

# National **LGPS Framework** for Legal Services

## Introduction and joining instructions

**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**



National LGPS  
**Frameworks**

By LGPS Funds, for LGPS Funds

Issue 1 - January 2015

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# 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 legal services from a range of qualified providers.

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

As part of their **LGPS Opportunities for Collaboration, Cost Savings and Efficiencies** consultation, the Department of Communities and Local Government recognised that **"there are clear advantages and savings to making use of the National LGPS Frameworks"** and stated that **"Funds should give serious consideration to making greater use of these frameworks."**

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 legal services.

This framework is the result of collaboration between Buckinghamshire, Dorset, Norfolk and Suffolk County Councils, Lothian Pension Fund, the Environment Agency and the London Boroughs of Croydon and Hackney. Procurement, legal and project management support has been provided by Norfolk County Council, Norfolk Pension Fund and Norfolk Property Services.

# What is a framework agreement?

Frameworks are widely used across the public sector and increasingly in the LGPS. They are proven to be good for services that you can define and have demonstrated that considerable time and cost 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.

Many LGPS Funds need to access specialist legal advice, either regularly or as one-off pieces of work. Such advice can often be required at short notice.

This means that costly and time-consuming procurement exercises are regularly undertaken across some Funds, while others struggle to quickly and easily access suitable service providers.

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 Legal Services reduces the time and cost associated with procurement by offering a facility that has already been competitively tendered.

## Framework benefits:

- Easy access to pre-selected, specialist LGPS legal service provider
- Collaboration and partnership
- Flexibility
- Best practice procurement
- Agreed terms and conditions
- Efficiency
- Value for money
- Quality of service provision
- Value added services
- No fault break clause

**'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, Global Custody, Investment Consultancy and Legal Services from a wide range of qualified providers.

It removes the need to run a best practice, OJEU equivalent full tender exercise when procuring a longer term, single supplier relationship. For smaller, one-off pieces of work, the framework has already completed the 'pre-selection' work for users.

Agreed terms and conditions are provided so users can simply 'call-off' the framework to meet their requirements, therefore removing costly and time-consuming legal work from the procurement process.

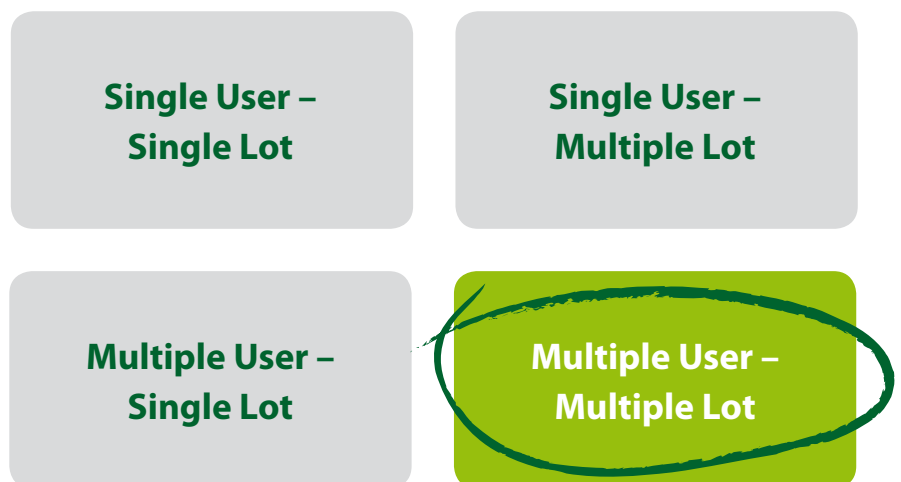
We believe that all LGPS Funds using the framework should benefit from the collaboration, which is why we have negotiated a collaborative rebate for all Funds that let services from the framework.

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

Using the framework will help Funds easily access the marketplace and 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 Legal Services is a multiple user, multiple lot framework – i.e. all LGPS Funds and their administering authorities can use the framework to procure a range of legal services.



# Why should I use this framework?

Accessing legal advice can be difficult for LGPS Funds, particularly those that don't regularly need these services and may be unfamiliar with the marketplace. Procurement can also take significant time and money, both for the awarding authority and service provider.

The National LGPS Framework for Legal Services 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 easy access to high-quality, efficient and effective legal services for all LGPS Funds and their administering authorities, at the best possible price.

