Invitation to Quote

Invitation to Quote (ITQ) on behalf of The Department for Business, Energy and Industrial Strategy

Subject: Impact of AI on the Labour Market in the UK

Sourcing Reference Number: CR18178

UK Shared Business Services Ltd (UK SBS)
www.uksbs.co.uk

Version 3.3

UKSBS
Shared **Business** Services

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Version 3.5

Section 1 – About UK Shared Business Services

Putting the business into shared services

UK Shared Business Services Ltd (UK SBS) brings a commercial attitude to the public sector; helping our Contracting Authorities improve efficiency, generate savings and modernise.

It is our vision to become the leading service provider for the Contracting Authorities of shared business services in the UK public sector, continuously reducing cost and improving quality of business services for Government and the public sector.

Our broad range of expert services is shared by our Contracting Authorities. This allows Contracting Authorities the freedom to focus resources on core activities; innovating and transforming their own organisations.

Core services include Procurement, Finance, Grants Admissions, Human Resources, Payroll, ISS, and Property Asset Management all underpinned by our Service Delivery and Contact Centre teams.

UK SBS is a people rather than task focused business. It's what makes us different to the traditional transactional shared services centre. What is more, being a not-for-profit organisation owned by the Department for Business, Energy & Industrial Strategy (BEIS), UK SBS' goals are aligned with the public sector and delivering best value for the UK taxpayer.

UK Shared Business Services Ltd changed its name from RCUK Shared Services Centre Ltd in March 2013.

Our Customers

Growing from a foundation of supporting the Research Councils, 2012/13 saw Business, Energy and Industrial Strategy (BEIS) transition their procurement to UK SBS and Crown Commercial Services (CCS – previously Government Procurement Service) agree a Memorandum of Understanding with UK SBS to deliver two major procurement categories (construction and research) across Government.

UK SBS currently manages £700m expenditure for its Contracting Authorities.
Our Contracting Authorities who have access to our services and Contracts are detailed here.

Privacy Statement

At UK Shared Business Services (UK SBS) we recognise and understand that your privacy is extremely important and we want you to know exactly what kind of information we collect about you and how we use it.

This privacy notice link below details what you can expect from UK SBS when we collect your personal information.

- We will keep your data safe and private.
- We will not sell your data to anyone.
- We will only share your data with those you give us permission to share with and only for legitimate service delivery reasons.

Privacy Notice

This notice sets out how the Contracting Authority will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation (GDPR).

YOUR DATA

The Contracting Authority will process the following personal data:

Names and contact details of employees involved in preparing and submitting the bid; Names and contact details of employees proposed to be involved in delivery of the contract; Names, contact details, age, qualifications and experience of employees who's CVs are submitted as part of the bid.

Purpose

The Contracting Authority are processing your personal data for the purposes of the tender exercise, or in the event of legal challenge to such tender exercise.

Legal basis of processing

The legal basis for processing your personal data is processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the data controller, such as the exercise of a function of the Crown, a Minister of the Crown, or a government department; the exercise of a function conferred on a person by an enactment; the exercise of a function of either House of Parliament; or the administration of justice.

Recipients

Your personal data will be shared by us with other Government Departments or public authorities where necessary as part of the tender exercise. The Contracting Authority may share your data if required to do so by law, for example by court order or to prevent fraud or other crime.

Retention

All submissions in connection with this tender exercise will be retained for a period of (7) years from the date of contract expiry, unless the contract is entered into as a deed in which case it will be kept for a period of (12) years from the date of contract expiry.

YOUR RIGHTS

You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

You have the right to request that any inaccuracies in your personal data are rectified without delay.

You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

You have the right to object to the processing of your personal data where it is processed for direct marketing purposes.

You have the right to object to the processing of your personal data.

INTERNATIONAL TRANSFERS

Your personal data will not be processed outside the European Union

COMPLAINTS

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
0303 123 1113
casework@ico.org.uk

Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

CONTACT DETAILS

The data controller for your personal data is:

The Department for Business, Energy & Industrial Strategy (BEIS)

You can contact the Data Protection Officer at:

BEIS Data Protection Officer, Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London SW1H 0ET. Email: dataprotection@beis.gov.uk.

