



Ministry  
of Defence

**[Redacted]**

DES Ships Comrcl-CSS-DepHd

**[Redacted]**



Email: DESShipsCSS-Comrcl-FSS-  
Group@mod.gov.uk

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Your Reference:

Our Reference:  
**CSS/0113**

Date: 30/11/2018

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Dear Sir/Madam

**Invitation To Negotiate (ITN) Reference No. CSS/0113**

1. You are invited to tender for the Supply of Fleet Solid Support Vessels in competition in accordance with the attached documentation.
2. The requirement is for the Design, Build and Integrated Logistic Support of up to three (3) Fleet Solid Support Vessels.
3. Funding is due to be approved in April 2020. The budget is £1,565,000,000 (Ex VAT).
4. The anticipated date for the contract award decision is May 2020, please note that this is an indicative date and may change.
5. You must submit your Tender to arrive no later than 10am (BST) Wednesday 24<sup>th</sup> July 2019. You must attach the enclosed Tender Return Label (Annex I) to the outer packaging of your Tender when you submit it to the Authority.
6. Please confirm receipt of this tender to DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk.

Yours faithfully

## List of Suppliers Invited to Submit a Tender for ITN No. CSS/0113

Supplier Name	Supplier Address and Phone No	Supplier Point of Contact
Daewoo Shipbuilding & Marine Engineering Co. LTD	125 Namdaemun-ro, Jung-gu <i>[Redacted]</i>	<i>[Redacted]</i>
Fincantieri S.p.A.	Via Cipro, 11 <i>[Redacted]</i>	<i>[Redacted]</i>
Japan Marine United Corporation	Yokohama Blue Avenue, 7F <i>[Redacted]</i>	<i>[Redacted]</i>
Navantia	Ctra. de Circunvalacion s/n <i>[Redacted]</i>	<i>[Redacted]</i>
Team Albion	Devonport Royal Dockyard <i>[Redacted]</i>	<i>[Redacted]</i>

**Invitation to Negotiate  
for  
Supply of Fleet Solid Support Vessels**

# Contents

This invitation consists of the following documentation:

- INSTRUCTIONS TO TENDERERS – Invitation To Negotiate (ITN). The Instructions to Tenderers sets out the key requirements that Tenderers need to meet in submitting a valid Tender. It also sets out the conditions relating to this competition. For ease it is broken into:
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- Contract Conditions
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- Schedule 9 – Government Furnished Equipment, Government Furnished Information and First Outfit
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- Schedule 11 – Certificate of Seaworthiness
- Schedule 12 – On Demand Guarantee
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- Schedule 24 – Personal Data Particulars
- Schedule 25 – Security Aspects Letter
- Schedule 26 – Contractor Plans

- Schedule 27 – Base Case
- Schedule 28 – Milestone Acceptance Certificate

## **Section A – Introduction**

### **Definitions**

A1. “The Authority” means the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, (referred to in this document as “the Authority”), acting as part of the Crown.

A2. “Tenderer” means the economic operator or group of operators in the form of a consortium, including sub-contractors, who have been invited to submit a response to this ITN. Where “you” is used this means an action on you the Tenderer.

A3. “Invitation to Negotiate” (ITN) refers to the first document that the Authority sends out to potential Tenderers that initiates a tender response, competitive dialogue or negotiation.

A4. A “Tender” is the offer that you are making to the Authority.

A5. “Tenderer’s Point of Contact” means a Tenderer’s single point of contact as detailed at A27.

A6. “Contractor Deliverables” means the works, goods and / or the services, including packaging (and Certificate(s) of Conformity supplied in accordance with any Quality Assurance (QA) requirements if specified) and any associated technical data which the contractor is required to provide under the contract in accordance with the Schedule of Requirements, but excluding incidentals outside the Schedule of Requirements such as progress reports.

A7. “Schedule of Requirements” (Schedule 1) means that part of the contract which identifies, either directly or by reference, the Contractor Deliverables to be supplied or carried out, the quantities involved and the price or pricing terms in relation to each Contractor Deliverable.

A8. The “Contract Specification” (Schedules 2-4) details the technical, project management, integrated logistic support requirements and contract acceptance criteria.

A9. “Conditions of Tendering” means the conditions set out in these Instructions to Tenderers that govern the competition.

A10. “Contract Clauses” means the attached Terms and Conditions that will govern any resultant contract.

A11. A “Third Party” is any person who is not an employee of the Authority or Tenderer, as defined at A2.

A12. “Probability of Compliance” is whether the proposed solution will comply with the stated requirements.

A13. “Risk” is the risk to the delivery of the FSS requirement.

A14. “Evidence” is whether the response from the Tenderer includes robust evidence (e.g. practical examples, or an articulation of the necessary skills and technical expertise possessed by the Tenderer to successfully deliver the requirement).

A15. “Non-Cost Score” is the score derived from the assessment of the Quality Assessment (Technical, Project Management and Integrated Logistic Support) elements of the Tenders

A16 – Other Definitions at Schedule 00 of the draft Contract Conditions

### **Purpose**

A17. The purpose of this ITN is to invite you to propose a solution / best price to meet the Authority’s requirement. This documentation explains and sets out the:

- a. Tender process and timetable for the next stages of the procurement;
- b. instructions and conditions that govern this competition;
- c. information you must include in your Tender and the required format;
- d. administrative arrangements for the receipt and evaluation of Tenders; and
- e. Contract Conditions that shall apply in the event that the Authority awards a contract following this competition.

A18. The sections in this ITN and associated documents are structured in line with a generic tendering process and do not indicate importance / precedence.

A19. This ITN has been issued to all potential Tenderers chosen during the supplier selection stage, listed on page 3 of these Instructions to Tenderers.

A20. The requirement was advertised by the Authority in Defence Contracts Online dated 14<sup>th</sup> May 2018 with reference to the requirement for Supply of Fleet Solid Support Vessels following the Negotiated Procedure under the Defence and Security Public Contracts Regulations (DSPCR) 2011.

## **ITN Documentation and ITN Material**

A21. ITN Documentation means any information in any medium or form (for example drawings, handbooks, manuals, instructions, specifications and notes of pre-tender clarification meetings), issued to you, or to which you have been granted access, by the Authority for the purposes of responding to this ITN. ITN Material means any other material (including patterns and samples), equipment or software issued to you, or to which you have been granted access, by the Authority for the purposes of responding to this ITN. ITN Documentation, ITN Material and any Intellectual Property Rights (IPR) in them shall remain the property of the Authority or other Third Party owners and is released solely for the purposes of enabling you to submit a Tender. You must:

- a. take responsibility for the safe custody of the ITN Documentation and ITN Material and for all loss and damage sustained to it while in your care;
- b. not copy or disclose the ITN Documentation or any part of it to anyone other than the bid team involved in preparing your Tender, and not use it except for the purpose of responding to this ITN;
- c. seek written approval from the Authority if you need to provide access to any ITN Documentation or ITN Material to any Third Party;
- d. abide by any reasonable conditions imposed by the Authority in giving its approval under sub-paragraph A18.c, which at a minimum will require you to ensure any disclosure to a Third Party is made by you in confidence. Alternatively, due to IPR issues for example, the disclosure may be made, in confidence, directly by the Authority;
- e. accept that any further disclosure of ITN Documentation or ITN Material (or use beyond the original purpose), or further use of ITN Documentation or ITN Material, without the Authority's written approval may make you liable for a claim for breach of confidence and / or infringement of IPR, a remedy which may involve a claim for compensation;
- f. inform the named Commercial Officer if you decide not to submit a Tender;
- g. immediately return all ITN Documentation, ITN Material and derived information of an unmarked nature, should you decide not to participate in responding to this ITN, or you are notified by the Authority that your Tender has been unsuccessful; and
- h. consult the named Commercial Officer to agree the appropriate destruction process if you are in receipt of ITN Documentation and ITN Material marked 'OFFICIAL-SENSITIVE' or 'SECRET'.

