

Schedule 6

Evaluation Process, Organisation, Methodology and Criteria

Purpose

- 1.1 This document explains the Tender Evaluation Process, Organisation and Methodology and provides guidance to all stakeholders involved with the Tender Process.
- 1.2 This document is split into four parts
 - 1.2.1 Part 1 - Tender Evaluation Organisation
 - 1.2.2 Part 2 - Tender Evaluation Process
 - 1.2.3 Part 3 - Tender Evaluation Methodology
 - 1.2.4 Part 4 - Tender Evaluation Criteria and Supporting Information
 - (i) Annex A - Mandatory Requirements List
 - (ii) Annex B - Component 1: Technical Criteria
 - (iii) Annex C - Component 2: Technical Criteria
 - (iv) Annex D - Commercial Criteria
 - (v) Annex E - ITN Pricing Template
 - (vi) Annex F - SRD Compliancy Matrix Part 1 and Part 2
 - (vii) Annex G - Tender Demonstration and Presentation Outline Plan.

Part 1 - Tender Organisation

- 1.3 This Part 1 provides a summary of the Tender Evaluation Organisation. Evaluators and Moderators will be allocated to specific sections of the Responses depending on what pillar they are evaluating. Evaluators and Moderators include a mix of Authority and contracted staff. The Commercial Evaluation will be undertaken by the Authority and legal advisors. Financial Evaluators will be independent of the Technical Evaluators. The Financial Evaluators will consider the prices proposed and carry out the Financial Evaluation of the bids.

Evaluators

- 1.4 Evaluators are responsible for:
- 1.4.1 Determining whether or not the Responses are compliant with the Tender Evaluation criteria, providing an evaluation score and clear and concise rationale for their scoring with supporting evidence where appropriate.
 - 1.4.2 Raising any issues and clarifications with the Tender Evaluation Management Team (TEMT) during evaluation and informing the Moderator.
 - 1.4.3 Managing completion of evaluation within AWARD and managing information where appropriate.

Moderators

- 1.5 Moderators are responsible for:
- 1.5.1 Ensuring the Evaluators carry out the Evaluation within the timescales prescribed by the Tender Evaluation Process (described at Section 3 and in Table 1) and raise any clarifications or issues with the TEMT.
 - 1.5.2 Reaching a Moderated score with the Evaluators for Phase 2 (and Phase 5 if required) and submitting a Moderation result with appropriate justification for the scores to the TEMT.
 - 1.5.3 Supporting the Tender Evaluation Panel (TEP) as required by the TEMT

Tender Evaluation Management Team (TEMT)

- 1.6 The TEMT will comprise of a Tender Evaluation Manager (TEM) and a Commercial Officer being supported by a Finance Officer and Technical Lead as required.
- 1.7 The TEMT is responsible for:
- 1.7.1 Managing the Tender Evaluation Process and handling flow of information between the Evaluators, Moderators and Commercial Officer
 - 1.7.2 Ensuring an audit trail is recorded throughout the Tender Evaluation process
- 1.8 The TEM is responsible for:

- 1.8.1 managing any internal questions or issues which may arise during the various phases of Evaluation including clarification questions or issues
 - 1.8.2 Liaising between Evaluators and the Commercial Officer to support responses to external clarification questions
 - 1.8.3 Presenting the evidence and results from the Tender Evaluation and ensuring actions raised by the TEP are completed.
 - 1.8.4 The Chair of the TEM is responsible for acting as the final arbiter where disputes cannot be resolved by TEMT.
- 1.9 The Commercial Officer is responsible for:
- 1.9.1 All communication with the Bidders throughout the Tender Evaluation process
 - 1.9.2 Management of the AWARD Tool

Tender Evaluation Panel (TEP)

- 1.10 The TEP will review all relevant evidence provided by the TEMT in order to determine the outcome of the competition. The TEP will be independent of the Evaluation and Moderation teams.
- 1.11 The TEP is responsible for:
- 1.11.1 Determining the outcome of the competition at the TEP.
 - 1.11.2 Resolving major issues and making decisions throughout the Tender Evaluation period

Part 2 - Tender Evaluation Process

- 2** This section outlines the stages in the Tender Evaluation Process. A summary of the Tender Evaluation Process is shown at Table 1.

