



# Moors for the Future Partnership

---

**Natural Capital investment advisory role in relation to the  
MFFP Peatland Restoration natural capital investment project**

**MFFI2I Natural Capital Investment Consultant  
16 November 2020**



# I. Our peatland restoration natural capital project

---

Our peatland restoration natural capital project will involve restoration of up to 1,000 hectares of degraded peatland and blanket bog on a site to be selected in the Peak District. The overall goal of this project is to achieve “investment readiness” for a catchment-scale peatland restoration solution in the Peak District that could be implemented through use of green investment capital. The estimated capital costs of the MFFP peatland restoration intervention is £1 - £2million.

MFFP (acting through the Peak District National Park Authority) are experienced in delivering peatland restoration and natural flood management projects across the Peak District for Defra and EA. The chosen peatland restoration project will be an opportunity to integrate re-vegetation of peatland, gully blocking and other flood management works including sphagnum moss habitat planting and restoration. The combination of these three interventions will deliver an exemplar restoration solution according to previous empirical research. The restoration plan delivers considerable ecosystem services benefits including improved water quality, carbon sequestration, NFM and improved biodiversity on a meaningful scale.

MFFP already work closely in partnership with three regional water companies and are confident that at least one of these would enter into a payment for outcomes type contract in relation to improved water quality and proven flood mitigation arising from the selected scheme. MFFP are also keen to engage larger corporates in the Manchester or Sheffield areas (depending on final site selection) with a view to agreeing a carbon offset contract.

This project has been designed as a natural capital investment test case. Following a successful competitive tender process, MFFP has received a development grant from Esmée Fairbairn Foundation to finance business development and investment readiness work with a view to creating an investable proposition generating significant and monetizable ecosystem services and long-term natural capital benefits for the Peak District.

In particular, the MFFP project is intended to test whether revenue streams can be generated from the sale of ecosystems services such as natural flood management, improved water quality, carbon sequestration and biodiversity gain.

The project will be led by MFFP, working with a range of local partners including the Peak District National Park, Environment Agency, local environmental charities and regional water companies. MFFP are now looking to secure the services of an experienced corporate finance consultant with a demonstrable passion for restoration of our natural environment and expertise in financing innovative projects.



## **How**

The first phase of this work will confirm an optimum site(s) for a test investment. This will be undertaken in collaboration with our partner organisations, using our experience of peatland restoration and familiarity with the locations and stakeholders. It will be progressed at pace in order to allow sufficient time in our development process for Phase 2.

In Phase 2 we will develop specific proposals for a commercial investable proposal. It will follow an iterative process with stakeholders and partners and represents new ground over which we will develop our team capability in this area to meet our objectives using the investment readiness funding. MFFP partner organisations have indicated their support for working with MFFP on this.

- **Phase 1 – identification of optimum site(s) for this test project**
  - Review and score shortlisted sites
  - Engage with relevant stakeholders (landowners, agencies and customers)
  - Landscape outcomes modelling to determine ecosystem services benefits
  - Output = fully scored matrix of shortlisted sites and confirmation of optimum test case site
  
- **Phase 2 – preparation of a business plan and natural capital investment proposal**
  - Secure Memorandums of Understanding with key stakeholders seeking to become early adopters.
  - Verify costings and revenue streams
  - Define project governance arrangements
  - Output = Business plan, financial model and implementation plan for chosen site

## **Timescale and Resources**

We envisage that Phase 1 of the services should be completed within a three to four-month timeframe from the date of contract award – however, due to the innovative nature of this project and stakeholders involved, the consultant should be aware that this might take longer.

Phase 2 of the project will be largely under the management of the selected consultant and so we will be looking to the consultant to provide expert guidance on the capital raising process and likely timescale.

## **Fee budget**

MFFP has been awarded a grant by the Esmée Fairbairn Foundation (EFF) for the development of the peatland restoration natural capital project. The maximum



budget for the natural capital investment consultant service specification is fixed at £22,615.

We recognise that the service specification outlined above is very broad and may be required to take place over a period of six months to one year (or even longer if required) and we are therefore asking for an integrated proposal covering delivery of:

- Phase 1 (fixed fee capped at £22,615) and
- Phase 2 (a fully contingent fee based on success of the capital raising)

The fixed fee for Phase 1 will be paid by MFFP as recipient of the EFF grant. Any contingent fees in relation to Phase 2 will be agreed through the project in respect to the specifics of any investment proposal and paid out of any SPV which raises the investment. For engagement purposes, the contract will be between the consultant and MFFP for Phase 1 and Phase 2 with MFFP having the option of novating the engagement to an SPV in due course.

