

DATED

2008

(1) BATH AND NORTH EAST SOMERSET COUNCIL

(2)

(3)

ADMISSION AGREEMENT

relating to
participation in the
LOCAL GOVERNMENT
PENSION SCHEME

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THIS AGREEMENT is made on

2008

BETWEEN

- (1) **BATH and NORTH EAST SOMERSET COUNCIL** of Riverside Temple Street, Keynsham, Bristol BS18 1LA (hereinafter referred to as the "**Administering Authority**"); and
- (2) [] (hereinafter referred to as the "**Scheme Employer**") of [] and []
- (3) [] (company number [] (hereinafter referred to as the "**Transferee Admission Body**") whose registered address is []

WHEREAS

- (1) The Administering Authority is an administering authority within the meaning of the Local Government Pension Scheme (Administration) Regulations 2008 (the "Regulations") and administers the Local Government Pension Scheme (the "Scheme") and maintains the Avon Pension Fund (the "Pension Fund") in accordance with the Regulations, the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (the "Benefits Regulations") and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (the "Transitional Regulations")
- (2) The Scheme Employer is a Scheme employer within the meaning of the Regulations.
- (3) With effect from the Commencement Date the Transferee Admission Body will provide services (the "Services") in connection with the exercise of a function of the Scheme Employer pursuant to a contract dated [] 2008 between the Scheme Employer and [](the "Contract")
- (4) The Administering Authority, the Scheme Employer and the Transferee Admission Body have agreed to enter into an admission agreement to enable the "Eligible Employees" (as hereinafter defined) to be members of the Scheme and to participate in the Pension Fund.
- (5) The terms and conditions of such an admission have been agreed between the parties hereto as follows:-

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NOW IT IS HEREBY AGREED as follows:

1. INTERPRETATION

1.1 "Eligible Employees" means:

1.1.1 the employees listed in Schedule 1 to this Agreement who were active members of or eligible to join the Scheme immediately before they transferred to the Transferee Admission Body;

1.1.2 [any employees currently employed by the Scheme Employer who may transfer to the Transferee Admission Body in connection with the Contract in the future; and]

1.1.3 [any other employees nominated by the Transferee Admission Body]

for so long as they are employed by the Transferee Admission Body in connection with the provision of the Services.

PROVIDED THAT

1.1.4 the employee is not a member of another occupational pension scheme (within the meaning of section 1 of the Pension Schemes Act 1993) other than where membership under that pension scheme would not affect the status of the Scheme as registered pension scheme for the purposes of Part 4 of the Finance Act 2004; and

1.1.5 the employee otherwise satisfies the requirements of the Regulations appertaining to eligibility for membership of the Scheme.

1.2 For the purposes of this Agreement, the words "employed in connection with" shall mean spends the majority of his time working in delivering the Services.

1.3 "Business Day" means any day other than a Saturday or a Sunday or a Public or Bank Holiday in England.

1.4 Save as aforesaid the words and expressions used in this Agreement shall have the same respective meanings as in the Regulations, the Benefits Regulations and the Transitional Regulations, unless the context otherwise requires.

1.5 In this Agreement where the context so admits:-

1.5.1 words denoting the singular shall include the plural and vice versa, words denoting the masculine gender shall include the feminine gender and vice versa and words denoting persons shall include corporations unincorporated associations and partnerships;

1.5.2 reference to any statutory provisions shall be deemed unless the context otherwise requires to include reference to any such provisions as from time to time amended varied replaced extended or re-enacted by any other provisions or regulations made under such provisions;

1.5.3 reference to clauses or schedules shall be deemed to be references to a clause or a schedule to this Agreement and references to a sub-clause shall be deemed to be a reference to a sub-clause of the clause in which the reference appears; and

1.5.4 headings are included for ease of reference only and shall not affect this Agreement or the interpretation thereof.

2. COMMENCEMENT DATE

This Agreement shall have effect from the _____ (the "Commencement Date").

3. ADMISSION

The Administering Authority shall as from the Commencement Date referred to in clause 2 permit the Eligible Employees to be members of the Scheme and to participate as active members of the Pension Fund.

4. PARTICIPATION

4.1 The provisions of the Regulations, the Benefits Regulations and the Transitional Regulations, shall apply for determining the rights and obligations of, and the action which is to be taken by, each party to this Agreement and for the transmission of information between them and each party hereby undertakes with the others to take such action promptly.

