

EXPRESSION OF INTEREST (EOI)

FOR

**DEPARTMENT FOR EDUCATION:
ALTERNATIVE STUDENT FINANCE (ASF) SHARIA
SUPERVISORY BOARD SECRETARIAT**

1. EXPRESSION OF INTEREST

We require information on your capability and capacity to provide the services detailed below.

Through this Expression of Interest (EOI), suppliers are required to confirm whether they can meet the criteria and timescales to deliver the requirements set out at sections 3 and 4. The objective of the EOI is to understand the market capability to deliver this requirement and it may be used to inform a future procurement activity.

Please note DfE reserves the right to only invite those that have submitted an EOI to any further Tender stage(s). DfE reserves the right to directly award this contract to a single or multiple Providers. This will be dependent on responses to this EOI.

Any supplier which does not respond to this EOI in accordance with the procurement timetable below will exclude themselves from the bidding process for this project.

Please advise if you are interested in bidding for this opportunity.

If you are not interested in bidding, please provide reason(s) as this will be valuable feedback.

2. PROCUREMENT TIMETABLE

EOI publication date: 22/11/2023

EOI return date: 20/12/2023

Return date for this EOI –

Any supplier which does not respond to this EOI within the stipulated timescales will exclude themselves from the bidding process for this project.

Next steps: DfE will review responses to the EOI before making decisions on next steps. DfE anticipate that the earliest work will commence is February 2024, although timeframes are subject to change.

3. BACKGROUND TO THE REQUIREMENT

Base location of services to be delivered: The majority of the services can be carried out virtually. However, travel may be required to Student Loans Company (SLC) base locations including Glasgow and Darlington.

Customer organisation overview:

The Department for Education (DfE) is responsible for children's services and education, including early years, schools, higher and further education policy, apprenticeships and wider skills in England.

DfE is a ministerial department supported by 18 agencies and public bodies and non-ministerial departments.

Key information about your requirement that a supplier may need to respond to:

Background:

In April 2014, the DfE launched a consultation which sought views on the acceptability of a Sharia-compliant alternative student finance (ASF) product. Following a positive response to the proposal, the Government committed to the introduction of an ASF product, using the Islamic finance principle of 'Takaful' to provide a form of group-based mutual support.¹

The Government has since legislated to make a system of ASF possible, when the power for this was taken in the Higher Education and Research Act 2017 and has worked with specialist advisers on the development of an ASF model.

Alongside this, the Government has been reforming the student finance system to put it on a sustainable footing for the long term and is introducing the Lifelong Learning Entitlement (LLE), that will significantly change the ways students can access learning and financial support.

In March 2023, as part of the LLE consultation response, the DfE committed to delivering ASF as soon as possible after the introduction of the LLE.

In August 2023, the Student Loans Company (SLC) started work on understanding the timescales for delivering an ASF product and, to support this, are being provided with specialist advice by Islamic finance experts.

Specification of requirements:

Before launch, the ASF product will need to pass a comprehensive Sharia assurance process, in line with Islamic finance industry norms. The DfE is seeking to appoint a Sharia secretariat who will oversee this process.

The secretariat will perform four primary functions:

1. Identifying and appointing a Sharia Supervisory Board (SSB)². The SSB will be composed of 3 to 5 suitable scholars, and the secretariat will need to acquire DfE and SLC agreement to the appointment of scholars to the board.
2. Acting as the main point of liaison with the SSB, throughout the full delivery process.
3. Overseeing the Sharia certification of the ASF product by the SSB, to include arranging timely reviews of the ASF solution, as it is developed, and organising

¹ The Government's full response to the consultation can be found here: [Government response to a consultation on a Shariah-compliant alternative finance product \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/consultations/sharia-compliant-alternative-student-finance-product).

² A Sharia Supervisory Board (SSB) is an independent board of scholars, appointed to appraise Islamic finance products and certify their sharia compliance.

the formal certification of the product by the SSB.

