

Title of Report	Procurement & Contracts Update
For Consideration By	Pensions Committee
Meeting Date	15th June 2022
Classification	Open
<u>Ward(s) Affected</u>	All
<u>Group Director</u>	Ian Williams, Group Director Finance & Corporate Resources

1. **Introduction**

- 1.1. The Pension Fund's contract for investment consultancy services (currently provided by Hymans Robertson) is due to be re-procured during 2022. This report provides an update on the procurement process for the contract, including setting out a timetable for Member involvement in the process.

2. **Recommendations**

2.1. **The Committee is recommended to:**

- **Note the report**

3. **Related Decisions**

- 3.1. Pensions Committee 10th March 2022 - Procurement & Contracts Update

4. **Comments of the Group Director of Finance and Corporate Resources.**

- 4.1. This paper provides the Committee with an update on the procurement of the Fund's investment consultancy services contract. Procurement of the contract is planned to take place via the well established National LGPS framework for Investment Management Consultancy Services; it is expected that use of the framework will deliver a competitive fee arrangement from the successful bidder.

- 4.2. There are no direct financial implications arising from this report.

5. **Comments of the Director of Legal, Democratic and Electoral Services**

- 5.1. The Council's Constitution sets out the terms of reference for the Pensions Committee which includes delegated powers to make arrangements for the appointment of and to appoint suitably qualified Pension Fund advisors, administrators and custodians and to periodically review those arrangements.
- 5.2. Regulation 7(1) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 specifies that 'An authority must, after taking proper advice, formulate an investment strategy which must be in accordance with guidance issued from time to time by the Secretary of State.' The Hackney Pension Fund has chosen to appoint a regulated investment consultancy firm to ensure that it meets the requirement to take proper advice.
- 5.3. Taking into account the regulatory requirements around investment and the role of the Pensions Committee as set out in the Terms of Reference, the procurement of investment consultancy services for the Pension Fund would appear to properly fall within the Committee's remit.

6. **Procurement Process**

- 6.1. The Pensions Committee has previously approved an extension of the Investment Consultancy services contract to 30th September 2022 to provide sufficient time to tender the contract via the National LGPS framework for Investment Management Consultancy Services Lot 1 (Investment Consultancy Services).
- 6.2. An indicative timetable for the process is set out below. The Committee are asked to note the requirement for an interview with Committee members - this is planned for the week commencing 5th September 2022.

TABLE 3: Indicative Timetable	
1. Further Competition Issued on London Tenders Portal	11 July 2022
2. Deadline for clarification questions	25 July 2022
3. Issue responses to clarifications	1 August 2022
4. Deadline for online submission of responses	8 August 2022
5. Evaluation of Quality and Price	W/c 15 August 2022

6. Issue invitations to presentation and interview stage	29 August 2022
7. Presentation and interview with the Pensions Committee and officers	W/c 5 September 2022
8. Committee decision	29 September 2022

- 6.3. Bids will be scored across 3 categories: quality, service fit and price. Each category will represent 20%-40% of the overall marks; the final weightings will be agreed with the Council's procurement team. The 'quality' aspect of the evaluation refers to the benefits of the service supplied by bidders, such as team resources and depth of experience. Meanwhile, the 'service fit' aspect refers to the extent to which the service provided is tailored to the Hackney Fund and the LGPS' specific requirements.
- 6.4. Marks for quality will be awarded on the basis of a written questionnaire, whilst those for service fit will be awarded on the basis of a presentation to the Pensions Committee. Pricing will be scored using a pricing exercise. The interviews will also provide bidders with the opportunity to clarify aspects of their written response if required.
- 6.5. The decision on the successful bidder will be made by the Pensions Committee at its meeting on 29th September.

Appendices

None

Background documents

None

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