

National **LGPS Framework** for Global Custody Services

Introduction and joining instructions

**Global Custody
Services**

**Local choice
Global Custody
Services**

**Common Terms and Conditions
National LGPS Frameworks**

Value for money Collaboration

**Best practice procurement
Flexibility**

**Efficiency savings
Multi-provider**

LGPS



National LGPS
Frameworks

By LGPS Funds, for LGPS Funds

Issue 2 - March 2015

Contents

Introduction	3
What is a framework agreement?	4
Why should I use this framework?	6
What services are covered by this framework?	9
Who can provide services under this framework?	10
What is the duration of the framework?	10
How much does it cost and what will I save?	11
How were the service providers chosen and monitored?.....	13
Anything else I need to know?.....	15
How do I join the National LGPS Framework?	16
FAQs.....	18
Glossary	24
Contact us	26

**Copyright © Founding Authorities of
the National LGPS Framework 2013**

Please note these National LGPS Framework Guidance Notes do not purport to be comprehensive, have been prepared in good faith, and no representation or warranty, express or implied, is or will be made and no responsibility or liability is or will be accepted by any of the Framework’s Founding Authorities, their officers, employees or agents in relation to their accuracy or completeness and to the maximum extent permitted by law any such liability is expressly disclaimed.

Introduction

Across the Public Sector we must all continually seek the elusive 'Triple Crown' – how to deliver our statutory services 'better, faster and cheaper'?

The National LGPS Frameworks may help you meet this challenge.

Lord Hutton highlighted the potential benefits of co-operative projects within the LGPS; LGPS 2014 took this further and agreed the principle that 'scheme efficiencies be realised through more effective procurement...'

'By LGPS Funds, for LGPS Funds', the National LGPS Frameworks are a direct example of Funds collaborating to deliver benefits both locally and nationally across the LGPS. This initiative is directly in line with the Government's agenda for delivering greater value for money, alongside the reformed Local Government Pension Scheme.

This multi-user, multi-provider framework is uniquely open to all LGPS Funds for the procurement of global custody services from a range of qualified providers.

All LGPS Funds and employing authorities using the framework will benefit from the collaboration.

"Enterprising and effective collaborations like this are the type of approach we are keen to encourage."

Francis Maude
Minister for the Cabinet Office

Using a framework can save you significant time and money, whilst still delivering a service specified to your requirements, and supporting local decision making and accountability.

We hope that you will consider using this procurement route for your global custody services.

This Framework is the result of collaboration between Buckinghamshire, Cambridgeshire, Lincolnshire, Norfolk, Northamptonshire and Suffolk County Councils and the London Boroughs of Croydon and Hackney.

Procurement, legal and project management support has been provided by specialists from Norfolk County Council and Norfolk Pension Fund.

What is a framework agreement?

Framework benefits:

- Collaboration and partnership
- Flexibility
- Best practice procurement
- Agreed terms and conditions
- Efficiency
- Value for money
- Quality of service provision
- Additional contract management activity
- No fault break clause

Frameworks are widely used across Government. They are proven to be good for services that you can define and have demonstrated that considerable savings can be made.

A framework is an agreement put in place with a supplier or range of suppliers that enables purchasers to place orders with service providers without running a full tender exercise.

Frameworks are based on large volume purchasing. Aggregating different purchasers' potential needs means individual purchasers can buy goods and services at prices below those normally charged, or with special added benefits and/or more advantageous conditions.

All Local Government Pension Scheme (LGPS) Funds are required to procure professional global custody services.

This means that costly and time-consuming procurement exercises are regularly undertaken across the Funds.

Because of this individual Funds may not be receiving either the best service or the best value that may be achievable by working collaboratively.

The National LGPS Framework for Global Custody Services reduces the time and cost associated with procurement by offering a facility that has already been competitively tendered.

'By LGPS Funds, for LGPS Funds' the National LGPS Frameworks are uniquely open to all LGPS Funds and administering authorities nationally for the procurement of actuarial and benefit consultancy services, investment consultancy services and global custody services from a wide range of qualified providers.

It removes the need to independently undertake a full European Union (OJEU) procurement, as this has already been done as part of the framework. Agreed terms and conditions are provided so users can simply 'call-off' the framework to meet their requirements.

We believe that all LGPS Funds using the framework should benefit from the collaboration, which is why we have negotiated a collaborative rebate for all Funds that let services from the framework.

