

REPORT TO: POLICY & RESOURCES COMMITTEE - 23 NOVEMBER 2009

REPORT ON: BALNACRAIG SCHOOL LTD - ADMISSION TO LOCAL GOVERNMENT PENSION SCHEME

REPORT BY: DIRECTOR OF FINANCE

REPORT NO: 570-2009

1 PURPOSE OF REPORT

- 1.1 This report seeks agreement of the Committee to the admission of Balnacraig School Ltd to the Local Government Pension Scheme as a Community Admission Body.

2 RECOMMENDATIONS

- 2.1 As Balnacraig School has been an admitted body of the Local Government Pension Scheme for over 10 years but is changing from an organisation governed by a Trust Deed to a company limited by guarantee it is recommended that the committee agree to the new body being admitted to the Local Government Pension Scheme.

3 FINANCIAL IMPLICATIONS

- 3.1 There will be no further financial implications as a result of the change.

4 BACKGROUND

- 4.1 Under regulation 4 of The Local Government Pension Scheme (Administration) (Scotland) Regulations 2008, the administering authority has the right to admit other bodies into the Local Government Pension Scheme providing they meet the requirements of regulation 6 of those regulations. Any admission body then has the same rights and liabilities as the local authorities in the scheme.
- 4.2 Report no 131/1996 to the Finance Committee of 10 June 1996 lays down the conditions to apply before a body can be considered for admission into the Local Government Pension Scheme administered by Dundee City Council.
- 4.3 The original body was set up in 1936 under the name of the Perth Homes Trust Scheme, various modifications have subsequently taken place to the Trust Deed with the most recent being the scheme approved by the Court of Session on 8th January 1999. The school has accordingly operated for considerably more than a period of 10 years. Perth Homes Trust became an admitted body on 8 October 1957.

4.4 The Finance Committee at its meeting on 10 June 1996 agreed detailed criteria, of which one must be met if the body's admission to the Local Government Pension Scheme was to be submitted to the Finance Committee. These criteria are as follows:

- i bodies with long-term funding (in excess of 20 years)
- ii bodies who have been in existence for at least 10 years and who have foreseeable long-term future in existence.
- iii bodies with short-term funding where another substantive body is prepared to act as guarantor
- iv bodies where the employees were formerly Local Government staff.

5 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6 **CONCLUSIONS**

Due to the length of time that Balnacraig School has been admitted to the Local Government Pension Scheme it is recommended that the new company is granted admission on the same terms.

6 **CONSULTATION**

The Chief Executive and Director of Finance

7 **BACKGROUND PAPERS**

7.1 None.

MARJORY M STEWART
DIRECTOR OF FINANCE

17 NOVEMBER 2009