

**INVITATION TO TENDER**

**INTERNAL AUDIT SERVICE  
for  
GOVERNMENT INTERNAL AUDIT AGENCY (GIAA)**

**REFERENCE NUMBER**

**RM 4167**

**ATTACHMENT 1**

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## 1. INTRODUCTION

- 1.1 Welcome to this Procurement which is being managed by Crown Commercial Service (referred to as the Agent within this Invitation to Tender (ITT)) on behalf of HM Treasury (HMT)
- 1.2 HMT is referred to as the Authority in this Invitation to Tender, and you, along with other organisations participating in this Procurement, are referred to as Potential Providers. This Procurement will establish a multi Supplier Framework Agreement for Government Internal Audit Agency (GIAA) and other Central Government Departments for the supply of an Internal Audit Service.
- 1.3 This Invitation to Tender (ITT) contains the information and instructions that you need to submit a compliant Tender. Words in this ITT which are capitalised have definitions either in the paragraph in which such words appear or in the glossary at paragraph 12.
- 1.4 Please read this ITT carefully as non-compliance with the instructions contained in this document and all its Attachments may result in exclusion of your Tender from this Procurement. If you have read all the instructions and information carefully but are still unsure at any point how to respond, please submit a question as described in paragraph 7.
- 1.5 The Terms of Participation at Attachment 6 will apply throughout this Procurement. They set out further rights and obligations which apply to you and the Agent. You must confirm in the online 'Participation Requirements' section (Question PR1) that you accept the Terms of Participation. If you do not answer Yes to this acceptance you will be excluded from this Procurement.
- 1.6 If you are participating in this Procurement as a member of a Group of Economic Operators, or are using Sub-Contractors please read the guidance in paragraph 6.
- 1.7 The Agent is using an e-Sourcing Suite to manage this Procurement and to communicate with you. No hard copy documents will be issued and all communications with the Agent (including the submission of Tenders) will be conducted via the e-Sourcing Suite. You must ensure that the details of the point of contact you nominate in the e-Sourcing Suite are accurate at all times as the Agent will not be under any obligation to contact any other point of contact.
- 1.8 Your responses to the Participation Requirements Questionnaire and Selection Questionnaire (Attachment 2) and the Award Questionnaire (Attachment 3) have been designed to be completed on-line in the e-Sourcing Suite. Guidance on how to use the e-Sourcing Suite can be found [here](#) and at Attachment 8.
- 1.9 You are welcome to ask questions or seek clarification regarding this Procurement. See paragraph 7 for details on how to do so. Please make sure you have read all the ITT information and instructions thoroughly so that questions or clarifications are not raised unnecessarily.
- 1.10 The Agent is managing this Procurement in accordance with the Regulations and specifically in accordance with the open procedure (Regulation 27 of the Regulations) and the requirements relating to Framework Agreements (Regulation 33 of the Regulations).

## **2. THE FRAMEWORK AGREEMENT AND CALL-OFF CONTRACTS**

- 2.1 This Procurement will result in the award of the Framework Agreement to successful Potential Providers. Once the Framework Agreement has been executed those successful Potential Providers will become Suppliers.
- 2.2 The Framework Agreement will enable Contracting Authorities to place orders with Suppliers for the Services via Call-Off Contracts.
- 2.3 The published Framework Agreement (including the Framework Schedules) and Call-Off Contract (including the Call Off Schedules) terms and conditions are available at Attachments 4 and 5. Please carefully review these documents so that you fully to understand the rights and obligations they confer on the parties.
- 2.4 Framework Agreement and Call-Off Contract terms are non-negotiable, whether during this Procurement or post award. However, you may seek clarification of any points of ambiguity or apparent error in relation to the terms throughout the clarification period (see paragraph 7). If, in its sole discretion, the Agent accepts that there is either ambiguity or error, then it will make appropriate amendment.
- 2.5 Following the Authority's decision to award, the Framework Agreement will be updated to incorporate elements of the Tender including (but not limited to) the successful Potential Provider's charges and the approach to delivering the Services.
- 2.6 The Authority will manage the overall performance of the Framework Agreement by Suppliers and collect Management Information.
- 2.7 **Contracting Authorities**
  - 2.7.1 The Framework Agreement will be available for use by GIAA and all Central Government Contracting Authorities throughout the whole of the UK, including Northern Ireland, Scotland and Wales as described in the OJEU Contract Notice.
  - 2.7.2 Subject to paragraph 2.8 any relevant Contracting Authority may purchase the Services from any supplier outside of the Framework Agreement. Being appointed to this Framework Agreement does not confer an exclusive right to supply on Suppliers or guarantee that a Supplier will receive any business at all under the Framework Agreement.
- 2.8 **The ordering process and further evaluation criteria**
  - 2.8.1 Contracting Authorities may award Call-Off Contracts for any of the Services by direct award (i.e. without re-opening competition among Suppliers) and/or by further competition [i.e. with re-opening competition among Suppliers including by use of an e-Auction]. The procedures that Contracting Authorities use to make a direct contract award and/or conduct a further competition (including use of an e-Auction)] are set out in Framework Schedule 5 (Call-Off Procedure) at Attachment 4.
  - 2.8.2 Contracting Authorities will use the evaluation criteria and weightings set out in Framework Schedule 6 (Award Criteria) to determine which Supplier should be appointed to supply the Services.
  - 2.8.3 All Call-Off Contracts awarded by Contracting Authorities will be subject to the Call-Off Contract terms and conditions contained within Framework Schedule 4 (Attachment 5) supplemented as appropriate by such additional details as may be necessary and permissible.

2.8.4 The Contracting Authorities will manage the Supplier's day to day performance of the Call-Off Contract it has entered with the Supplier.

### 3. REQUIREMENTS AND LOT STRUCTURE

3.1 A detailed description of the Services that a Supplier will be required to supply for a Lot in which it has been successful is set out at Attachment 4b Framework Schedule 2 (Services and Key Performance Indicators) and a short description is contained in the OJEU Contract Notice. A copy of the OJEU Contract Notice is published at <http://ccs-agreements.cabinetoffice.gov.uk/procurement-pipeline>

3.2 The Services covered by this Procurement have been sub-divided into 3 (three) Lots, as detailed in the table below: this table provides details of the maximum number of Suppliers that Framework Agreements will be concluded with in respect of each Lot, subject to 1% (as described in paragraph 3.4).

LOT	DESCRIPTION	Maximum number of bidders per Lot
Lot 1	Core Internal Audit Services including Advisory Services (UK and Overseas)	6
Lot 2	Forensic – UK and Overseas	3
Lot 3	Regulatory Services including Advisory Work (UK and Overseas)	3

3.3 Potential Providers have the opportunity to bid for all or any combination of the 3 Lots, however the Agent reserves the right to award each Lot separately..

3.4 The maximum number of Suppliers for each Lot may increase only where two or more Potential Providers have tied scores and are placed in the last position in respect of each Lot. In such cases, Potential Providers who are tied with the same score in the last position for each Lot shall be deemed to be one Supplier for the purpose of calculating the maximum number of Suppliers for each Lot. The Agent will award a Framework Agreement to additional Potential Providers where their Final Score is within 1% of the original awarded last place position only. For the avoidance of doubt, last position is 6<sup>th</sup> for Lot 1, 3<sup>rd</sup> for Lot 2 and 3<sup>rd</sup> for Lot 3.

3.5 Where two or more Potential Providers have tied scores and are in any position except for the last position for each Lot, the number of Potential Providers will fill the positions immediately following the position that they have tied for. For instance where three Potential Providers are tied in the third position they will occupy that third position as well as the 4<sup>th</sup> and 5<sup>th</sup> positions respectively for the purpose of calculating the maximum number of Suppliers in respect of the Lot in question. An example illustrating paragraph 3.4 and this paragraph is shown below at paragraph 3.6.

