



Invitation to Quote

Invitation to Quote (ITQ) on behalf of the Low Pay Commission (LPC)

Subject: Assessing the impacts of recent increases in the National Living Wage and the National Minimum Wage

Sourcing Reference Number: PS22096

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

Registered in England and Wales as a limited company. Company Number 6330639.
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Version 8.0

UKSBS
Shared Business Services

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Section 1 – About UK Shared Business Services

Putting the business into shared services

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

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

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

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

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

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

Our Customers

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

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

Privacy Statement

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

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

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

Privacy Notice

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

YOUR DATA

The Contracting Authority will process the following personal data:

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

Purpose

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

Legal basis of processing

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

Recipients

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

Retention

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

Your Rights

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

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

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

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

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

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

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

International Transfers

As your personal data is stored on our IT infrastructure and shared with our data processors Microsoft and Amazon Web Services, it may be transferred and stored securely in the UK and European Economic Area. Where your personal data is stored outside the UK and EEA it will be subject to equivalent legal protection through the use of Model Contract Clauses.

Complaints

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

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

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

Contact Details

The data controller for your personal data is:

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

You can contact the Data Protection Officer at:

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

Section 2 – About the Contracting Authority

Low Pay Commission (LPC)

The Low Pay Commission (LPC) is an independent public body (sponsored by The Department for Business, Energy & Industrial Strategy: BEIS) that advises the Government about the National Minimum Wage. There are 9 Low Pay Commissioners drawn from a range of employee, employer and academic backgrounds. All the commissioners serve in an individual capacity. They are supported by a small secretariat, which has 8 members of staff.

The Low Pay Commission makes evidence-based recommendations based on:

- commissioned and independent research;
- analysis of relevant data regarding the state of the economy and the impact of the minimum wage;
- consultations with employers, workers and their representatives;
- written and oral evidence from a wide range of organisations; and
- fact-finding visits across the UK to meet employers, employees and representative organisations.

<https://www.gov.uk/government/organisations/low-pay-commission>

Section 3 - Working with the Contracting Authority.

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

Section 3 – Contact details		
3.1.	Contracting Authority Name and address	Low Pay Commission Ground Floor, 10 South Colonnade, Canary Wharf, London, E14 4PU
3.2.	Buyer name	Alexandra Richards
3.3.	Buyer contact details	professionalservices@uksbs.co.uk
3.4.	Maximum value of the Opportunity	£60,000.00 (Maximum) Excluding VAT
3.5.	Process for the submission of clarifications and Bids	All correspondence shall be submitted within the Messaging Centre of the e-sourcing. Guidance Notes to support the use of Delta eSourcing is available here. Please note submission of a Bid to any email address including the Buyer <u>will</u> result in the Bid <u>not</u> being considered.

Section 3 - Timescales		
3.6.	Date of Issue of Contract Advert on Contracts Finder	Tuesday, 15 March 2022 Contracts Finder
3.7.	Latest date / time ITQ clarification questions shall be received through Delta eSourcing messaging system	Tuesday, 22 March 2022 11:00
3.8.	Latest date / time ITQ clarification answers should be sent to all Bidders by the Buyer through Delta eSourcing Portal	Friday, 25 March 2022
3.9.	Latest date and time ITQ Bid shall be submitted through Delta eSourcing	Monday, 11 April 2022 11:00
3.10.	Anticipated notification date of successful and unsuccessful Bids	Friday, 22 April 2022
3.11.	Anticipated Contract Award date	Friday, 22 April 2022
3.12.	Anticipated Contract Start date	Monday, 25 April 2022
3.13.	Anticipated Contract End date	Friday, 29 December 2023
3.14.	Bid Validity Period	60 Days

Section 4 – Specification

1. Background

The Low Pay Commission (LPC) invites tenders for a study to assess the impact of the recent increases in the National Living Wage (NLW) (and the National Minimum Wage (NMW)), including on young people.

We are keen to understand the impact of the recent unprecedented upheaval in the economy and the labour market caused by measures to control the global pandemic. This has affected some sectors, in particular many low-paying sectors, more than others. It has also disrupted many of the usual data sources upon which much of our standard analysis depends. The pandemic has, however, also led to the development of new data sources. We are therefore keen to consider tenders that can take advantage of these.