Section 2 – About the Contracting Authority

Department for Business, Energy & Industrial Strategy (BEIS)

The Department for Business, Energy and Industrial Strategy (BEIS) was created as a result of a merger between the Department of Energy and Climate Change (DECC) and the Department for Business, Innovation and Skills (BIS), as part of the Machinery of Government (MoG) changes in July 2016.

The Department is responsible for:

•   developing and delivering a comprehensive industrial strategy and leading the government's relationship with business;

•   ensuring that the country has secure energy supplies that are reliable, affordable and clean;

•   ensuring the UK remains at the leading edge of science, research and innovation; and

•   tackling climate change.

BEIS is a ministerial department, supported by 46 agencies and public bodies.

We have around 2,500 staff working for BEIS. Our partner organisations include 9 executive agencies employing around 14,500 staff.

http://www.beis.gov.uk

Section 3 - Working with the Contracting Authority.

In this section you will find details of your Procurement contact point and the timescales relating to this opportunity.

	Section 3 – Contact details	
3.1	Contracting Authority Name and address	The Department for Business, Energy and Industrial Strategy of, 1 Victoria Street, London, SW1H 0ET
3.2	Buyer name	Declan Ward
3.3	Buyer contact details	01793 867005 research@uksbs.co.uk
3.4	Maximum value of the Opportunity	The Maximum value of this opportunity is £115,000.00 excluding VAT It is expected that Phase 1 will have a maximum budget of £10,000.00 excluding VAT It is expected Phase 2 will have a maximum budget of £105,000.00 excluding VAT
3.5	Process for the submission of clarifications and Bids	**All correspondence shall be submitted within the Emptoris e-sourcing tool. Guidance Notes to support the use of Emptoris is available here.** **Please note submission of a Bid to any email address including the Buyer will result in the Bid not being considered.**

	Section 3 - Timescales	
3.6	Date of Issue of Contract Advert and location of original Advert	Friday 07th December 2018 Location Contracts Finder
3.7	Latest date/time ITQ clarification questions shall be received through Emptoris messaging system	Friday 4th January 2019 at 14.00
3.8	Latest date/time ITQ clarification answers should be sent to all Bidders by the Buyer through Emptoris	Monday 7th January 2019 at 14.00
3.9	Latest date/time ITQ Bid shall be submitted through Emptoris	Monday 14th January 2019 at 14.00
3.10	Date/time Bidders should be available for clarifications are required	Monday 21st January 2019
3.11	Anticipated notification date of successful and unsuccessful Bids	Wednesday 23rd January 2019
3.12	Anticipated Award date	Wednesday 23rd January 2019
3.13	Anticipated Contract Start date	Thursday 31st January 2019

| 3.14 | Anticipated Contract End date | Wednesday 31st July 2019 |
| 3.15 | Bid Validity Period | 60 Days |

Section 4 – Specification

1. Background

The Industrial Strategy identifies Artificial Intelligence (AI) and data as one of the four Grand Challenges to put the UK at the forefront of the industries of the future, improving people's lives and the country's productivity. Similarly, the overall ambition behind increasing R&D expenditure to 2.4% of GDP is to increase productivity using innovative and emerging technologies. To achieve these aims BEIS wants to maximise the positive impact of AI and data-driven technologies on the UK economy and society.

AI is already improving people's lives, from intelligent personal assistants that can prepare us for changes in the weather, to systems that protect households' money from criminals, or devices that offer medical advice from the comfort of our own house. Because AI can change many jobs, sectors and regions, BEIS wants to build an evidence base to understand the extent of possible impact of AI on different jobs, sectors, and geographical areas.

Better understanding of the impact of AI is also linked with the future demand of skills for the UK economy, as AI will gradually substitute some tasks the skills mix for the future labour market is expected to change accordingly. This change in skillset has implications on demand and supply for labour and labour market overall.

Given the significant impact of AI on future policy, various estimates have already been put forward. BEIS want to further progress this important debate with a clear focus on timing and magnitude of these impacts across jobs, sectors and regions in the UK. For example, it is vital to understand which of these impacts are expected in the short-term (eg next 5 years), medium-term (eg next 10-15 years) and long-term (eg beyond 15 years). The timing will have a significant impact on any policy response.

Some of the divergent conclusions from the current research also emerge from difference in methodology and data sources and may reflect the structure of the economy. For example, studies based on US data may provide pointers but have limited policy guidance for the UK.

