



Request for Quotations

A secondment to the role of Interim Director of Operational Excellence

26 June 2020



Quote request: Interim Director of Operational Excellence - Secondment

Fair4All Finance is seeking a provider to provide a secondee to undertake the role of Interim Director of Operational Excellence for the four-month period up to 31 October 2020.

About Fair4All Finance

Fair4All Finance has been founded to increase the financial wellbeing of the most vulnerable groups in society by increasing access to fair, affordable and appropriate financial products and services

Through increasing access to and the use of fair financial products and services we will help people in vulnerable circumstances to meet their day to day financial needs, absorb shocks and smooth incomes.

Our vision is of a society where the long-term financial wellbeing of all people is supported by a fair and accessible financial sector.

Our mission is to increase the financial resilience of people in vulnerable circumstances by providing access to fair, affordable and appropriate financial products and services.

Our strategic drivers look at supply and demand across the whole financial services system:

SUPPLY SIDE		DEMAND SIDE		
Available	Appropriate	Attractive	Awareness	Access
<ul style="list-style-type: none">• sufficient capacity and capital is available from providers to meet demand	<ul style="list-style-type: none">• products are available that are appropriate to specific consumer segments• products support building longer term financial resilience	<ul style="list-style-type: none">• products are attractive to consumers such that they choose them	<ul style="list-style-type: none">• all consumers who would benefit from tailored finance products are aware of them	<ul style="list-style-type: none">• consumers are able to access appropriate financial products and are not hindered by a lack of or poor data on their ability to afford it

We will deliver this work through five workstreams:

- **Systems change and impact:** deliver, influence and evidence impact of systemic change to society
- **Funding, finance & investment:** enable affordable long-term financing for providers
- **Operational excellence and capability:** optimise sustainable operating models for providers
- **Governance, leadership and talent:** strong pipeline of talent and transformational leader
- **Markets, consumer insights and product design:** enable well designed solutions that build wellbeing to reach the people and communities we wish to serve



Our first area of focus is on affordable credit provision and we have identified a 10x transformation challenge in meeting the needs of people in vulnerable circumstances.

For customers struggling to access mainstream provision, fair and affordable lenders like credit unions and CDFIs provide a vital service. Responsible credit can help customers to meet unexpected costs, smooth incomes or make essential purchases that are otherwise unaffordable upfront, as well as saving hundreds or thousands of pounds a year compared with high-cost credit.

Yet responsible lending makes up only a fraction of short-term lending in the UK - each year, affordable credit providers make just £250m of loans to this group, while over the same period, high-cost short-term credit providers lend £3bn. Fair4All Finance's first area of focus is to support the scaling of affordable providers and prove that this customer group can be served in a sustainable and ethical way. We will do this by providing support and funding for the affordable credit market as part of meeting the 10x challenge in ensuring that fair and affordable credit is available for all that need it.

The availability of affordable credit is impacted by both capital/funding and capacity for scale. To deliver significant change Fair4All will:

- 1 Assess the capacity and capability for scale of the existing affordable credit providers
- 2 Identify potential systems wide solutions to deliver step change in capacity and capability across the sector
- 3 Identify and back individual organisations that can be financially sustainable and that have the potential to scale significantly
- 4 Explore with mainstream financial services how they will support development of affordable credit – most likely through them providing funding to those specialising in serving these consumers
- 5 Explore with high cost credit providers how they could develop to provide more affordable products
- 6 Support the development of new entrants to the market.

Programme to date

The programme follows a pilot programme which Fair4All Finance led between August 2019 and February 2020. This programme took five organisations through a due diligence and detailed business diagnostic process to determine the most appropriate support that Fair4All Finance could put into that organisation.

During this programme the previous secondee managed a multi-functional due diligence team to lead these detailed assessments, resulting in a due diligence report for each organisation which was presented to their boards and to the board of Fair4All Finance along with investment recommendations.

