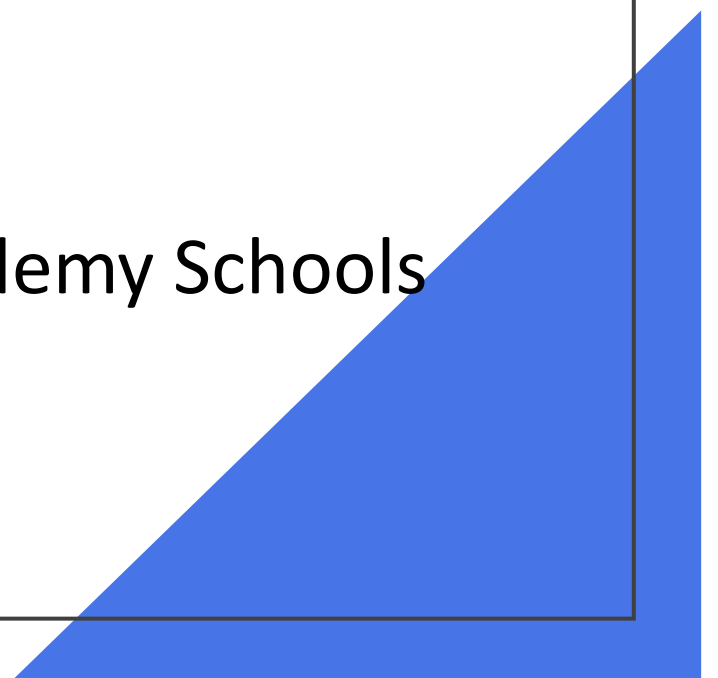


Outsourcing Services

Local Authority Maintained Schools and Academy Schools

Seby Carvalho

London Borough Of Hillingdon Pension Fund

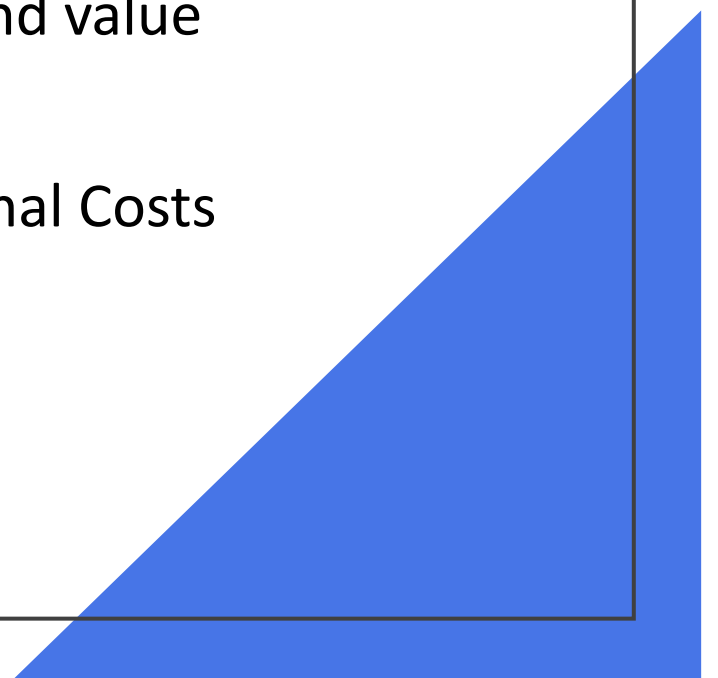


Important things to note

- Employer responsibilities
- Completing TUPE A forms
- Costs associated with outsourcing
- Risks
- Ending the contract