With this project BEIS want to develop an updated and improved estimate of the impact of AI on the labour market and extend the scope of previous research to a) regions, b) sector, c) socio-economic background (such as education and income), d) by level of job shortage in the UK and d) based on existing and future occupational trends (ie job market structure).

2. Aims and Objectives of the Project

The main aim of this study is to produce reliable, updated estimates of the impact of AI on jobs, sectors and the UK regions for the short-, medium and long-term. The approach also

needs to consider differences across sector, region and socio-economic background of employees. We expect the research to address the following broader issues:

1. What is the impact of AI on individual skills within each occupation? Which human skills would be more in demand and which will be less in demand?

2. What is the impact of AI on individual occupations? What occupations would be in demand given AI?

3. What is the impact of AI on those specific skills which are currently in shortage in the UK?

4. What are most probable occupation trends, ie new occupations, in the future?

5. What is the impact on labour market by short/ medium/long term?

Key research questions

What is the most reliable estimate of the impact of AI on the demand for skills/ jobs?

We expect the study will produce estimates of the impact of AI which are an improvement over what is already available and are not simply re-run of the currently available estimates. This question is further divided in specific sub-questions.

1. Estimates and replicable methodology of:

   a. **The impact of AI on jobs** ie estimate at a suitable level for SOC (Standard Occupational Classification) Code.
   b. **The impact of AI on sectors** ie estimate at a suitable level for SIC (Standard Industrial Classification) Code.
   c. **The impact of AI on employee type** ie employees' background /characteristics (eg education and income)
   d. **The impact of AI on geographical areas** at a suitable level depending on data availability.
   e. **The impact of AI on area of skills** shortage[1][2][3] in the UK by occupation, by sector and by region.
   f. **The expected pace of the impact of AI** on labour market over short, medium and long-term.
   g. **Analysis of the magnitude and direction of the distributional impact** of AI across the UK economy and society.

[1] https://www.oecd.org/unitedkingdom/building-skills-for-all-review-of-england.pdf
[2] https://www.gov.uk/government/collections/uk-employer-skills-survey-2017
[3] https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-k-shortage-occupation-list

What is the estimate of the impact of AI on the future labour market?

The bidder will produce estimates of the *pace* and *impact* of AI in terms of employment across different sectors and occupations. This will also include analysis on the pace / transition of the impact in the short term (i.e. 5 years), medium term (i.e. 10-15 years) and long term (ie over 15 years).

While focus remains on the questions above, it is important for bids to set the context in their response. For example:

1. What factors are important to consider when looking at the relationship between AI and the labour market?

2. How will your proposed methodology and modelling improve on what is currently available? What data sets do you plan to use.

3. How you will apply your knowledge to the application of data science techniques and econometrics, and how will this benefit this project?

4. How will you quality assure the estimates and overall quality of your work?

5. A brief review of covering strengths and weaknesses associated with the method used in the past studies. [4]

We welcome bidders to suggest alternative approaches in their bids with a brief description of advantages of the proposed approaches.

As analysis will progress, we may ask the contractors to breakdown the data by some other categories of policy interest. Contractor may propose other breakdowns.

3. Suggested Methodology

We expect the methodology is to be a mix of data science techniques and econometric analysis. The bidders are advised to review the studies included in the literature review for a more detailed description of the methods and approaches used in the past research. Whatever approach the bidder may choose, it must be able to answer the research questions outlined earlier.

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[4] We don't expect a literature review but a high level analysis of the strengths and weaknesses of the current approaches.

BEIS expects bidders to have/obtain a detailed understanding of the limitations of previous approaches and outline how these may be addressed in their proposed approach. This is important to ensure that this study adds value and value for money. Therefore, bids should provide an assessment of the benefits / limitations of their proposed methodology. It should also discuss the likelihood of the methodology succeeding and what success relies upon.

Many of the current studies use different analytical approaches and in some cases dataset from non-UK countries. This may mean that results may be less applicable due to difference in the structure of the economy, labour market flexibility. Similarly, given the significant interest in local growth in the Industrial Strategy we want to extend these estimates to the local level and employee's characteristics/ background.

Bidders are expected to demonstrate they have an understanding, of data science, sector level analysis, knowledge of AI/ disruptive technological markets, labour market analysis and econometric analysis. Final method and outputs will be peer reviewed by independent reviewer(s).