- 4.2 The provisions of the Regulations shall apply to the Eligible Employees in the same way as if the Transferee Admission Body was a Scheme employer within the meaning of the Regulations.
- 4.3 The Transferee Admission Body warrants and represents to the Administering Authority and to the Scheme Employer that each Eligible Employee is employed in connection with the Services for the purposes of clause 1.2 of this Agreement.
- 4.4 The Transferee Admission Body undertakes that it will promptly notify the Administering Authority and the Scheme Employer in writing if any Eligible Employee ceases to be such in consequence of failing to satisfy sub-clause 1.1.4 or sub-clause 1.1.5 and that employee shall cease to be eligible to be an active member of the Scheme.

5. **PAYMENTS**

- 5.1 The Transferee Admission Body shall pay to the Administering Authority for credit to the Pension Fund such contributions and payments as are due under the Regulations and the Benefits Regulations in respect of the Eligible Employees. The Transferee Admission Body shall also procure that all contributions deducted from the pay of Eligible Employees which are Additional Voluntary Contributions (AVCs) shall be transmitted directly to the Institution with which the AVCs are invested ("AVC Provider") identified from time to time to it by the Administering Authority. The AVCs shall be credited with the AVC Provider at the same time as the contributions referred to in clause 5.2 are credited to the Pension Fund but in no event later than the 19th day of the month following the month in which the AVCs were deducted from earnings of the employees, but no penalties shall be payable under clause 5.2 if such payments are late.
- 5.2 The Transferee Admission Body shall pay to the Administering Authority for credit to the Pension Fund the employee and employer pension contributions on a monthly basis in arrears. The payment must be paid to the Administering Authority no later than the date specified in regulations made under the Pensions Act 1995. If the payment is late, the Administering

Authority will charge the Transferee Admission Body interest on the amount owing calculated in accordance with the Regulations.

5.3 The Transferee Admission Body shall pay to the Administering Authority for credit to the Pension Fund any revised contributions due under sub-clause 7.2.2 within 30 days of receipt of a written request from the Administering Authority.

5.4 Where the Transferee Admission Body certifies that:

5.4.1 an Eligible Employee who is under age 60 and is retiring by reason of redundancy or in the interests of efficiency, or

5.4.2 an Eligible Employee is voluntarily retiring with the consent of the Transferee Admission Body before age 60, or

5.4.3 an Eligible Employee is retiring on the grounds of permanent ill health or permanent infirmity of mind or body, or

5.4.4 the deferred benefit of an Eligible Employee is brought into payment with the Transferee Admission Body's consent before age 60, or

5.4.5 the deferred benefits of an Eligible Employee are brought into payment on the grounds of permanent ill health or permanent infirmity of mind or body;

and immediate benefits are payable under the Regulations or the Benefits Regulations, the Transferee Admission Body shall pay to the Administering Authority for credit to the Pension Fund the sum notified to them in writing by the Administering Authority as representing the actuarial strain on the Pension Fund, as certified by an actuary appointed by the Administering Authority, of the immediate payment of benefits to the Eligible Employee of the Transferring Admission Body but only, in the case of sub-clauses 5.4.3 or 5.4.5, to the extent that the strain is not met through the Transferee Admission Body's employer contribution rate, such sum to be paid within 30 days of receipt of the written notification.

However, where the sum notified is more than £1,000 such sum may be paid by equal annual instalments over a period of 5 years (or the remaining period

of the Contract if less), the first instalment of which is to be paid within 30 days of receipt of the written notification and the remaining instalments to be paid with interest within one month of the relevant anniversary of receipt of the written notification. Interest is to be calculated as determined by the Actuary to the Pension Fund.

5.5 Any financial penalty incurred by the Pension Fund arising from the failure of the Transferee Admission Body to comply with the terms of this Agreement shall be repaid to the Pension Fund by the Transferee Admission Body within 30 days of receiving a written request from the Administering Authority.

5.6 If any sum payable under the Regulations, the Benefits Regulations or this Agreement by the Transferee Admission Body to the Administering Authority or to the Pension Fund remains unpaid at the end of one month after the date on which it becomes due under this Agreement or the Regulations, the Administering Authority shall require the Transferee Admission Body to pay interest calculated in accordance with the Regulations on the amount remaining unpaid or, in respect of sums under Clause 5.4 where any payment is not received by the due date, interest will be charged as follows:-

5.6.1 Where the amount to be paid is a single upfront payment, 2% above base rate from the due date to the date of payment

5.6.2 Where payment is by annual instalments, additional interest at 1% above base rate on the outstanding amount from the due date to the date of payment.

