

United Kingdom-Croydon: Financial and insurance services

OJ S 14/2014 21/01/2014

Contract notice

Services

Directive 2004/18/EC

Section I: Contracting authority

I.1. Name and addresses

Official name: The Board of the Pension Protection Fund (The Board or PPF)

Postal address: Knollys House, 17 Addiscombe Road

Town: Croydon

Postal code: CR0 6SR

Country: United Kingdom

For the attention of: Richard Freed

E-mail: procurement@ppf.gsi.gov.uk

Telephone: +44 8456002541

Internet address(es):General address of the contracting authority: www.pensionprotectionfund.org.ukAddress of the buyer profile: <https://ppf.bravosolution.co.uk/web/login.html>**Additional information can be obtained from:**

the abovementioned address

Specifications and additional documents (including documents for competitive dialogue and a dynamic purchasing system) can be obtained from:

the abovementioned address

Tenders or requests to participate must be submitted: the abovementioned address**I.2. Type of the contracting authority**

Body governed by public law

I.3. Main activity

General public services

Other: Pension Protection

I.4. Contract award on behalf of other contracting authorities

The contracting authority is purchasing on behalf of other contracting authorities: no

Section II: Object of the contract

II.1. Description**II.1.1. Title attributed to the contract by the contracting authority**

Investment management services with respect to Direct Lending to UK Corporates.

II.1.2. Type of contract and place of performance or delivery

Services

Service category No 6: Financial services a) Insurances services b) Banking and investment services

NUTS code UK United Kingdom

II.1.3. Information about a framework agreement or a dynamic purchasing system

The notice involves a public contract

II.1.4. Information about framework agreement

II.1.5. Short description of the contract or purchase(s)

The Board intends to invest in funds lending mainly to companies with a UK presence. In order to achieve this, the Board is seeking to appoint one or two investment managers capable of: originating lending transactions directly with companies; and, managing the investments in the portfolio. The legal form of the lending transactions may be loans or private debt securities. The Board's investment is to be managed as a separately managed account. However, the manager, its parent or affiliate must co-invest alongside the Board in the individual lending transactions.

The Board is seeking to build a portfolio of lending transactions with the following characteristics:

- Fixed rate or inflation linked in Pound Sterling;
- Long term maturity, in excess of 5 years;
- Investment grade quality; and
- Originated directly with the borrower or through primary market syndication.

The minimum criteria are as follows:

- Necessary authorisation under the Financial Services and Markets Act 2000 with permission or passports to carry on investment management services in the UK (or explain why it does not require such authorisation).
- A track record of originating direct lending transactions with UK borrowers for a minimum of 10 years as of 31.12.2012.
- Manage a minimum of GBP 3bn in direct lending transactions with UK borrowers in Pound Sterling or other currency as of 31.12.2012.
- Ability to co-invest 50 % with the Board in each lending transaction.
- Ability to originate minimum GBP 150m per annum in long-term fixed rate investment grade lending transactions in Pound Sterling for the Board.
- Can demonstrate ability to generate a robust illiquidity premium through time.
- The Manager has or would expect to be able to:
 - a. achieve a favourable rating from a reputable adviser with respect to its investment capability;
 - b. pass a detailed independent operational risk assessment; and
 - c. pass a compliance and legal review by the Board.

Please see the ITT for further details on the Bravo website: <https://ppf.bravosolution.co.uk>

Note: to register your interest in this notice and obtain any additional information please visit the Bravo website: <https://ppf.bravosolution.co.uk> All questions for the Board should be submitted via this portal on the Bravo website. If you have any issues with the Bravo web site please contact their customer support on Freephone: +44 8003684850.

II.1.6. CPV code(s)

66000000 Financial and insurance services

II.1.7. Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: yes

II.1.8. Lots

This contract is divided into lots: no

II.1.9. Information about variants

Variants will be accepted: yes

II.2. Scope of the procurement

II.2.1. Total quantity or scope

II.2.2. Information about options

II.2.3. Information about renewals

II.3. Duration of the contract or time limit for completion

Section III: Legal, economic, financial and technical information

III.1. Conditions related to the contract

III.1.1. Deposits and guarantees required

III.1.2. Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them

III.1.3. Legal form to be taken by the group of economic operators to whom the contract is to be awarded

III.1.4. Contract performance conditions

III.2. Conditions for participation

III.2.1. Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

III.2.2. Economic and financial ability

III.2.3. Technical and professional ability

III.2.4. Information about reserved contracts

III.3. Conditions specific to services contracts

III.3.1. Information about a particular profession

III.3.2. Information about staff responsible for the performance of the contract

Section IV: Procedure

IV.1. Type of procedure

IV.1.1. Type of procedure

Open

IV.1.2. Information about the limits on the number of candidates to be invited

Objective criteria for choosing the limited number of candidates: see Tender

IV.1.3. Information about reduction of the number of solutions or tenders during negotiation or dialogue