Review of selected studies from methodology perspective

Frey and Osborne's (F&O) original study (2013)[1], took a sample of occupations and asked machine learning experts to hand-label them either strictly automatable or not. The classification was based on the reported task structure. Based on this, they used an algorithm to generate a 'probability of computerisation' across jobs in the US.

The model further predicted the probability with which occupations that had not been assessed by the experts could potentially be automated. F&O then distinguish between low risk (less than 30%), medium risk (30-70%) and high-risk (>70%) occupations.

With these estimates, F&O generalised the probability of automation at country level, assuming that occupations can be automated at the same level across countries and assuming that workers within the same occupation have identical task structure. They concluded that 35% of today's jobs in the UK are likely to be displaced by automation. The main limitations of this study are its focus on occupations rather than on skills, on US technological capability and use of O*NET dataset which captures only US skillsets. This means F&O's results might have limited relevance to the UK.

Several studies have followed this approach, such as the ones done by PWC, Accenture and McKinsey, however without overcoming its limitations as outlined earlier.

OECD's work by M. Arntz, T. Gregory and U. Zierahn[2] (A-G-Z, 2016) introduced an improvement to the F&O's work by proposing to estimate the impact on single job-tasks. This seems a more sensible approach given that as A-G-Z showed that there is considerable variation in the tasks involved in jobs having the same occupational title and that accounting for this variation is essential to gauge the extent of the automation.

Based on a tasks-content survey (Programme for the International Assessment of Adult Competencies – PIAAC), the study concluded that 10% of current jobs in the UK are likely to be automated.

Though improved through focus on task-content, it is based on a limited PIAAC sample and not the full sample of 32 countries. Given estimates rely only on a small sample (ie PIAAC) and does not capture information from wider UK dataset (eg ONS Annual Population Survey) – the estimates don't capture the impact by region and by occupation & industry at the 4-digit level.

Nedelkoska, L. and G. Quintini (OECD, 2018) has recently proposed a further improvement on the A-G-Z approach and included full PIAAC survey sample. This enabled them to do granular estimated within narrowly-defined occupational groups.

This methodological approach is improved as compared to earlier studies, however, it presents several areas for improvement. This does not allow for a within country regional break-down; it does not capture the *pace* of the impact and it doesn't control for accuracy of skills associated with occupations.

Recent OECD paper "Job Creation and Local Economic Development 2018"[5] built up on Nedelkoska and Quintini approach to examine the impact of technological progress on regional and local labour markets.

Alternative approaches were recently undertaken to obtain a more robust skillset classification and more robust estimates of AI impact relying on online information. For example, J. Djumalieva, Antonio Lima and Cath Sleeman [3], "Classifying occupations according to their skill requirements in job advertisements" proposes a methodology for classifying occupations based on skill requirements provided in online job adverts.

To develop the classification methodology, they apply semi-supervised machine learning techniques to a dataset of 37 million UK online job adverts collected by Burning Glass Technologies.

More recently, Arthur Turrell et al. (BoE, 2018) used a novel dataset containing detailed information on job vacancies posted online by firms via a recruitment agency. They examined the relationship between the extent of regional mismatch and macro-variables as productivity and output growth in the UK.

Data

We have identified some relevant datasets based on past research, but this list is not exhaustive and where relevant bidders should outline how they will use these or any other datasets for this research.

1. **Labour Force Survey** is a UK household survey. It collects data on employment and unemployment, as well as housing, ethnicity, religion, health and education. The

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[5] http://www.oecd.org/publications/job-creation-and-local-economic-development-26174979.htm

coverage includes occupation, training, hours of work and personal characteristics of household members aged 16 years and above. Most importantly, for this study it is possible to analyse data by occupation (SOC) and industry (SIC).

2. **Annual Population Survey (APS)** – APS provides enhanced annual data for England, covering a target sample of at least 510 economically active persons for each Unitary Authority (UA)/Local Authority District (LAD) and at least 450 economically active people in each Greater London Borough. The Secure Access[6] version contains more detailed variables relating to: age, family unit and household, nationality, geography, health, education and apprenticeship, industry, occupation and system variables.

3. **Family Resources Survey (FRS**)[7] – FRS is an annual survey that provides data on incomes and living circumstances of households and families in the UK.

4. **Employer skills survey**[8] contains the information from over 87,000 employer establishments across the UK on skills needs, skills use and skills development; highlighting which are current skills-shortages and vacancies.

