

LONDON BOROUGH OF CAMDEN	WARD: All
REPORT TITLE: Admissions Policy	
REPORT OF: Executive Director Corporate Services	
FOR SUBMISSION TO: Pension Committee	DATE: 2 December 2025
SUMMARY OF REPORT: <p>This report presents a draft Admissions Policy for the Camden Pension Fund. The policy sets out the Fund's framework for admitting new employers in accordance with the Local Government Pension Scheme Regulations 2013. It clarifies the Fund's default approach to new admissions, including the treatment of contractors admitted following outsourcing arrangements, and outlines the responsibilities of administering authorities, letting authorities and participating employers.</p> <p>The policy aims to ensure that new admissions are managed transparently, consistently and in a way that protects the interests of the Fund and its employers. Approval is sought for the policy to be adopted and published alongside the Fund's wider suite of governance and funding documents.</p>	
Local Government Act 1972 – Access to Information <p>No documents required to be listed were used in the preparation of this report.</p> <p>Contact Officer: Saul Omuco Head of Finance Treasury & Pensions Finance Corporate Services 5 Pancras Square London N1C 4AG</p> <p>Telephone 0207 974 7116 Email saul.omuco@camden.gov.uk</p>	
RECOMMENDATIONS: <p>The Committee is asked to:</p> <p>(a) Approve the Admissions Policy attached as Appendix A,</p> <p>(b) Delegate authority to the Director of Finance (S151 Officer), after consultation with the Fund Actuary, to make minor updates to the policy as required to reflect future regulatory or guidance changes.</p>	
Signed by Director of Finance Agreed Date xx/11/2025	

1. INTRODUCTION

- 1.1 Local Government Pension Scheme (LGPS) administering authorities are required to maintain and publish a clear policy setting out the conditions under which new employers may be admitted to the Fund and the approach that will apply to such admissions. This requirement arises from Part 3 of Schedule 2 and Regulations 54, 64 and 67 of the Local Government Pension Scheme Regulations 2013 (as amended), together with the Best Value Authorities Staff Transfer (Pensions) Direction 2007 and associated government guidance on Fair Deal and deemed employer arrangements.
- 1.2 The draft Admissions Policy provides a structured framework for admitting new employers to the Camden Pension Fund, whether as scheduled bodies, designating employers, or admission bodies participating through outsourcing or other arrangements. It sets out the Fund's default position, including the application of pass-through arrangements for new outsourcing admissions, and clarifies how responsibilities, risks, contribution requirements and exit arrangements will be managed.
- 1.3 The policy ensures that all admissions are undertaken in a manner consistent with the Fund's obligations under LGPS Regulations, the Funding Strategy Statement and the Fund's wider risk-management framework. It also provides transparency for employers and letting authorities, setting clear expectations regarding the information required, the approval process, and the allocation of financial responsibilities.

2. BACKGROUND

- 2.1 The Camden Pension Fund must maintain a clear policy on the admission of new employers under the LGPS Regulations 2013.
- 2.2 The previous (2019) policy reflected a traditional admission approach, under which each contractor was responsible for its own funding risks and required to provide a bond or guarantee.
- 2.3 Recent regulatory changes, particularly the introduction of deemed-employer provisions under Regulation 64(2A) and updated Fair Deal guidance, have encouraged administering authorities to move toward pass-through arrangements. These aim to protect pension benefits for transferring staff while simplifying the management of contractor participation in the Fund.

3. KEY FEATURES OF THE POLICY

- 3.1 Default pass-through model: Applies to all new outsourcing contracts from the effective date of the policy.
- 3.2 Risk allocation: Letting authorities retain most funding, investment, and demographic risks; contractors are responsible only for contribution payments and early-retirement or augmentation costs.
- 3.3 Fixed contribution rate: Contractors pay a rate equal to the letting authority's primary rate at contract commencement, fixed for the duration of the contract.
- 3.4 No bond requirement: Letting authorities effectively guarantee the contractor's participation, removing the need for separate security.

- 3.5 No transfer of assets: Fund assets and liabilities remain attributed to the letting authority, not to the contractor.
- 3.6 Governance: Each new contractor continues to require its own tri-partite admission agreement between the administering authority, letting authority, and contractor.
- 3.7 Existing agreements: All existing (non-pass-through) admission agreements remain unchanged.
- 3.8 Process clarity: A defined workflow is set out for letting authorities to notify the Fund and ensure compliance through procurement and legal channels.

4. CONSULTATION AND ACTUARIAL ADVICE

- 4.1 The draft policy was prepared by the Fund Actuary, Hymans Robertson, and reviewed by officers.
- 4.2 The policy will be shared with participating employers for information following Committee approval, in line with the Fund's governance framework and Funding Strategy Statement.

5. FINANCE COMMENTS OF THE DIRECTOR OF FINANCE

- 5.1 The financial impact of this policy will vary depending on the circumstances of each cessation event. The policy strengthens the Fund's position by reducing the risk of unpaid liabilities being passed to other employers.

6. LEGAL COMMENTS OF THE BOROUGH SOLICITOR

6.1 The Local Government Pension Scheme Regulations 2013 (as amended) set out the statutory requirements of the Administering Authority in admitting employers to the Fund. The Best Value Authorities Staff Transfers (Pensions) Direction 2007 provides statutory pension protection for local government employees in England when services transfer to private contractors, requiring access to the Local Government Pension Scheme (LGPS) or a broadly comparable scheme, enforceable by the employee. It complements HM Treasury's Fair Deal guidance (for central government) by covering local authorities, ensuring continuity of pension rights (same, better, or comparable) for future accrual, including at re-tenders, and allowing direct enforcement against the new employer.

APPENDICES

APPENDIX A – Admissions Policy