## **The main benefits include:**

### **Easy access to pre-selected, specialist LGPS legal service providers**

Accessing legal advice can be difficult for LGPS Funds, particularly those that don't regularly need these services and may be unfamiliar with the marketplace. The National LGPS Framework provides an easy access route to pre-selected specialist providers who are best placed to deliver legal services to the LGPS generally, and in particular the investment and pensions sectors.

### **Collaboration and partnership**

The National LGPS Frameworks have been created in line with the Government's wish for LGPS Funds to seek ways of extending joint working and collaboration. They are helping to realise potential efficiencies and are giving LGPS Funds a clearer voice within the marketplace, along with helping to share knowledge, information, experience and best practice.

### **Flexibility**

National LGPS Frameworks reduce the time and cost associated with a full procurement exercise, which in turn allows you to be more flexible with the planning and running of any tender process via Further Competition. Depending on which Lot meets your requirements, there is also an option to Directly Award.

### **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 of services you require. The pre-agreed terms and conditions offer you contractual safeguards.

### **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.

### **Value added services**

All service providers on the framework offer an extensive selection of value added services, for example, sharing of advice already offered to other LGPS Funds to reduce duplication and facilitate a consistent approach across the LGPS, or email updates on new developments in the sector etc.

### **No fault break clause**

You have the right to suspend or terminate the contract with immediate effect at any time by giving written notice to the service provider.

# Framework route vs full procurement

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

## Full Tender Exercise

### Pre-Qualification

- Selection evaluation
- Financial evaluation
- Track record

### Tender

- Capacity and expertise
- Knowledge and understanding
- Organisation and people

### Select and award

- Evaluate and award

- Ceiling prices
- Terms and conditions

### Framework

#### Further Competition

- Refine requirement and evaluation criteria
- Tender
- Evaluate and award

### Framework

#### Direct Award

- Identify most suitable provider
- Invite supplier to provide service

**6 - 9 months**  
without framework

**reduced to...**

**2 - 3 weeks**  
with framework

**or...**

**Same day**  
with framework



# Who can use the National LGPS Framework for Legal Services?

The National LGPS Framework for Legal Services is a multi-provider framework agreement for the provision of legal services primarily in support of the Local Government Pension Scheme.

## **The framework may be used by:**

- Any administering authorities and any of their participating employing authorities as defined in the Local Government Pension Scheme Regulations 2013 SI 2013 No.2356 (as amended) and the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 as amended by SSI 2011/349;
- The Committee (the NILGOSC) and employing authorities as defined in the Local Government Pension Scheme (Administration) Regulations (Northern Ireland) 2009 / SRNI 2009/33;
- The Board of the Pension Protection Fund [www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk);
- Any other administering authority or organisation of a public sector pension scheme or any public sector body that requires pensions related legal advice; and
- Any Common or Collective Investment Vehicle established by or on behalf of an administering authority or group of administering authorities, Local Government Pension Funds or companies established by them for the purpose of operating on a collective basis.

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

**Francis Maude**

Minister for the Cabinet Office

# What services are covered by this framework?

The National LGPS Framework for Legal Services has five separate Lots covering different services:

Lot	Description	Number of Service Providers
1	Full Service (England and Wales)	8
2	Full Service (Scotland)	2
3	Investment (UK Wide)	8
4	Benefit Administration, Employer Bodies and Governance (England and Wales)	8
5	Benefit Administration, Employer Bodies and Governance (Scotland)	2

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.

## Lot 1 – Full Service (England and Wales)

The scope of **Lot 1** covers legal advice on all aspects of the law and regulations relevant to LGPS Administering Authorities and Employing Bodies **in England and Wales** and their involvement with the relevant pension fund, including but not limited to the areas outlined below:

- Pensions (including the LGPS regulations in England & Wales)
- Corporate
- Financial Services (transactional and regulatory)
- Investment funds and investment management
- Insurance
- Banking, Finance and Securities
- Partnership (including their use in fund structures)
- Private Client, Family and Trusts
- Insolvency
- Employment and Benefits (contentious and non-contentious)
- Taxation
- Public, Procurement and Freedom of Information
- EU and Competition

- Litigation and other forms of Dispute Resolution
- Intellectual Property (contentious and non-contentious), Technology and Data Protection
- Capital projects, PFI and Infrastructure
- Property

Customers can procure under this Lot where they:

- Require a firm to advise on all areas defined above under a long term (single provider) arrangement; or
- Require a specific piece of advice which either (a) cannot be provided for under the other 4 Lots, or (b) requires a combination of advice across different areas of expertise/ specialism of the nature required from a full service firm.

