**UK PROPERTY MANAGEMENT SERVICES**

**FOR**

**THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA PENSION FUND**

**SERVICE SPECIFICATION**

The RBKC Pension Fund (“the Pension Fund”) is seeking to increase its allocation to UK property investments from the current level of around 5% to around 20%, through a bespoke segregated property portfolio. This Invitation to Tender invites proposals from parties with the capability to help the pension fund build and maintain a direct property portfolio and/or to provide ongoing management services for the portfolio, including to:

* Advise on property acquisitions and disposals;
* Execute acquisitions and disposals, including contract negotiations and executions;
* Manage interacting with tenants and property management, including rent roll
* Advise the Investment Committee on strategy; and
* Consider and implement structures to hold assets

**Mandate specifics**

The Pension Fund property portfolio is expected to be initially circa £150m - £200m of assets invested via a segregated mandate.

It is envisaged the portfolio will be assembled on a ‘buy and maintain basis’ with very limited turnover. The portfolio will be evergreen and will not be held for sale or realisation to meet either a time or return deadline.

The properties bought will be held directly by the Pension Fund or via such structures as its advisers may recommend (but in all cases retaining complete control and ownership without co-mingling with other investors’ funds).

All income would be expected to be distributed back to the Pension Fund rather than accumulated.

The Pension Fund expects individuals identified as Key Staff in the Contractor’s tender response to work on the account and to remain involved throughout the acquisition and subsequent management phase.

The Person Fund expects that there will be a dedicated relationship Manager for the Pension Fund who will be the person to whom the Pension Fund will have direct, daily access.

**Discretion**

The Pension Fund will maintain control over the properties within the portfolio. Any purchase or sale decisions will be taken by the Pension Fund, with advice from its advisers (including the advisers found through this procurement).

A Property Sub-Committee has been formed to be able to take decisions on properties quickly, and we would be grateful if you could consider this approach in your response.

The appointed contractor will be expected to attend meetings of the Pension Fund’s Investment Committee on a regular basis. Such meetings typically take place at 6.30pm on a weekday at Kensington Town Hall.