagle Primary School. 3 employees will transfer across to Monteagle school a 1 from Parsloes Primary School. The length of the contract will be 3 years.
- 2.3 The employer will be responsible for the risks, including investment risk, bond yield risk, inflation risk, pay award risk, longevity and regulatory risk. Caterlink will require a bond.
- 2.4 The Admissions process will be carried out subject to officer's due diligence. The funds Actuary will be calculating the contribution rates to use by the new Admitted Bodies following the completion of the contract gains.
- 2.5 This Admission Agreements will be a 'closed' agreement.

3. Consultation

- 3.1 None.

4. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

- 4.1 It is now usual when considering requests for Admitted Body status to consider the financial risks that can fall upon the fund should the Admitted Body fall into financial difficulties. To mitigate these risks a form of financial guarantee or an indemnity bond is required.

5. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Solicitor

- 5.1 As outlined in the report, there is the potential for the fund to carry a risk if the organisation which seeks admission defaults in its obligation. As a result, additional measures need to be taken in the form of an agreement back by a guarantor or a bond to cover possible losses if the organisation cannot meet its liabilities so as to ensure that the admission of the body does not present additional risks to the fund.