### **Lot 2 – Full Service (Scotland)**

The scope of **Lot 2** covers legal advice on all aspects of the law and regulations relevant to LGPS Administering Authorities and Employing Bodies **in Scotland** and their involvement with the relevant pension fund, including but not limited to the areas outlined below:

- Pensions (including the LGPS regulations in Scotland)
- Corporate
- Financial Services (transactional and regulatory)
- Investment funds and investment management
- Insurance
- Banking, Finance and Securities
- Partnership (including their use in fund structures)
- Private Client, Family and Trusts
- Insolvency
- Employment and Benefits (contentious and non-contentious)
- Taxation
- Public, Procurement and Freedom of Information

- EU and Competition
- Litigation and other forms of Dispute Resolution
- Intellectual Property (contentious and non-contentious), Technology and Data Protection
- Capital projects, PFI and Infrastructure
- Property

Providers will also be able to assist (whether in-house or via sub-contracted arrangements/networks) in connection with cross-border transactions within the EU, the US, off-shore and in other jurisdictions commonly encountered in investment and other investment management/administration transactions (including the emerging and developing markets).

Customers can procure under this Lot where they:-

- Require a firm to advise on all areas defined above under a long term (single provider) arrangement; or
- Require a specific piece of advice which either (a) cannot be provided for under the other 4 Lots, or (b) requires a combination of advice across different areas of expertise/specialism of the nature required from a full service firm.

### **Lot 3 – Investment Services (UK Wide)**

The scope of **Lot 3** covers legal advice on all aspects of pension fund investing and investment management/administration including but not limited to the areas outlined below to LGPS Administering Authorities and Employing Bodies **in England and Wales and Scotland:**

- Investment fund vehicles (regulated and unregulated), including limited partnerships, OEICs, Authorised and Unauthorised Unit Trusts, UCITS, REITs, listed vehicles and with a familiarity of other commonly used European, US and off-shore vehicles and their regulation.
- All forms of corporate and partnership vehicles commonly used in investment fund structures.

- Advising on Financial Services, Corporate and EU law as it applies to investment funds and investment practice in the UK (and including both compliance and transactional aspects).
- Investment management arrangements, agreements, relevant codes of practice and guidelines issued by UK statutory and industry bodies.
- Agreements for global custody and sub-custodian services, portfolio transition management, administration and other investment services.
- LGPS Investment Management Regulations (in England and Wales and Scotland).
- Advising on investment governance including the exercise of fiduciary duty by Committees, Environmental, Social and Governance (ESG) considerations, ethical and responsible investment matters, and the application of the Myners Principles, the UK Stewardship Code and any other subsequent codes of best practice.
- Instructing and liaising with specialist Counsel where required.
- Provide or enable access to specialist taxation support and knowledge in the investment funds/management sector, including advising on all UK pension fund taxation and application of VAT and VAT exemptions and having sufficient in-house expertise or networks to facilitate advice on overseas tax obligations/exemptions/recovery (e.g. US, EU, off-shore and other emerging jurisdictions) reviewing contracts with foreign tax agents, and providing advice on completion of foreign tax returns.

Providers will also be able to assist (whether in-house or via sub-contracted arrangements/networks), in connection with cross-border transactions within the EU, the US, off-shore and in other jurisdictions commonly encountered in investment and other investment management/administration transactions (including the emerging and developing markets).

## **Lot 4 – Benefits Administration, Employer Bodies and Governance (England and Wales)**

The scope of **Lot 4** covers legal advice on all aspects of the law, regulation and practice in relation to pension administration, management, governance and employer management/admission, including but not limited to those areas set out below to LGPS Administering Authorities and Employing Bodies **in England and Wales:**

