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Tender

## **FUND MANAGEMENT SERVICES IN RELATION TO THE WEST MIDLANDS EQUITY CO-INVESTMENT FUND**

West Midlands Combined Authority

F02: Contract notice

Notice identifier: 2022/S 000-017299

Procurement identifier (OCID): ocids-h6vhtk-034a38

Published 24 June 2022, 11:49am

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

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

West Midlands Combined Authority

16 Summer Lane

Birmingham

B19 3SD

#### **Contact**

Aanisah Begg

#### **Email**

[Josie.Medforth@place-group.com](mailto:Josie.Medforth@place-group.com)

#### **Telephone**

+44 3453036760

#### **Country**

United Kingdom

**NUTS code**

UKG3 - West Midlands

**Internet address(es)**

Main address

<https://www.wmca.org.uk/>

**I.3) Communication**

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

<https://wmca.bravosolution.co.uk/web/login.html>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://wmca.bravosolution.co.uk/web/login.html>

Tenders or requests to participate must be submitted to the above-mentioned address

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<https://wmca.bravosolution.co.uk/web/login.html>

**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**

FUND MANAGEMENT SERVICES IN RELATION TO THE WEST MIDLANDS EQUITY CO-INVESTMENT FUND

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

- 66000000 - Financial and insurance services

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

Services

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

The West Midlands Combined Authority ("WMCA") and the West Midlands Pension Fund ("WMPF") will be establishing a co-investment fund ("the West Midlands Equity Co-Investment Fund" or "the Fund"), making equity investments into the region's high growth potential SMEs. Both parties aim to have the fund established and ready to launch by no later than 3rd October 2022.

WMCA will be issuing this procurement exercise but will be novating this to a company 100% owned by WMCA. We need to ensure this point is covered in the ITT, please can you place this in the appropriate section of the ITT. Reason for this is that WMDC (a company 100% owned by WMCA) or a NewCo (again 100% WMCA owned) will be the Limited Partner of the Fund, thus will be the entity that contractually appoints the Fund Manager as its General Partner.

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

Value excluding VAT: £5,000,000

#### **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

- 66120000 - Investment banking services and related services

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

NUTS codes

- UKG - West Midlands (England)

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

The West Midlands Equity Co-Investment Fund (“the Fund” or “WMCO”) is a £25m co-investment fund to facilitate the provision of equity finance to up to 45, revenue generating businesses with potential for high growth across the Region.

Targeting a minimum 2x return, the Fund will take a sector agnostic approach to its investment, aligned to WMCA regional strategy. WMCA strategic areas include:

- New manufacturing economy – advanced manufacturing;
- Creative and digital (including technology);
- Low carbon and environmental technologies;
- Medical and life sciences;
- Logistics and transport technologies; and
- Construction (building technologies)

Operating over a ten-year life cycle, the Fund will operate as a co-investment fund, investing alongside the public and private sectors on a minimum £1:£1 basis.

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

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

### **II.2.6) Estimated value**

Value excluding VAT: £5,000,000

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

Duration in months

120

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

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### **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

Requirement to be registered with the FCA (Financial Conduct Authority) at point of Contract Award

##### **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

Must be registered with the FCA (Financial Conduct Authority)

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

The Limited Partners will require the Fund Manager to follow responsible investment principles. The Limited Partners will work with the Fund Manager to agree and produce a Responsible Investment Policy.

The Fund Manager will be responsible for ensuring the Fund delivers the following socio-economic outputs:

- Number of growth SMEs supported (ERDF definition C3): 45
- New to Company Product supported (ERDF definition C28): 23
- Direct jobs created (ERDF definition C8): 563
- Indirect jobs safeguarded: 225

Safeguarded jobs equate to all jobs in place at the point of Fund investment

- Private sector co-investment leveraged (ERDF definition C7): £33.75m (£1.50 for every £1 deployed by WMCO)

At a minimum, the Fund Manager will be asked to report on Fund performance against each of the socio-economic outputs within the Advisory Committee report.

The Fund will also have GVA targets of:

- GVA Gross: £49m
- GVA per £1 of public sector funds invested: £1.96

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## **Section IV. Procedure**

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

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

Open procedure

#### **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

21 July 2022

Local time

11:00am

### **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: 3 (from the date stated for receipt of tender)

### **IV.2.7) Conditions for opening of tenders**

Date

21 July 2022

Local time

12:00pm

Place

<https://wmca.bravosolution.co.uk/web/login.html>

Information about authorised persons and opening procedure

Member of WMCA procurement team

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## **Section VI. Complementary information**

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

This is a recurrent procurement: No

### **VI.2) Information about electronic workflows**

Electronic invoicing will be accepted

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

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

The High Court of Justice

Strand

London

WC2A 2LL

Country

United Kingdom

#### **VI.4.2) Body responsible for mediation procedures**

CEDR

London

Country

United Kingdom

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

Precise information on deadline(s) for review procedures

WMCA will incorporate a standstill period at the point at which information on the intention to award the contract is communicated to all bidders. The notification will provide full information on the award in accordance with the PCR regulations. The standstill period, which will be a minimum of 10 calendar days, provides time for the unsuccessful bidders to challenge the award decision before the Contract is entered into.



The Public Contract Regulations 2015 (SI 2015 No 102) provide for aggrieved parties who have been harmed or are at risk of being harmed by a breach of the rules to take action on the High Court (England Wales & Northern Ireland).

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

CEDR

London

Country

United Kingdom