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Contract

Appointment of Pension Fund Manager - Dynamic Currency Overlay

Bedfordshire Pension Fund

F03: Contract award notice

Notice identifier: 2024/S 000-034258

Procurement identifier (OCID): ocds-h6vhtk-048bc0

Published 23 October 2024, 10:05am

Section I: Contracting authority

I.1) Name and addresses

Bedfordshire Pension Fund

Borough Hall

BEDFORD

MK42 9AP

Email

Mike.Batty@bedford.gov.uk

Country

United Kingdom

Region code

UKH24 - Bedford

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<http://www.bedford.gov.uk/>

Buyer's address

<http://www.bedford.gov.uk/>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

Economic and financial affairs

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Appointment of Pension Fund Manager - Dynamic Currency Overlay

Reference number

026194-2024

II.1.2) Main CPV code

- 66141000 - Pension fund management services

II.1.3) Type of contract

Services

II.1.4) Short description

Bedfordshire Borough Council, as administering authority to the Bedfordshire Pension Fund, are seeking to appoint an investment manager for a Currency Overlay with a dynamic approach that can help manage the Fund's currency exposures. The currency hedge will be in relation to a notional asset exposure of £2.1bn. The council reserves the right to alter the value and length of the contract.

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: £7,500,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKH24 - Bedford

Main site or place of performance

Bedfordshire

II.2.4) Description of the procurement

Bedfordshire Borough Council, as administering authority to the Bedfordshire Pension Fund, are seeking to appoint an investment manager for a Currency Overlay with a dynamic approach that can help manage the Fund's currency exposures. The currency hedge will be in relation to an estimated notional asset exposure of £2.1bn. The council reserves the right to alter the value and length of the contract.

The following minimum criteria must be met for your submission to be considered:

- Tenderers must be appropriately regulated to manage a dynamic currency hedge mandate for an LGPS client.
- Tenderers must have recent active experience of managing a dynamic currency hedge

mandate for an LGPS client (within the last 2 - 3 years). This must extend beyond the simple use of hedged share classes or passive hedges.

- Tenderers must have a sufficient history of managing a dynamic currency hedge and are able to show the monthly returns from the dynamic currency hedge over that period: five years as a bare minimum, but preferably more than 10 years.
- Tenderers must be able to demonstrate a positive impact on risk-adjusted return versus both an unhedged and a 100% statically/passively hedged portfolio over the long-term for the history described above.
- Tenderers must be able to clearly explain the dynamic currency hedging approach and be able to articulate which factors are driving positioning at a given point in time. For example, carry, momentum, and value etc.
- Tenderers must have evidence of being able to provide suitable arrangements for managing collateral as part of the dynamic currency hedge on both a funded and unfunded basis.
- The Council reserves the right to alter the value of the funds awarded and this may change over time.
- The Council reserves the right to alter the length of the contract.

II.2.5) Award criteria

Quality criterion - Name: Price is not the only award criterion and all criteria are stated only in the procurement documents / Weighting: 100

Price - Weighting: 0

II.2.11) Information about options

Options: No

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.2.1) Previous publication concerning this procedure

Notice number: [2024/S 000-026194](#)

Section V. Award of contract

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

22 October 2024

V.2.2) Information about tenders

Number of tenders received: 6

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

V.2.3) Name and address of the contractor

Insight Investment

160 Queen Victoria Street

London

EC4V 4LA

Email

Lloyd.Raynor@InsightInvestment.com

Country

United Kingdom

NUTS code

- UKI4 - Inner London – East

Companies House

01835691

The contractor is an SME

No

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

Initial estimated total value of the contract/lot: £7,500,000

Total value of the contract/lot: £7,500,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

As per the Public Contracts Regulations 2016

London

Country

United Kingdom