A22. Some or all of the ITN Documentation and ITN Material may be subject to one or more confidentiality agreements made between you and either the Authority or a Third Party, for example a confidentiality agreement established in the form of DEFFORM 94. The obligations contained in any such agreement will be in addition to, and not derogate from, your obligations under paragraph A18 above.

## **Tender Expenses**

A23. You will bear all costs associated with preparing and submitting your Tender. If the Tender process is terminated or amended by the Authority, the Authority will not reimburse you.



## **Material Change of Control from Supplier Selection**

A24. You must inform the Authority in writing if there is any material change in control, composition or membership of your organisation and / or consortium members, including any sub-contractors at any time during the procurement process. This may affect your right to stay in the competition.

## **Contract Conditions**

A25. The full text of the Contract Clauses are attached.

## **Consultation with Credit Reference Agencies**

A26. The Authority may consult with credit reference agencies to assess your creditworthiness. This information may be used to support and influence decisions to enter into a contract with you.

## **Other Information**

A27. Tenderers are required to appoint a Tenderer's Point of Contact (POC) who shall be responsible for all communications with the Authority and to whom the Authority will address all enquiries. The name, address, telephone, fax and e-mail details of the Tenderer's POC shall be notified to the Authority's point of contact, detailed at paragraph A25 below, within five (5) Business Days from the date of issue of this ITN. Where Tenders are to be submitted by a consortium or team of companies, the Tenderer's POC is to be authorised to represent the whole consortium or team although they need not, for the purposes of the tendering process, be appointed from the lead party. The lead party is intended to be the Contracting party.

## **Authority's Point of Contact**

A28. For the duration of the Tender process, the Authority's Point of Contact is as follows:

Commercially Supported Shipping (CSS)  
Defence Equipment and Support  
Ash 2a #3203  
Ministry of Defence Abbey Wood (South)  
Bristol  
BS34 8JH  
Email: [DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk](mailto:DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk)

## **AWARD**

A29. This ITN is issued through the AWARD tool; any ITN Amendments or additional documentation will also be issued via AWARD. Responses to this ITN are to be submitted in accordance with Section E – Instructions on Submitting Tenders.

A30. Evaluation, scores, and justification for each score will be recorded using the AWARD tool to enable the Authority to maintain a comprehensive audit trail of the evaluation of responses received and the reasons for selection of the preferred Tenderer. The use of the AWARD tool ensures a systematic, objective and disciplined approach to the evaluation process.

A31. Tenderers should refer to the guide on using the AWARD software set out in Annex F (AWARD Guidance).

## **Tender Clarification Questions**

A32. Tenderers are encouraged to identify Tender clarification questions at an early stage and these should be submitted using the AWARD tool specifying which area of the ITN documentation is being clarified. Instructions can be found on the AWARD tool.

A33. The Authority will endeavour to answer any questions the Tenderers may have regarding the ITN within a period of ten (10) Business Days. Any questions raised by Tenderers will be treated in the following way:

- a. If a question is of a general clarification nature the question asked will be anonymised and the answer provided will be forwarded to all Tenderers;

- b. If the Tenderer does not want the question disclosed to all Tenderers, they must provide justification to support this. If the Authority agrees, the question will be treated as commercial in confidence and neither the question nor answer will be forwarded to any other Tenderer. In the event that the Authority considers that the question is of a general clarification nature the Authority will, in consultation with the Tenderer, either issue the anonymised question and answer to all Tenderers or allow the Tenderer to withdraw the question;
- c. If a question reveals a piece of information that could significantly impact the Tenderers' responses this may result in an extension of the Tender return date. The Authority will endeavour to ensure that you have at least ten (10) Business Days after the final clarification response to submit your Tender.

## **Existing Suppliers**

A34. Annex G provides a list of the current suppliers of key equipment to the Authority. This list is not exhaustive and is provided to Tenderers for information purposes only. Inclusion of a manufacturer on this list does not constitute a preference for, endorsement or recommendation of, or a mandating of the equipment or a particular manufacturer.

## **Government Furnished Information (GFI)**

A35. The Authority is providing Government Furnished Information (GFI) to assist the Tenderers in submitting their Tender. The GFI is attached at Annex N (Government Furnished Information). The Authority does not give any warranty or undertaking as to the completeness, accuracy, or fitness for any purpose of any of the Authority provided information. Neither the Authority nor its agents or employees shall be liable to the Tenderers in contract, tort, statute nor otherwise, as a result of any inaccuracy, omission, unfitness for any purpose, or inadequacy of any kind, in the Authority-provided information.

## Section B – Key Tendering Activities

B1. The key dates for this procurement are currently anticipated to be as follows:

Stage	Date and Time	Initiated By	Submit to:
Invitation to Tenderers' Conference <sup>1</sup>	ITN Issue + 2 weeks	The Authority	All Tenderers
Date for Confirmation of attendance at Tenderers' Conference <sup>1</sup>	ITN Issue + 6 weeks	Tenderers	<u>DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk</u>
Tenderer's Conference	30 January 2019	The Authority	N/A
Final date for Clarification Questions / Requests for additional information	Tender return Date – 4 weeks	Tenderers	<u>DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk</u>
Final Date for Requests for Extension to return date <sup>2</sup>	Tender return date –4 weeks	Tenderers	<u>DESShipsCSS-Comrcl-FSS-Group@mod.gov.uk</u>
The Authority issues Final Clarification Answers	Tender return date –2 weeks	The Authority	All Tenderers
Tender Return	24 July 2019	Tenderers	The Tender Board, using Annex I (Tender Return Label)
Tender Evaluation	July to October 2019	The Authority	N/A
Negotiations	Round 1 – October to November 2019 Round 2 – January to February 2020	The Authority	N/A
Best And Final Offer	Issue February 2020	The Authority	All Tenderers
Contract Award	May 2020	The Authority	N/A

### Notes

1. A Tenderers' Conference is where the Authority presents the requirement to all Tenderers at the same time. A copy of the presentation will be issued to all Tenderers regardless of attendance. It gives Tenderers an opportunity to ask questions about the requirement. The venue is currently planned to be HMS President in London; further domestic details will follow the release of this ITN.
2. The Tenderer must make requests for an extension in writing (email is sufficient) to the above-named contact, by the date and time shown. Any extension is at the sole discretion of the Authority and if granted will be granted to all Tenderers.

## **Section C - Instructions on Preparing Tenders**

### **Tenders for Selected Contractor Deliverables**

C1. You must Tender for all the Contractor Deliverables listed in the attached Schedule of Requirements. The Authority reserves the right to reject your Tender where you have not tendered for all of the Contractor Deliverables.

### **Construction of Tenders**

C2. Your Tender must be written in English, using Arial font size 11. Prices must be in £GBP ex VAT. Prices must be provided in accordance with Annex C of these Instructions to Tenderers, and Clause 38 (Price) and Schedule 1 of the Contract Terms and Conditions.

C3. To assist the Authority's evaluation the Tenderer must set out the Tender response in accordance with Section D (Tender Evaluation).

### **Validity**

C4. In accordance with F3 your Tender must be valid / open for acceptance for a period of five hundred and fifty (550) Days from the Tender return date. If successful, your Tender must be open for acceptance for a further thirty (30) Days.

### **Variant Bids**

C5. Any Tender made subject to additional or alternative Contract Conditions alone is not a variant bid. A variant bid is a Tender that offers an alternative approach to, or method of, meeting the Authority's requirements as set out in the ITN Documentation. Where the tender evaluation has a pass / fail for the Contract Conditions the Authority may reject the Tender on the grounds of such additional or alternative Contract Conditions.

C6. The Authority cannot evaluate any Variant Bids during this competition.

## Section D – Tender Evaluation

This section details how Tenders will be evaluated, the tools used to evaluate the Tenders and the evaluation criteria.

### Negotiated Procedure

D1. This Contract will be awarded using the Negotiated Procedure under Regulation 18 of the Defence and Security Public Contract Regulations (DSPCR) 2011 (the “Negotiated Procedure”).