In addition to the impacts from the pandemic, the UK began a new trading relationship with the EU on 1 January 2021 that will see significant changes in the way the UK trades. This may have different implications for low-paying sectors and minimum wage workers.

The LPC has an ongoing remit to monitor the operation of the UK minimum wage, and to assess the impact of increases in the levels of the NMW and NLW in order to advise the Government on future rates. An important part of assessing the impact of the minimum wage is to examine its effect on workers and businesses. Previous research has found some evidence of an impact on hourly earnings but suggests that the NMW has had limited adverse effects on employment levels. Businesses have coped by using a number of adjustment channels, including: adjusting hours; changing pay structures; reducing non-wage benefits; increasing prices to their customers; and squeezing profit margins.

The introduction of the NLW on 1 April 2016 at £7.20 an hour for those aged 25 and above marked a sharp real and relative increase in the level of the minimum wage – 10.8 per cent in nominal terms on the year previously (around four times pay growth at the median). In April 2020, having increased to £8.72 an hour, the NLW reached the initial Government target of 60 per cent of median earnings for those aged 25 and over.

We have now embarked on another Government-set target – to reach two-thirds of median hourly earnings for those aged 21 and over by 2024. As a first step in this goal, the NLW increased by 2.2 per cent in April 2021 to £8.91, and will cover all those aged 23 and over. The second step will see it increase by 6.6 per cent to £9.50 in April 2022.

Previous research has broadly established that incremental increases in the minimum wage can raise pay at the bottom of the pay distribution without large adverse side effects on the labour market or on businesses. However, as we have noted, businesses have adjusted by using a variety of channels. The achievement of the initial target for the NLW (60 per cent of median hourly earnings) and the announcement of a more ambitious target is an opportunity to assess how firms have coped and workers have been affected by the sharper increases, as well as giving an insight into what mechanisms and adjustments firms might use in the future.

We are also interested in any information that sheds light on the treatment of young workers with regards to pay, employment and hours. We are especially interested in 21-24 years, who were covered by the adult rate of the NMW up to 2016 but were not initially entitled to the NLW. Those aged 23-24 became eligible to the NLW in April 2021 and those aged 21-22 will become eligible by 2024.

There is global interest among policy-makers in the impact of the NLW. The LPC is required to make recommendations to the Government on the path of the rate of the NLW to 2024 and on the minimum wages for young workers and apprentices each year. The findings from this research will directly inform policy decisions touching the lives of millions of workers and thousands of businesses as well as contributing to policy formation in the UK and beyond.

2. Aims and Objectives of the Project

The aim of this study is to assess to what extent rises in the National Living Wage (NLW) in 2020 and 2021 have affected wages and employment, as well as any impact from the forthcoming uprating in 2022. We are primarily interested in quantitative answers to these questions, but would also consider evidence gathered from qualitative research and interviews. Researchers should seek to take advantage of new and/or innovative methods and data sources that, as far as possible, separate out the effects of changes to minimum wage to those of the pandemic and of the UK leaving the EU.

To meet these aims we would like researchers to produce research that answers the following questions. These have been categorised as necessary and desirable. All proposals must address the necessary questions, while those that also address the desirable questions will strengthen their research proposals.

Necessary:

1. The impact of recent rises in the NLW and NMW in 2020, and 2021, and the forthcoming increase in 2022 on aggregate employment and hours of workers (or related variables such as employment retention or vacancy numbers). The level of uncertainty around these estimates. The study must include estimates of the wage and employment effects for the population aged both 25 and over, who were eligible for the NLW throughout this period, as well as for those aged 23 and over, who only became eligible for the NLW in 2021.
2. To what extent the impact of the NLW on employment can be separated out from other factors, most notably the impact of the Covid-19 pandemic. Other relevant factors include: changes in migration patterns, the impact of the UK leaving the European Union, other changes to government policy relating to the labour market.