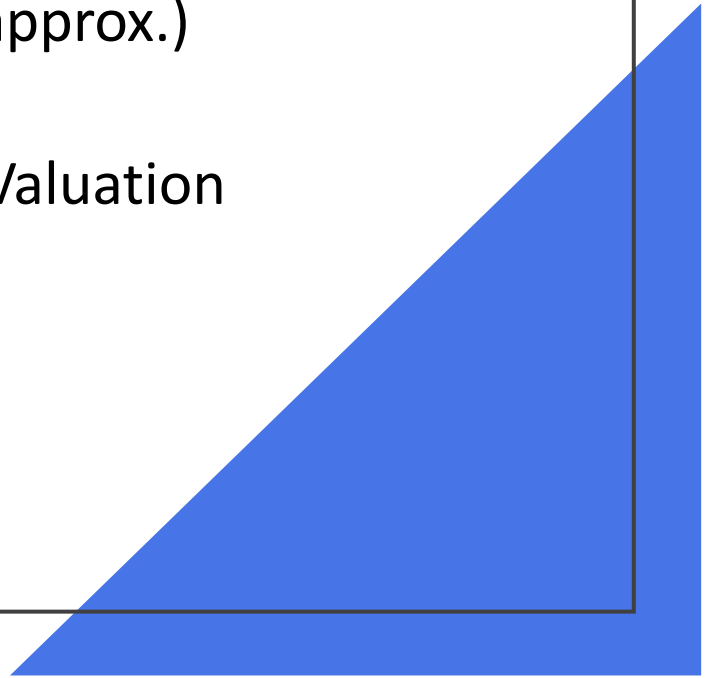
Admitted Body Status

- Legal Admission Agreement
- New Employer Future Service Contribution Rate & Bond value
- Recharging of Professional Costs



Professional Costs

- Admission Agreement (£1800 approx. legal fees)
- Actuarial Work (£3000 approx.)
- Termination\Cessation Valuation (£3000 approx.)



Average Costs for Outsourcing

Admission Agreement	Actuarial Costs	Termination Valuation
£1,800 + VAT	£3,000 + VAT	£3,000 + VAT

Reasons for costs increasing

Admission Agreement	Actuarial Costs
<p>Additional contact with fund solicitors</p> <ul style="list-style-type: none">• Request for changes to the draft agreement• Delays in responding to solicitors (when they have to chase any of the parties)	<ul style="list-style-type: none">• Material changes to the transferring membership (ie salary increases)• Changes to the number of members transferring

What we will need from the outsourcing employer

Information about transferring employees

- Full name
- NI number
- Full time salary (36 hours per week for 52 weeks a year)
- Actual pay
- Current hours/weeks of employment

Completion of TUPE forms sent by Hampshire Pensions

Contact information

- Named contact for the school
- Named contact for the new employer
 - Name
 - Address
 - Job title
 - Phone
 - Email
 - Company Registration No of contractor
- Details of any solicitors acting for the school\employer
- Details of any solicitors acting for the new employer\contractor

What we will need from the outsourcing employer

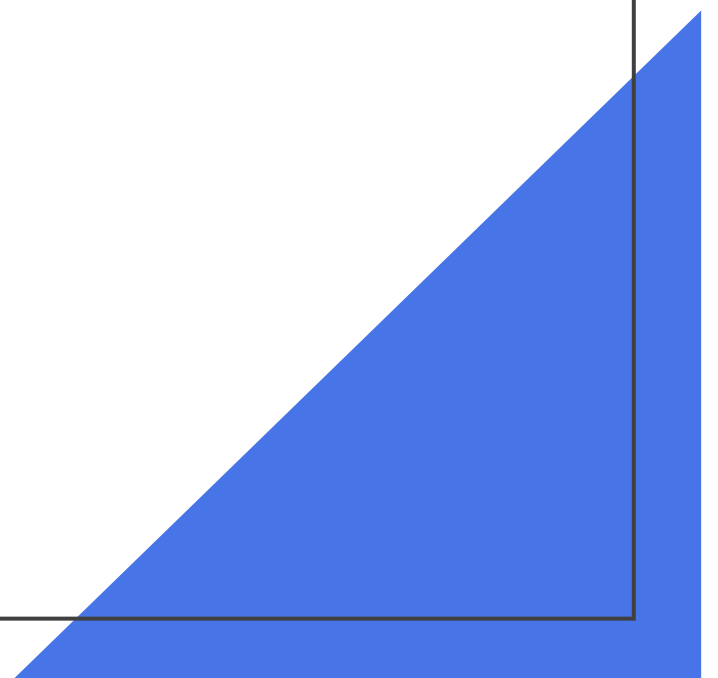
Information about the admission agreement

- Start date of contract
- Length of contract
- Open or closed admission agreement
- Eligible employees not active in the scheme

