

Avon Pension Fund

Local Government Pension Scheme

Employer Application Information



Administering the Local Government Pension Scheme (LGPS) 2014

Prospective Transferee Admission Bodies and the Local Government Pension Scheme (LGPS)

Background information about Admission Bodies and the LGPS

There are currently three categories of Scheme Employer within the Local Government Pension Scheme (“the Scheme”). The first category consists of bodies listed in Part 1 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 (“the Regulations”), which are required by law to offer scheme membership to their employers (the “Core Employers”). “Designating Bodies” make up the second category (see Part 2 of Schedule 2). **Admission Bodies constitute the third category (see Part 3 of Schedule 2).**

There are two types of Admission Body: (i) “non-profit making organisations”, termed “community admission bodies”, and (ii) other organisations, primarily commercial, which are contracted to provide a service for another Scheme Employer and which are termed “transferee admission bodies”. Details of the conditions which prospective admission bodies have to meet in order to join the Scheme are set out in Part 3 of Schedule 2 of the Regulations. The term “transferee admission body” was used in the previous set of regulations to describe a body that complies with paragraph 1(d) of Part 3 of Schedule 2, i.e. “a body that is providing or will provide a service or assets in connection with the exercise of a function of a Scheme Employer” (in most cases as a result of the transfer of the service or assets by means of a contract). For convenience the Avon Pension Fund continues to use the term “transferee admission body” in its literature.

In order to become a **Transferee Admission Body (“TAB”)**, an organisation has to enter into a contract with a Scheme Employer for the provision of services and subsequently be a signatory, with the Scheme Employer, to an **Admission Agreement** with the Avon Pension Fund (“APF”). Under the Regulations the Scheme Employer guarantees the pension liabilities of the Transferee Admission Body so that the other Scheme Employers in the Fund do not suffer if the Transferee Admission Body fails.

Details on how to apply to join the APF

- The Outsourcing Scheme Employer is responsible for the application to admit a TAB. This is because the Fund has no contractual relationship with the prospective TAB until the tripartite admission agreement is executed. **In this connection a Form LGPS 35B (Appointment of Pensions Lead Officer) must be submitted.**
- The Outsourcing Scheme Employer completes and submits Form LGPS33 (New Employer Data Request) in order to obtain a contribution rate for the TAB and a Risk Assessment.
- The Outsourcing Scheme Employer asks the TAB to complete an Application to become a Transferee Admission Body by completing LGPS34B which includes the full name of the organisation and key contacts.
- On the basis of the Risk Assessment the Outsourcing Scheme Employer must decide whether it requires a bond and complete the Bond Questionnaire.
- It is important to note that under the LGPS regulations, if a transferee admission body is exercising the

functions of a Scheme Employer in connection with more than one contract then a separate application and admission agreement must be made in respect of each of those individual contracts. One admission agreement cannot cover more than one contract or arrangement.

How to submit the form to the APF

Once you have completed the forms, please send by e-mail to julia_grace@bathnes.gov.uk.

All spreadsheets with member details should be password protected or sent securely via Globalscape.

Details on when to apply to join the APF

It is imperative to notify the APF at the earliest opportunity of any potential transfers of staff (TUPE or otherwise), well before any commercial agreement affecting employee transfers is made between the Scheme Employer and the contractor. This is important because the terms of the pension arrangements need to be factored into the tendering and procurement processes. This avoids substantial problems and commercial disputes arising. It also protects the interests of the staff concerned.

- We would suggest that you complete and submit the application forms as soon as you have all the information you need to do so. We would expect this to be a minimum of **6 weeks before the date of admission**.
- **In the event that Employer Contribution Rate is not known prior to the TAB admission date, an interim rate of 20% of pensionable pay will be payable.**

Details on what happens next

- Employer contribution rates will be revised at each triennial valuation, the next one being due on 31 March 2019 with new rates effective from 1 April 2020.
- Contributions will be paid to the Avon Pension Fund each month using Form LGPS 50, which can be found on the Avon Pension Fund website. The form must be completed on-line; the payment can be made either by bank transfer or cheque, preferably the former.
- The APF will arrange training sessions on the administration involved and the LGPS. This will be for representatives from the TAB and your payroll provider. These are important and must be attended.
- The APF will send separate newsletters to employers and employees on a regular basis.
- The APF will hold quarterly Employer Forum meetings to provide updates to any changes in the LGPS.
- The APF will hold Annual Employer meetings.
- The APF will write to you annually to advise you of the information that is required from you at the 31 March of each year.
- The APF will submit the required data to the Fund actuary for them to determine the employer's contribution rate at the valuation date for the Fund every 3 years.

For more information or if you have a problem or question about administering the LGPS, please contact:

Post:

Avon Pension Fund
Bath & North East Somerset Council
Lewis House
Manvers Street
Bath
BA1 1JG

Opening Hours:

Monday - Thursday 8.30am - 5.00pm
Friday 8.30am - 4.30pm

Website: www.avonpensionfund.org.uk

Email: avonpensionfund@bathnes.gov.uk

Tel: 01225 477000

Fax: 01225 395258

Disclaimer

The information in this fact sheet applies to participating employers of the Local Government Pension Scheme. The Factsheet was up-to-date at the time of publication and in the event of any dispute over the duties of a participating employer; the appropriate legislation will prevail as this leaflet is provided for information purposes only.

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