

LONDON BOROUGH OF CROYDON

To: all Members of the Council (via e-mail)
Access Croydon, Town Hall Reception

PUBLIC NOTICE OF KEY DECISIONS MADE BY THE CABINET MEMBER FOR FINANCE AND TREASURY ON 21 MARCH 2016

In accordance with the Scrutiny and Overview Procedure Rules, the following decisions may be implemented from **1300 hours on 31 March 2016** unless referred to the Scrutiny and Overview Committee:

The following apply to each decision listed below

Reasons for these decisions: are contained in the **attached** Part A report

Other options considered and rejected: are contained in the **attached** Part A report

Details of conflicts of Interest declared by any Cabinet Member: none

The Leader of the Council has delegated to the Cabinet Member the power to make the decisions set out below:

CABINET MEMBER'S EXECUTIVE DECISION REFERENCE NO. : 12.16.FT
Decision Title: Pensions Admin Software

Having carefully read and considered the attached Part A report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report, the Cabinet Member for Finance and Treasury in consultation with the Leader of the Council

RESOLVED to approve the contract award for the provision of software licences and associated support for the pensions administration IT system for a term of 5 years (no extension options) commencing 1 April 2016 for a total contract value of £1.2m to Aquila Heywood.

Scrutiny Referral/Call-in Procedure

1. The decisions may be implemented **1300 hours on 31 March 2016** (5 working days after the decisions were made) unless referred to the Scrutiny and Overview Committee.
2. The Borough Solicitor, Director of Legal and Democratic Services shall refer the matter to the Scrutiny and Overview Committee if so requested by:-

- i) the Chair or Deputy Chair of the Scrutiny and Overview Committee and 4 members of that Committee; or
 - ii) 20% of Council Members (14)
3. The referral shall be made on the approved pro-forma (*attached*) which should be submitted electronically or on paper to Solomon Agutu and Jim Simpson by **1300 hours on 31 March 2016**. Verification of signatures may be by individual e-mail, fax or by post. A decision may only be subject to the referral process once.
4. The Call-In referral shall be completed giving:
 - i) The grounds for the referral
 - ii) The outcome desired
 - iii) Information required to assist the Scrutiny and Overview Committee to consider the referral
 - iv) The date and the signatures of the Councillors requesting the Call-In
5. The decision taker and the relevant Chief Officer(s) shall be notified of the referral who shall suspend implementation of the decision.
6. The referral shall be considered at the next scheduled meeting of the Scrutiny & Overview Committee unless, in view of the Borough Solicitor, Director of Legal and Democratic Services, this would cause undue delay. In such cases The Borough Solicitor, Director of Legal and Democratic Services will consult with the decision taker and the Chair of Scrutiny and Overview to agree a date for an additional meeting. The Scrutiny & Overview Committee may only decide to consider a maximum of 3 referrals at any one meeting.
7. At the Scrutiny & Overview Committee meeting the referral will be considered by the Committee which shall determine how much time the Committee will give to the call in and how the item will be dealt with including whether or not it wishes to review the decision. If having considered the decision there are still concerns about the decision then the Committee may refer it back to the decision taker for reconsideration, setting out in writing the nature of the concerns.
8. The Scrutiny and Overview Committee may refer the decision to Full Council if it considers that the decision is outside of the budget and policy framework of the Council.
9. If the Scrutiny and Overview Committee decides that no further action is necessary then the decision may be implemented.
10. The Full Council may decide to take no further action in which case the decision may be implemented.
11. If the Council objects to the decision it can nullify the decision if it is outside of the policy framework and/or inconsistent with the budget.
12. If the decision is within the policy framework and consistent with the budget, the Council will refer any decision to which it objects together with its views on the

decision. The decision taker shall choose whether to either amend / withdraw or implement the original decision within 10 working days or at the next meeting of the Cabinet of the referral from the Council.

13. The response shall be notified to all Members of the Scrutiny and Overview Committee
14. If either the Council or the Scrutiny and Overview Committee fails to meet in accordance with the Council calendar or in accordance with paragraph 6 above, then the decision may be implemented on the next working day after the meeting was scheduled or arranged to take place.
15. **URGENCY:** The referral procedure shall not apply in respect of urgent decisions. A decision will be urgent if any delay likely to be caused by the referral process would seriously prejudice the Council's or the public's interests. The record of the decision and the notice by which it is made public shall state if the decision is urgent and therefore not subject to the referral process.