3.6 Example illustrating paragraph 3.4

<b>EXAMPLE – LOT 1 MAXIMUM NUMBER OF SUPPLIERS = 6</b>			
<b>Provider</b>	<b>Final Score</b>	<b>Place Awarded</b>	<b>Reasoning</b>
Potential Provider A	100.00	Yes	
Potential Provider B	89.48	Yes	
Potential Provider C	88.61	Yes	Tied places in any other position other than last will take respective ranked positions as detailed
Potential Provider D	88.61	Yes	
Potential Provider E	88.61	Yes	
Potential Provider F	55.56	Yes	
Potential Provider G	55.56	Yes	Score tied with 6th place score
Potential Provider H	55.18	Yes	Within 1% of 6th place score
Potential Provider I	49.73	No	More than 1% of 6th place score
Potential Provider J	46.23	No	More than 1% of 6th place score
<b>FINAL NUMBER OF SUPPLIERS AWARDED = 10</b>			

3.7 Details of the estimated value of Call-Off Contracts placed under the Framework Agreement are set out in the OJEU Contract Notice.

#### 4. PROCUREMENT TIMETABLE

- 4.1 The anticipated timetable for this Procurement is set out in the table below.
- 4.2 This timetable may be changed by the Agent at any time. Changes to any of the dates will be made in accordance with the Regulations (where applicable). You will be informed through the e-Sourcing Suite if the Agent decides that changes to this timetable are necessary.

DATE	ACTIVITY
08/05/2015	Despatch of the OJEU Contract Notice
09/05/2015	Clarification period starts
22/05/2015 17:00.00 BST	Clarification period closes (" <b>Tender Clarifications Deadline</b> ")
29/05/2015 17:00.00 BST	Deadline for the publication of responses to Tender Clarification questions
08/06/2015 15:00.00 BST	Deadline for submission of Tenders to the Agent (" <b>Tender Submission Deadline</b> ")
13/07/2015	Intention to award notices issued to successful and unsuccessful Potential Providers.
23/07/2015	10 day Standstill Period (in accordance with Regulation 87) ends 23:59 on this day
24/07/2015	Expected commencement date for Framework Agreement(s)

## **5. COMPLETING AND SUBMITTING A TENDER**

5.1 To participate in this competitive tendering exercise, you are required to submit a Tender which fully complies with the instructions in this ITT and all its Attachments:

- Attachment 2 – Participation Requirements and Selection Questionnaire
- Attachment 3 – Award Questionnaire Response Guidance, Evaluation and Marking Scheme
- Attachment 4 – Draft Framework Agreement
- Attachment 4b – Framework Schedule 2: Services and Key performance Indicators.
- Attachment 5 – Draft Call Off Contract
- Attachment 6 – Terms of Participation
- Attachment 7 – Declaration of Compliance
- Attachment 8 – Supplier Guidance
- Attachment 9 – Pricing Matrix
- Attachment 10 – Framework Population Template
- Attachment 11 – Financial Assessment Template

5.2 You are strongly advised to read through all documentation and Attachments as above to ensure you understand how to submit a fully compliant Tender.

5.3 The Agent utilises an e-Sourcing Suite to provide governance around the sourcing process. Your response must be managed through this tool. You are therefore advised of the following:

5.3.1 It is your responsibility to ensure that you submit a fully compliant Tender.

5.3.2 You must ensure that you are using the latest versions of this document and its Attachments, as the documentation may be updated from time to time.

5.3.3 Allow plenty of time for the entering of responses into the e-Sourcing Suite – do not leave it until the day of the Tender Submission Deadline.

5.4 For technical guidance on how to complete questions, and how to upload any requested attachments please see– Supplier Guidance (Attachment 8).

**5.5 The information and documents that you are required to complete and return are:**

- Attachment 2 – Participation Requirements and Selection Questionnaire (in the e-Sourcing Suite);
- Attachment 3 – Award Questionnaire (in the e-Sourcing Suite);
- Attachment 9 – Pricing Matrix (uploaded as an attachment in the e-Sourcing Suite to Question PQ1)
- Attachment 10 – Framework Agreement Population Template (uploaded as an attachment to question SQ7.4 in the Selection Questionnaire)
- Any other documents specifically requested by the agent.

## 5.6 Additional Materials, Documents and Attachments

### 5.6.1 You must adhere to the following instructions;

5.6.1.1 No additional attachments should be submitted with a Tender

5.6.1.2 Any documents requested by the Agent must only be attached at the Question Level (not at Questionnaire Level and not at RFx Attachments) in the e-Sourcing Suite using a unique, unambiguous and relevant file name as specified by the Agent in the question. Documents requested must be submitted in the format requested by the Agent.

## 5.7 Data Entry

### 5.7.1 A fully compliant Tender must adhere to the following instructions;

5.7.1.1 All responses must be inserted into the relevant answer box(s) located beneath the relevant question, no attachments are permitted except where requested by the Agent. Only information entered into the relevant answer box(s) or information provided as an attachment supplied in accordance with the Agents instructions will be taken into consideration for the purposes of evaluating a Tender.

5.7.1.2 The Tender must be submitted in the English (UK) language.

5.7.1.3 All prices must be shown excluding VAT and in British Pounds Sterling (£).

5.7.1.4 You must answer all questions accurately and as fully as possible, within the character limits specified.

5.7.1.5 Where options are offered as a response to a question, you must select the relevant option from the drop down list.

5.7.1.6 You must not answer questions by cross referring to other answers or to other materials (e.g. annual company reports located on a web site). Each question answered must be complete in its own right.

5.7.1.7 The Agent will disregard any part of a response to a question which exceeds the specified character limit (i.e. the excess will be disregarded, not the whole response). The stated character limit includes spaces and punctuation.

## 5.8 Deadline for the submission of Tenders

5.8.1 All Tenders must be received by the Agent before the Tender Submission Deadline (see the Procurement Timetable in paragraph 4 for details).

## 5.9 Late Tenders:

Tenders received on or after the Tender Submission Deadline may be rejected by the Agent to ensure all Potential Providers are treated fairly. The decision whether to reject a Tender received after the Tender Submission Deadline is made entirely at the Agent's discretion.

## 5.10 Uploading and submitting a Tender

5.10.1 You are responsible for ensuring that your Tender has been successfully completed in the e-Sourcing Suite prior to the Tender Submission Deadline.

5.10.2 All Tenders must be submitted to the Agent using the e-Sourcing Suite. Tenders submitted by any other means will not be accepted.