Phase 1a - Tender Response Receipt

- 2.1.1 Tender responses will be delivered by the Bidders via the Virtual Tender Board on the AWARD portal in time for the specified submission deadline. Tenderers will be provided log in details for the Virtual Tender Board within 24 hours of the Invitation to Negotiate (ITN) being released.

Phase 1b - Initial Compliance Check

- 2.1.2 Tender responses will be subject to initial compliance checks at the start of the Tender Evaluation process. The objective for the check is to quickly identify whether there are any deficiencies against the Mandatory Requirements List in Annex A. This process will be assured through TEP 1. The Authority reserves the right to disqualify any Bidder who fails to provide any of the information set out in the Mandatory Requirements List at Annex A to this Schedule 6.

Phase 2a - Initial Tender Evaluation

- 2.1.3 Evaluators will evaluate their allocated parts of the tender responses against the relevant questions and criteria¹. Non-compliant responses will be documented and submitted to the TEMT.
- 2.1.4 Evaluators will access the Bidders response through AWARD, noting any clarifications that need to be asked of the Bidders and populating the scores with justification within award.

Phase 2b - Initial Tender Moderation

- 2.1.5 Once evaluation is complete and all scores have been recorded in AWARD, the moderation phase can begin.
- 2.1.6 The moderation will be managed by the Moderator allocated their relevant section. Moderation will be led by an independent Moderator who has not been involved in any part of the Tender Evaluation Process as an Evaluator. The Moderator will review the scores from the Evaluators and where there is variance in the scores between Evaluators, a moderation meeting will then be held to review the scores (including justification) and agree a final consensus score. If the team cannot agree a final consensus score, then the Moderator will determine the final score awarded to the evaluated question in accordance with the relevant evaluation criteria.
- 2.1.7 The moderators will record the final scores and moderation rationale within AWARD.
- 2.1.8 The TEMT will sign off this phase of the process upon assurance that all Evaluators have completed their independent tender evaluations, the

¹ Technical criteria detailed at Annex B and C, Commercial criteria detailed at Annex D, Financial criteria detailed at Annex E.

moderators have recorded the final scores and moderation rationale, and all outstanding issues and clarifications are resolved.

Phase 3 - Initial Tender Results

- 2.2 Initial Tenders which do not meet the Minimum Technical Threshold will be excluded from further analysis and the Bidder will be disqualified from taking further part in this procurement.
- 2.3 Bidders who confirm acceptance of the Main Body Contract clauses identified as **pass/fail** will be awarded a pass. At Initial Tender Stage, Bidders who do not confirm acceptance of any such pass/fail clauses will score a zero for their entire Commercial score as detailed in Paragraph 5 of Part 3.
- 2.4 The Initial Tender Score will be calculated as described in Part 3 and will be approved by the TEP 2.
- 2.5 The Authority may the invoke the right to not enter negotiations at this point (Phase 3) and to enter a contract with the first placed Bidder at this stage. Bidders will be notified of the outcome of the Initial Tender Evaluation and any unsuccessful Bidders will be notified at this stage.
- 2.6 In the event, the Authority does decide to invite Bidders to take part in Phase 4a - Negotiation, the Authority will provide instructions to the Bidders to regarding Phase 4a - Negotiation.

Phase 4a – Negotiation and Final Tenders

- 2.7 The negotiation stage will be undertaken with the Bidders invited to take part in Phase 4a onwards. Upon conclusion of the negotiations, the Bidders will be invited to submit their Final Tender responses.

Phase 5 - Final Evaluation

- 2.8 Following receipt of the Final Tenders, the Final Tender responses will be evaluated in accordance with this Schedule 6. The overall Final Tender scores will be calculated in accordance with Part 3.

Phase 6 - Award Decision

- 2.9 Following TEP3 (see Table 1 below), Bidders will be notified of the outcome of the Final Tender Evaluation, and standstill letters will be issued.

