



Remarkable research  
for healthy ageing

THE DUNHILL MEDICAL TRUST

## **REQUEST FOR PROPOSALS: Investment Advisor / Consultant**

### **Introduction:**

The Dunhill Medical Trust is requesting proposals from investment advisory/consultancy firms to demonstrate how they can be a valued partner and support the Trust in managing its £170M endowment. Prospective partners are encouraged to respond to this request for proposals (RFP) and describe the ways in which their firm's capabilities and approach could help the Trust in its ambition to be an 'impact-conscious' investor.

### **Organisational Background:**

When Herbert E Dunhill died in November 1950, he left £250,000 worth of shares in Alfred Dunhill Ltd from his personal estate to establish a Charitable Trust for medical research into tuberculosis. Under the guidance of his niece and subsequently his grandniece, the shares were disposed over time, to seed the fund that established the modern charity.

Today, the Dunhill Medical Trust is an independent charitable foundation focused on understanding the mechanisms of ageing and age-related disease and improving health and social care for older people. We look to inspire and enable academic researchers, community-led organisations and health and social care professionals to apply their knowledge and skills to improve the quality of life, functional capacity and well-being for older people now, or create the context for change in the future. We primarily fund scientific and academic research into healthy ageing, disbursing around £5m in grants annually which is funded from the proceeds of our endowment.

The Trust is governed by a Board of eleven Trustees and run by a staff team of seven, with a separate Investment Committee responsible for overseeing the endowment (for details of the individuals involved see [website](#)).

### **Endowment Overview:**

Historically the endowment was invested with the sole purpose of generating returns to fund the philanthropic grant-activity – aiming to maintain the real value of the capital base over the long-term. However, in recent years the Trust has been exploring how it can use its assets in support of its charitable mission, pursuing an approach that is conscious of the impact created through our investments, alongside the financial risks and returns generated. The Board recently approved changes in the investment mandate that clarify the desire to be an impact-conscious investor, outlined in the Investment Policy Statement (IPS), published in July 2024 (found [here](#)).

The Trust's current investment portfolio consists primarily of pooled public equity and debt funds, with multiple managers across a range of different strategies. The Trust has a desire to increase its exposure to private markets, recently investing in several impact-focused fund managers, with the aim of reaching a 10% allocation within the next few years. Details of the Trust's investment portfolio are publicly disclosed within the charity's annual report (see pages 16 – 19 of [the report](#)].

### **Scope of services required**

Given the Trust's current portfolio, we are interested in advisors that have expertise across both public and private markets asset classes. However, we are open to partnering with organisations who are only able to offer services on either the private or public markets. If we find the right partner(s) we may consider segmenting the investment mandate accordingly. We are looking for advisors who can provide support across the following areas:

- Advice on investment policy, strategic and tactical asset allocation
- Investment manager review and selection, including operational due diligence
- Integration of impact and ESG into investment decision-making
- Performance and ESG reporting and monitoring
- Risk assessment and modelling

The RFP seeks to understand the full range of services offered by the applicant, from portfolio advisory to full-scale outsourced back-office investment service provision. We recognise the number of possible services enquired about is comprehensive and we invite parties not to be dissuaded if there are certain services which your firm does not tend to provide. In your response, please be clear on the full scope of services that your firm can provide, including any ability to provide bespoke services for a client of our size.

### **Expectations of a Partner:**

The Trust has in-house investment expertise through the appointment of a Chief Investment Officer, operating under the governance of an Investment Committee, comprised of both Trustees and independent members. We are looking for a partner(s) that understand the needs of the Trust as an independent charity and shares our values and principles. We are ultimately looking for organisations that have a strong desire to work with us, providing both challenge and support, as we pursue an impact-conscious investment approach.

As a member of the Trust and Foundation sector, we are keen on partnering with organisations who are interested in supporting other charitable investors to use all their assets in support of their missions, alongside influencing the wider investment sector to unlock further impact-focused capital.