5. **Jobs in shortage**[9] – The UK Shortage Occupations List details those specific jobs within each Standard Occupational Classification code that are in high demand in the UK stated in Governmental Immigration Rules Appendix K.

6. **Survey of adult skills in the Programme for the International Assessment of Adult Competencies (PIAAC).** The survey measures adults' proficiency in key information-processing skills - literacy, numeracy and problem solving in technology-rich environments - and gathers information and data on how adults use their skills at home, at work and in the wider community. PIAAC is the first international survey to include a comprehensive assessment of the tasks that employees perform in their jobs and the skills required for these tasks.

7. Separate from PIAAC, the UK introduced its own version of a Skills Survey in 1986. It is repeated at five to six-year intervals. The last two surveys were conducted in 2006 and 2012.

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4. Deliverables

The project is divided into two-phases.

Phase 1 deliverables

- **Inception meeting:** contractor and BEIS steering group will meet to agree the time line and deliverables.

- **The scope of analysis:** contractor should propose how to implement the BEIS initial scope of the research with timeline. For example, because impact of AI on the Labour market is likely to depend on several factors including demand and supply for skills

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[6] https://discover.ukdataservice.ac.uk/series/?sn=200002#abstract

[7] https://www.gov.uk/government/collections/family-resources-survey--2
[8] https://www.gov.uk/government/publications/employer-skills-survey-2017-uk-report
[9] https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-k-shortage-occupation-list

and occupations, contractors should consider the supply and demand factors in their modelling to develop a complete picture on AI impact.

Contractor should assess a range of most ideal time horizon of the magnitude and pace of the impact of AI on the Labour market.

- **Data review and approach**: the selected contractor will review relevant datasets and will decide on the most appropriate data analytics / econometric techniques, or other analytical methods for answering the research questions. We expect contractors to assess the datasets (and test run at a small scale) whether the proposed approach is implementable for each question.

- **Confirming the methodology**. Given the outcome of the data and approach review, we expect contractors to finalise a methodology, including the datasets that will fit into that approach (and availability of data) and the benefits and limitations of the proposed approach.

- **Short report:** the contractors will submit a short report (not more than 15 pages excluding the annexes) and a slide-pack outlining the datasets that have reviewed, their suitability to answer each research question, their proposed methodology with advantages, and implantability of the approach for each research questions.

- **Other activities:** weekly update with the BEIS project team, final presentation to the steering group at the end of phase 1 as well as attending steering group meeting where required.

Phase 2 and deliverables

- **Building the dataset and finalising a methodology:** contractor will develop the dataset and finalise the methodology for implementation.

- **Performing the analysis:** contractor will complete the analysis for each question and work closely with BEIS to ensure analysis meet project objectives. The contractors are also expected to present their work at suitable points to the steering group to manage expectation and address emerging issues.

- **Regular updates to BEIS**. We expect that contractor has a weekly catch-up with the project manager to track progress and address any issues that may arise.

- **Draft report:** the contractor will produce a draft report at the end of analysis stage. The contractors will agree the report structure with the project manager but overall the report should include an executive summary, research context, methodology, data, results, and conclusion sections. The report will follow the gov.uk guidelines on style, accessibility and should meet plain English requirements. With the draft report the contractors should also provide:

  o Fully documented software code used for analysis and all underlying data (with complete references). Where the data is not publicly available, we expect the contractor to organise access to the project folder in secure data service (SDS).

  o All data visualisation, tables and figures in the report need to be in an excel spreadsheet with data included as well.

       o   All models will be compliant with BEIS QA practice, further information on BEIS QA practice can be found here: https://www.gov.uk/government/collections/quality-assurance-tools-and-guidance-in-decc.

Publication

The **final report** for this research project must be formatted according to BEIS publication guidelines, template and adhering to BEIS accessibility requirements on GOV.UK. Project manager will provide the template and the contractor should discusses any related issues in advance of producing the report to avoid re-writing. The contractor needs to ensure the drafts are free from typos, grammatical or syntax errors and are accessible to technical and non-technical audience—it will solely be contractor's responsibility to ensure these to BEIS' satisfaction.

Please ensure you note the following in terms of accessibility:

Checklist for Word accessibility

Word documents supplied to BEIS will be assessed for accessibility upon receipt. Documents which do not meet one or more of the following checkpoints will be returned to you for re-working at your own cost.