Desirable:

3. Separate estimates of the impacts of NMW increases for other age groups (aged below 25). It should be noted that there is a separate tender specification (PS22097), which asks for submissions specifically looking at the impact of extending the NLW to workers aged 23-24. Studies focussing on that issue should be submitted to that tender.
4. How the employment and hours effects of recent increases in the NLW vary by industry, occupation, firm size and geography, as well as by the interaction of these characteristics.
5. How the employment and hours impacts of recent increases in the NLW vary by individual characteristics, such as age, gender, disability, ethnicity, educational qualifications, and migrant status, as well as by the interaction of these characteristics.
6. An estimate of the own-wage elasticity of employment for the treated group. This is the percentage change in employment which results from a one percent increase in wages for the treated group – those affected by changes in the NMW or NLW – (with estimates of the uncertainty around the figure). Dube (2019) provides more details on how to calculate the own-wage elasticity.
7. Separate estimates of the impact of the NLW on hiring behaviour from the impact of the NLW on retention of existing workers.

Information about previous LPC research projects is available on our website at <https://www.gov.uk/government/publications/low-pay-commission-research-2021>

Detailed descriptive analysis of the NLW is available in our 2021 Report <https://www.gov.uk/government/publications/national-minimum-wage-low-pay-commission-report-2021>

3. Suggested Methodology

The research should use up to date, appropriate, econometric techniques, in line with recent studies. Potential contractors are free to use whatever method they consider most appropriate but it is essential that the methodology and analysis stands up to external scrutiny by professional academics, economists, statisticians and analysts.

The methods should take account, for example, of the work conducted by Allegretto, Dube, Reich and Zipperer (2013) on credible research designs for minimum wages as well as Brewer, Crossley and Zilio (2019), which has highlighted potential limitations in the application of some econometric techniques. They should also take into account Dube (2019), which reviews the evidence on minimum wages in the UK and abroad and the econometric approaches used to gather this evidence.

Recent research studies on this topic have used a range of techniques, including:

- Exploiting geographic variation in bite or coverage across the UK (for example, Dolton, Rosazza Bondibene and Stops, 2015)¹,
- 'Bunching' analysis, which uses geographic variation in wages to calculate the change in jobs by wage bands (IFS, 2021)²
- Difference-in-difference techniques which compare outcomes for workers paid within a given range of the National Living Wage and a control group of higher-paid workers (for example, Aitken, Dolton and Riley 2018³ and IES, 2019⁴).

Potential contractors should specify the techniques that they intend to employ. Tenders should also state which data are to be used, and explain the strengths and limitations of

¹ Dolton, P., C. Rosazza Bondibene, and M. Stops (2015). Identifying the employment effect of invoking and changing the minimum wage: A spatial analysis of the UK. *Labour Economics*, 2015, vol. 37, issue C, 54-76.

² Institute for Fiscal Studies (2021). The distributional and employment impacts of nationwide minimum wage changes. Report for the Low Pay Commission. 6 December 2021.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1039374/IFS_WP202148-The-distributional-and-employment-impacts-of-nationwide-Minimum-Wage-changes.pdf

³ Aitken, A., P. Dolton, and R. Riley (2018). The impact of the introduction of the National Living Wage on employment, hours and wages. Report for the Low Pay Commission. November 2018.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/775197/The_impact_of_the_introduction_of_the_NLW_on_employment_hours_and_wages_NIESR.pdf

⁴ Institute for Employment Studies (2019). The impact of the minimum wage on employment and hours. Report for the Low Pay Commission. 5 December 2019.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/852508/The_impact_of_the_minimum_wage_on_employment_and_hours.pdf

their recommended approach and in particular whether the available data will restrict the analysis in any way.