- Employer admissions, reorganisations, cessations, payment plans and other risk mitigation strategies, including protecting pension fund and pension fund members interests in respect of organisational change, outsourcing and restructuring contracts, including TUPE, 'Fair Deal' and COSOP.
- Complex LGPS regulations and member communications to ensure they are both legally accurate to protect the funds from any liability or reliance risk and user-friendly for fund members to read and understand.
- The protection of accrued pension rights, Rule of 85 provisions, career breaks and opt-outs, benefit aggregation, early and flexible retirement terms, public sector transfer club rules, private sector transfers, and scope of transitional arrangements.
- The exercise of pension discretions including on making death grants and the establishment of trust arrangements for juveniles or incapacitated beneficiaries.
- Disbursement of pension fund benefits, exercise of delegations and the scope of any related policies and best practice guidance.
- The discharge of unfunded liabilities and payment of pension gratuities
- Pension issues arising from registered civil partnership and fund member divorce including ear marking and pensions sharing orders.
- Complex early pension release transfers and pension liberation schemes/fraud.
- Member complaints about their pension benefits, including

- drafting responses on Stage 1 and Stage 2 IDRPs and Pension Ombudsman cases, and advising funds on future prevention and mitigation measures.
- Implications of recent Appeal, Supreme and High Court and other case law and Pension Ombudsman's decisions.
- Recovery of pension fund overpayments and other payments made in error, handling of pension fraud and complex debt recovery cases including litigation and court action (including High Court) if required, and advising on the requirements of the unauthorised payments rules.
- Pension's knowledge and understanding requirements for Pension Committees/Boards, providing training at Committee/Panels/Sub-Group/Boards/in-house staff as required, and induction training for new appointees.
- Pensions Committees/Panels/Boards/Sub-Groups on internal pension fund governance matters (including compliance obligations, effective risk management and decision-making, sub-delegations, minimising conflicts of interests) and the new governance structures to be implemented by the Public Service Pensions Act 2013.
- Advising Pensions Committee and Board Chairmen, members, and pension fund management staff on all aspects of public and pension fund law, constitutional matters, governance and primary fiduciary duties toward the pension fund and the financial interests of fund members. Fiduciary responsibilities, liabilities and indemnities for Committee/Panel/Board members, Councillors, and fund members in their capacity as members of Pensions Committees/Panels/Boards.
- Pension funding obligations and fund deficit recovery and repayment plans from LGPS employers
- Advising on trust law where relevant to any LGPS matters.
- The impact of the machinery of government changes and government pension policies affecting LGPS funds and scheme employers, including the review of national consultation responses.

- Advising on third party benefit administration and service level agreements, pension bulk transfer agreements, Admitted Body and Transferee Admission Agreements, financial security bonds, guarantees, and Secretary of State Applications.
- Obligations for LGPS funds which derive from employers' HR policies and practices (or otherwise) e.g. Human Rights legislation, age discrimination, default retirement obligations etc.
- LGPS funds' obligations with respect to provision of contractually agreed benefit promises, dealing as necessary with CLG on potential regulatory amendments.
- Issues and impact on funds arising from the exercise of employer pension discretions, pensions issues arising from statutory redundancy and voluntary early retirement schemes, and ill-health retirement cases.
- Impact for funds of conversions of maintained schools to academies, and conversions of admitted bodies from registered companies to registered societies.
- New pensions law, finance acts, and Government's response to review reports and the legal mapping of anticipated changes for LGPS funds up to 2014/15 and beyond, plus possible transitional arrangements including new legislative and regulatory consultation exercises, and national and local government policy changes affecting LGPS pension funds and scheme employers.
- Instructing and liaising with specialist Counsel where required.
- Accessing specialist pensions taxation matters, including the scope of unauthorised payment rules, scheme pays and new AA and LTA rules, and any applicable employment tax rules, including US Foreign Account Tax Compliant Act (FATCA).



## **Lot 5 – Benefits Administration, Employer Bodies and Governance (Scotland)**

The scope of **Lot 5** covers legal advice on all aspects of the law, regulation and practice in relation to pension administration, management, governance and employer management/admission, including but not limited to those areas set out below to LGPS Administering Authorities and Employing Bodies **in Scotland:**

- Employer admissions, reorganisations, cessations, payment plans and other risk mitigation strategies, including protecting pension fund and pension fund member's interests in respect of organisational change, outsourcing and restructuring contracts, including TUPE and 'Fair Deal'.
- Complex LGPS regulations and member communications to ensure they are both legally accurate to protect the funds from any liability or reliance risk, and user-friendly for fund members to read and understand.
- The protection of accrued pension rights, Rule of 85 provisions, career breaks and opt-outs, benefit aggregation, early and flexible retirement terms, public sector transfer club rules, private sector transfers, and scope of transitional arrangements.
- The exercise of pension discretions including on making death grants and the establishment of trust arrangements for juveniles or incapacitated beneficiaries.
- Disbursement of pension fund benefits, the exercise of delegations and the scope of any related policies and best practice guidance.
- The discharge of unfunded liabilities and payment of pension gratuities.
- Pension issues arising from registered civil partnership and fund member divorce including ear marking and pensions sharing orders.
- Complex early pension release transfers and pension liberation schemes/fraud.