IV.2. Award criteria

IV.2.1. Award criteria

The most economically advantageous tender in terms of Price is not the only award criterion and all criteria are stated only in the procurement documents

IV.2.2. Information about electronic auction

An electronic auction will be used: no

IV.3. Administrative information

IV.3.1. File reference number attributed by the contracting authority

IV.3.2. Previous publication concerning this procedure

Prior information notice

Notice number in the OJ S: [2013/S 210-364227](#)

IV.3.3. Conditions for obtaining specifications and additional documents or descriptive document

Payable documents: no

IV.3.4. Time limit for receipt of tenders or requests to participate

4.2.2014 - 11:00

IV.3.5. Estimated date of dispatch of invitations to tender or to participate to selected candidates

IV.3.6. Languages in which tenders or requests to participate may be submitted

English.

IV.3.7. Minimum time frame during which the tenderer must maintain the tender

IV.3.8. Conditions for opening of tenders

Section VI: Complementary information

VI.1. Information about recurrence

This is a recurrent procurement: no

VI.2. Information about European Union funds

The procurement is related to a project and/or programme financed by European Union funds: no

VI.3. Additional information

For further information on the Contracting Authority, kindly review their web site: <http://www.pensionprotectionfund.org.uk>

The Contracting Authority was set up under the provisions of the Pensions Act 2004 in April 2005 and is classified as a public financial corporation. It has been established to pay compensation to members of eligible defined benefit and hybrid pension schemes when there has been a qualifying insolvency event in relation to the employer, and where there are insufficient assets in the pension scheme to cover Pension Protection Fund levels of compensation.

For further information on our investments, please see our website: <http://www.pensionprotectionfund.org.uk/About-Us/Pages/Investment.aspx>

A copy of our SIP is available here: http://www.pensionprotectionfund.org.uk/DocumentLibrary/Documents/SIP_November_2012.pdf

The SIP (Statement of Investment Principles) sets out the Board's principles and policies governing the investment of its assets.

The Contracting Authority has a detailed risk management framework in place. As part of procurement and contract management, we will assess managers' ability to operate within this framework and seek to understand the risk management processes adopted by the suppliers.

The Contracting Authority is committed to responsible investment (RI) across our portfolio.

As part of procurement and contract management we will assess managers' ability to comply with our RI policies. For further information on those policies, please see:

<http://www.pensionprotectionfund.org.uk/investment/Pages/ResponsibleInvestment.aspx>

Further to IV.3.2) above, previous publication(s) concerning the same contract, this notice follows on from OJEU Prior information notice [2013/S 210-364227](#) which referred to Investment Management and/or Investment Advisory Services and in particular Illiquid Assets. Direct Lending to UK Corporates investment management services is part of Illiquid Assets therefore the Board will be reducing timescales in accordance with the Public Contracts Regulations 2006.

Note: to register your interest in this notice and obtain any additional information please visit the Bravo website: <https://ppf.bravosolution.co.uk> All questions for the Board should be submitted via this portal. If you have any issues with the Bravo web site please contact their customer support on Freephone: +44 8003684850. Tenderers must respond in advance of deadline stated and we suggest you download the tender documentation from the tender portal ASAP.

Note in relation to Legal terms: the Board anticipate using a number of standard provisions which will be available in the invitation to tender. The Board is looking to engage with organisations that can be flexible and accommodate the commercial terms on which the Board is proposing. For further information please see the invitation to tender. The Freedom of Information Act (FOIA) 2000 which came into force on 1.1.2005 applies to the contracting authority. If any tenderer considers that any information supplied by them is either commercially sensitive or confidential in nature, this should be highlighted and the reasons for its sensitivity specified in the tender response. The contract shall be made in English and according to English Law and subject to the jurisdiction of the English courts.

Note in relation to Reporting: fund accounting sits within the Board's Finance Directorate and works closely with Board's global custodian (currently State Street) and is responsible for accounting for the Board's invested assets within a controlled environment. It is essential that month end valuations are forwarded to the Board's global custodian no later than 5 (five) business days after the month end. Compliance with the custodian's investment manager guide is essential. The Board is required to prepare its financial statements under International Financial Reporting Standards. For further information please see the invitation to tender.

VI.4. Procedures for review

VI.4.1. Review body

VI.4.2. Review procedure

VI.4.3. Service from which information about the review procedure may be obtained

VI.5. Date of dispatch of this notice

17.1.2014