- 5.10.3 Elements of a Tender may be submitted or attached as required at any time before the Tender Submission Deadline using the e-Sourcing Suite. See Attachment 8 for details of how to formally submit the Tender.
- 5.10.4 You may modify and resubmit your Tender at any time prior to the Tender Submission Deadline. Before the Tender Submission Deadline, you must satisfy yourself that you have submitted all responses and attached any requested attachments, through the e-Sourcing Suite. You cannot modify your Tender after the Tender Submission Deadline.
- 5.10.5 You may withdraw from this Procurement by choosing not to submit a Tender by the Tender Submission Deadline.
- 5.10.6 Your Tender must remain valid and capable of acceptance by the Agent for a period of 120 days following the Tender Submission Deadline. An attempt to submit a Tender with a shorter validity period may lead to the exclusion of your Tender.
- 5.11 Confidentiality**
- 5.11.1 Potential Providers must not collude with nor disclose the fact of their intention to submit a tender to other Potential Providers.
- 5.11.2 The Agent may disclose information provided by a Potential Provider where there is express provision to do so in accordance with Regulation 21 (2).
- 5.1 Data Security - Cyber Essentials Scheme**
- 5.1.1 To be awarded a place on the proposed Framework Agreement successfully it will be essential for the Supplier to meet the requirements of the Cyber Essentials Scheme, introduced in June 2014. This scheme defines a set of controls which, when properly implemented, provides organisations with basic protection from the most prevalent forms of threat coming from the internet. You can view the details of the Cyber Essentials Scheme at: <https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>
- 5.1.2 The easiest way to demonstrate that the Cyber Essentials requirements are met is to gain the Cyber Essentials certificate, which is also likely to be the cheapest way to demonstrate compliance
- 5.1.3 The Cyber Essentials Assurance Framework, leading to the awarding of Cyber Essentials and Cyber Essentials Plus certificates for organisations, has been designed in consultation with SMEs, including the Federation for Small Business, to be 'light-touch' and achievable at low cost. The two options give organisations a choice over the level of assurance they wish to gain and the cost of doing so. This scheme offers the right balance between providing additional assurance of an organisation's commitment to implementing cyber security to third parties, while retaining a simple and low cost mechanism for doing so.
- 5.1.4 For the avoidance of doubt, no agreement will be signed with any awarded Supplier who does not demonstrate that the Cyber Essentials requirements are met in full. Please note that it will NOT be acceptable to submit a completed Cyber Essentials Common Questionnaire as evidence of the requirements being met, in the absence of appropriate verification by an independent Certification Body acceptable to the Agent.
- 5.1.5 Similarly, no Sub-Contractor may be used until it has demonstrated that it meets the Cyber Essentials requirements too. The Supplier and any Sub-

Contractors will need to renew their evidence of Cyber Essentials compliance at least annually.

## **6. CONTRACTING ARRANGEMENTS (SUB-CONTRACTORS AND GROUPS OF ECONOMIC OPERATORS)**

- 6.1 It is important that your Tender conveys a complete and accurate picture of how the Agent's minimum requirements for legal, economic, technical and professional capacity, as set out in the Selection Questionnaire (Attachment 2), will be satisfied.
- 6.2 The Agent is happy to receive and welcomes Tenders from economic operators collaborating as a Group of Economic Operators or sub-contracting elements of their obligations. Where one of these approaches is adopted the remaining provisions of this paragraph must be followed.
- 6.3 The Tender must be completed in the name and 'voice' of the economic operator (as defined in the Regulations) or, in the case of a Group of Economic Operators, the economic operators-members that, if awarded, will ultimately enter into a Framework Agreement with the Authority and therefore assume liability for performance of the Framework Agreement (the "**Potential Provider**"), subject to paragraph 6.6 below.
- 6.4 With the exception of Sub-Contractors identified in the Tender (and subject to paragraph 6.8), no organisation other than the Potential Provider will be able to provide the Services through the Framework Agreement, whether, for example, a group company, subsidiary, parent company, holding company, associated company, franchise or fellow franchisee, strategic partner or organisation in any other relationship with the Potential Provider whatsoever. For the avoidance of doubt, the use of any kind of group companies associated with the Potential Provider can be only as Sub-Contractors identified in the Tender.
- 6.5 **Sub-contracting proposals:**
  - 6.5.1 You need to complete question SQ2f in the Selection Questionnaire if you propose to use one or more Sub-Contractors.
  - 6.5.2 The Agent does not require all Sub-Contractors to be disclosed. You need only disclose those Sub-Contractors who directly contribute to your ability to meet your obligations under the Framework Agreement (including under any Call-Off Contract). There is no need to specify Sub-Contractors supplying general services to you (such as window cleaners etc.) that only indirectly enable you to perform the Framework Agreement. Please read the definition of Sub-Contractor in Paragraph 15.
  - 6.5.3 If you need to rely on the capability and/or experience of one or more Sub-Contractors in your Tender to demonstrate your ability to provide the Services in accordance with the requirements of the question and the Framework Agreement you must inform the Agent in your Tender.
  - 6.5.4 Your Tender must clearly identify when it is relying on a Sub-Contractor in its response to a question, giving the name of the Sub-Contractor and explaining the Sub-Contractor's role, capability and experience as the context of the question requires.
- 6.6 **Group of Economic Operator proposals:**
  - 6.6.1 If a Group of Economic Operators wish to act jointly to provide the Services they may do so with all parties signing the resultant Framework Agreement

and assuming joint and several responsibility for performance of the Framework Agreement including any Call-Off Contract.

- 6.6.2 Please note that, in accordance with Regulation 19 (6), the Agent may require the Group of Economic Operators to assume a specific legal form for the purpose of concluding the Framework Agreement. In this case, the Agent is also likely to require the members of the Group of Economic Operators to nominate a Framework Guarantor for the single legal entity's performance of the Framework Agreement.
- 6.6.3 The Group of Economic Operators should nominate a Lead Contact to lead the bidding process. If the Group of Economic Operators plans to collaborate on a joint and several basis, then the Group of Economic Operators should nominate a Lead Contact to and complete the Tender on behalf of all the other members of the Group of Economic Operators.
- 6.6.4 The Lead Contact should complete question SQ2d in the Selection Questionnaire to provide details of the members of the proposed Group of Economic Operators who will be jointly and severally responsible for the entire contract requirements, including the percentage of contractual obligations assigned to each member of the Group of Economic Operators.
- 6.6.5 Where the Lead Contact relies on the capability and/or experience of one or more members of the Group of Economic Operators to demonstrate the Group of Economic Operators' ability to provide the Services in accordance with the requirements of the ITT and the Framework Agreement, it must inform the Agent in its Tender.
- 6.6.6 More specifically, the Tender submitted by the Lead Contact must clearly identify in response to any question, when it is relying on another member of the Group of Economic Operators, the name of the particular member and explain the member's role, capability and experience as the context of the question requires.

## **6.7 Queries**

- 6.7.1 It is difficult for these instructions to deal with all potential Group of Economic Operators and sub-contracting scenarios. If you are unsure how to classify and communicate your contracting arrangements in your Tender, then you should contact the Agent at the earliest opportunity in accordance with paragraph 7.

## **6.8 Changes to the contracting arrangements**

- 6.8.1 The Agent recognises that arrangements in relation to Sub-Contracting and Groups of Economic Operators may be subject to future change, and may not be finalised until a later date. However, any changes to those arrangements may affect your ability to deliver the requirements. You must tell us about any changes to the proposed sub-contracting or to the Group of Economic Operators. The Agent will assess the new information provided and reserves the right to exclude the Potential Provider prior to any award of contract.
- 6.8.2 If you are awarded a Framework Agreement, any changes to arrangements in relation to Sub-Contracting and Group of Economic Operators arrangements which are made following the award will be dealt with in accordance with clause 24 of the Framework Agreement (Attachment 4).

## **6.9 Declaration of Compliance**

- 6.9.1 The Agent requires you as either the Potential Provider or Lead Contact to confirm that each Sub-Contractor and/or member of the Group of Economic Operators named in the Tender has read, understood and complied with the statements contained within the Declaration of Compliance (Attachment 7). You do this in the e-Sourcing Suite (Participation Requirements Questionnaire, Question PR3). If you do not answer Yes to this confirmation you will be excluded from this Procurement. This provides the Agent with assurance that statements made by or in relation to the Sub-Contractors and/or members of the Group of Economic Operators are accurate and that they have participated in this Procurement in accordance with the ITT and the Terms of Participation (Attachment 6).

