



# **Instructions for Tenderers**

## **National Salt Reserve Storage Contract**

**Definitions**

Bravo / eSourcing Portal	Bravo is the eSourcing portal that is used for the submission of tenders and any supporting documentation, the submission of tender queries, clarification or any other purpose which Highways England may communicate with the bidders from time to time.
FAP	The FAP is the Financial Assessment Panel, which is a group of assessors who assess a tenderer's commercial submission
Lead Bidder	The tenderer(s) with the highest Total Score prior to the validation stage
Lump Sum Services	Single payments for specific services outlined in the contract.
OJEU	Official Journal of the European Union through which all tenders above a required threshold must be advertised.
Preferred Bidder	The tenderer(s) with the highest Total Score(s) that have passed the validation stage
Price Score	The score allocated to each tenderer's priced tender
Quality Score	The score allocated to each a tenderer's Quality Submission
Quality Submission	Response to the quality questionnaire included in section 2
Region	The geographical areas covered by these contracts, comprising of North West, North East, and South
Selection Questionnaire	In this instance the Selection Questionnaire is a self-declaration form, made by the potential supplier that they do not meet any of the grounds for exclusion from this tender exercise
SMART	Specific, Measurable, Achievable, Relevant, Time
SME	Small and Medium Sized Enterprise describes any business with fewer than 250 employees.
Standstill Period	Is a period of at least ten (10) calendar days following the notification of an award decision in a contract tendered via the Official Journal of the

European Union before the contract is signed with the successful tenderer.

Tender Panel

The Tender Panel consists of the combined QAP and FAP

Total Score

The Total Score is the Quality score combined with Price Score

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## 1 GENERAL

### 1.1 General instructions

- 1.1.1 These Instructions apply to the submission of tenders for the National Salt Reserve Storage Contracts. This tender process is carried out under the open procedure following the publication of the OJEU Contract Notice.
- 1.1.2 The process seeks to determine the most economically advantageous tender to the *Employer*. This will be a compliant, affordable and sustainable bid which meets the selection criteria and which has a validated overall score higher than any other Tenderers' overall score.
- 1.1.3 This contract consists of three lots:
- Lot 1 - National Salt Reserve Storage - North West
- Lot 2 - National Salt Reserve Storage - North East
- Lot 3 - National Salt Reserve Storage – South
- 1.1.4 Tenderers are invited to bid for an individual lot or several lots within this contract. There is no limit to the number of lots a Tenderer can be awarded.
- 1.1.5 Highways England's Vision, Imperatives, Values and Key Objectives for the Structures Inspections Contracts are set out in section 103 of the Scope.
- 1.1.6 Where this ITT states that Highways England reserves a right to exclude a tenderer (e.g. for non-compliance with any requirement of this ITT or a "fail" under any specific criteria) then Highways England is at liberty to exercise such discretion as it sees fit in order to balance fair and equal treatment of all Tenderers with a proportionate response to the relevant failure.
- 1.1.7 Tenders must be submitted in accordance with these instructions. Tenders must not be qualified or accompanied by statements or a covering letter that might be construed as rendering the tender equivocal. Unauthorised alterations or additions must not be made to any component of the tender documents. Highways England reserves a right to exclude a tenderer who does not comply with these instructions. These instructions will not form part of the proposed contract.
- 1.1.8 Any queries from tenderers are to be submitted via the e-Procurement portal (Bravo).
- 1.1.9 The contents of these Instructions and of any other documentation sent to tenderers in respect of this tender process are provided on the basis that they remain the property of Highways England. Tenderers must not release information concerning the tender documents for publication in the press or on radio, television, screen or any other medium. Tenderers must not disclose the fact that they are tendering or release details of the tender

documents, other than on an "in confidence" basis to those who have a legitimate need to know or whom they need to consult for the purpose of preparing their tender response. If you are unable or unwilling to comply with this requirement you are required to destroy these Instructions and all associated documents immediately and not to retain any electronic or paper copies. Tenderers are required to conduct themselves in good faith in all dealings in relation to this tender process.

