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Tender

Special Purpose Vehicle and Implementation Support

FAIR4ALL FINANCE LIMITED

F02: Contract notice

Notice identifier: 2023/S 000-013172

Procurement identifier (OCID): ocds-h6vhtk-03c744

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Section I: Contracting authority

I.1) Name and addresses

FAIR4ALL FINANCE LIMITED

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London

E16LS

Contact

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Email

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Telephone

+44 7940519544

Country

United Kingdom

Region code

UK - United Kingdom

Companies House

11810533

Internet address(es)

Main address

<https://fair4allfinance.org.uk/>

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

https://fair4allfinance.marketdojo.com/users/current_opportunities

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

https://fair4allfinance.marketdojo.com/users/current_opportunities

Tenders or requests to participate must be submitted to the above-mentioned address

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Economic and financial affairs

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Special Purpose Vehicle and Implementation Support

Reference number

ID426

II.1.2) Main CPV code

- 66000000 - Financial and insurance services

II.1.3) Type of contract

Services

II.1.4) Short description

Fair4All Finance is seeking provider(s) who can create support the design and implementation of appropriate special purpose vehicles where it works with providers to achieve its mission through the provision of capital for various activities.

Providers with experience of working in social / not for profit and commercial contexts are sought.

All tender documents for this requirement will be available by Friday 12th May 2023 on the Market Dojo e-tendering system. All potential providers will need to undergo a simple registration process and once you have clicked on the tender opportunity you will be able to review the tender documentation.

II.1.6) Information about lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

The contracting authority reserves the right to award contracts combining the following lots or groups of lots:

A tenderer may decide to apply for 1 or 2 lots (or a combination of) although the make up of lots requires specialist knowledge.

II.2) Description

II.2.1) Title

Lot 1 - Blue prints

Lot No

Lot 1

II.2.2) Additional CPV code(s)

- 66000000 - Financial and insurance services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

Other relevant CPV codes under Lot 1 include:

1. Corporate finance and venture capital services.
2. Financial consultancy, financial transaction processing and clearing-house services.
3. Investment banking services and related services.
4. Legal

II.2.4) Description of the procurement

SPV strategic considerations -

Our requirements set out below relate to how we use SPVs to support our delivery.

When to use an SPV - To accompany the SPV blue print work below we need to see the high level rationale for where the use of this SPV is appropriate - what it achieves and what it cannot eg it may also be appropriate to consider what aspects of our social imperative can be achieved through the SPV and where wider obligations may be more appropriate, eg our Affordable Credit Code of Good Practice may be something we seek to have the entire organisation adopt, not just function within the SPV. This should address where not using an SPV but addressing the interplay between our capital and existing investors is aptly covered in an intercreditor agreement, and where this is not desirable

Use of public funds - Our funding is deemed to be public funding and our investment

principles therefore include compliance with subsidy / state aid constraints and considerations about private gain.

- Where we are providing capital as part of an investment therefore, our requirement is to usually invest on similar terms to the rest of the market, unless a robust argument can be made for subsidy eg serving a portion of the population for whom risk is higher where there is a positive social impact, warranting a different return.
- Where we procure a provider to deliver something for us, eg testing of a proposition, and we transparently compete that work setting out our intention to provide capital to enable the testing, this competition steps us outside of subsidy considerations
- In both scenarios we would want to avoid undue private gain accruing to the counterparty and this should be considered in the advice set out against our requirements below for the blueprint

Blueprint - simple special purpose vehicle

We are seeking a simple blueprint, which we can use repeatedly, when we are providing capital to enable lending and wish to ring fence it for a specific purpose. Such a vehicle may also be used for other activities (eg other financial resilience and financial inclusion initiatives that may for example involve subsidy to support specific customers, underwriting etc).

Blueprint - complex special purpose vehicle

We also recognise the need for a more complex SPV where scale, complexity or risk warrant a more nuanced and granular approach. This may be more relevant when we are working with commercial providers or where we are working with not for profit providers where complexity in their existing capital stack warrants this delineation. We expect this blueprint to be suitable for additional protections are needed around our funds. In this model we would expect the following elements to be included in the blueprint:

- managing agent being appointed to oversee the utilisation of the capital and flows of funds to and from the SPV and clarity about the capabilities and regulatory permissions they may need to deliver effectively for us
- detailed contracting arrangements setting out the arrangements for the transfer of intellectual property, customer data, and the beneficial title to loans vs the loan note of record transferring from the originator to the SPV
- facility to transfer the delivery arrangement to a fail over / standby provider / lender to act for us if needed and clarity about the capabilities and regulatory permissions they may need to deliver effectively for us; we also need to understand the full scope of protections

that would need to be considered to effect this eg rights of assignment, fair processing notices, whatever else needs to be considered in these arrangements both in a customer facing and a back office setup.