- document reads logically when reflowed or rendered by text-to-speech software
- language is set to English (in File > Properties > Advanced)
- structural elements of document are properly tagged (headings, titles, lists etc)
- all images/figures have either alternative text or an appropriate caption
- tables are correctly tagged to represent the table structure
- text is left aligned, not justified
- document avoids excessive use of capitalised, underlined or italicised text
- hyperlinks are spelt out (e.g. in a footnote or endnote)
- Datasets to support those to be published in the final report must be provided in an accessible format (CVS, Excel) on submission of the report.

Project Plan and Timescale Guidelines

Phase 1 deliverables

- Inception meeting
- The scope of analysis
- Data review and approach
- Confirming the methodology
- Short report
  Other activities

Phase 2 deliverables (it will start approximately at 1/3 of the project March 2019)

- Building the dataset and finalising a methodology
- Performing the analysis
- Regular updates to BEIS
- Draft report
- Publication

The above timeline is indicative only, tenderers are welcome to suggest alternatives that they consider to be more appropriate. Please note that the work must be completed by end July 2019.

Bidders should propose the overall detailed project timeline and important milestones. In addition, they should outline how they will manage project delivery risks and ensure outputs will be delivered on time. If appropriate, add a short table with main delivery risk, potential risk owners and mitigation steps.

Terms and Conditions

Bidders are to note that any requested modifications to the Contracting Authority Terms and Conditions on the grounds of statutory and legal matters only, shall be raised as a formal clarification during the permitted clarification period.

Section 5 – Evaluation model

The evaluation model below shall be used for this ITQ, which will be determined to two decimal places.

Where a question is 'for information only' it will not be scored.

The evaluation team may comprise staff from UK SBS and the Contracting Authority and any specific external stakeholders the Contracting Authority deems required. After evaluation the scores will be finalised by performing a calculation to identify (at question level) the mean average of all evaluators (Example – a question is scored by three evaluators and judged as scoring 5, 5 and 6. These scores will be added together and divided by the number of evaluators to produce the final score of 5.33 (5+5+6 =16÷3 = 5.33)

Pass / fail criteria		
Questionnaire	**Q No.**	**Question subject**
Commercial	SEL1.2	Employment breaches/ Equality
Commercial	FOI1.1	Freedom of Information Exemptions
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Commercial	AW3.1	Validation check
Commercial	SEL3.11	Compliance to Section 54 of the Modern Slavery Act
Commercial	AW4.1	Contract Terms Part 1
Commercial	AW4.2	Contract Terms Part 2
Price	AW5.1	Maximum Price
Price	AW5.5	E Invoicing
Price	AW5.6	Implementation of E-Invoicing
Quality	AW6.1	Compliance to the Specification
Quality	AW6.2	Variable Bids
-	-	Invitation to Quote – received on time within e-sourcing tool

Scoring criteria

Evaluation Justification Statement

In consideration of this particular requirement the Contracting Authority has decided to evaluate Potential Providers by adopting the weightings/scoring mechanism detailed within this ITQ. The Contracting Authority considers these weightings to be in line with existing best practice for a requirement of this type.

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	20%
Quality	PROJ1.1	Approach	30%
Quality	PROJ1.2	Staff to Deliver	10%
Quality	PROJ1.3	Understanding the Environment	20%
Quality	PROJ1.4	Project Plan and Timescales	20%

Evaluation of criteria

Non-Price elements

Each question will be judged on a score from 0 to 100, which shall be subjected to a multiplier to reflect the percentage of the evaluation criteria allocated to that question.

Where an evaluation criterion is worth 20% then the 0-100 score achieved will be multiplied by 20%
Example if a Bidder scores 60 from the available 100 points this will equate to 12% by using the following calculation:
Score = {weighting percentage} x {bidder's score} = 20% x 60 = 12

The same logic will be applied to groups of questions which equate to a single evaluation criterion.

The 0-100 score shall be based on (unless otherwise stated within the question):

0	The Question is not answered, or the response is completely unacceptable.
10	Extremely poor response – they have completely missed the point of the question.
20	Very poor response and not wholly acceptable. Requires major revision to the response to make it acceptable. Only partially answers the requirement, with major deficiencies and little relevant detail proposed.
40	Poor response only partially satisfying the selection question requirements with deficiencies apparent. Some useful evidence provided but response falls well short of expectations. Low probability of being a capable supplier.
60	Response is acceptable but remains basic and could have been expanded upon. Response is sufficient but does not inspire.
80	Good response which describes their capabilities in detail which provides high levels of assurance consistent with a quality provider. The response includes a full description of techniques and measurements currently employed.
100	Response is exceptional and clearly demonstrates they are capable of meeting the requirement. No significant weaknesses noted. The response is compelling in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.