## **1.2 Information Management**

- 1.2.1 Under the Freedom of Information Act 2000 ("FOIA"), the Environmental Information Regulations 2004 ("EIR"), and the Public Contracts Regulations 2015, Highways England may be obliged (subject to the application of any relevant exemptions and, where applicable, the public interest test) to disclose information relating to the procurement exercise, including any Requests to Participate received.
- 1.2.2 Tenderers must be aware that Highways England could receive requests for any information relating to this procurement exercise. Highways England is under a legal obligation to disclose such information if validly requested, unless an exemption applies. Highways England may also be obliged to make disclosures under other legislation or applicable codes of practice or otherwise as required by law, including by order of a court of competent jurisdiction. Without prejudice to Highway's England's obligation to disclose information in accordance with the FOIA and EIR, Highways England will, acting reasonably but at its sole discretion, consider the application of any exceptions set out in Section 43 of the FOIA to any information identified as genuinely commercially sensitive or any other relevant exemption.
- 1.2.3 Tenderers are therefore invited to state which information should not be disclosed or published if to do so would prejudice their legitimate commercial interests or is otherwise exempt from disclosure under the Freedom of Information Act 2000. Requests for non-disclosure under the Freedom of Information Act 2000 must be submitted in your tender and include:
- a) Clear and substantive justification; and
  - b) A time limit when any confidential information could be disclosed.
- 1.2.4 Highways England will endeavour to consult with the Tenderer and have regard to comments or any objections raised by the Tenderer before it releases any information in response to a request made under FOIA and/or EIR. However, Highways England will be entitled to determine in its absolute discretion, including where it considers that it would not be appropriate to consult with the Tenderer, whether any information is exempt from release under either FOIA and/or EIR, or is to be disclosed in response to a request for information.

- 1.2.5 The terms of any confidentiality agreement would, if requested, be available for disclosure. Any request by the Tenderer in accordance with paragraph 1.2.3 is for information only and will not be taken into account in the assessment of tenders, nor will it form part of any contract between Highways England and the Tenderer.
- 1.2.6 All central government departments, 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.
- 1.2.7 For these purposes, Highways England may disclose within government any of the Tenderers' documents and information (including any that the Tenderer considers to be confidential and/or commercially sensitive, such as specific information within the Request to Participate) submitted by the Tenderer to Highways England during this procurement exercise to the extent that they are so required. The information will not be disclosed outside government. Tenderers submitting a Request to Participate in response to the Invitation to Submit Requests to Participate consent to these terms as part of the procurement exercise.
- 1.2.8 Highways England confirms that it will keep confidential and will not disclose to any third parties any information obtained from a named customer contact, other than to the Cabinet Office and/or contracting authorities defined by the Public Contracts Regulations 2015, or pursuant to an order of the court or demand made by any competent authority or body where Highways England is under a legal or regulatory obligation to make such a disclosure.
- 1.2.9 Tenderers must note that Highways England may be required to publish the names of the winning tenders and tenderers.

### **1.3 Change of Status**

- 1.3.1 Tenderers must immediately advise Highways England and seek approval of such change if:
- c) their ownership or the ownership of any member of their tendering consortium (or their parent company) changes, or
  - d) any organisation involved in the preparation of the tender documents is acquired by them or by any member of their consortium (or an associated company).
  - e) their organisation (or an associated company) completes the takeover of, or merges with, another tenderer (or an associated company) that is tendering.

- 1.3.2 If Highways England considers that a change in ownership has created a potential conflict Highways England reserves a right to exclude a tenderer.
- 1.3.3 If, at any time during the tender process, there is any change to a tenderer's economic or financial standing which means that information submitted by the tenderer is no longer correct or the tenderer's ability to perform the contract materially deteriorates, the tenderer must immediately inform Highways England in writing. Highways England reserves a right to reconsider the economic or financial standing and where necessary, exclude a tenderer who has previously passed the Selection Questionnaire stage of this procurement process.
- 1.3.4 Highways England reserves the right to exclude a tenderer any tenderer that fails to inform or advise Highways England in accordance with paragraphs 1.3.1 and 1.3.3.