## **Process**

All RFP responses and queries related to the request should be submitted to the Trust's Chief Investment Officer via email ([admin@dunhillmedical.org.uk](mailto:admin@dunhillmedical.org.uk)) by the **13<sup>th</sup> October 2024**. Applicants are required to succinctly address all the nine areas outlined Appendix 1 within their response, using a maximum of 20 pages.

Following submission and receipt of responses, the Trust will identify a shortlist of potential candidates to interview in the new year (end of January / early February 2025), with a final decision communicated by March 2025. Once proposals have been reviewed, the Trust will be in touch regarding any further information required and next steps.

## **Appendix 1: Areas to Cover in Request for Proposal**

### **1. Firm Overview:**

- A. Background of the firm, history and ownership structure (including assets under management/advice).
- B. Overview of activities and business lines within the organisation, including number of employees and organisational structure.
- C. Comparison to peer firms and identification of the organisation's key strengths / differentiating factors.

### **2. Team and Resourcing Overview:**

- A. Details of the delivery team, including planned frequency of meetings with the Trust and resources allocated to the relationship. Please identify the proposed key individual(s) responsible for relationship management.
- B. Current client base and experience of working with institutional investors of a similar nature, including number of charity clients with client references.

### **3. Strategic and Tactical Asset Allocation:**

- A. Investment, risk and cash-flow modelling capabilities – including whether these are available for clients.
- B. Methodology for determining asset class assumptions and current views on the market and asset allocation. If applicable, please include views on passive versus active management in public markets.
- C. Process for determining SAAs for clients and the extent to which this is modified for different client types.
- D. Overview of approach to risk management, including single factor analysis of portfolios

### **4. Manager Selection:**

- A. The firm's research capabilities and experience including the scale of the team working on investment due diligence.
- B. Range of asset classes and investment opportunities covered, including scope of funds considered across asset classes (e.g. emerging manager track-record / minimum fund size requirements). Where applicable, highlight coverage of private / public opportunities. Please include examples of recent opportunities assessed.
- C. Overview of the research and due-diligence process conducted, including the provision of tax and legal due-diligence, if applicable.
- D. Process to inform clients of new investment opportunities and changes to previous recommendations.
- E. The firm's ability to enable clients to access top-quartile fund managers and investment opportunities.

- F. *(If applicable)* Where ‘own brand pooled funds’ are offered, how these are designed, constructed and portfolio changes made.

**5. Impact:**

- A. The firm’s understanding of responsible investment approaches.
- B. The integration of environmental and social factors into investment decision-making and recommendations.
- C. The firm’s experience of supporting investment clients with impact objectives.
- D. Examples of impact-focused investment opportunities that have been reviewed and recommended for clients.
- E. Ability to assess the impacts delivered (both positive and negative) at a fund-manager and/or underlying portfolio company level.
- F. Membership or collaborations with any broader responsible investment focused bodies / coalitions.

**6. Reporting:**

- A. Processes surrounding the collation, aggregation and analysis of fund manager reports.
- B. Frequency and content of performance reporting for clients, including metrics and datasets used. Where possible, please provide example client reports.
- C. The level of customisation available for clients around portfolio reporting.

**7. Engagement Practices:**

- A. Process to assess and understand how fund managers engage with portfolio companies
- B. Monitoring of fund managers voting records and tracking of progress with engagement strategies
- C. Firm’s experience of influencing fund managers and advocating for the achievement of client’s non-financial objectives

**8. Fees and services:**

- A. Full range of services offered and potential appropriate advisory model(s) for the Trust.
- B. Fee calculation and billing basis, including VAT. Where multiple different models are proposed (including bespoke service provision), please outline the associated fee calculations.

**9. Partnership:**

- A. Motivation for partnering with the Dunhill Medical Trust
- B. The firm’s ability and interest in supporting the wider foundation sector.