- means by which this vehicle could most optimally be reused as a blue print - eg how to template the arrangements as much as possible, and what elements would be varied each time
- would want to understand the likely 3rd party setup costs and the running costs and how any variation in options would influence this
- what structure and resourcing we'd need for the managing agent construct (inc what the implications are for our team re what we'd need to have in place our side)
- what options are relevant to us ensuring that the way in which the way in which the SPV and services contracts associated reinforce and incentivise the approaches to customers that we are intent on delivering eg consistent with our Affordable Credit Code of Good Practice
- how to approach and formalise pricing ensuring an appropriate balance between the interests of the SPV and those of the underlying organisation and to reflect the social purpose of Fair4All Finance.

II.2.5) Award criteria

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

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

Start date

1 July 2023

This contract is subject to renewal

Yes

Description of renewals

As required by Fair4All Finance.

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

The term may be extended where bidders can set out clear discounts for multiple year engagements and multiple SPV operations.

II.2) Description

II.2.1) Title

Lot 2a - Implementation - Legal Advisor

Lot No

2a - Legal Advisor

II.2.2) Additional CPV code(s)

- 79100000 - Legal services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

Main site or place of performance

Other relevant CPV codes for Lot 2a include:

1. Corporate finance and venture capital services.
2. Financial consultancy, financial transaction processing and clearing-house services.
3. Investment banking services and related services.
4. Legal

II.2.4) Description of the procurement

Fair4All Finance require the following implementation partners to put in place the complex special purpose vehicle arrangement set out in the blueprint(s) (Lot 1) which will also articulate the required permissions (if any) needed for each party:

- Lot 2 a: Legal advisor to draft appropriate services contracts, set up the entity and articles etc and to incorporate the detailed arrangements to achieve Fair4All Finance's social purpose set out in the blueprint.

II.2.5) Award criteria

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

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

Start date

1 July 2023

This contract is subject to renewal

Yes

Description of renewals

Renewal will be based on future F4AF requirements.

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

Contracts may be extended based on whether further appropriate special purpose vehicles are agreed. The term may be extended where bidders can set out clear discounts for multiple year engagements and multiple SPV operations.

II.2) Description

II.2.1) Title

Lot 2b - Implementation - Managing Agent

Lot No

2b - Managing Agent

II.2.2) Additional CPV code(s)

- 66000000 - Financial and insurance services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Fair4All Finance require the following implementation partners to put in place the complex special purpose vehicle arrangement set out in the blueprint(s) above which will also articulate the required permissions (if any) needed for each party:

- Lot 2 b: Managing agent to oversee the operation of each instance of the SPV that is deployed.

Other relevant CPV codes for Lot 2b include:

1. Corporate finance and venture capital services.
2. Financial consultancy, financial transaction processing and clearing-house services.
3. Investment banking services and related services.
4. Legal

II.2.5) Award criteria

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

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

Start date

1 July 2023

This contract is subject to renewal

Yes

Description of renewals

The requirement may be renewed based on Fair4All Finance requirements

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

The agreement can be extended at Fair4All Finance's discretion based on the special purpose vehicles being deployed, which are an unknown at this stage. The term may be extended where bidders can set out clear discounts for multiple year engagements and multiple SPV operations.

II.2) Description

II.2.1) Title

Lot 2c - Implementation - Fail over lender/provider

Lot No

Lot 2c - Fail over lender/provider

II.2.2) Additional CPV code(s)

- 66113000 - Credit granting services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

We require the following implementation partners to put in place the complex special purpose vehicle arrangement set out in the blueprint(s) above which will also articulate the required permissions (if any) needed for each party:

- Lot 2 c: Fail over lender / provider - organisation ready to step in to operate the work

covered under the SPV as and when needed.

Other relevant CPV codes for Lot 2c include:

1. Financial and insurance services
2. Financial consultancy, financial transaction processing and clearing-house services.

II.2.5) Award criteria

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

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

Start date

1 July 2023

This contract is subject to renewal

Yes

Description of renewals

Renewals will be based on Fair4All Finance future requirements which are unknown at this stage.

II.2.10) Information about variants

Variants will be accepted: Yes

II.2.11) Information about options

Options: Yes

Description of options

The agreement can be extended dependent on whether a fail over/lender is required to step in to operate the work covered under an SPV as required. This is unknown at this stage. The term may be extended where bidders can set out clear discounts for multiple year engagements and multiple SPV operations.

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.3) Technical and professional ability

Selection criteria as stated in the procurement documents

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Open procedure

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

The procurement is covered by the Government Procurement Agreement: No

IV.2) Administrative information

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

Date

5 June 2023

Local time

9:00am

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

English

IV.2.7) Conditions for opening of tenders

Date

6 June 2023

Local time

9:00am

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: Yes

Estimated timing for further notices to be published: Not known at this stage.

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

The Strand

London

WC2A 2LL

Country

United Kingdom