Table 1 - Tender Evaluation Process Summary

Tender Evaluation Process			
Tender Evaluation Phase	Technical	Commercial	Financial
Phase 1a	Bidders' submission of Initial Tender Deliverables identified as such in Annex A		

	Initial compliance moderation for all responses		
	Authority Queries		
Phase 1b	TEP 1 ²		
	High Level Compliance Evaluation		
Phase 2	Technical Evaluation of Initial Tenders	Commercial Evaluation of Initial Tenders	Financial Evaluation of Initial Tenders
	Authority Queries	Authority Queries	Authority Queries
	Moderation	Moderation	Moderation
Phase 3	TEP 2		
	Overall Evaluation Score awarded for Initial Tenders		
	Decision whether to negotiate with remaining compliant Bidders or select Preferred Bidder.		
	Notification to Bidders of outcome of Initial Tender Evaluation and De-Briefings or instructions to enter Phase 4.		
Phase 4a	[OPTIONAL] Negotiate with remaining Bidders		
	Invitation to Submit Final Tenders (ISFT) issued		
Phase 4b	Receive Final Tenders (including Technical, Commercial and Financial Responses)		
	Authority Queries		
Phase 5	TEP 3a ³		

² This will be held if required, e.g. if it is identified that one or more of the bids is non-compliant

³ This will be held if required, e.g. if it is identified that one or more of the bids is non-compliant

	<p>Evaluate Final Tenders Technical Responses</p> <p>Authority Queries</p> <p>Moderation</p>	<p>Evaluate Final Tender Commercial Responses</p> <p>Authority Queries</p> <p>Moderation</p>	<p>Evaluate Financial Response (Core Contractor Deliverables)</p> <p>Authority Queries</p> <p>Moderation</p>
Phase 6	<p>TEP 3b</p> <p>Overall Evaluation Score awarded for Final Tenders</p> <p>AWARD Decision and Notification to Bidders of outcome of Final Tender Evaluation (standstill letters)</p>		

Part 3 - Tender Evaluation Methodology

3 Overall Evaluation Score

- 3.1 The Evaluation Methodology for the MMR requirement will use the Value for Money Index approach (VFMI) to identify the Most Economically Advantageous Tender (MEAT). The elements of Evaluation Methodology are further detailed in Paragraph 4 (Technical Evaluation Methodology), Paragraph 5 (Commercial Evaluation Methodology), and Paragraph 6 (Financial Evaluation Methodology).
- 3.2 The Overall Evaluation Score is split into two pillars
- 3.2.1 Qualitative Pillar
- (i) Technical Response (85% weighting)
 - (ii) Commercial Response (15% weighting)
- 3.2.2 Financial Pillar
- (i) Core Contractor Deliverables including Core Options⁴.
- 3.3 Where Tenders are deemed compliant, and meet the Minimum Commercial and Technical Thresholds, the Tenders will be assessed using the VFMI formula:
- 3.3.1 Value for Money Index = (Quality Score = Technical Score + Commercial Score) / Total Price
- 3.4 To increase the resolution of the VFMI, the result will be multiplied by 100,000,000. For example, if the Bidder is awarded a total technical score (after weightings applied) of 75 and a Commercial Score of 10.5 and has a Total Price of £50,000,000. The Value for Money Index Calculation is as follows:
- 3.4.1 Value for Money Index = (Technical Score (75) + Commercial Score (10.5)) / Total Price (£50,000,000)
- 3.4.2 Value For Money Index = 0.00000171 x 100,000,000 = 171
- 3.5 This approach will be applied at Phases 3 and 6 and presented at both TEP2 and TEP 3.
- 3.6 Upon completion of Phase 3, (after TEP 2) the **Authority may invoke the right to not** enter negotiations (as outlined in Para 2.5), and, in that case, the Bidder who achieves the highest VFMI score at that stage will be considered to be the Preferred Bidder for the MMR requirement.
- 3.7 In the event that the Authority invokes the right to enter negotiations, the remaining Bidders will be invited to take part in the negotiation stage and submit their Final Tender.
- 3.8 Upon completion of Phase 6 (after TEP 3), the Authority will identify the Bidder who achieves the highest VFMI score and will be considered to be the Preferred Bidder for the MMR requirement.

⁴ Core Option Prices detailed within the ITN Pricing Template.

