

Specification for Investment Consultancy Advice on ESG Investments

1. Background

In order to maintain the momentum of its responsible approach to Environmental, Social & Governance (ESG) considerations consistent with the Paris Agreement and the Special Report of the IPCC (2019), and building on the substantial progress on ESG matters made over the last 36 months by the East Sussex Pension Committee.

Opportunity

The Pension Committee would like to undertake a further investigation, with particular focus on the long term risks and opportunities to the Fund associated with climate change.

The report back to the Committee should consider its position in light of its need to fulfil its obligations to all pension scheme employers and members, how it might further integrate ESG considerations including those relating to its approach to fossil fuel exposure into its investment strategy.

Response

East Sussex County Council are procuring the Services to meet the Requirements as a Call-Off under Lot 3 of the LGPS Investment Management Consultancy Services Framework.

Bidders are required to submit a document of no more than 1,500 words in order to be considered. CV's, diagrams and examples which have been requested as part of the response are in addition to the specified word count. Your response should include:

- Your proposed team detailing who will be responsible for delivering the individual elements of the work including their CVs;
- Your proposal to meet the Requirements outlined above including details ;
- Your fixed price
- Your rate card

2. Evaluation

Bidder responses will be evaluated under the following criteria:

Evaluation Criteria	Evaluation Detailed Criteria	Maximum Score	Weighting (%)
Quality	<ul style="list-style-type: none">• The qualifications and experience of the Bidders proposed team and seniority of where they sit in the organisation (CV's, structure chart); and• The Bidders experience of advising large institutional investors on ESG investments;	5	40
Service Fit	<ul style="list-style-type: none">• The Bidders understanding of the East Sussex Pension Fund and ESG (specifically Climate Change);• The Bidders understanding and experience of allocating to ESG investments; and	5	40
Price	<ul style="list-style-type: none">• Fixed Price	100	20

3. Scoring Methodology

Quality & Service Fit

The Contractor's response to Quality and Service Fit criteria will be scored using the following 0-5 scoring matrix:

0	Wholly Unsatisfactory	No response or the whole response is irrelevant to all of the question and evaluation criteria.
1	Unsatisfactory	The response only covers a minor element of the question and evaluation criteria and lacks relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question.
2	Partially Acceptable	The response covers more than one element of the question and evaluation criteria but lacks relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question.
3	Acceptable	The response addresses most of the question and evaluation criteria but some areas contain limited relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question.
4	Very Good	The response fully addresses the question and evaluation criteria and provides relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question.
5	Outstanding	The response fully addresses the question and evaluation criteria and provides relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question and goes beyond expectations to offer an outstanding level of performance or an additional benefit which exceeds specified requirements.

Price

The Contractor's response to Price will be scored out of 100. The Contractor's score will be calculated using the CIPFA Price Evaluation methodology as described below:

- Eliminate any price which is found to be too low to be credible (after making enquires described in sub-paragraph 9.11a of the CIPFA Code of Practice) or too high to be acceptable (considerably higher than the norm);
- Calculate the mean (arithmetic average) for prices submitted;
- Half of the points available for the pricing element will be given to the mean (i.e. 2.5 of 5);
- For prices below the mean, add 2% of the total points (e.g. 0.1 of 5) for each 1% of the tender price below the mean; and
- For prices above the mean, deduct 2% of the total price points (e.g. 0.1 of 5) for each 1% of the price above the mean.

Clarifications

Contractors may be required to respond to clarification requests from East Sussex Pension Fund officers in relation to their response to the Requirements. Contractors may be required to response to clarifications in one or more of the following ways:

- As a written response to clarifications;
- By attending a clarification meeting with selected officers.