## **7. QUESTIONS AND CLARIFICATIONS**

- 7.1 You may raise questions or seek clarification regarding any aspect of this Procurement at any time prior to the Tender Clarifications Deadline (see the Procurement Timetable in set out paragraph 4). Questions must be submitted using the messaging facility provided within the e-Sourcing Suite.
- 7.2 To ensure that all Potential Providers have equal access to information regarding this Procurement, the Agent will publish all its responses to questions asked and or clarifications raised by you in the “Attachments” section of the on line e-Sourcing Suite.
- 7.3 If you ask any questions and or raise clarifications please do not refer to your identity in the body of the question.
- 7.4 Questions asked and or clarifications raised will be responded to in a “Questions and Answers” document, which will be available in the “Attachments” section of the e-Sourcing Suite. Responses to questions will not identify the originator of the question and will be answered in batches, rather than one at a time, with updates appearing at regular (approximately four working day) intervals.
- 7.5 The Agent will endeavour to publish responses to all questions outstanding at the end of the clarification period, before the deadline for the publication of responses to Tender Clarification questions (see Procurement Timetable set out in paragraph 4).
- 7.6 If you wish to ask a question or seek clarification in confidence you must notify the Agent and provide your justification for withholding the question and any response. If the Agent does not consider that there is sufficient justification for withholding the question and the corresponding response, the Agent will inform you and you will have an opportunity to withdraw the question or clarification. If the question and or clarification is not withdrawn, then the response will be issued to all Potential Providers
- 7.7 You are responsible for monitoring the e-Sourcing Suite and the ‘Questions and Answers’ document in particular, for any responses to questions, general clarifications or other information issued by the Agent. Answers to such questions may contain important information that could affect how you complete your Tender.
- 7.8 The Agent reserves the right to contact you at any time for clarification on all or any part of your Tender during this Procurement and which is likely to require a prompt response from you.

## 8. OVERVIEW OF THE EVALUATION PROCESS

8.1 Paragraphs 8, 9, 10 and 11 below set out and explain the procedure, stages and process by which the Agent will assess your Tender. The evaluation procedure is divided into the following key stages, which the Agent may nevertheless decide to run concurrently;

8.1.1 Compliance/validation Stage – The Agent will check your Tender to ensure it is compliant with the ITT and that your responses are valid. This includes satisfying all the participation requirements listed in the e-Sourcing Suite ‘Participation Requirements’ section. Non-compliant Tenders may be excluded from this Procurement by the Agent.

8.1.2 Selection Stage evaluation - The Agent will assess your responses to the Selection Questionnaire (Attachment 2 - Participation Requirements and Selection Questionnaire) in accordance with paragraph 10 below (“**Selection Stage**”). Tenders that do not meet the selection criteria at the Selection Stage will be excluded from this Procurement by the Agent.

8.1.3 Award Stage evaluation - The Agent will assess your response to the Award Questionnaire (Attachment 3) in accordance with paragraph 11 below (“**Award Stage**”).

### 8.2 Consensus Marking Procedure

8.2.1 Tenders that are scored and require evaluation will be evaluated in accordance with the procedure described in this paragraph at both the Selection Stage and the Award Stage.

8.2.2 The Consensus Marking Procedure is a two step process, comprising of:

8.2.2.1 independent evaluation; and

8.2.2.2 group consensus marking.

8.2.3 During the independent evaluation process each evaluator will separately (i.e. without conferring with other evaluators) scrutinise the quality of answers given by you in your Tender. Evaluators will apply the criteria applicable to the question as set out in the evaluation guidance to determine the overall quality of each answer. Each evaluator will then allocate a mark for the answer in accordance with the Marking Scheme applicable to that question. Each evaluator will also provide a justification for the mark he/she attributed to an answer. All of the evaluators’ marks and related justifications will be recorded separately in the e-Sourcing Suite.

8.2.4 When the independent evaluation exercise has been completed by all of the evaluators, a group consensus marking exercise will be coordinated by a consensus marker as follows:

8.2.4.1 The consensus marker will review the marks allocated by the individual evaluators together with their justifications for awarding the marks.

8.2.4.2 The consensus marker will arrange for the evaluators to meet and discuss the marks they have allocated to responses provided in the Tender. The consensus marker will facilitate discussion among the evaluators regarding the marks awarded and the related justifications.

8.2.4.3 During the meeting each evaluator will discuss the quality of the answers given to a question and review his/her justification for attributing the marks having regard to the relevant Marking Schemes at Attachment 2 and Attachment 3. The evaluators will continue

discussing the answers until the evaluators reach a consensus regarding the mark that should be attributed to each Potential Provider's answer to the question.

8.2.4.4 The consensus marker will record the consensus mark and the justification for the consensus mark (in addition to each evaluator's original mark and justification) in the e-Sourcing Suite.

8.2.4.5 The process above will be repeated until all applicable answers in the Tender have been consensus marked by evaluators.

8.2.5 When the Consensus Marking Procedure has been completed, the e-Sourcing Suite will be secured by the consensus marker to ensure no further modifications are made to the consensus marks and justifications.

## **9. COMPLIANCE/VALIDATION STAGE**

9.1 Prior to commencing the formal evaluation process, Tenders will be checked to ensure they are compliant with the requirements of this ITT and its Attachments. Any non-compliant Tenders may, including in the event further questions are asked or clarification is sought by the Agent but fail to produce a satisfactory response, be rejected by the Agent without proceeding to the next stage of evaluation.

9.2 If you cannot answer 'yes' to the questions in the Participation Requirements Section (Attachment 2) PR1, PR2 and PR3 your Tender shall be excluded from further involvement in this procurement.

9.3 If you cannot answer 'yes' to the questions in the Participation Requirements Section (Attachment 2) PR4, PR5 and PR6 your submission of a compliant Tender is at significant risk.

9.4 Potential Providers who are excluded on grounds of non-compliance will be notified accordingly.

## **10. SELECTION STAGE EVALUATION**

10.1 The information submitted in your response to the Selection Questionnaire will enable the Agent to consider your suitability to pursue a professional activity, economic and financial standing and technical and professional ability. If you fail to respond fully and accurately your Tender may be deemed non-compliant. The Agent reserves the right to exclude non-compliant Tenders from this Procurement.

### **10.2 Stage 1 - Selection Questionnaire section 5 – Economic and Financial Standing**

10.2.1 The information you submit in Selection Questionnaire Sections SQ1 Potential Provider Information and SQ2 Bidding Model will be used to carry out an assessment of your economic and financial standing. If you indicate in response to question SQ5a that a Framework Guarantee will be provided, the Agent will perform an assessment of the proposed Framework Guarantor's economic and financial standing in accordance with this paragraph 10.2.

10.2.2 The Agent uses a credit reference agency (Experian) as the first step in determining financial risk. The Agent will request an Experian financial risk score based on the information provided in response to the Selection Questionnaire. The report provided by Experian will be used to determine the level of financial risk you represent. If the score provided by Experian is 51 or more (where a standard UK score is available), or the risk level is equivalent

or better (where a standard International score is available) then your Tender will proceed to Stage 2 of the Selection Stage evaluation process.

10.2.3 If any of the following circumstances arise:

10.2.3.1 the score provided by Experian (where a standard UK score is available) is less than 51;

10.2.3.2 the score is less than the equivalent risk level above (where a standard international score is available); or

10.2.3.3 no standard Experian score is available for your organisation,

10.2.4 then the Agent may ask you to provide a copy of your audited accounts for the most recent two years and/or one or more of the following in respect of your organisation or the proposed Framework Guarantor (as the case may be):

10.2.4.1 a statement of your turnover profit and loss account and cash flow for the most recent year of trading;

10.2.4.2 a statement of your cash flow forecast for the current year and a bank letter outlining the current cash and credit position; and/or

10.2.4.3 an alternative means of demonstrating financial status.

