

WIRRAL COUNCIL
PENSION COMMITTEE
1 JULY 2014

SUBJECT:	ADMISSION BODY APPLICATION - CITY HEALTH CARE PARTNERSHIP - KNOWSLEY BOROUGH COUNCIL
WARDS AFFECTED:	ALL
REPORT OF:	STRATEGIC DIRECTOR OF TRANSFORMATION & RESOURCES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report informs members of the decision taken under delegation, to approve the application received from City Health Care Partnership for admission to Merseyside Pension Fund as a contractor admission body. The company has secured a smoking cessation contract with Knowsley Borough Council from 1st October 2013 for a period of 3 years with a further possible extension of 2 years.
- 1.2 The application is made in accordance with Schedule 2 part 3 Regulation 1(d) (i) of the Local Government Pension Scheme Regulations 2013. Thus the body is providing or will provide a service or asset in connection with the exercise of a function of a Scheme employer as a result of – the transfer of the service or assets by means of a contract or other arrangement.
- 1.3 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 City Health Care Partnership is a not for profit community interest company and is registered under Companies House, (number 06273905) effective from 8 June 2007.
- 2.2 There are 2 employees who are currently employed by Knowsley Council and are members of Merseyside Pension Fund. They have transferred to City Health Care Partnership in accordance with T.U.P.E regulations and wish to continue to participate in the Local Government Pension Scheme.
- 2.3 The principal objective of the company is to carry on activities which benefit the community and in particular provides excellent, responsive and cost effective health services.

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 64(3)(a) of the Local Government Pension Scheme Regulations 2013, which provides for the ceding employer to underwrite the contractor's pension obligations.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The organisation'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 have been 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 City Health Care Partnership.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The application for admission meets all prescribed regulatory and financial requirements under the Local Government 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 1 November 2013, was used in producing this report.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date