Undertaking of costs

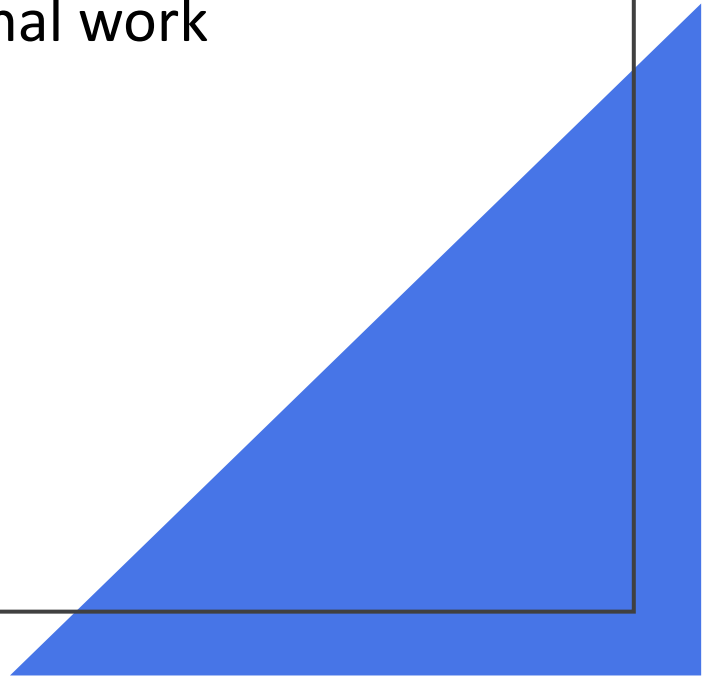
Time frames

- Actuarial Work
- Admission Agreement



Admission
agreement
has been
finalised –
next steps

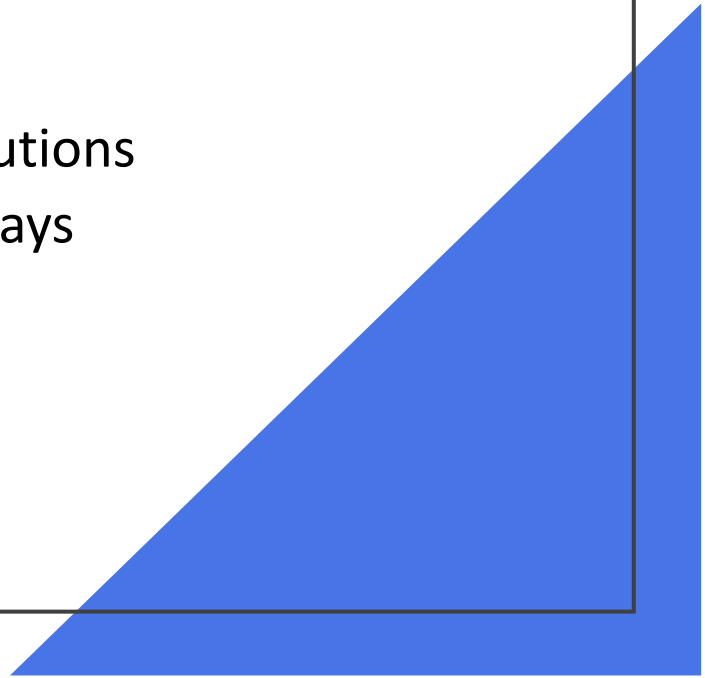
- TUPE forms
- Recharges for professional work



Risks

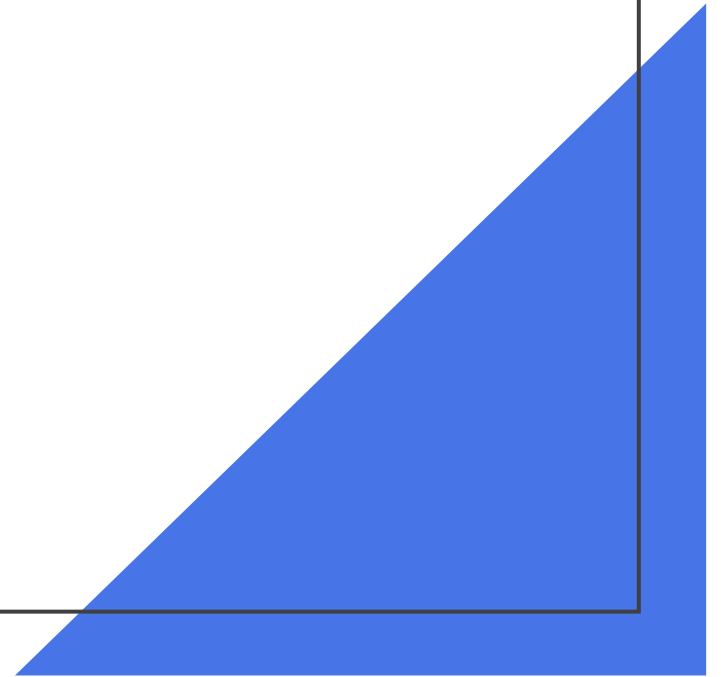
Of the Admission Agreement not being in place at time of transfer

- Death in Service
- Ill Health Retirement
- Delays in receiving contributions
- Pension administration delays
- Contractor fails



Contract ends

Second generation outsourcing



Thank you!