- 3.9 If 2 (two) or more Bidders achieve the same VFMI score, then a tie-break will be needed to identify the Preferred Bidder.
- 3.10 The tie-break will be determined by ranking the tied Bidders by reference to the Total Price, with the Bidder achieving the lowest Total price being selected as the Preferred Bidder.

4 Technical Evaluation Methodology

- 4.1 The Technical Evaluation Methodology describes how the overall Technical Score will be calculated and applied to Bidders.
- 4.2 The objectives of the Technical Evaluation are as follows:
- 4.2.1 Assess the compliance of the Tender Responses to the requirements in the technical questions and evaluation criteria (as set out in Annex B and C)
 - 4.2.2 Assess the scores against evaluation criteria
 - 4.2.3 And in respect of Initial Tenders only, determine areas for negotiation such as areas of strength, weakness, opportunity, dependency and risk.
- 4.3 There are (2) two components to the overall Technical score (which correspond to Annex B and Annex C) as set out below
- 4.3.1 Component 1 - Statement of Requirement (SOR)
 - 4.3.2 Component 2 – System Requirements Document Compliancy Matrix (SRD)

Table 3 - Weightings and Total Marks for Technical Evaluation

Category	Number of Category Scored Technical Questions	Max Category Score marks (No. of Category questions x max score for each)	Category Weighting
Component 1			
[E3] Electromagnetic Environmental Effects	0	N/A	N/A
[SE&S] Safety, and Environmental and Sustainability	0	N/A	N/A
[LOG] Integrated Logistics Support	6	60	10%

[PM] Project Management	6	60	10%
[TRG] Training	5	50	10%
Component 2			
[SRD] SRD Compliancy Matrix	n/a	200	55%

Table 4 - Worked Examples**Component 1**

A Bidder achieves Technical Scores for the 6 scored Technical Questions under the Integrated Logistics Support [LOG] category of 4 x 3, 1 x 7 and 1 x 10 = 29. (The maximum available marks for the Integrated Logistics Support [LOG] category was 60 marks).

As Integrated Logistics Support [LOG] category carries a weighting of 10%, each mark out of 60 for Inventory Management carries a weighting of 0.17⁵ ($10 \div 60 = 0.17$). The total marks scored (29) is then multiplied by the Weighted Score Per Mark (0.17) to achieve a score of 4.93% for Integrated Logistics Support (LOG).

The above methodology is applied to each Category and to each of the questions within them. The Bidder's % scores for each Category are added together to achieve the Bidder's Total Technical Score for Component 1.

Component 2

A Bidder achieves a score of 140 (a combined total of 70 marks for the Threshold Assessment element and a further 70 marks for the Objective Assessment element) out of a total maximum of 200 available marks.

Component 2 carries a weighting of 55%, each mark out of 200 carries a weighting of 0.28 ($55/200 = 0.28$). The total marks scored (140) is then multiplied by the Weighted Score Per Mark (0.28) to achieve a score of 39.2% for Component 2.

Component 1 - Statement of Requirement (SOR)

⁵ (Weighting / Total Marks Available = Weighted Score Per Mark)

- 4.4 The scope of the technical evaluation elements for Component 1 are Project Management, Training, Integrated Logistical Support, Safety, Environmental and Sustainability, and Electromagnetic Environmental Effects.
- 4.5 The number of scored questions for the technical evaluation for Component 1 are detailed within Table 3 along with their relevant weighting.
- 4.6 The Technical Criteria within Annex B are identified as either mandatory (i.e. they are scored on a **compliant/non-compliant** basis) or scored. Where a question is marked as 'compliant/non-compliant', Bidders will be assessed in accordance with the mark scheme for each of these categories set out in Annex B. **If a Bidder is awarded a 'non-compliant' score for any of the Technical questions, the Authority reserves the right to disqualify the Bidder from taking any further part in this procurement process**
- 4.7 Where responses to a technical question are 'Scored' within Component 1, the question will be scored on a [0-3-7-10] basis as set out in the Annex B.

Minimum Technical Threshold for Component 1

- 4.8 The **Minimum Technical Threshold** for Component 1 of the Technical Evaluation is:
- A) 100% of mandatory criteria (that is those marked as Compliant or Non-Compliant) are required to be awarded a "Compliant" score; and
- B) 100% of scored Technical criteria must score 3 or more.
- 4.9 In the event that a Bidder fails to achieve the "Minimum Technical Threshold for Component 1", the Authority **reserves the right to disqualify the Bidder from taking any further participation in the procurement process.**
- 4.10 A worked example (see Table 4) of how the technical evaluation method works is set out above.