D2. The award of the Contract shall be based on the offer which is the Most Economically Advantageous Tender (MEAT) in accordance with the process set out below.

D3. The Authority will evaluate the Tenders as follows:

- a) Commercial Evaluation;
- b) Quality Evaluation; and
- c) Financial Evaluation.

D4. As stated at paragraph A29, the evaluation of all Tenders will be undertaken within the AWARD tool.

D5. The evaluation of each Tender response will be undertaken by a team of Authority personnel who specialise in the different areas to be assessed, e.g. Commercial, Finance, Technical. The process will be conducted as follows:

- a) evaluation per identified area will be undertaken independently by at least two personnel with relevant experience and expertise;
- b) consensus per area will be undertaken by a separate team of more senior personnel with relevant experience and expertise, and who have not been part of the respective evaluation team; deciding on a single score and comment per area; and
- c) moderation will be the responsibility of the most senior personnel in the project team, who have not been involved in the evaluation or consensus stages; deciding in discussion with the consensus leads, on the final score and comment that will determine the Tenderers’ compliance and Non-Cost Score.

### Commercial Evaluation

D6. Evaluation of the commercial element of the Tender will be undertaken by the Authority’s Commercial staff.

D7. For the Authority to undertake the Commercial Evaluation, the Tenderer shall follow the instructions at Table 1 below.

D8. The Commercial Terms and Conditions will be evaluated on a pass/fail basis. This means that no amendments are permitted to the Terms and Conditions sent out in this ITN. If Tenderers wish to clarify or discuss the Terms and Conditions during the negotiation stage, they are able to do so, but the Authority will not permit any amendments to the Contract. If the Terms and Conditions contain any amendments at the point at which the conditions to proceed to Best And Final Offers (BAFO) are met (in accordance with D31 below, the Tender in question will be marked as Non-Compliant and will not be evaluated further.

Table 1 – Commercial Evaluation

<b>Tender Documents</b>	<b>Evaluation Criteria</b>	<b>Evaluation Marking</b>
<b>Instructions to Tenderers Annex A - Tender Submission Document (Offer)</b>	Submitted a completed Instructions to Tenderers Annex A – Tender Submission Document (Offer) including all of the Mandatory Declarations (further details are contained in Appendix 1 to Instructions to Tenderers Annex A (Offer));	Pass or Fail

<b>Completed Pricing Table</b>	Submitted prices for all Milestones within the Design, and FSS 001-003 tabs detailed in Annex C (Pricing) to these Instructions to Tenderers, by completing the tables as detailed in the Instruction Sheet;	Pass or Fail
<b>Affordability</b>	Submitted prices at Annex C to these Instructions to Tenderers that do not result in an Total Outturn Cost greater than GBP one billion, five hundred and sixty-five million (£1,565,000,000 (Ex VAT);	Pass or Fail
<b>Delivery Dates</b>	Submitted dates for all Milestones within the Design and FSS 001-3 tabs detailed in Annex C (Pricing) to these Instructions to Tenderers, by completing the tables as detailed in the Instruction Sheet;	Pass or Fail
<b>Acquisition Cost Data Capture Tool</b>	Submitted the required data within Annex M1 in accordance with the instructions contained in the Annex;	Pass or Fail
<b>Through Life Data Capture Tool</b>	Submitted the required data within Annex M2 in accordance with the instructions contained in the Annex;	Pass or Fail
<b>Conflict of Interest Compliance Regime</b>	Submitted an acceptable Compliance Regime as outlined at Paragraphs F7 and F8 of these Instructions to Tenderers. This only applies where the Tenderer identifies a potential Conflict of Interest arising from this Contract and any they currently carry out;	Pass or Fail (if applicable)
<b>Validity</b>	Tender must be valid / open for acceptance for five hundred and fifty (550) Days from the Tender return date. If successful, your Tender must be open for acceptance for a further thirty (30) Days. Outlined at Paragraph C4 of these Instructions to Tenderers;	Pass or Fail
<b>Publicity</b>	Completed and returned Annex E (Tenderer's Commercially Sensitive Information Form) as outlined in the Instruction to Tenderers Annex A and associated Appendix 1, and in accordance with Paragraph F11 of this Instructions to Tenderers;	Pass or Fail
<b>Statement of Acceptance of Terms and Conditions and Schedules</b>	Accepted all of the Terms and Conditions of Contract, including Schedules, in the accompanying ITN Material. Any offer made subject to additional or alternative conditions will be deemed non-compliant.	Pass or Fail
<b>Cyber Risk Assessment</b>	Submitted a completed Self Assurance Questionnaire (SAQ) against the MOD's Cyber Risk Assessment on the Supplier Cyber Protection Service;	Pass or Fail
<b>Intellectual Property Rights</b>	Completed Parts A and B of Annex L (Intellectual Property Rights) according to the instructions therein;	Pass or Fail
<b>Insurance Requirements Table</b>	Completed the Insurance Requirements Table at Annex H;	Pass or Fail

<b>Commercial Alliances Consortia</b> /	<p>Provided detailed information about any form of alliance, collaborative, teaming, shareholder or other joint venture arrangements and subcontracting and, if so what form this will take, and copies of the relevant draft agreements. Tenderers shall also explain whether any such arrangements would raise issues under applicable merger control or general competition law. Tenderers shall detail the full names of each entity and registered office, roles of the various entities involved in the arrangements, including ownership structure, roles and responsibilities, levels of financial and other investments and allocation of liability and risk between the entities, with letters of support provided from each entity.</p> <p>As stated at paragraph 16 of the PQQ Guidance Document issued previously, the Authority at its sole discretion may revisit PQQ responses to reflect revised arrangements from those supplied at PQQ. This may include the Economic and Financial Standing responses detailed at paragraph 5.d of the PQQ Guidance Document.</p>	Pass or Fail
<b>Supply Chain Sub-Contracts</b>	Completed the 'Sub-Contracts in the Supply Chain' table at Annex P.	Pass or Fail
<b>Parent Company Guarantee</b>	Provided a Parent Company Guarantee, to the satisfaction of the Authority	Pass or Fail
<b>Official-Sensitive Aspects</b>	Confirmed that measures have been and are being taken to safeguard the information classified as Official-Sensitive at Annex B	Pass or Fail
<b>On Demand Guarantee</b>	Confirmed that an On Demand Guarantee will be provided in the form set out in the Terms and Conditions of Contract which clearly identifies the named parties together with a letter of support from the providing party.	Pass or Fail
<b>Contractor's Refund Guarantee</b>	Confirmed that a Refund Guarantee will be provided in the form set out in the Terms and Conditions of Contract which clearly identifies the named parties together with a letter of support from the providing party.	Pass or Fail
<b>Maker's List</b>	Populated the Maker's List table at Annex Q.	Pass or Fail
<b>Details of Contractor, Guarantor and Sub-Contractor</b>	Confirmed that the details required in Schedule 19 will be provided on Contract award, in accordance with the Terms and Conditions of the Contract.	Pass or Fail

## Quality Evaluation

### Technical, Project Management and ILS Proposal

D9. The Authority will undertake a detailed evaluation of the Tenderer's proposal against the Project Management Specification (Schedule 2), the Technical Specification (Schedule 3) and the ILS Specification (Schedule 4).

D10. Annex S identifies each section of the Extended Ship Work Breakdown Structure (ESWBS) that will be marked and the form of that mark; this will either be Acceptable/Minor Weakness/Non-Compliant or a score in accordance with the weightings detailed against each criterion in Annex S.

D11. The Acceptable/Minor Weakness/Non-Compliant areas will be evaluated in accordance with the scoring criteria at Table 2 and those items assessed as Minor Weakness or Non-Compliant will be discussed with Tenderers during Negotiation.

D12. The maximum number of Minor Weaknesses allowed per section before a non-compliant response is recorded are detailed in Table 3 below.