5.7 If any sum payable under the Regulations, the Benefits Regulations or this Agreement by the Transferee Admission Body to the Administering Authority or to the Pension Fund has not been paid by the date on which it becomes due under this Agreement, the Regulations or the Benefits Regulations, the Administering Authority may require the Scheme Employer to set off against any payments due to the Transferee Admission Body (if any) an amount equal to the sum due from the Transferee Admission Body under this Agreement, the Regulations or the Benefits Regulations, (including any interest due in accordance with clause 5.6) and to pay the sum to the

Administering Authority for credit to the Pension Fund by a date specified by the Administering Authority.

5.8 The Transferee Admission Body shall pay to the Administering Authority such additional sums in respect of its share of any exceptional expenses of management of the Scheme as are not covered by the general contribution rate and were incurred at the request of the Transferee Admission Body as an actuary appointed by the Administering Authority may determine.

5.9 Any contributions required to be paid by the Transferee Admission Body under clause 5.1 will be assessed by the actuary appointed by the Administering Authority on an ongoing funding basis assuming a past service funding level in respect of the Eligible Employees of [%] as at the Commencement Date.

6. **TRANSFEREE ADMISSION BODY'S UNDERTAKINGS**

6.1 The Transferee Admission Body undertakes

6.1.1 to provide or procure to be provided such information relating to the Transferee Admission Body's participation in the Pension Fund and the Eligible Employees' membership of the Scheme as is reasonably required by the Administering Authority;

6.1.2 to comply with the reasonable requests of the Administering Authority to enable it to comply with the requirements of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 as amended (SI 1996/1655).

6.1.3 to adopt the practices and procedures relating to the operation of the Scheme set out in the Regulations, the Benefits Regulations and the Transitional Regulations and in any employer's guide published by the Administering Authority and provided by the Administering Authority to the Transferee Admission Body;

6.1.4 to formulate and publish within 3 months of the Commencement Date a Statement concerning the Transferee Admission Body's policy on

the exercise of its discretions under the Regulations and the Benefits Regulations and to keep such policy under review;

6.1.5 to notify the Administering Authority and the Scheme Employer of each occasion on which it exercises a discretion under the Regulations, the Benefits Regulations or the Transitional Regulations and the manner in which it exercises that discretion;

6.1.6 without prejudice to the requirements of the Regulations, the Benefits Regulations and any employer's guide published by the Administering Authority and provided to the Transferee Admission Body, to notify forthwith the Administering Authority and the Scheme Employer in writing of any material change in the terms and conditions of employment of any of the Eligible Employees which affect entitlement to benefits under the Scheme and of any termination of employment by virtue of redundancy or in the interests of efficiency or for any other reason;

6.1.7 that it shall not grant an additional period of membership to an Eligible Employee under regulation 12 of the Benefits Regulations or award additional pension under regulation 13 of the Benefits Regulations save to the extent that the appropriate sum is paid to the Administering Authority for credit to the Pension Fund before the expiry of the relevant period within the meaning of the Regulations;

6.1.8 not to do any act, omission or thing which would prejudice the status of the Scheme as a registered pension scheme for the purposes of Part 4 of the Finance Act 2004; and

6.1.9 to notify the Administering Authority and the Scheme Employer immediately of:

6.1.9.1 any matter which may affect, or is likely to affect, its participation in the Scheme and the Pension Fund;

6.1.9.2 any actual or proposed change in its status which may give rise to a termination, including but not limited to take-over,

reconstruction or amalgamation, liquidation or receivership and a change in the nature of its business or constitution.

6.2 The Administering Authority undertakes to provide or procure to be provided to the Transferee Admission Body such information relating to the Transferee Admission Body's participation in the Pension Fund and the Eligible Employee's participation in the Scheme as is reasonably required by the Transferee Admission Body.

7. PERIODIC VALUATIONS

7.1 The Administering Authority may periodically obtain from an actuary a certificate specifying, in the case of the Transferee Admission Body, the percentage or amount by which, in the actuary's opinion, the contribution rate at the common rate or any prior individual adjustment within the meaning of the Regulations should be increased or reduced (such assessment shall be subject to clause 5.9). This is with a view to ensuring that, as far as is reasonably possible, the value of assets of the Pension Fund in respect of Eligible Employees and former Eligible Employees is neither materially more or materially less than the anticipated liabilities of the Pension Fund in respect of the said Eligible Employees at the date the Services or this Agreement are due to end.

