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Tender

## **SME Housing Fund - Procurement of a Fund Manager**

Cardiff Council  
Blaenau Gwent County Borough Council  
Bridgend County Borough Council  
Caerphilly County Borough Council  
Merthyr Tydfil County Borough Council  
Monmouthshire County Council  
Newport City Council  
Rhondda Cynon Taf CBC  
Torfaen County Borough Council  
Vale of Glamorgan Council

F02: Contract notice

Notice identifier: 2021/S 000-003349

Procurement identifier (OCID): ocds-h6vhtk-02947d

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### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Cardiff Council

County Hall, Atlantic Wharf

Cardiff

CF10 4UW

#### **Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 2920873732

**Country**

United Kingdom

**NUTS code**

UKL22 - Cardiff and Vale of Glamorgan

**Internet address(es)**

Main address

[www.cardiff.gov.uk](http://www.cardiff.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0422](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0422)

**I.1) Name and addresses**

Blaenau Gwent County Borough Council

Municipal Offices, Civic Centre

Ebbw Vale

NP23 6XB

**Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1495311556

**Country**

United Kingdom

**NUTS code**

UKL16 - Gwent Valleys

**Internet address(es)**

Main address

<http://www.blaenau-gwent.gov.uk/>

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0278](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0278)

**I.1) Name and addresses**

Bridgend County Borough Council

Bridgend County Borough Council, Procurement Unit, Civic Offices, Angel Street

Bridgend

CF31 4WB

**Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1656642596

**Country**

United Kingdom

**NUTS code**

UKL17 - Bridgend and Neath Port Talbot

**Internet address(es)**

Main address

[www.bridgend.gov.uk](http://www.bridgend.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0417](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0417)

## **I.1) Name and addresses**

Caerphilly County Borough Council

Penallta House, Tredomen Park, Ystrad Mynach

Hengoed

CF82 7PG

### **Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

### **Telephone**

+44 1443863161

### **Fax**

+44 1443863167

### **Country**

United Kingdom

### **NUTS code**

UKL16 - Gwent Valleys

### **Internet address(es)**

Main address

[www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0272](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0272)

## **I.1) Name and addresses**

Merthyr Tydfil County Borough Council

Unit 5., Triangle Business Park, Pentrebach

Merthyr Tydfil

CF48 4TQ

### **Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

### **Telephone**

+44 1685725000

### **Fax**

+44 1443863167

### **Country**

United Kingdom

### **NUTS code**

UKL15 - Central Valleys

### **Internet address(es)**

Main address

<http://www.merthyr.gov.uk>

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0347](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0347)

## **I.1) Name and addresses**

Monmouthshire County Council

County Hall, Rhadyr

Usk

NP15 1GA

### **Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

### **Telephone**

+44 1633644644

### **Fax**

+44 1443863167

### **Country**

United Kingdom

### **NUTS code**

UKL21 - Monmouthshire and Newport

### **Internet address(es)**

Main address

<http://www.monmouthshire.gov.uk>

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0277](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0277)

## **I.1) Name and addresses**

Newport City Council

Civic Centre

Newport

NP20 4UR

**Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1633656656

**Fax**

+44 1443863167

**Country**

United Kingdom

**NUTS code**

UKL21 - Monmouthshire and Newport

**Internet address(es)**

Main address

[www.newport.gov.uk](http://www.newport.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0273](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0273)

**I.1) Name and addresses**

Rhondda Cynon Taf CBC

The Pavilions, Clydach Vale

Tonypandy

CF40 2XX

**Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1443

**Fax**

+44 1443863167

**Country**

United Kingdom

**NUTS code**

UKL15 - Central Valleys

**Internet address(es)**

Main address

<http://www.rctcbc.gov.uk/>

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0276](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0276)

**I.1) Name and addresses**

Torfaen County Borough Council

Civic Centre, Pontypool

Torfaen

NP4 6YB

**Email**



[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1495762200

**Fax**

+44 1443863167

**Country**

United Kingdom

**NUTS code**

UKL16 - Gwent Valleys

**Internet address(es)**

Main address

[www.torfaen.gov.uk](http://www.torfaen.gov.uk)