The National LGPS Framework is directly in line with the Government's agenda for LGPS collaboration and delivering greater value for money.

Using the framework will help Funds to leverage better prices, while crucially still supporting local decision making and service requirements.

Different types of frameworks

There are several different types of framework arrangements. The National LGPS Framework for Global Custody Services is a multiple user, single lot framework – i.e. all LGPS Funds and their administering authorities can use the framework to procure global custody services.

**Single User –
Single Lot**

**Single User –
Multiple Lot**

**Multiple User –
Single Lot**

**Multiple User –
Multiple Lot**

Why should I use this framework?

Procuring global custody services can take significant time and money, both for the awarding authority and service provider.

The National LGPS Framework is fully compliant with the Public Contracts Regulations 2006. It reduces the time and costs associated with the procurement process by offering a facility that has already been competitively tendered.

It aims to deliver access at the best possible price to high-quality, efficient and effective global custody services for all LGPS Funds and their administering authorities.

The main benefits include:

Collaboration and partnership

The National LGPS Framework have been created in line with the Government's wish for LGPS Funds to seek ways of extending joint working and collaboration. This will help realise potential efficiencies and give a clearer voice to LGPS Funds within the market place, along with helping to share knowledge, information, experience and best practice.

Flexibility

National LGPS Frameworks reduce the time and cost associated with a full OJEU procurement, which in turn allows you to be more flexible with the planning and running of any tender process via Further Competition.

Best practice procurement

Each of the service providers on the National LGPS Frameworks have been subject to a rigorous procurement process, ensuring they offer the scope and quality services you require. The pre-agreed terms and conditions offer you contractual safeguards.

Q.

Do I have to use a framework for all contracts I award?

A.

There is no obligation to use a framework when your requirement is under the OJEU procurement limit, however the benefits of the Framework apply to all requirements. You must comply with your local financial regulations.

Agreed terms and conditions

Terms and conditions are already established and agreed for you and service providers. This removes the need to re-draft and/or renegotiate terms for each procurement you undertake. You have the right to refine, but not fundamentally alter, the terms and conditions to take into account any special requirements.

Efficiency

The framework removes the need for you to conduct full tender exercises or lengthy service provider evaluations, saving the time and costs associated with procurement exercises. Our easy ordering process makes the National LGPS Framework simple to access and use.

Value for money

To harness the opportunity to aggregate spend, ceiling prices with the facility to conduct Further Competition, along with collaborative rebates, ensure that value for money is consistently achieved.

Quality of service provision

The experience, expertise and commitment to quality of a service provider are assessed at the time of the initial competition. Your satisfaction with the service providers' performance is monitored on an ongoing basis.

Additional contract management activity

Norfolk County Council manages and monitors the National LGPS Frameworks on behalf of their user communities. Your views and requirements will be taken into account while the frameworks are monitored, as well as when they are reviewed and developed.

