Invitation to Tender for the Provision of Loan Fund Management Services for the South West Loans Fund II

**Clarification**

*Whilst we understand the basis of the scheme is for growth businesses we feel, in the current climate, it would be more feasible if this could be extended for working capital requirements that a business may have during this time.  For clarity, and to provide an e.g., we would see it potentially being more applicable at this time to businesses needing working capital to get through this period of uncertainty, safeguard jobs before moving forward again when the situation is more certain.  We would see a need to establish that the underlying business is good as part of any appraisal.*

*If you could clarify whether the fund could be used for working capital (at its early stages) it would be much appreciated.*

**Response**

In the light of the above clarification request and the extreme change in economic climate businesses now find themselves in due to the Coronavirus, the fund investment operating guidelines (IOG’s) will be extended to include working capital requirements. This extension will be for an initial period to 30 September 2020 but may be extended.

It is envisaged that in this initial period the scheme should mirror the Coronavirus Business Interruption Loan Scheme (CBILS)and should the preferred fund manager have access to the current Government CBILS guarantee we would expect them to access the guarantee to benefit returns to the fund.

The tenderer should make reference in the following sections of part C of the Invitation to Tender (see below) to the experience they have and what potential changes to their normal delivery model there will be to ensure the above change to the fund can be accommodated. An additional page per response area has been allowed.

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| 2A | | **Investment and appraisal experience**. Please provide details of previous relevant commissions delivered and/or activity undertaken by the individuals above on marketing to customers, investment appraisals and approvals and negotiations in the Investment Phase of funds, within last three years, with an explanation as to why this is considered to be relevant for example, type of fund, knowledge of the area’s business networks, internal systems. In addition, please state whether your firm has EFG accreditation. Please limit to 5 sides of A4 in total. |
| *Tenderer to complete* | | |
| 2B | | **Realisation and Portfolio management experience**. Please provide details of previous relevant commissions delivered and/or activity undertaken by the individuals above on investment monitoring, remedial action when business are in financial difficulty and monitoring and debt collection systems. Please limit to 4 pages of A4 in total |
| *Tenderer to complete* | | |
| 3A | How will you manage and realise the SWLF II? (maximum 3 A4 pages)  Please include details of the systems which you propose to use; and of the proposed fund manager team members and their credentials (to the extent not covered in 1 above). | |
| *Tenderer to complete* | | |