#### **1.4 Tender Warranties**

- 1.4.1 These Instructions are made in good faith. No warranty is given as to the accuracy or completeness of the information contained in it. Any liability for inaccuracy or incompleteness is expressly disclaimed by Highways England and its advisors. Tenderers are advised to satisfy themselves that they understand all the requirements of the contract before submitting their tender.
- 1.4.2 Nothing in these Instructions shall be taken as constituting an offer (whether implied or otherwise), or any agreement, whether express or implied, between Highways England and any other party.
- 1.4.3 Highways England reserves the right to cancel, amend or vary the tender process at any point prior to the award of the contract (whole or in part) and with no liability on its part.
- 1.4.4 Highways England reserves the right not to accept the lowest or any tender for any reason.
- 1.4.5 Highways England and/ or its advisors are not liable for any costs resulting from any amendment or cancellation of this tendering process nor any other costs, charges, fees, expenses, claims or disbursements (howsoever arising and including third party costs) incurred by those tendering for this contract opportunity. Tenderers submit a tender at their own risk and expense.
- 1.4.6 Tenderers to note that all information provided as part of their tender must be true and accurate. Highways England reserves the right to reject any tender if the tenderer provides misleading or false information.
- 1.4.7 Tenderers are deemed to understand fully the processes that Highways England is required to follow under relevant European and UK legislation, particularly in relation to the Public Contracts Regulations 2015.

## 1.5 Tender Documents

1.5.1 The documents provided to tenderers are listed in Appendix A.

The following parts of the tender documents are included in an editable form to allow preparation of the information required:

<b>Table 1.5.2 – editable documents</b>
Contract Data Part 2
Form of Tender
Form of Agreement
IfT Annex A Selection Questionnaire
IfT Annex B Risk Register
IfT Annex D North West Pricing Schedule
IfT Annex E North East Pricing Schedule
IfT Annex F South Pricing Schedule
IfT Annex G Tender Query Form

## 1.6 Tender Communications

- 1.6.1 Any queries from tenderers must be made, using the IfT Annex G Tender Query Form, via the e-sourcing portal no later than the date shown in the tender programme below. Tender queries submitted after this date may not be accepted, unless instructed otherwise by the Procurement Officer.
- 1.6.2 The Procurement Officer for this competition is Julia Bennett at Highways England. The designated deputy will be Sophie Messom. Contact with the Procurement Officer must be made via the e-Sourcing portal only. Except where otherwise directed in these Instructions, tenderers must not contact any person in relation to this competition other than the Procurement Officer or the designated deputy.
- 1.6.3 Where a tenderer believes that their query (and subsequent answer) is confidential, for example, specific questions about their tendering model, tenderers can ask that their query and answer is treated as confidential. For each query marked as confidential, the Procurement Officer will need to be satisfied that there is a genuine concern before restricting wider disclosure to other tenderers. If the Procurement Officer does not consider that their question should be treated as confidential then the Procurement Officer shall advise the tenderer and ask the tenderer if they wish to resubmit their question without the confidential marking. Highways England reserves the right, at its own discretion, to circulate the question and answer to all others providing that Highways England deems both the question and answer as relevant and of benefit to all the tenderers.

## 1.7 Visits to the affected property during the tender period

- 1.7.1 Any tenderer wishing to visit the land or property associated with the contract during the tender period shall contact Highways England in advance of doing so.
- 1.7.2 Liability for any damage or disturbance caused to such land or property rests with the tenderer.

## 1.8 Tender Programme

- 1.8.1 The indicative tender programme is shown in Table 1.9 below:

Item	Activity	Date
1	Issue Tender Documents	14.12.2020
2	Last date for tender queries	09.01.2021
3	Tender submission deadline	18.01.2021
4	Assessment period including Selection Questionnaire	19.01.2021-28.01.2021
5	Initial notification of winning tender and feedback to tenderers	29.01.2021
6	Standstill period	09.02.2021
7	Issue Award letter	10.02.2021
10	Access date	01.05.2021

## 1.9 Form of Contract

- 1.9.1 The successful tenderers should note that the form of contract is the NEC4 Term Services Short Contract, as amended and with additional conditions of contract listed in the Contract Data issued with these instructions. The successful tenderers will be required to enter into agreements on the terms contained in the draft contract.
- 1.9.2 Highways England is bound by the Public Contract Regulations 2015 and as such cannot enter into any negotiations on the tender or terms of the contract after the tenders have been submitted.
- 1.9.3 Any tenderer who is unwilling to accept the terms of the contract will be disqualified from the process.

