

Pension Fund Committee

Date:	21st June 2018
Classification:	General Release
Title:	New Admitted Body to the Pension Fund - Regulator for Social Housing
Report of:	Sarah Hay, Senior Pension and Payroll Advisor.
Wards Involved:	All
Policy Context:	Service Delivery
Financial Summary:	Limited

1. Executive Summary

This report requests consent for the entry of a new body the Regulator for Social Housing (RSH) into the Westminster Pension fund.

2. Regulator for Social Housing Background.

- 2.1 The Homes and Community Agency (HCA), is an admitted body in the Westminster pension fund. A government review has recommended that the body that makes agreements with landlords supplying homes to the social housing market should not regulate those same landlords. As a result, legislation is due to pass through parliament to create the RSH.
- 2.2 Once the RSH is created, staff currently working in the regulatory functions of the HCA will be tupe transferred to RSH. The expected go live date for the RSH is the 1st of October 2018 but this will be confirmed when the legislation is passed.
- 2.3 HCA is a closed admission body within our pension fund. This means that no new employees of HCA will be appointed to our fund. There are approximately 84 people in the fund who are due to tupe transfer to the newly created RSH.
- 2.4 Under the New Fair Deal 2013 Guidance, public bodies should include provisions in their outsourcing contracts that transferring staff retain entitled to

remain an active member of the original public sector pension arrangement to which they belonged.

- 2.5 The Fund should not reject any reasonable request to accept a new body in the fund as long as the fund has sufficient security in relation to the new body.
- 2.6 People Services have requested the pension funds legal advisors Eversheds Sutherland, draft a closed admission agreement to admit SRH into the fund with a side agreement. The side agreement is between the pension fund, the RSH and the Secretary of State for Homes, Communities and Local Government. In the side agreement, the Secretary of State guarantees that any outstanding liability due to the fund would be covered by the existing HCA, any successor body to the RSH or by the ministry itself.
- 2.7 The side agreement that will be signed by the secretary of state will be in lieu of a bond and will give the pension fund the highest level of security in relation to the future pension liabilities for these staff without the need for any review.

3. Summary

- 3.1 People services seek consent to agree a closed admission agreement with the RSH provisionally at 1st of October 2018. Further that we agree a side agreement to give the fund maximum financial protection to cover all liabilities associated with the RSH.