Table 2 – Acceptable/Minor Weakness/Non-Compliant Scoring Criteria

Marking	Evaluation Criteria
Acceptable	<p>The response is sufficiently detailed to demonstrate a good understanding of the requirement and provides details on how the requirement will be fulfilled.</p> <p>The Tenderer's response provides:</p> <ul style="list-style-type: none"> <li>• an acceptable Probability of Compliance; and</li> <li>• a satisfactory level of Evidence; and</li> <li>• an acceptable level of risk to the delivery of the Authority's requirement.</li> </ul> <p>The Authority will look for indicators, such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has demonstrated that they understand the requirement;</li> <li>• The response has fully met all aspects of the requirement;</li> <li>• The evidence provided is robust, credible, covers the solution in its totality and is based on a mixture of practical examples and, where this is lacking, an articulation of the necessary skills and technical expertise possessed by the Tenderer;</li> <li>• The Tenderer's response if implemented would lead to a high chance of project success.</li> </ul>
Minor Weakness	<p>The response addresses the requirement but contains insufficient detail or explanation to demonstrate how the requirement will be fulfilled.</p> <p>The response demonstrates:</p> <ul style="list-style-type: none"> <li>• a partial or incomplete Probability of Compliance; and/or</li> <li>• a partial or incomplete level of Evidence; and/or</li> <li>• A moderate risk to the delivery of the Authority's requirements</li> </ul> <p>The Authority will look for indicators, such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has demonstrated some understanding of the requirement;</li> <li>• The response meets the requirement in the majority of areas;</li> <li>• Most of the evidence provided is credible and relevant;</li> <li>• The Tenderer's response if implemented would add risk to the project.</li> </ul>



Non-Compliant	<p>The response either is not answered or contains major gaps does not address the requirement.</p> <p>The response demonstrates;</p> <ul style="list-style-type: none"> <li>• An inadequate Probability of Compliance; and/or</li> <li>• A very low quality of Evidence; and/or</li> <li>• A substantial risk to the delivery of the Authority's requirement.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>• No response has been provided</li> </ul> <p>The Authority will look for indicators such as:</p> <ul style="list-style-type: none"> <li>• The response is inadequate and does not demonstrate that the Tenderer understands the requirements;</li> <li>• Little or no evidence is provided, or the evidence provided instils no confidence in the Tenderer's capability;</li> <li>• It is assessed that there is unacceptable risk associated with the ability of the Tenderer to deliver the capability requested.</li> </ul>
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Table 3 - Minor Weakness per Section

Level 1 Sections	Level 2 Sections	Maximum "Minor Weaknesses" per section
<b>Tech Spec</b>		
<b>Non-Compliant = 10 "Minor Weakness"</b>	000 - Whole Ship	2
	100 – Hull Structure	1
	200 – Propulsion Plant General	1
	300 – Electric Plant General	1
	400 – Command and Surveillance	1
	500 – Auxiliary Systems	2
	600 – Outfit and Furnishings	1
	700 – Armaments	1
<b>Project Management Spec</b>	Part 1 – Project Management	1
<b>Non-Compliant = 3 "Minor Weakness"</b>	Part 2 – Design, Build and Acceptance	0
	Part 3 – Safety and Environmental Management	0
	Part 4 – Quality Management	1
	Part 5 – Health and Safety	1

<b>ILS Spec</b>	Obsolescence	1
<b>Non-Compliant = 12 “Minor Weakness”</b>	Maintenance	1
	Support and Test Equipment	1
	Supply Support	1
	Packaging, Handling, Storage And Transportation (PHS&T)	01
	Technical Data And Documentation	3
	Shore Facilities	01
	Training	1
	Availability, Reliability and Maintainability (ARM)	1
	Logistics Information Specification	1

D13. The weighted areas will be evaluated using the confidence scoring criteria identified at Table 4. A minimum Non-Cost Score of 70.14% post negotiation will be required to progress to the Financial Evaluation.

Table 4 Confidence Scoring Criteria

<b>Marking (%)</b>	<b>Evaluation Criteria</b>
<b>100</b>	<p>The Tenderer has provided an excellent response.</p> <p>The response demonstrates:</p> <p>A very high Probability of Compliance:</p> <ul style="list-style-type: none"> <li>• A comprehensive level of Evidence;</li> <li>• minimal risk to the delivery of the Authority’s requirement.</li> </ul> <p>The Authority will look for indicators such as:</p> <p>The Tenderer has demonstrated that they are an expert in the requirement;</p> <ul style="list-style-type: none"> <li>• The response demonstrates all areas have been fully met or exceeded;</li> <li>• The Evidence provided is comprehensive, relevant, robust, credible, covers the solution in its totality and is based on practical examples or, where these are not provided, comprehensively modelled examples;</li> <li>• The Tenderer’s response if implemented would lead to a high chance of project success.</li> </ul>
<b>80</b>	<p>The Tenderer has provided a good response but it does not meet all the criteria to achieve a score of 100.</p> <p>The response demonstrates:</p>

	<ul style="list-style-type: none"> <li>• A high Probability of Compliance;</li> <li>• A significant level of Evidence;</li> <li>• An acceptable risk to the delivery of the Authority's requirement.</li> </ul> <p>The Authority will look for indicators such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has demonstrated a strong understanding of the requirement;</li> <li>• The response fully meets the requirement in all areas;</li> <li>• The Evidence provided is relevant, robust, credible, covers the solution in its totality and is based on practical examples or, where these are not provided, comprehensively modelled examples;</li> <li>• The Tenderer's response if implemented would lead to a good chance of project success.</li> </ul>
<b>60</b>	<p>The Tenderers has provided a satisfactory response but it does not meet all the criteria to achieve a score of 80.</p> <p>The response demonstrates:</p> <ul style="list-style-type: none"> <li>• An appropriate Probability of Compliance;</li> <li>• a satisfactory level of Evidence;</li> <li>• A moderate risk to the delivery of the Authority's requirement.</li> </ul> <p>The Authority will look for indicators such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has demonstrated an understanding of the requirement.;</li> <li>• The response meets the requirement in all areas;</li> <li>• The evidence provided is robust, credible and covers solution;</li> <li>• The Tenderer's response if implemented would lead to a moderate chance of project success.</li> </ul>
<b>40</b>	<p>The response contains minor gaps and does not meet all the criteria to achieve a score of 60.</p> <p>The response demonstrates:</p> <ul style="list-style-type: none"> <li>• An insufficient Probability of Compliance;</li> <li>• A low quality of evidence provided;</li> <li>• A significant risk to the delivery of the Authority's requirement.</li> </ul> <p>The Authority will look for indicators, such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has demonstrated some understanding of the requirement;</li> <li>• The response meets the requirement in the majority of areas;</li> <li>• Most of the evidence provided is credible and relevant;</li> <li>• The Tenderer's response if implemented would lead to a significant risk of project failure.</li> </ul>
<b>10</b>	<p>The response contains major gaps and does not meet all the criteria to achieve a score of 40.</p> <p>The response demonstrates:</p>

	<ul style="list-style-type: none"> <li>• An inadequate Probability of Compliance;</li> <li>• A very low quality of Evidence;</li> <li>• A substantial risk to the delivery of the Authority's requirement</li> </ul> <p>The Authority will look for indicators, such as:</p> <ul style="list-style-type: none"> <li>• The Tenderer has not demonstrated any understanding of the requirement;</li> <li>• The response does not meet the requirement in the majority of areas;</li> <li>• Little or no credible evidence has been provided;</li> <li>• The Tenderers response if implemented would lead to a substantial risk of project failure.</li> </ul>
<b>0</b>	The question is not answered, no evidence is provided, or the evidence provided instils no confidence with the Tenderer's capability. It is assessed that there is unacceptable risk associated with the ability of the Tenderer to deliver the capability requested.

D14. The minimum score for each weighted section must be met, in addition to the total minimum Non-Cost Score at D13. These are detailed in Annex S.