## 1.11 Small and Medium Sized Enterprises (SME)

- 1.11.1 Highways England is committed to removing barriers to SME participation in its contracts and this includes subcontracting opportunities.
- 1.11.2 If tenderers are proposing to subcontract part of this contract, they should provide assurance that they have considered how SMEs could play a part and details of the measures they have put in place to encourage and enable their participation as their subcontractors. If awarded the contract, tenderers will be asked to provide regular information about their spend with SMEs

under the contract and Highways England may publicise good practice on its websites and report such expenditure to other Government Departments.

1.11.3 Tenderers attention is drawn to the optional statement included in the Form of Tender relating to the confirmation of SME status.

1.11.4 A SME subcontracting statement is not required if the Supplier has classified itself as a SME.

## **2 HOW TO SUBMIT A TENDER**

### **2.1 General**

2.1.1 Tenders and supporting documents must be written in English and priced in Pounds Sterling.

2.1.2 The documents that should be included with each submission are detailed in paragraph 3.1 below.

2.1.3 Tenderers are to note that all documents below must be completed and returned for their submission to be assessed as compliant. Highways England reserves a right to exclude any tenderer who does not complete and return the required documents.

2.1.4 Documents are to be submitted in formats compatible with MS Office (e.g. Microsoft Word, Microsoft Excel etc.) or PDF. Where a tenderer wishes to use a different file format this must be raised as a tender query in accordance with the procedure set out above.

2.1.5 Where a submission requires multiple files to be uploaded these can be combined in a single zip file. No file is to be larger than 20Mbytes. Label each Zip file with the tenderers name and Submission number.

2.1.6 No unauthorised alteration or additions must be made to any component of the tender documents. The tender must be submitted via the Highways England Bravo e-Sourcing portal at <https://highways.bravosolution.co.uk> for the National Strategic Salt Storage 2021 - 2025 - North West, North East and South.

2.1.7 Before a tender can be accepted the tenderer must answer all the confirmation statements within the Bravo Technical Envelope, confirming that you have read, understood and accepted the specific statements.

### 3 WHAT TO SUBMIT IN A TENDER

#### 3.1 General

3.1.1 The following Submission 1 (Qualification) documents must be completed and submitted by tenderers via Bravo.

<b>Submission 1 - Qualification</b>
Completed Selection Questionnaire (including any supporting documentation and references) – one submission will cover all regions tendered for.
Completed Form of Tender
A Small and Medium Sized Enterprises (SME) Subcontracting Statement
Proposed Information Assurance Solutions
A summary of relevant insurance policies and certificates
Any request for non-disclosure under the Freedom of Information Act 2000
Confirmation that the Named Parent Company(s) will enter into the Parent Company Guarantee (if required). Please refer to Annex 16 if applicable
Legal Opinion for non-United Kingdom Registered Companies

3.1.2 The following Submission 2 (Quality) documents are to be completed and submitted by tenderers via Bravo.

<b>Submission 2 – Quality Submission</b>
Completed Quality Submission – Please refer to section 3.3

3.1.3 The following Submission 3 (Commercial) documents are to be completed and submitted by tenderers via Bravo.

<b>Submission 3 – Contract and Commercial</b>
Completed Contract Data Part Two
A completed Price List for each region tendered for (see Annexes D-F)

#### 3.2 Submission 1 – Qualification

##### Selection questionnaire

3.2.1 The first part of the tender is a completed Selection Questionnaire (SQ). Tenderers should read the guidance notes prior to completing the SQ.