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0498](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0498)

**I.1) Name and addresses**

Vale of Glamorgan Council

Civic Offices, Holton Road

BARRY

CF63 4RU

**Email**

[procurement@cardiff.gov.uk](mailto:procurement@cardiff.gov.uk)

**Telephone**

+44 1446709767

**Fax**

+44 1443863167

**Country**

United Kingdom

**NUTS code**

UKL22 - Cardiff and Vale of Glamorgan

**Internet address(es)**

Main address

<http://www.valeofglamorgan.gov.uk>

Buyer's address

[https://www.sell2wales.gov.wales/search/Search\\_AuthProfile.aspx?ID=AA0275](https://www.sell2wales.gov.wales/search/Search_AuthProfile.aspx?ID=AA0275)

**I.2) Information about joint procurement**

The contract involves joint procurement

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://supplierlive.proactisp2p.com>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://supplierlive.proactisp2p.com>

**I.4) Type of the contracting authority**

Regional or local authority

## **I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

SME Housing Fund - Procurement of a Fund Manager

Reference number

ERFX1007376

#### **II.1.2) Main CPV code**

- 66000000 - Financial and insurance services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

Cardiff Council is seeking to procure a FCA accredited fund manager / advisor on behalf of Cardiff Capital Region (CCR) to provide certain services and to manage the capital allocated under a 10 million GBP housing investment fund for the benefit of SME developers (developers with less than 250 employees) operating in the South East Wales region.

#### **II.1.5) Estimated total value**

Value excluding VAT: £2,500,000

#### **II.1.6) Information about lots**

This contract is divided into lots: No

## **II.2) Description**

### **II.2.2) Additional CPV code(s)**

- 66100000 - Banking and investment services
- 66140000 - Portfolio management services

### **II.2.3) Place of performance**

NUTS codes

- UKL - WALES

### **II.2.4) Description of the procurement**

Cardiff Capital Region City Deal is a 1.1bn GBP economic growth programme which was agreed in 2016 between UK Government, Welsh Government and ten local authorities in South East Wales (the "Region") to bring about significant economic growth in the Region through investment, upskilling, and improved physical and digital connectivity.

The CCR local authorities are: Blaenau Gwent, Bridgend, Caerphilly, Cardiff Council, Merthyr Tydfil, Monmouthshire, Newport, Rhondda Cynon Taf, Torfaen and Vale of Glamorgan.

Work undertaken to date has demonstrated to CCR that a key challenge in the Region's housing market is the requirement for vital financing support for SME developers with less than 250 employees and turnover under 50 million EURO ("SMEs") that play a valuable role in local house-building for relatively small housing schemes that fall outside of the mainstream developers' line of sight.

To address this, CCR is seeking to establish an initial 10 million GBP investment sub-fund to target the substantial number of SME controlled smaller sites in the Region and provide finance support to SME developers who are unable to proceed with developments due to a lack of available funding support, particularly for the required upfront costs in the delivery cycle (the "Fund"). The term of the Fund is anticipated to be 11 years (approximately 1 year bedding in period and 10 years of investment), with the possibility of an extension by CCR for further period(s) of up to 10 years. CCR reserves the right to increase value of its investment in the Fund over this period. The principal objectives of the Fund, investment products, investment criteria, eligibility criteria and target outputs are set out in the Investment Strategy which has been issued alongside this Contract Notice.

CCR is seeking to commission an FCA accredited fund manager / adviser to, amongst other matters, help market the Fund, source a pipeline of projects, undertake due diligence on applicants and manage the capital allocated under the Fund on CCR's behalf. It is intended

that CCR will hold the 10 million GBP which will be loaned directly by CCR to successful applicants upon the Fund Manager's formal recommendation and that a successful applicant will make repayments on the loan to CCR directly. As CCR is not itself a corporate vehicle, Cardiff Council shall hold and manage the allocated 10 million investment; and procure and enter into a services contract for fund management services in respect of the Fund on behalf of CCR. CCR anticipates that the duration of the fund manager's services contract will align with the duration of the Fund.

