

Avon Pension Fund

Bath & North East Somerset Council

Lewis House, Manvers Street

Bath, BA1 1JG

E: avonpensionfund@bathnes.gov.uk

W: avonpensionfund.org.uk

T: 01225 395100

|  |  |
| --- | --- |
| **Bond Questionnaire for Outsourcing Employers** | **LGPS 32** |

Outsourcing Scheme Employer:

Contract:

Contractor:

**IMPORTANT** - The tender documentation should stipulate (i) whether a bond is required, and (ii) if it is required, how much it should be. The “Deciding the Bond Amount” guidance on the APF website provides further information on how to value a bond and other considerations, and the Fund will be able to provide indicative values for the bond having regard to the guidance. If a contractor indicates that they are unable to provide a bond, then the outsourcing Scheme Employer will need to decide whether that contractor should be precluded from tendering, or whether the bond requirement should be removed for all tenderers.

|  |  |
| --- | --- |
| 1. Will the contractor be responsible for the pension deficit or surplus when the admissions ends? | Yes, the contractor is responsible.  No, the outsourcing Scheme Employer is responsible. |

**If the answer to this question is “No”, a bond will not be required and the questionnaire terminates here.**  Otherwise, please proceed to question 2.

|  |  |
| --- | --- |
| 1. Does the outsourcing Scheme Employer require a bond to be put in place for this admission? *If so, this should be specified in the tender documentation.* | Yes, a bond is required.  No, a bond is not required. |

If the answer to the above is “Yes”, please refer to the summary paper and risk assessment provided by the Actuary for information relevant to deciding a bond value. Page 6 of the APF “Deciding a Bond Amount” guidance sets out what APF considers to be a logical method of calculating a bond value. However, this is not intended to be prescriptive since much depends on the extent of risk protection desired by the outsourcing Scheme Employer. Please contact [APF\_EmployerAdmissions@bathnes.gov.uk](mailto:APF_EmployerAdmissions@bathnes.gov.uk) if you require further information or wish to discuss the options before proceeding.

|  |  |
| --- | --- |
| 1. What bond amount is the outsourcing Scheme Employer looking to put in place? | £ |

Depending on the length of the contract, the bond may need to be reviewed. This is a matter for the outsourcing Scheme Employer to decide, but we have provided guidance on this in point 6 of the “Deciding a Bond Amount” Guidance.

|  |  |
| --- | --- |
| 1. Will the bond be for the duration of the contract, or will it need to be renewed before the contract terminates? If it is not for the duration of the contract, the contractor will need to be informed in the contract of the consequences of not renewing. | The bond will be for the duration of the contract.  The bond will be in place for a set period (*please specify the duration below*) |

**Once completed, please return the form to** [**APF\_EmployerAdmissions@bathnes.gov.uk**](mailto:APF_EmployerAdmissions@bathnes.gov.uk)**.**