10.2.5 The Agent will use the information described in paragraph 10.2.4 in addition to a detailed Experian report (where available) to assess whether your organisation's or your proposed Framework Guarantor's financial risk is average or better. This will be performed using the Agent's financial assessment template which can be found at Attachment 11 – Financial Assessment Template (for information only), which covers a range of financial risk indicators.

10.2.6 If the Agent then determines (in accordance with paragraph 10.2.5) that the financial risk is determined as being 'average or better', then your Tender will proceed to Stage 2 of the Selection Stage evaluation process.

10.2.7 If the Agent determines (in accordance with paragraph 10.2.5) that the financial risk is determined as being 'worse than average', then the Agent may (in its sole discretion) request that you nominate a Framework Guarantor. If you nominate a Framework Guarantor the Agent will undertake the steps at paragraphs 10.2.2 to 10.2.7 in respect of the proposed Framework Guarantor.

10.2.8 Only if, after evaluating all the information requested and provided, the level of financial risk is still deemed not acceptable, or where the requested information at 10.2.4 has not been provided, then the Tender will be excluded from further involvement in this procurement.

10.2.9 If you are bidding as Lead Contact for a Group of Economic Operators, the assessment of economic and financial standing will be carried out in respect of each member of the Group of Economic Operators. If one or more members of the Group of Economic Operators is determined as having a 'worse than average' risk level following this assessment, then the relevant member(s) will be required to obtain a Framework Guarantee. The Agent will undertake the steps at paragraphs 10.2.3 to 10.2.7 in respect of the proposed Framework Guarantor. If a Framework Guarantor cannot be provided and the level of financial risk remains not acceptable, the Tender will be excluded from further involvement in this Procurement.

**10.3 Stage 2 -Selection Questionnaire sections 3 and 4 – Grounds for Exclusion**

10.3.1 In certain circumstances the Agent is required by law to exclude Potential Providers from participating in this Procurement. If you cannot answer ‘no’ to every statement in Section 3 of the Selection Questionnaire (Attachment 2) then, subject to paragraph 10.3.3, your Tender shall be excluded from further participation in this Procurement (except where disproportionately small amounts of tax or social security obligations are involved).

10.3.2 The Agent is entitled (in its sole discretion) to exclude a Potential Provider from further participation in this Procurement if any of the statements in response to Section 4 (Discretionary grounds for exclusion) of the Selection Questionnaire (Attachment 2) apply. If you cannot answer ‘No’ to every statement it is possible, subject to paragraph 10.3.3, your Tender will be excluded from this Procurement.

**10.3.3 ‘Self Cleaning’ (Covering both mandatory and discretionary exclusion)**

10.3.3.1 If a Potential Provider provides sufficient evidence that remedial action has taken place subsequently that effectively “self cleans” the situation, the Agent could decide that that Potential Provider shall not be excluded from this Procurement. As a minimum, you will have to demonstrate that you have:

- (a) paid or undertaken to pay compensation in respect of any damage caused by any criminal offence or misconduct;
- (b) clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and
- (c) taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.

10.3.3.2 The measures you have taken will be evaluated taking into account the gravity and particular circumstances of the criminal offence or misconduct.

**10.4 Stage 3 - Selection Questionnaire section 6 and 7**

10.4.1 Responses to the questions in Section 6 will be assessed and awarded a ‘pass’ or a ‘fail’ based on the criteria set out in the Attachment 2 –Selection Questionnaire (Participation Requirements and Selection Questionnaire).

10.4.2 Responses to questions in Section 7. SQ7.1, SQ7.2 and SQ7.3 will be assessed and awarded a ‘pass’ or a ‘fail’.

10.4.3 If, following completion of the assessment of responses in Section 6 and Section 7 if any response to question is determined to constitute a ‘fail’, the Tender will not proceed to evaluation at the Award Stage (as described in paragraph 11) and will be disqualified from further consideration for the purposes of this procurement.

**10.5 Selection of Tenders for the Award Stage evaluation**

10.5.1 Following evaluation of Tenders at this Selection Stage, those Potential Providers whose Tenders:

- 10.5.1.1 pass the compliance/validation checks at paragraph 9 above;

- 10.5.1.2 meet the economic and financial standing requirements at Stage 1 above;
- 10.5.1.3 meet the standards set out in Regulation 58 at Stage 2 above; and
- 10.5.1.4 achieve a 'Pass' to all the questions in Stage 3 above, will proceed to the Award Stage evaluation (as described in paragraph 11). All other Tenders will be excluded from this procurement.
- 10.6 Potential Providers who do not meet the criteria at the Selection Stage evaluation or are excluded on grounds of non-compliance will be notified accordingly.
- 10.7 **Selection Stage – Evaluation Summary Table**

Section			Evaluated
<b>Section 1 – Potential Provider Details</b>			
<b>SQ1.1 Potential Provider details</b>			
SQ1a	Potential Provider Organisational Details	Compliance	N/A
SQ1b	Trading Status	Compliance	N/A
SQ1c	Other Trading Status	Compliance	N/A
SQ1d	Charity Registration number	Compliance	N/A
SQ1e	Relevant classifications	Compliance	N/A
SQ1f	Professional or trade registration	Compliance	N/A
SQ1g	Registration details	Compliance	N/A
SQ1h	Whether legal requirement for you to obtain particular authorisation	Compliance	N/A
SQ1i	Details of authorisation if required	Compliance	N/A
SQ1j	Trading name	Compliance	N/A
SQ1k	SME	Compliance	N/A
SQ1l	Parent Company Details	Compliance	N/A
SQ1m	Ultimate Parent Company Details	Compliance	N/A
<b>SQ2 Bidding Model</b>			
SQ2a	Whether bidding as the Lead Contact for a Group of Economic Operators	Compliance	N/A
SQ2b	Name of Group of Economic Operators (if applicable)	Compliance	N/A
SQ2c	Proposed Legal Structure if Framework awarded	Compliance	N/A

SQ2d	Details for each member of Group of Economic Operators	Compliance	N/A
SQ2e	Use of Sub-Contractors	Compliance	N/A
SQ2f	Details of Sub-Contractors	Compliance	N/A
SQ2g	Lots	Information Only	N/A
<b>Section 3 - Grounds for Mandatory Exclusion</b>			
SQ3	Grounds for Mandatory Rejection	Evaluation	Pass/Fail
<b>Section 4 – Grounds for Discretionary Exclusion – Part 1</b>			
SQ4 (a-b)	Grounds for Discretionary Rejection	Evaluation	Pass/Fail
<b>Section 5 – Grounds for Discretionary Exclusion – Part 2</b>			
SQ4(c)	Grounds for Discretionary Rejection	Evaluation	Pass/Fail
<b>Section 5 – Economic and Financial Standing</b>			
SQ5a	Financial Assessment in respect of a Framework Guarantor	Compliance	N/A
SQ5b	Framework Guarantor details	Compliance	N/A
SQ5c	Framework Guarantor confirmation	Compliance	N/A
<b>Section 6 – Technical and Professional Ability</b>			
<b>Lot 1 – Core Internal Audit Services including Advisory Services (UK and Overseas)</b>			
SQ6.1 (a-c)	Examples of Previous Contracts Lot 1	Evaluation	Pass/Fail
<b>Lot 2 – Forensic Work (UK and Overseas)</b>			
SQ6.2 (a-c)	Example of Previous Contract Lot 2	Evaluation	Pass/Fail
<b>Lot 3 – Regulatory Services including Advisory Work (UK and Overseas)</b>			
SQ6.3 (a-c)	Example of Previous Contract Lot 3	Evaluation	Pass/Fail
<b>Section 7 – FRAMEWORK SPECIFICS</b>			
SQ7.1 (a-c)	Insurance Requirements	Evaluation	Pass/Fail
SQ7.2 (a-d)	Compliance with equality legislation	Evaluation	Pass/Fail
SQ7.3 (a-d)	Cyber Essentials Scheme	Evaluation	Pass/Fail
SQ7.4	Framework Population Template	Information Only	N/A

## 11. AWARD STAGE EVALUATION

11.1 Once the Potential Providers Tender has been successfully evaluated at Selection Stage, consideration will then be given to the responses to the Award Questionnaire and Prices submitted in the Pricing Matrix and evaluated in accordance with this paragraph [0].