This programme resulted in the outcomes listed in the appendix of [this brochure for the programme](#). The programme also resulted in the report 'Transforming affordable credit in the UK', available online [here](#). This identified five areas where affordable credit organisations have the opportunity to develop their capacity to get to scale. These are:

- a. **Systems change and impact**
- b. **Funding, finance & investment**
- c. **Operational excellence and capability**
- d. **Governance, leadership and talent**
- e. **Markets, consumer insights and product design**



The Scale up Programme – which follows the pilot and its findings – will assess organisations across these five areas and will identify targeted support based on the gaps and opportunities in each of them. This will be the due diligence process and will be split into three stages of request to organisations on the programme. These stages and what they entail are broken down in the application guidance provided for potential entrants to the programme. This can be found [here](#).

The Director of Operational Excellence will lead the due diligence process to establish the need for each organisation on the programme across these five areas. A cross functional team will be available to support this process, including a Social Impact Lead, a Technology Lead and Financial Due Diligence consultants. The role will involve strong management of multiple relationships with the programme entrants and an ability to analyse the detail of the operations. This must be combined with a growth and scale mindset to ensure that the assessment process and all recommendations have the objective of the programme threaded through them.

Introduction to the role

Role purpose

This secondment is an interim role which precedes appointment of a permanent candidate. It provides an exciting opportunity for someone who wants to help transform the way financial services serve people in vulnerable circumstances in the UK. At **Fair4All Finance** we are investing in the development of organisations serving this consumer group.

The overall purpose of this role is to design and deliver programmes and projects to **optimise sustainable operating models for providers serving people in vulnerable circumstances**.

Background

Our pilot Affordable Credit Scale Up Programme provided us with the opportunity to identify the key areas for delivering our work as set out in our Transforming the Affordable Credit Sector report issued in February 2020. The pilot programme was delivered through a team of secondees and consultants, two of whom have now taken up permanent roles in the team as CEO and Head of Strategy and Policy.

We have formally assessed our organisational structure and we have identified key roles to lead each work area as we accelerate our work. This role brings together work previously split across several secondees and consultants and extends it now that we have clarity on the scope of work we wish to deliver in this area.

The Covid-19 pandemic has increased the need for our work and resulted in acceleration of our Scale Up Programme delivery and wider strategy development.

We are therefore seeking a secondee who has a track record of being able to step into situations to deliver effectively as part of a team to lead establishment of this area and delivery of priorities, including coordination and supervision of a number of secondees and consultants working on key projects over the next few months.

We will be seeking to appoint a permanent member of the team in due course, however the delivery programme we have set over the next months in accelerating our work means we need an interim to ensure we can deliver on our commitments over that period.

Main responsibilities



This role will focus on developing the capability and appetite of providers of financial services (and those providing systems and support to them) to deliver appropriate and attractive financial products and services to people in vulnerable circumstances with sustainable business models.

The secondment specification

Main responsibilities

Working closely with the CEO, the Interim Director of Operational Excellence will lead our work to build capability of providers in sustainably serving people in vulnerable circumstances, and work across the organisation to lead on delivering appropriate financial support to enable sustainable scaling of affordable finance providers.

The role holder will be responsible for managing the work of the lead Technology Consultant, secondees from Carnegie and to identify and manage other resources needed to deliver the programme of work.

The role holder will be responsible for the overall design and delivery of:

- Focused programmes to support delivery at scale, enabling learning, development and proving operating models that enable people in vulnerable circumstances to be sustainably served with appropriate financial products and services. This includes the delivery of the due diligence for Fair4All Finance's Affordable Credit Scale-up programme.
- A resource for financial services to understand sustainable operating models for serving people in vulnerable circumstances
- A centre of expertise for providers focused on serving people in vulnerable circumstances to deliver:
 - Development of target operating models to set benchmarks for effective:
 - Cost to serve (acquisition, decisioning and onboarding)
 - Cost of financing (in close liaison with Director of Investment)
 - Cost of default (debt collection and bad debts)
 - Open access tools to enable all providers to adopt efficient, customer centred business processes
 - Development of pricing models to help providers properly assess their product mix
 - Development of tools to support effective operating structures and organisational design to support scale
 - Development of appropriate technology architecture options to enable effective automation
 - Sourcing and oversight of delivery of specific tailored support to organisations accepted on to our scale up programmes
 - An advisory group and collaborate to share resources so that work gets done where it makes most sense
 - Identify where additional research or resources need to be sourced and commissioned to deliver on the outcomes
 - Set out a work plan with clear timelines and responsibilities

