

Report for: Pensions Committee and Board – 15 September 2021

Title: Pension Administration Report

Report authorised by: Thomas Skeen, Assistant Director of Finance (Deputy Section 151 Officer)

Lead Officer: Nigel Keogh, Interim Pensions Manager
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This report provides updates regarding:
- Resourcing of the pensions administration team
 - Details of an employer joining the pension fund
 - Details of the intention to accept the pension scheme assets and liabilities of Clerkenwell Parochial School into the pension fund

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is asked:

- 3.1. To note this report which gives an update on the plans for the future resourcing of the pensions administration team.
- 3.2. To note and approve the admission of Lunchtime Company Limited (Devonshire Hill Nursery and Primary School) as a new employer to the Pension Fund as set out in paragraph 6.3 of the report.
- 3.3. To note and agree to the bulk transfer of the Clerkenwell Parochial School's assets and liabilities into Haringey Pension Fund in principle, subject to further actuarial assessments and the LDBS Academy Trust obtaining a Ministry of Housing, Communities, and Local Government (MHCLG) direction order for the transfer to take place. If agreed, to delegate to the Assistant Director of Finance (Deputy S151 Officer) to implement the transfer after consultation with the Chair of the Pensions Committee and Board as set out in paragraphs 6.4 to 6.7 of the report.

4. Reason for Decision

- 4.1. The reasons for the bulk transfer recommendation have been included in section 6 of this report.

5. Other options considered

- 5.1. Not applicable.

6. Background information

Resourcing of the pensions administration team

- 6.1. Following the retirement of the long-standing Pensions Manager in July, and the planned retirements of three further experienced members of staff over the coming months, officers have been looking at how best to resource the team for the future.
- 6.2. A comprehensive recruitment process is planned for the coming weeks, subject to on-going discussions with HR, and with a mind to how the team will operate and interface with other parts of the wider finance and HR/Payroll teams in the post-Covid working environment envisaged by the Council. These plans will retain the previous commitment to recruit and train an apprentice.

New admission body to the fund

- 6.3. Devonshire Hill Nursery and Primary School has tendered its catering service and the successful bidder was Lunchtime Company Ltd. It is proposed that Lunchtime Company Ltd (Devonshire Hill Nursery and Primary School) be admitted to the Haringey Pension Scheme as an Admission Body in relation to the provision of the catering service for Devonshire Hill Nursery and Primary School.

LDBS Multi-Academy trust transfer

- 6.4. LDBS Multi-Academy Trust (LDBS) recently approached the Pension Fund to explore several options regarding the treatment of the closure of Clerkenwell Parochial School. The school is a Scheduled Body in the Islington Fund, and its closure will result in a significant cessation debt for LDBS, as the school has a large pension deficit.
- 6.5. LDBS have enquired about the feasibility of a bulk transfer of assets and liabilities from the Islington Pension Fund into the Haringey Pension Fund via a pooling arrangement for the Trust, which currently has five other schools as Scheduled Bodies in the Haringey Pension Fund. This would mitigate the risks associated with servicing the cessation debt for the Trust.
- 6.6. Officers have discussed the matter with the Pension Fund's actuary, Hymans, who have advised that the Pension Fund can agree to the transfer subject to further actuarial assessments. Such a transfer will require the Trust to obtain an Ministry

of Housing, Communities, and Local Government (MHCLG) Secretary of State direction order, and both Funds will need to agree to the transfer taking place.

- 6.7. LDBS, with the assistance of the Department for Education, are in the process of applying for the MHCLG directive for the transfer.

7. Contribution to Strategic Outcomes

- 7.1. Not applicable

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

- 8.1. There are no financial implications to this report.

Head of Legal and Governance (Monitoring Officer)

- 8.2. The Head of Legal and Governance (Monitoring Officer) has been consulted on the content of this report.

- 8.3. The report seeks authority to admit an employer as admitted body to the Haringey Pension Fund. A person is eligible to be an active member of the Scheme in an employment if employed by an admission body and is designated or belongs to a class of employees that is designated by the body under the terms of an admission agreement, as being eligible for membership of the Scheme.

- 8.4. Lunchtime Company Ltd is a body that is providing or will provide a service or assets 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. Lunchtime Company Ltd has entered into a service contract to provide catering services to Devonshire Hill Nursery and Primary School and the administering authority may enter into the Admission Agreements pursuant to Schedule 2 of The Local Government Pension Scheme Regulations 2013.

- 8.5. The LDBS multi trust academy are Scheme Employers and therefore entitled to keep those members (who are entitled to) within the Local Government Pension Scheme and are seeking to transfer from the Islington Pension Fund to the Haringey Pension subject to approval of the Committee and Board. The report therefore seeks authority to accept a bulk transfer of the members that are within the Islington Pension Fund and that fund must also agree to the transfer as Regulations 98 of the Administration Regulations 2013 will apply and a transfer agreement will need to be entered into.

Equalities

8.6. Not applicable.

9. Use of Appendices

9.1. Not applicable.

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.