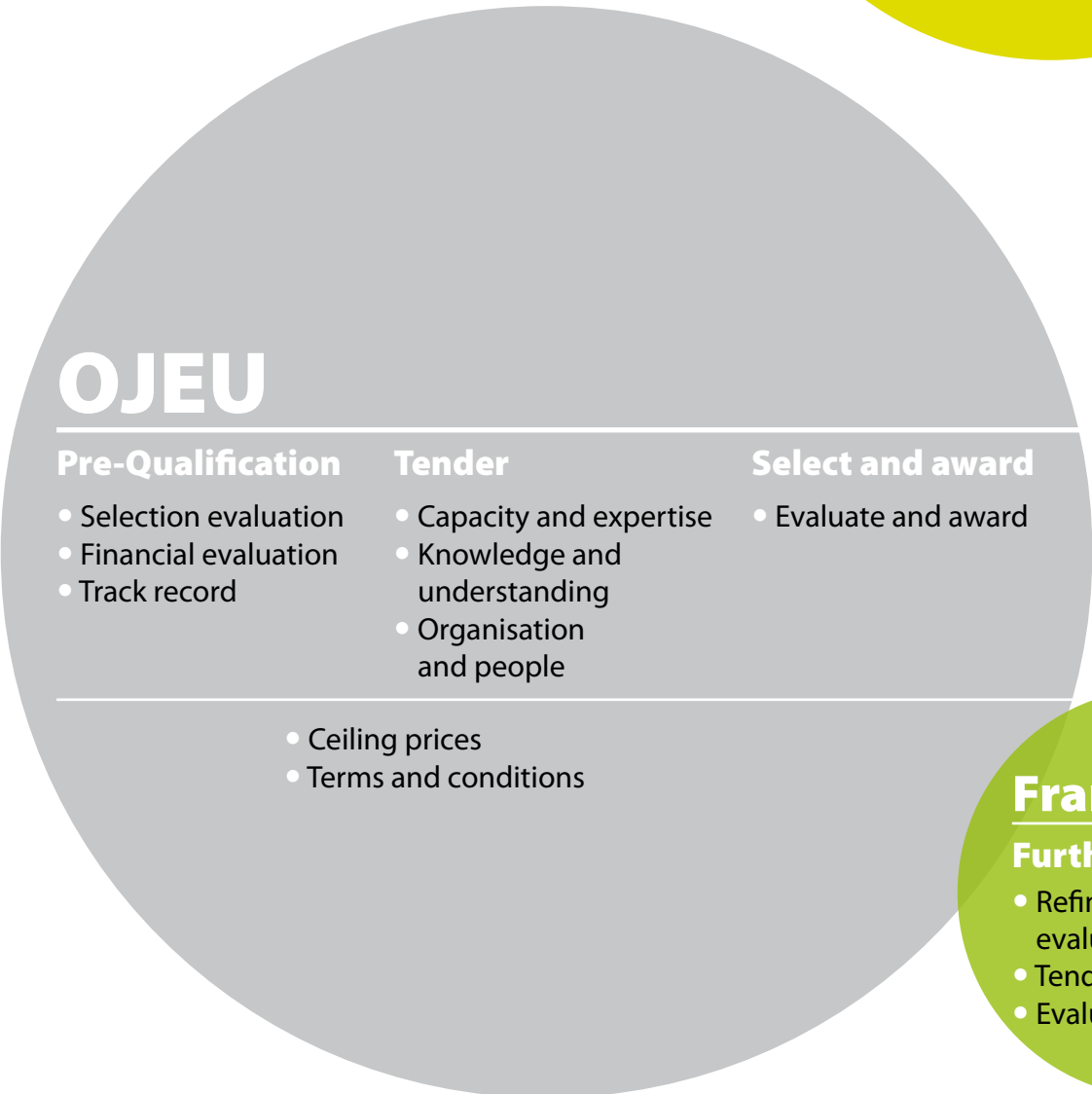
No fault break clause

You have the right to terminate the contract at any time by giving at least 60 days' notice.

(See clause 8.2(3) of the Call-off terms and conditions at Appendix 7).

Framework route vs full EU procurement

The **National LGPS Framework** for Global Custody Services significantly reduces the **time and cost** associated with procurement by offering a facility that has **already been competitively tendered**.



6 - 9 months without framework	reduced to...	4 - 6 weeks with framework
--------------------------------	---------------	----------------------------

What services are covered by this framework?

Q.

Can we add in any service requirements at the Further Competition stage, even if they are not covered by the framework's more general specification?

A.

Yes, as long as these are in areas within the overall scope. You may want to request that service providers give specific examples for any questions you ask.

Q.

Will we be able to stipulate our own contract termination conditions?

A.

The call-off terms and conditions include termination rights for inadequate performance, default, etc, as well as providing a 60 days' notice period.

The National LGPS Framework for Global Custody Services provides access to the following services:

Global custody services including but not limited to:

- Safekeeping of assets in a range of global markets
- Trade settlement
- Tax reclaims
- Corporate actions instruction and collection
- Proxy voting facilitation
- Foreign exchange services
- Cash management
- Investment accounting
- Online reporting
- Performance measurement
- Compliance monitoring
- Passive currency hedging, and
- Other asset administration services which may arise from time to time

All Local Government Pension Scheme (LGPS) Funds (including those in Scotland and Northern Ireland) and their administering authorities can use the framework to procure these services.

Who can provide services under this framework?

There are six service providers on the framework:

Global Custody Service Provider

The Bank of New York Mellon SA/NV

BNP Paribas Securities Services

HSBC Securities Services

J.P. Morgan

The Northern Trust Company

State Street Bank and Trust Company

In order to be appointed to the framework, providers have demonstrated they have the right expertise and capacity to provide these services.

While each provider successfully passed a minimum quality threshold, they are not all the same. For example they vary quite widely in size, capacity and area of expertise.

