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Tender

Opportunistic Private Markets Asset Allocation - Investment Management Services

Dundee City Council

F02: Contract notice

Notice identifier: 2025/S 000-066508

Procurement identifier (OCID): ocids-h6vhtk-05cf46

Published 17 October 2025, 5:52pm

Section I: Contracting authority

I.1) Name and addresses

Dundee City Council

Dundee House, 50 North Lindsay Street

Dundee

DD1 1QE

Contact

Ann Conway

Email

ann.conway@dundeecity.gov.uk

Telephone

+44 1382433401

Country

United Kingdom

NUTS code

UKM71 - Angus and Dundee City

Internet address(es)

Main address

www.dundeecity.gov.uk

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00220

I.3) Communication

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

www.publiccontractsscotland.gov.uk

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

www.publiccontractsscotland.gov.uk

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Opportunistic Private Markets Asset Allocation - Investment Management Services

Reference number

DCC/TPF/151/25

II.1.2) Main CPV code

- 66141000 - Pension fund management services

II.1.3) Type of contract

Services

II.1.4) Short description

Dundee City Council (the Council) as administering authority for the Tayside Pension Fund (the Fund) is launching this procurement for an investment manager to manage 50% of the Fund's opportunistic portfolio, which forms 10% of the Fund's assets (this represents 5% of the value of the Fund, circa GBP 250–GBP 290 million). The Fund is seeking a new mandate to compliment an existing alternatives mandate that would invest across a range of private market asset classes (including private equity, private infrastructure, private debt and private real estate debt). The Fund requires a proportion of the assets to be invested in the UK with a focus in Scotland (investments within Scotland are anticipated to be in the region of at least 10-20% of the total mandate). As well as geographical preferences, environmental and social impact are also key priorities of the mandate, and consideration should be given.

II.1.5) Estimated total value

Value excluding VAT: £12,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 66131100 - Pension investment services
- 66520000 - Pension services

II.2.3) Place of performance

NUTS codes

- UKM71 - Angus and Dundee City

Main site or place of performance

Dundee City

II.2.4) Description of the procurement

The Council is the administering authority for the Fund. The Fund is part of the Local Government Pension Scheme (LGPS) and is one of the 11 LGPS funds in Scotland and around 100 in the UK.

The Council wishes to appoint an investment manager to manage 50% of the Fund's opportunistic portfolio, which forms 10% of the Fund's assets (this represents 5% of the value of the Fund, circa 250–290 million GBP).

The new mandate should seek to compliment the Fund's existing alternatives mandate, and invest across a range of private market asset classes (including, but not limited to, private equity, private infrastructure, private debt, and private real estate debt).

The Council wishes the mandate to have the following characteristics:

- Target a return of 8% – 10% per annum (net of all fees).
- Be sufficiently diversified, with no one asset class representing more than 40% of the mandate.
- Focus on the following asset classes: private equity, private debt, real estate debt and infrastructure (both debt and equity). Additional asset classes will also be considered on a case-by-case basis.
- Geographical exposure - investments should be focused on Developed Markets (with currency hedging back to Sterling implementable as required). The portfolio should also consider local investment opportunities within the UK with a focus in Scotland (investments within Scotland are anticipated to be in the region of 10-20% of the total mandate).

- Investment term – it is expected that the mandate will be in place for at least 10 years.
- Liquidity - the preference would be for the mandate to offer at least annual liquidity. However, there is an understanding that an initial lock-up period may be required to help build out investments. The mandate should also be sufficiently liquid to allow further investments to be made, should the Council wish to scale up the size of the mandate.
- The Fund wishes to achieve access to best in class investments across asset classes and is open to using external managers to access investments. Where this is proposed, consideration should be given to minimising double layers of fees and providing transparency on the overall cost of the strategy.
- Environmental and Social impact are key priorities of the mandate's objectives, and specific consideration should be given. More broadly, Environmental, Social and Governance considerations should be integrated throughout the investment process.
- Fees – the preference would be for a flat fee structure, with no performance fee element.

The contract is being procured using the competitive procedure with negotiation in accordance with the Public Contracts (Scotland) Regulations 2015. The contract will be entered into between the Council and the successful bidder.

The procurement process leading to the award of the contract will comprise the following stages:

1. Prequalification (SPD) stage
2. Initial tender stage
3. Negotiation stage
4. Final tender stage
5. Contract award

The procurement documents being issued at this SPD stage are located within the 'Additional Documents' area for this particular contract on the PCS Portal. To participate in the procurement, economic operators must submit a completed SPD Questionnaire via the PCS Portal in accordance with this Contract Notice and the instructions in the SPD Guidance document. This Contract Notice and the SPD Guidance document must be reviewed carefully.