11.2 The Award Stage evaluation for all Lots will comprise of:

11.2.1 an evaluation of Potential Provider's answers to the Award Questionnaire ("**Quality Evaluation**"); and

11.2.2 an evaluation of the prices tendered in response to the Price Information ("**Price Evaluation**")

11.3 The maximum possible score capable of being achieved by a Potential Provider for any Lot for which they have competed will be 100 (being the combined sum of the scores achieved for Quality Evaluation and the Price Evaluation respectively i.e. 70 + 30).

11.3.1 In this procurement, quality is weighted as 70% and price is weighted as 30%.

11.4 Available scores summarised by Lot

LOT	QUALITY EVALUATION	PRICE EVALUATION	MAXIMUM POSSIBLE SCORE
Lot 1	70	30	100
Lot 2	70	30	100
Lot 3	70	30	100

### 11.5 Quality Evaluation Process

11.5.1 The question in Section A, AQA1 of the award questionnaire is assessed on a PASS/ FAIL basis. If you receive a 'FAIL' for this question your Tender will be rejected and disqualified from further participation in this procurement.

11.5.2 The evaluation of each of the scored questions in the Award Questionnaire (i.e questions AQB1, AQB2, AQB3, AQB4, AQC1, AQD1 and AQE1) will be conducted and consensus checked in accordance with the Consensus Marking Procedure paragraph 8.2.

11.5.3 When the Consensus Marking Procedure has been completed, the mark awarded for each response to the Award Questionnaire will be converted into a percentage in accordance with the table below:

MARK	PERCENTAGE OF THE MAXIMUM SCORE AVAILABLE
0	0% of the Maximum Mark Available for the question
33	33% of the Maximum Mark Available for the question
66	66% of the Maximum Mark Available for the question
100	100% of the Maximum Mark Available for the question

11.5.1 The mark achieved in response to a question will entitle the Potential Provider to receive a score which will be a percentage of the Maximum Score Available for that question.

11.5.2 The Maximum Score Available for each question is set out under the column headed Maximum Score Available in the table at paragraphs 11.5.38. For example if a Potential Provider achieved a mark of 66 out of 100 for a question, it would equate to 66% of 100% multiplied by the question weighting as a percentage (being the Maximum Score Available for that question). The total weighted score is then multiplied by 70% (Quality).

11.5.3 When the score for each question has been determined they will be added together to determine an overall score for the Quality Evaluation (“**Quality Score**”). See worked example in the tables below:

**11.5.4 Example - Supplier A – Lot 1**

Question Number	Subject	Question Sub-Weighting	Mark	Weighted Score
AQB1	Selection and Appointment of Staff	25	100	25.00
AQB2	Added Value Additional Services	15	33	4.95
AQB3	Continuous Improvement, Knowledge Transfer	25	66	16.50
AQB4	Complaints Handling and Resolution	10	100	10.00
AQC1	Resource Upscaling, Lot 1 – Core Internal Audit Services, Including Advisory Services (UK and Overseas)	25	66	16.50
<b>Total Mark</b>			365	
<b>Total of weighted score</b>				<b>72.95</b>
<b>Quality Score (Total weighted score multiplied by 70% Quality)</b>				<b>51.07</b>

**11.5.5 Example- Supplier B – Lot 2**

Question Number	Subject	Question Sub-Weighting	Mark	Weighted Score
AQB1	Selection and Appointment of Staff	25	66	16.50
AQB2	Added Value Additional Services	15	66	9.90
AQB3	Continuous Improvement, Knowledge Transfer	25	66	16.50
AQB4	Complaints Handling and Resolution	10	100	10.00
AQD1	Resource Upscaling, Lot 2 – Core Internal Audit Services, Including Advisory Services (UK and Overseas)	25	33	8.25
<b>Total Mark</b>			331	
<b>Total of weighted score</b>				<b>61.15</b>
<b>Quality Score (Total weighted score multiplied by 70% Quality)</b>				<b>42.80</b>

### 11.5.6 Example- Supplier C – Lot 3

Question Number	Subject	Question Sub-Weighting	Mark	Weighted Score
AQB1	Selection and Appointment of Staff	25	33	8.25
AQB2	Added Value Additional Services	15	66	9.90
AQB3	Continuous Improvement, Knowledge Transfer	25	66	16.50
AQB4	Complaints Handling and Resolution	10	100	10.00
AQE1	Resource Upscaling, Lot 2 – Core Internal Audit Services, Including Advisory Services (UK and Overseas)	25	100	25.00
<b>Total Mark</b>			365	
<b>Total of weighted score</b>				<b>69.65</b>
<b>Quality Score (Total weighted score multiplied by 70% Quality)</b>				<b>48.76</b>

11.5.7 To proceed to the next stage of the evaluation, Potential Providers must achieve a 'PASS' for the mandatory question in Section A (SQA1) and achieve or exceed a **"Minimum Quality Threshold"** of a Total Mark of 297.

### 11.5.8 Overview of Quality Evaluation (quality criteria and weighting)

Key	
N/A	means weighting NOT applicable to Pass/Fail questions
Red block	means question NOT applicable to that Lot
Blue block	means questions applicable to that Lot

Question	Marking Scheme	Maximum Score Available	Lot 1	Lot 2	Lot 3
<b>SECTION A - Generic Mandatory Questions</b>					
AQA1	Pass/Fail	N/A	N/A	N/A	N/A
<b>SECTION B – All Lots Generic Questions</b>			Weighting% applied to the question		
AQB1	100/66/33/0	100	25	25	25
AQB2	100/66/33/0	100	15	15	15
AQB3	100/66/33/0	100	25	25	25
AQB4	100/66/33/0	100	10	10	10
<b>SECTION C – Lot 1 Specific Question</b>			Weighting% applied to the question		
AQC1	100/66/33/0	100	25		
<b>SECTION D – Lot 2 Specific Question</b>			Weighting% applied to the question		
AQD1	100/66/33/0	100		25	
<b>SECTION E – Lot 3 Specific Question</b>			Weighting% applied to the question		
AQE1	100/66/33/0	100			25

## 12. PRICE EVALUATION PROCESS

- 12.1 The Price Evaluation is weighted at 30%
- 12.2 The instructions in this section 12 refer to Attachment 9 – Pricing Matrix.
- 12.3 Following the conclusion of the Quality Evaluation, the Potential Providers who have not been previously excluded and submitted a correctly completed Attachment 9 – Pricing Matrix and uploaded it into the e-Sourcing Suite at PQL1 in the Pricing Questionnaire will be evaluated in accordance with the process set out in this paragraph 12.