Ideal candidate profile

Essential experience and capabilities include

- Design and delivery of scale up programmes designed to deliver system change and impact
- Experience with regional and national development programmes working with central and local government
- In depth experience of working with consumer credit and SMEs
- Understanding of evaluation frameworks and how to establish and report on measures for success
- Strong understanding of business growth life cycles and the interventions and investments that are appropriate to support the scaling up of small lenders



- Demonstrable ability to form successful collaborative partnerships with stakeholders
- evidence of strong oral and written communication skills and self-assurance working alongside and presenting recommendations to either an executive or board within organisations

Desirable experience and capabilities include

- Understanding of State Aid and requirements in applying funds to deliver on our purpose

Personal characteristics

- able to deal with complexity and uncertainty and work under your own initiative
- adopt innovative and creative approaches to problem solving with multiple stakeholders
- be great at building relationships at all levels
- enjoy innovative and experimental ways of team working
- seek continued learning and development and enjoy developing others.

Qualifications

- evidence of strength in numeracy and business understanding
- evidence of strength in programme design and delivery

Outputs/deliverables

Role outcomes

The work needs to shift the dial significantly on the following outcomes:

System change and impact

- Are we creating the conditions for a sustainable market tailored to people in vulnerable circumstances?
 - Reduction in the use of high cost/unregulated credit?
 - Increase in savings?
 - Increase in insurance purchased?
 - Systems are designed to be inclusive?

We'll know we are being successful when we see evidence of shift in attitude to serving those in vulnerable circumstances.

Availability

- Are we increasing provision for key groups of people?
- Are we increasing availability in key places?

We'll know we are being successful when we have proven models of serving people in vulnerable circumstances that are increasing provision in the market.

Specific deliverables in the period of the secondment

The specific deliverables in this four-month time frame would be:

- 1 Coordination and delivery of the Affordable Credit Scale Up Programme Phase I capability building work
- 2 Leadership of the delivery of the operational and commercial diligence team for Affordable Credit Programme Phase II working closing with the Investment Director
- 3 Delivery of the following assets for the benefit of the sector in Fair4All Finance branding and style as agreed:
 - Technology landscape report
 - Technology innovation report
 - Target operating model best practice guide



- An overall report on the findings from the operational and commercial diligence in Phase II
- Specific reports for individual organisations to recommend areas for capability building to support delivery of growth plans

Practicalities

This is envisaged as a full-time secondment

Currently, the F4A Finance team is working remotely. We expect to work a combination of remotely and from our offices (Toynbee Hall, London) over the summer and possibly beyond. The successful candidate would be expected to occasionally work from the London office, and occasionally travel within the UK, should government advice allow this in future.

Timings

This procurement is intended to follow the timetable below:

Stage	Dates
Quote request published	26 June 2020
Deadline for clarification questions	1 July 2020
Response to clarification questions	9am 3 July 2020
Proposals due	11.59pm, 3 July 2020
Assessment	4-7 July 2020
Interviews	7-8 July 2020
Decisions made	8-9 July 2020
All bidders notified of award decision	9 July 2020



Your response

To respond to this quote request, please provide a proposal for how you would deliver the required specification for the scope of services as outlined above. The proposal assessment criteria and requirements are set out below.

Your proposal should be no longer than 6 A4 pages long, Arial font size 12, and should address the following questions:

1 Understanding of requirements.

Please explain what you understand Fair4All finance is aiming to achieve in commissioning this work.