##### Parent Company Guarantee and other guarantees

3.2.2 Please refer to the SQ for details on the circumstances regarding the provision parent company guarantees and other guarantees that may be required prior to a contract being entered into

Proposed Information Assurance Solutions

- 3.2.3 Every Government Department is required to take suitable precautions to safeguard its information. Information Assurance is the confidence that information and communications systems will protect the information they handle, and will function as and when they need to under the control of legitimate users. Tenderers are to provide a description of their proposals for handling information so that the suitability of their proposed Information Assurance solutions can be assessed.
- 3.2.4 Tenderers are to answer the questions in the form provided and give descriptions where appropriate. This section is not scored as such, but is a straight pass/fail against all these questions generally. If tenderers answer 'no' to any of the questions it does not necessarily mean they would fail however they must provide enough information to show that their policies and processes would align to Highways England's policy, and how. The Procurement Officer may request further information to clarify any aspect of the response.
- 3.2.5 Highways England will assess whether the Information Assurance solutions submitted provide adequate protective security for personal and confidential information in accordance with Highways England's Data Handling Policy. The Procurement Officer may refer any concerns to the appropriate tenderer; unless the tenderer is able to demonstrate that its proposals can be relied on, the tender will be rejected.

Legal Opinion for non-United Kingdom Registered Companies

- 3.2.6 If the tenderer, or a consortium member of the tenderer, or a proposed Guarantor is not a company incorporated in and subject to the laws of England and Wales (a "Foreign Entity"), then the tenderer provides a legal opinion from a lawyer or law firm which is
- a) qualified and registered to practise in the jurisdiction in which the Foreign Entity is incorporated and
  - b) accepted by Highways England (the tenderer must discuss this with the Procurement Officer prior to tender return).
- 3.2.7 The legal opinion must be submitted via the Bravo Qualification Envelope and addressed to Highways England on a full reliance basis and the liability of the lawyers or law firm giving the opinion is not to be subject to any financial limitation unless otherwise agreed by Highways England in writing (the tenderer must discuss this with the Procurement Officer prior to tender return).
- 3.2.8 The legal opinion must also cover the following matters:
- (a) confirmation that:

- the Foreign Entity is a corporation duly incorporated in the relevant jurisdiction, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated;
  - the Foreign Entity has full power to execute, deliver, enter into and perform its obligations under the Agreement/Guarantee;
  - all necessary corporate, shareholder and other action required to authorize the execution and delivery by the Foreign Entity of the Agreement/Guarantee and the performance by it of its obligations under it have been duly taken;
  - confirmation of the proposed signatories/method of execution and confirmation that this will constitute valid execution by the Foreign Entity;
  - the execution and delivery by the Foreign Entity of the Agreement/Guarantee and the performance of the obligations will not conflict with or violate:
    - the constitutional documents of the Foreign Entity;
    - any provision of the laws of the jurisdiction in which it is incorporated;
    - any order of any judicial or other authority in the jurisdiction in which it is incorporated; or
    - any mortgage, contract or other undertaking which is binding on the Foreign Entity or its assets; and
      - (assuming that the Agreement/Guarantee is binding under English law), the agreement constitutes legal, valid and binding obligations of the Foreign Entity enforceable in accordance with its terms;
- (b) notification of any other formalities to be complied with under local law which may be necessary to enforce the Agreement/Guarantee in the Foreign Entity's place of incorporation, including for example notarisation, legalisation or registration of the Agreement/Guarantee;
- (c) notification of whether withholding is required to be made by the Foreign Entity in relation to any monies payable to Highways England under the Agreement/Guarantee;
- (d) confirmation that Highways England will not be deemed to be resident or domiciled in the foreign jurisdiction by reason of its entry into the Agreement or the Guarantor's entry into the Guarantee; and

- (e) confirmation that the Foreign Entity and its assets are not entitled to immunity from suit, pre-judgment attachment or restraint or enforcement of a judgment on grounds of sovereignty or otherwise in the courts of England and Wales in respect of proceedings against it in relation to the Agreement/Guarantee.