- Member complaints about their pension benefits, including drafting responses on Stage 1 and Stage 2 IDRPs and Pension Ombudsman cases, and advising funds on future prevention and mitigation measures.
- Implications of recent Appeal, Court of Session and other court case law and Pension Ombudsman's decisions.
- Recovery of pension fund overpayments and other payments made in error, handling of pension fraud and complex debt recovery cases including litigation and court action (including in the Court of Session/Supreme Court) if required, and advising on the requirements of the unauthorised payments rules.
- Pension's knowledge and understanding requirements for Pension Committees/Boards, providing training at Committee/Panels/Sub-Group/Boards/in-house staff as required, and induction training for new appointees.
- Pensions Committees/Panels/Boards/Sub-Groups on internal pension fund governance matters (including compliance obligations, effective risk management and decision-making, sub-delegations, minimising conflicts of interests) and the new governance structures to be implemented by the Public Service Pensions Act 2013.
- Advising Pensions Committee and Board Chairmen, members, and pension fund management staff on all aspects of public and pension fund law, constitutional matters, governance and primary fiduciary duties toward the pension fund and the financial interests of fund members
- Fiduciary responsibilities, liabilities and indemnities for Committee/Panel/Board members, Councillors, and fund members in their capacity as members of Pensions Committees/Panels/Boards.
- Pension funding obligations and fund deficit recovery and repayment plans from LGPS employers
- Advising on trust law where relevant to any LGPS matters.
- The impact of the machinery of government changes and government pension policies affecting LGPS funds and scheme employers, including the review of national consultation responses.

- Advising on pension bulk transfer agreements, Admitted Body and Transferee Admission Agreements, financial security bonds, guarantees, and Secretary of State Applications.
- Obligations for LGPS funds which derive from employers' HR policies and practices (or otherwise) e.g. Human Rights legislation, age discrimination, default retirement obligations etc.
- LGPS funds' obligations with respect to provision of contractually agreed benefit promises, dealing as necessary with SPPA/the Scottish government on potential regulatory amendments.
- Issues and impact on funds arising from the exercise of employer pension discretions, pensions issues arising from statutory redundancy and voluntary early retirement schemes, and ill-health retirement cases.
- Impact for funds of conversions of maintained schools to academies, and conversions of admitted bodies from registered companies to registered societies.
- New pensions law, finance acts, and Government's response to review reports and the legal mapping of anticipated changes for LGPS funds up to 2014/15 and beyond, plus possible transitional arrangements including new legislative and regulatory consultation exercises, and national and local government policy changes affecting LGPS pension funds and scheme employers.
- Instructing and liaising with specialist Counsel where required.
- Accessing specialist pension's taxation matters, including the scope of unauthorised payment rules, scheme pays and new AA and LTA rules, and any applicable employment tax rules, including US Foreign Account Tax Compliant Act (FATCA).

Who can provide services under this framework?

There are 11 service providers on the framework, across the five Lots:

Service Provider	Lot 1	Lot 2	Lot 3	Lot 4	Lot 5
Burges Salmon LLP	✓		✓	✓	
Burness Paull LLP		✓		✓	✓
DLA Piper UK LLP	✓			✓	
Eversheds LLP	✓		✓	✓	
Gowling WLG (UK) LLP	✓		✓	✓	
Maclay Murray & Spens LLP			✓		
Osborne Clarke	✓		✓	✓	
Pinsent Masons LLP	✓	✓	✓		✓
Sacker & Partners LLP			✓	✓	
Squire Patton Boggs (UK) LLP	✓		✓	✓	
Trowers & Hamblins LLP	✓				

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 you select the most appropriate provider.

What is the duration of the framework?

The National LGPS Framework for Legal Services commenced on 12 January 2015 and is open for 4 years.

Contracts awarded under the framework may be for a period of up to 5 years plus 2 years.