2 Relevant experience – organisation

Please provide details of your organisation's previous experience in delivering the type of services required under this contract.

3 Relevant experience - secondee

Please set out the previous experience of the proposed secondee and how the individual meets the ideal candidate profile.

Please include an up to date CV for the proposed secondee as an appendix to your proposal and the names of two referees we can contact in confidence, and at our sole discretion, to confirm the work you undertook and its relevance.

4 Speed to effectiveness

Please describe the track record of your secondee in:

Being able to get up to full effectiveness on delivering a programme of work with multiple stakeholders within a short timeframe

Building trusted relationships with stakeholders in a short period of time and in a virtual environment

5 Challenges

What do you consider to be the three main challenges in delivering the required services and how would you work with Fair4All Finance to overcome them?

6 Price

Please set out your proposed price in GBP for the secondment, including any expenses and disbursements and VAT which may be payable.

Budget and Pricing

- The total budget available for the secondment is £87,000, which includes any expenses, disbursements but excludes VAT.
- Given the not for profit nature of Fair4All Finance, and our founding and funding through government, please indicate where you have given a discount on commercial rates.



- We would welcome proposals which identify a way to deliver the requirements for under the identified budget on a fixed price basis.
- Please outline any VAT and or expenses which may be payable clearly and separately.

Clarification questions

- Clarification questions on this quote request may be addressed to Becky Claydon via email at becky@fair4allfinance.org.uk before 1 July 2020.
- Any question responses which are relevant to all will be shared with all applying parties. If you intend to submit a quote, please advise us at your earliest convenience so that question responses can be shared. Questions will be anonymised before responses are shared with respondents.

Proposal submission

Please email a proposal of no more than 6 pages long to Becky Claydon by 11.59pm 3 July 2020.

Proposal scoring criteria

The proposal will be evaluated against the written response (quality) based on experience, and general approach as well as the tender sum (price). We intend scoring each submission on a weighted basis with 70 % of the available scores being awarded for the quality answers and 30 % awarded for price.

The quality element of supplier's proposals will be scored using the following scale of awarding marks between 1 and 10:

0-3	Completely unsatisfactory response – limited or no relevant information. Respondent would have serious difficulty delivering the required standard.
4	Fair response – respondent would only meet some of the requirements of the contract some of the time.
5-6	Acceptable response – respondent would be likely to meet basic contract standards, but further work required to ensure standards are met consistently.
7-8	Good response – clearly indicating Respondent has fully understood and can apply and deliver all the required contract standards.
9-10	Excellent response - clearly indicating Respondent has fully understood and can apply and deliver all the required contract standards and includes robust and deliverable proposals to provide additional benefit to Fair4All Finance

The scoring for price will be allocated based on 10 points going to the lowest tender price. We will score the financial proposals for each bid out of 10 (prior to the application of the weighting) in accordance with the following methodology:

The total price as confirmed within the commercial envelope of the bidder's submission (P_1) which shall be scored by comparing this with the lowest total price submitted by any bidder (Z_1) as follows:

$$\text{Score} = Z_1/P_1 \times 10$$

Proposals submitted will be assessed by Fair4All Finance against the following criteria and weighting:



QUALITY	Scoring	Weighting
1 Understanding of requirements and challenges To what extent does the proposal demonstrate an understanding of the issues related to this brief?	Out of 10	10%
2 Relevant experience What degree of experience does the bidder and proposed secondee demonstrate to successfully deliver the role and outcomes?	Out of 10	40%
3 Speed to effectiveness To what extent does the proposed secondee demonstrate a track record of being able to get up to speed quickly and build trusted relationships in a short timeframe?	Out of 10	35%
PRICE		
4 Price To what extent does the proposal appear to be priced clearly in respect of the specification and represent good value for money?	Out of 10	15%

Fair4All Finance will award the contract to the bidder submitting the offer that best meets scoring criteria from the point of view of the Fair4All Finance evaluation team.