## 2. MFFP requirements

---

With this tender Moors for the Future Partnership is looking to procure external consultant support to assist us in meeting our project aims and objectives.

**Principal Requirement:** We are looking for a consultant to provide effective support to this project, assisting with and integrating the corporate financing and investment feasibility and underpinning aspects of the work which are outside the normal experience of Moors for the Future Partnership.

Due to the innovative nature of this project, the services required are necessarily broadly based and will require the consultant to be proactive, adaptable and committed throughout the project.

In particular, it is important to state that the consultant will be expected to work proactively within a project team led by MFFP in helping to identify and secure project revenue streams through ecosystem services contracts, as well as investment funding for the project (which can only be raised if there are proven revenue streams and a viable business model). This is an important additional feature of this service requirement and beyond what would normally be expected of a typical capital raising mandate.

Though we have experience of delivering successful projects with blended finances, many aspects of the investment readiness project we are working on will be new to us and/or completely novel. We are therefore looking to procure the support,



input and guidance of a consultancy partner on this project with an excellent track record of supporting projects of this nature and with demonstrable skills and experience in developing blended/private sector financing approaches for ecosystem service benefits or other ‘societal goods’, and who are positioned well within the finance/environmental sectors to Add Value to the work of the project.

Please outline in detail the support, input, advice, guidance and added value you would propose to bring to this project based on the outline project stage summary in the tables overleaf and our grant information document to guide you. Please outline what success would look like on the project by virtue of the input and support you are proposing.

## Project Plan

The investment readiness project will consist of two phases. Phase 1 will focus on the identification and selection of a viable test case site(s) for an investment in the Peak District. Phase 2 will develop the revenue streams and necessary underpinning required to develop a commercially investable proposal on that site(s). Conceptually, Phase 3 would be the establishment of an investment and execution of the restoration interventions. This is out of scope of the investment readiness project and would constitute a separate successor project. Aspirationally, looking further into the future, Phase 4 would conceptually be the scaling up and replication of the test case project delivered through Phase 3 at a catchment/landscape scale across the Peak District.

<b>MFFP Investment Readiness Project: Phase 1</b> (Site feasibility detailed assessment for shortlisted sites)		
1.1	Assess site specific opportunities in detail, building on the shortlisting exercise and undertake initial stakeholder engagement for the sites being assessed.	
1.2	Identify all potential beneficiaries for the shortlisted sites linked to site specifics and assess specific opportunities for revenue generation (beneficiary mapping).	
1.3	Define investment requirements for potential site(s) (restoration intervention planning – interventions/costs) (desk study with ground truthing to verify) and assess potential financing structures in line with existing MFFP projects.	
1.4	Analysis of environmental baseline data for ecosystem service outcomes, and assess viability of monitoring approaches to evidence anticipated benefits.	
1.5	Define <u>outline</u> performance indicators/milestones linked to habitat restoration trajectories to feed into marketing plans and detailed revenue modelling work with potential customers in Phase 2.	
1.6	Complete site assessment leading to confirmation of optimum project site(s).	

<b>MFFP Investment Readiness Project: Phase 2</b> (Marketing, detailed revenue modelling, confirm project proposal)		
2.1	Develop marketing plan for anticipated project outcomes on selected sites	
2.2	Focused stakeholder engagement and marketing activity for potential scheme outcomes beneficiaries/potential customers identified in Phase I.	
2.3	Secure commitment from beneficiaries wishing to be early adopters through letters of intent and progress to detailed revenue modelling work.	
2.4	Refine and confirm proposed capital interventions (detailed site survey) and undertake sense check (confirmation of intervention costs and anticipated outcomes).	
2.5	Confirm design of monitoring proposals to evidence outcomes	
2.6	Outcomes/habitat trajectories focused revenue modelling work with early adopters/beneficiaries.	
2.7	Develop Business plan, Financial Model and Implementation Plan for chosen site) and secure revenue offers for proposed investment. Initial engagement with potential investors.	
2.8	Commercial Investable proposal ready to bring to investors	March 2021