The main data sources used for this analysis previously are:

- The Labour Force Survey (LFS)
- The Annual Population Survey (APS)
- The Annual Survey of Hours and Earnings (ASHE)

There are issues relating to these standard data sources in 2020 and 2021. Research proposals should outline how they can resolve these potential issues either through using alternative data sources (e.g. administrative employment data or vacancy data) or through making adjustments to previous approaches with the main data sources. We have laid out the main issues we are currently aware of with the data below, there may be other issues:

- The Coronavirus Job Retention Scheme alters estimates of pay in 2020 and 2021. Workers enrolled in the scheme received between 80 percent and 100 percent of their normal pay. This means that pay appears artificially low for these workers. This has a particularly large effect on the number of workers estimated to be paid the National Living Wage/National Minimum Wage. This may change the treatment group in a difference-in-difference study similar to Aitken, Dolton and Riley (2018).
- The recession caused by measures to control the Coronavirus pandemic led to a change in the composition of the labour force. Employment fell most in customer-facing sectors, such as retail and hospitality. This causes two potential problems for econometric studies of the impact of the NLW/NMW.
 - o First, customer-facing sectors also tend to be low-paying sectors, so any study which tests the impact of the National Living Wage by comparing outcomes for low-paid workers relative to other workers, could be biased by the effects of the pandemic. This is particularly problematic as the first lockdown caused by the pandemic happened at almost exactly the same time as the April 2020 upratings in the NLW/NMW. The April 2021 upratings took effect as the economy was preparing to reopen.
 - o Second, the change in composition of workers changes pay averages. As low-paid workers left employment, this caused average wages to increase. It affected certain groups of workers more, for instance there were larger compositional effects amongst workers in retail and hospitality sectors. These effects could bias estimates of the pay impacts of the NLW/NMW and could also cause measurement error in the treatment variable in any approach which uses

grouped data (for instance Manning, 2016, used the share of workers below the incoming NLW by age-region-gender as a treatment variable.)

- Due to Covid-19, the sample size for ASHE was lower in 2020 and 2021 than in previous years. This may affect the reliability of subgroup pay analysis within the dataset, and also may affect estimates of employment retention if the survey is used as panel data.
- The sample size for LFS was also lower in 2020 and 2021, and it fell more in certain groups. The ONS responded by changing the weightings on the survey as explained here:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/labourforcesurveyweightingmethodology>

(These changes rely on the Real Time Information and some assumptions. It may make LFS estimates of employment for certain subgroups less reliable.)

It is important that the analysis includes as much evidence as possible on the impact of the NLW/NMW on employment and hours according to the timelines outlined above. The tender should outline the time period of the data to be analysed.

4. Deliverables

Please note that this is a longer-term project than the other Invitations to Tender (PS22094, PS22095 and PS22097). It has a deadline in the autumn of 2023 with interim findings this autumn. We would expect your proposed timelines to reflect that.

The initial primary audience for this work will be the LPC. The main output of the study will be a report, detailing the aims and objectives of the research, the methodology adopted and the main findings. The report should include a brief non-technical Executive Summary. An electronic copy (preferably Word and pdf format) for the LPC website will be required. The LPC will make the findings publicly available, and a synopsis of the report will be included in the Low Pay Commission's 2022 and 2023 Reports.

In addition, there would be other deliverables expected. Deliverables may vary according to individual projects but will include:

- An informal presentation of data sources and methodology to the LPC at an initial meeting;
- A methodology paper;

- Regular updates on emerging findings and project progress;
- An interim report;
- A draft final report;
- A final report incorporating comments from LPC;
- Four presentations of the key aspects of the work (at the research workshops on 28 April 2022, 1 September 2022, April 2023 and September 2023 tbc); and
- Key datasets and syntax files if appropriate.

The timescale for delivery of the research is flexible according to the needs of the project, but we would be looking in the first instance for an outline of the project at an inception meeting in late April, a presentation on data sources and methodology at the research workshop on 28 April 2022, a detailed methodology paper by 27 May 2022, a draft interim report with initial findings by 19 August 2022, findings for a presentation to the 10th Annual LPC Research Symposium on 1 September 2022, a draft interim report by 16 September 2022, and an agreed interim report by 14 October 2022. Publication of the interim report will be in November/December 2022. This will be followed by an updated report in February/March 2023 with a further presentation in April 2023, a near final draft in June 2023, presentation of those findings at the 11th Annual LPC Research Symposium in September 2023 with a final report agreed by late September/early October 2023. Publication of the final report will be in November/December 2023.

Project management is likely to include attendance at an inception meeting at LPC, and review meetings as required.