If, for a given contract, tenders appear to be abnormally low in relation to the services, Fair4All Finance shall, before it may reject those tenders, investigate the elements of the tender which it considers to be unsustainable. If Fair4All Finance's investigations determine the bid to be unsustainable, Fair4All Finance may reject the tender from the process.

Tender interviews

Tenderers will need to make the proposed secondee who will be responsible for the provision of the Contract available for interviews. This will be to demonstrate their understanding and approach as outlined in the tender. It will also allow Fair4All Finance an opportunity to clarify any aspect of the secondment. Interviews will take place either on 7 or 8 July 2020 via video conference using Microsoft Teams.



Awarded contract

Any awarded contract will consist of terms and conditions as set out in the selected provider's secondment agreement or engagement letter and agreed with Fair4All Finance.

During the secondment the Secondee will work under the supervision of Fair4All Finance and carry out all reasonable instructions from Fair4All Finance. The bidder, remaining as the secondee's employer, will maintain a reasonable level of insurance cover for loss, injury or damage caused to or by the Secondee in connection with the secondment.

The Secondee will not, without the prior written approval of Fair4All Finance, do any act, enter into any contract, make any representation, give any warranty, incur any liability or assume any obligation, whether expressly or by implication, on behalf of Fair4All Finance, or bind or hold himself/herself out as capable of binding Fair4All Finance in any way.

The Secondee will remain the employee of the Employer for the duration of the secondment and will not become, or be regarded as, the employee of Fair4All Finance. If the Secondee ceases to be the employed by the Employer for any reason during the secondment period, then the secondment will terminate immediately.

Fair4All Finance shall provide the Employer with such information and assistance as it may reasonably require to carry out its obligations as the Secondee's employer.



Notes

- Quote request responses not received by the deadline will not be considered.
- Quotations shall be valid for 90 days.
- All bidders are solely responsible for all their costs and expenses incurred in connection with this procurement process at all stages.
- Fair4All Finance reserves the right to amend or cancel the procurement exercise at any point. Fair4All Finance will accept no liability for any losses caused by any change or cancellation of this procurement exercise nor any decision not to award a Contract.
- Any information submitted to Fair4All Finance may need to be disclosed and/or published by Fair4All Finance. Fair4All Finance may disclose information in compliance with the Freedom of Information Act 2000, any other law, or, as a consequence of judicial order, or order by any court or tribunal with Fair4All Finance to order disclosure.
- Data Protection Act 2018 - Any awarded Contract will be subject to the Data Protection Act (DPA) 2018. Fair4All Finance reserve the right to request additional evidence to undertake sufficient due diligence of any Tenderer to ensure they have implemented the appropriate technical and organisational measures to comply with the act.
- Fair4All Finance is committed to greater transparency and may publish its tender documents, contracts and data from invoices received and may at its discretion redact all or part of such information prior to publication.
- Bidders shall not (and shall procure that their subcontractors and representatives do not) do any of the following without obtaining the prior written consent of Fair4All Finance:
 - make a public statement or communicate in any form with the media in connection with this procurement
 - use any trademarks, logos or other intellectual property rights associated with Fair4All Finance and/or its stakeholders
 - represent that the Bidder is directly or indirectly associated in any way with Fair4All Finance and/or its stakeholders or that its or their respective products and/or services are in any way endorsed by Fair4All Finance and/or its stakeholders
 - do anything or refrain from doing anything which would have an adverse effect on or embarrass Fair4All Finance and/or its stakeholders.
- Fair4All Finance will notify all bidders of its contract award decision.
- Fair4All Finance are not bound to accept the lowest or any tender. Fair4All Finance also reserve the right to accept the whole or any part of any tender submitted.
- **Fair4All Finance is committed to** providing its services in a way that promotes equality of opportunity at every possibility. We expect the successful tenderer to be equally committed to equality and diversity in its employment practices and service provision. Fair4All Finance also expect that they will keep to all anti-discrimination legislation.