Detailed information regarding the later stages of the procurement including the award criteria and evaluation methodology will be provided to the shortlisted economic operators

who are invited to submit an initial tender.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 75

Price - Weighting: 25

II.2.6) Estimated value

Value excluding VAT: £12,000,000

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

Start date

30 June 2026

End date

29 June 2030

This contract is subject to renewal

No

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged number of candidates: 3

Objective criteria for choosing the limited number of candidates:

It is intended that 3 economic operators will be shortlisted at the SPD stage and will be invited to participate in the initial tender stage. It is anticipated that the shortlisted economic operators will be those who have:

- (i) Submitted a compliant submission, comprising the completed SPD Questionnaire;
- (ii) Received a 'Pass' for the exclusion grounds questions (Questions 3A-D);
- (iii) Satisfied the minimum standards of economic and financial standing and received a 'Pass' for the economic and financial standing questions (Questions 4B.2(b), 4B.6 and 4B.5.1);
- (iv) Satisfied the minimum standards of technical and professional ability and received a 'Pass' for the pass/fail Technical and Professional Ability questions (Questions 4C1.2, 4C.2, 4C.7);
- (vi) Achieved the first, second, or third highest total score in respect of the scored Technical and Professional Ability questions (Questions 4C.1.2).

The Council reserves the right to require economic operators to provide proof of economic and financial standing and of technical and professional ability prior to proceeding to the initial tender stage and prior to contract award.

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.12) Information about electronic catalogues

Tenders must be presented in the form of electronic catalogues or include an electronic catalogue

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 III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.2) Economic and financial standing

List and brief description of selection criteria

The relevant selection criteria are included in the SPD Scotland module and the SPD Guidance document which are located within the 'Additional Documents' area for this particular contract on the PCS Portal.

Economic operators are required to satisfy minimum levels of economic and financial standing and to provide proof of economic and financial standing. Economic operators must:

- a) In response to SPD Question 4B.2(b), confirm that their average yearly turnover in the private market sector over the last three years is over 25million GBP;
- b) In response to SPD Question 4B.6, confirm that they have over 40bn GBP in Assets under Management in private markets;
- c) In response to SPD Question 4B.6, confirm that their three largest clients represent less than 50% of Assets under Management in private markets;
- d) In response to SPD Questions 4B.5, confirm that they have or can commit to obtain, prior to commencement of the contract, the required levels of insurance;
- e) In response to SPD Question 4B.6, explicitly state if the economic operator is reliant upon another organisation to satisfy the economic and financial criteria and provide a commitment to obtain a guarantee.

Minimum level(s) of standards possibly required

Economic operators are required to satisfy minimum standards of economic and financial standing. These are described below:

Average turnover in the area covered by the contract (SPD Question 4B.2(b))

Economic operators must confirm that their average yearly turnover in the private market sector over the last three years is over GBP 25million. Where the economic operator is unable to demonstrate that it meets the requirement, they may receive a 'Fail' and be excluded from the procurement.

Other economic and financial requirements (SPD Question 4B.6)

Economic operators must confirm that they have over GBP 40bn in Assets under Management in private markets. Where the economic operator responds that it cannot meet the requirement, they may receive a 'Fail' and be excluded from the procurement.

Economic operators must confirm that their three largest clients represent less than 50% of Assets under Management in private markets. Where the economic operator responds that it cannot meet the requirement, they may receive a 'Fail' and be excluded from the procurement.

Where the economic operator is seeking to rely on the economic and financial standing of a parent company (or other organisation) to satisfy the the economic and financial criteria then the economic operator must:

- (i) state this explicitly; and
- (ii) provide a letter of commitment from the parent company (or other organisation) to provide a guarantee.

Insurance (SPD Question 4B.5)

Economic operators must confirm they already have or can commit to obtain, prior to the commencement of the contract, the following levels of insurance:

Employer's (Compulsory) Liability Insurance = GBP 10 million

Public Liability Insurance = GBP 5 million

Products Liability Insurance = GBP 5 million

Professional Indemnity Insurance = GBP 5 million

Where the economic operator responds "No, and I cannot commit to obtain it" they may receive a 'Fail' and be excluded from the procurement.

III.1.3) Technical and professional ability

List and brief description of selection criteria

The relevant selection criteria are included in the SPD Scotland module and the SPD Guidance document which are located within the 'Additional Documents' area for this particular contract on the PCS Portal.

Minimum level(s) of standards possibly required

Scored and weighted questions (SPD Question 4C.1.2)

In response to SPD Question 4C.1.2, economic operators are required to provide responses and examples that demonstrate that they have the relevant technical and professional ability to deliver the services as described in section II.2.4 of the Contract Notice.

Pass/Fail questions (SPD Question 4C.1.2)

Economic operators must satisfy minimum levels of technical and professional ability. Economic operators must:

- a) In response to SPD Question 4C.1.2, confirm that there are more than 10 investment professionals employed within the firm's private markets investing team.
- b) In response to SPD Question 4C.1.2, confirm that there is an independent risk management team that reviews private markets strategies.