All questions will be scored based on the above mechanism. Please be aware that the final score returned may be different as there may be multiple evaluators and their individual scores will be averaged (mean) to determine your final score.

Example
Evaluator 1 scored your bid as 60
Evaluator 2 scored your bid as 60
Evaluator 3 scored your bid as 40
Evaluator 4 scored your bid as 40
Your final score will (60+60+40+40) ÷ 4 = 50

Price elements will be judged on the following criteria.

The lowest price for a response which meets the pass criteria shall score 100.
All other bids shall be scored on a pro rata basis in relation to the lowest price. The score is then subject to a multiplier to reflect the percentage value of the price criterion.

For example - Bid 1 £100,000 scores 100.
Bid 2 £120,000 differential of £20,000 or 20% remove 20% from price scores 80
Bid 3 £150,000 differential £50,000 remove 50% from price scores 50.
Bid 4 £175,000 differential £75,000 remove 75% from price scores 25.
Bid 5 £200,000 differential £100,000 remove 100% from price scores 0.
Bid 6 £300,000 differential £200,000 remove 100% from price scores 0.
Where the scoring criterion is worth 50% then the 0-100 score achieved will be multiplied by 50.

In the example if a supplier scores 80 from the available 100 points this will equate to 40% by using the following calculation: Score/Total Points multiplied by 50 (80/100 x 50 = 40)

The lowest score possible is 0 even if the price submitted is more than 100% greater than the lowest price.

Section 6 – Evaluation questionnaire

Bidders should note that the evaluation questionnaire is located within the **e-sourcing questionnaire.**

Guidance on completion of the questionnaire is available at
http://www.uksbs.co.uk/services/procure/Pages/supplier.aspx

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

DO:

7.1   Do comply with Procurement document instructions. Failure to do so may lead to disqualification.

7.2   Do provide the Bid on time, and in the required format. Remember that the date/time given for a response is the last date that it can be accepted; we are legally bound to disqualify late submissions. Responses received after the date indicated in the ITQ shall not be considered by the Contracting Authority, unless the Bidder can justify that the reason for the delay, is solely attributable to the Contracting Authority

7.3   Do ensure you have read all the training materials to utilise e-sourcing tool prior to responding to this Bid. If you send your Bid by email or post it will be rejected.

7.4   Do use Microsoft Word, PowerPoint Excel 97-03 or compatible formats, or PDF unless agreed in writing by the Buyer. If you use another file format without our written permission, we may reject your Bid.

7.5   Do ensure you utilise the Emptoris messaging system to raise any clarifications to our ITQ. You should note that we will release the answer to the question to all Bidders and where we suspect the question contains confidential information we may modify the content of the question to protect the anonymity of the Bidder or their proposed solution

7.6   Do answer the question, it is not enough simply to cross-reference to a 'policy', web page or another part of your Bid, the evaluation team have limited time to assess bids and if they can't find the answer, they can't score it.

7.7   Do consider who the Contracting Authority is and what they want – a generic answer does not necessarily meet every Contracting Authority's needs.

7.8   Do reference your documents correctly, specifically where supporting documentation is requested e.g. referencing the question/s they apply to.

7.9   Do provide clear, concise and ideally generic contact details; telephone numbers, e-mails and fax details.

7.10   Do complete all questions in the questionnaire or we may reject your Bid.

7.11   Do ensure that the Response and any documents accompanying it are in the English Language, the Contracting Authority reserve the right to disqualify any full or part responses that are not in English.

7.12   Do check and recheck your Bid before dispatch.

DO NOT

7.13   Do not cut and paste from a previous document and forget to change the previous details such as the previous buyer's name.

7.14   Do not attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them. Only send what has been requested and only send supplementary information if we have offered the opportunity so to do.

7.15   Do not share the Procurement documents, they are confidential and should not be shared with anyone without the Buyers written permission.

7.16   Do not seek to influence the procurement process by requesting meetings or contacting UK SBS or the Contracting Authority to discuss your Bid. If your Bid requires clarification the Buyer will contact you. All information secured outside of formal Buyer communications shall have no Legal standing or worth and should not be relied upon.