4. Executing administrative tasks, including providing minutes and supporting documentation, throughout the certification process.

The key deliverables, for the chosen supplier, will be to:

- Establish the SSB.
- Co-ordinate the SSB's review of the ASF product.
- Obtain the SSB's formal certification of the final ASF product as sharia compliant.

The chosen supplier will be expected to work in partnership with the DfE and SLC throughout the delivery process and ensure that the certification process is undertaken in a timely manner.

Expectations of supplier:

DfE expects the chosen supplier to be able to evidence sufficient expertise and, ideally, prior experience of the following:

Essential:

- i. Sharia-certification processes, including:
 - a. Setting up SSBs: identifying and appointing Sharia scholars to independent Boards.
 - b. Running SSBs: liaising with scholars and performing the administrative functions of a sharia secretariat.
 - c. Securing the Sharia certification of financial products, including understanding the beginning-to-end sharia-assurance process.
- ii. Knowledge of Islamic finance and Islamic financial products, specifically of Takaful finance models.
- iii. Knowledge of a diverse range of sharia scholars, including their theological positions and their reach within the UK Islamic community, so that a representative and diverse SSB can be appointed. The chosen supplier should also be able to evidence an understanding of scholars' expertise on the current student finance system and of Takaful finance models.
- iv. Knowledge of the student finance system: how the current student finance system operates, including the work of SLC.

Highly Desirable:

- v. Knowledge of the SLC's systems and processes would be an added benefit.
- vi. Familiarity with the proposed ASF solution.

In addition, the supplier will be expected to evidence the provision of sufficient resource to carry out the work to a high standard over the duration of multiple months. Suppliers may be required to act on an 'on-call' basis, providing the SSB with information to resolve ad-hoc issues as they arise throughout the delivery process.

Bidding suppliers should provide responses to the questions set out at the 'Evaluation Criteria' found at section 4 (page 6).

Contract start date (if known): ASAP

Length of contract (if known): 12-18 months and to then be reviewed on an annual basis in line with the development of the product. DfE predict approximately 18-24 days of work will be required per year.

Confidentially requirements:

This will include a Non-Disclosure Agreement (NDA)

Security and vetting requirements:

The successful supplier will need to complete a Supplier Security Questionnaire.

Is there an incumbent supplier: N

Incumbent supplier details: N/A

Budget range:

Suppliers should provide an indicative cost for the required services, reflecting the estimated days of work per year (18-24). This should include the cost of remunerating scholars appointed to the SSB (the secretariat will be responsible for directly remunerating the SSB).

4. INFORMATION REQUIRED

Prospective suppliers submitting an Expression of Interest should set out:

1. A short history of the organisation and services provided;
2. Details of the size of the organisation (for example, the number of employees);
3. Details of the organisation's Sharia governance offering (for example, this might

include reference to the type and breadth of governance services offered, past projects completed and/or past contracts fulfilled). **Max. 500 words**;

4. An indicative cost for the required services. This could be presented as either: the total cost estimate for the full service, or the minimum daily rate. Indicative quotes must be inclusive of all known costs (including SSB remuneration), and should include VAT where applicable;
5. Evidence of the organisation's expertise in respect of the desirable and highly desirable criteria set out at section 3 (Expectations of supplier). **Max. 750 words**.

Any additional supporting evidence that you would like DfE to consider. This might include any challenges that suppliers foresee to the delivery of this requirement. Information submitted will help DfE understand the market capability to deliver this requirement and inform the most appropriate procurement activity.

5. RIGHT TO CANCEL OR VARY THIS EOI

We reserve the right to: amend, clarify or cancel any part of this EOI at any time. The posting of this EOI is not a guarantee of a tendering exercise, neither is participation in this EOI.

6. EOI CUSTOMER CONTACT

Contact can be made via the Jaggaer messaging function where messages will be regularly monitored.