Terms and Conditions

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

The winning Supplier will be the highest scoring bid submission, provided that they meet a minimum quality threshold, deemed to be an average of at least 60 for each scoring criteria (PROJ1.1, PROJ1.2 and PROJ1.3).

Section 5 – Evaluation model

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

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

The evaluation team may comprise staff from UK SBS and the Contracting Authority and any specific external stakeholders the Contracting Authority deems required.

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

Pass / Fail criteria		
Questionnaire	Q No.	Question subject
Commercial	SEL1.2	Employment breaches/ Equality
Commercial	SEL1.3	Compliance to Section 54 of the Modern Slavery Act
Commercial	SEL2.12	General Data Protection Regulations (GDPR) Act and the Data Protection Act 2018
Commercial	FOI1.1	Freedom of Information
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Commercial	AW3.1	Validation check
Commercial	AW4.1	Compliance to the Contract Terms
Commercial	AW4.2	Changes to the Contract Terms
Price	AW5.1	Maximum Budget
Quality	AW6.1	Compliance to the Specification
Quality	AW6.2	Variable Bids
-	-	Invitation to Quote – received on time within e-sourcing tool
	In the event of a Bidder failing to meet the requirements of a Mandatory pass / fail criteria, the Contracting Authority reserves the right to disqualify the Bidder and not consider evaluation of any of the Award stage scoring methodology or Mandatory pass / fail criteria.	

Scoring criteria

Evaluation Justification Statement

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

The winning Supplier will be the highest scoring bid submission, provided that they meet a minimum quality threshold, deemed to be an average of at least 60 for each scoring criteria (PROJ1.1, PROJ1.2 and PROJ1.3).

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	20%
Quality	PROJ1.1	Understanding the requirements and context	25%
Quality	PROJ1.2	Methodology and approach	30%
Quality	PROJ1.3	Ability to deliver (including project planning, resource and risk management and expertise)	25%

Evaluation of criteria

Non-Price elements

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

Where an evaluation criterion is worth 20% then the 0-100 score achieved will be multiplied by 20%.

Example if a Bidder scores 60 from the available 100 points this will equate to 12% by using the following calculation:

$$\text{Score} = \{\text{weighting percentage}\} \times \{\text{bidder's score}\} = 20\% \times 60 = 12$$

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

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

0	The Question is not answered, or the response is completely unacceptable.
10	Extremely poor response – they have completely missed the point of the question.
20	Very poor response and not wholly acceptable. Requires major revision to the response to make it acceptable. Only partially answers the requirement, with major deficiencies and little relevant detail proposed.
40	Poor response only partially satisfying the question requirements with deficiencies apparent. Some useful evidence provided but response falls well short of expectations. Low probability of being a capable supplier.
60	Response is acceptable but remains basic and could have been expanded upon. Response is sufficient but does not inspire.

80	Good response which describes their capabilities in detail which provides high levels of assurance consistent with a quality provider. The response includes a full description of techniques and measurements currently employed.
100	Response is exceptional and clearly demonstrates they are capable of meeting the requirement. No significant weaknesses noted. The response is compelling in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.

All questions will be scored based on the above mechanism. Please be aware that there may be multiple evaluators. If so, their individual scores will be averaged (mean) to determine your final score as follows:

Example

Evaluator 1 scored your bid as 60

Evaluator 2 scored your bid as 60

Evaluator 3 scored your bid as 40

Evaluator 4 scored your bid as 40

Your final score will $(60+60+40+40) \div 4 = 50$

Price elements will be judged on the following criteria.

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

For example - Bid 1 £100,000 scores 100.

Bid 2 £120,000 differential of £20,000 or 20% remove 20% from price scores 80

Bid 3 £150,000 differential £50,000 remove 50% from price scores 50.

Bid 4 £175,000 differential £75,000 remove 75% from price scores 25.

Bid 5 £200,000 differential £100,000 remove 100% from price scores 0.

Bid 6 £300,000 differential £200,000 remove 100% from price scores 0.

Where the scoring criterion is worth 50% then the 0-100 score achieved will be multiplied by 50.