# How much does it cost and what will I save?

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** or at **Direct Award** if applicable. 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

There is a one-off joining fee of £3,500 for Lots 1 and 2 and £350 for Lots 3, 4 and 5. You will only need to pay a joining fee once then you will be able to Call-off from the relevant Lots of the National LGPS Framework for Legal Services as many times as you need during its lifetime.

Both joining fees give you access to the framework and prices (for the relevant Lots) 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.

The joining fee for Lots 1 and 2 is higher to reflect their longer-term 'Full Service' nature along with the main benefits of competitive framework prices that can be reduced at Call-off and removing the need for a separate, costly and time-consuming full regulation-compliant procurement exercise.

Lots 3, 4 and 5 have a lower joining fee that covers the administrative costs of the joining process, reflecting the smaller, more specific nature of the work involved.

See the benefits section under **Why should I use this framework?** for more.

## Pricing

Ceiling prices for all service providers on the National LGPS Framework for Legal Services are included in the **Pricing Schedule** supplied when you join.

All prices are maximum rates and are subject to further reduction at **Further Competition** or **Direct Award** if applicable.

## Rebates to framework users

The following rebate applies to **all** work awarded and delivered under the National LGPS Framework for Legal Services. It will be applied to the prices as agreed at **Further Competition** (or **Direct Award** if applicable) 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 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.

### **Travel and subsistence**

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

### **Rate review**

The ceiling prices remain fixed until 12 January 2017. On 13 January 2017, and again on 13 January 2018, ceiling prices will be increased in line with the most recent Retail Prices Index excluding mortgage index rates (RPIX) as published by the Office of National Statistics.

These price increases will not apply to Call-off Agreements already in place at the time of the increase; however Funds do have the option of agreeing these price increases with the successful service provider at the Award stage, should they wish to.

The ceiling prices for each service provider can be found in the **Pricing Schedule** supplied when you join.

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

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:

- Previous relevant experience for each of the Lots applied for in providing specialist legal services primarily acting for the LGPS Administering Authorities and/or Employing Authority matters if/where they interact with and have a bearing on the LGPS Administering Authority, as defined in the **What services are covered by this framework?** section
- At least one member of each service provider's pensions team is a member of the Association of Pensions Lawyers (APL) for each Lot they offer services under
- Provided two references from Local Government Pension Scheme Administering Authorities for whom they have provided services of similar size and scope to the requirements detailed in the tender for Legal Services, reference NCCT40518
- Comply with regulatory requirements relating to the filing of statutory accounts
- Statutory accounts (if any) have received a 'clean' audit opinion or, where the audit opinion is qualified, suitable, appropriate and timely action has been taken to deal with the issues raised
- The financial aspects of candidates' businesses (including but not limited to the payment of creditors) are properly managed
- Candidates' businesses are financially sustainable, including adequate liquidity, profitability, balance sheet strength and cash flow

**In order to be appointed to the framework, providers have demonstrated they have the right expertise and capacity to provide the services detailed on pages 10 to 19.**

**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 important you focus clearly on what you as a Fund need, so that Further Competition or Direct Award helps you select the most appropriate service provider.**

Q.

**Under the National LGPS Framework, are legal services providers scored or ranked? If so, are we under any obligation to use the highest scoring provider?**

A.

Service providers are not ranked within the framework. All service providers appointed to the framework are deemed capable, and therefore should be treated in the same way. The framework would not oblige you to use any specific service provider. If you wished to make an appointment under the framework you would either **Directly Award** or undertake a **Further Competition**, depending on the nature of your specific requirements.

## 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](mailto: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 Legal Services please complete and return a copy of the **Option Form** at Appendix 1.

