

United Kingdom-London: Financial consultancy services

OJ S 86/2014 03/05/2014

Contract notice

Services

Directive 2004/18/EC**Section I: Contracting authority**

I.1. Name and addresses

Official name: Financial Services Compensation Scheme Limited

Postal address: 10th Floor Beaufort House, 15 St Botolph Street

Town: London

Postal code: EC3A 7QU

Country: United Kingdom

Contact person: Procurement Team

For the attention of: Peter Quinn

E-mail: fscs212@fscs.org.uk

Telephone: +44 2073758192

Internet address(es):General address of the contracting authority: <http://www.fscs.org.uk>**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

Economic and financial affairs

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**

FSCS212 Claims Processing & Remediation Services.

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

Main site or place of performance: United Kingdom of Great Britain and Northern Ireland.

NUTS code

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

The procurement involves the establishment of a framework agreement

II.1.4. Information about framework agreement

Framework agreement with several operators

Maximum number Envisaged maximum number of participants to the framework agreement
: 4

Duration of the framework agreement

Duration in months: 48

Estimated total value of purchases for the entire duration of the framework agreement

Estimated value excluding VAT:

Range: between 10 000 000 and 50 000 000 GBP

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

FSCS is seeking to establish a replacement Framework Agreement with a maximum of four suppliers to supply Claims Processing and remediation services utilising the FSCS's claims management system. In very specific circumstances only, the suppliers may be required to use their own proprietary systems for processing claims.

Interested parties are invited to express interest in Claims Processing and remediation services in relation to the following types of Claim;

- Investments
- Home Finance
- Insurance Intermediation
- Deposits

II.1.6. CPV code(s)

66171000 Financial consultancy services, 66172000 Financial transaction processing and clearing-house services, 66170000 Financial consultancy, financial transaction processing and clearing-house services, 79410000 Business and management consultancy services

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

The procurement is covered by the Government Procurement Agreement: no

II.1.8. Lots

This contract is divided into lots: no

II.1.9. Information about variants

Variants will be accepted: no

II.2. Scope of the procurement

II.2.1. Total quantity or scope

FSCS wishes to appoint a maximum of four suppliers to deliver the Claims Processing and Remediation Services. The claims are expected to be processed within FSCS' own claims management system.

Set out below is a description of the types of claims FSCS receives, historical volumes, expected BAU volumes and the volumes FSCS may need to deal with if a large default occurred and the activities generally required to process claims and complete other related tasks.

Claim Types:

Investment claims

Investment claims processed by FSCS relate to Designated Investment Business in relation to a Designated Investment, as defined by the FCA's Glossary: <http://fshandbook.info/FS/html/FCA/Glossary>

In the case of most investments, FSCS can consider claims in relation to business conducted on or after 28 August 1988.

Designated Investments encompass a broad array of product types, including (but not limited to);

- Personal Pension Plans
- Shares
- Collective Investment Schemes
- Endowments
- Derivatives
- Investment Bonds

The types of claim which FSCS will commonly see include;

- Claims against IFAs and other intermediaries in relation to the suitability of investment advice given
- Mismanagement claims, for example in relation to how funds were managed on a discretionary basis or the failure to follow investment instructions
- Misappropriation / theft; where investor funds were stolen or proceeds not passed back to the investor
- Misleading literature or misrepresentation; where promotional materials were inaccurate and the investor based their investment decision on misleading or incorrect information
- Property claims; the non-return of funds or assets held by an authorised firm on behalf of an investor that cannot be returned following the insolvency of the authorised firm

Home Finance claims

Home Finance claims processed by FSCS relate to Regulated Mortgage Activity in relation to a Regulated Mortgage Contract, as defined by the FCA's Glossary: <http://fshandbook.info/FS/html/FCA/Glossary>

The following are regulated Home Finance transactions;

- Regulated mortgage contracts: Regulated from 31 October 2004
- Home purchase plans: Regulated from 6 April 2007
- Home reversion plans: Regulated from 6 April 2007

FSCS can only consider claims relating to the three types of Home Finance transaction from the date that the relevant type of transaction was first regulated.

Home Finance claims seen by FSCS typically relate to advice given by an intermediary to take out a Regulated Mortgage Contract, although FSCS has also seen some claims in relation to the misappropriation of funds in connection with a Regulated Mortgage Activity.

Insurance Intermediation claims

Insurance Intermediation claims processed by FSCS relate to Insurance Mediation Activity in relation to a Contract of Insurance, as defined by the FCA's Glossary: <http://fshandbook.info/FS/html/FCA/Glossary>

Insurance mediation business was first regulated by the Financial Services Authority on 14 January 2005; FSCS can consider claims in relation to business conducted since this date. By far the biggest category of Insurance Intermediation claim seen by FSCS to date relates to advice to take out Payment Protection Insurance (PPI). However, FSCS has also dealt with claims in relation to;

- Return of premium (e.g. premiums stolen or not paid to the insurer, so no cover is effective)
- The non-delivery of settlement proceeds or premium rebates or refunds
- Where the policyholder made a claim under a policy and no policy had been affected or, due to negligent advice, the policy did not cover the claim made.

Deposit Claims

Claims that arise from a failure of any PRA authorised deposit taking institution such as banks, building societies and credit unions.

Since 1 January 2011 all eligible individuals and small businesses receive compensation within twenty working days; this is required under the Deposit Guarantee Scheme Directive (DGSD). Within the UK there is also a stated requirement to pay the majority of claims within seven calendar days.

