

**United Kingdom-London: Financial and insurance services**

**OJ S 60/2018 27/03/2018**

**Contract notice**

**Services**

**Legal Basis:**

Directive 2014/24/EU

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**Section I: Contracting authority**

**I.1. Name and addresses**

Official name: SME Wholesale Finance (London) Limited

Postal address: 71-91 Aldwych

Town: London

NUTS code: UKI London

Postal code: WC2B 4HN

Country: United Kingdom

Contact person: Mr Gary Seed

E-mail: [GARYSEED@TFL.GOV.UK](mailto:GARYSEED@TFL.GOV.UK)

**Internet address(es):**

Main address: <http://fundinglondon.co.uk>

**I.3. Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://procontract.due-north.com>

Tenders or requests to participate must be submitted electronically via: <https://procontract.due-north.com>

Additional information can be obtained from another address:

Official name: Transport for London

Postal address: 55 Broadway

Town: London

NUTS code: UKI London

Postal code: SW1H 0BD

Country: United Kingdom

Contact person: Gary Seed

E-mail: [garyseed@tfl.gov.uk](mailto:garyseed@tfl.gov.uk)

**Internet address(es):**

Main address: <https://tfl.gov.uk>

**I.4. Type of the contracting authority**

Body governed by public law

**I.5. Main activity**

Economic and financial affairs

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**Section II: Object**

**II.1. Scope of the procurement**

**II.1.1. Title**

**II.1.2. Main CPV code**

66000000 Financial and insurance services

**II.1.3. Type of contract**

Services

**II.1.4. Short description**

Funding London is the trading name of SME Wholesale Finance (London) Limited “the Authority” and is a wholly owned subsidiary of the Greater London Authority (GLA). The Authority is seeking to enter into Limited Partnership Agreements (LPA’s) with FCA authorised fund management organisations to manage and invest the capital of a new 100 000 000 GBP Fund of Funds that will be invested in 4 new subfunds for SME’s who’s core activities are based in London:  
Fund 1 (Lot 1): a 45 000 000 GBP Early Stage Venture and Circular Economy Fund. (14 000 000 GBP ring fenced for Circular Economy);  
Fund 2 (Lot 2): a 25 000 000 GBP Small Loan Fund;  
Fund 3 (Lot 3): a 25 000 000 GBP Larger Loan Fund.  
Fund 4 (Lot 4): a 5 000 000 GBP Micro Loan Fund.  
Fund manager organisations can submit tenders to manage one or more of the subfunds. There is no limit to the number of awards that can be made to any one fund manager organisation.  
The funds are to deliver European Regional Development Fund (ERDF) outputs.

**II.1.5. Estimated total value**

Value excluding VAT: 13 100 000,00 GBP

**II.1.6. Information about lots**

This contract is divided into lots: yes  
Tenders may be submitted for all lots

**II.2. Description**

**II.2.1. Title**

Early Stage Venture and Circular Economy Fund  
Lot No: 1

**II.2.2. Additional CPV code(s)**

66000000 Financial and insurance services

**II.2.3. Place of performance**

NUTS code: UKI London

**II.2.4. Description of the procurement**

The Authority is seeking to enter into a Limited Partnership Agreement (LPA) with an FCA authorised fund management organisation to manage and invest the capital which is to be committed to a 45 000 000 GBP Early Stage Venture and Circular Economy Fund. This fund will focus, in accordance with the Authority Brief (Volume 2 of the procurement documents), on the sectors of strategic importance to the London economy. There will be specific support for early stage SMEs in the circular economy. Of the 45 000 000 GBP, at least 14 000 000 GBP will be ring-fenced for investments in circular economy businesses.

In accordance with the Authorities Brief, the selected fund manager will be required to secure investors at the investee company or borrower level to co-invest on a deal by deal basis. In the case of the Equity Fund, the fund manager will be required to secure at least an equal amount from co-investors as it is investing in any one company.

Refer to the procurement documents for a further description of the procurement, in particular the Authority Brief (Volume 2).

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 7 600 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 132

This contract is subject to renewal: no

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **II.2.11. Information about options**

Options: yes

Description of options:

The duration of the Fund LPA will be 10 years (the life of the Fund) with an option on behalf of the Authority to extend for a further year. There will be an investment period that will begin on final close of the fund and which will terminate by 31.12.2023. The option to extend may be exercised at any time during the life of the Fund.

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds:  
yes

Identification of the project:

#### **II.2.14. Additional information**

##### **II.2. Description**

##### **II.2.1. Title**

Smaller Loan Fund (small loans focus)

Lot No: 2

##### **II.2.2. Additional CPV code(s)**

66000000 Financial and insurance services

##### **II.2.3. Place of performance**

NUTS code: UKI London

##### **II.2.4. Description of the procurement**

The Authority is seeking to enter into a Limited Partnership Agreement (LPA) with an FCA authorised fund management organisation to manage and invest the capital which is to be committed to a 25 000 000 GBP Loan Fund (small loans 100 000 GBP to 500 000 GBP). This fund will, in accordance with the Authority Brief (Volume 2 of the procurement documents), provide loans to enterprises in London seeking debt facilities to expand their business.