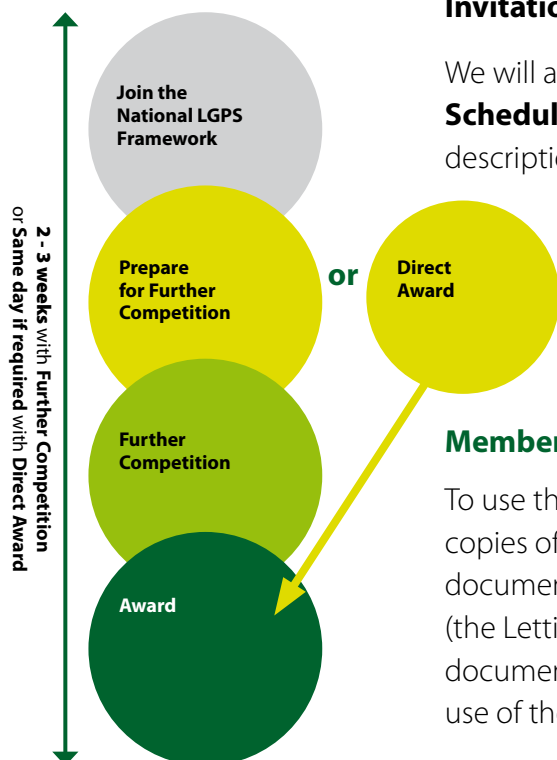
Via this form you can opt to receive more details or to join the framework.

## 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 Call-off** and an **Example Invitation to Tender Template**.

We will also send you **Call-off terms and conditions**, a **Pricing Schedule** and **Supplier Catalogues**, which include service descriptions and biographies/CVs.



## 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](mailto:NationalLGPSFrameworks@norfolk.gov.uk)

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

**Investment  
Consultancy Services**

**Actuarial and Benefit  
Consultancy Services**

**Global Custody  
Services**

National **LGPS Framework**  
for Investment Consultancy  
Services

Guidance notes

**Investment  
Consultancy Services**

Local choice  
Investment  
Consultancy Services  
Common Terms and Conditions  
National LGPS Frameworks  
Value for money Collaboration  
Best practice procurement  
Flexibility  
Efficiency savings  
Multi-provider  
LGPS

**Open for  
business**

National LGPS  
Frameworks  
By LGPS Funds, for LGPS Funds

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

Guidance notes

**Actuarial and Benefit  
Consultancy Services**

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

Issue 1 - July 2012

National **LGPS Framework**  
for Global Custody Services

Guidance notes

**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

**Available  
now!**

Issue 1 - November 2013

National LGPS  
Frameworks  
By LGPS Funds, for LGPS Funds

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 and any of their participating employing authorities as defined in the Local Government Pension Scheme Regulations 2013 SI 2013 No.2356 (as amended) and the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 as amended by SSI 2011/349;

The Committee (the NILGOSC) and employing authorities as defined in the Local Government Pension Scheme (Administration) Regulations (Northern Ireland) 2009 / SRNI 2009/33;

The Board of the Pension Protection Fund  
[www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk);

Any other administering authority or organisation of a public sector pension scheme or any public sector body that requires pensions related legal advice; and

Any Common or Collective Investment Vehicle established by or on behalf of an administering authority or group of administering authorities, Local Government Pension Funds or companies established by them for the purpose of operating on a collective basis'

## Question 2

### Do I need to use a Framework to procure Legal Services? Aren't they exempt from standard procurement regulations?

**A.** Legal Services are classed as a "Part B" service and therefore are not subject to the full Public Contracts Regulations (OJEU). However the benefits of the framework apply to all requirements (e.g. a defined list of suppliers, agreed terms and conditions etc.). You still need to ensure you comply with your local financial regulations and procurement best practice.

There is a new EU Procurement Directive due to come into force that removes the distinction between "Part A" and "Part B" services. Certain legal services will become subject to the full EU procurement regulations (as amended) while other legal requirements will be subject to a "light-touch" regime.

The National LGPS framework for Legal Services will provide an EU-compliant vehicle for purchasing legal services, even after the change is implemented in the UK.

### Question 3

#### How do we decide which Lot is suitable for our requirements?

**A.** You will need to clearly set out your specific requirements. The information under **What services are covered?** can be used as a basis, but you may need to expand on these to suit your own detailed requirements.

Lots 1 and 2 are primarily full service Lots, where you appoint a single supplier to cover all of your requirements for a set period of time.

Lots 3, 4 and 5 cover more individual areas of service and one-off pieces of work.

### Question 4

#### When can I Directly Award and when do I have to run a Further Competition?

**A.** You can **Directly Award** from Lots 3, 4 and 5 'as and when' you have a specific, one-off piece of work; however if you need a longer-term arrangement you will need to run a **Further Competition**.

Lots 1 and 2 are primarily **Full Service** Lots, where you can appoint a single supplier for a long term arrangement. This is done by running a **Further Competition**. If you require a specific piece of advice that either cannot be provided for under Lots 3, 4 or 5, or requires a combination of advice across different areas of expertise/specialism only available from providers under Lot 1 or 2, you may **Directly Award** from Lot 1 or 2.