7.17   Do not contact any UK SBS staff or the Contracting Authority staff without the Buyers written permission or we may reject your Bid.

7.18   Do not collude to fix or adjust the price or withdraw your Bid with another Party as we will reject your Bid.

7.19   Do not offer UK SBS or the Contracting Authority staff any inducement or we will reject your Bid.

7.20   Do not seek changes to the Bid after responses have been submitted and the deadline for Bids to be submitted has passed.

7.21   Do not cross reference answers to external websites or other parts of your Bid, the cross references and website links will not be considered.

7.22   Do not exceed word counts, the additional words will not be considered.

7.23   Do not make your Bid conditional on acceptance of your own Terms of Contract, as your Bid will be rejected.

7.24   Do not unless explicitly requested by the Contracting Authority either in the procurement documents or via a formal clarification from the Contracting Authority send your response by any way other than via e-sourcing tool. Responses received by any other method than requested will not be considered for the opportunity.

Some additional guidance notes 📖

7.25 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool must be submitted to Crown Commercial Service (previously Government Procurement Service), Telephone 0345 010 3503.

7.26 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered as part of the evaluation process.

7.27 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.

7.28 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.

7.29 We do not guarantee to award any Contract as a result of this procurement

7.30 All documents issued or received in relation to this procurement shall be the property of the Contracting Authority. / UKSBS.

7.31 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through Emptoris.

7.32 If you are a Consortium you must provide details of the Consortiums structure.

7.33 Bidders will be expected to comply with the Freedom of Information Act 2000 or your Bid will be rejected.

7.34 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this ITQ Bidders are agreeing that their Bid and Contract may be made public

7.35 Your bid will be valid for 60 days or your Bid will be rejected.

7.36 Bidders may only amend the contract terms during the clarification period only, only if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract terms without such grounds and the Contracting Authority fail to accept your legal or statutory reason is reasonably justified, we may reject your Bid.

7.37 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.

7.38 If you fail mandatory pass / fail criteria we will reject your Bid.

7.39 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Emptoris e-sourcing tool.

7.40 Bidders should note that if they are successful with their proposal the Contracting Authority reserves the right to ask additional compliancy checks prior to the award of any Contract. In the event of a Bidder failing to meet one of the compliancy checks

the Contracting Authority may decline to proceed with the award of the Contract to the successful Bidder.

7.41 All timescales are set using a 24-hour clock and are based on British Summer Time or Greenwich Mean Time, depending on which applies at the point when Date and Time Bids shall be submitted through Emptoris.

7.42 All Central Government Departments and their Executive Agencies and Non-Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

For these purposes, the Contracting Authority may disclose within Government any of the Bidders documentation/information (including any that the Bidder considers to be confidential and/or commercially sensitive such as specific bid information) submitted by the Bidder to the Contracting Authority during this Procurement. The information will not be disclosed outside Government. Bidders taking part in this ITQ consent to these terms as part of the competition process.

7.43 The Government introduced its new Government Security Classifications (GSC) classification scheme on the 2nd April 2014 to replace the current Government Protective Marking System (GPMS). A key aspect of this is the reduction in the number of security classifications used. All Bidders are encouraged to make themselves aware of the changes and identify any potential impacts in their Bid, as the protective marking and applicable protection of any material passed to, or generated by, you during the procurement process or pursuant to any Contract awarded to you as a result of this tender process will be subject to the new GSC. The link below to the Gov.uk website provides information on the new GSC:

https://www.gov.uk/government/publications/government-security-classifications

The Contracting Authority reserves the right to amend any security related term or condition of the draft contract accompanying this ITQ to reflect any changes introduced by the GSC. In particular where this ITQ is accompanied by any instructions on safeguarding classified information (e.g. a Security Aspects Letter) as a result of any changes stemming from the new GSC, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies or otherwise. This may relate to the instructions on safeguarding classified information (e.g. a Security Aspects Letter) as they apply to the procurement as they apply to the procurement process and/or any contracts awarded to you as a result of the procurement process.

USEFUL INFORMATION LINKS
- Emptoris Training Guide
- Emptoris e-sourcing tool
- Contracts Finder
- Equalities Act introduction
- Bribery Act introduction
- Freedom of information Act