7.2 When this Agreement is terminated, the Administering Authority must obtain:-

7.2.1 an actuarial valuation as at the termination date of the liabilities of the Pension Fund in respect of the Eligible Employees and former Eligible Employees, and

7.2.2 a revision of any rates and adjustments certificate within the meaning of the Regulations showing the revised contributions due from the Transferee Admission Body.

8. TERMINATION

8.1 Subject to clause 8.2 and 8.3 this Agreement shall terminate at the end of the notice period upon any of the parties hereto giving a minimum of three

months notice to terminate this Agreement to the other parties to this Agreement.

8.2 This Agreement shall automatically terminate on the earlier of the date of:-

8.2.1 the expiry or earlier termination of the Contract , or

8.2.2 the date the Transferee Admission Body ceases to be a transferee admission body for the purposes of the Regulations.

8.3 This Agreement may be terminated by the Administering Authority by notice in writing to the Transferee Admission Body taking immediate effect in the event of:-

8.3.1 any breach by the Transferee Admission Body of any of its obligations hereunder PROVIDED THAT if the breach is capable of remedy the Administering Authority shall first afford to the Transferee Admission Body the opportunity of remedying that breach within such reasonable period as the Administering Authority may specify;

8.3.2 the insolvency, winding up or liquidation of the Transferee Admission Body;

8.3.3 the failure by the Transferee Admission Body to pay any sums due to the Administering Authority or to the Pension Fund within 7 days of the periods specified in Clauses 5.2, 5.4 and 5.5 or in any other case within 37 days of receipt of a notice from the Administering Authority requiring it to do so; or

8.3.4 the failure by the Transferee Admission Body to renew or adjust the level of a bond or indemnity in accordance with clause 9.3 or 9.4.

9. **BOND OR INDEMNITY**

9.1 The level of risk arising on the termination of this Agreement shall, prior to the Commencement Date, be assessed by Scheme Employer, taking account of actuarial advice.

9.2 The Transferee Admission Body warrants that, where the level or risk identified in the assessment is such as to require it, it has provided a bond or

indemnity in such form as the Administering Authority and Scheme Employer have approved to this Agreement to meet the level of risk identified in accordance with clause 9.1 with a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits or carry out contracts of general insurance and that the bond or indemnity is or will be in place by the Commencement Date.

9.3 Where the bond or indemnity provided under clause 9.2 is not for the full period of this Agreement the Transferee Admission Body shall either renew the bond or indemnity (if possible) or provide a new bond or indemnity in such form as the Administering Authority and Scheme Employer reasonably require to meet the level of exposure which has (prior to the renewal of the bond or indemnity or the delivery of any new bond or indemnity) been assessed by the Scheme Employer taking account of actuarial advice.

9.4 The level of the bond or indemnity shall be reviewed at twelve monthly intervals from the Commencement Date (or some other period specified by the Scheme Employer) to ensure that it still covers a level of risk exposure which has been assessed by the Scheme Employer taking account of actuarial advice. Where the existing bond or indemnity does not cover the required level of risk exposure the Transferee Admission Body shall procure that the existing bond or indemnity is renewed or amended (where necessary) to cover the revised level of risk exposure or that a new bond or indemnity in such form as the Administering Authority and Scheme Employer reasonably require is provided to cover the revised level of risk exposure.

10. **NOTICES**

Any notice to be given under this Agreement shall be in writing and shall be deemed to be sufficiently served if delivered by hand or sent by prepaid first class post to the registered office of the Transferee Admission Body or the headquarters address of the Administering Authority or the Scheme Employer or the office of the Secretary of State (as the case may be) and shall be deemed to have been duly given or made (i) if delivered by hand, upon delivery at the address provided for in this clause 10 unless such delivery occurs on a day which is not a Business Day or after 4pm on a Business Day, in which case it will be deemed to have been given at 9am on the

next Business Day; or (ii) if sent by prepaid first class post, on the second Business Day after the date of posting.

11. **PUBLIC INSPECTION**

This Agreement shall be made available for public inspection by the Administering Authority at its headquarters address and by the Scheme Employer at its headquarters address.

12. **DISPUTES**

Any question which may arise between the parties to this Agreement relating to its construction or to the rights and obligations under the Agreement shall be referred in writing to the Secretary of State within the meaning of the Regulations for determination.