Component 2 - System Requirements Document Compliancy Matrix

- 4.11 The System Requirements Document (SRD) Compliancy Matrix at Annex F identifies each SR-ID and is split into two parts.

Part 1

- 4.12 The Bidder is requested to confirm compliance by stating whether their solution is compliant or non-compliant against each SR-ID. The Bidder will be awarded a 'Compliant' score where they confirm compliance with the SR by stating 'Compliant' within Part 1 of the SRD Compliancy Matrix. The Bidder will be awarded a "Non-Compliant" score where they have not confirmed compliance against an SR.
- 4.13 Where such an SR is Threshold and has been marked as Mandatory, the Bidders will be awarded a 'Complaint' score where they confirm compliance with the SR by stating 'Compliant' within Part 1 of the SRD Compliancy Matrix. The Bidder will be awarded a "Non-Compliant" score where they have not confirmed compliance against a Threshold Mandatory SR. **If a Bidder is awarded a 'non-compliant' score for any of the mandatory Threshold SRs, the Authority reserves the right to disqualify the Bidder from taking any further part in this procurement process**

Part 2

4.14 The SRs within Part 2 have been identified as 'Scored' within the SRD Compliancy Matrix and is based on the System Performance elements of the SRD.

4.15 The scored criteria for the System Performance elements of the SRD covers the following sections with the SRD and is identified within the SRD Compliancy Matrix.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4.16 The scored criteria of the SRD Compliancy Matrix will be weighted at 55% of the overall Technical Weighting of 85% and there will be a total of 200 marks available. The Bidder will then be awarded the Weighted Score following the methodology described in **Worked Example at Table 4** above.

4.17 The System Performance elements are split into two levels:

4.17.1 **Threshold Assessment element:** Evaluate the solution against the "Threshold Measure of Performance for the Functional System Requirements" set out in Annex F.

4.17.2 **Objective Assessment element:** Evaluate the solution against the "Objective Measure of Performance for the Functional System Requirements" set out in Annex F.

4.18 For the SRs identified as 'Scored', the Bidders will need to return and populate the SRD Compliancy Matrix in accordance with Annex C - Component 2 Technical Evaluation Criteria. The SRD Compliancy Matrix will be evaluated in accordance with Annex C – Component 2 Technical Evaluation Criteria.

Minimum Technical Threshold for Component 2

4.19 At the Initial Tender Stage, the Bidder will not have met the Minimum Technical Threshold for Component 2 if: -

4.19.1 a Bidder is awarded a 'non-compliant' score for any of the mandatory non-scored Technical questions; and/or

- 4.19.2 a Bidder does not achieve a minimum pass mark of 40 for the scored questions within the Threshold Assessment element. **There will be no minimum pass mark for the Objective Assessment element.**

4.20 The Authority reserves the right to exclude the Bidder from the Tender Process in the event that they do not meet the Minimum Technical Threshold for Component 2.

5 Commercial Evaluation

5.1 The Commercial Evaluation assess Bidders' Tender responses to the Draft Contract Documents in accordance with this Schedule 6 and Annex D hereto, and (at Initial Tender Stage) will identify elements which may be subject to further discussion through negotiation. Bidders' attention is drawn to the notes to Bidders contained in the Draft Contract Documents issued to them at each stage and for any Tender response requirements contained therein.

5.2 The objectives of the Commercial Evaluation are as follows:

- 5.2.1 Assess whether the Tenders include all the information set out in the Mandatory Requirements List as detailed in Annex A to this Schedule 6;
- 5.2.2 Assess the scores against the evaluation criteria in accordance with Annex D to this Schedule 6; and
- 5.2.3 Determine areas for negotiation such as areas of strength, weakness, opportunity, dependency and risk.

