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Tender

Resolution Advisory Services Framework Agreement ("RPF2023")

Bank of England

F02: Contract notice

Notice identifier: 2023/S 000-004954

Procurement identifier (OCID): ocds-h6vhtk-03a6a6

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Section I: Contracting authority

I.1) Name and addresses

Bank of England

London

EC2R8AH

Contact

Maneesh Sharma

Email

complexprocurement@bankofengland.co.uk

Country

United Kingdom

Region code

UKI - London

Internet address(es)

Main address

www.bankofengland.co.uk

I.3) Communication

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

<https://supplierlive.proactisp2p.com/Account/Login>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://supplierlive.proactisp2p.com/Account/Login>

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Economic and financial affairs

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Resolution Advisory Services Framework Agreement ("RPF2023")

Reference number

DN1452

II.1.2) Main CPV code

- 79400000 - Business and management consultancy and related services

II.1.3) Type of contract

Services

II.1.4) Short description

The Bank of England ('the Bank') is looking to conduct an open tender procedure in 2023 for the re-tender of its Resolution Advisory Services Framework Agreement ("RPF2023") and is planning to tender for a 4-year framework agreement split across the following 5 lots:

- Lot 1 - Financial advice and valuation analysis;
- Lot 2 - Restructuring and insolvency;
- Lot 3 - Corporate financial advisory;
- Lot 4 - Operational review and analysis; and
- Lot 5 - Resolution delivery support.

The RPF is the Bank's framework to appoint advisors to support work on resolution planning in business as usual and where a regulated entity is under stress. The Bank may seek advisory support for work to ensure that firms have adequate capabilities to deliver a resolution under

the Resolvability Assessment Framework (RAF). The Bank may seek advisory support to deliver a resolution (e.g. resolution valuations or insolvency practitioner support). The RPF represents the outcome of an initial competition to pre-select an appropriate panel of Advisors for the aforementioned work.

II.1.5) Estimated total value

Value excluding VAT: £20,000,000

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

II.2) Description

II.2.1) Title

Financial advice and valuation services

Lot No

1

II.2.2) Additional CPV code(s)

- 79400000 - Business and management consultancy and related services

II.2.3) Place of performance

NUTS codes

- UKI - London

II.2.4) Description of the procurement

Consultancy and advice in relation to valuation analysis for banks, CCPs, or insurers for the purpose of resolution contingency planning, including, but not limited to, the ex-ante and ex-post independent valuation work required by the Banking Act 2009, including;

- (i) Evaluation of accounting and prudential treatment of assets and liabilities and

assessment of potential alternative treatment as well as review of provisioning and judgemental areas to support the failing or likely to fail valuation work;

(ii) Estimation of disposal and hold value of assets and liabilities;

(iii) Assessment of potential recoveries for shareholders and creditors under a counterfactual insolvency scenario;

(iv) Independent valuation expert services, including assessing the value of equity consideration or other consideration paid in kind, as compensation (or quasi compensation) to shareholders and creditors, to compensate for variation in their normal property rights;

(v) Valuation work to support the Bank's contingency planning work, including review and assessment of financial and business plans and business reorganisation plans, solvent wind-down plans and valuation of assets for accounting and reporting purposes;

(vi) Assessment of liquidity and funding profile of a firm; and

(vii) Financial advice and due diligence, including detailed loan file reviews, financial and legal advice to support sale/restructuring/funding transactions, and verification of financial information and assumptions applied in resolution planning work.

Consultancy and advice to support the Bank's assurance over firms' capabilities under the Resolvability Assessment Framework, if required. This may include, but would not be limited to, review and/or testing of firms' capabilities related to MREL, valuations and/or funding in resolution.

Suppliers will be required to demonstrate skills, experience and expertise of delivering these services across a broad range of projects and assignments that are comparable to those required, including resolution/insolvency case experiences. Suppliers should demonstrate an understanding of valuations required to comply with the relevant legislation, technical standards and guidance. The requirements may vary in size and nature, and Suppliers will be required to demonstrate their ability to effectively deliver advice for the full range of requirements, including large, complex and sensitive advisory assignments, which may include advice in relation to live or planned transactions.

Suppliers should demonstrate an understanding of both relevant domestic and international legislation, and policy concerning MREL. This includes the Bank's MREL Statement of Policy, any associated PRA policy (e.g. on the relationship between MREL and buffers) as well as the legislative framework (current and future). Suppliers must demonstrate a strong understanding of the various components of the MREL framework, including external and internal MREL. Suppliers are expected to have an excellent understanding of these requirements, including but not limited to, the scope and calibration of these requirements, the eligibility criteria for resources held towards the requirements, as well as any other

factors relevant to the Bank's assessment of resolvability, as set out in the MREL Statement of Policy.

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

48

This contract is subject to renewal

No

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) Description

II.2.1) Title

Restructuring and insolvency advice

Lot No

2

II.2.2) Additional CPV code(s)

- 79400000 - Business and management consultancy and related services

II.2.3) Place of performance

NUTS codes

- UKI - London

II.2.4) Description of the procurement

Planning and advice in connection with the bank (or building society) insolvency procedure (BIP), bank administration procedure (BAP) and the special administration procedure for investment firms (“SAR”). This includes readiness planning for potential insolvency processes encompassing potential pay-out or transfer of eligible deposits, and where applicable planning for the orderly return of client money and customer assets for firms subject to the SAR. Planning and execution of stabilisation actions including coordination and delivery of communications to key stakeholders, and delivery of actions to maintain operational continuity. This includes the duties of a bail-in administrator appointed to support a resolution.

