

Derbyshire County Council**Meeting of Cabinet Member for Council Services****27th February 2017****Report of the Strategic Director of Corporate Resources****PROCUREMENT OF THE PENSIONS DATA ANALYSIS AND RETRIEVAL TOOL (DART)****1. Purpose of the Report**

To seek approval under Protocol 8 of the Council's Financial Regulations to procure the 'Data Analysis and Retrieval Tool' (**DART**) for use by the Derbyshire Pension Fund for an expected term of three years

2. Information and Analysis

Further to the implementation of the Civica Universal Pensions Manager (**UPM**) Pensions Administration System in December 2014, and the subsequent migration of Pension Fund records from the previous system, significant data issues have been experienced. These issues are difficult and time-consuming to identify and rectify, and as a result, extra administrative effort and expense is invested on an ongoing basis to enable the accurate calculation of Local Government Pension Scheme (**LGPS**) benefits, and the provision of accurate Pension Fund data.

The Pensions Team has been working with Civica to resolve numerous issues with the UPM system over the past 2 years, however the data problems persist. Also, the standard reporting functionality does not meet requirements.

Along with the Derbyshire Pension Fund and six other LGPS Funds in England and Wales, South Yorkshire Pensions Authority (**SYPA**) migrated its data to Civica UPM in December 2014, and has faced the same issues. As a standalone Pensions Authority, however, SYPA directly employs a team of pensions specialist IT officers who have developed a solution to the data and reporting issues, known as DART.

As an effective data cleansing and reporting tool, specifically designed to work with the Civica UPM system, DART enables data issues to be identified and allocated for resolution, thereby speeding up the benefit calculation processes, improving the accuracy of performance data and supporting key

tasks such as Annual Benefit Statement production and the triennial Fund Valuation exercise.

There are no other similar products available on the market and Civica has no plans to develop this type of functionality themselves within the timescales of our current contract. DART is, therefore, entirely bespoke and can be purchased only from SYPA.

The benefits described will translate into efficiency savings, and an improved reputation in the eyes of the Pensions Committee, the Pensions Board and the Pensions Regulator, all of whom expect high standards of pensions administration. In particular, the Pension Fund cannot develop its planned on-line, self-service solution for Pension Fund members and employing authorities until the existing data issues are resolved.

The proposal to procure DART under a sole supply arrangement has been supported by a business case which has been approved by the Director of Finance and Director of Legal Services.

3. Financial Considerations

In the first year there would be the cost of the product and the set up costs, plus the annual support and maintenance charge. Subsequent years would just incur the support and maintenance charge.

ONE-OFF CHARGES	
Cost of the product	£11,150
Set up cost	£5,000
ANNUAL CHARGES	
Support and Maintenance 3 x £2,850	£8,550
TOTAL CHARGES:	£24,700

The costs will initially be met from the Corporate Finance Budget and then recharged to the Pension Fund as part of the total charge for the administration function.

4. Legal Considerations

The Director of Legal Services will assist the Strategic Director of Corporate Resources to ensure that appropriate contracting arrangements are in place for this procurement.

5. Social Value Considerations

The current and former employees of the Derbyshire Pension Fund's 190 employing authorities, who are LGPS members, will benefit from the proposed purchase in terms of improved accuracy and efficiency in the maintenance of their pension records, the calculation of their pension benefits and the provision of their Annual Benefit Statements.

6. Other Considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime and disorder, equality of opportunity, environmental, health, property and transport considerations.

7. Key Decision

No.

8. Call-in

Is it necessary that the call-in be waived in respect of the decisions proposed in the report? No

9. Officer Recommendation

That the Cabinet Member approves, under Protocol 8 of the Council's Financial Regulations, the procurement of DART for a period of three years.

Judith Greenhalgh
Strategic Director of Corporate Resources