### General

- 12.4 Potential Providers must download Attachment 9 - Pricing Matrix and complete the relevant worksheets for each Lot you are tendering.
- 12.5 You must upload the completed Pricing into the e-Sourcing Suite at question PQL1.
- 12.6 For each Lot in which you are submitting a Tender, you must insert prices into cells which are highlighted blue in accordance with the instruction provided within the Pricing Matrix on the Instruction tab.
- 12.7 Prices submitted in the cells highlighted blue will be used for the Pricing evaluation and as such failure to insert an applicable price may result in your tender being deemed non-compliant and may be rejected and excluded from further participation in this procurement.

- 12.8 You must not alter, amend or change the format or layout of Attachment 9 – Pricing Matrix. You must not insert or attach any notes or comments into any of the worksheets. Any such additional information will be disregarded by the Agent.
- 12.9 If a Potential Provider fails to submit a completed applicable Pricing Matrix worksheet for any Lot for which it is Tendering, its Tender for that Lot may be rejected and disqualified from further participation in this Procurement.
- 12.10 No zero bids will be accepted.
- 12.11 All pricing should be in pound sterling (£GBP) to 2 decimal places.
- 12.12 All pricing shall be exclusive of VAT.
- 12.13 Prices provided must be exclusive of Travel and Related Costs. Please refer to Framework Schedule 2: Services and Key Performance Indicators Part A Services paragraph 3.7 for Travel and Related Costs Mandatory Requirements.
- 12.14 You must provide Day Rates for the following Staff Grades of Audit Operatives:

Audit Operatives Staff Grade	Description
Partner	Qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant significant, proven, industry recognised post-qualification internal audit experience, sound knowledge of public sector environment and management practice. Regarded as an expert nationally or internationally.
Director	Extensive experience in their specialist field (10 years plus), in which they are nationally or internationally renowned as an expert. Extensive experience of leading or directing major, complex and business-critical projects, bringing genuine strategic insight. In depth knowledge of the public sector and of current policy and political issues affecting it.
Senior Audit Manager (or equivalent)	Qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with proven post qualification experience, proven relevant financial experience (7-10 years' experience). Sound knowledge of public sector accounting and management practices. Substantial experience in their specialised field. Previous experience in project management with track record in the public sector (or equivalent private sector) and using PRINCE 2 or equivalent method.
Audit Manager (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant internal audit experience (5 years plus). Sound knowledge of public sector (or equivalent private sector) accounting and management practices.
SEO (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant internal audit experience (2 years plus). Some knowledge of public sector accounting and management practices.
HEO (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with some internal audit experience.

Trainee (or equivalent)	An auditor undergoing professional training for an internal audit or accountancy qualification, with relevant exposure to internal audit.
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- 12.15 Where the above Audit Operatives titles differ from those in an organisation, Potential Providers are advised to read the definitions of each grade as set out above and submit an appropriate day rate. This must be based on a comparable staff grade in the Potential Provider's organisation.
- 12.16 The Staff Grade Day Rates provided must be based on an 8 hour working day exclusive of breaks.
- 12.17 **Lot 1** pricing will be evaluated on the basis of a 'basket' price day rates for the 7 Staff Grades described in paragraph 12.14 in London and the rest of the UK for Core Audit Services, Specialist Audit Services and Development Work.
- 12.18 **Lot 2** pricing will be evaluated on the basis of a 'basket' price day rates for the 7 Staff Grades described in paragraph 12.14 in London and the rest of the UK for Forensic Work.
- 12.19 **Lot 3** pricing will be evaluated on the basis of a 'basket' price day rates for the 7 Staff Grades described in paragraph 12.14 in London and the rest of the UK for Regulatory Services including Advisory Work.
- 12.20 Prices submitted by Potential Providers in Attachment 9 – Pricing Matrix, will be evaluated in accordance with the following process.
- 12.21 The Potential Provider with the lowest 'basket' price, shall be awarded the maximum score available. The remaining Potential Providers shall be awarded a percentage of the score available equal to their 'basket' price, relative to the lowest 'basket price' submitted.
- 12.22 The Price evaluation will be scored as follows:

The maximum score available for this part of the Tender will be awarded to the lowest basket price overall price submitted by the Potential Provider. The remaining Potential Providers will receive marks on a pro rata basis from the cheapest to the most expensive price.

The calculation used is as follows:

$$\text{Price Score} = \frac{\text{Lowest 'basket' Price Tendered}}{\text{Potential Providers Tender 'basket' price}} \times 30 \text{ (Maximum Price Score Available)}$$

- 12.23 Rounding will take place in excel, up to 2 decimal places.

#### 12.24 Price Evaluation methodology

- 12.24.1 The Price Evaluation process will be undertaken by different evaluators to those individuals involved with the Quality Evaluation process.

12.24.2 The Price Evaluation process and resultant ranking of Potential Providers (along with the marks awarded) will be independently checked and verified by individual(s) not previously involved in this Procurement process.

12.24.3 If a grade day rate you have provided is abnormally low the Agent may reject your Tender. The steps the Agent will take in this event are as follows:

12.24.3.1 to request in writing an explanation of the abnormally low grade day rate, which may include explanations of one or more of the following;

- a) the economics of the Services provided;
- b) the technical solutions suggested by you or the exceptionally favourable conditions available to you for the provision of Services;
- c) the originality of the Services;
- d) your compliance with the provisions relating to environmental, social, labour laws referred to in regulation 56 (2);
- e) your compliance with the sub-contracting obligations referred to in Regulation 71;
- f) the possibility of you obtaining state aid;

12.24.3.2 to take account of the evidence provided by the Potential Provider in response; and

12.24.3.3 to subsequently verify with them the grade day rate being abnormally low.

## 12.25 Final Score

12.25.1 The Quality Score awarded for a Lot will be added to the Price Score for the same Lot to determine the final score for each Potential Provider in the applicable Lot (“**Final Score**”).

Example

	Quality Score Maximum Score 70	Price Score Maximum Score 30	Final Score Maximum Score 100
POTENTIAL PROVIDER A	65.70	20.25	85.95
POTENTIAL PROVIDER B	50.25	30.00	80.25

## 13. FINAL DECISION TO AWARD

- 13.1 Following evaluation of Tenders in accordance with the evaluation process set out in this ITT, those Potential Providers who offer the most economically advantageous Tenders will be awarded a Framework Agreement.
- 13.2 The maximum number of suppliers for each Lot may increase only where two or more Potential providers have tied scores and are placed in the last position in respect of each Lot. In such cases, Potential Providers who are tied with the same score in the last position for each Lot shall be deemed to be one supplier for the purpose of calculating the maximum number of Suppliers for each Lot. The Agent will award a Framework Agreement to additional Potential Providers where their Final Score is within 1% of the original awarded last place position score only. For the avoidance of doubt, last position for each lot is 6<sup>th</sup> Position (Lot 1), 3<sup>rd</sup> position (Lot 2) and 3<sup>rd</sup> position (Lot 3).
- 13.3 The Agent will inform you, along with all other Potential Providers via the e-Sourcing Suite of its intention to award a Framework Agreement.
- 13.4 Should one of the Potential Providers within the top ranked 6 for Lot 1, 3 for Lot 2 and 3 for Lot 3 decline to accept a Framework Agreement, then it will be offered to the next ranked Potential Provider, until it has been accepted.
- 13.5 Following a Standstill Period of 10 days and subject to there being no substantive challenge to that intention, a Framework Agreement will be formally awarded, subject to contract, to the successful Potential Provider(s).
- 13.6 The term Standstill Period is set out in Regulation 87 (2) and, in summary, is a period of ten calendar days following the sending by the Agent (in this instance by electronic means) of the Agents notice of decision to conclude the Framework Agreement tendered via the Official Journal of the European Union, during which the Agent must not conclude the Framework Agreement with the successful Supplier(s). It allows unsuccessful bidders the opportunity to raise any questions with the Agent that relate to the decision to award before the Framework Agreement is concluded. The Agent cannot provide advice to unsuccessful Potential Providers of the steps they should take and, if they have not already done so, Potential Providers should always seek independent legal advice, where appropriate.
- 13.7 The conclusion of a Framework Agreement is subject to contract (including the satisfaction of any conditions precedent) and subject to provision of due ‘certificates, statements and other means of proof’ where Potential Providers have to this point relied on self-certification.