D15. The Non-Cost Score in each weighted section is calculated by multiplying the Mark obtained by the Weighted Score (column H of Annex S); for example:

Area	Weighted Score	Mark	Non-Cost Score
Training and Training Plan	0.4%	60%	0.24%

D16. Tenderers cannot progress to BAFO if they fail to meet any of the minimum scores as detailed in Annex S, even if they meet the total minimum Non-Cost Score stated at D13 following negotiations.

#### Authority Tender Clarification Questions (ATCQs)

D17. While undertaking the evaluation as detailed at paragraphs D6 – D15 above, the Authority will be compiling clarification questions for each of the Tenderers' responses. These will be issued periodically during the evaluation period.

D18. These ATCQs will drive the discussion at negotiation.

D19 Tenderers should note that:

- the responses to these ATCQs, whether in writing or provided during the negotiations; and/or
- any indication by the Tenderer about how it intends to amend its response,

will not be considered by the Authority to amend its evaluation of that iteration of the Tender. The Tenderer must ensure any changes it considers necessary are incorporated into its revised Tender (when requested in accordance with D27-28 below) which will be evaluated by the Authority.

#### **Negotiation & Site Visits**

D20. Following the Commercial and Quality Evaluations Tenderers will, subject to the conditions detailed at D31.a below, be invited to participate in negotiations.

D21. Tenderers will be notified of their evaluation scores and feedback, and the date of the proposed negotiation.

D22. The overall objectives of the negotiations will be to:

- a. Discuss relevant aspects of the Tenders with the applicable Tenderers as determined by the scores and feedback provided to the Tenderer following the Commercial and Quality Evaluations;
- b. Provide a means for the Authority to clarify to Tenderers the Authority's requirement;
- c. Enable open and constructive discussion between each Tenderer and the Authority with the aim of clarifying and understanding each Tenderer's Tender Technical response; and
- d. establish a basis for each Tenderer to submit a revised Tender.

D23. Negotiations may take the form of one or more of the following:

- a. In writing (i.e. written clarification on the Tenderer's submission); and/or
- b. Face-to-face formal meetings at the Tenderer's or Authority's premises

D24. The same form of negotiation will be applied to all Tenderers.

D25. To coincide with the first negotiation, the Authority will conduct a site visit to the Tenderers premises and /or where the work is to be carried out to investigate, verify and confirm written claims in the Tenderers' Responses to Schedule 2 (PM Specification), Schedule 3 (Technical Specification) and/or Schedule 4 (ILS Specification). The areas that will be investigated, verified and confirmed are:

- a. Capacity, capabilities, experience, qualifications and training of staff in relation to the proposed contract;
- b. The quality control system and Quality Assurance documentation;
- c. The proposed organisation and operating methods, including what work will be dealt with in-house, and what may be sub -contracted, and how this will be managed, controlled, and validated;
- d. The risks that have been identified by the Tenderer and the actions proposed to minimise them;
- e. The risks to or from other MOD work being undertaken by the Tenderer if his Tender is accepted;
- f. The safety of the Tenderer's site and evidence of adherence with appropriate H&S policy; and
- g. The security of the Tenderer's site and evidence of adherence with appropriate policy.

D26. Upon completion of a site visit the Authority will generate a report which will include details of advantages, disadvantages, and associated risks of the Tenderer's premises. The site visit findings will be used as evidence and considered alongside the Tenderers' Responses to support the Quality Evaluation. The Authority may at its sole discretion use evidence gathered at the site visits, and advised to the Tenderer during negotiation, to inform the scoring of any revised Tender. Tenderers may be asked to provide further details within their Tender to mitigate against points raised in the site visit report. In such instances, a copy of the report will be provided to the Tenderer.

D27. At the completion of the Negotiation, Tenderers will be invited to submit a revised Tender.

D28. Revised Tenders shall be submitted in accordance with the Instructions in Section E. In its response each Tenderer shall identify, by way of mark up and a completed summary of changes table, those parts of its original tendered proposal which have changed as a result of the clarification responses up to that point, together with any consequential impact on price and delivery. Each Tenderer shall also confirm that all other elements of their originally tendered proposal remain unchanged.

D29. Following the receipt of revised Tenders, the Authority will evaluate the Tenders by again applying the Commercial Evaluation and Quality Evaluation criteria detailed above on those elements that have been identified as being changed. Following this evaluation, the Authority will repeat the processes detailed within paragraphs D6-D27 above (with the exception of the site visits) until one of the alternatives detailed at D31 below occurs.

D30. The Authority will conduct a maximum of three (3) rounds of negotiation.

### **Best And Final Offer (BAFO)**

D31. The Authority may seek Best And Final Offers (BAFOs) when:

- a. There are five (5) compliant Tenders at the initial Tender return; or
- b. There are three (3) or more compliant Tenders following a revised Tender, and any Non-Compliant Tenderers' Non-Cost Score is 60% or less, and/or with three or more additional Minor Weaknesses per section than the allowable figures detailed in Table 3; or
- c. There are only two (2) compliant Tenderers left in the competition.

D32. At this stage, Tenderers invited to BAFO will be informed of their current NPV Tender Price ranking and how many other Tenderers are still in contention. The Tenderers will be advised by the Authority of the date on which the BAFO is to be submitted. The BAFO shall be submitted in accordance with Section E of this Instruction to Tenderers.

### **Financial Evaluation**

D33. In order for the Financial Evaluation to take place Tenders must have passed the Commercial Evaluation and Quality Evaluation criteria above, and been invited to submit a BAFO.

D34. The winning Tender will be chosen using the Lowest Price Above a Minimum Quality Score method.

D35. The Most Economically Advantageous Tender (the winning Tender) is the Tender with the lowest NPV Tender Price that is Compliant and has scored at or above the minimum Non-Cost Score (70.14%).

#### Example

<b>Bidder</b>	<b>Technical Score</b>	<b>NPV Bid Price (£m)</b>	<b>Rank</b>
<b>1</b>	60	£1,070	Non-Compliant
<b>2</b>	86	£1,545	3
<b>3</b>	92	£1,378	2
<b>4</b>	73	£1,075	<b>1</b>
<b>5</b>	62	£1,265	Non-Compliant

D36. In the event two (2) or more Tenderers submit an identical lowest price, the Tenderer with the highest Non-Cost Score will be the winner.

## **Section E – Instructions on Submitting Tenders**

### **Submission of your Tender**

E1. Hard copies of Tenders must be sent to the Tender Board by the date and time stated in the covering letter to these Instructions to Tenderers. The Authority reserves the right to reject any Tender received after the stated date and time. You must provide one unpriced and one priced hard copies of your Tender.

E2. You must upload priced and unpriced electronic copies of your Tender to AWARD as per the instructions at Annex F.

E3. You must complete and include Instructions to Tenderers Annex A (Offer) with your Tender. Where you select 'Yes' to any questions you must attach the relevant information.

E4. You must include the original signed Instructions to Tenderers Annex A (Offer) with one paper copy of your priced Tender.

E5. You must submit your paper copies in a sealed envelope or box. For health and safety reasons, no individual envelope or box should weigh more than 11 kilos.

E6. You must attach the enclosed Tender Return Label (Annex I) to the outer packaging of each envelope or box that contains your Tender.

E7. If you intend to hand deliver your Tender you must inform the named Commercial Officer of your intention and seek further delivery instructions. Failure to do so may result in your Tender being refused and / or returned.

E8. You must ensure you include all relevant information in your Tender. The Authority can only evaluate information that you include in your Tender.

