

## MINUTES OF A MEETING OF THE PENSIONS COMMITTEE

TUESDAY, 25TH APRIL, 2017

**Councillors Present:** Councillor Robert Chapman in the Chair

Cllr Kam Adams, Cllr Feryal Demirci,  
Cllr Michael Desmond (Vice-Chair),  
Cllr Patrick Moule and Cllr Geoff Taylor

**Co-Optee** Jonathan Malins- Smith

**Officers in Attendance:** Ian Williams (Group Director of Finance and Corporate Resources), Michael Honeysett (Director of Financial Management), Rachel Cowburn (Head of Investment & Actuarial Services), Stephen Rix (Legal Services); Lucy Patchell (Pensions Team); and Karen Chenery (Pensions Team).

**Also in Attendance:** Karen McWilliam – Aon  
Catherine Pearce - Aon

### **1 APOLOGIES FOR ABSENCE**

1.1 There were no apologies for absence.

### **1 DECLARATIONS OF INTEREST - MEMBERS TO DECLARE AS APPROPRIATE**

2.1 Councillors Chapman, Demirci, Desmond and Taylor declared a non-pecuniary interest as deferred members of the LGPS.

### **3 PROCUREMENT OF THIRD PARTY PENSIONS ADMINISTRATIVE SERVICES**

3.1 Rachel Cowburn, Head of Investment & Actuarial Services introduced the report seeking approval for a five year contract award for the Third Party Pensions Administrative Services. Ms Cowburn advised that the report set out the results of the tender process, which involved officers scoring the quality of the service and an evaluation panel that had carried out detailed site visits to assess the providers and their systems and teams. Furthermore, the new contract would provide the Fund with an enhanced level of service at a competitive cost per member. Due to the nature of the service the procurement exercise had been carried out by officers of the Fund and Members were being asked to scrutinise the process and approve the recommendations within the report.

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- 3.2 The Chair indicated that the Committee was satisfied with the process undertaken by the officers and the recommendations however, he requested that in future officers liaise with Members to clarify the process at the beginning of the exercise.
- 3.3 Councillor Demirci asked whether the companies were based in London. Ms Cowburn explained that the contract was staff intensive and due to the higher London wages the suppliers had their pensions office located outside London. It was noted that supplier 1 was located in Crawley and supplier 2 was based in Bradford.
- 3.4 Councillor Moule enquired about the monitoring of the provider's performance. Ms Cowburn stated that the contract contained new terms and conditions and KPIs to improve the levels of service. The service standards had been outlined within the contract and the performance of these service standards would be monitored.
- 3.5 Mr Malins-Smith sought clarification regarding activity pricing. Ms McWilliam stated that activity pricing related to the cost to perform the core activity per member. Ms Cowburn clarified that the contract set out core and optional activity pricing and that the activity pricing included all core activity related work. In addition, data migration costs had not been included in the tender document to ensure a fair procurement exercise for the suppliers.

**RESOLVED to approve the award of contract to Supplier 1, as detailed in Exempt Appendices 1, 2 and 3 for the provision of a full third party pension administration service, with an initial contract period of 5 years and the option to extend for up to 3 years.**

#### **4 EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED That the press and public be excluded from the proceedings of the meeting during consideration of the exempt appendices at Item 3 – Procurement of Third Party Pensions Administrative Services on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in Schedule 12A to the Local Government Act 1972 as amended.**

#### **5 PROCUREMENT OF THIRD PARTY PENSIONS ADMINISTRATIVE SERVICES - EXEMPT APPENDICES**

- 5.1 Members considered the exempt appendices during the private meeting prior to the approval of the recommendations within the submitted public report at agenda item 3 above.

**RESOLVED to note the exempt appendices.**

**Duration of the meeting:** 4.00 - 4.25 pm

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