In the example if a supplier scores 80 from the available 100 points this will equate to 40% by using the following calculation: $\text{Score/Total Points} \times 50$ ($80/100 \times 50 = 40$)

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

This evaluation criteria will therefore not be subject to any averaging, as this is a mathematical scoring criteria, but will still be subject to a commercial review.

Evaluation process

The evaluation process will feature some, if not all, the following phases.

Stage	Summary of activity
Receipt and Opening	- ITQ logged upon opening in alignment with UK SBS's procurement procedures. - Any ITQ Bid received after the closing date will be rejected unless circumstances attributed to the Contracting Authority or

	the e-sourcing tool beyond the bidder control are responsible for late submission.
Compliance check	• Check all Mandatory requirements are acceptable to the Contracting Authority. • Unacceptable Bids maybe subject to clarification by the Contracting Authority or rejection of the Bid.
Scoring of the Bid	• Evaluation team will independently score the Bid and provide a commentary of their scoring justification against the criteria.
Clarifications	• The Evaluation team may require written clarification to Bids
Re - scoring of the Bid and Clarifications	• Following Clarification responses, the Evaluation team reserve the right to independently re-score the Bid and Clarifications and provide a commentary of their re-scoring justification against the Evaluation criteria.
Moderation meeting (if required to reach an award decision)	• To review the outcomes of the Commercial review • To agree final scoring for each Bid, relative rankings of the Bids
Due diligence of the Bid	• the Contracting Authority may request the following requirements at any stage of the Procurement. • Submission of insurance documents from the Bidder • Request for evidence of documents / accreditations referenced in the / Invitation to Quote response / Bid and / or Clarifications from the Bidder • Taking up of Bidder references from the Bidders Customers. • Financial Credit check for the Bidder
Validation of unsuccessful Bidders	• To confirm contents of the letters to provide details of scoring and meaningful feedback on the unsuccessful Bidders Bid in comparison with the successful Bidders Bid.

Section 6 – Evaluation questionnaire

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

Guidance on how to register and use the e-sourcing portal is available at <http://www.uksbs.co.uk/services/procure/Pages/supplier.aspx>

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

What makes a good bid – some simple do's 😊

DO:

- 7.1 Do comply with Procurement document instructions. Failure to do so may lead to disqualification.
- 7.2 Do provide the Bid on time, and in the required format. Remember that the date/time given for a response is the last date that it can be accepted; we are legally bound to disqualify late submissions. Responses received after the date indicated in the ITQ shall not be considered by the Contracting Authority, unless the Bidder can justify that the reason for the delay, is solely attributable to the Contracting Authority
- 7.3 Do ensure you have read all the training materials to utilise e-sourcing tool prior to responding to this Bid. If you send your Bid by email or post it will be rejected.
- 7.4 Do use Microsoft Word, PowerPoint Excel 97-03 or compatible formats, or PDF unless agreed in writing by the Buyer. If you use another file format without our written permission, we may reject your Bid.
- 7.5 Do ensure you utilise the Delta eSourcing messaging system to raise any clarifications to our ITQ. You should note that we will release the answer to the question to all Bidders and where we suspect the question contains confidential information, we may modify the content of the question to protect the anonymity of the Bidder or their proposed solution
- 7.6 Do answer the question, it is not enough simply to cross-reference to a 'policy', web page or another part of your Bid, the evaluation team have limited time to assess bids and if they can't find the answer, they can't score it.
- 7.7 Do consider who the Contracting Authority is and what they want – a generic answer does not necessarily meet every Contracting Authority's needs.
- 7.8 Do reference your documents correctly, specifically where supporting documentation is requested e.g. referencing the question/s they apply to.
- 7.9 Do provide clear, concise and ideally generic contact details; telephone numbers, e-mails and fax details.
- 7.10 Do complete all questions in the questionnaire or we may reject your Bid.
- 7.11 Do ensure that the Response and any documents accompanying it are in the English Language, the Contracting Authority reserve the right to disqualify any full or part responses that are not in English.
- 7.12 Do check and recheck your Bid before dispatch.

