

WIRRAL COUNCIL
PENSION COMMITTEE
1 JULY 2014

SUBJECT:	ADMISSION BODY APPLICATION KNOWSLEY YOUTH MUTUAL LTD - 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 my decision taken under delegation to approve the application received from Knowsley Youth Mutual Limited for admission to Merseyside Pension Fund as an Admitted Body. The organisation has secured a four year contract to provide Youth Services in Knowsley with effect from 1 April 2014.
- 1.2 The application is made in accordance with Schedule 2 part 3 Regulation 1(d) of the Local Government Pension Scheme Regulations 2013. The body is one that provides a service in connection with the exercise of a function of a scheme employer.
- 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 The application is to provide pension provision for 45 transferred staff members who were previously employed by Knowsley Council and wish to continue to participate in the local government pension scheme.
- 2.2 Knowsley Youth Mutual is a non profit organisation formed for the benefit of the community and registered under the Mutuals Public Register, (number 32240R) on 11 November 2013.
- 2.3 The principal objective of the company is to offer a range of generic youth work and specialist youth engagement activities across the Borough in line with current provision.

3.0 Relevant Risks

- 3.1 The potential risk of financial loss to the Fund resulting from the admittance of the organisation is mitigated by virtue of Regulation 64 (3) (a) of the Local Government Pension Scheme Regulations which provide for the ceding employer to underwrite the bodies 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 body at closure will ultimately fall to Knowsley Borough Council.

8.0 LEGAL IMPLICATIONS

- 8.1 The Legal documents are 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

- 1.2 12.1 This report informs members of my decision taken under delegation to approve the application received from Knowsley Youth Mutual Limited for admission to Merseyside Pension Fund as an Admitted Body. The organisation has secured a four year contract to provide Youth Services in Knowsley with effect from 1 April 2014.
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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.

**REPORT AUTHOR: YVONNE CADDOCK
PRINCIPAL PENSIONS OFFICER.**

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APPENDICES

Exempt Appendix included in committee papers.

REFERENCE MATERIAL

The report produced by Mercer Limited the Fund Actuary, dated 7 October 2013, was used in producing this report.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date