#### 3.2.9 If a legal opinion

- (a) does not confirm all the matters listed in paragraph 3.2.11(a),
- (b) does not include the notification required by paragraph 3.2.11 (b),
- (c) indicates that withholding is required to be made under paragraph 3.2.11 (c) or
- (d) does not provide the confirmations required by paragraphs 3.2.11 (d) and 3.2.11 (e)

then Highways England reserves a right to exclude a tenderer

### 3.3 Quality submission - Introduction

- 3.3.1 Tenders are advised to follow the guidance stated below when responding to the Quality Submission.
- 3.3.2 Use plain and simple English and make use of defined terms. Avoid using buzzwords or management speak.
- 3.3.3 All assessments will be based wholly on the contents of those submissions (subject to any subsequent clarifications) which must therefore contain all the information which tenderers wish to be considered.
- 3.3.4 The QAP only reviews the information in the Technical Envelope and the FAP only reviews information in the Commercial Envelope. Therefore, please ensure that you do not rely on information contained within the Technical Envelope to explain commercial reasoning in the Commercial Envelope and vice versa.
- 3.3.5 The QAP and the FAP will work independently and will not have access to each other's assessments prior to the sustainability check.
- 3.3.6 Within your Quality Statement, ensure that all evidence detailed within your approach can be verified during the evaluation stage.

### 3.4 Quality Submission Guidance

- 3.4.1 The purpose the purpose of the tenderer's Quality Submission is to provide Highways England with an acceptable level of confidence that the approach is adequate to successfully deliver the Service.

- 3.4.2 The Quality Submission must follow the structure set out and cover the Items described in Annex C - Quality Questions.
- 3.4.3 The Quality Submission should address Highways England's specific requirements. Evidence may include reference to projects from other sectors where transferable skills and capabilities can be demonstrated. Where an innovative process has been proposed, evidence may include reference to how the process has been developed in concept and tested.
- 3.4.4 The Quality Submission is to be presented in two separate parts (A and B), as described below. The first part is to provide the Part A (Approach) statements and the second the Part B (Evidence) statements.
- 3.4.5 The 'Approach' to this contract is to be described in Part A of the Quality Submission in the form of proposals and quality procedures. The proposals are to consist of material explaining how the Tenderer intends to Provide the Service and to set out how the people, partnering and processes to be implemented on the contract will control the identified risks and delivery of performance. Under each risk heading, the statement should deal with the issues listed. Tenderers should also identify any additional issues affecting the listed risks which they consider will be critical to the success of the project, and set out how they propose to manage them.
- 3.4.6 The 'Evidence' in Part B of the Quality Submission is to consist of verifiable statements showing how the approach proposed in Part A has been developed and has contributed to the successful delivery of similar services. A schedule outlining details of all projects used to provide evidence should be included at the end of Part B. It should include the following details: Project Title – Client – Value – Role played – Dates.
- 3.4.7 The Quality Submission must be presented as one submission comprising the tenderer's proposed approach to provide the Service as described in the Scope, and evidence showing how the approach proposed has been developed from the successful delivery of similar work.
- 3.4.8 The Quality Submission identifies the performance criteria and lists certain risks to meeting those criteria. The Quality Submission must be structured to follow the headings and sub headings as shown in Appendix C - Quality Questions, using the numbering system in the table, and cover each numbered risk separately.
- 3.4.9 Some issues will be common to several items; duplication should be avoided by the use of cross references.
- Table 3.4a Quality Questions**
- 3.4.10 The Quality Submission should not exceed a word count of 10,000 words for parts A and B combined. The word count limit includes all text contained within the Quality Statement, including any appendices and annexes. Any

subsequent information beyond the 10,000 word count will be redacted and will not be assessed. Only CVs of people within the key people schedule are excluded from the word count.

- 3.4.11 Text must be presented in “Arial” font and be no smaller than 11 point, no less than single-spaced with the margins set at 2.5cm. Text used for figures, tables, drawings, sketches, diagrams and flow charts must be no smaller than 8 point.
- 3.4.12 The pages of the Quality Submission must be numbered, and responses to each question should be numbered. Page numbers and other header or footer information may be included in the margin space.
- 3.4.13 The register of risks will be in the format shown in IFT Annex B – Risk Register and will identify and describe the risk, the estimated effect of risk on the programme, and describe the actions proposed to avoid or reduce risk.
- 3.4.14 Tenderers should identify any further risks and describe the action proposed to deal with the risk, adding additional lines as required.

