

Dated

2015

- (1) STAFFORDSHIRE COUNTY COUNCIL
- (2) TAMWORTH BOROUGH COUNCIL, SOUTH STAFFORDSHIRE COUNCIL, STAFFORD BOROUGH COUNCIL, CANNOCK CHASE DISTRICT COUNCIL, LICHFIELD DISTRICT COUNCIL, NEWCASTLE BOROUGH COUNCIL AND STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL

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Pooling agreement

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Staffordshire County Council  
Martin Street  
Stafford  
Staffordshire  
ST16 2LG

**This Agreement** is made on the \_\_\_\_\_ day of \_\_\_\_\_ 2014

**Between:**

- (1) **Staffordshire County Council** of Martin Street, Stafford, Staffordshire ST16 2LG (the "**Administering Authority**"); and
- (2) **Tamworth Borough Council** of Marmion House, Lichfield Street, Tamworth B79 7BZ, **South Staffordshire Council** of Council Offices, Wolverhampton Road, Codsall, South Staffordshire WV8 1PX, **Stafford Borough Council** of Civic Centre, Riverside, Stafford ST16 3AQ, **Cannock Chase District Council** of Civic Suite, Beecroft Road, Cannock WS11 1BG, **Lichfield District Council** of Council House, Frog Lane, Lichfield, Staffs WS13 6YY, **Newcastle Borough Council** of Civic Offices, Merrial St, Newcastle-under-Lyme, Staffordshire ST5 2AG and **Staffordshire Moorlands District Council** of Moorlands House, Stockwell Street, Leek, Staffordshire ST13 6HQ.

(each a "**Council**" and together the "**Councils**").

**Background**

- (A) The Administering Authority is an administering authority within the meaning of the Regulations. It administers the Fund in accordance with the Regulations.
- (B) The Councils are Scheme employers within the meaning of the Regulations.
- (C) The Administering Authority is also a Scheme employer within the meaning of the Regulations and is referred to as the "**Scheme Employer**" when acting in its capacity as a Scheme employer.
- (D) The Scheme Employer and Councils have agreed to pool their pensions liabilities in the Fund in respect of the Employees and wish to enter into this agreement to set out the agreed terms of the pooling arrangement.

**NOW IT IS AGREED** as follows:

**1. Definitions**

This Clause sets out the definitions which apply to the Agreement.

1.1 The following expressions have the following meanings:

**"2013 Regulations"**                      The Local Government Pension Scheme Regulations 2013

**"Actuary"**                                      an actuary appointed by the Administering

	Authority.
<b>“Commencement Date”</b>	1 April 2015.
<b>“Employee”</b>	an employee identified in the Schedule whose employment will transfer from the Scheme Employer to that Council and who is eligible for membership of the Scheme.
<b>“Fund”</b>	Staffordshire County Council Pension Fund.
<b>“Pool”</b>	the pool of pension liabilities in respect of the Employees governed by this Agreement.
<b>“Pooling Arrangements”</b>	the arrangements governing the Pool set out in <b>clause 4</b> of this Agreement.
<b>“Regulations”</b>	the 2013 Regulations and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
<b>“Scheme”</b>	the Local Government Pension Scheme established by the regulations made by the Secretary of State under sections 7 and 12 of the Superannuation Act 1972.

## 2. Interpretation

### 2.1 In this Agreement:

- 2.1.1 expressions have the same meaning as in the Regulations except where the context otherwise requires;
- 2.1.2 each gender includes all genders;
- 2.1.3 the singular includes the plural and vice versa;
- 2.1.4 words preceding “include” “includes” “including” and “included” shall be construed without limitation by the words which follow those words;
- 2.1.5 a reference to any Clause Schedule or Recital is except where expressly stated to the contrary a reference to such Clause Schedule or Recital of and to this Agreement;
- 2.1.6 save where stated to the contrary any reference to this Agreement or to any other document shall include any permitted variation amendment or supplement to this Agreement or to such document;

2.1.7 any reference in this Agreement to any statute or statutory provision will include any subordinate legislation made under it and will be construed as references to such statute, statutory provision and/or subordinate legislation as modified, amended, extended, consolidated, re-enacted and/or replaced and in force.

3. **Commencement Date**

This Agreement and the Pooling Arrangements shall have effect on and from the Commencement Date.

4. **Pooling Arrangements**

4.1 The Pool shall subject to **clauses 4.2, 4.4 and 4.5** operate in accordance with the following arrangements:

4.1.1 the Councils' rates and adjustments certificate (and any future revisions of that certificate) shall be revised by the Actuary to reflect the Councils' obligation in respect of Employees to be in line with the Scheme Employer contribution rate (including a contribution to past service deficit expressed as a percentage of pay);

4.1.2 the Councils shall restrict increases to the pensionable pay of any Employee to the pay awards agreed by National Joint Council for Local Government Services (or any successor body for local government pay negotiations) unless the Administering Authority agrees otherwise in writing. In the event that any Council awards pensionable pay increases to any of the Employees in excess of this level then that Council shall be responsible for the increased liabilities and the Actuary shall adjust that Council's rates and adjustments certificate to take account of this;