## **Section F – Conditions of Tendering**

F1. The issue of ITN Documentation or ITN Material is not a commitment by the Authority to place a contract as a result of this competition or at a later stage. Any expenditure, work or effort undertaken prior to any offer and subsequent acceptance of contract and acceptance of that, is a matter solely for your commercial judgement. The Authority reserves the right to:

- a. seek clarification or additional documents in respect of a Tenderer's submission;
- b. visit your site;
- c. disqualify any Tenderer that does not submit a compliant Tender in accordance with the instructions in this ITN;
- d. disqualify any Tenderer that is guilty of misrepresentation in relation to its Tender, expression of interest, the Pre-Qualification Questionnaire (PQQ) or the tender process;
- e. re-assess your suitability to remain in the competition, for example where there is a material change of control from supplier selection;
- f. withdraw this ITN at any time, or re-invite Tenders on the same or any alternative basis;
- g. re-issue this ITN on a single source basis, in the event that this procurement does not result in a 'competitive process' as defined in the Single Source Contract Regulations 2014, making such adjustments as would be required by the application of the Defence Reform Act 2014 and / or the Single Source Contract Regulations 2014;
- h. choose not to award any contract as a result of the current procurement process
- i. ask for an explanation of the costs of price proposed in the Tender where the Tender appears to be abnormally low;
- j. at its sole discretion update and/or make any amendments to this ITN and the documents referred to herein prior to final Tenders being received. Tenderers will be notified at the earliest opportunity of any updates and/or amendments that are made.

F2. The Contract will be entered into when the Authority sends written notification of its entry into the Contract via a formal Acceptance of Tender letter. Written notification will be issued, to the address you provide, on or before the end of the validity period specified in paragraph C4 and subject to paragraph F3.

F3. It is a Condition of Tendering that the winning Tenderer holds their Tender open for acceptance for the period stated in C4. This period starts on the day the Authority announces its decision to award the contract to the winning Tenderer in accordance with the Tender. In the event that legal proceedings are instigated, challenging the award of the contract, prior to entry into contract, it is a condition of this ITN that you hold your Tender open for acceptance during this period in accordance with C4, and up to fourteen (14) days after the result of the legal proceedings. In the event of such legal challenge, the Authority agrees to use all reasonable measures to accelerate proceedings.

## **Conforming to the Law**

F4. You must comply with the UK Competition Act 1998, the UK Bribery Act 2010, applicable EU and UK legislation and any equivalent legislation in a third state.

F5. Your attention is drawn to legislation relating to the canvassing of a public official, collusive behaviour and bribery. If you act in breach of this legislation your Tender may be disqualified from this procurement. Disqualification will be without prejudice to any civil remedy available to the Authority or any criminal liability that your conduct may attract.

## **Tender Rigging and Other Illegal Practices**

F6. You must report any tender rigging, fraud, bribery, corruption, or any other dishonest irregularity in connection to this tendering exercise to:

Defence Regulatory Reporting Cell Hotline

0800 161 3665 (UK) or



## **Conflicts of Interest**

F7. You must notify the Authority immediately of any Conflicts of Interest (COI) that have arisen or that arise at any point prior to contract award decision.

F8. Where there is an existing or potential Conflict of Interest (COI) you must include a proposed Compliance Regime in your Tender. As a minimum, this must include:

- a. manner of operation and management;
- b. roles and responsibilities;
- c. standards for integrity and fair dealing;
- d. levels of access to and protection of competitors' sensitive information and Government Furnished Information;
- e. confidentiality / non-disclosure agreements;
- f. the Authority's rights of audit; and
- g. physical and managerial separation.

Should your Tender be accepted your proposed Compliance Regime will become part of the Contract Conditions and shall be legally binding.

## **Government Furnished Assets**

F9. Where the Authority provides Government Furnished Assets (GFA) in support of this competition, you must include details of the GFA in your Public Store Account and treat it in accordance with Def Stan 05-099. If unsuccessful in this competition, you must seek instructions for the GFA from the named Commercial Officer.

## **Standstill Period**

F10. The Authority is obliged under certain circumstances to allow a pause of ten (10) Days between the date of dispatch of its notice to Tenderers before entering into a contract, known as the standstill period. This period is to give unsuccessful Tenderers an opportunity to make a legal challenge before the contract is entered into if there has been, or it is alleged that there has been, a breach of the Regulations. The standstill period ends at midnight at the end of the 10th day after the date the standard notice of contract award decision letter is sent. Where this is not a Business Day, it extends to midnight at the end of the next Business Day.

## **Publicity Announcement**

F11. The Authority will publish notification of the Contract and shall publish contract documents under the FOI Act except where publishing such information would hinder law enforcement; would otherwise be contrary to the public interest; would prejudice the legitimate commercial interest of any person, or might prejudice fair competition between suppliers. You should complete and return the Tenderer's Commercially Sensitive Information Form (Annex E) as explained in the Instructions to Tenderers Annex A and associated Appendix 1.

F12. If you wish to make a similar announcement, you must seek approval from the named Commercial Officer.

F13. Under no circumstances should you confirm to any Third Party the Authority's acceptance of an offer of contract prior to either informing the Authority of your acceptance or the Authority's announcement of the award of contract, whichever occurs first.

## **Sensitive Information**

F14. 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-governmental role delivering overall Government policy on public procurement, including ensuring value for money and related aspects of good procurement practice and answering Freedom Of Information requests.

F15. For these purposes, the Authority may share within Government any of the Contractor's documentation / information (including any that the Contractor considers to be confidential and / or commercially sensitive such as specific bid information) submitted by the Contractor to the Authority during this procurement. Contractors taking part in this competition must identify any sensitive material in the Tenderers Commercially Sensitive Information form (Annex E) and consent to these terms as part of the competition process. This allows the MOD to share information with other Government Departments while complying with our obligations to maintain confidentiality.

F16. The Authority reserves the right to disclose on a confidential basis any information it receives from Tenderers during the procurement process (including information identified by the Tenderer as Commercially Sensitive Information in accordance with the provisions of this ITN) to any third party engaged by the Authority for the specific purpose of evaluating or assisting the Authority in the evaluation of the Tenderer's Tender. In providing such information the Tenderer consents to such disclosure.

## **Reportable Requirements**

F17. Listed in the Instructions to Tenderers Annex A (Offer) are the Mandatory Declarations. It is a Condition of Tendering that you complete and attach the returns listed in the Annex and, where you select yes, you attach the relevant information.

F18. Failure to complete this part of the Annex in full makes your Tender non-compliant. Additional information provided in response to Appendix 1 may be used to support the Authority's evaluation of your tender, as detailed in Section D.

F19. If you are an overseas Contractor and your Tender is successful you will be required to provide the name and address of your bank and the relevant bank account number on contract award.

## **Specific Conditions of Tendering**

F20. All tenderers are required to conduct a Self Assurance Questionnaire (SAQ) against the MOD's Cyber Risk Assessment [reference **RAR-RSDF8S9R**] on the Supplier Cyber Protection Service which can be accessed on <https://suppliercyberprotection.service.xgov.uk/>. You can find more information on the SAQ on Gov.uk at <https://www.gov.uk/government/collections/defence-cyber-protection-partnership>.

## **Options**

F21. You must provide prices against the options. The option prices must be supplied in accordance with the instructions provided in Annex C (Pricing and Rates).

F22. If your Tender is successful you will be expected to supply / provide that option requirement(s) in Contract Clause 10 (Options). The Authority will not waive any rights under the said contract condition.

## **Insurance**

F23. All Tenderers are required to complete the Insurance Requirements Table at Annex H. Failure to complete this Annex may result in your Tender being deemed non-compliant.

## **Intellectual Property Rights**

F24. You must complete the tables in Parts A and B of Annex L (Intellectual Property Rights). Instructions on how to complete the tables are contained within the Annex.



# Appendix 1 to Instructions to Tenderers Annex A (Offer)

## Annex A to Instructions to Tenderers

### Ministry of Defence

Tender Ref No. ....

### Tender Submission Document (Offer)

To the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (hereafter called “the Authority”)

The undersigned Tenderer, having read the ITN Documentation, offers to supply the Contractor Deliverables at the stated price(s), in accordance with any referenced drawings and / or specifications, subject to the Conditions of Tendering. It is agreed that only the Contract Conditions or any amendments issued by the Authority shall apply.

