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Contract

Investment Management System ("IMS")

British Business Bank

F03: Contract award notice

Notice identifier: 2023/S 000-010012

Procurement identifier (OCID): ocds-h6vhtk-03b487

Published 5 April 2023, 4:05pm

Section I: Contracting authority

I.1) Name and addresses

British Business Bank

Steel City House, Steel City House, 2 West Street

Sheffield

S1 2GQ

Contact

Procurement

Email

procurement@british-business-bank.co.uk

Telephone

+44 1142127877

Country

United Kingdom

Region code

UKE32 - Sheffield

Internet address(es)

Main address

www.british-business-bank.co.uk

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

Investment Management System ("IMS")

II.1.2) Main CPV code

- 72000000 - IT services: consulting, software development, Internet and support

II.1.3) Type of contract

Services

II.1.4) Short description

The Authority has awarded an investment management system ("IMS") contract ("Contract") to BlackRock, relying on the exemption in Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 to use the negotiated procedure without prior publication, on the basis that competition is absent for technical reasons. The IMS will allow the Authority to manage the full investment administration cycle of its debt and equity portfolio ("Portfolio"). The Contract covers implementation, migration support, professional

services, licensing, and maintenance.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £890,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

UNITED KINGDOM

II.2.4) Description of the procurement

The Authority has awarded an investment management system (“IMS”) contract (“Contract”) to BlackRock, relying on the exemption in Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 to use the negotiated procedure without prior publication, on the basis that competition is absent for technical reasons. The IMS will allow the Authority to manage the full investment administration cycle of its debt and equity portfolio (“Portfolio”). The Contract covers implementation, migration support, professional services, licensing, and maintenance. The Authority considered that the Contract can be supplied only by BlackRock through its eFront Invest solution, as BlackRock is uniquely able to provide certain mandatory requirements of the Authority’s specification. The Authority reached that conclusion after the following due diligence process: •Engagement of an external consultancy with expertise in this area to prepare a market analysis of options available against the Authority’s service requirements and technical specification •An “RFI” was undertaken with a shortlist of suppliers identified by the external consultancy (“Suppliers”) to understand the technical capability and compatibility of the systems with the Authority’s mandatory requirements and the unique breadth of its Portfolio both in its current and future state •An options report was prepared by the external consultancy which identified eFront Invest as the only solution able to meet the Authority’s mandatory requirements, specifically in relation to fee and waterfall modelling, API connectivity to ensure effective data ingestion and system integration and the level of coverage required to support the Portfolio •The Authority’s business architect completed a comparative analysis of the Suppliers’ sample offerings. This analysis concluded that

eFront Invest offers a solution that can support the Portfolio, and that it has inbuilt functionality to support fee and waterfall modelling, flagging that these are mandatory requirements. This due diligence established that alternative suppliers could not meet the Authority's mandatory requirements. Specifically, BlackRock is uniquely able to provide fee and waterfall modelling, API connectivity to ensure effective data ingestion and system integration, and the level of coverage required to support the Portfolio. Moreover, the only available alternatives to eFront Invest would have incurred unacceptable operational and accuracy risks including:

- incurring operational and data accuracy risks due to managing multiple software solutions and using manual data entry input
- A disaggregated solution increasing the risk of error
- Inability to deliver on reporting and wider obligations to UK Government
- The incompatibility of the alternative solutions to the Authority's underlying infrastructure could have impacted the traceability and transparency levels required to meet audit and reporting requirements which could also have incurred reputational risk
- The lack of a full-service solution across all current and future requirements would have created the need to maintain and potentially increase manual steps and End User Computing Solutions outside operational risk tolerance

The Authority is confident that for the outlined reasons no reasonable alternative or substitute exists to eFront Invest. The Authority is also confident that its specification is reasonable and was not been artificially narrowed or constructed in such a way that only eFront Invest would be able to meet its requirements.

II.2.5) Award criteria

Price

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

A VEAT notice 2023/S 000-008087 was previously published in relation to this contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

The Authority has awarded an investment management system (“IMS”) contract (“Contract”) to BlackRock, relying on the exemption in Regulation 32(2)(b)(ii) of the Public Contracts Regulations 2015 to use the negotiated procedure without prior publication, on the basis that competition is absent for technical reasons. The IMS will allow the Authority to manage the full investment administration cycle of its debt and equity portfolio (“Portfolio”). The Contract covers implementation, migration support, professional services, licensing, and maintenance. The Authority considered that the Contract can be supplied only by BlackRock through its eFront Invest solution, as BlackRock is uniquely able to provide certain mandatory requirements of the Authority’s specification. The Authority reached that conclusion after the following due diligence process: •Engagement of an external consultancy with expertise in this area to prepare a market analysis of options available against the Authority’s service requirements and technical specification •An “RFI” was undertaken with a shortlist of suppliers identified by the external consultancy (“Suppliers”) to understand the technical capability and compatibility of the systems with the Authority’s mandatory requirements and the unique breadth of its Portfolio both in its current and future state •An options report was prepared by the external consultancy which identified eFront Invest as the only solution able to meet the Authority’s mandatory requirements, specifically in relation to fee and waterfall modelling, API connectivity to ensure effective data ingestion and system integration and the level of coverage required to support the Portfolio •The Authority’s business architect completed a comparative analysis of the Suppliers’ sample offerings. This analysis concluded that eFront Invest offers a solution that can support the Portfolio, and that it has inbuilt functionality to support fee and waterfall modelling, flagging that these are mandatory requirements This due diligence established that alternative suppliers could not meet the Authority’s mandatory requirements. Specifically, BlackRock is uniquely able to provide fee and waterfall modelling, API connectivity to ensure effective data ingestion and system integration, and the level of coverage required to support the Portfolio. Moreover, the only available alternatives to eFront Invest would have incurred unacceptable

operational and accuracy risks including: •incurring operational and data accuracy risks due to managing multiple software solutions and using manual data entry input •A disaggregated solution increasing the risk of error •Inability to deliver on reporting and wider obligations to UK Government •The incompatibility of the alternative solutions to the Authority's underlying infrastructure could have impacted the traceability and transparency levels required to meet audit and reporting requirements which could also have incurred reputational risk •The lack of a full-service solution across all current and future requirements would have created the need to maintain and potentially increase manual steps and End User Computing Solutions outside operational risk tolerance The Authority is confident that for the outlined reasons no reasonable alternative or substitute exists to eFront Invest. The Authority is also confident that its specification is reasonable and was not been artificially narrowed or constructed in such a way that only eFront Invest would be able to meet its requirements.

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

The procurement is covered by the Government Procurement Agreement: No

IV.2) Administrative information

IV.2.1) Previous publication concerning this procedure

Notice number: [2023/S 000-008087](#)

Section V. Award of contract

Title

Investment Management System ("IMS")

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

31 March 2023

V.2.2) Information about tenders

Number of tenders received: 1

Number of tenders received from SMEs: 0

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 1

Number of tenders received by electronic means: 1

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor

eFront Limited

12 Throgmorton Avenue

London

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

03650489

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Total value of the contract/lot: £890,000

Section VI. Complementary information

VI.3) Additional information

A VEAT notice 2023/S 000-008087 was previously published in relation to this contract

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=773905003>

GO Reference: GO-202345-PRO-22471372

VI.4) Procedures for review

VI.4.1) Review body

High Court of Justice

London

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

N/A

N/A

Country

United Kingdom

VI.4.4) Service from which information about the review procedure may be obtained

N/A

N/A

Country

United Kingdom