4.1.3 the Administering Authority shall charge a Council an additional payment in respect of any extra charge on the Fund to take account of any increased liabilities in respect of the Employees as a result of:-

4.1.3.1 the immediate payment of benefits when the Council dismisses any Employee who is an active member of the Scheme by reason of redundancy or business efficiency or where such an Employee's employment is terminated by mutual consent on the grounds of business efficiency;

4.1.3.2 the immediate payment of benefits with the Council's consent under Regulation 30(6) of the 2013 Regulations including the costs of the Council waiving any reduction of benefits under Regulation 30(8) of the 2013 Regulations; or

4.1.3.3 the immediate payment of benefits under Regulation 30(5) of the 2013 Regulations including the costs of the Council waiving any reduction of benefits under Regulation 30(8) of the 2013 Regulations; and

- 4.1.4 any extra charge required by the Administering Authority to cover the actuarial strain on the Fund (as notified by the Actuary in writing) as a result of the immediate payment of benefits when:
- 4.1.4.1 an Employee who is an active member of the Scheme has his employment with a Council terminated on grounds of ill-health or infirmity of mind or body which renders him both permanently incapable of discharging efficiently the duties of his current employment and not immediately capable of undertaking any gainful employment; or
  - 4.1.4.2 an Employee who became a deferred member of the Scheme on leaving his employment with a Council receives payment of his benefits immediately on grounds of ill-health or infirmity of mind or body which renders him both permanently incapable of discharging efficiently the duties of that employment and unlikely to be capable of undertaking gainful employment before normal pension age, or for at least three years, whichever is the sooner.
- 4.2 The Pooling Arrangements shall only apply to the Employees' membership of the Fund. For the avoidance of doubt, any pension liabilities in respect of an employee of a Council who is not an Employee shall fall outside the Pooling Arrangements.
- 4.3 The Pooling Arrangements may be terminated and cease to apply by the Administering Authority or Scheme Employer giving one month's written notice to the Councils. The Administering Authority may terminate the Pooling Arrangements for one or more Council only, in which case the Pooling Arrangements will remain in force for the other Councils.
- 4.4 A Council shall automatically exit the Pool with immediate effect:
- 4.4.1 if it ceases to be a Scheme employer;
  - 4.4.2 if it no longer has an active member of the Fund who is also an Employee; or
  - 4.4.3 if it breaches any of its obligations under the terms of the Pool or the Regulations. If the breach is capable of remedy, the Administering Authority shall first give the Council the opportunity of remedying the breach within such reasonable period as the Administering Authority may specify.
- 4.5 Where the Pooling Arrangements terminate and cease to apply in accordance with **clauses 4.3, 4.4.1 or 4.4.3** then the Council in respect of which the

Pooling Arrangements have terminated shall be treated by the Administering Authority as stand-alone Scheme employer. In particular, any payment due from the Council in accordance with the rates and adjustments certificate issued by the Actuary shall be calculated on the assumption that any liabilities relating to the Employees' membership of the Scheme prior to the date of termination of the Pooling Arrangements are funded as at the date of termination of the Pooling Arrangements to the funding level of the Scheme Employer immediately before the date of termination as determined by the Actuary in accordance with the actuarial assumptions consistent with the most recent actuarial valuation of the Fund before that date (updated to that date as necessary in the opinion of the Actuary).

- 4.6 Where the Pooling Arrangements terminate and cease to apply in accordance with **clause 4.4.2** then the Council shall cease to have any obligation for those Employees other than amounts not yet paid in accordance with **clause 4.1**. The Scheme Employer shall thereafter have responsibility for the pension funding of that Council's Employees.

## 5. **Amendment**

- 5.1 The parties to this Agreement may, with the agreement of all of them in writing, amend this Agreement by deed provided that:

- 5.1.1 the amendment is not such that it would breach the Regulations or any other legal or regulatory requirements applicable to the Scheme; and
- 5.1.2 the amendment would not prejudice the status of the Scheme as a registered pension scheme under the Finance Act 2004.

## 6. **More than one Counterpart**

This Agreement may be executed in more than one counterpart, which together constitute one agreement. When each signatory to this Agreement has executed at least one part of it, it will be as effective as if all the signatories to it had executed all of the counterparts. Each counterpart Agreement will be treated as an original.

## 7. **Laws**

This Agreement will be governed by and interpreted in accordance with the laws of England and Wales.

**EXECUTED** as a deed and delivered on the date stated at the beginning of this Agreement.

**THE COMMON SEAL** of:  
**STAFFORDSHIRE COUNTY COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**TAMWORTH BOROUGH COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**SOUTH STAFFORDSHIRE COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**STAFFORD BOROUGH COUNCIL**  
was affixed in the presence of:

**Authorised Officer**



**THE COMMON SEAL** of:  
**CANNOCK CHASE DISTRICT COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**LICHFIELD DISTRICT COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**NEWCASTLE BOROUGH COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**THE COMMON SEAL** of:  
**STAFFORDSHIRE MOORLANDS DISTRICT COUNCIL**  
was affixed in the presence of:

**Authorised Officer**

**SCHEDULE**

[Insert list of employees that will transfer to the Councils]

<b>Name</b>	<b>Council</b>