### **3.5 Commercial submission**

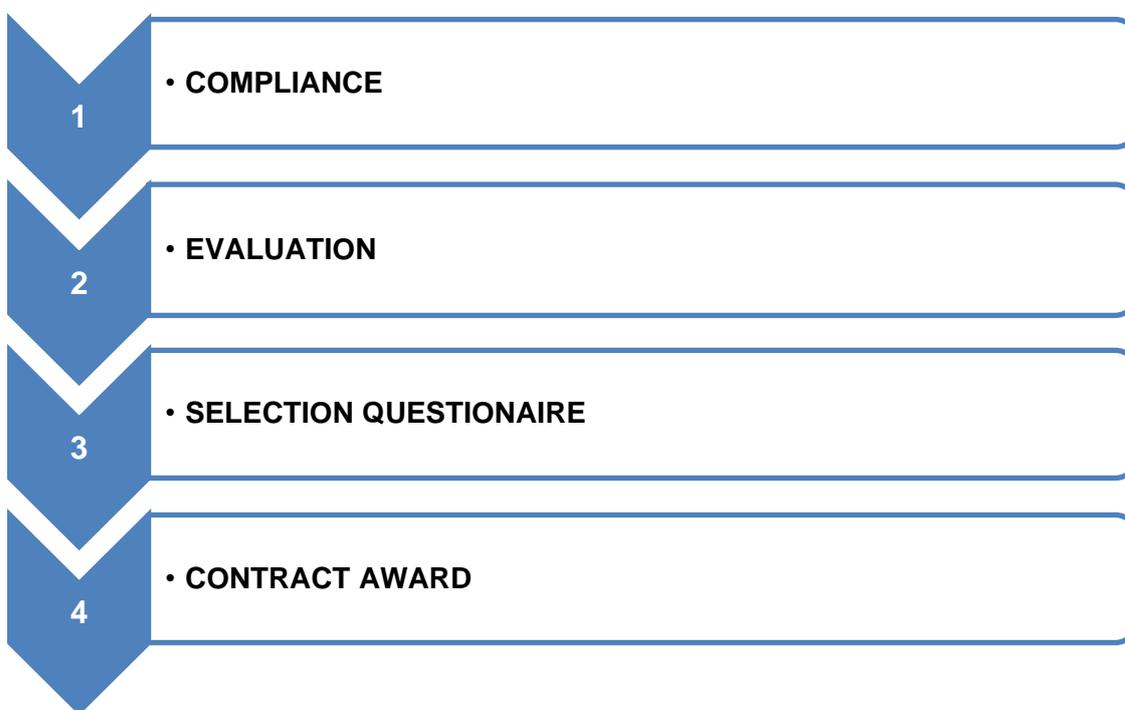
- 3.5.1 Tenderers must submit Pricing Schedules that follow the structure set out and cover the Items described in this document. The template pricing schedules can be found in IFT Annexes D to F.
- 3.5.2 The tenderer is to include a completed Price Schedule for each region they wish to tender for.
- 3.5.3 Tenderers must price:
- a) all items and rates in the Price Schedule,
  - b) all items and rates to two decimal places and
  - c) all items and rates separately.
- 3.5.1 Tenderers are not permitted to:
- a) price any item or rate within another item or rate,
  - b) cross subsidise any item or rate with any other item or rate,
  - c) make any assumptions regarding the use or relevance of any item or rate or
  - d) duplicate any price.
- 3.5.2 Highways England reserves a right to exclude a tenderer who price on any other basis and/or make any such assumptions.

- 3.5.3 Where a tenderer prices an item or rate as zero, the tenderer must provide Highways England with a detailed explanation of why the item or rate is zero.

## 4 TENDER ASSESSMENT

### 4.1 General

4.1.1 Highways England assessment of tenders will be carried out in four stages and the same methodology applies to all contracts:



4.1.2 During the assessment period, and in accordance with paragraph 56(4) of the Public Contracts Regulations 2015, Highways England reserves the right to seek clarification in writing or by means of a clarification meeting (and confirmed in writing) from any or all the tenderers solely to assist in its consideration of their tender but shall be under no obligation to do so.

