

Delegated decision on behalf of Pensions Committee - Actuarial Contract Award

Officer With Delegated Authority	Paul Whaymand, Corporate Director of Finance, Section 151 Officer
Officer(s) Seeking Permission	James Lake – Chief Accountant
Papers with Report	1. Intention to Award Letters 2. Evaluation Report

RECOMMENDATION

It is recommended that the delegated officer on behalf of the Pensions Committee:

1. **Accepts the tender from Hymans Robertson LLP for the provision of actuarial services to the Hillingdon Pension Fund for a four year period from 1 August 2020 to the 31 July 2024.**
2. **Furthermore, agrees that this includes the provision to extend the contract for a further three years (up to 7 years in total) with any extension to be agreed by the Corporate Director of Finance in consultation with Pensions Committee.**

REASON FOR A DELEGATED DECISION

On 17 March 2020 the Head of Democratic Services advised that the Pensions Committee would be cancelled until further notice. This was just ahead of the Pensions Committee that was scheduled for 26 March 2020. It was further advised that, in the case of the Pensions Committee, the Corporate Director of Finance has delegated authority to take decisions on behalf of the Committee in urgent cases, and will do so in consultation with Committee Members and also the Leader and Deputy Leader of the Council via email or telephone if necessary.

The Local Government Pension Scheme requires an Administering Authority to obtain the services of an actuary to carry out specific functions on behalf of the Fund. The contract for the current providers, Hyman Robertson expires on 31 July 2020. Hillingdon Council as the Administering Authority of the Hillingdon Pension Fund, has a statutory obligation to appoint an Actuary to the fund at the expiration of the current contract.

THE TENDER PROCESS

Invitation to Tender

The procurement was conducted using the National LGPS Framework for Actuarial Services. The Framework OJEU compliant and provides a pool of potential providers for Local Authorities to invite to tender.

An invitation to tender was issued to the 4 providers on the National Framework on 2 March 2020. Submissions were received from 2 providers at the close of the tender on 24 March 2020

The providers were required to demonstrate their ability to deliver actuarial services to the Hillingdon Pension Fund by providing written responses to 6 questions and then expanding on them further by way of a presentation. The weighted scores for this area are presented in the Technical section of the table below.

The providers were also asked to cost a range of services for ease of comparison. In practice, there will always be some non-standard work commissioned from each of these services, depending on circumstances and so the total spend on these contracts can vary. The weighted scores for this area are presented in the Commercial area of the table below.

Evaluation Results

The evaluation exercise was conducted by 2 Hillingdon Council officers and the results and criteria are set out in the table below.

Service provider	Technical –Quality & Service Fit Weighted Score (max 60%)	Commercial - Price Weighted Score (max 40%)	Total Weighted Score
Hymans Robertson	55.44%	40.00%	95.44%
Provider 2	40.20%	27.78%	67.98%

Terms of the Contract

The term of the proposed new contract will be from 1 August for an initial period of 4 years, with options to extend for a further period of 3 years, giving a total potential contract period of 7 years.

FINANCIAL IMPLICATIONS

The financial implications are outlined in part II of the agenda items

LEGAL/REGULARORY IMPLICATIONS

In accordance with Article 8 (8.06)(b)(8) of the Council Constitution, in respect of the Pensions Committee Terms of Reference, the Pensions committee has authority to

review the appointment of specialist advisors and service providers and make new appointments as necessary.

The procurement process has been carried out in accordance with the Public Contracts Regulations 2015.

In addition, Procurement & Contract Standing Orders – Schedule H Standing Order 4 was followed by way of obtaining tenders via way of the LGPS framework agreement for the relevant values and was completed with the relevant Procurement Officer

APPROVED BY THE CORPORATE DIRECTOR OF FINANCE IN ACCORDANCE WITH SCHEME OF DELEGATION

In consultation with Pensions Committee Members and also the Leader and Deputy Leader of the Council.

Signature _____ Date _____

Paul Whaymand - Corporate Director of Finance