Towards this, deposit taking institutions are required to keep up-to-date information as to deposits held with them by their eligible customers on a 'Single Customer View' (SCV) file, to allow quicker processing of claims. In the event of a failure of a deposit taking institution, the deposit taker in default is required to send the SCV file to FSCS for processing.

FSCS will verify the contents of the deposit taker's SCV file and pay out compensation automatically on all verified claims within seven days.

Deposit tasks required include (but are not limited to);

- Manually assessing the 'not fit for straight through payout' claims
- Manually assessing accounts where ownership of the funds is not clear from the deposit taker's records (e.g. where an account holds client funds or accounts held by trusts). These claims are referred to as 'SCV exclusion'
- Post payment activities, including, re-issuance of payments, top-up payments and other customer initiated activities are also undertaken.

Claims Processing & Remediation Services

The suppliers will undertake some or all of the following Claims Processing and remediation services (note that not all claims are subject to all of the activities):

- Mobilisation;
 - o Technical enablement and support for claims management systems and data links
 - o Recruitment of competent staff, including completing necessary vetting
 - o Initial and ongoing training of staff on policies and procedures required to process claims
 - o Service readiness testing
- Initial Contact Function
 - o Pre-screening support
 - o Registration Support
 - o Customer support over
- Undertake evidence checking and data gathering which will involve the following;
 - o Triage of evidence received to ensure it meets the minimum requirements for claim type
 - o Requesting (by telephone, letter, fax, email or other agreed method) from third parties (such as the claimant, providers of financial services products or financial regulators) such information as is necessary to complete the claim
 - o Monitoring and recording evidence received
 - o Chasing and closing non-respondents
 - o Provision of supporting MI
- Undertake calculation of compensation amounts which will involve the following;
 - o Calculation of loss in accordance with the FSCS's relevant procedures
 - o May include use of specialist calculation tools (e.g.Redress Manager)
- Undertake an eligibility assessment which will involve the following;
 - o Assessment of particulars of claim against the FSCS's rules and policies
 - o Sanctions checking
- Obtain sign-off and distribute of Decision documentation (Uphold or Rejection notifications) which will involve the following;
 - o Formal review and sign-off of claim by an accredited individual
 - o Merging relevant claim information to template document
 - o Provision of supporting MI
- Make Payment which will involve the following;
 - o Issuing of compensation payments to claimants

- Undertake other related activities which may involve the following;
 - o Doing initial review of claims assigned to outsourcers to ensure they are correctly assigned
 - o Consultancy services to work with and assist FSCS on in-house tasks
 - o Dealing with incoming enquiries (by telephone, letter, fax, email or other agreed method) in relation to claims or potential claims being processed, including use of the FSCS online portal to submit claims
 - o Initiating, documenting, assisting and piloting changes and improvements to processes
 - o Identifying, monitoring and mitigating risks
 - o Integrating own claims management system and provision of data exchange data with FSCS system, if required
 - o Participation in audit or assurance tasks
 - o Post Pay-out activity related to claims paid initiated by the claimant. (This may be in the form of correspondence, telephone calls, emails or re-sending payments etc.)

Estimated value excluding VAT:

Range: between 10 000 000 and 50 000 000 GBP

II.2.2. Information about options

Options: no

II.2.3. Information about renewals

This contract is subject to renewal: no

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

Duration in months: 48 (from the award of the contract)

Section III: Legal, economic, financial and technical information

III.1. Conditions related to the contract

III.1.1. Deposits and guarantees required

Details set out in the pre-qualification questionnaire

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

Details set out in the pre-qualification questionnaire

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

Please note that where a consortium or other grouping of suppliers submits a bid, such consortia and grouping must nominate a lead organisation to deal with the FSCS on all matters relative to the framework agreement. All consortium members or grouping will be required to be jointly and severally liable in respect of the obligations and liabilities relating to the framework agreement.

III.1.4. Contract performance conditions

The performance of the contract is subject to particular conditions: yes

Description of particular conditions: Details set out in the ITT (Invitation to Tender)

III.2. Conditions for participation

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

List and brief description of conditions: Details set out in the pre-qualification questionnaire

III.2.2. Economic and financial ability

List and brief description of conditions: Details set out in the pre-qualification questionnaire

III.2.3. Technical and professional ability

List and brief description of conditions:
Details set out in the pre-qualification questionnaire

III.2.4. Information about reserved contracts

III.3. Conditions specific to services contracts

III.3.1. Information about a particular profession

Execution of the service is reserved to a particular profession: no

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

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract: no

Section IV: Procedure

IV.1. Type of procedure

IV.1.1. Type of procedure

Restricted

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

Envisaged minimum number 5: and Maximum number 7

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

FSCS212 Claims Processing & Remediation Services

IV.3.2. Previous publication concerning this procedure

Prior information notice

Notice number in the OJ S: [2014/S 33-053632](#) of 15.2.2014

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

Time limit for receipt of requests for documents or for accessing documents: 9.6.2014 - 12:00
Payable documents: no

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

9.6.2014 - 12:00

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

25.6.2014

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

Applicants are required to e-mail fscs212@fscs.org.uk in order to lodge their expression of interest for the procurement. Upon receipt, a user-name and password will be issued so to access the FSCS secure web portal in order to review the PQQ documents.

VI.4. Procedures for review

VI.4.1. Review body

Official name: The High Court of England & Wales
Country: United Kingdom

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

30.4.2014