It is really important that you focus clearly on what you as a Fund need, so that Further Competition helps you select the most appropriate provider.

Please read the Guide to Further Competition at Appendix 1 for more information.

What is the duration of the framework?

The National LGPS Framework for Global Custody Services commenced on 30 October 2013 and is open for 4 years.

The framework provides a quicker and more efficient route to procuring a Global Custody Services Provider; however Funds still need to allocate time and resource to the call-off process and subsequent operational set-up if transitioning from one provider to another. Consequently, the duration of the contract should reflect the cost of change and be of appropriate length to realise benefits.

Therefore contracts awarded under the framework may be for a period of up to 5 years plus 2 years, provided always that no contract shall extend beyond 30 September 2024.

How do I find out more and what does it cost?

Q.

Are pension funds that use the National LGPS Framework bound by the prices set out in the tender responses, or is there scope for price negotiation at an individual fund level?

A.

The prices set out in the framework are the **maximum** rates, but we would expect these to be **reduced** at Further Competition stage. Please note however that this is competition not negotiation. The defined pricing structure aims to eliminate hidden extras and allow for easy comparison at the evaluation stage.

Joining Fee

Confidentiality Statement and Joining Fee – If you would like further information about the National LGPS Framework for Global Custody Services please sign and return the **Confidentiality Statement** (Appendix 2). Returning the Confidentiality Statement places you under no obligation to use the framework but gets you access to the framework documentation including, Terms and Conditions, Guidance Notes, Supplier Catalogues and Ceiling Prices.

If you decide to join the framework a one off joiners fee of £8000 is payable. This allows you to make use of the framework and all the documentation provided. You will also benefit from the collaborative **rebate structure** and remove the need for a separate full OJEU procurement exercise.

Pricing

Pricing – Ceiling Prices for all service providers on the National LGPS Framework for Global Custody Services are included in the framework documentation you will receive if you return a Confidentiality Statement.

All prices are maximum rates and are subject to reduction at Further Competition.

Rebates to framework users

The following rebate applies to **all** work awarded and delivered under the National LGPS Framework for Global Custody Services. It will be applied to the prices as agreed at Further Competition and contract award, if these are different to the prices as established under the framework:

- An aggregated cumulative stepped rebate based on the overall value of work awarded to a supplier under this framework, pro-rata'd across all LGPS Authorities awarding work to that supplier during the year. This will be due for payment directly from the service providers as at 31 March each year for work completed and invoiced during the year.

See Appendix 7 for more details of the rebate structure and illustrative examples

Travel and subsistence

Service provider prices are inclusive of travel, subsistence and any other expenses.

Rate review

There is no scope for a rate review and service providers will be bound to their ceiling fees throughout the life of the framework. Service providers are permitted to quote lower fees at Further Competition, but never above the rates set out in their ceiling schedules.

The ceiling prices for each service provider can be found in the **Pricing Schedules** at Appendix 11.

The list of ceiling prices is fixed so that there are no hidden charges and prices are comparable and transparent.

There are some areas in the **Pricing Schedules** where service providers have supplied further explanation; however it is important to remember that the ceiling prices quoted are the **maximum** each service provider can charge under the framework.

How were the service providers chosen and monitored?

Expectations of quality

As part of the procurement and tendering process, the successful service providers demonstrated proof of the following general expectations:

- Financial Conduct Authority (FCA) registration and that they are regulated by the FCA.
- Demonstrated financial strength and financial guarantees for the contracting entity by the parent bank or holding company.
- A proven track record and extensive knowledge and experience of providing Custody Services to Local Government Pension Funds and/or large (i.e. with a minimum asset value of £2 billion) corporate pension funds within the United Kingdom.
- Strong knowledge of the regulatory framework and operational environment for LGPS Funds.
- Be able to provide appropriate reporting and valuation services, customised as necessary for individual fund requirements and compliant with all necessary accounting standards.
- That they meet the minimum technical requirements as outlined in the tender for Global Custody Services, reference NCCT40221.
- Excellent communication and partnership skills should be demonstrated by all client-facing staff.
- The ability to demonstrate product innovation in delivering solutions to LGPS Funds.
- The ability to respond effectively to new regulatory actions and support LGPS clients through change.
- The ability to provide appropriate training and resources to support Fund decision making and monitoring requirements.

