



Arlingclose Ltd:

Independent treasury management & leasing services

Wrexham County Borough Council

Invitation To Tender for Lease Financing of Vehicles

December 2023

Submission by [Please type your company name here]

FORM OF TENDER

To:

Invitation To Tenders (ITT) Documents must be returned by 12pm 5th January 2024

I/We the undersigned offer to provide the services described within this tender document.

I/We agree that this ITT document is submitted on the basis that the offer shall remain open without variation for a period of 90 days from the closing date for receipt of tenders and that if accepted by the Authority within that period shall be on the offer as set out above.

I/We confirm that this is a bona fide tender intended to be competitive.

I/We understand that the Authority is not bound to accept any tender.

I/We understand that the Authority accepts no liability as to the actual amount of work included within this contract.

Signature:.....

On behalf of:.....

Date:.....

Tel No:.....

Registered Address:.....

1.0 Background

1.1 Introduction

- 1.1.1 Wrexham County Borough Council (the "Authority") is seeking the appointment of a Lessor to finance the acquisition of vehicles, already purchased by the Authority, costing £131,384.60 + VAT in total, either by way of operating lease or finance lease.
- 1.1.2 You are invited to submit your proposal to be appointed as Lessor in accordance with the terms of this Invitation To Tender (ITT). Tenderers should ensure that they quote the optimal commercial terms and provide full detail relating to the ITT requirements. Further details of the appointment are set out in section 1.2 below.
- 1.1.3 Arlingclose Ltd advises the Authority and has been appointed to carry out this tender exercise on behalf of the Authority.
- 1.1.4 Applicants are requested to complete this ITT document. Tenderers should follow the instructions for completion and submission of tenders in sections 2.1 and 2.2 below.
- 1.1.5 The Authority reserves the right not to proceed with the procurement process at any time during the process, which shall include the right not to award the contract and does not bind itself to accept the lowest tender, or any tender received, and reserves the right to award the contract in parts, or to call for new tenders should it consider this necessary.
- 1.1.6 The information disclosed in this form will be used in the selection of tenderers. However, any invitation to participate based on this questionnaire does not imply any acceptance by the Authority as to an applicant's financial stability, technical competence or ability in any way to carry out the service or supply of goods. The Authority reserves the right to return to these matters as part of the formal evaluation process, and to request further information if required.

1.2 Outline of Requirements

- 1.2.1 The Authority is seeking bids for lease financing of vehicle assets costing £131,384.60. The Authority has already purchased these assets and they are in use and is therefore seeking a sale and leaseback transaction. The Authority is looking for bids of a 5-year primary lease period. A drawdown is expected in January 2024.

2.0 Instructions to tenderers

2.1 Completion of Tender

- 2.1.1 All tenderers must ensure that they comply with the following instructions when responding to the ITT. The Authority reserves the right to reject tenders that do not comply with the instructions set out in this section 2 or which are incomplete.
- 2.1.2 Your response must use this document as a template, entering your responses to questions in the spaces provided. Please expand the text box if it is smaller than you require.
- 2.1.3 All elements of this tender must be fully completed. If an element does not apply to a tenderer, then it must be clearly marked "Not applicable" or "N/A".
- 2.1.4 Tenderers may supply supporting information that is relevant to their bid. All supporting information must be clearly cross-referenced to the relevant section of the ITT.
- 2.1.5 Tenderers should provide a full statement of any relevant underlying assumptions in support of the bid. The Authority may require tenderers to provide a more detailed breakdown of the individual elements comprising the bid price or underlying assumptions.

2.2 Submission of Tenders

- 2.2.1 Tenderers must submit one complete **electronic copy**. Failure to return all sections and schedules or failure to complete and sign all relevant sections may result in your tender being rejected. **Electronic signatures are acceptable - there is no need to print, sign and then scan responses.**
- 2.2.2 All tenders **must** be clearly sent with the email subject "**Tender - Wrexham Council - Leasing of Vehicles 05/01/2024**" and sent to:

Greg Readings
greadings@arlingclose.com

Tenders should arrive to the email address above no later than **12pm, 5th January 2024**. It is the tenderer's responsibility to ensure the tender arrives before the closing date and time. Any late bids may, at the discretion of the Authority, be rejected.
- 2.2.3 The Authority will not accept tenders by post.
- 2.2.4 **Please provide the tender in PDF format to avoid the possibility of your response being accidentally or otherwise amended after submission.**
- 2.2.5 The Authority may at its own absolute discretion extend the closing date and the time specified in section 2.2.2 above.