It is anticipated the fund manager/adviser shall perform loan origination and servicing services alongside general services and reporting services which shall include (amongst other matters): (a) advice upon and finalisation of the Investment Strategy for the Fund; (b) marketing, promoting and securing a pipeline of suitable applicants; (c) reviewing applications and conducting due diligence on a applicant's suitability for the Fund; (d) making recommendations to CCR's investment board in respect of suitable applicants; (e) ongoing monitoring, scrutiny and management of investments made and any potential or actual risks arising and how these may be managed; and (f) fulfilling the role of a FCA accredited fund manager for the Fund. The Fund Manager should also have direct access to third party advisers (in-house or otherwise) (such as valuers and professional advisers) in order to provide the full scope of services on behalf of CCR. The full scope of services is set out in Fund Manager Services Contract which has been issued alongside this Contract Notice.

CCR is now inviting suitably qualified organisations to submit a response to the standard selection questionnaire (SQ) for this contract opportunity. Details of where to obtain the SQ and other documentation being released at this stage can be found in Section I of this contract notice.

### **II.2.5) Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

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

Duration in months

252

This contract is subject to renewal

No

### **II.2.9) Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 3

### **II.2.10) Information about variants**

Variants will be accepted: No

### **II.2.11) Information about options**

Options: Yes

Description of options

See section 11.2.7 for details

### **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**

Please note the estimated value at is based on the maximum 21 year duration of services.

CCR previously engaged with potential suppliers via a soft market testing exercise to discuss this opportunity (see OJEU PIN reference 2020/S 103-249508). The responses confirmed that the Fund was viable, there is a need for the Fund, and the market would be interested in the opportunity.

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

### **III.2) Conditions related to the contract**

#### **III.2.1) Information about a particular profession**

Execution of the service is reserved to a particular profession

Reference to the relevant law, regulation or administrative provision

Provider must be FCA registered

#### **III.2.2) Contract performance conditions**

Please refer to the contract, the form of which is made available from the address at 1.3 and the terms of the ISIT.

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Competitive procedure with negotiation

#### **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.2.1) Previous publication concerning this procedure**

Notice number: [2020/S 103-249508](#)

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

Date

22 March 2021

Local time

12:00pm

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

31 March 2021

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

English

### **IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 6 (from the date stated for receipt of tender)



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## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: No

### **VI.3) Additional information**

To register your interest in this notice and obtain any additional information please visit <https://supplierlive.proactisp2p.com> ERFX1007376

CCR is conducting this procurement using the Competitive Procedure with Negotiation. Following assessment of SQ submissions, 3 candidates will be invited to submit an initial tender. Please see the SQ for further details. CCR then intends to conduct a focussed and effective negotiation stage with the aim of enabling tenderers to submit a final tender that meets CCR's requirements. The Draft Invitation to Submit Initial Tender (ISIT) is being issued with the Contract Notice for information only and contains additional information on the anticipated procurement process and draft contract terms.

Candidates are solely responsible for their costs and expenses incurred in connection with this procurement. Under no circumstances (including circumstances where CCR cancels or varies the procurement) will CCR or Cardiff Council or any of its advisers be liable for any costs or expenses borne or incurred by the candidates or their advisers.

NOTE: To register your interest in this notice and obtain any additional information please visit the Sell2Wales Web Site at [https://www.sell2wales.gov.wales/Search/Search\\_Switch.aspx?ID=108369](https://www.sell2wales.gov.wales/Search/Search_Switch.aspx?ID=108369).

Under the terms of this contract the successful supplier(s) will be required to deliver Community Benefits in support of the authority's economic and social objectives. Accordingly, contract performance conditions may relate in particular to social and environmental considerations. The Community Benefits included in this contract are:

See tender pack

(WA Ref:108369)

The buyer considers that this contract is suitable for consortia.

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

High Court

Royal Courts of Justice, The Strand

London

WC2A 2LL

Telephone

+44 2079477501

Country

United Kingdom

### **VI.4.3) Review procedure**

Precise information on deadline(s) for review procedures

In accordance with the Public Contract Regulations 2015, CCR will incorporate a minimum 10 calendar days standstill period from the date information on award of contract is communicated to tenderers.