In accordance with the Authorities Brief, the selected fund manager will be required to secure investors at the investee company or borrower level to co-invest on a deal by deal basis. In the case of the smaller and larger loan funds, the fund manager will be required to syndicate at least 25% of the loans made by value.

Refer to the procurement documents for a further description of the procurement, in particular the Authority Brief (Volume 2).

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 2 500 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 132

This contract is subject to renewal: no

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **II.2.11. Information about options**

Options: yes

Description of options:

The duration of the Fund LPA will be 10 years (the life of the Fund) with an option on behalf of the Authority to extend for a further year. There will be an investment period that will begin on final close of the fund and which will terminate by 31.12.2023. The option to extend may be exercised at any time during the life of the Fund.

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds:  
yes

Identification of the project:

#### **II.2.14. Additional information**

##### **II.2. Description**

##### **II.2.1. Title**

Larger Loan Fund (larger loans focus)

Lot No: 3

##### **II.2.2. Additional CPV code(s)**

66000000 Financial and insurance services

##### **II.2.3. Place of performance**

NUTS code: UKI London

##### **II.2.4. Description of the procurement**

The Authority is seeking to enter into a Limited Partnership Agreement (LPA) with an FCA authorised fund management organisation to manage and invest the capital which is to be committed to a 25 000 000 GBP Loan Fund (larger loans 500 000 GBP to 1 000 000 GBP).

This fund will, in accordance with the Authority Brief (Volume 2 of the procurement documents), provide loans to enterprises in London seeking debt facilities to expand their business with larger funding requirements.

In accordance with the Authorities Brief, the selected fund manager will be required to secure investors at the investee company or borrower level to co-invest on a deal by deal basis. In the case of the smaller and larger loan funds, the fund manager will be required to syndicate at least 25% of the loans made by value.

Refer to the procurement documents for a further description of the procurement, in particular the Authority Brief (Volume 2).

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 2 500 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 132

This contract is subject to renewal: no

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **II.2.11. Information about options**

Options: yes

Description of options:

The duration of the Fund LPA will be 10 years (the life of the Fund) with an option on behalf of the Authority to extend for a further year. There will be an investment period that will begin on final close of the fund and which will terminate by 31.12.2023. The option to extend may be exercised at any time during the life of the Fund.

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds:  
yes

Identification of the project:

#### **II.2.14. Additional information**

##### **II.2. Description**

##### **II.2.1. Title**

Micro Loan Fund

Lot No: 4

##### **II.2.2. Additional CPV code(s)**

66000000 Financial and insurance services

##### **II.2.3. Place of performance**

NUTS code: UKI London

##### **II.2.4. Description of the procurement**

The Authority is seeking to enter into a Limited Partnership Agreement (LPA) with an FCA authorised fund management organisation to manage and invest the capital which is to be

committed to a 5 000 000 GBP Micro Loan Fund (Micro Loans 10 000 GBP to 100 000 GBP). This fund will, in accordance with the Authority Brief (Volume 2 of the procurement documents), focus on micro enterprises, providing loans for new, young or established enterprises.

In accordance with the Authorities Brief, there is no set minimum target for private sector co-investors; however, to the extent possible and appropriate, the selected fund manager will be asked to syndicate a proportion of the loans where there is an opportunity to do so.

Refer to the procurement documents for a further description of the procurement, in particular the Authority Brief (Volume 2).

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 500 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months: 132

This contract is subject to renewal: no

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **II.2.11. Information about options**

Options: yes

Description of options:

The duration of the Fund LPA will be 10 years (the life of the Fund) with an option on behalf of the Authority to extend for a further year. There will be an investment period that will begin on final close of the fund and which will terminate by 31.12.2023. The option to extend may be exercised at any time during the life of the Fund.

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds:  
yes

Identification of the project:

#### **II.2.14. Additional information**

### **Section III: Legal, economic, financial and technical information**

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#### **III.1. Conditions for participation**

##### **III.1.1. Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions:

Bidders must be authorised by the Financial Conduct Authority ("FCA") as a full scope UK AIFM or a small authorised UK AIFM; or be a full scope EEA AIFM (as each of those terms is defined in the Alternative Fund Managers Regulations 2013 (SI 2013/1773). If not, Bidders will be required to confirm that they will have the relevant authorisations before contract award or will have appropriate arrangements with a regulatory hosting or umbrella organisation.

##### **III.1.2.**

## **Economic and financial standing**

Selection criteria as stated in the procurement documents

### **III.1.3. Technical and professional ability**

Selection criteria as stated in the procurement documents

## **III.2. Conditions related to the contract**

### **III.2.1. Information about a particular profession**

Execution of the service is reserved to a particular profession Reference to the relevant law, regulation or administrative provision:  
Please refer to Section III.1.1 above.

