

United Kingdom-Glasgow: Pension fund management services

OJ S 245/2018 20/12/2018

Contract notice**Services****Legal Basis:**

Directive 2014/24/EU

Section I: Contracting authority

I.1. Name and addresses

Official name: Glasgow City Council as the administering authority for the Strathclyde Pension Fund

Postal address: Strathclyde Pension Fund Office, PO Box 27001

Town: Glasgow

NUTS code: UKM82 Glasgow City

Postal code: G2 9EW

Country: United Kingdom

Contact person: Richard Keery

E-mail: richard.keery@fs.glasgow.gov.uk

Telephone: +44 1412877398

Fax: +44 1412877358

Internet address(es):

Main address: www.spfo.org.uk

Address of the buyer profile: https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA13562

I.2. Information about joint procurement

The contract is awarded by a central purchasing body

I.3. Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://Strathclyde2018CorpDebtSearch@hymans.co.uk>

Tenders or requests to participate must be submitted electronically via:

<https://Strathclyde2018CorpDebtSearch@hymans.co.uk>

Additional information can be obtained from another address:

Official name: Hymans Robertson LLP

Postal address: 20 Waterloo Street

Town: Glasgow

NUTS code: UKM82 Glasgow City

Postal code: G2 6DB

Country: United Kingdom

Contact person: David Walker

E-mail: Strathclyde2018CorpDebtSearch@hymans.co.uk

Telephone: +44 1415667733

Internet address(es):

Main address: www.hymans.co.uk

I.4. Type of the contracting authority

Regional or local authority

I.5. Main activity

Economic and financial affairs

Section II: Object

II.1. Scope of the procurement

II.1.1. Title

Appointment of Pension Fund Manager - Private Corporate Debt

II.1.2. Main CPV code

66141000 Pension fund management services

II.1.3. Type of contract

Services

II.1.4. Short description

Glasgow City Council, as administering authority to the Strathclyde Pension Fund, is seeking to appoint an investment manager, or managers, to manage a private corporate debt mandate. Managers and proposed mandates will need to be able to comply with LGPS regulations. The manager should be able to offer an implementation solution either through the construction of a segregated evergreen portfolio or through the management and allocation to a range of underlying debt managers.

II.1.5. Estimated total value

II.1.6. Information about lots

This contract is divided into lots: no

II.2. Description

II.2.3. Place of performance

NUTS code: UKM82 Glasgow City

Main site or place of performance: Strathclyde

II.2.4. Description of the procurement

Glasgow City Council, as administering authority to the Strathclyde Pension Fund, is seeking to appoint an investment manager, or managers, to manage a private corporate debt mandate. Managers and proposed mandates will need to be able to comply with LGPS regulations. The manager should be able to offer an implementation solution either through the construction of a segregated evergreen portfolio or through the management and allocation to a range of underlying debt managers.

The mandate will be focused predominantly on senior secured direct corporate lending, either first or second lien, to corporate borrowers.

The loans should be viewed as equivalent to sub-investment grade credit risk. The strategy may also include allocations to unitranche, mezzanine (junior debt) and other forms of debt and potentially a small allocation to equity.

The expected return on this mandate is in the region of LIBOR plus 4-6 % p.a. net of fees and costs. The proposed mandate size is between 300 000 GBP and 600 000 GBP, although Glasgow City Council reserve the right to alter the value and coverage of the mandate both initially and over the period of the mandate.

II.2.5.

Award criteria

Criteria below

Quality criterion - Name: People / Weighting: 10

Quality criterion - Name: Philosophy / Weighting: 10

Quality criterion - Name: Process / Weighting: 10

Quality criterion - Name: Corporate Capability / Weighting: 10

Quality criterion - Name: Fair Work Practices / Weighting: 5

Quality criterion - Name: Sustainability / Weighting: 5

Quality criterion - Name: Suitability - Interview / Weighting: 10

Quality criterion - Name: Likelihood of success - Interview / Weighting: 10

Quality criterion - Name: Added Value - Interview / Weighting: 10

Price - Weighting: 20

II.2.6. Estimated value

II.2.7. Duration of the contract, framework agreement or dynamic purchasing system

Duration in months: 60

This contract is subject to renewal: yes

Description of renewals:

The contract will commence on the Commencement Date as detailed in the Investment Management Agreement ("IMA") and shall continue in full force and effect until terminated in accordance with the terms of the IMA. Please refer to Clauses 25 and 26 of the IMA for full details.

II.2.10. Information about variants

Variants will be accepted: no

II.2.11. Information about options

Options: no

II.2.13. Information about European Union funds

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

II.2.14. Additional information

Section III: Legal, economic, financial and technical information

III.1. Conditions for participation

III.1.1. Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers

List and brief description of conditions:

Please refer to Section 3 - Exclusion - of the ESPD in relation to this section.