In order to be appointed to the framework, providers have demonstrated they have the right expertise and capacity to provide the services detailed on page 9.

While each provider successfully passed a minimum quality threshold, they are not all the same. For example they vary quite widely in size, capacity and area of expertise.

It is really important that you focus clearly on what you as a Fund need, so that Further Competition helps you select the most appropriate provider. Please read the Guide to Further Competition at Appendix 1 for more information.

Q.

Under the National LGPS Framework, are global custodians scored or ranked? If so, are we under any obligation to use the highest scoring provider?

A.

There is an element of ranking based on the pre-evaluated technical proposal scores provided by Mercer Sentinel; however this ranking is dependent on the weightings you apply to each of the evaluation criteria, based on your specific requirements. The framework would not oblige you to use any specific service provider. If you wished to make an appointment under the framework you would undertake a Further Competition to select your service provider using the 'call-off' criteria.

Further Competition

Funds using the National LGPS Framework for Global Custody Services can simply 'call-off' the framework via Further Competition.

Mercer Sentinel, technical advisors to the framework, have independently evaluated and scored each service provider, based on the technical proposals submitted in providers' applications to join the framework.

You can choose to judge the Quality Offered and Service Fit elements of your Further Competition purely on these scores, saving you the time and resources needed to evaluate each service provider's response.

Alternatively, there may be areas that you wish to explore further, alongside the Mercer Sentinel pre-evaluated technical capabilities.

You can do this by adding in further Fund specific questions under Quality Offered and Service Fit, tailoring them to your own specific requirements where necessary.

There is much more detail on the call-off process available, including a detailed Guide to Further Competition, in the comprehensive call-off pack supplied when you join the framework.

Dispute resolution

General contract issues should be dealt with between you and the service provider.

Where there are more significant issues or if things get out of hand then you can escalate these to us.

Email us at NationalLGPSFrameworks@norfolk.gov.uk or call us on **01603 495922**.

Anything else I need to know?

Audit

As part of its contract management function, Norfolk Pension Fund has the right to conduct independent auditing of the service providers' processes, procedures and application of their hourly rate.

Financial arrangement between Norfolk Pension Fund and service providers

Service providers are required to pay Norfolk Pension Fund, as the letting authority, a flat rebate of 1% of all contracts let under the National LGPS Framework each year, for work invoiced during the financial year.

This rebate will be used to cover the administration costs of the framework.

The rebate will be calculated against the set-up and management costs of the framework at the end of each financial year. A final surplus will be distributed among letting authorities.

How do I join the National LGPS Framework?



If you would like to know more or to make use of the National LGPS Framework for Global Custody Services please complete and return a copy of the **Option Form** at Appendix 1.

Via this form you can opt to receive more details or to join the framework.

Confidentiality Statement

We cannot share any of the commercially sensitive details of the framework with you until you have completed and returned a **Confidentiality Statement** (Appendix 2).

Once we have received your **Confidentiality Statement** we will send you a set of **Guidance notes**, along with a comprehensive call-off pack including a **Guide to Further Competition**, a **Preparation for Call-off and Scoring Spreadsheet** and an **Invitation to Tender Template**.

We will also send you **Call-off terms and conditions** and **Supplier Catalogues**, which include ceiling prices, service descriptions and provider overviews.

Members' Access Agreement

To use the National Framework, you must sign and return two copies of the **Members' Access Agreement**. This is a legal document between your authority and Norfolk County Council (the Letting Authority for this framework). The purpose of the document is to regulate any liabilities that may arise as a result of use of the Framework.

If you opt to join the framework we will send you two copies of the **Members' Access Agreement** to sign and return, along with all the other framework documentation. An example of the **Members' Access Agreement** is at Appendix 3. We will also send you an invoice for the Joiners Fee.

If you have any further questions or need any further detail before using the framework, please contact us and we will be happy to help.

Email: NationalLGPSFrameworks@norfolk.gov.uk

Do you know about the other services available via National LGPS Frameworks?

