

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Executive Committee
DATE OF MEETING	15 July 2020
OFFICER	Mark Hemming, Director of Finance & Assets
LEAD MEMBER	Councillor Hopkins
SUBJECT OF THE REPORT	Exemption from Standing Orders Relating to Contracts – Firefighter Pension Administration
EXECUTIVE SUMMARY	<p>Following a competitive tendering exercise undertaken in October 2015, the Authority moved the administration of the firefighters pension schemes from Buckinghamshire County Council (as was) to West Yorkshire Pension Fund (WYPF) with effect from January 2016.</p> <p>The contract was awarded for 65 months (5 years and 5 months) and is due to end on 3 May 2021. The quality of service and support provided by WYPF is very good and it is recommended that the Authority enters into a new contract with WYPF for a further three years. This would align with Royal Berkshire Fire and Rescue Service's intention to also extend this joint contact for three years.</p> <p>As the total value of the contract extension is over £50,000 the Authority's Standing Orders Relating to Contracts require the Authority to follow a publicly advertised competitive tender process under Standing Order 8, unless an exemption is approved by a Committee of the Authority.</p>
ACTION	Decision
RECOMMENDATION	It is recommended that the Authority's contract with West Yorkshire Pension Fund be renewed for a further three years commencing on 4 May 2020 in accordance with Standing Order 4 (a).
RISK MANAGEMENT	<p>Extending the existing contract would avoid the risks associated with changing pension administration providers.</p> <p>Not undertaking a competitive tender increases the risk of not achieving value for money, although based on the previous competitive tendering exercise, it is unlikely another provider would provide the same level of service at a lower cost.</p>

<p>FINANCIAL IMPLICATIONS</p>	<p>The current contract with WYPF costs £18,926 per year. It is anticipated that the contract could be extended at a similar rate, and therefore the whole-life cost of the new contract will be circa £60,000.</p> <p>Based on the competitive tender previously undertaken for this service, it is unlikely that an alternative provider would provide the service for less than the amount we are currently paying to WYPF.</p>
<p>LEGAL IMPLICATIONS</p>	<p>Standing Order 4 allows for exemptions for contracts to be placed by direct negotiation with one or more suppliers rather than in accordance with Standing Order 8 (cited above).</p> <p>Prior approval of a Committee of the Authority is required if the value of the proposed contract is over £50,000 if one of the following criteria is met:</p> <ul style="list-style-type: none"> a) special expertise [...] is required for which only one source has been identified. In this case a written quotation shall be obtained from that source; or b) special expertise [...] is required which is only available from such a limited number of sources that competitive tendering is not practicable. In this case all sources shall be invited to provide quotations.
<p>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</p>	<p>Approval of the exemption would allow the Authority to maintain the joint contract arrangements with Royal Berkshire Fire and Rescue Service for a further three years and commence a joint procurement process in 2024.</p>
<p>HEALTH AND SAFETY</p>	<p>None.</p>
<p>EQUALITY AND DIVERSITY</p>	<p>None.</p>
<p>USE OF RESOURCES</p>	<p>Changing pension administration providers is a resource intensive process. It is expected that a large volume of additional work will be generated for the Service as a result of the Government’s transitional arrangements for the 2015 scheme being ruled unlawful. Having to potentially change administrators at this time, whilst the Service is still adapting to the impact of COVID 19, would be an unwelcome additional burden.</p>
<p>PROVENANCE SECTION & BACKGROUND PAPERS</p>	<p>Standing Orders Relating to Contracts (February 2020):</p> <p>https://bucksfire.gov.uk/documents/2020/03/contract_standing_orders_-_february_2020.pdf/</p>

Exemption from Standing Orders Relating to Contracts – Firefighter Pension Administration

APPENDICES	None.
TIME REQUIRED	10 Minutes
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