WIRRAL COUNCIL

PENSION COMMITTEE

19 NOVEMBER 2013

SUBJECT:	ADMISSION BODY APPLICATION MOSSCROFT CHILDCARE LTD KNOWSLEY BOROUGH COUNCIL – CHILDCARE CONTRACT
WARDS AFFECTED:	ALL
REPORT OF:	STRATEGIC DIRECTOR OF TRANSFORMATION AND RESOURCES
KEY DECISION	NO

1.0 EXECUTIVE SUMMARY

1.1 This report informs members of my decision taken under delegation, to approve the application received from Mosscroft Childcare Limited for admission to Merseyside Pension Fund as a Transferee Admission Body. The company has secured a childcare contract with Knowsley Borough Council for a period of 5 years with effect from 1st September 2013.

1.2 The appendix attached to the report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972, i.e. Information relating to the financial or business affairs of any particular person (including the authority holding that information)

2.0 BACKGROUND

2.1 The application is to provide pension provision for 4 transferred staff who were previously employed by Knowsley Borough Council and wish to continue to participate in the local government pension scheme.

2.2 Mosscroft Childcare Ltd is a private Limited Company, with a Company number of 08595640 and the date of incorporation was 3 July 2013.

2.3 The principal activity of the company is the provision of childcare facilities on the premises of the Sure Start Childrens Centre.

3.0 RELEVANT RISKS

3.1 The potential risk of financial loss to the Fund resulting from the admittance of the company is mitigated by virtue of Regulation 38(3) (a) of the Local Government Pension (Administration) Regulations 2008, which provides for the ceding employer to underwrite the contractor's pension obligations.

4.0 OTHER OPTIONS CONSIDERED

4.1 The contractor's preferred route in accordance with the Statutory Best Value Authorities Staff Transfer (Pension) Direction 2007 on staff Transfers was to secure admitted body status as an alternative to the provision of a comparable pension scheme.

5.0 CONSULTATION

5.1 No consultation required as staff retained access to the LGPS.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 None arising from this report.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 The transfer of past service liabilities are to proceed on a fully funded basis and will have no immediate impact on Knowsley Borough Council's current assessed contribution rate.

7.2 Any outstanding contributions either not recovered from the contractor or any bond provision at closure will ultimately fall to Knowsley Borough Council.

8.0 LEGAL IMPLICATIONS

8.1 The Legal documents to be drafted and approved by Wirral's Legal Department.

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

No, as there are no equalities implications as employees retain access to the LGPS.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None arising from this report.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None arising from this report.

12.0   RECOMMENDATION/S

12.1   It is recommended that the members of the Pension Committee note the approval of the application for admission to the Merseyside Pension Fund of Mosscroft Childcare Ltd.

13.0   REASON/S FOR RECOMMENDATION/S

13.1   The application for admission meets all prescribed regulatory and financial requirements under the Local Pension Scheme Regulations and the appropriate supporting documentation has been received and approved by the Fund's Legal Monitoring Officer. All parties to the agreement are legally enforced to comply with the governance policy of Merseyside Pension Fund.

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APPENDICES

Exempt Appendix included in committee papers.

REFERENCE MATERIAL

The report produced by Mercer Limited the Fund Actuary, dated 25 July 2013, was used in producing this report.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date