What makes a good bid – some simple do not's Ⓜ

DO NOT

- 7.13 Do not cut and paste from a previous document and forget to change the previous details such as the previous buyer's name.
- 7.14 Do not attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them. Only send what has been requested and only send supplementary information if we have offered the opportunity so to do.
- 7.15 Do not share the Procurement documents, they are confidential and should not be shared with anyone without the Buyers written permission.
- 7.16 Do not seek to influence the procurement process by requesting meetings or contacting UK SBS or the Contracting Authority to discuss your Bid. If your Bid requires clarification the Buyer will contact you. All information secured outside of formal Buyer communications shall have no Legal standing or worth and should not be relied upon.
- 7.17 Do not contact any UK SBS staff or the Contracting Authority staff without the Buyers written permission or we may reject your Bid.
- 7.18 Do not collude to fix or adjust the price or withdraw your Bid with another Party as we will reject your Bid.
- 7.19 Do not offer UK SBS or the Contracting Authority staff any inducement or we will reject your Bid.
- 7.20 Do not seek changes to the Bid after responses have been submitted and the deadline for Bids to be submitted has passed.
- 7.21 Do not cross reference answers to external websites or other parts of your Bid, the cross references and website links will not be considered.
- 7.22 Do not exceed word counts, the additional words will not be considered.
- 7.23 Do not make your Bid conditional on acceptance of your own Terms of Contract, as your Bid will be rejected.
- 7.24 Do not unless explicitly requested by the Contracting Authority either in the procurement documents or via a formal clarification from the Contracting Authority send your response by any way other than via e-sourcing tool. Responses received by any other method than requested will not be considered for the opportunity.

Some additional guidance notes

- 7.25 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool must be submitted to Delta eSourcing, Telephone 0845 270 7050
- 7.26 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered as part of the evaluation process.
- 7.27 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.
- 7.28 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.
- 7.29 We do not guarantee to award any Contract as a result of this procurement
- 7.30 All documents issued or received in relation to this procurement shall be the property of the Contracting Authority / UKSBS.
- 7.31 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through the Delta eSourcing Portal.
- 7.32 If you are a Consortium you must provide details of the Consortiums structure.
- 7.33 Bidders will be expected to comply with the Freedom of Information Act 2000, or your Bid will be rejected.
- 7.34 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this ITQ Bidders are agreeing that their Bid and Contract may be made public
- 7.35 Your bid will be valid for 60 days or your Bid will be rejected.
- 7.36 Bidders may only amend the contract terms during the clarification period only, only if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract terms without such grounds and the Contracting Authority fail to accept your legal or statutory reason is reasonably justified, we may reject your Bid.
- 7.37 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.
- 7.38 If you fail mandatory pass / fail criteria we will reject your Bid.
- 7.39 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Delta eSourcing Portal.
- 7.40 Bidders should note that if they are successful with their proposal the Contracting Authority reserves the right to ask additional compliancy checks prior to the award of

any Contract. In the event of a Bidder failing to meet one of the compliancy checks the Contracting Authority may decline to proceed with the award of the Contract to the successful Bidder.

- 7.41 All timescales are set using a 24-hour clock and are based on British Summer Time or Greenwich Mean Time, depending on which applies at the point when Date and Time Bids shall be submitted through the Delta eSourcing Portal.
- 7.42 All Central Government Departments and their Executive Agencies and Non-Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

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

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

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

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

USEFUL INFORMATION LINKS

- [Contracts Finder](#)
- [Equalities Act introduction](#)
- [Bribery Act introduction](#)
- [Freedom of information Act](#)

8.0 Freedom of information

8.4.1 In accordance with the obligations and duties placed upon public authorities by the Freedom of Information Act 2000 (the 'FoIA') and the Environmental Information Regulations 2004 (the 'EIR') (each as amended from time to time), UK SBS or the Contracting Authority may be required to disclose information submitted by the Bidder to the Contracting Authority.

8.4.2 In respect of any information submitted by a Bidder that it considers to be commercially sensitive the Bidder should complete the Freedom of Information declaration question defined in the Question FOI1.2.

