

**WORCESTERSHIRE COUNTY COUNCIL –
WHOLLY OWNED COMPANY
SUMMARY OF PENSION ACCESS OPTIONS**

	Admitted Body Status	Designated Body Status (including scheme employer status)
<i>Nature of access</i>	<ul style="list-style-type: none"> • WOC applies for separate admission to Fund. • Transferred employees accounted for separately by Fund. 	<ul style="list-style-type: none"> • WOC, Council and Fund agree DBS route is available. • Transferred employees accounted for as part of Council's larger group.
<i>Formalities required</i>	<ul style="list-style-type: none"> • Admission agreement • Tripartite agreement governing WOC's obligations in the Fund • Bond or guarantee from Council • Employee information provided at time of transfer • Separate actuarial valuation on admission and every three years • Further valuations needed if WOC takes on further employees via transfer • DFE approval 	<ul style="list-style-type: none"> • Designation of employees to have access • Employee information provided at time of transfer • Guarantee from Council (bond not usually required) • Valuations carried on as part of Council's own process • Further transferring employees from Council can be designated in same way if access is open • DfE approval
<i>Contribution levels</i>	<ul style="list-style-type: none"> • Usually 3-7% higher than for Council 	<ul style="list-style-type: none"> • Usually follows Council's unless separate contribution level agreed/demanded by Fund ('scheme employer' status)
<i>Risks to Council</i>	<ul style="list-style-type: none"> • Higher initial service charge to cover WOC's employer contribution rate • Increased deficit on Council's own remaining admission as employees transfer on 'fully funded' basis • Increasing service costs if employer contribution rises • Exit debt payable at end of contract if WOC ceases to have active members in Fund – usually payable by Council, directly or indirectly 	<ul style="list-style-type: none"> • Service charge usually lower and more stable as WOC's employer contribution rate follows Council's • No exit debt payable as employees still within Council's 'group' • WOC's risks and liabilities cannot be as easily reviewed in isolation – no separate reports
<i>Exit process</i>	<ul style="list-style-type: none"> • Statutory exit debt payable if scheme in deficit 	<ul style="list-style-type: none"> • Employees pooled so no exit debt triggered
<i>Open or closed access?</i>	<ul style="list-style-type: none"> • Both available 	<ul style="list-style-type: none"> • Both available