

DECISION NUMBER: PCCG-2020-032	
OFFICE OF THE POLICE AND CRIME COMMISSIONER	
LEAD CHIEF OFFICER:	Nigel Stephens, Assistant Chief Officer Resources
TITLE:	Provision of a Pensions Administration and Pensioner Payroll Services
DATE:	12/10/20
TIMING:	Urgent
PURPOSE:	Award decision
1.	<u>RECOMMENDATION</u>
1.1	In accordance with paragraphs 84-86 of the Manual of Corporate Governance Part 3e – Standing Orders Relating to Contracts, it is recommended to provisionally award the Contract for the Provision of a Pensions Administration and Pensioner Payroll Service to XPS Administration Ltd.
2.	<u>INTRODUCTION & BACKGROUND</u>
2.1	South Wales Police (SWP), Gwent Police (GWP) and North Wales Police (NWP), currently outsource the provision for their pensions administration and pensioner payroll service to third party providers. SWP and GWP currently have a Contract with Capita, which is due to expire 31.12.20 and NWP currently have a contract with XPS Administration Ltd, which is due to expire 31.12.20. SWP and GWP are currently in discussion with Capita to further extend the current Contract until 31.3.21, in order to allow for a three month parallel run with the new provider. NWP will not need to allow for this as they will not change provider under the new Contract.
2.2	SWP acted as the lead Force on an open Official Journal of the European Union (OJEU) tender exercise, on behalf of SWP, GWP and NWP for the provision of a police pensions administration and pensioner payroll service. The new contract term is for five years, with the option to extend annually for a further two years.
3.	<u>ISSUES FOR CONSIDERATION</u>
3.1	The procurement opportunity was advertised as an Open OJEU opportunity, OJEU Ref 19609-2020(2020/S 010-019609) via Sell to Wales on 15.1.20. The procurement was completed on the eTender Wales web portal, with the closing date of 14 th February 2020. Fifteen suppliers accessed the tender documents. Five suppliers officially declined to respond. Three stated that they could not meet the Specification. One stated that they couldn't meet the transition timeframe and another stated that they declined on the basis of the potential requirement of a performance

	bond. Two bids were received in total.
3.2	<p>The evaluation criteria published within the tender document was</p> <p>Technical - 60%</p> <p>Commercial - 30%</p> <p>Presentation - 10%</p>
3.3	<p>Evaluation of the Technical and Commercial responses took place 24th February 2020.</p> <p>The evaluation panel consisted of representatives from Gwent and South Wales Finance Departments, North Wales Finance and Resources Depts. and South Wales Police Procurement Dept.</p> <p>The presentations from both bidders took place on 2nd July 2020, delayed mainly due to the outbreak of the COVID pandemic. The evaluation panel consisted of all members of the original evaluation panel as well as the Chief Financial Officers from Gwent, South Wales and North Wales Police</p>
3.4	Based on the criteria detailed in 3.2, XPS provided the Most Economically Advantageous Tender.
4.	<u>NEXT STEPS</u>
4.1	Upon approval of this report, in accordance with the Public Contract Regulations and Paragraph 89 of the Force Manual of Governance Part 3e – Standing Orders Relating to Contracts, all unsuccessful bidders who submitted a bid will be issued with a feedback letter that also contains details of the ten day standstill period notifying them of our intention to award. The letters will be sent via the e-tender Wales website.
4.2	The preferred bidder will receive an Intent to Award letter.
4.3	Once the ten day standstill period has ended, and if there have been no legal challenges, then a formal award letter will be sent to the preferred bidder, security questionnaires will be completed and then contracts will be drafted.
5.	<u>FINANCIAL CONSIDERATIONS</u>
5.1	The total cost of the contract for the initial 5 year term is £1,800,000 and covers South Wales Police, Gwent Police and North Wales Police. This does not include any extensions permitted under the contract.
6.	<u>PERSONNEL CONSIDERATIONS</u>
6.1	Three parallel payment runs will need to take place with the new Contractor, for three months prior to the commencement of the Services under the new Contract.
7.	<u>LEGAL IMPLICATIONS</u>

7.1	The tender was reviewed by Joint Legal Services who drafted the terms and conditions of contract. There are a number of amendments to be made to the final document prior to sending the contract documents out to be signed. This follows a number of requests from one of the bidders to amend the wording to a number of the terms.
8.	<u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u>
8.1	<p>This report has been considered against the general duty to promote equality, as stipulated under the Strategic Equality Plan and has been assessed not to discriminate against any particular group.</p> <p>Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report.</p>
9.	<u>RISK</u>
9.1	The current Contracts for Gwent and South Wales expire 31.12.20 but discussions are currently taking place to extend both Contracts to 31.3.21. The North Wales current Contract also expires 31.12.20 but, as the successful supplier is the incumbent supplier at North Wales, parallel runs will not be required and therefore an additional extension should not be necessary.
10.	<u>PUBLIC INTEREST</u>
10.1	This report is not to be published until after the contract is awarded, the standstill period has ended and the contracts have been signed. An award notice will be published via Sell to Wales in the public domain and the redacted contract will be published on BLPD.
11.	<u>CONTACT OFFICER</u>
11.1	Alyson Howe, Senior Procurement Officer, South Wales and Gwent Joint Commercial and Procurement Services
12.	<u>ANNEXES</u>
12.1	None

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Office of the Chief Constable

I confirm that **Contract Award Report for the Provision of Pensions Administration and Pensioner Payroll** report has been discussed and approved at a formal Chief Officers' meeting.

It is now forwarded to the OPCC for **approval** purposes.

Signature:




Date: 13.10.2020

Police and Crime Commissioner for Gwent

I confirm that I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct.

The above request has my approval.

Signature:



Date: 16.10.20