

London Borough of Hammersmith & Fulham

Report to: Pension Fund Committee

Date: 21 July 2021

Subject: Actuarial Service Procurement

Report of: Phil Triggs, Director of Treasury and Pensions
Matt Hopson, Strategic Investment Manager

Responsible Director: Emily Hill, Director of Finance

Summary

- 1.1. The Pension Fund contract for Actuarial Services, currently with Barnett Waddingham, expired at 31 December 2020. Officers have conducted a joint procurement exercise with the City of Westminster and the Royal Borough of Kensington and Chelsea, which has now concluded. This was conducted using the National LGPS framework, a well-established framework, giving the Fund access to the best available providers in the space.
 - 1.2. Two providers responded to the invitation to tender, with the scoring and analysis of each provider set out in Appendix 1 to this report.
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Recommendations

- 1.1. Appendix 1 should not be made available for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) as set out in paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended).
 - 1.2. That the Committee ratifies the award of the contract to Hymans Robertson LLP for a period of three years with the option to extend for a further two years. The estimated contract price for the 5 year period is £177,000.
 - 1.3. That the Committee delegates authority to the Director of Finance in conjunction with the Assistant Director, Legal Services and Chair of the Committee to finalise the contractual provisions in respect of the decision in 1.2
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Wards Affected: None

Our Priorities	Summary of how this report aligns to the LBHF priorities
<ul style="list-style-type: none"> Being ruthlessly financially efficient 	<p>Ensuring good governance for the Pension Fund should ultimately lead to better financial performance in the long run for the Council and the council tax payer.</p>

Financial Impact

- 1.1. The costs of this contract will be met by the Pension Fund.
- 1.2. Although there are no immediate financial implications arising from this report, pension fund revenue expenditure will have an impact on the Council's future employer contributions to the Pension Fund from the General Fund.
- 1.3. The estimated fees payable and value of the contract is set out in Appendix 1 to this report.

Legal Implications

- 1.1 This report recommends that the Committee note and ratify a contract award to Hymans Robertson LLP for the provision of actuarial services. The contract term is for a period of three years with the option to extend for a further two years. The estimated contract price for the 5 year period is £177,000.
 - 1.2 The relevant contract award letter has been sent to Hymans Robertson LLP. As a matter of local government law, a decision cannot be taken retrospectively. The approval should have been obtained prior to the service provider being advised it was being awarded the contract. Therefore, the recommendation is to note and ratify the award that has already been made as opposed to approving it.
 - 1.3 The Procurement has been carried out using the National LGPS framework agreement and was conducted using the capitalEsourcing system and was conducted by the Westminster City Council Legal and Procurement teams. LBHF has signed an access agreement for the exploitation of this framework agreement.
 - 1.4 The Pension Fund Committee has the power to award this contract under its terms of reference.
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Background Papers Used in Preparing This Report

None.

Risk Management Implications

None.

Other Implications

None.

Consultation

None.

List of Appendices:

Appendix 1 – Actuarial Services Scoring and Recommendation (Exempt)