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Planning

Audit and Block Management Services

British Business Bank

F01: Prior information notice

Reducing time limits for receipt of tenders

Notice identifier: 2023/S 000-027553

Procurement identifier (OCID): ocds-h6vhtk-0401c4

Published 18 September 2023, 7:06pm

Section I: Contracting authority

I.1) Name and addresses

British Business Bank

Steel City House, West Street

Sheffield

S1 2GQ

Contact

Procurement

Email

Procurement@british-business-bank.co.uk

Telephone

+44 2039051462

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<http://british-business-bank.co.uk/>

Buyer's address

www.british-business-bank.co.uk

I.3) Communication

Additional information can be obtained from the above-mentioned address

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

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

Audit and Block Management Services

Reference number

BBI - P-2035

II.1.2) Main CPV code

- 79212100 - Financial auditing services

II.1.3) Type of contract

Services

II.1.4) Short description

Overview Prior Information Notice to inform the market of the intention to undertake a procurement exercise for the appointment of Audit and Block Management Services.

Introduction The British Business Bank plc (“BBB”) is an economic development bank which is 100% owned and funded by the UK Government. Established on 1 November 2014, the BBB’s mission is to drive sustainable growth and prosperity across the UK, and to enable the transition to a net zero economy, by supporting access to finance for smaller businesses. BBB brings together expertise and funding to support economic growth by improving the UK’s business finance markets. BBB invests or administers Government funding alongside or through private sector partners and uses targeted guarantees and funding options to encourage more private sector lending and investment. British Business Investments Limited (“BBI”) is part of the BBB’s commercial arm. BBI is a wholly owned subsidiaries of BBB. In support of the delivery of its programmes, BBI are issuing this Prior Information Notice (“PIN”) to inform the market of their intention to undertake a procurement exercise for the appointment of Audit and Block Management Services. Further details about the BBI and the Programmes is available at <https://www.british-business-bank.co.uk/>. Contract Overview BBI will use the Contract to provide Audit and Block Management Services to Conduct audits of prospective investment counterparties to assess their operational suitability for financing facilities (including block discounting or other forms of receivables financing) and submitting comprehensive reports to British Business Investments (BBI) to support BBI’s normal internal due diligence and facility approval process. . Procurement Process The opportunity to participate in the Contract will be published on both Contracts Finder and the

Find a Tender Service, with the procurement being conducted via the Delta e-tendering platform, for which registration is free – Enter Details | Delta (delta-esourcing.com). It is the intention of BBI to publish this opportunity in mid to late October and this PIN will be utilised as a means to reduce the timescales associated when conducting the procurement. The Contract will be in place for a period of upto 5 years and will be non-exclusive and non-committal. As such, the values outlined are anticipated only.

II.1.5) Estimated total value

Value excluding VAT: £800,000

II.1.6) Information about lots

This contract is divided into lots: No

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

Overview Prior Information Notice to inform the market of the intention to undertake a procurement exercise by which to create a contract for the appointment of Audit & Block Management Services. Introduction The British Business Bank plc (“BBB”) is an economic development bank which is 100% owned and funded by the UK Government. Established on 1 November 2014, the BBB’s mission is to drive sustainable growth and prosperity across the UK, and to enable the transition to a net zero economy, by supporting access to finance for smaller businesses. BBB invests or administers Government funding alongside or through private sector partners and uses targeted guarantees and funding options to encourage more private sector lending and investment. BBI makes commercial investments into non-bank finance providers (“Delivery Partners”) under the terms of its Investment Programme. The Delivery Partners are contracted to on-lend BBI’s investment capital in the form of loans or qualifying debt products to UK based SMEs. This on-lending activity is facilitated using Block Discounting Agreements, Revolving Credit Facilities (including “Back to Back agreements”), Direct Lending Agreements and other bespoke debt instruments. To

administer these products, BBI requires a suitably qualified organisation to Conduct audits of prospective investment counter parties to assess their operational suitability for financing facilities (including block discounting or other forms of receivables financing) and submitting comprehensive reports to British Business Investments (BBI) to support BBI's normal internal due diligence and facility approval process. This includes:

- Advising BBI on breaches of finance and underlying counter party customer agreements and on associated adverse findings or suspicions.
- Managing block purchase process including: ensuring that blocks of agreements offered to BBI contain agreements that have been correctly executed with enforceable security and comply with match funding requirements and related financial covenants in relevant facility agreement/s; reporting on and rejecting proposed blocks that fall outside facility-specific parameters (e.g. re. advance rate or margin); arranging for acceptance of satisfactory qualifying blocks of agreements; receipt and storage of customer agreements comprising BBI-purchased blocks and related security documentation;
- submitting periodic funding requests to BBI based on monthly counterpart forecasts; making payment (pre-funded by BBI) of block purchase prices to investment counter parties;
- Collecting in monies on behalf of BBI from investment counter parties;
- Monitoring and managing portfolios of purchased agreements including requesting replacements for non-performing agreements;
- Operating on BBI's behalf a client bank account into which funding and repayments will be paid;
- Receiving on its behalf all notices and information to be delivered to BBI under facility and security documentation;
- Reassignment of purchased agreements to counter parties following repayment of all sums due;
- Retaining records of customer agreements comprised in purchased blocks;
- Monitoring counter party compliance with obligations under financing facilities (e.g. financial covenants, reporting requirements etc.);
- Providing BBI with a suite of monthly and other periodic (including on-demand) reports including but not limited to: copy client bank account statement; reconciliation of the client bank account per delivery partner; statement of capital returns and interest/discount income earned for each delivery partner; report of capital balances at month end per block; report of projected income per block; report of aged analysis or arrears.
- On-going monitoring of performance of customer agreements comprising financed blocks, including notification of non-performing agreements and replacement in accordance with relevant facility terms.

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: £800,000

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

Duration in months

60

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.3) Estimated date of publication of contract notice

23 October 2023

Section IV. Procedure

IV.1) Description

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

The procurement is covered by the Government Procurement Agreement: Yes

Section VI. Complementary information

VI.3) Additional information

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=808224295>

GO Reference: GO-2023918-PRO-23954623

VI.4) Procedures for review

VI.4.1) Review body

British Business Bank

Steel City House, West Street

UK-Sheffield: Financial auditing services.

S1 2GQ

Email

Procurement@british-business-bank.co.uk

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Country

United Kingdom