### Question 5

#### What is the difference between the two types of Direct Award?

**A.** There are two methods of **Direct Award** under the National LGPS Framework for Legal Services – **Direct Award to Single Supplier** and **Direct Award following Quotes**.

**Direct Award to Single Supplier** is where you invite the service provider you have identified as most suitable, using the Call-off criteria, to provide the service within a given timescale. If they are unable to supply the service then subsequent service providers in order of suitability should be invited to supply the service within the given timescale.

**Direct Award following Quotes** is where you write to all the service providers you have identified as capable of providing the service you require and invite them to submit a tender in writing for each specific contract to be awarded. You should then choose the service provider which offers best value for money when judged by the Call-off criteria you have set out.

***Direct Award** is not suitable for longer-term arrangements i.e. anything more than a one off piece of work. In these instances **Further Competition** should be used to award your work.*

### Question 6

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

**A.** Service providers are not ranked within the framework. All service providers appointed to the framework are deemed capable, and therefore should be treated in the same way. The framework would not oblige you to use any specific service provider. If you wished to make an appointment under the framework you would either **Directly Award** or undertake a **Further Competition**, depending on the nature of your specific requirements.

### **Question 7**

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

**A.** This depends on the nature of your requirements and which Lots they fall under. Lots 1 and 2 are aimed at longer-term arrangements where you appoint one supplier for a set period of time. You will need to run a **Further Competition** to appoint from these Lots and it is best practice to invite all capable service providers to take part. By nature of their successful award to the framework, all service providers on the National LGPS Framework for Legal Services are deemed capable. You would need a clear and justifiable reason to exclude any service provider.

Lots 3, 4 and 5 are designed for smaller, one-off pieces of work and as such contracts can be **Directly Awarded** without the need for **Further Competition**.

### **Question 8**

**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 further defining the criteria, inserting sub criteria and adjusting weightings. You must declare **all** your evaluation criteria.

### **Question 9**

**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 10**

**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 Call-off 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.

### **Question 11**

**How much does it cost to join the framework?**

**A.** There is a one-off joining fee of £3,500 for Lots 1 and 2 and £350 for Lots 3, 4 and 5. You will only need to pay a joining fee once then you will be able to Call-off from the relevant Lots of the National LGPS Framework for Legal Services as many times as you need during its lifetime.

### **Question 12**

**What do we get for these fees and why are they so different?**

**A.** Both joining fees give you access to the framework and prices (for the relevant Lots) 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.

The joining fee for Lots 1 and 2 is higher to reflect their longer-term 'Full Service' nature along with the main benefits of competitive framework prices that can be reduced at Call-off and removing the need for a separate, costly and time-consuming full regulation-compliant procurement exercise.

Lots 3, 4 and 5 have a lower joining fee that covers the administrative costs of the joining process, reflecting the smaller, more specific nature of the work involved.

See the benefits section under **Why should I use this framework?** for more.



### Question 13

#### 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 14

#### 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 15

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

**A.** You have the right to suspend or terminate the contract with immediate effect at any time by giving written notice to the service provider.

### Question 16

#### 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 may wish to include service provider interviews as part of your **Further Competition** process – for example, if you want to meet your potential client relationship manager.

If you decide to include moderation interviews as part of your **Further Competition** evaluation process, you will need to invite all service providers.

### Question 17

#### Do I have to use the templates provided on joining 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, the **Guide to Call-off** and **Example Invitation to Tender** 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 **Pro Forma Letter of Appointment** for all orders placed under the framework, as this forms the contract between yourselves and the successful service provider.

If you have any questions about any of the templates and guides, please contact us on 01603 495922 or [NationalLGPSFrameworks@norfolk.gov.uk](mailto:NationalLGPSFrameworks@norfolk.gov.uk).

# 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 an 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 Call-off 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 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** without the need for **Further Competition**.

### **Further Competition (sometimes referred to as mini-competition)**

Competitions run by awarding authorities in order to evaluate service providers when awarding contracts under Lots 1 and 2 as part of 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 Legal 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.

### **Pro Forma Letter of Appointment**

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 legal services as part of the National LGPS Framework.

### **Terms and conditions**


In this instance, the Call-off terms and conditions that, along with a Pro Forma Letter of Appointment, 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