

## Specification for consultancy services

Reference: 2016/17 : 12 – Legal Support for Drafting of Investee Financing Documents

### Invitation to tender

#### 1. Overview

This invitation to tender is issued by the London Waste and Recycling Board (LWARB) ('the Customer') for the provision of legal support ('the Service Provider') to assist in the negotiation, drafting and documentation of finance documents in relation to a potential investment, including loan agreements, shareholders' agreement, intercreditor agreement and the perfection of associated security.

#### 2. Background to London Waste and Recycling Board (LWARB)

The London Waste and Recycling Board is a statutory Board established by the GLA Act 2007 to provide a strategic approach to waste management in London. The Board is chaired by the Mayor of London (or his representative). As well as the Chair, the membership comprises four councillors and two independents nominated by London Councils and one independent appointed by the Mayor of London. In addition, LWARB has a small team of officers who oversee the day to day activities of the Board.

The LWARB business plan 2015 – 2020 has three areas of focus:

- LWARB manages a £20 million investment fund which provides tailored financial support to businesses operating within the circular economy or seeking to develop waste projects in and around London . The funds, to be deployed by 2020, are invested on commercial terms and take the form of equity and/or debt.
- Resource London is a programme of support for London waste authorities delivered as a partnership between LWARB and WRAP , the government's resource efficiency body.
- A programme to support the capital's transition from a linear to a more circular economy

More information about LWARB can be found on our [website](#).

#### 3. Background to the Requirement

One of the primary functions of LWARB is to provide investment to catalyse the development of the circular economy and waste infrastructure projects that meet the strategic requirements of LWARB (geographically and technologically) to the extent that funding is not available from the private sector. Approximately £40 million of funding has already been committed across a range of projects, including the London Green Fund (a part of the Joint European Support for Sustainable Investment in City Areas programme), a Venture Capital Fund investing in Circular Economy businesses and directly into several infrastructure projects. Investment can take the form of debt and / or equity instruments.

The team expects to deploy a further £20m of investment funds by 2020 in order to further promote the strategic aims of LWARB.

#### 4. The specified requirement

The Service Provider shall provide legal support and advice in relation to a specific investment opportunity as follows:

- Negotiation and drafting of loan documentation on behalf of LWARB as lender, in conjunction with other stakeholders;
- Negotiation and drafting of the shareholders agreement on behalf of LWARB as equity investor, in conjunction with other stakeholders;
- Negotiation and drafting of the intercreditor agreement on behalf of LWARB, in conjunction with other stakeholders;
- Negotiation, drafting and perfection of all security instruments on behalf of LWARB as lender;
- Negotiation and drafting of any other documents required to execute the transaction.

#### 5. Timetable for procurement

Bidders are advised that the proposed transaction is not yet certain and / or subject to delay, however should the investment proceed we expect to be in a position to appoint support broadly in line with the dates illustrated below.

<b>Milestone</b>	<b>Date</b>
Invitation to Tender issued	05/07/16
Tender return deadline	15/07/16
Award of contract	19/07/16

#### 6. Interface/ Contract management

The main point of liaison between the Service Provider and LWARB will be Stuart Ferguson, Head of Investment at LWARB.

[stuart.ferguson@lwarb.gov.uk](mailto:stuart.ferguson@lwarb.gov.uk) / T: 020 7960 3668 / 07342 026181

#### 7. Quality of Service

The Service Provider shall provide the services in a competent, timely manner in accordance with recognised industry quality standards. The Service Provider shall ensure an adequate supply of suitably qualified and competent personnel are available to fulfil the requirements of the Contract.

#### 8. Delivery Personnel

LWARB requires Bidders to nominate key personnel with appropriate skills to perform the service for the duration of the contract.

Bidders shall provide a CV for all key personnel as part of their submission together with their hourly rates. The CV shall demonstrate the individual's experience, competence and capability and their role in the project and should be no more than 1 side.

The Service Provider shall ensure any changes to the key personnel be undertaken with minimal negative impact to the service and at no additional cost to LWARB.

LWARB may, at its discretion, request that the Service Provider remove and replace any Key Personnel from the service that LWARB considers in any respect unsatisfactory in the delivery and performance of the contract. LWARB shall not be liable for the cost of replacing any Key Personnel.

Bidders may include other specialists ("Sub-contractors") in their Delivery Teams. However, the Service Provider will remain entirely responsible for the performance of the service. Such Sub-contractors must act in accordance with the terms and conditions of the contract entered into between LWARB and the Service Provider.

## 9. Submissions

Bidders are requested to submit:

- Details of their suitability to fulfil the contract, how the contract is to be managed and their approach to delivering the required specification. **Maximum 10 sides of A4** (excluding project experience, examples and CVs which can be included as an Appendix).
- Details of the personnel comprising the Delivery Team, including CVs (should be no more than one side) and a description of their role in delivering the contract. Please include an estimate of the likely time commitment / split of work between members of the Delivery Team.
- A Pricing Schedule specifying hourly rates for nominated personnel and showing the anticipated total blended hourly rate for the project. All costs quoted are to **include VAT and expenses**.

Bids must be submitted by email to [info@lwarb.gov.uk](mailto:info@lwarb.gov.uk) by 5pm on Friday 15 July 2016 with the reference "LWARB tender: 2016/17 – 12"

## 10. Contract

The contract will be let by the London Waste & Recycling Board.

The following special terms shall apply:

### Travel and Expenses

All fees shall be inclusive of any travel and subsistence incurred to locations in Greater London.

Where additional expenses are incurred, the prior approval of LWARB should be sought and the following framework will apply:

Hotel accommodation	The cost should be kept below £200 per night in Greater London. Extras such as newspapers, minibar costs and entertainments will not be
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	reimbursed.
<b>TRAVEL</b>	
Public Transport (Train, tube, tram, bus, light rail)	Actual cost. NB you cannot claim travel from home to your normal place of work or vice versa. Rail travel will be standard class.
Taxis	Only to be used in exceptional circumstances. Actual cost.
Mileage	Private cars may only be used where reasonable public transport is not available and you have a valid business insurance cover. HMRC approved rates are applied.

## 12. Evaluation

LWARB must be satisfied that each potential contractor has the appropriate capabilities and resources available to undertake the work to our requirements and provide the necessary services. The process we use to select contractors is a competitive one. Your tender submission will be evaluated against the following criteria:

<b>Evaluation criteria</b>	<b>Weighting</b>
Price – blended hourly rate <sup>1</sup>	25%
Appropriate expertise in the negotiation, drafting and execution of loan and equity transactions	40%
Authority of allocated personnel, their skills and technical capability	35%

<b>Scoring</b>	
Outstanding - cannot be faulted	100
Excellent	90
Very good	80
Good	70
Above average	60
Average	50
Below average	40
Poor	30
Very poor	15

## 13. Acceptance of bids

In issuing this invitation to bid, LWARB is not bound to accept the lowest or any bid and reserves the right to accept the whole or any specified part of the bid unless the bidder expressly stipulates otherwise.

LWARB will not enter into discussion with non-selected potential suppliers, or justify its decision. Potential suppliers are deemed to have accepted these conditions by the act of submitting their

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<sup>1</sup> This will be assessed by deviation from the lowest compliant tender

quote. The selected preferred supplier cannot assume they have been granted the contract until a formal contract is signed.

**14. Period for which bids shall remain valid**

Unless otherwise stipulated by the bidder, bids shall remain valid for 30 days from the closing date for receipt of tenders.