## **14. COMPLAINTS**

- 14.1 Complaints during the procurement process are conducted under the Official Journal for the European Union (OJEU) in line with the Public Contracts Regulations (2015). Our processes are conducted in a fair, open and transparent manner. We are committed to developing constructive relationships with suppliers and are keen to generate maximum competition in all of our procurements to deliver best value and sustainable cost savings for the taxpayer. The outcome of the evaluation process is totally dependent on the competitive strength of the individual bid submissions, regardless of the bidder's size or place on existing / previous arrangements. We are committed to treating all suppliers fairly and all feedback and complaints are given full and fair consideration. If at any stage we believe that a mistake has been made by us, please be assured that we will rectify it to the extent that we can legally do so. In order to complain you must first be registered on the eSourcing tool for the relevant procurement event. All complaints must be raised via the eSourcing tool messaging facility. If you are still unsatisfied at the outcome of a procurement competition and wish to challenge it, then you should issue legal proceedings under Part 3 chapter 6 (Applications to the Court) of the Public Contracts Regulations 2015 and serve them on the Government Legal Department in accordance with the Civil Procedure Rules Part 66 (Crown Proceedings) and its associated Practice Direction. Please note that service by email is subject to prior agreement with the Head of Litigation at the Government Legal Department Solicitor's Department and is not routinely given.

## 15. GLOSSARY

Attachment	means a document made available to Potential Providers in relation to this Procurement via the e-Sourcing Suite,
Authority	means the Government Internal Audit Agency Acting on behalf of HM Treasury whose address is 1 Horse Guards Road, London SW1A 2HQ
Award Questionnaire	means the award questionnaire a copy of which is provided at Attachment 3 and set out in the on line e-Sourcing Suite;
Award Stage	means the part of the evaluation process described in paragraph 8.1.3;
Call-Off Contract	means a contract awarded by a Contracting Authority under the terms of the Framework Agreement a draft of which is at Attachment 4. The template call-off contract terms and conditions, to be used for every Call-Off Contract awarded under the terms of the Framework Agreement, are at Attachment 5;
Consensus Marking Procedure	means the evaluation procedure described in paragraph 8.2;
Contracting Authority	means the Authority and/or any other contracting authorities (within the meaning of the Regulations) described in the OJEU Contract Notice;
e-Sourcing Suite	means the online tender management and administration system used by the Agent;
Final Score	means the score achieved by a Tender at the conclusion of the Award Stage evaluation calculated in accordance with paragraph 12.25;
Framework Agreement	means the contractually-binding terms and conditions set out at Attachment 4 of this ITT to be entered into between the Authority and the successful Potential Provider(s) at the conclusion of this Procurement;
Framework Guarantee	means a deed of guarantee in favour of the Authority in the form set out in Framework Schedule 13 (Framework Guarantee) granted pursuant to Clause 8 of the Framework Agreement (Guarantee);
Framework Guarantor	means any person acceptable to the Agent to give a Framework Guarantee;
Framework Schedule	means a schedule to the Framework Agreement;
Services	means the services that may be provided by Suppliers, as set out at Framework Schedule 2;

Group	means in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Holding company and subsidiary shall mean a "holding company" and "subsidiary" that latter term being defined in section 1159 of the Companies Act 2006;
Group of Economic Operators	means a group of economic operators acting jointly and severally to provide the Services;
Invitation to Tender or ITT	means this invitation to tender document together with its Attachments, published by the Agent in relation to this Procurement;
Lead Contact	means the member of the Group of Economic Operators who is authorised in writing by each of the other members to that Group of Economic Operators to provide the Tender (including the responses to the Selection Questionnaire and the Award Questionnaire)
Lot	means a discrete sub-division of the Services which are the subject of this Procurement as described in the OJEU Contract Notice;
Management Information or MI	means the management information specified in Framework Schedule 9;
Marking Scheme	means the range of marks that may be given to a Potential Provider by the Agent according to Attachment 2 - Selection Questionnaire and Guidance, and Attachment 3 - Award Questionnaire and Evaluation Guidance;
Maximum Score Available	means the maximum potential score (weighting) that can be awarded for a response to a question as set out in the table at paragraph 11.5.8:
Minimum Quality Threshold	has the meaning set out in 11.5.7;

Occasion of Tax Non-Compliance	<p>means:</p> <p>(a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found to be incorrect as a result of:</p> <ol style="list-style-type: none"> <li>1. a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;</li> <li>2. the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or</li> </ol> <p>(b) the Supplier's tax affairs give rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a penalty for civil fraud or evasion.</p>
OJEU Contract Notice	means the advertisement for this Procurement issued in the Official Journal of the European Union;
Potential Provider	has the meaning in paragraph 6.3;
Price Evaluation	means part of the Award Stage used to evaluate the charges tendered by a Potential Provider;
Price Score	means the score awarded to a Potential Provider at the conclusion of the Price Evaluation process calculated in accordance with paragraph <b>Error! Reference source not found.</b> ;
Procurement	means the process used to establish a Framework Agreement that facilitates the supply of the Services to Contracting Authorities as described in the OJEU Contract Notice;
Public Contracts Directive	means Directive 2014/24/EU of the European Parliament and of the Council;
Quality Evaluation	means the qualitative evaluation of a Tender undertaken during the Award Stage;
Quality Score	means the score awarded to a Potential Provider at the conclusion of the Quality Evaluation process calculated in accordance with paragraph 11.5.32;

Regulations	means the Public Contracts Regulations 2015 ( <a href="http://www.legislation.gov.uk/uksi/2015/102/contents/made">http://www.legislation.gov.uk/uksi/2015/102/contents/made</a> ) and the Public Contracts (Scotland) Regulations 2012, as amended from time to time;
Selection Questionnaire	means the selection questionnaire set out in the e-Sourcing Suite;
Selection Stage	has the meaning in paragraph 8.1.2;
Small Medium Enterprise or SME	means an economic organisation falling within the category of micro, small and medium-sized enterprises defined by the Commission Recommendation of 6 May 2003. See also <a href="http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/">http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/</a> ;
Standstill Period	has the meaning as set out in paragraph 13.6;
Sub-Contractor	means a third party which: <ul style="list-style-type: none"> <li>a) provides the Goods and/or Services (or any part of them);</li> <li>b) provides facilities or services necessary for the provision of the Goods and/or Services (or any part of them); and/or</li> <li>c) is responsible for the management, direction or control of the Goods and/or Services (or any part of them);</li> </ul> pursuant to any contract or agreement (or proposed contract or agreement), other than the Framework Agreement or a Call Off Contract;
Supplier	means a Potential Provider with whom the Authority has concluded a Framework Agreement;
Tender	means the Potential Provider's formal offer in response to the Invitation to Tender;
Tender Clarifications Deadline	means the time and date set out in paragraph 4.2 for the latest submission of clarification questions;
Tender Submission Deadline	means the time and date set out in paragraph 4.2 for the latest uploading of Tenders; and
Voluntary Community Social Enterprise or VCSE	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives.