

**AGENDA ITEM NO.**

## **ARUN DISTRICT COUNCIL**

### **REPORT TO AND DECISION OF CABINET ON 3<sup>rd</sup> JUNE 2019**

#### **PART A : REPORT**

<b>SUBJECT: Tivoli Group Ltd – Admissions Agreement to Local Government Pension Scheme</b>
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<b>REPORT AUTHOR:</b> Oliver Handson, Environmental Services & Strategy Manager
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<b>DATE:</b> 3 June 2019
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<b>EXTN:</b> 37955
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<b>PORTFOLIO AREA:</b> Neighbourhood Services
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#### **EXECUTIVE SUMMARY:**

The novation of the Council's Greenspace Management Contract from ISS Facility Services Landscaping (FSL) to Tivoli Group Ltd was approved by Cabinet on 14 January 2019.

Because of the change in service provider, Cabinet approval is sought once more to authorise entering into the required Guarantee in respect of pension liabilities in the event that these are not met by Tivoli Group Ltd as the admitted body, and to approve entering into the Admissions Agreement itself.

#### **RECOMMENDATIONS:**

That Cabinet recommends to Full Council;

- a) That the Council acts as a guarantor in respect of any and all pension liabilities which may arise throughout the term of the contract and gives delegated authority to Legal Services to enter into the Admissions Agreement and Guarantee

#### **1. BACKGROUND:**

1.1 Three Inspire Leisure staff who were existing members of the Local Government Pension Scheme transferred under TUPE to ISS FSL in April 2016 when ISS FSL took contractual responsibility for delivery of Outdoor Recreation Services, services which had previously been delivered by Inspire Leisure.

ISS FSL were required to become an admitted body for the Local Government Pension Scheme (LGPS) because of these transferring staff.

For ISS to become admitted to the LGPS, West Sussex County Council required the Council to enter into a Guarantee in respect of pension liabilities in the event that these were not met by the admitted body. This is standard practice.

Full Council approved this decision in respect of ISS FSL on 08/03/17 following Cabinet decision C/047/160171.

The novation of the Council's Greenspace Management Contract from ISS Facility Services Landscaping (FSL) to Tivoli Group Ltd was approved by Cabinet on 14 January 2019.

Because of this change in service provider, Tivoli Group Ltd are now required to become an admitted body for the purposes of the LGPS. A Cabinet recommendation to Full Council is once again sought to authorise entering into the required Guarantee in respect of pension liabilities, in the event that these are not met by Tivoli Group Ltd and to approve entering into the Admission Agreement itself.

## **2. PROPOSAL(S):**

- a) That Cabinet agree the recommendations as set out in this report.

## **3. OPTIONS:**

- a) That Cabinet recommends to Full Council that the Council acts as a guarantor in respect of any and all pension liabilities which may arise throughout the term of the contract and gives delegated authority to Legal Services to enter into the Admission Agreement and Guarantee.
- b) That Cabinet does not recommend to Full Council that the Council acts as a guarantor in respect of any and all pension liabilities which may arise throughout the term of the contract and does not give delegated authority to Legal Services to enter into the Admission Agreement and Guarantee.

## **4. CONSULTATION:**

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons ADC Legal Services/Accountancy	✓	
<b>5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)</b>	YES	NO
Financial	✓	
Legal	✓	
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓

Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓

**6. IMPLICATIONS:**

Financial – To act as a guarantor for pension liabilities in the event these are not met by the admitted body.

Legal – To authorise Legal Services to enter into the Admissions Agreement and Guarantee.

**7. REASON FOR THE DECISION:**

To allow the Council's Legal Services to enter into the required LGPS Admissions Agreement and Guarantee with West Sussex County Council and Tivoli Group Ltd.

To ensure that pension liabilities associated with the agreement are guaranteed throughout the duration of the Greenspace Management Contract in the event these are not met by the admitted body.

**8. EFFECTIVE DATE OF THE DECISION: 12 June 2019**

**9. BACKGROUND PAPERS:**

None