

National LGPS Technical Group

Agenda item

The following should be completed by a member of the National LGPS Technical Group and sent to Kelly.Scotford@royalgreenwich.gov.uk the Secretary and jayne.wiberg@local.gov.uk LGA by no later than 12 noon on the date shown in the minutes.

For meeting to be held on: 1 October 2021

Raised by: Liz Vollins

Pension Officer Group: NEPOF

Description of agenda item to be discussed:

Background

A recent meeting was held between a number of Funds to share information on difficulties being encountered with a couple of different companies who had a number of admissions across the Funds. Generally, these are outsourced contracts from schools/Academies, for example cleaning or catering contractors.

Funds were experiencing similar employer performance issues which included:

- Late payment of contributions (against Fund policy)
- Late uploading of monthly member data
- Non-payment of deficit contributions at cessation
- Non-payment of fines levied as a result of late payments
- Difficulties in speaking to payroll/HR staff for queries
- Delays in getting admission agreements signed

Legal advice obtained by one Fund indicated that future admissions cannot be prevented (para 13, of part 3 of schedule 2) as long as the transferee body met the requirements and undertook to meet the obligations at the outset, even if there was evidence of poor performance on other admissions by the same company.

The legal advice also indicated that Regulation 70 allowed for additional costs to be levied to an employer where in the Admin Authority's opinion performance had meant they had incurred additional costs. However, one Fund was already levying fines and these were not being paid by the admitted body.

Question

Is there a way Funds can build something into their Admission agreements to charge the "ceding employer" (e.g. school/academy) for poor performance of the admitted body.