### 3. Instructions to tenderers:

Initially a detailed tender response is required that may be explored further through a presentation and discussion process. We have included a draft project schedule outline, including the anticipated stages of the project and ask you to structure your submission and proposed input to match this. The tender return should provide detail in the following areas:

- In the tender you should set out how you would work with the project to achieve the project’s outcomes and the levels of commitment you would invest to achieve the project’s stated aims, requirements and outcomes. Detailing what you would bring to the project to achieve these stated aims, requirements and outcomes.
- The project are looking for a partner who will work with the project team to develop the investment model. The tender should set out your readiness to commit to a partnership approach to delivery.
- The project will be looking for the successful consultancy to demonstrate commitment to the production of an open source investment ready product. The tender return needs to address your commitment to an open source investment ready product.
- The tender return needs to demonstrate drive and commitment to be part of an innovative project where learning from mistakes is a valuable



part of the process. This would include a willingness to share learning and being open about 'what hasn't worked'

- Your tender return needs to provide the evidence of your experience of working on similar projects, including relevant case studies and references
- A demonstration of understanding of project design and likely task schedule and consultant involvement should be detailed in your return.
- We feel that availability of key members of your team will be highly important to the success of this project. Please specify the availability of key members of the team to this project as part of the tender return.
- What in-kind support you could offer that would bring added value to the project?
- It would be desirable to have a level of familiarity with MFFP, Peatland Restoration and Partnership Working. You will need to provide your level of familiarity in your tender return.
- It would be desirable if a Natural Capital investment model has a good organisational strategic fit with the successful consultancy. Please provide details of the organisational strategic fit to your organisation.
- Please provide evidence of experience of your proposed team in working with public sector clients.
- Please provide the knowledge, skills and experience of your proposed team, including CVs and details of how tasks will be allocated within the team. You may also wish to provide any sector relevant contacts / professional memberships in your tender return.
- Your tender should include a detailed definition of the services offered to the project as part of this tender return.
- Your tender report should include a timeline for the delivery of the consultancy support
- Outline project schedule of delivery should be included.
- Explanation of how project scope changes would be agreed between the project and your organisation.
- Is your organisation working with any of MFFPs partners or key stakeholders where this project could have potential for overlap with that work? Please include details in the return.
- If you wish to propose an alternative project plan/approach where this could add value or be another route to achieving the project outcomes, then that would be welcome as long as a clear justification was provided for the route proposed.

**The Project will evaluate tender submissions based on the criteria and weightings detailed in the table below**

Price: 5% of weighting -  $5 \times (\text{Lowest Tender Price}) \div (\text{Tenderer X's Price})$

Quality: 95% weighting

<b>Moor Green Investment Project - Consultant Requirements and tender evaluation criteria</b>	
<b>Q1: Motivation and commitment to ethos of project (35%)</b>	
Demonstration of understanding of what the project is trying to achieve	Essential
Demonstration of commitment to have an open source investment ready product	Essential
Demonstrate readiness to commit to a partnership approach to delivery	Essential
Demonstrate drive to be part of an innovative project where learning from mistakes is a valuable part of the process (willingness to share learning and being open about <u>'what hasn't worked'</u> )	Essential
Familiarity with MFFP, Peatland Restoration and Partnership Working (desirable only)	Desirable
Organisational Strategic Fit of a Natural Capital investment model	Desirable
<b>Q2: Evidence of Skills and Experience (35%)</b>	
Evidence of Experience of working on similar projects - case studies required + references	Essential
Evidence of Experience of proposed team in working with public sector clients	Desirable
Knowledge, skills and experience of proposed team - CVs and how will be allocated to tasks	Desirable
Sector relevant contacts / professional memberships (see DS email)	Desirable
<b>Q3: Evidence of ability to provide excellent support &amp; added value for our project (25%)</b>	
Demonstration of understanding of project design and likely task schedule and consultant involvement	Essential
Availability of key members of proposed team	Essential
Definition of Services offered for project budget (fit with project design,	Desirable
Timeline for the delivery of the consultancy support	Desirable
Outline project plan (see DS email)	Desirable
Explanation of how scope changes would be agreed (flexibility is key)	Desirable
What in-kind support could they offer bringing added value (alignment of the project with their corporate objectives and other business activity and ongoing projects)	Essential
Are they working with any of MFFPs partners or key stakeholders where this project could have overlap (project synergy)	Desirable

Quality criteria responses will each be marked against the following scoring methodology.

