

Report to: **Pension Committee**

Date: **27 November 2017**

By: **Chief Finance Officer**

Title of report: **LGPS Pooling - ACCESS Operator Procurement**

Purpose of report: **This report provides Members with an update on the procurement of an operator for the ACCESS Pool.**

RECOMMENDATIONS - The Committee is recommended to -

- 1. to note the report;**
 - 2. agrees to approve delegated responsibility to the Chief Finance Officer in consultation with the Chair for the contract approval with the successful ACCESS Operator;**
 - 3. that once the contract for the Operator has been prepared, the East Sussex County Council seal can be affixed to the legal documents.**
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1. Background

1.1 The role of the operator is to manage collectively the assets of the ACCESS pool. The operator does this by setting up a collective investment scheme (CIS) which is a regulated vehicle under the Financial Securities and Markets Act 2000 (FSMA). Establishing or operating a CIS is a regulated activity requiring authorisation from the Financial Conduct Authority (FCA). The participants in the scheme i.e. the ACCESS Funds will share the profits or income in the sub-funds in which they are invested in through the CIS. However, the ACCESS funds will not have day-to-day control over the management of the assets; this will be the responsibility of the Operator as this is a regulated activity.

2. Operator Procurement

2.1 Kent County Council's procurement team are leading on the procurement of the Operator supported by a number of ACCESS officers and Hymans Robertson. Squire Patton Boggs have been appointed to provide legal advice to ACCESS and are supporting officers in the drafting of tender and contract documents as well as providing advice on FCA regulations and procurement law.

2.2 The Invitation to Tender (ITT) and OJEU notice was issued on 4 September with responses due by 6 October 2017. Evaluation and moderation of responses are currently being evaluated by a panel of officers and members. The Joint Committee is scheduled to approve the recommended supplier on or around November 2017 and to recommend the contract award to individual Funds for their approval during late November/early December. The proposed procurement timetable is set out below:

Stage	Dates
Sign-off of ITT by OWG	4 th September 2017
Issue OJEU & ITT	5 th September 2017
Tender response deadline	12 noon, 6 th October 2017
Evaluation period	9 th October – 14 th November 2017
Sign off of Award Recommendation Report by OWG	17 th November 2017
Sign off of Award Recommendation Report by JC	13 th December 2017
Authorities' award governance procedures	1 st December – 15 th December 2017
Supplier notification of award	18 th December 2017
Contract sealing complete	15 th January 2018
Contract commencement date	1 st February 2018

2.3 The contract term will be for five years with the option to extend for a further two years. The expectation is that the appointed Operator will be able to get an FCA Authorised Contractual Scheme (ACS) umbrella structure established by the 1st April, although transition of assets to the pool may not occur immediately.

3. Conclusion and reasons for recommendations

3.1 The 27 November meeting of the Pension Committee will be too early to make this decision. Therefore, the Committee is being asked to note the content of this report and agrees to approve delegated responsibility to the Chief Finance Officer in consultation with the Chair for the contract approval with the successful ACCESS Operator.

IAN GUTSELL
Chief Finance Officer

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Local Member(s): All
Background Documents
None