<b>Applicable Law</b>				
I agree that any contract resulting from this competition shall be subject to English Law *Where 'No' is selected, Scots Law will apply.				Yes / No*
<b>Total Value of Tender (excluding VAT)</b>				
£ .....				
WORDS .....				
<b>UK Value Added Tax</b>				
If registered for Value Added Tax purposes, please insert:				
a. Registration No .....				
b. Total amount of Value Added Tax payable on this Tender (at current rate(s)) £.....				
<b>Location of work (town / city) where contract will be performed by Prime:</b>				
Where items which are subject of your Tender are not supplied or provided by you, state location in town / city to be performed column (continue on another page if required)				
Tier 1 Sub-contractor Company Name	Town / city to be Performed	Contractor Deliverables	Estimated Value	SME Yes / No
<b>Mandatory Declarations</b> (further details are contained in Appendix 1 to Instructions to Tenderers Annex A (Offer)):			<b>Tenderer's Declaration</b>	
Is the offer subject to the Authority contracting for all the Contractor Deliverables?			Yes* / No	
Is the offer made subject to a Minimum Order Quantity?			Yes* / No	
Are the Contractor Deliverables subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding?			Yes* / No	
Are the Contractor Deliverables subject to Foreign Export Control and Security Restrictions? If the answer is Yes, please complete and attach Import and Export Controls Information Form (Annex J)			Yes* / No	
Have you obtained foreign export approval necessary to secure IP user rights for the Authority in Contract Deliverables, including technical data, as determined in the Contract Conditions?			Yes* / No	
Have you provided details of how you will comply with all regulations relating to the operation of the collection of custom import duties, including the proposed Customs procedure to be used and an estimate of duties to be incurred or suspended?			Yes / No	

Have you completed Cabinet Office Form 1686 for sub-contracts?	Yes / No		
Have you completed the compliance matrix/matrices	Yes / No / Not Required		
Are you a Small Medium Sized Enterprise (SME)?	Yes / No		
Have you and your sub-contractors registered with the Prompt Payment Code with regards to SMEs?	Yes / No		
Have you completed and attached Tenderer's Commercially Sensitive Information Form (Annex E)?	Yes / No		
If you have not previously submitted a Statement Relating to Good Standing, or circumstances have changed have you attached a revised version?	Yes* / No / N/A		
Do the Contractor Deliverables contain Asbestos, as defined by the control of Asbestos Regulations 2012?	Yes* / No		
Have you completed and attached a Hazardous Articles, Deliverables Materials or Substances Statement (Annex K)?	Yes* / No		
Do the Contractor Deliverables (including Packaging) use Substances that deplete the Ozone Layer, as defined in Regulation (EC) 1005/2009 (as amended by EC <a href="#">744/2010</a> ) of the European Parliament and of the Council.	Yes* / No		
Have you attached The Bank / Parent Company Guarantee?	Yes* / No / Not Required		
Have you complied with the requirements of the Military Aviation Authority Regulatory Articles?	Yes / No / Not Required		
Have you completed the additional Mandatory Requirements?	Yes / No / Not Required		
*If selecting Yes to any of the above questions, please attach the information detailed in Appendix 1 to Instructions to Tenderers Annex A (Offer).			
<b>Tenderer's Declaration of Compliance with Competition Law</b>			
<p>We certify that the offer made is intended to be genuinely competitive. No aspect of the price has been fixed or adjusted by any arrangement with any Third Party. Arrangement in this context includes any transaction, or agreement, private or open, or collusion, formal or informal, and whether or not legally binding. In particular:</p> <ul style="list-style-type: none"> <li>a. the offered price has not been divulged to any Third Party,</li> <li>b. no arrangement has been made with any Third Party that they should refrain from tendering,</li> <li>c. no arrangement with any Third Party has been made to the effect that we will refrain from bidding on a future occasion,</li> <li>d. no discussion with any Third Party has taken place concerning the details of either's proposed price, and</li> <li>e. no arrangement has been made with any Third Party otherwise to limit genuine competition.</li> </ul> <p>We understand that any instances of illegal cartels or market sharing arrangements, or other anti-competitive practices, suspected by the Authority will be referred to the Competition and Markets Authority for investigation and may be subject to action under the Competition Act 1998 and the Enterprise Act 2002.</p> <p>We understand that any misrepresentations may also be the subject of criminal investigation or used as the basis for civil action.</p> <p>We agree that the Authority may share the Contractor's information / documentation (submitted to the Authority during this Procurement) more widely within Government for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes. We certify that we have identified any sensitive material in Tenderers Commercially Sensitive Information Form (Annex E).</p>			
Dated this..... day of ..... Year .....			
<table border="0" style="width: 100%;"> <tr> <td style="width: 40%; vertical-align: top;"> <b>Signature:</b>   (Must be original) </td> <td style="width: 60%; vertical-align: top;"> <b>In the capacity of</b>   .....  (State official position e.g. Director, Manager, Secretary etc.) </td> </tr> </table>		<b>Signature:</b>  (Must be original)	<b>In the capacity of</b>  ..... (State official position e.g. Director, Manager, Secretary etc.)
<b>Signature:</b>  (Must be original)	<b>In the capacity of</b>  ..... (State official position e.g. Director, Manager, Secretary etc.)		
<b>Name:</b> (in BLOCK CAPITALS)  <b>duly authorised to sign this Tender for and on behalf of:</b>  (Tenderer's Name)	<b>Postal Address:</b>  <b>Telephone No:</b> <b>Registered Company Number:</b> <b>Dunn And Bradstreet number:</b>		

## Information on Mandatory Declarations

### Part Tender

1. Under Condition of Tendering F1, the Authority reserves the right to order some or part of your Tender. If your offer is subject to the Authority contracting for all the Contractor Deliverables, select 'Yes' and provide further details in your Tender.

### Minimum Order Quantities

2. Where your offer is subject to minimum order quantities select 'Yes' and provide further details in your Tender.

### IPR - Restrictions.

3. Where the Contractor Deliverables are subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding you must select 'Yes' in Annex A (Are the Contractor Deliverables subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding).

4. If you have answered 'Yes' in Annex A (Offer) as directed by paragraph 3 above, you must provide details in your Tender of any Contractor Deliverable which will be, or is likely to be subject to any IPR restrictions or any other restriction on the Authority's ability to use or disclose the Contractor Deliverable, including export restrictions. In particular, you must identify:

- a. any restriction on the provision of information to the Authority; any restriction on disclosure or the use of information by the Authority; any obligations to make payments in respect of IPR, and any Patent or Registered Design (or application for either) or other IPR (including unregistered Design Right) owned or controlled by you or a Third Party;
- b. any allegation made against you, whether by claim or otherwise, of an infringement of an Intellectual Property Right (whether a Patent, Registered Design, unregistered Design Right, Copyright or otherwise) or of a breach of confidence, which relates to the performance of any resultant contract or subsequent use by or for the Authority of any Contractor Deliverables;
- c. the nature of any allegation referred to under sub-paragraph 4.b., including any obligation to make payments in respect of the Intellectual Property Right of any confidential information and / or;
- d. any action you need to take or the Authority is required to take to deal with the consequences of any allegation referred to under sub-paragraph 4.b.

5. You must, when requested, give the Authority details of every restriction and obligation referred to in paragraph 4. The Authority will not acknowledge any such restriction unless so notified under paragraph 4 or as otherwise agreed under any resultant Contract. You must also provide, on request, any information required for authorisation to be given under Section 2 of the Defence Contracts Act 1958.

6. If you have previously provided information under paragraphs 4 and 5 you can provide details of the previous notification, updated as necessary to confirm their validity.

### Notification of Foreign Export Control Restrictions

7. If, in the performance of the Contract, you need to import into the UK or export out of the UK anything not supplied by or on behalf of the Authority and for which a UK import or export licence is required, you will be responsible for applying for the licence. The Authority will provide you with all reasonable assistance in obtaining any necessary UK import or export licence.