2.3 Clarifications during the Tender Preparation period

- 2.3.1 If Candidates require clarification of any issues raised by this Invitation to Tender or have requests for further information, they should submit requests to the Arlingclose contact for this tender Greg Readings, whose contact details are as follows:

Greg Readings

e-mail: greadings@arlingclose.com
- 2.3.2 All requests for clarification must be received by 5.00pm on 4th January 2024

3.0 Specification

3.1 Introduction

3.1.1 This section sets out the tender/bid specification and provides boxes for your reply.

3.2 Equipment

3.2.1 6 vehicles (excavators, mowers, trailer) further details available on request.

3.3 Type of Lease

3.3.1 (a) Operating Lease and/or

(b) Finance Lease

It should be noted that the Council will consider either type of lease. Please confirm which type of lease you believe your bid(s) to be. It is acceptable to submit bids of both lease type for the Council to consider.

3.4 Asset Cost / Gross Funding requirement

3.4.1 Assets as above.

Total £131,384.60 + VAT

3.4.2 Credit and Risk Approval

Please confirm whether credit has been approved (to include internal and external credit and risk approval) for funding and any residual value investment. If no, please confirm the bid is 'subject to internal / external credit and risk approval'. If no, and if awarded the contract, please confirm how long credit approval will take and any conditions precedent, to include approval of the Arlingclose standard master lease terms and conditions.

3.5 Drawdown Date

3.5.1 Aiming for January 2024.

3.6 Primary Period

3.10 Residual Value Investment

3.10.1 Please confirm the identity of the residual risk investor [Lessor, Bank, third party.]

Lessors are requested to disclose the residual value investment (if any) taken (% and £).

Please outline strategic approach to end of lease management, asset management, return of assets, extension rentals pricing and lease buyouts.

3.11 Residual Investment - Master Lease Agreement [MLA]

3.11.1 Lessors are requested to specify the residual investment to be stated in the MLA contract.

3.12 Indicative Extension Rentals

3.12.1 Lessors are requested to quote indicative 1 and 2 Year extension rentals per £1000 of cost and residual value at end of year 1 and 2 extension term.

Indicative rentals

Year 1:

Year 2:

Residual value at end of

Year 1:

Year 2:

3.13 Excess Mileage charges

3.13.1 Where appropriate please confirm excess mileage rates for each vehicle type and note any pooling arrangements.

Pooling: Yes/No

3.14 Head Leasing/Assignment

3.14.1 If you intend to enter into a head lease transaction and or assign/sell the lease receivables to fund this lease please disclose details of all third party investors.

3.15 Lessor Tax Assumptions

3.15.1 1) Balance of Capital Allowances: Non Accelerated or Accelerated?

2) Lessor entitled to Capital Allowances?

3.16 Invoices

3.16.1 Copy Supplier invoices may be provided separately if asset schedule does not suffice.

3.17 Voluntary Terminations

3.17.1 The Council requires the inclusion of a Voluntary Termination clause with the termination rental calculated to maintain the Lessor's net after tax rate of return.

Accepted: Yes/No

3.18 Documentation

3.18.1 A copy of the Arlingclose standard master lease [MLA] documentation is available on request. This documentation will replace any existing documentation that is currently in place with respective Lessors. Please indicate clearly any proposed alterations and additions that may be required.

5.19 Return Conditions

5.19.1 Terms offered by Lessors should be on the basis of the Return Conditions set out in the standard master lease documentation. Lessors' attention is drawn to the Council's requirement for a 'pooling arrangement' in the event of excess mileages for any leased vehicles. Please confirm any proposed variations to return conditions.

5.20 End of Lease - Return Conditions for IT Assets

- 5.20.1 Please confirm and detail all return charges, tariffs for materials worn and damaged (MWD) charges to include acceptance and flexibility with partial returns. Please specify if NO partial returns are permitted. Data Wipe charges must be specified including cost of shredding HDD's if required. Please confirm full MWD policy and procedures; how any charges may be incurred when using external collection agents and when the responsibility for damages in transit are transferred from the Council to the Lessor.

N/A for this tender.

- 5.20.2 The Council may wish to 'buyout' the lease at any time on or after the expiry of the initial term. Please confirm your policy and procedures for lease buyouts and third party purchases. (Important: if awarded the contract a condition of award will be confirmation and commitment to this policy for the duration of the lease. If this is not acceptable, please state why).

5.21 Passage of Title

- 5.21.1 Title in the Equipment will pass via a Sale and Leaseback Agreement.

6.0 Company Information

6.1 Contact Details

- 6.1.1 Please provide the following information:

- Name of Organisation
- Address
- Name of contact person
- Telephone number
- Email

- Organisation Website address.