National **LGPS Framework** for Actuarial and Benefit Consultancy Services

Guidance notes

Actuarial and Benefits Consultancy

Local choice
Actuarial and Benefit Consultancy Services
Common Terms and Conditions
National LGPS Frameworks
Value for money
Best practice procurement
Partnership working
Efficiency savings
Multi-provider LGPS

Open for business

National **LGPS Framework** for Investment Consultancy Services

Guidance notes

Investment Consultancy Services

Local choice
Investment Consultancy Services
Common Terms and Conditions
National LGPS Frameworks
Collaboration
Procurement flexibility
Savings provider

National **LGPS Framework** for Legal Services

Guidance notes

Legal Services

LGPS Legal Services
Save time and money
Quick and efficient access
National LGPS Frameworks
Common terms and conditions
Procurement flexibility
Better, faster, cheaper
Collaboration
Local choice

Available now!

2015

National LGPS Frameworks
By LGPS Funds, for LGPS Funds

National LGPS Frameworks
By LGPS Funds, for LGPS Funds

Issue 1 - January 2015

Issue 2 - March 2015

If you have a requirement for any of the above services and would like to find out more about National LGPS Frameworks please contact us at

NationalLGPSFrameworks@norfolk.gov.uk
or **01603 495922**

FAQs

Question 1

Who can use the framework?

A. Any administering authorities as defined in the Local Government Pension Scheme (Administration) Regulations 2008/239 and the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 as amended by SSI 2011/349; and the Committee (the NILGOSC) as defined in the Local Government Pension Scheme (Administration) Regulations (Northern Ireland) 2009 / SRNI 2009/33.

Question 2

Under the National LGPS Framework, are suitable global custody service providers scored or ranked? If so, are we under any obligation to use the highest scoring provider?

A. There is an element of ranking based on the pre-evaluated technical proposal scores provided by Mercer Sentinel; however this ranking is dependent on the weightings you apply to each evaluation criteria, based on your specific requirements. The framework would not oblige you to use any specific service provider. If you wished to make an appointment under the framework you would undertake a Further Competition to select your service provider using the 'call-off' criteria.

Question 3

If a list of suitable global custody service providers is provided (un-ranked), are we able to decide which firms to invite to tender?

A. If there is something quite definitive in the service providers' description of their capability, which indicates that they are unable to do the work, they may be excluded. However, it is best practice to invite all capable service providers to take part in the Further Competition. You would need a clear and justifiable reason to exclude any service provider.

Question 4

Will we undertake a mini selection exercise from the list of successful providers?

A. Yes, based on your specific requirement and assessed by you against the criteria you refine for 'call-off' (you can introduce sub-criteria and set the weightings within the boundaries we have set). You must follow the process set out in the **Guide to Further Competition**.

Question 5

Do I have to add additional Fund specific questions at call-off, or can I just use the pre-evaluated technical proposal scores provided by Mercer Sentinel?

A. You can decide to score the Quality Offered and Service Fit elements of your Further Competition solely based on Mercer Sentinel's technical proposal evaluation. However, to get the best match for your Fund you should read through the service proposals in each **Supplier Catalogue** and think carefully about what is important to you, using the Fund specific additional questions to tailor the evaluation to your needs.

Question 6

What sort of questions should we ask on Quality Offered and Service Fit at the Further Competition stage? How much scope do we have to change the nature of the questions from those asked at the original tender stage?

A. There is no obligation to ask any additional questions and you can choose to evaluate the Quality Offered and Service Fit elements of your Further Competition solely based on Mercer Sentinel's technical proposal evaluation.

However, should you wish to include any additional Fund specific questions, you will need to tailor them to the specification of requirements you set out in section 2 of your **Invitation to Tender**. We will have ensured that the service providers are able to deliver all the services listed at a generic level and you are testing them at a more granular level.

Question 7

How much can we adjust the selection criteria to suit our individual needs?

A. We have tried to build flexibility into the call-off criteria so that you can adjust these to be the most appropriate fit for you. This could include inserting sub criteria, adjusting weightings and making use of the additional Fund specific questions. However, you must declare **all** your evaluation criteria.

Question 8

Can we add in any service requirements at the Further Competition stage, even if they are not covered by the framework's more general specification?

A. Yes, as long as these are in areas within the overall scope. You may want to request that service providers give specific examples for any questions you ask.

Question 9

Are pension funds that use the National LGPS Framework bound by the prices set out in the tender responses, or is there scope for price negotiation at an individual fund level?

A. The prices set out in the framework are the **maximum** rates, but we would expect these to be **reduced** at Further Competition stage. Please note however that this is competition not negotiation. The list of ceiling prices is fixed so that there are no hidden charges and prices are comparable and transparent.

