

REPORT TO: FINANCE COMMITTEE - 26 JUNE 2006

REPORT ON: TAYSIDE COMMUNITY JUSTICE AUTHORITY - ADMISSION TO THE LOCAL GOVERNMENT PENSION SCHEME

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 426-2006

1 PURPOSE OF REPORT

Report No 131/1996 to the Finance Committee of 10 June 1996 lays down the conditions to apply before a body can be considered for admission into the Local Government Pension Scheme administered by Dundee City Council, Dundee.

2 RECOMMENDATION

The Tayside Community Justice Authority has applied for an Admission Agreement and it is recommended that the Committee agree to Tayside Community Justice Authority being admitted into the Local Government Pension Scheme administered by Dundee City Council.

3 FINANCIAL IMPLICATIONS

The Scottish Executive has agreed to act as a financial guarantor for any potential liability that may arise as a result of the withdrawal, cessation, or inability to meet their liabilities of Tayside Community Justice Authority as an Admitted Body to the Local Government Pension Scheme.

4 LOCAL AGENDA 21 IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 BACKGROUND

- 6.1 Under the Local Government Pension Scheme (Scotland) Regulations 1998, the administering authority has the right to admit other bodies into the Local Government Pension Scheme providing they meet the requirements of Regulation 4 or 4A of these Regulations. Any body admitted then has the same rights and liabilities as the local authorities in the scheme.
- 6.2 Tayside Community Justice Authority could qualify under Regulation 4(2)(ii) "is approved by the Scottish Executive for the purposes of admission to the scheme". Dundee City Council can therefore consider their application for admission.

6.3 The Finance Committee at its meeting on 10 June 1996 agreed detailed criteria, of which one must be met if the body's application for admission to the Local Government Pension Scheme was to be submitted to the Finance Committee. These criteria were as follows:

- i bodies with long-term funding (in excess of 20 years).
- ii bodies who have been in existence for at least 10 years and who have foreseeable long-term future in existence.
- iii bodies with short-term funding where another substantive body is prepared to act as guarantor.
- iv bodies where the employees were formerly Local Government staff.

7 **CONCLUSIONS**

In view of the decision that Scottish Executive will act as guarantors, it is therefore appropriate for the body to be admitted into the Local Government Pension Scheme administered by Dundee City Council.

8 **CONSULTATION**

The Depute Chief Executives (Support Services), (Finance) and Director of Social Work have been consulted in the preparation of this report.

9 **BACKGROUND PAPERS**

None.

**ALEX STEPHEN
CHIEF EXECUTIVE**

21 JUNE 2006