8.4.3 Where a Bidder identifies information as commercially sensitive, the Contracting Authority will endeavour to maintain confidentiality. Bidders should note, however, that, even where information is identified as commercially sensitive, the Contracting Authority may be required to disclose such information in accordance with the FoIA or the Environmental Information Regulations. In particular, the Contracting Authority is required to form an independent judgment concerning whether the information is exempt from disclosure under the FoIA or the EIR and whether the public interest favours disclosure or not. Accordingly, the Contracting Authority cannot guarantee that any information marked 'confidential' or "commercially sensitive" will not be disclosed.

8.4.4 Where a Bidder receives a request for information under the FoIA or the EIR during the procurement, this should be immediately passed on to UK SBS or the Contracting Authority and the Bidder should not attempt to answer the request without first consulting with the Contracting Authority.

8.4.5 Bidders are reminded that the Government's transparency agenda requires that sourcing documents, including ITQ templates such as this, are published on a designated, publicly searchable web site, and, that the same applies to other sourcing documents issued by UK SBS or the Contracting Authority, and any contract entered into by the Contracting Authority with its preferred supplier once the procurement is complete. By submitting a response to this ITQ Bidders are agreeing that their participation and contents of their Response may be made public.

8.5. Response Validity

8.5.1 Your Response should remain open for consideration for a period of 60 days. A Response valid for a shorter period may be rejected.

8.6. Timescales

8.6.1 [Section 3](#) of the ITQ sets out the proposed procurement timetable. the Contracting Authority reserves the right to extend the dates and will advise potential Bidders of any change to the dates.

8.7. The Contracting Authority's Contact Details

8.7.1 Unless stated otherwise in these Instructions or in writing from UK SBS or the Contracting Authority, all communications from Bidders (including their sub-contractors, consortium members, consultants and advisers) during the period of this procurement must be directed through the e-sourcing tool to the designated UK SBS contact.

8.7.2

All enquiries with respect to access to the e-sourcing tool may be submitted to Delta eSourcing on 0845 270 7050 please note this is a free self-registration website and this can be done by completing the online questionnaire at <https://uksbs.delta-esourcing.com/>

8.7.3 Bidders should be mindful that the designated Contact should not under any circumstances be sent a copy of their Response outside of the e-sourcing tool. Failure to follow this requirement will result in disqualification of the Response.

Appendix ‘A’ Glossary of Terms

TERM	MEANING
“UK SBS”	means UK Shared Business Services Ltd herein after referred to as UK SBS.
“Bid”, “Response”, “Submitted Bid”, or “ITQ Response”	means the Bidders formal offer in response to this Invitation to Quote
“Bidder(s)”	means the organisations being invited to respond to this Invitation to Quote
“Central Purchasing Body”	means a duly constituted public sector organisation which procures supplies/services/works for and on behalf of contracting authorities
“Conditions of Bid”	means the terms and conditions set out in this ITQ relating to the submission of a Bid
“Contract”	means the agreement to be entered by the Contracting Authority and the Supplier following any award under the procurement
“Contracting Bodies”	means the Contracting Authority and any other contracting authorities described in the Contracts Finder Contract Notice
“Contracting Authority”	A public body regulated under the Public Procurement Regulations on whose behalf the procurement is being run
“Customer”	means the legal entity (or entities) for which any Contract agreed will be made accessible to.
“Due Diligence Information”	means the background and supporting documents and information provided by the Contracting Authority for the purpose of better informing the Bidders responses to this ITQ
"EIR"	mean the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations
“FoIA”	means the Freedom of Information Act 2000 and any subordinate legislation made under such Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation
“Invitation to Quote” or “ITQ”	means this Invitation to Quote documentation and all related documents published by the Contracting Authority and made available to Bidders and includes the Due Diligence Information. NOTE: This document is often referred to as an Invitation to Tender within other organisations
“Mandatory”	Means a pass / fail criteria which must be met in order for a Bid to be considered, unless otherwise specified.
“Named Procurement person ”	means the single point of contact for the Contracting Authority based in UK SBS that will be dealing with the procurement
“Order”	means an order for served by any Contracting Body on the Supplier
“Other Public Bodies”	means all Contracting Bodies except the Contracting Authority
“Supplier(s)”	means the organisation(s) awarded the Contract
“Supplies / Services / Works”	means any supplies/services and supplies or works set out at within <u>Section 4 Specification</u>