<b>Criteria</b>	<b>Weighting</b>	<b>Evaluation Criteria</b>
Quality Criteria 1 <b>Motivation and commitment to ethos of project</b>	35%	7 x score (see table below)
Quality Criteria 2 <b>Evidence of Skills and Experience</b>	35%	7 x score (see table below)
Quality Criteria 3 <b>Evidence of ability to provide excellent support &amp; added value for our project</b>	25%	5 x score (see table below)



Quality Criteria responses will each be marked against the following scoring methodology

0	The Tenderer has given no or inadequate response.
1	There are major weaknesses or gaps in the information provided.
2	The response is sketchy with little or no detail given of how the Tenderer will meet the criteria.
3	The proposal has addressed the majority of our requirements but will lack some clarity or detail in how the proposed solutions will be achieved.
4	The proposal has addressed, in some detail, all or the majority of our requirements.
5	As well as addressing all our requirements the Tenderer demonstrates a deep understanding of the project and / or may present innovative ideas (where appropriate).

## Submission process

Tenders must be submitted by email to [tenders@peakdistrict.gov.uk](mailto:tenders@peakdistrict.gov.uk) subject **MFF121 2020-21 NATURAL CAPITAL INVESTMENT PROJECT CONSULTANT**, to arrive no later than **12:00 Monday 30<sup>th</sup> November 2020**.

### 1. Queries about this ITT

- 1.1 Tenderers are advised to study the Tender Documentation and all other documentation provided by the Authority. These documents should be read and their true intent and meaning ascertained before submitting a Tender.
- 1.2 There should be no other contact with the Authority save to the contacts set out above. Any other direct contact may result in your exclusion from this ITT.
- 1.3 Please be aware that your query, together with our response may, to ensure transparency and fairness, be circulated to all undertakings expressing an interest on an anonymised basis. If you consider that your query discloses commercially confidential information you must, with or upon your query, clearly indicate which information you consider is commercially confidential and why. The Authority will then exclude this information from any circulation. Blanket statements indicating commercial confidentiality will be ignored.

### 2. Errors in completed tenders

The Tenderer shall be deemed to have satisfied itself before submitting its Tender as to the correctness and sufficiency of its Price.

### 3. Sufficiency of Tender

The Tenderer shall be deemed to have undertaken all inspections, examinations and all other enquiries reasonable or necessary in connection with the terms and subject matter of the Tender. The Tenderer acknowledges and confirms that it



has the requisite expertise, experience and equipment to perform its obligations under the Contract. The Authority will not accept and shall not be liable for any claims that are based upon a Tenderer's failure to obtain or have due regard for any information necessary to prepare a fully compliant and complete tender.

#### 4. Tendering procedure and submission requirements

- 4.1. **THE DEADLINE FOR RECEIPT OF TENDERS IS 17:00 ON 30 November 2020.**
- 4.2. Tenders must be submitted by email.
- 4.3. It is the Tenderer's responsibility to ensure that its Tender complies with the submission requirements and is received by the Authority by the date and time set out. The Authority accepts no responsibility for any problems arising from the Authority's or the Tenderer's IT software, infrastructure, input or internet connectivity, the security of or access to the internet, the capability or capacity of the Authority's or the Tenderer's email systems or Tenderer's failure to check their email system for correspondence received from the Authority about this Tender. Tenderers must note that the current maximum size of any email receivable by the Authority is 10mb. It is the responsibility of the Tenderer to ensure that its Tender is received by the Authority. Tenderers are strongly advised not to submit their Tender immediately before the tender return deadline.
- 4.4. The time and date displayed by the server clock within the Authority's system shall be the standard upon which compliance with tender submission deadlines shall be determined.
- 4.5. The Tender shall be made on the Form of Tender at **Appendix 1**. It must be fully completed and signed on behalf of the Tenderer, submitted to us in pdf format and accompanied by:
  - 4.5.1.a. Tender Questionnaire at **Appendix 2** fully completed and signed on behalf of the Tenderer submitted to us in pdf format and accompanied by any documents referred to in it;
  - 4.5.1.b. Non-collusive tendering certificate at **Appendix 3** signed on behalf of the Tenderer and submitted to us in pdf format;
  - 4.5.1.c. Details of any part of the Services to be sub-contracted;
  - 4.5.1.d. Any other information requested in the ITT.