There are some areas in the **Pricing Schedules** where service providers have supplied further explanation; however it is important to remember that the ceiling prices quoted are the **maximum** each service provider can charge under the framework.

Question 10

How much does it cost to join the framework?

A. There is a one-off joining fee of £8000.

Question 11

What do we get for this fee?

A. You get access to the framework and prices, along with all framework documentation including the pre-agreed terms and conditions and comprehensive guidance notes. You will also benefit from the collaborative rebate structure and removing the need for a separate full OJEU procurement exercise. See the benefits section under **Why should I use this framework?** for more.

Question 12

Is there scope for us to agree /alter contractual terms and conditions, or are these essentially set at a framework level?

A. The Public Contracts Regulations 2006 (“the Regulations”) specifically state that the parties should not substantially amend the terms laid down in a framework agreement.

There is an acknowledgement though that you may need to make non-material changes to the terms (e.g. to change the time for supply of the relevant products). However, you are not entitled to make a material change to the terms (e.g. by adding a new service) to the extent that it might affect the identity of the service providers capable of meeting the requirements.

This prevents the distortion of competition by ensuring that service providers are not excluded solely on the grounds that they were unable to meet the original requirements.

Question 13

What variations will be considered non-material?

A. The regulations do recognise that the terms of a framework, or of specific contracts, may need to be supplemented in certain situations.

Where you are running a Further Competition under a multi-supplier arrangement, you may supplement the terms.

In these circumstances, you would do so where you need to amend the terms to ensure that they capture the requirements more precisely, or provide additional terms on the basis that these have been referred to in the framework. **This does not allow a fundamental re-write of the terms** but recognises that it is not possible or practical to attempt to make provision for every eventuality, particularly in a multi-supplier environment.

However, there is a requirement that any supplemental terms align with and are based on the terms referred to in the framework agreement or the original request for tender. It was for this reason that careful consideration was given to the development of these documents when setting up this framework.

Question 14

Will we be able to stipulate our own contract termination conditions?

A. The call-off terms & conditions include termination rights for inadequate performance, default, etc, as well as providing a 60 days' notice period.

Question 15

When we do our own tenders we may have a shortlist in order of highest score and use the interviews to verify the scores from the ITT, plus add an additional score, e.g. for communication. Can we still do this if using the National LGPS Framework?

A. You can use interviews to meet your potential client relationship manager or ask to see a software demonstration etc.

However, interviews can only be used to **moderate** the scores you assign to any additional Fund specific questions you have asked under Quality Offered and Service Fit and cannot be used to **score** any evaluation criteria.

Question 16

Do I have to use the templates provided in the joiners pack to undertake my procurement?

A. The templates are designed to help you as much as possible in your procurement but are not compulsory. However, if you decide not to use them you may lose a lot of the benefit and value of the framework. In particular, Appendices 1-4 guide you through the call-off process step by step, ensuring you set and evaluate the right criteria to meet your own specific needs.

We strongly recommend you use the **Order Form** for all orders placed under the framework, as this forms the contract between yourselves and the successful service provider.

If you are unsure about any of the templates and guides, please speak to us on 01603 223950 / 495922 or NationalLGPSFrameworks@norfolk.gov.uk

Question 17

How does the Public Services (Social Value) Act 2012 apply to Framework Agreements?

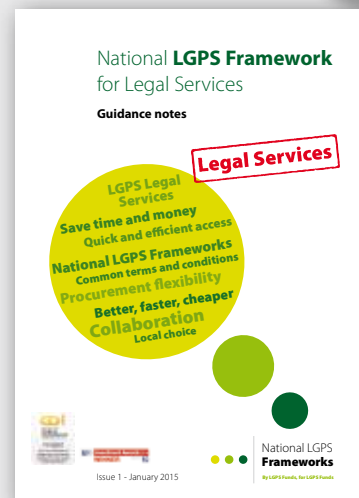
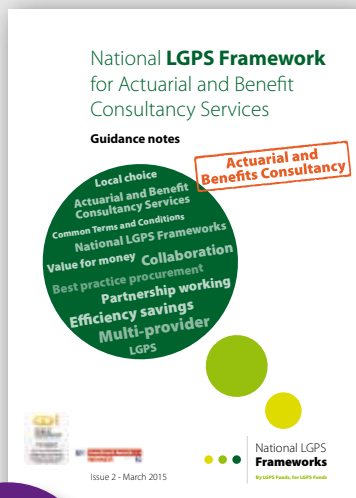
A. Procurers and commissioners must consider the provision of the Act when procuring an above threshold framework agreement for public services. The Act states that Authorities should consider economic, social and environmental aspects that can affect citizens when they are tendering for requirements. This might involve consultation with local groups and the voluntary sector.