13. **APPLICABLE LAW**

This Agreement shall be governed by and construed in accordance with English Law and the parties hereby submit to the exclusive jurisdiction of the English Courts.

14. **RIGHTS OF THIRD PARTIES**

The parties to this Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

15. **COUNTERPARTS**

This Agreement may be executed in two counterparts, both of which taken together shall constitute one and the same agreement and any party may enter into this Agreement by executing one of the counterparts.

IN WITNESS whereof the parties have executed this Agreement as a Deed the day and year first before written.

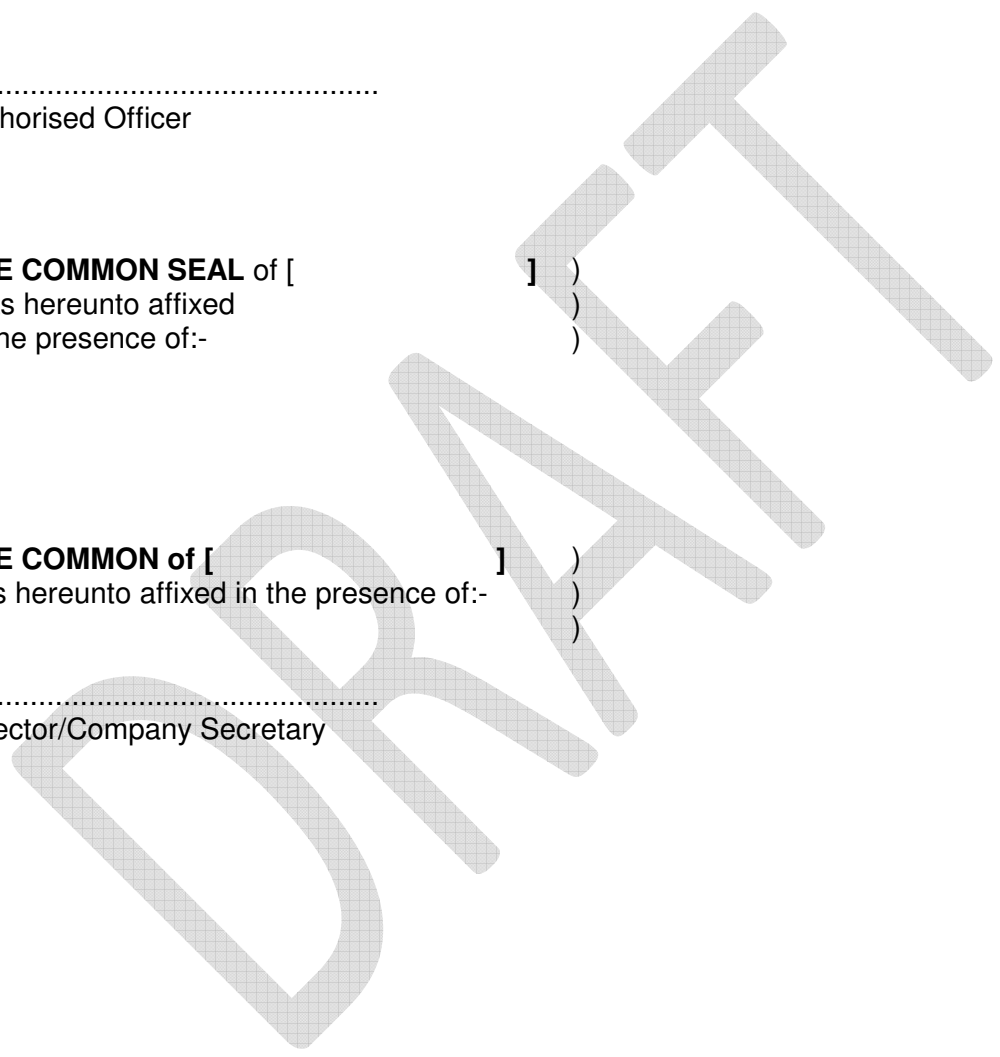
THE COMMON SEAL of BATH and)
NORTH EAST SOMERSET COUNCIL)
was hereunto affixed in the presence of:-)

.....
Authorised Officer

THE COMMON SEAL of [])
was hereunto affixed)
in the presence of:-)

THE COMMON of [])
was hereunto affixed in the presence of:-)
)

.....
Director/Company Secretary



SCHEDULE 1

Eligible Employees

N-I Number Surname First Names Date of Birth Sex

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