III.1.2. Economic and financial standing

List and brief description of selection criteria:

Please provide details of your firm's assets as at 31 December for each of the last 5 years.

Details should include Total Group assets under management, Total Assets managed on behalf of UK Pension Funds and Total Direct Corporate Lending Assets (i.e. commitments to you). All details should be shown in m (GBP).

Minimum level(s) of standards possibly required:

The Manager shall at its own cost effect and maintain the following insurances with a reputable insurance company:

Employer's Liability Insurance in the sum of not less than 10 000 GBP for any one incident and unlimited in total;

Public liability insurance in the sum of not less than 5 000 GBP for any one incident and unlimited in total; and

In relation to the management of the Portfolio, Professional Indemnity cover to not less than 20 000 GBP for any one event and unlimited in the total.

The Manager's Professional Indemnity cover shall include cover against losses resulting from a breach of GDPR by the Manager and fines and penalties issued by the Information Commissioner.

Such insurance shall be maintained for the Term and for a minimum of 3 years thereafter.

The Manager's Professional Indemnity cover shall include cover against losses resulting from a breach of GDPR by the Manager and fines and penalties issued by the Information Commissioner.

The Manager shall give the Client, on an annual basis, copies of all insurance policies referred to in this Clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

If, for whatever reason, the Manager fails to give effect to and maintain the insurances required by the provisions of the Agreement the Client may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Manager.

The provisions of any insurance or the amount of cover shall not relieve the Manager of any liabilities under the Agreement.

This Clause shall survive termination of this Agreement.

III.1.3. Technical and professional ability

List and brief description of selection criteria:

Please refer to Question 4C.1/4C1.2 to find details of the Technical, Professional and Capability criteria required for this mandate.

Section IV: Procedure

IV.1. Description

IV.1.1. Type of procedure

Open procedure

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

IV.1.8. Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: yes

IV.2. Administrative information

IV.2.2. Time limit for receipt of tenders or requests to participate

Date: 16/01/2019 Local time: 12:00

IV.2.3. Estimated date of dispatch of invitations to tender or to participate to selected candidates

IV.2.4. Languages in which tenders or requests to participate may be submitted

English

IV.2.7. Conditions for opening of tenders

Date: 16/01/2019 Local time: 12:00

Section VI: Complementary information

VI.1. Information about recurrence

This is a recurrent procurement: no

VI.3. Additional information

Note: To register your interest in this notice and obtain any additional information please visit the Public Contracts Scotland Web Site at https://www.publiccontractsscotland.gov.uk/Search/Search_Switch.aspx?ID=559211.

The buyer has indicated that it will accept electronic responses to this notice via the Postbox facility. A user guide is available at https://www.publiccontractsscotland.gov.uk/sitehelp/help_guides.aspx.

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of the closing time to avoid any last minute problems. The Contracting Authority does not intend to include a sub-contract clause as part of community benefits (as per Section 25 of the Procurement Reform (Scotland) Act 2014) in this contract for the following reason:

Not applicable.

The Contracting Authority does not intend to include any community benefit requirements in this contract for the following reason:

Community Benefits do not apply to the services being provided.

(SC Ref:559211)

Download the ESPD document here: https://www.publiccontractsscotland.gov.uk/ESPD/ESPD_Download.aspx?id=559211

VI.4. Procedures for review

VI.4.1. Review body

Official name: Glasgow City Council

Town: Glasgow

Postal code: G2 9EW

Country: United Kingdom

Internet address: www.spfo.org.uk

VI.4.3. Review procedure

Precise information on deadline(s) for review procedures:

Glasgow City Council ("the Council") must, by notice in writing as soon as possible after the decision has been made, inform all tenderers and candidates concerned of its decision to award the contract, conclude the framework agreement or establish a dynamic purchasing system. The Council must allow a period of at least the relevant standstill period (where the notice is sent by facsimile or electronic means the period is 10 days ending at midnight at the end of the 10th day after that on which the notice was last sent, when sent by other means the period is 15 days) to elapse between the date of dispatch of the notice referred to in Regulation 85(1) of the Public Contracts (Scotland) Regulations 2015 ("the Regulations"). The Council is obliged to comply with the Regulations and any eligible economic operator can bring an action in the Sheriff Court or the Court of Session where as a consequence of a breach by the Council, suffers or risks suffering loss or damage. The bringing of court proceedings during the standstill period means that the Council must not enter into the contract, conclude the

framework agreement or establish the dynamic purchasing system unless the proceedings are determined, discontinued or disposed of; or the court, by interim order, brings to an end the prohibition. The bringing of court proceedings after the standstill period has elapsed and the remedies that are available to the courts are detailed in the Regulations. Economic Operators can write to the Council seeking further clarification on the Notice, to which the Council must respond within 15 days. Economic Operators should be mindful to seek their own independent legal advice when they consider appropriate to do so.

VI.5. Date of dispatch of this notice

17/12/2018