Norfolk County Council have assessed this Framework Agreement in the context of the Act, and have determined that it meets the requirement of Economy, in that it is anticipated that it will generate savings for the public purse in the local area of each user pension fund.

It is anticipated that this will be achieved through the rebate structure and increased competition in provision of global custody services to user pension funds and authorities. In addition, this is an innovative procurement approach for the LGPS as a whole and it is anticipated it will generate savings through speeding up lengthy procurement processes for each user fund.

Do you know about the other services available via National LGPS Frameworks?

Available now!



Open for business

If you have a requirement for any of the above services and would like to find out more about National LGPS Frameworks please contact us at NationalLGPSFrameworks@norfolk.gov.uk or **01603 495922**

Glossary

Access agreement

An agreement to join the National LGPS Framework, made between an awarding authority and the letting authority (Norfolk Pension Fund in this instance). Also known as a Deed of Adherence.

Administering authority

An authority that administers a Local Government Pension Scheme (LGPS).

Award criteria

The criteria used to determine whether a service provider can meet the requirements set by an awarding authority.

Awarding authority

An LGPS authority looking to award a contract to a service provider within the National LGPS Framework.

Call-off

The act of awarding authority procuring a service provider from the National LGPS Framework.

Call-off contract

A legally binding agreement for the provision of services made between the awarding authority and service provider.

Call-off criteria

The criteria used to evaluate service providers at the Further Competition stage.

Ceiling prices

The maximum prices that service providers can charge as part of the National LGPS Framework. These are subject to further reduction at the Further Competition stage.

Collaborative rebate

All awarding authorities are eligible for an aggregated cumulative stepped rebate. This is based on the overall value of work awarded to a supplier under the National LGPS Framework, pro-rata'd across all LGPS Authorities awarding work to that supplier during the year (across both services). This will be due for cash payment as at 31 March each year for work completed and invoiced during the year.

Competitively tendered

The process of circulating detailed specification of services to a number of potential providers, who submit bids for evaluation ahead of an award being made. In this instance it refers to the process undertaken by Norfolk Pension Fund and the “founding authorities” when appointing service providers to the National LGPS Framework.

Confidentiality statement

A statement to be signed by potential joiners of the National LGPS Framework, agreeing to respect the confidentiality of any commercially sensitive information made available.

Direct award

Where a contract for services is awarded based solely on the information provided in the **Supplier Catalogues**. There is no scope for a direct award without Further Competition under this National LGPS Framework.

Further Competition (sometimes referred to as mini-competition)

Competitions run by awarding authorities in order to evaluate service providers when awarding contracts as part of the National LGPS Framework. Essentially the process set out in **How do I use the National LGPS Framework?**

Initial competition

The procurement exercise that was carried out in order to appoint service providers to the National LGPS Framework.

Invitation to tender (ITT)

As part of the Further Competition stage, awarding authorities will invite service providers to quote for the services they have set out in their detailed requirements.

Joining fee

A one-off fee applicable to all LGPS authorities who wish to join the National LGPS Framework for Global Custody Services.

Letting authority

The authority that provides access to the National LGPS Framework (in this case Norfolk County Council).

LGPS

The Local Government Pension Scheme.

OJEU

OJEU stands for the Official Journal of the European Union. This is where the contract notice for the National LGPS Framework was published. All public sector contracts over a published threshold are required to be published in the OJEU.

Order Form

The order submitted to the service provider by the awarding authority in accordance with the National LGPS Framework. It sets out the description of the services to be supplied including, where appropriate, key personnel, premises, timeframe, deliverables and quality standards.

Service provider

A company that provides Global Custody services as part of the National LGPS Framework.

Terms and conditions


In this instance, the call-off terms and conditions that, along with an order form, comprise a call-off contract.

Contact us

If you have any questions about the National LGPS Frameworks or would like to know more, please contact us at the following:

 **NationalLGPSFrameworks@norfolk.gov.uk**

 **01603 495922**

 **The Norfolk Pension Fund**
(National LGPS Frameworks)
4th Floor, Lawrence House
Norwich NR2 1AD