**Questions and Answers on Provision of Consultancy for London Ventures Support Services tender (OJEU reference number 2015/S 248-450637)**

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| **Question** | **Date received** | **Question** | **Response** |
| 1 | 14/01/2016 | Can you confirm whether the contracts in Question 7.1 can be different from the contracts in Question 6?  | The responses to these two questions can reference different contracts/clients. |
| 2 | 14/01/2016 | We intend to use previous London Councils’ contracts as references within the PQQ and we wanted to clarify whether we could name London Councils as the reference? | Bidders can use any existing/previous London Councils’ contracts as references that they consider appropriate to this procurement.  |
| 3 | 14/01/2016 | Question 7.7 states If you are a single contractor detail the component parts of your company that will deliver this contract and if you have indicated earlier that you intend to use subcontractors please list them with brief details of their role. You should also detail their experience and capacity. Indicate how work will be distributed. Could you clarify what is meant by “component parts”?   | 'Component parts' means the substantial divisions or businesses within an overall company structure, e.g. an accountancy firm will have separate practices for consultancy, tax, audit, etc. |
| 4 | 15/01/2016 | Our primary questions pertain to the business and funding model for the London Ventures Support Services partnership. We understand that the LVSS partner would help identify, broker, negotiate, and manage commercial relationships with private companies providing innovative services, technologies and business models to London Councils. As consultant to the LCs, the LVSS partner would be endeavouring to maximise the financial benefits to the LCs while helping them meet their broader civic objectives. We assume that the ‘pump-priming’ funding referred to in Section 5.1 of the Service Specification document represents the fee paid to the LVSS partner for providing the consulting services over the three-year term of the contract. The reference to ‘self-sufficiency’ we take to mean that the cost savings, additional revenue streams and alternative funding sources created by the LV programme would at least cover the costs of the programme after three years. Indeed, we took the reference to the value of the contract of ‘up to £10m’ to refer to the potential share of cost savings and profit that might be made available to the LVSS partner. Are these assumptions correct? | Information relating to how the programme has operated to date is available within the various Capital Ambition Board London Ventures Progress Summary reports that are publically available from the London Councils website. In relation to the opportunity in the London Ventures tender, the pump-priming finance that is available through Capital Ambition Board is available to support the establishment of this new phase of the London Ventures programme. Up to a maximum of £1 million is available over the initial three years, with funding for each tranche of the programme subject to approval by Capital Ambition Board based upon a business plan with key milestones and decision points. The continuation of the programme after the first three years will be dependent upon income generated from the successful implementation of the London Ventures programme. London Councils is open to proposals for how the contractor will ensure that the programme will become financial sustainable after the initial period and that could include those potential income sources referenced in the question as well as others. There will also be an opportunity to discuss this issue at a briefing session for those who have been successful in the shortlisting process. |
| 5 | 15/01/2016 | If so, we do not understand clause 5.2, which states that the LV programme ‘would be funded by contributions from the private sector partners…’ This would seem to create a conflict of interest between acting for the LCs but getting paid by the private sector partners. Could you please clarify this point. | It is envisaged that there may be opportunities to leverage alternative sources of investment to help fund the implementation of specific Ventures i.e. successfully implementing specific products or services within a local authority and not the cost of running the programme. While this process will need to be managed very carefully, potential investors may wish to support specific products or services because, for example, it aligns with their corporate social responsibility requirements. This is dependent upon the market appetite for such investments. London Councils is open to proposals and feedback on the viability of such an approach. There will also be an opportunity to discuss this issue at a briefing session for those who have been successful in the shortlisting process. |
| 6 | 15/01/2016 | We also do not understand section 5.3, both the first bullet point and the notion of dividing ‘remaining income’ in the second bullet point. | CAB has committed up to £1 million to support the start of this new phase of the programme, however no further funding is available. The programme therefore needs to be financially viable in order to be sustainable after the initial period. This will mean that the new programme is expected to generate sufficient income to cover a proportion of London Councils’ Capital Ambition Programme Office costs as well the contractor’s costs for delivering the programme. If the programme has generated income over and above the costs, then any remaining income generated from London Ventures will be divided between London Councils and the contractor at a mutually agreed level. London Councils is open to proposals for how such an approach could operate in practice. There will also be an opportunity to discuss this issue at a briefing session for those who have been successful in the shortlisting process. |