Pass/Fail question (SPD Question 4C.2)

Economic operators must satisfy minimum levels of technical and professional ability. Economic operators must in response to SPD Question 4C.2, confirm that they have an SAS70 report (or equivalent) and an unqualified audit opinion and provide copies of any relevant reports.

Pass/Fail question (SPD Question 4C.7)

Economic operators must satisfy minimum levels of technical and professional ability. Economic operators must in response to SPD Question 4C.7 demonstrate that it has policies and procedures in place to ensure ESG factors have an appropriate impact on decision making.

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Included in the contract documentation

III.2.3) Information about staff responsible for the performance of the contract

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive procedure with negotiation

IV.1.4) Information about reduction of the number of solutions or tenders during negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated

IV.1.5) Information about negotiation

The contracting authority reserves the right to award the contract on the basis of the initial tenders without conducting negotiations

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

19 November 2025

Local time

5:00pm

IV.2.3) Estimated date of dispatch of invitations to tender or to participate to selected candidates

19 December 2025

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: 6 (from the date stated for receipt of tender)

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.2) Information about electronic workflows

Electronic ordering will be used

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) Additional information

The form of contract will be an investment management agreement (IMA). The IMA to be entered into with the successful bidder will be based the industry standard model published by the Investment Association (IA). Contract documentation will be provided to the shortlisted economic operators. However, the Fund is providing prospective economic operators with a DRAFT IMA as part of the procurement documents being issued at the SPD stage for information only, to inform economic operators of the proposed draft contract terms as early as possible. The DRAFT IMA is subject to change.

Further information is set out in the procurement documents.

Economic operators may be excluded from this competition if they are in any of the situations referred to in Regulation 58 of the Public Contracts (Scotland) Regulations 2015.

The duration of the contract at II.2.7 is advertised as 48-months only for the purpose of completing section II.2.7 of the Contract Notice. Please note that the Council anticipates that the manager's services could be required for the duration of the mandate. It is therefore anticipated that the IMA will be rolling contract with no fixed end date or minimum duration, however the Council reserves the right to terminate the IMA in accordance with its terms.

As the contract does not have a fixed term, the estimated contract value at II.1.5 and II.2.6 has been calculated by reference to the estimated monthly value of the contract multiplied by 48 in accordance with Regulation 6(16) of the Public Contracts (Scotland) Regulations

2015. Where a group of economic operators is bidding, the Council may require the group to assume a specific legal form for the purpose of the award of the contract, or to require that each economic operator assumes joint and several liability.

Please carefully review all information and attachments ('Additional Documents'). All Questions regarding the procurement should be directed through the PCS 'Q & A' facility.

Should users of PCS have any problems with the website, they must contact PCS Website Technical Support. Contact details: can be found by

following the 'Contact Us' option on the left hand menu at <http://www.publiccontractsscotland.gov.uk/default.aspx>

Please allow adequate time for uploading documents and to submit the electronic response well in advance of the closing time to avoid any last minute problems.

The Council is not liable for any costs incurred by an economic operator in expressing an interest in or otherwise participating in this procurement process. The Council reserves the right in its sole discretion to vary the procurement (or any part of it) at any time; and to not award a contract and to cancel the procurement (or any part of it) at any time.

Community benefits are not included in this requirement for the following reasons: not considered to be relevant to the contract.

NOTE: To register your interest in this notice and obtain any additional information please visit the Public Contracts Scotland Web Site at https://www.publiccontractsscotland.gov.uk/Search/Search_Switch.aspx?ID=813245.

The buyer has indicated that it will accept electronic responses to this notice via the Postbox facility. A user guide is available at https://www.publiccontractsscotland.gov.uk/sitehelp/help_guides.aspx.

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of the closing time to avoid any last minute problems.

A sub-contract clause has been included in this contract. For more information see: <http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2363>

The Contracting Authority does not intend to include any community benefit requirements in this contract for the following reason:

Not considered to be relevant to the contract.

(SC Ref:813245)

Download the ESPD document here:

https://www.publiccontractsscotland.gov.uk/ESPD/ESPD_Download.aspx?id=813245

VI.4) Procedures for review

VI.4.1) Review body

Dundee Sheriff Court

6 West Bell Street

Dundee

DD1 9AD

Email

dundee@scotcourts.gov.uk

Telephone

+44 1382229961

Country

United Kingdom

Internet address

<https://www.scotcourts.gov.uk>

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

Court proceedings can be brought in either the Sheriff Court or Court of Session. Any proceedings relating to a breach of a duty owed by Dundee City Council to an economic operator under the Public Contracts (Scotland) Regulations 2015 in relation to this procurement must be started within 30 days beginning with the day on which the economic operator first knew or ought to have known that grounds for beginning the proceedings had arisen. The 30-day limitation period can exceptionally be extended by the Court for up to three months if satisfied that there is a good reason for doing so.