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**United Kingdom-Newcastle upon Tyne: Financial and insurance services  
2018/S 181-410150**

**Contract notice**

**Services**

**Legal Basis:**

Directive 2014/24/EU

**Section I: Contracting authority**

**I.1) Name and addresses**

North East Finance (Holdco) Limited  
07000577  
North East Finance, First Floor, 33 Grey Street  
Newcastle upon Tyne  
NE1 6EE  
United Kingdom  
Contact person: Alastair Smith  
Telephone: +44 1912112313  
E-mail: [alastair.smith@northeastfinance.org](mailto:alastair.smith@northeastfinance.org)  
NUTS code: UKC

**Internet address(es):**

Main address: <http://www.northeastfinance.org>

**I.2) Information about joint procurement**

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at: <http://www.northeastfinance.org/news-events/latest-news.aspx>  
Additional information can be obtained from the abovementioned address  
Tenders or requests to participate must be submitted to the abovementioned address

**I.4) Type of the contracting authority**

Other type: Publicly funded venture capital holding fund

**I.5) Main activity**

Economic and financial affairs

**Section II: Object**

**II.1) Scope of the procurement**

**II.1.1) Title:**

Venture Capital Portfolio Management Services  
Reference number: NEF0018

**II.1.2) Main CPV code**

66000000

**II.1.3) Type of contract**

Services

II.1.4) **Short description:**

The purpose of this procurement exercise is to appoint a fund management organisation to take over the management of a portfolio of venture capital investments in SMEs based in the North East of England. The successful bidder will be responsible for managing, reporting on the performance of and maximising the financial returns from an existing investment portfolio, over a period of approximately 30 months.

II.1.5) **Estimated total value**

Value excluding VAT: 500 000.00 GBP

II.1.6) **Information about lots**

This contract is divided into lots: no

II.2) **Description**

II.2.1) **Title:**

II.2.2) **Additional CPV code(s)**

66140000

66122000

II.2.3) **Place of performance**

NUTS code: UKC

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

North East Finance ("NEF") is the holding fund manager for the Finance for Business North East ("FBNE") programme: a suite of seven venture capital and loan funds which was established in 2010 to provide investment finance to SMEs based in the North East of England. NEF was established under the European Commission / European Investment Bank ("EIB") initiative known as JEREMIE: Joint European Resources for Micro to Medium Enterprises. Since its launch, NEF secured 160m GBP of funding for investments from the EIB, the European Regional Development Fund and the UK government, which was invested in over 900 companies from 2010 to December 2016.

The contract to be awarded pursuant to this Contract Notice relates principally to the management of the FBNE Technology Fund. To date, it has been managed by Top Technology Ventures ("TTV") but, due to its decision not to tender for management contracts from the successor to the FBNE programme, TTV has agreed with NEF that it will better suit the interests of all parties to transfer responsibility for the Technology Fund to a new fund manager at this time.

Between 2010 and December 2016, the Technology Fund invested 31m GBP in 70 companies via investments ranging from 5kGBP to 2.1m GBP, including follow-on investments. The investments have in aggregate leveraged 38m GBP of additional private investment into the Fund's portfolio. All investments were made in technology-oriented SMEs based in the North East of England (comprising Northumberland, Tyne and Wear, County Durham and Tees Valley). To date, the Technology Fund has returned in total c. 9.5m GBP and, as a result of exits, investee failures and write-offs, its portfolio now consists of 25 active investments. A summary of the portfolio is included in the draft Invitation to Tender document which is available for all prospective suppliers to review; full details of the portfolio will be made available in a secure data room to those prospective suppliers which pass the Selection Questionnaire stage of this procurement process.

The contract will require the successful bidder to manage the Technology Fund portfolio to assist its investee companies to grow and to maximise and realise value from the portfolio while providing regular reports to NEF on the performance of the portfolio assets. The Technology Fund is fully-invested and it is not envisaged that any additional capital will be available to facilitate any further follow-on investments by the fund in its portfolio. NEF is procuring the contract on terms which will permit additional investments from other funds in NEF's

portfolio to be transferred into the Technology Fund and be managed by the successful bidder — but such additional service requirements are not anticipated at this time.

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: 500 000.00 GBP

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

Start: 01/01/2019

End: 30/06/2021

This contract is subject to renewal: yes

Description of renewals:

Contract may be extended by mutual agreement by a period of up to 12 months.

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

Envisaged number of candidates: 5

Objective criteria for choosing the limited number of candidates:

The criteria for choosing the limited number of candidates are set out in the Selection Questionnaire Instruction Document.

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**

II.2.13) **Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds: yes

Identification of the project:

North East Finance is a venture capital holding fund, established with ERDF and EIB funding in accordance with the EIB/EU JEREMIE programme.

II.2.14) **Additional information**

**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:

Economic operators must be authorised and regulated by the UK's Financial Conduct Authority (FCA) and must hold the FCA permissions required to undertake the services.

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.1.5) **Information about reserved contracts**

III.2) **Conditions related to the contract**

III.2.1) **Information about a particular profession**

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

As set out in the procurement documents.

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**

Restricted procedure

IV.1.3) **Information about a framework agreement or a dynamic purchasing system**

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

IV.1.6) **Information about electronic auction**

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

The procurement is covered by the Government Procurement Agreement: no

IV.2) **Administrative information**

IV.2.1) **Previous publication concerning this procedure**

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

Date: 18/10/2018

Local time: 13:00

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

Date: 25/10/2018

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**

**Section VI: Complementary information**

VI.1) **Information about recurrence**

This is a recurrent procurement: no

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

VI.3) **Additional information:**

The estimated total value specified at section II.1.5 and estimated value specified at section II.2.6 are estimates of a potential median contract value. As detailed in the procurement documents, the remuneration payable under the contract is expected to be linked to a substantial extent to the actual performance of the successful contractor and so could be materially higher or lower than the estimated values.

The Contracting Authority does not bind itself to accept any tender and reserves the right not to award the contract or to appoint outside any contract should it be considered to be in the best interest of the Contracting Authority. The Contracting Authority is not liable for any costs incurred by those expressing an interest or tendering for this opportunity. Compliance with all legislation is required, both in the contract award procedure and during the terms of the contract. The Contracting Authority reserves the right to extend the contract for a period of not more than 12 months.

Any resulting contract will be considered as a contract made in England according to English law and will be subject to the exclusive jurisdiction of the English courts.

Tenders and all supporting documentation must be priced in in pounds Sterling.  
Please note that all dates and figures provided in this notice are approximate.

VI.4) **Procedures for review**

VI.4.1) **Review body**

See VI.4.3, Below.  
London  
United Kingdom

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

VI.4.3) **Review procedure**

Precise information on deadline(s) for review procedures:

The contracting authority will incorporate a minimum of 10 calendar day standstill period at the point information on the award of the contract is communicated to tenderers. The Public Contracts Regulations 2015 (SI 2015 No 102) (as amended) provide for aggrieved parties who have been harmed or at risk of harm by a breach of the rules to take action in the High Court (England, Wales and Northern Ireland). Any such action must be started within 30 days beginning with the date when the aggrieved party first knew or ought to have known that grounds for starting the proceedings had arisen. The Court may extend the time limit for starting proceedings where the Court considers that there is a good reason for doing so but not so as to permit proceedings to be started more than 3 months after that date. Where a contract has not been entered into, the Court may order the setting aside of the award decision or order the contacting authority to amend any document and may award damages. If the contract has been entered into the Court may only award damages or, where the contract award procedures have not been followed correctly, declare the contract to be 'ineffective'.

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

VI.5) **Date of dispatch of this notice:**

17/09/2018