Weightings & Total Marks

5.3 The Commercial Evaluation Score will have a weighting of 15% with no further breakdown.

Minimum Commercial Threshold

5.4 The Bidders responses must include all of the information set out in the Mandatory Requirements List as detailed in Annex A to this Schedule 6. If it does, they will proceed to Phase 2. **The Authority reserves the right to exclude the Bidder from the Tender Process in the event that they do not provide all of the information set out Mandatory Requirements List.**

5.5 The Bidders must confirm acceptance of the PASS/FAIL Main Body Contract Clause and Contract Schedules. Where the Bidder does not provide conformation of acceptance, they will be awarded a FAIL for that Main Body Contract and/or Contract Schedules.

5.6 Where a Bidder has been awarded a FAIL in relation to Paragraph 3.2.2, the Bidder will score zero (out of a maximum score of 15%) for the entire Commercial evaluation of their Initial Tender.

5.7 Where a Bidder has scored zero in line with Para 3.3.3 as part of the Initial Tender Return, the Authority will continue to assess the scored sections of the Main Body Contract Clauses and Contract Schedules but will not formally score those

sections/Contract Schedules. The Bidder's score for the entire Commercial evaluation will be zero.

- 5.8 At the Final Tender stage the minimum pass mark for the response to the Draft Contract Documents, in accordance with Annex D shall be a mark of 40 (i.e. a score category of Moderate Reservations, as set out in Table 1 of Annex D). **The Authority reserves the right to disqualify any Bidder who fails to achieve the minimum pass mark of 40 for the response to the Draft Contract Documents, in accordance with Annex D.**

Scored Elements

- 5.9 When evaluating the scored elements of the Main Body Contract Clauses and Contract Schedules, the Evaluators will identify whether any amendments proposed by the Bidder give rise to any minor or major reservations (in accordance with the evaluation methodology set out in Annex D to this Schedule 6) in relation to the Bidder's:
- 5.9.1 deliverability;
 - 5.9.2 performance; and/or
 - 5.9.3 the required transfer of risk to the Contractor.
- 5.10 Any such reservations will be logged and reviewed as a whole to determine the overall score of the Bidders' response to the Main Body Contract and Schedules in accordance with the score categories, descriptions and deductions set out in Table 1 in Annex D.
- 5.11 Following the Negotiation stage (subject to instructions to commence Phase 4a), the Authority reserves the right to amend the Main Body Contract Clauses and Contract Schedules to be evaluated on a PASS/FAIL basis, and these will be set out in the ISFT. At the Final Tender Stage, where the Bidder has not confirmed acceptance of any Main Body Contract Clauses/Contract Schedules marked as PASS/FAIL (as set out in the ISFT), the Bidder will be awarded a FAIL and **the Authority will disqualify them from taking any further part in this procurement process.** Where a Bidder is awarded a PASS in relation to all of the Main Body Contract Clauses/Contract Schedules marked PASS/FAIL, the Evaluators will evaluate the scored elements of the Bidder's Final Tender response to the Draft Contract Documents in accordance with Annex D of this Schedule 6.

6 Financial Evaluation Methodology

- 6.1 The Financial Evaluation Method will prescribe the calculation of the Total Price and apply a Net Present Value discount factor⁶ to the relevant MMR timeframe. The Total Price will be the summation of the Price for the Core Contractor Deliverables and the Core Contract Options.
- 6.2 The Total Price will then be used in conjunction with the Technical and Commercial evaluation scores to calculate the Value For Money Index (VFMI) as further detailed in Paragraph 3.

⁶ Net Present Value (NPV) is a generic term for the sum of a stream of future values (that are already in real prices) that have been discounted (in the Green Book by the social time preference rate) to bring them to today's value. The NPV discount factor will be 3.5% and applied to the relevant MMR timeframe.

- 6.3 The objectives of the Financial Evaluation are as follows:
- 6.3.1 Evaluate the Bidder's priced Tender Return delivered through the MMR Pricing ITN Template for validity
- 6.4 Bidders will be asked to return the MMR Pricing ITN Template.
- 6.5 The MMR Pricing ITN Template has been populated with the following information:
- 6.5.1 Core Contractor Deliverables
 - 6.5.2 Core Contract Options
 - 6.5.3 Meeting Payment Plan
 - 6.5.4 Initial Spares Package
 - 6.5.5 Equipment Deliveries
 - 6.5.6 Labour Rates
 - 6.5.7 Milestone Payment Plan
 - 6.5.8 Catalogue Pricelist
 - 6.5.9 Maximum Prices for Repair and Overhaul

Further Supporting Information

General

- 6.6 Where the Bidder is requested to submitted prices for different Financial Years (for example Labour Rates) and any escalation has been applied to the Price, the Bidder is to detail what annual price indices have been applied within the Tender Response and this may form the basis of any subsequent Negotiations.
- 6.7 All submitted prices should be exclusive of VAT.