**Tenders must be submitted by e mail to [Tenders@peakdistrict.gov.uk](mailto:Tenders@peakdistrict.gov.uk)**

**By 1700 ON 30 November 2020 (the Tender Return Date)**

**The following, and only the following, must be used in the subject line:**

**REF: MFF121 2020-21 NATURAL CAPITAL INVESTMENT PROJECT  
CONSULTANT**

**IN ADDITION TO YOUR PROPOSAL YOU MUST SUBMIT THE FOLLOWING COMPLETED DOCUMENTS:**

**Form of Tender**  
**Tender Questionnaire**  
**Non-collusive certificate**

**All attachments must be in pdf form. No information must be included in the covering e mail apart from the identity of the sender and a list of attachments**

- 4.6 The Authority reserves the right to issue supplementary documentation at any time during the Tendering process to clarify or amend any aspect of the ITT or any of the documents referred to in the ITT. All such further documentation shall be deemed to form part of the ITT and shall supersede any part of the ITT to the extent indicated.
- 4.7 No tender received after the deadline for receipt of tenders stipulated above shall be considered **under any circumstances**.
- 4.8 The Authority does not undertake to accept the lowest or any tender/ rates or to award the contract at all. The Authority may withdraw this invitation to tender at any time on giving written notice to all tenderers expressing an interest.
- 4.9 The Authority reserves the right to seek clarification from Tenderers to assist in its consideration of Tenders. This will not however be an opportunity for Tenderers to add to or supplement their tender.

**5. Basis of Tender**

- 5.1. The Tender must include the value of all of the Services and must cover all costs and expenses which may be incurred in order to complete the Services in accordance with the Tender documentation and to assume all express and implied risks, liabilities and obligations imposed by the form of contract and all other documents forming part of the Tender documentation.

**6. Sub-contracting**

- 6.1. When submitting its tender, the tenderer must notify the Authority of any parts of the Services that it proposes to sub-contract. Failure to do so may invalidate any such Tender.

7. If your submission is made on behalf of a partnership, business or company, please provide details of:
- Your trading name, address for official correspondence and any registered company number;
  - Total number of staff / employees
  - Name and job titles of staff / employees who will be involved in this project, including any sub-consultants.



8. You are welcome to use any text and imagery on the current Moors for the Future Partnership website for the purposes of your Tender.

## General

The following further information and documentation is available on request;

- Copy of the MFFP peatland restoration development grant application to EFF
- Telephone conversation with Matt Scott-Campbell – Conservation and Land Management Programme Manager of MFFP and Project Lead for the peatland restoration project (see contact details below)

## Contact information

- The responsible person for this tender is Matthew Scott-Campbell, Conservation and Land Management Programme Manager of MFFP; please use the details **below for all queries. FOR SUBMISSION OF TENDERS, PLEASE REFER TO “SUBMISSION PROCESS,” ABOVE.**

MFFP Contact	Matthew Scott-Campbell
Telephone	07795 328473 or 01629 816598
Email	<a href="mailto:Matthew.scott-campbell@peakdistrict.gov.uk">Matthew.scott-campbell@peakdistrict.gov.uk</a> DO NOT SEND TENDERS TO THIS EMAIL ADDRESS
Address	Moors For The Future Partnership The Moorland Centre Fieldhead Edale Hope Valley S33 7ZA DO NOT SEND CORRESPONDENCE TO THIS ADDRESS, AS OUR TEAM IS WORKING REMOTELY AT PRESENT

All bids are required to be in line with the instructions detailed above. Any bids which do not follow these instructions will be disqualified from the tender.

## Insurance

MFFP requires all suppliers to hold a minimum level of £5m Public Liability Insurance and £2m Professional Indemnity Insurance. Copies of insurance policy certificates may be requested before formal engagement.

## Consortium Tenders



Any Lead Bidder for a consortium Tender must ensure that any individual or member organisations of the consortium are not included in any other bid in respect of this ITT.

## 4. Terms and Conditions:

---

Please see [Appendix 4 Service Terms and Conditions \(non-site services\)](#).