8. In respect of any Contractor Deliverables, likely to be required for the performance of any resultant contract, you must provide the following information in your Tender:

- a. Whether all or part of any Contractor Deliverables are or will be subject to:
  - (1) a non-UK export licence, authorisation or exemption; or

- (2) any other related transfer control that restricts or will restrict end use, end user, re-transfer or disclosure.

You must complete Annex J (or other mutually agreed alternative format) in respect of any Contractor Deliverables identified at paragraph 8 and return it as part of your Tender. If you have previously provided this information you can provide details of the previous notification and confirm the validity.

9. You must use reasonable endeavours to obtain sufficient information from your potential supply chain to enable a full response to paragraph 8. If you are unable to obtain adequate information, you must state this in your Tender. If you become aware at any time during the competition that all or part of any proposed Contractor Deliverable is likely to become subject to a non-UK Government Control through a Government-to-Government sale only, you must inform the Authority immediately by updating your previously submitted Annex I or completing a new Annex J.

10. This does not include any Intellectual Property specific restrictions mentioned in paragraph 4.

11. You must notify the named Commercial Officer immediately if you are unable for whatever reason to abide by any restriction of the type referred to in paragraph 8.

12. Should you propose the supply of Contractor Deliverables of US origin the export of which from the USA is subject to control under the US International Traffic in Arms Regulations (ITAR), you must include details on the Annex J. This will allow the Authority to make a decision whether the export can or cannot be made under the US-UK Defence Trade Co-operation Treaty. The Authority shall then convey its decision to the Tenderer. If the Authority decides that use of the Treaty for the export is permissible, it is your responsibility to make a final decision whether you want to use that route for the export concerned if you are awarded the contract.

## **Import Duty**

13. European Union (EU) legislation permits the use of various procedures to suspend customs duties.

14. For the purpose of this competition, for any deliverables not yet imported into the EU, you are required to provide details of your plans to address customs compliance, including the Customs procedures to be applied (together with the procedure code) and the estimated Import Duty to be incurred and / or suspended.

15. You should note that it is your responsibility to ensure compliance with all regulations relating to the operation of the accounting for import duties. This includes but is not limited to obtaining the appropriate Her Majesty's Revenue & Customs (HMRC) authorisations.

## **Sub-contracts Form 1686**

16. [Form 1686](#) (also known as Appendix 5) is to be used in all circumstances where contractors wish to place a sub-contract with a contractor where the release of OFFICIAL-SENSITIVE information is involved. The process will require submission of the single page document either directly to the MOD Project Team or, where specified, to the DE&S Security Advice Centre. You can find further information in the [Security Policy Framework – Contractual Process](#).

## **Small and Medium Enterprises**

17. The Authority is committed to supporting the Government's small and medium-sized enterprise (SME) initiative; its ambitious target is that every £1 in every £3 that the Government spends should be with small businesses by 2020. Our goal is that 25% of MOD spending should be spent with SMEs by 2020; this applies to the money which the MOD spends directly with SMEs and through the supply chain. The Authority uses the European Commission definition of an SME.

18. A key aspect of the Government's SME Policy is ensuring that its suppliers throughout the supply chain are paid promptly. All suppliers to the Authority and their sub-contractors are encouraged to make their own commitment and register with the [Prompt Payment Code](#).

19. Suppliers are also encouraged to work with the Authority to support the Authority's SME initiative. Information on the Authority's purchasing arrangements, our commercial policies and our SME policy can be found at [Gov.UK](#).

20. The opportunity also exists for Tenderers to advertise any sub-contract valued at over £10,000 in the MOD Contracts Bulletin and further details can be obtained directly from:

BiP Solutions Ltd

Web address: [www.contracts.mod.uk](http://www.contracts.mod.uk)

Tel No: 0845 270 7099

## **Transparency, Freedom of Information and Environmental Information Regulations**

21. You should be aware that the contents of any resultant contract may be published in line with government policy set out in the Prime Minister's letter of May 2010 ([Government Transparency and Accountability](#)).

22. Before publishing the contract, the Authority will redact any information which is exempt from disclosure under the Freedom of Information Act 2000 ("the FOIA") or the Environmental Information Regulations 2002 ("the EIR").

23. You should complete the attached Tenderer's Commercially Sensitive Information Form (Annex E) explaining which parts of your Tender you consider to be commercially sensitive. This includes providing a named individual who can be contacted with regard to FOIA and EIR.

24. You should note that, while your views will be taken into consideration, the ultimate decision whether to publish or disclose information lies with the Authority. You are advised to provide as much detail as possible on the form. It is highly unlikely that a Tender will be exempt from disclosure in its entirety. Should the Authority decide to publish or disclose information against your wishes, you will be given prior notification.

## **Electronic Purchasing**

25. Tenderers must note that use of the [Contracting, Purchasing and Finance \(CP&F\)](#) electronic procurement tool is a mandatory requirement for any resultant contract awarded following this tender. By submitting this Tender you agree to electronic payment. Please feel free to consult the service provider on connectivity options. Failure to accept electronic trading will result in your Tender being non-compliant.

## **Change of Circumstances**

26. If you have not previously submitted a Statement Relating to Good Standing or circumstances have changed, please select 'Yes' and submit a Statement Relating to Good Standing with your Tender.

## **Asbestos, Hazardous Items and Depletion of the Ozone Layer**

27. The Authority is required to report any items that use asbestos, that are hazardous or where there is an impact on the Ozone. Where any Contractor Deliverables fall into one of these categories select 'Yes' and provide further details in your Tender.

## **Military Aviation Authority (MAA) Requirements**

28. In July 2011 the Military Aviation Authority (MAA) launched a new set of Regulatory Publications. Key to these is the Regulatory Articles (RA), which prescribe Acceptable Means of Compliance (AMC) for each separate Regulation. Tenderers who wish to propose an alternative means of compliance must obtain agreement in principle from the MAA (through the Project team) in advance of submitting their Tender. AMC are strongly recommended practices and a justification will be required if they are not followed. Tenderers must consult the MAA where there is more than one AMC. You must confirm how you intend to comply with the RA, and the date you consulted with the MAA.



## Bank or Parent Company Guarantee

29. A Parent Company or Bank Guarantee may be required. In the event that your Tender is identified as the most favourable / compliant Tender, but MOD assesses that a Parent Company or Bank Guarantee is required, then one will be requested (in the format specified by the Authority). No contract will be awarded until a suitable Parent Company or Bank Guarantee, as appropriate, is in place.

## The Armed Forces Covenant

30. The Armed Forces Covenant is a promise from the nation to those who serve, or who have served, and their families, to ensure that they are treated fairly and are not disadvantaged in their day to day lives, as a result of their service.

31. The Covenant is based on two principles are that:

- a. the Armed Forces community would not face disadvantages when compared to other citizens in the provision of public and commercial services; and
- b. special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

The Authority encourages all Tenderers, and their suppliers, to sign the Armed Forces Covenant, declaring their support for the Armed Forces community by displaying the values and behaviours set out therein.

32. [The Armed Forces Covenant](#) provides guidance on the various ways you can demonstrate your support through your Covenant pledges and how by engaging with the Covenant and Armed Forces, such as employing Reservists, a company or organisation can also see real benefits in their business.

33. If you wish to register your support you can provide a point of contact for your company on this issue to the Armed Forces Covenant Team at the address below, so that the MOD can alert you to any events or initiatives in which you may wish to participate. The Covenant Team can also provide any information you require in addition to that included on the website.

Email address: [employerrelations@rfca.mod.uk](mailto:employerrelations@rfca.mod.uk)

Address: Defence Relationship Management  
Ministry of Defence  
Holderness House  
51-61 Clifton Street  
London  
EC2A 4EY

34. Paragraphs 30 - 33 above are not a condition of working with the Authority now or in the future, nor will this issue form any part of the tender evaluation, contract award procedure or any resulting contract. However, the Authority very much hopes you will want to provide your support.