Core Contractor Deliverables

- 6.7.1 Core Contractor Deliverables are the price of those items that are considered to be relevant and applicable to the successful delivery of the MMR requirement (and must reflect the Bidder's ITN response). For the avoidance of doubt, the Firm Prices proposed for such Equipment shall reflect the Bidder's response to the SRD Compliancy Matrix. Bidders are to note that the Prices submitted for the Equipment Deliveries that make up the Core Contractor Deliverable Price shall be formed using the Prices submitted as part of the Catalogue Price list and must clearly cross-referenced to it.
- 6.7.2 The Bidder is to note that they will be responsible for providing the Labour Rates within the ITN Pricing Template and this shall be used to determine

a Maximum Price⁷ that the Bidder shall provide as part of the Core Deliverable return for Item 39-41 for the Tasking required as detailed in Table 5 Serial 4, Table 6 Serial 1 and Serial 2 of the Statement of Requirement including any details of any escalation rates applied. The Authority will reserve the right to negotiate any Labour or Escalation Rates as part of the Negotiation and the Bidder will be able to amend their Maximum Price as part of any Final Tender.

6.7.3 Bidders are to note that Items 21 - 26 (Core Contractor Deliverables) rely upon the recommendations from the output of Item 20 (Stage 2 Training Needs Analysis (TNA) Report). To aide Bidders Firm Pricing of Items 21 - 26 of the Schedule of Requirements, Bidders should assume the following:

- (i) It is assumed that MMR training will comprise of a mixture of distance/online E-Learning Level 2, practical 'hands-on' training using the real equipment and some form of face to face assessment
- (ii) It is assumed that (similar to EvO) 33% of MMR training will be distance/online E-Learning Level 2 and the remaining 67% will be face to face practical 'hands-on' training and assessment;
- (iii) It is assumed that the delivery mechanism for any face to face training will be via a Train the Trainer approach.

Core Contract Options

6.7.4 The Bidder is to note that this applies to Option 1 as detailed in Schedule 2 (Statement of Requirement) and Bidder is to provide a Firm Price for the Option in view of their response to Clause 4 of the Terms and Conditions.

Labour Rates

6.7.5 The Bidder is to note that they should declare all rates (with any annual escalation) associated with any possible future contract change requirements as well as those to deliver the technical requirements stipulated in Schedule 2 (Statement of Requirement) and that only these declared rates can be charged to the Authority to deliver any possible future Contract Changes and will form the basis of any Contractor Change Proposal. Any such rates must be inclusive of Overheads, General and Administrative Charges and Travel and Subsistence.

Milestone Payment Plan

6.7.6 The Bidder is to note the Acceptance Criteria for the Milestone Payment Plan at Schedule 5 (Pricing and Payment).

Catalogue Pricelist

6.7.7 The Bidder is to note that this applies to Option 1 and Option 2 as detailed in Schedule 2 (Statement of Requirement) and Bidder is to provide a Firm

⁷ Maximum Price to be based upon the highest Labour Rate in Financial Year 21/22 that the Bidder considers will be required for the relevant Tasking serial number and applied to the amount of days required. The Bidder shall make it clear what Labour Rate has been applied to generate the Maximum Price and such Maximum Price will form part of the Total Price for the Core Contractor Deliverables.

Price and detail any Minimum Order Quantities (MOQs), Price Breaks and Lead Times within the ITN Pricing Template. The non-financial details provided in the Catalogue Pricelist will be used to support the evaluation of their response to Clause 4 of the Terms and Conditions as part of the Commercial Evaluation.

[REDACTED]

Maximum Prices for Repair and Overhaul (R&O)

[REDACTED]