Signed: Borough Solicitor & Monitoring Officer, Director of Legal and Democratic Services

Date: 23 March 2016

Contact Officers: Solomon.Agutu@croydon.gov.uk;
jim.simpson@croydon.gov.uk

Telephone: 020 8726 6000 Ext. 62326

PROFORMA

**REFERRAL OF A KEY DECISION TO THE
SCRUTINY AND OVERVIEW COMMITTEE**

For the attention of: Solomon Agutu & Jim Simpson,
Legal & Democratic Services Division

Meeting:
Meeting Date:
Agenda Item No:

Reasons for referral:

- i) The decision is outside of the Policy Framework
- ii) The decision is inconsistent with the budget
- iii) The decision is inconsistent with another Council Policy
- iv) Other: Please specify:

The outcome desired:

Information required to assist the Scrutiny and Overview Committee to consider the referral:

Signed:

Date:

Member of _____ Committee

For General Release

REPORT TO:	Cabinet Member for Finance and Treasury
AGENDA ITEM:	Background paper to agenda item 13.1 – Cabinet 21/03/16
SUBJECT:	Pensions Admin Software
LEAD OFFICER:	Richard Simpson Assistant Chief Executive (Corporate Resources and Section 151 Officer)
CABINET MEMBER:	Cllr Hall Cabinet member for Finance and Treasury and Leader of the Council
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT

The provision of pensions' administration software is vital to the council as it enables it to effectively and efficiently administer the Local Government Pensions Scheme.

AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS:

Delivering high quality public services and improving value for money.

FINANCIAL IMPACT: The total cost of the proposed contract is £1.2m over the 5 year term of the contract.

KEY DECISION REFERENCE NO.: 12/16/FT

The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the nominated Cabinet Member the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet Member for Finance and Treasury in consultation with the Leader of the Council is recommended to approve the contract award for the provision of software licences and associated support for the pensions administration IT system for a term of 5 years (no extension options) commencing 1 April 2016 for a total contract value of £1.2m to Aquila Heywood.

2. EXECUTIVE SUMMARY

- 2.1 The report recommends award of the contract for the provision of software licences and associated hosting and support for the pensions' administration IT system.
- 2.2 The detail section of this report sets out the background to this project and the procurement strategy.
- 2.3 The Procurement Strategy for the report titled "Pensions Admin Software" which detailed the procurement approach was approved by the Contracts & Commissioning Board on 21/01/16, CCB Ref: CCB1084/15-16
- 2.4 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
3 rd March 2016	CCB1104/15-16

3. DETAIL

- 3.1 The council currently operates an IT system in order to undertake administration of the Local Government Pensions scheme.
- 3.2 The contract for the pension administration IT system expires on 31 March 2016 and there is a need to procure a new contract for the ongoing provision of software licences and associated support for the pensions' administration IT system.
- 3.3 The Contracts and Commissioning Board approved the strategy to undertake a call off from a single supplier approved framework agreement (the framework) established by Northumberland County Council (NCC) for the pensions administration system.
- 3.4 Aquila Heywood was invited to submit a proposal in accordance with the call off process as set out in the framework. The pricing proposal was compared to current charges and costs as a baseline and against benchmark information from another London Borough.

4. CONSULTATION

- 4.1 The contents of this report have been agreed with colleagues in the Procurement, Legal and Finance. In addition, consultation has taken place with colleagues in Pensions & Treasury, with regard to the costs and scope, the outcome of which has been accounted for in the contract.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 The effect of the decision

The effect of this decision is to enter into a 5 year contract with Aquila Heywood which commits the Council to a contract value of £1.2m over the 5 years. The total cost of this contract will be met by the Pension Fund.

2 Risks

To mitigate risks the successful provider's financial health check score was reviewed in January 2016 and they achieved a good rating.

3 Options

As this is a call off from a framework, no other options were considered

4 Future Savings/Efficiencies

The system has an additional payroll module which could deliver savings to the Pension Fund in future. Any addition will be subject to approval of a business case and a future strategy.

Approved by: Lisa Taylor, Assistant Director of Finance

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the overall procurement process as detailed in this report meets the requirements of the Council's Tenders and Contracts Regulations and its statutory duty to secure best value under the Local Government Act 1999.

(Approved by: Gabriel Macgregor, Acting Council Solicitor and Acting Monitoring Officer)

7. HUMAN RESOURCES IMPACT

7.1 There are no immediate Human Resources considerations arising from the procurement proposals in this report which would impact Croydon Council staff.

(Approved by: Michael Pichamuthu on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

8.1 An initial equalities impact assessment has been carried out. This concluded that no further assessment was required as the proposal will have no impact on protected groups

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts arising from this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no crime and disorder considerations arising from this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The ongoing licensing, hosting and support for the existing pensions administration IT system can only be provided by the application provider.

11.2 The Council has explored conducting a competitive process, but the provision of these services and systems by any other provider would require implementation of a new system, which would not be efficient or effective as the investment required would not be proportionate to any ongoing savings that may be achieved

11.2 A project to change the current provider could be expected to be in the region of £0.7m in additional cost, as the Council would need to pay for the implementation costs of a new system and the migration and decommissioning costs for the existing arrangements. These costs are avoided by a direct award under the framework for licences, hosting and support for the existing system.

12. OPTIONS CONSIDERED AND REJECTED

12.1 No other options have been considered.

CONTACT OFFICER:

Name:	Victoria Richardson
Post title:	Head of HR and Finance Service Centre
Telephone number:	Ext 62640

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972: exempt