### **III.2.2. Contract performance conditions**

Please refer to the procurement documents.

### **III.2.3. Information about staff responsible for the performance of the contract**

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

## **Section IV: Procedure**

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### **IV.1. Description**

#### **IV.1.1. Type of procedure**

Open procedure

#### **IV.1.3. Information about a framework agreement or a dynamic purchasing system**

#### **IV.1.8. Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: yes

### **IV.2. Administrative information**

#### **IV.2.2. Time limit for receipt of tenders or requests to participate**

Date: 14/05/2018 Local time: 12:00

#### **IV.2.3. Estimated date of dispatch of invitations to tender or to participate to selected candidates**

#### **IV.2.4. Languages in which tenders or requests to participate may be submitted**

English

#### **IV.2.6. Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 6 (from the date stated for receipt of tender)

#### **IV.2.7. Conditions for opening of tenders**

Date: 14/05/2018 Local time: 12:00

## **Section VI: Complementary information**

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### **VI.1. Information about recurrence**

This is a recurrent procurement: no

### **VI.2. Information about electronic workflows**

Electronic ordering will be used  
Electronic invoicing will be accepted  
Electronic payment will be used

### **VI.3. Additional information**

The funds are to deliver European Regional Development Fund (ERDF) outputs and fund manager performance fees will be linked to meeting these requirements. The fund manager for each fund must ensure that all investments are made in accordance with the requirements of the Authority Brief, in a State Aid compliant manner and all applicable laws.

The Fund of Funds will be financed via a combination of grant from the European Regional Development Fund (2014-2020) Programme, a grant from the London Waste and Recycling Board, a loan from the European Investment Bank (EIB) and Funding London's legacy funds. The EIB has provisionally indicated a willingness to provide a 50 000 000 GBP facility subject to its own due diligence and approval processes.

The selected fund managers will be required to invest a minimum amount of between 1,2% and 1,7% (depending upon the Fund) of the funds committed to the relevant fund.

Bidders are required to agree to be audited by the UK audit bodies, the European Commission and the European Court of Auditors along with the funders and their auditors.

Figures given for Estimated Value are based on the Fund size. The actual fee range will be based on bidder's proposals as percentages against the fund size and investments.

The GLA encourages their suppliers, and those companies interested in tendering for its contracts to undertake their activities in line with the principles contained in its Responsible Procurement Policy. Further information can be obtained from the following website:

[https://www.london.gov.uk/sites/default/files/gla\\_group\\_rpp\\_v7.12\\_final\\_template\\_for\\_web.pdf](https://www.london.gov.uk/sites/default/files/gla_group_rpp_v7.12_final_template_for_web.pdf)

The Authority reserves the right, subject to the provisions of the Public Contracts Regulations 2015 to change without notice the basis of any part of the procurement process or to cancel the procurement at any time and not to proceed with the award of any contract at any stage of the procurement process.

Organisations who are not registered on TfL's e-procurement system should register as a new supplier on TfL's e- procurement system <https://procontract.due-north.com>

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of any deadline to avoid any last minute problems.

Tenders and supporting documentation must be priced in sterling and all payments under the contract will be in sterling.

Responsible Procurement Policy: the GLA group has defined "responsible procurement" as the purchase of goods, works and services in a socially and environmentally responsible way that delivers value for money and benefits to the Contracting Authority.

The Contracting Authority encourages their suppliers, and those companies interested in tendering for its contracts to undertake their activities in line with the principles contained in its Responsible Procurement Policy. Further information on the GLA's Responsible Procurement work can be obtained from the following website:

[https://www.london.gov.uk/sites/default/files/gla\\_group\\_rpp\\_v7.12\\_final\\_template\\_for\\_web.pdf](https://www.london.gov.uk/sites/default/files/gla_group_rpp_v7.12_final_template_for_web.pdf)

TfL and the Contracting Authority shall not be liable for any costs or expenses incurred by any bidder in connection with the completion and return of the information requested in this Contract Notice, or in the completion or submission of any tender or otherwise in connection with this procurement.

### **VI.4. Procedures for review**

#### **VI.4.1. Review body**

Official name: HM Courts and Tribunal Service

Postal address: The Strand  
Town: London  
Postal code: WC2A 2LL  
Country: United Kingdom  
Telephone: +44 207947000

**VI.4.3. Review procedure**

Precise information on deadline(s) for review procedures:

The Contracting Authority will incorporate a minimum 10 calendar days standstill period at the time of the procurement process that information on the award of the contract is communicated to bidders. Aggrieved parties who consider they have been harmed or are at risk of harm should refer to the Public Contracts Regulations 2015.

**VI.5. Date of dispatch of this notice**

23/03/2018