The scope of services could include preparatory work for the appointment of an insolvency practitioner or bail-in administrator, the development of a restructuring plan following execution of resolution powers and advice on legal entity, financial, operational and governance structures. In some circumstances, the work may lead, to the extent determined by the Bank, to the appointment as the insolvency practitioner or resolution administrator for the case.

Consultancy and advice to support the Bank’s assurance over firms’ capabilities under the Resolvability Assessment Framework, if required. This may include, but would not be limited to, review and/or testing of firms’ capabilities related to restructuring planning and/or management, governance and communications.

Suppliers will be required to demonstrate their skills, experience and expertise in areas including, but not limited to, insolvency law, the application of a bail-in, the role and functions of the FSCS, PRA requirements in relation to SCV files, and the FCA CASS handbook.

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

48

This contract is subject to renewal

No

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) Description

II.2.1) Title

Corporate finance advisory

Lot No

3

II.2.2) Additional CPV code(s)

- 79400000 - Business and management consultancy and related services

II.2.3) Place of performance

NUTS codes

- UKI - London

II.2.4) Description of the procurement

Corporate finance advice and support to the Bank or a firm under the direction of the Bank in relation to preparing for execution of a sale, restructuring or funding transaction as part of a recovery or resolution plan.

The scope of services would be expected to include options analysis on transaction structures, planning and delivery of merger and acquisition (M&A) processes for financial institutions in resolution, equity capital market (ECM), debt capital market (DCM) or M&A advisory services to support a resolution transaction, and opinions on distribution of compensation to creditors through disposals, shares or other in-kind options. The scope may also include providing assurances and advice in relation to the feasibility and credibility of wind down plans.

Consultancy and advice to support the Bank's assurance over firms' capabilities under the Resolvability Assessment Framework, if required. This may include, but would not be limited to, review and/or testing of firms' capabilities related to bail-in mechanics and restructuring planning.

Suppliers will be required to demonstrate skills, experience and expertise of delivering these services across a broad range of projects and assignments that are comparable to those required, including resolution/insolvency case experiences and M&A transaction processes in that context. Suppliers should be able to demonstrate capabilities across European and other international markets.

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

48

This contract is subject to renewal

No

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) Description

II.2.1) Title

Operational review and analysis

Lot No

4

II.2.2) Additional CPV code(s)

- 79400000 - Business and management consultancy and related services

II.2.3) Place of performance

NUTS codes

- UKI - London

II.2.4) Description of the procurement

Consulting and advice to support the Bank in assessing the operational feasibility of resolution plans, and preparatory assessment and remediation work for contingency planning:

(i) There is a wide scope of operational aspects that are critical for a resolution including the IT systems and service arrangements, staff and resourcing, risk management structures and other central service functions.

(ii) The scope of work may include assessment of operational interdependencies internally at a firm, across group entities and businesses, and externally across markets,

counterparties/intermediaries and jurisdictions, considering the external implications and criticality. This may include identifying potential replacement staff for key positions at the firm.

(iii) The scope may also include assessment of the causes of operational failures at firms and information technology security, and control vulnerabilities.

Consultancy and advice to support the Bank's assurance over firms' capabilities under the Resolvability Assessment Framework, if required. This may include, but would not be limited to:

- (i) Continuity of financial contracts in resolution (stays);
- (ii) MREL;
- (iii) Operational continuity in resolution;
- (iv) Continuity of access to financial market infrastructure (FMI);
- (v) Restructuring planning; and
- (vi) Management, governance and communications.

This may also include assurance relevant to any PRA Rules or Bank Statements of Policy.

Suppliers will be required to demonstrate skills, experience and expertise of delivering these services across a broad range of projects and assignments that are comparable to those required, including resolution/insolvency case experiences. Suppliers would be expected to have a clear understanding of the relevant rules on systems and controls, as well as the PRA's policy relating to operational continuity

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

48

This contract is subject to renewal

No

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) Description

II.2.1) Title

Resolution support services

Lot No

5

II.2.2) Additional CPV code(s)

- 79400000 - Business and management consultancy and related services

II.2.3) Place of performance

NUTS codes

- UKI - London

II.2.4) Description of the procurement

The Bank may require additional support to deliver resolvability or contingency resolution planning. Suppliers would provide support in a range of activities including, but not limited to, project planning, document production and review, or detailed operational planning to ensure that a resolvability assessment or resolution is executed successfully. Suppliers' staff would be expected to work closely with staff at the Bank, potentially reporting directly in to Bank staff.

Suppliers will be required to demonstrate skills, experience and expertise of supporting resolution or insolvency planning. Suppliers would be expected to have a clear understanding of the resolution regime and how it is operated by the Bank. Suppliers should also demonstrate that they would have the processes in place to quickly mobilise and release sufficient staff to support the Bank's needs in a fast-paced planning scenario. The Bank may in some cases require Supplier staff to work within the Bank or from Bank equipment and be security cleared in order to perform these Services. In such cases having available, security cleared staff with the required skills and experience to perform the required role(s) will be a condition to Supplier's ability to perform the Services

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

48

This contract is subject to renewal

No

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

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

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

In the case of framework agreements, provide justification for any duration exceeding 4 years:

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

24 March 2023

Local time

4:00pm

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

English

IV.2.7) Conditions for opening of tenders

Date

26 March 2023

Local time

9:00am

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: Yes

VI.4) Procedures for review

VI.4.1) Review body

Bank of England

EC2R 8Ah

London

Country

United Kingdom