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Tender

Audit and Block Management Services

British Business Bank

F02: Contract notice

Notice identifier: 2023/S 000-032196

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

Published 31 October 2023, 4:05pm

Section I: Contracting authority

I.1) Name and addresses

British Business Bank

Steel City House, West Street

Sheffield

S1 2GQ

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

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

<https://www.delta-esourcing.com/delta/buyers/select/viewListStatus.html?id=819968614>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.delta-esourcing.com/delta/buyers/select/viewListStatus.html?id=819968614>

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

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.

II.1.5) Estimated total value

Value excluding VAT: £963,600

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

Specification

1. Audit Services and On-going Monitoring:

- Conducting 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.

- Conducting periodic on-site comprehensive audits (normally quarterly) of investment counterparties, including but not limited to:

- * reviews of customer records;

- * contacting customers on a sample basis by telephone or in writing;

- * reviewing latest HMRC and PAYE payments;

- * reviewing management accounts and bank statements;

- * reviewing underwriting policy and example accounts

and submitting associated comprehensive reports to BBI.

- Advising BBI on breaches of finance and underlying counterparty customer agreements and on associated adverse findings or suspicions.

2. Block Discount Facilities:

- 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 counterparties;
- Collecting in monies on behalf of BBI from investment counterparties;
- 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 counterparties following repayment of all sums due;
- Retaining records of customer agreements comprised in purchased blocks;
- Monitoring counterparty 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.

3. Contract Details:

This contract is advertised in accordance with the Open, accelerated procedure. A Prior Information Notice (PIN) was issued for this requirement on 18th September 2023, referenced 2023/S 000-027553. A copy of the notice can be found at: <https://www.find-tender.service.gov.uk/Notice/027553-2023>. The Contract and is due to to commence on 1/1/2024. Tenders are invited for return by 15/11/2023. Clarifications/requests for further information can be submitted until 8/11/2023. It is anticipated that subject to satisfactory performance the contract will run for a period of 3 years with the option to extend for two further years.

II.2.5) Award criteria

Quality criterion - Name: Experience and Expertise / Weighting: 40

Quality criterion - Name: Methodology & Approach / Weighting: 20

Quality criterion - Name: Social Value / Weighting: 10

Quality criterion - Name: Modern Slavery / Weighting: Pass/Fail

Quality criterion - Name: Data Protection / Weighting: Pass/Fail

Cost criterion - Name: Cost / Weighting: 30

II.2.6) Estimated value

Value excluding VAT: £963,600

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

Start date

1 January 2024

End date

31 December 2029

This contract is subject to renewal

Yes

Description of renewals

The contract is to be let for a period of three years with the option to extend for a further period of up to two years. Renewal will be advertised via the FTS process.

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

Accelerated procedure

Justification:

Pin was utilised, issued on 11/9/2023

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: [2023/S 000-027553](#)

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

Date

15 November 2023

Local time

5:00pm

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

Tender must be valid until: 31 January 2024

IV.2.7) Conditions for opening of tenders

Date

15 November 2023

Local time

5:00pm

Place

via Delta

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: July 2029

VI.2) Information about electronic workflows

Electronic invoicing will be accepted

VI.3) Additional information

The contracting authority considers that this contract may be suitable for economic operators that are small or medium enterprises (SMEs). However, any selection of tenderers will be based solely on the criteria set out for the procurement.

To view this notice, please click here:

<https://www.delta-esourcing.com/delta/viewNotice.html?noticeId=816888026>

GO Reference: GO-20231031-PRO-24311874

VI.4) Procedures for review

VI.4.1) Review body

British Business Bank

Steel City House, West Street

Sheffield

S1 2GQ

Email

Procurement@british-business-bank.co.uk

Telephone

+44 2039051462

Country

United Kingdom