

<b>REPORT TO:</b>	<b>PENSION COMMITTEE 25 May 2021</b>
<b>SUBJECT:</b>	<b>Renewal of Governance Consulting Contract.</b>
<b>LEAD OFFICER:</b>	<b>Nigel Cook Head of Pensions and Treasury</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT:</b>	
This is a matter for the Pension Committee relating to access to Governance Consultancy services through the National Local Government Pension Scheme Framework.	
<b>FINANCIAL SUMMARY:</b>	
This report relates to the provision of consultancy services through the National LGPS Framework. This item refers to Governance Consultancy. Adhering to practices of good governance will have a positive impact on the management of the Croydon Pension Fund.	
<b>FORWARD PLAN KEY DECISION REFERENCE NO.: N/A</b>	

<b>1 RECOMMENDATIONS</b>
1.1 The Committee is asked to note the outcome of this process.

## **2 EXECUTIVE SUMMARY**

- 2.1 This report outlines the process by which the Governance Consultancy contract, awarded through the National LGPS Framework, has been extended by one year.

## **3 DETAIL**

- 3.1 The Croydon Pension Fund procures professional services – Investment Management Performance and Cost Monitoring and Reporting Services; Actuarial and Benefits Consultancy Services; Legal Services; and Governance Consultancy Services – through the National LGPS Framework. This procurement framework is an agreement put in place with a provider or range of providers that enables buyers to place orders for services without running lengthy full tendering exercises. Frameworks are based on large volume buying. Aggregating different buyers' potential needs means individual buyers can source services at lower prices, or with special added benefits and/or more advantageous conditions. The National LGPS Frameworks are multi-provider, allowing several qualified providers to be on the framework. Procurement framework agreements are OJEU compliant, removing the need to independently undertake a full European Union (OJEU) procurement process, as this has already been done as part of setting up the framework. Agreed terms and conditions are provided so LGPS Funds can simply 'call-off' the framework to meet their own local requirements.

- 3.2 The Actuarial, Benefits and Governance Consultancy Services Framework is broken down into 4 lots and the governance review exercise falls under Lot 3, Governance Consultancy. In order to undertake a review of the governance arrangements in place for the Croydon Fund the National Framework was accessed and Aon selected from the bidders for this exercise. The original contract was awarded under delegated authority by the Head of Pensions and Treasury, given the value was under £100k. This contract ran from April 2017 for a period of 4 years. For a number of reasons, including significant disruption to the administration of the Council caused by the publication of a Report in the Public Interest and the issuance of a Section 114 Notice, and the impact of the COVID pandemic, it has not been possible to either conclude the governance review or undertake a draw down from the Framework.
- 3.3 To resolve this problem, conclude the governance review and retain the services and advice of Aon Croydon, as the administering authority and under delegated authority of the Head of Pensions and Treasury (given the value is under £100k), has written to Aon confirming an extension to the contract. The contract has been extended up to 31 March 2022 which will be sufficient time to bring to a conclusion the work relating to the Governance Review.
- 3.4 The Committee is asked to note that the London Borough of Croydon as the Administering Authority for the London Borough of Croydon Pension Fund has chosen to extend its contract with Aon for the provision of Governance Consultancy Services for a further one year from 1st April 2021. The Terms and Conditions of the extended contract are as set out in the contract that was effective from 1 April 2017 with the exception of the expiry date, which is extended until 31st March 2022.

## 4 CONSULTATION

- 4.1 Officers have fully consulted with the Pension Fund's advisers in preparing this report.

## 5 FINANCIAL CONSIDERATIONS

- 5.1 This report deals exclusively with the management of the Council's Pension Fund.

**Approved by:** Chris Buss, Interim Director of Finance, Investment and Risk, S151 Officer

## 6. LEGAL CONSIDERATIONS

- 6.1 The content of this report is for the Pension Committee to note. Decision making shall be in accordance with the Council's constitution and any relevant delegations.

**Approved by:** Doutimi Aseh, Interim Director of Law and Governance & Interim Deputy Monitoring Officer.

## **7. FREEDOM OF INFORMATION/DATA PROTECTION CONSIDERATIONS**

7.1 This report contains only information that can be publicly disclosed.

## **8. HUMAN RESOURCES IMPACT**

8.1 There are no direct workforce implications arising from the recommendations within this report.

**Approved by:** Sue Moorman, Director of Human Resources

## **9. EQUALITIES IMPACT**

9.1 There are no equalities impacts arising from this report.

## **10. ENVIRONMENTAL IMPACT**

10.1 There are no environmental impacts arising from this report.

## **11. CRIME AND DISORDER REDUCTION IMPACT**

11.1 There are no crime and disorder impacts arising from this report.

## **12. DATA PROTECTION IMPLICATIONS**

12.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

**NO**

The Director of Human Resources comments that this report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

**Approved by:** Sue Moorman, Director of Human Resources

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### **CONTACT OFFICER:**

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### **BACKGROUND DOCUMENTS:**

None

### **Appendices:**

There are no appendices.