

Haringey Council

Report for:	Corporate Committee 22 nd January 2013	Item number	
Title:	Award of contract for Pension Fund Actuarial Service		
Report authorised by :	<i>J. Parker 14/1/13.</i> Director of Corporate Resources		
Lead Officer:	Nicola Webb, Head of Finance – Treasury & Pensions nicola.webb@haringey.gov.uk 020 8489 3726		
Ward(s) affected: N/A	Report for Non Key Decision		

1. Describe the issue under consideration

- 1.1 This report seeks approval from Committee to award a contract for Pension Fund actuarial services.

2. Cabinet Member Introduction

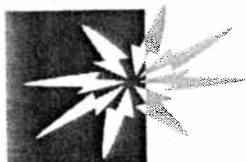
- 2.1 Not applicable.

3. Recommendations

- 3.1 That the Committee approve the award of the Pension Fund actuarial services contract to the actuary identified in the exempt appendix for a period of 4 years from 1st March 2013.

4. Other options considered

- 4.1 Following the Committee's agreement on 29th November 2012 to enter into a framework agreement for Pension Fund actuarial services, a mini competition was undertaken and the four tenders received were evaluated before making this recommendation.

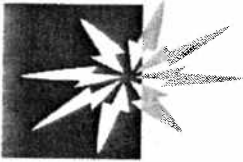


5. Background information

- 5.1 The current actuarial service contract with Hymans Robertson expires on 28th February 2013 and a new appointment is required from 1st March 2013. Norfolk County Council has undertaken an OJEU compliant tender process for a framework agreement for Pension Fund actuarial services which is available for all Local Government Pension Fund administering authorities to use.
- 5.2 On 29th November 2012 Corporate Committee agreed to the Council entering into this framework agreement for Pension Fund actuarial services. This has enabled the selection of an actuary to be made through a process of mini competition, avoiding the need for a time and resource consuming full OJEU tender process.
- 5.3 The four actuaries on the framework agreement were invited to take part in the mini competition process and all four responded. A panel made up of officers and the Independent Adviser evaluated written responses to questions about how the service would be provided to the Council and what the price levels would be within the price ceilings set out in the framework. The actuaries then presented on their approach to actuarial valuations to the panel.
- 5.4 The responses were scored with 80% of the marks awarded for quality and 20% for price. The results of the evaluation are set out in the exempt appendix 1.

6. Comments of the Chief Financial Officer and financial Implications

- 6.1 The use of a framework has saved time and resource while at the same time ensuring that the procurement of pension fund actuarial services is compliant with OJEU requirements. A charge of £2,000 to use the framework was paid to Norfolk County Council to cover the costs in setting it up. The value of the contract over the contract period is estimated to be in the region of £240,000, depending on the work required. All actuarial work for the Pension Fund is charged to the Fund and any work undertaken specifically for an employer will be recharged to that employer.



Haringey Council

7. Head of Legal Services and Legal Implications

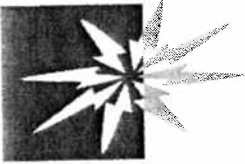
- 7.1 The Framework Agreement for actuarial services has been advertised in OJEU by Norfolk County Council for use by local authority pension fund administering authorities.
- 7.2 At its meeting on 29 November 2012, Corporate Committee approved the use of the Framework Agreement for the Council.
- 7.3 The award of individual contracts under the Framework Agreement may be undertaken by a process of mini-competition whereby economic operators capable of performing the contract are invited to tender. The Council's Corporate Finance Department has confirmed that this has been carried out.
- 7.4 The report recommends that an award is made to the contractor identified in the exempt section of this report.
- 7.5 Corporate Committee has power under CSO 3.03 to approve the award of the contract to the recommended bidder.
- 7.6 The Head of Legal Services confirms that there are no legal reasons preventing Members from approving the award of the contract.

8. Equalities and Community Cohesion Comments

- 8.1 There are no equalities issues arising from this report.

9. Head of Procurement Comments

- 9.1 The National LGPS framework agreement is accessible to all local authorities for the procurement of an actuarial provider. By undertaking a mini-competition through the framework agreement the Council has avoided the need to undertake a full OJEU procurement process and has therefore saved on resources.
- 9.2 The Council will also benefit from the collaborative rebates offered to those accessing the framework.
- 9.3 Central Procurement supported the mini competition process, undertaken via the Delta e-sourcing system.



Haringey Council

9.4 The submissions were evaluated based on an 80% quality 20% price weighting. Central Procurement is therefore satisfied that the successful provider will offer a high quality service that is fit for purpose and best value to the Council.

10. Policy Implications

10.1 None.

11. Use of Appendices

11.1 Contained in Part B for exempt information.

12. Local Government (Access to Information) Act 1985

12.1 This report contains exempt and non-exempt information. Exempt information is contained in Part B and is not for publication. The information is exempt under the following category (identified in the amended Schedule 12A of the Local Government Act 1972): Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Ground 3).