



18 April 2013

Agenda Item:7

REPORT OF THE SERVICE DIRECTOR – HR AND CUSTOMER SERVICE

LOCAL GOVERNMENT PENSION SCHEME APPLICATIONS FOR SCHEME ACCESS VIA A COMMUNITY ADMISSION AGREEMENT

1. Purpose of the Report

- 1.1. To seek Pensions Committee approval of the application by **Nottingham CityCare Partnership** to become a community admission body within Nottinghamshire Pension Fund.
- 1.2. At its meeting on 11th December 2008, Pensions Committee considered a report entitled 'Review of Arrangements around the Admission of New Employing Authorities to the Nottinghamshire Pension Fund' and after consideration resolved that 'each application be considered on its own merits'.

2. Information and Advice

- 2.1 Under the LGPS Regulations there is a discretionary power for the County Council, as Administering Authority, to approve such an admission if the organisation falls within the relevant definitions, and an admission agreement, to the satisfaction of the Administering Authority, is entered into.
- 2.2 Bodies that meet the definitions under the provisions of Regulation 5 of Local Government Pension Scheme (Administration) Regulations 2008, are eligible to apply to become community admission bodies.
- 2.3 The Pensions office has sought legal advice in this regard and may confirm that **Nottingham CityCare Partnership** meet the definition contained in Regulation 5(2)(a)(i), *'a body which provides a public service in the United Kingdom otherwise than for the purposes of gain and which has sufficient links with a Scheme employer for the body and the Scheme employer to be regarded as having a community of interest'*.
- 2.4 If approved, **Nottingham CityCare Partnership** will be required to meet all the schemes duties as a scheme employer as defined by the Pension scheme and associated regulations and the Pensions Offices processes and procedures. They will pay an employers contribution rate as determined by the Fund Actuary

and will be required to provide a bond, as protection to the Fund for any unpaid liability upon termination, at a level determined by the Fund Actuary and as reviewed from time to time.

- 2.5 It is understood that **Nottingham CityCare Partnership** intend to restrict admission to the 13 named employees that are being TUPE transferred to them on 1st May 2013, from Nottingham City Council and who were previously eligible to be members of the LGPS under that employment. The option to join the LGPS will not be available to existing employees of **Nottingham CityCare Partnership**.
- 2.6 Should **Nottingham CityCare Partnership** cease to operate or all the 13 named employees that are being TUPE transferred leave their employment, the Community Admission Agreement would cease. Any outstanding liabilities would be assessed by the Fund Actuary and where necessary be payable by **Nottingham CityCare Partnership** at termination.
- 2.7 **Nottingham CityCare Partnership** have provided a statement in support of their application which is contained in Appendix A to this report.

3. Statutory and Policy Implications

- 3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Human Resources Implications (CD)

As outlined within the body of the report, admitted body status will allow transferring staff continued membership eligibility of the LGPS.

Where the service transfer relates to Nottinghamshire County Council, full consultation has been undertaken with affected staff and the recognised trade unions in line with TUPE requirements. In respect of other service transfers the current employing body is responsible for undertaking the equivalent consultation.

RECOMMENDATION

1. That Pensions Committee agree that **Nottingham CityCare Partnership** be admitted to the Pension Scheme provided they undertake to sign an appropriate admission agreement and take out a bond of protection to the satisfaction of the Fund Actuary, and that admission to the Fund is effective from 1st May 2013 to allow the transferred employees unbroken membership in the LGPS.

MARJORIE TOWARD

SERVICE DIRECTOR – HR AND CUSTOMER SERVICE

For any enquiries about this report please contact:

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Constitutional Comments (KK)

The proposal in this report is within the remit of the Pensions Committee.

Financial Comments (SC)

There are no financial implications arising directly from this report. As noted in the report, employer contributions to be paid by admitted bodies are determined by the Fund's actuary.

Background Papers

1. Articles of Association of **Nottingham CityCare Partnership**.
2. Application by **Nottingham CityCare Partnership**.
3. **Nottingham CityCare Partnership**- Reports and Financial Statement for period ended 31/3/2012.
4. Outline Business Case for **Nottingham CityCare**.

Electoral Division(s) and Member(s) Affected

All

Appendix A

Nottingham CityCare Partnership CIC (“CityCare”) – Supporting Statement

Background:

CityCare was established in April 2011 as one of the Government’s leading “Not for Profit” organisations forging the way in transformational change in the way health care is delivered. CityCare launched with a £35 million of community health services including District Nursing, Health Visiting and Rehabilitation Care Services.

CityCare was the “Community Provider Arm” of NHS Nottingham City previously Nottingham City Primary Care Trust – a well-regarded Primary Care Trust for Nottingham City providing community health services for the citizens of Nottingham. This formed part of the National Operating Framework 2010/11 for Primary Care Trust’s to divest themselves of provider services and transform the delivery of community services.

CityCare has a proven history of working collaboratively with health and social care partners with a sound knowledge of local population needs and challenges. Part of the “Right to Request” was a support model of integrated working to transform community services working jointly with Nottingham City Council with a unique model of service delivery through a joint venture agreement. The benefits of this approach being both organisations ability to widen the joint provision of services to maximise the potential to meet the health and social needs and care of citizens of Nottingham City.

CityCare’s Aims:

Our vision is to provide “better health and complete care for the citizens of Nottingham; owned and delivered locally. As a viable social enterprise, we invest in the continued development of innovative services, working closely with our partners, staff, service users and other stakeholders.

We aim to establish a working relation to integrate health and social care services in partnership with Nottingham City Council. Our integrated care strategy seeks to improve our patients’ experience and outcomes and ensure that they receive the right care at the right time and in the right place.

Why are we applying for “Community Admission Body”?

As a CIC our strategy is to remain the provider of choice and deliver all our existing portfolio of community services acquired under the Right to Request. By delivering

the complete portfolio this will enable us to maximise the benefits from the integrated delivery of care.

Community Contract Monitoring – Service Level Agreements with Commissioners are performance managed through monthly performance meetings between CityCare and its commissioners. In response to our Commissioners' requirements and drive to improve commissioned services CityCare is required to bring back in-house the service delivery of the Intermediate Care Rehabilitation Support Team ("JackDawe Team"). This service was a commissioned service to CityCare which CityCare sub-commissioned to Nottingham City Council under a Service Level Agreement. The existing Funding for this particular service is worth £3.3 million and has subject to an extended Commissioning period to 2015.

As part of bringing this service back in-house to integrate the service under the partnership agreement there is a requirement under TUPE 2006 legislation to ensure the transfer of the existing Nottingham City Council "employees" currently working within this particular service area. Part of the TUPE process requires access to a broadly comparable pension scheme. As a Social Enterprise we do not have access to a public sector pension scheme and are therefore not able to provide a comparable scheme under the "fair deal pension" guidance or a GAD certification.

Outline Business Case on the evolution of Nottingham CityCare Partnership CIC with 5 year strategy provided under separate cover.

Final Year End Accounts 2011/12

Provided under separate cover

Staffing Structures:

13 staff as named with the Admission Agreement - 8 who are currently members of the LGPS Scheme 1 and 1 with a membership application pending identifies the named individuals transferring under TUPE within the service and the particular roles they carry out.

For the purposes of this application it is proposed that the pension membership should be restricted to individual named employees with LGPS eligibility and not roles.

Anne-Louise Ottewell
Assistant Director of HR and Workforce
Nottingham CityCare Partnership CIC