

Shadow Advisory Board

Collaborations event

1) Background

There are a growing number and diversity of collaborations in usage within the LGPS. These range from the joint procurement of services (for example, via the National Frameworks) to the establishment of shared services arrangements (eg, LGSS). A list of some of the collaborations currently in usage within the LGPS community is attached as **ANNEX A**.

There are a number of factors which often mean that there is imperfect knowledge across the LGPS as to the possibilities collaborations can offer:

- It is often difficult to measure accurately the value for money that each collaboration provides - whilst savings can sometimes be more simply determined, the impact on quality of entering into a collaboration is often more difficult to determine.
- In addition, the local authority pensions sector comprises a large number of pension funds and the potential crossover of knowledge between each fund as to the opportunities available isn't always fully realised.

The need for awareness and understanding of what collaboration can potentially offer LGPS funds is particularly pertinent given the continuing budgetary pressure faced by local authorities and given the Government's focus on this issue, most notably exemplified by the recent consultation, *Opportunities for collaboration, cost savings & efficiencies*.

In light of these points, the Value for Money & Collaboration sub-committee have held initial discussions with a view to the Shadow Board hosting an event for LGPS pension funds on collaboration.

The Board are asked to:

- Agree that such an event should take place.
- Agree the broad items for inclusion in the agenda for such an event (part 2).
- Discuss and reach agreement on the other items set out in this paper (part 3).

2) Agenda

Below are some of the possible items for inclusion on a collaborations event programme. Board are asked to comment on these and suggest other items for possible inclusion.

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No.	Title	Rough idea of content
1	An overview	a) How collaborations have developed in the LGPS b) The different types of collaboration in existence
2	Value for money in collaborations	a) What is value for money? b) How you can assess value for money
3	Shared services	a) Key considerations in choosing to enter in to a shared service arrangement. b) How to set one up
4	When things don't go as planned	a) Problems that can arise b) What to do when things do go wrong c) Planning to prevent problems arising
5	An introduction to common investment vehicles	a) An introduction b) Types - pros and cons c) Examples
6	Joint procurement of services	a) Available opportunities b) Key considerations when entering into jointly procuring services c) What further opportunities are ahead?
7	The future for collaborations in the LGPS	a) Government consultation and investment reforms b) Opportunities for further collaboration c) The role of the Scheme Advisory Board

Other items for discussion

- What timescales should be adopting in planning for this?
- Where could this be hosted? Is this an opportunity for the Board to get out of London and nearer to the majority of funds?
- What does the Board want to get from the event? For example, is the event solely to convey knowledge and experience or is there an additional opportunity for information gathering?
- What speaker experience and background would be desirable for each session?
- How can the Board best ensure a full and representative attendance?

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ANNEX A

Current LGPS Collaboration arrangements - version 2.0 (updated 26th August 2014)

Description	Contact details	Activity	Service providers on the framework	Eligible participants
Kent Framework Agreement	Kent County Council Sarah Underwood Cantium House County Hall Maidstone Kent ME14 1XQ	Pensions Administration Software	Civica Equiniti	All LGPS Funds
Northumberland Framework	Northumberland County Council Janine Ternet County Hall Morpeth NE61 2EF janine.ternent@northumberland.gov.uk 01670 622354	Pensions Administration Software	Heywood	All LGPS Funds
Croydon Framework Agreement	Freda Townsend 6th Floor, South Side, Park Lane Taberner House Croydon Surrey CR9 3JS Freda.M.Townsend@croydon.gov.uk	Actuarial Advisors	Hymans Robertson	All LGPS Funds
Croydon Framework Agreement	Freda Townsend 6th Floor, South Side, Park Lane Taberner House Croydon	Investment Consultancy	Aon Hewitt	All LGPS Funds

Shadow Advisory Board Secretariat

Shadow Advisory Board

	Surrey CR9 3JS			
Local Government Shared Services	John Dryden House 8-10 The Lakes Northampton NN4 7YD Or Shire Hall Castle Hill Cambridge CB3 0AJ Telephone: 0300 126 1111 Email: info@lgss.co.uk http://www.lgss.co.uk/Pages/Home.aspx	Member administration Professional support Governance Accounting function Investment of funds	LGSS	All LGPS Funds
National LGPS Framework Agreement	The Norfolk Pension Fund (National LGPS Frameworks) 4th Floor, Lawrence House Norwich NR2 1AD 01603 495922 nationalLGPSframeworks@norfolk.gov.uk http://nationallgpsframeworks.org/	Custodian Services	Bank of New York Mellon BNP Paribas Securities Services HSBC Securities Services J.P. Morgan The Northern Trust Company State Street Bank and Trust Company	All LGPS Funds
National LGPS	The Norfolk Pension Fund	Investment	Aon Hewitt	All LGPS Funds

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Framework Agreement	(National LGPS Frameworks) 4th Floor, Lawrence House Norwich NR2 1AD 01603 495922 nationalLGPSframeworks@norfolk.gov.uk	Consultancy	Deloitte Total Reward and Benefits Hymans Robertson LLP JLT Consulting KPMG LLP Mercer Limited	
National LGPS Framework Agreement –	The Norfolk Pension Fund (National LGPS Frameworks) 4th Floor, Lawrence House Norwich NR2 1AD 01603 495922 nationalLGPSframeworks@norfolk.gov.uk	Actuarial Advisors and Benefits Consultancy	AON Hewitt Barnett Waddingham Hymans Robertson LLP Mercer Limited KPMG LLP Price Waterhouse Coopers LLP	All LGPS Funds
South West Framework	Environment Agency Horizon House Deanery Road Bristol BS1 5AH faith.ward@environment-agency.gov.uk	Investment Consultancy	Hymans Robertson, Mercer, Aon Hewitt, B-Finance, JLT	Environment Agency Pension Funds Bath & North East Somerset Cornwall Council Dorset County Council Gloucestershire County Council Somerset County Council Wiltshire Pension Fund
South West Framework	Environment Agency Horizon House Deanery Road Bristol	Actuarial Advisors	Barnett Waddingham, Hymans Robertson,	Environment Agency Pension Funds

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	BS1 5AH faith.ward@environment-agency.gov.uk		Mercer,	Bath & North East Somerset Cornwall Council Dorset County Council Gloucestershire County Council Somerset County Council Wiltshire Pension Fund
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Coming Soon

National LGPS Framework Agreement	The Norfolk Pension Fund (National LGPS Frameworks) 4th Floor, Lawrence House Norwich NR2 1AD 01603 495922 nationalLGPSframeworks@norfolk.gov.uk http://nationallgpsframeworks.org/	Legal Advisors		All LGPS Funds
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