4.1.3 Should Highways England contact a tenderer for clarification and:

- the tenderer does not provide the required clarification within the time stated,  
or
- the clarification provided by the tenderer does not validate, evidence, clarify or support the information provided in their original tender,  
or
- the tenderer is unable to provide the required clarification

then Highways England reserves a right to exclude the tenderer.

4.1.4 The tenderer acknowledges that any documents and information submitted as part of its tender or for clarification represent the proposals for meeting Highways England's requirements, but do not in any way override or modify those requirements. If awarded the contract, the tenderer will remain liable to comply with all the obligations set out in the documents forming part of the contract. The tenderer shall not be relieved from compliance with these obligations by any:

- Verification, due diligence or check carried out by Highways England on any part of the tender,
- Evidence, assumptions or other information provided by the tenderer to support paragraph (a) above or
- Clarification requested by Highways England and provided by the tenderer (whether orally or in writing) as part of the assessment process.

4.1.5 Tenderers should note that the tender assessment process is in addition to and without prejudice to Highways England's rights to undertake due diligence in relation to a potentially abnormally low offer under the Public Contracts Regulations 2015, as amended. Highways England may undertake due diligence in relation to a potentially abnormally low offer on any aspect of a tender and at any stage of the procurement process

## 4.2 STAGE 1 - COMPLIANCE

4.2.1 In this stage, the Procurement Officer will undertake an initial check for tender completeness and compliance, including:

- correct documents & submissions have been made in accordance with submission requirements – **PLEASE ENSURE YOU REFER TO SECTION 3 WHICH DETAILS THE LIST OF DOCUMENTS YOU ARE REQUIRED TO SUBMIT PRIOR TO SUBMITTING YOUR TENDER**
- means of proof to support the answers to in the Selection Questionnaire have been submitted
- the format of submitted documents is correct
- the page count and font size in submitted documents is correct
- that no further documents submitted beyond those required
- if applicable, the tenderer's Construction Line account is live, up to date and verified

4.2.2 Highways England reserves a right to exclude a tender that does not meet these conditions.

### 4.3 STAGE 2 - EVALUATION

4.3.1 Tenders will be evaluated for both quality and price in accordance with 4.4 to 4.6

#### 4.4 Quality Submissions

4.4.1 Quality Submissions will be assessed by a Quality Assessment Panel (QAP).

4.4.2 The QAP comprises of individuals who independently assess the Tenderer's Quality Submission, and allocate a Quality Score for each question.

4.4.3 The QAP then meets to agree a consensus score for each tender submitted.

4.4.4 For each tender the QAP will determine which Quality Submission provides the *Employer* with the most confidence that the *Employer's* objectives will be delivered and continual improvement achieved keeping the following key criteria in mind:

**Confidence:** Do the proposed team, organisation and proposals give reassurance that the Tenderer is likely to deliver a flexible, driven, well balanced and improving service in a sustained manner meeting the objectives of the *Employer*?

**Value:** Do the proposals provide best value to Highways England?

**Risk:** Has the submission identified all the risks presented by the proposal in delivering specified service levels and meeting the *Employer's* objectives? What has been put in place to control these risks and have contingencies been applied where appropriate?

**Collaboration:** Do the proposed team, organisation and proposals give reassurance that the Tenderer is able to work collaboratively to deliver a continually improving and sustainable service?

4.4.5 Any uncertainty over the meaning of the Quality Submission will be removed via tender clarification queries and tender clarification responses before the QAP completes their marking. No further tender clarification queries on the Quality Submission will be made after the marking is completed.

4.4.6 The QAP will assess the Quality Statement for each lot and award marks using the marking system given in Tables 4.4a (Approach) and Table 4.4b (Evidence) to determine the total mark (as demonstrated) by completing Table 4.4c.

4.4.7 The Quality Submission will be given marks out of a maximum of 170

4.4.8 The minimum quality requirement for this contract is a threshold of 60 in the normalised mark for the quality statement. A tender that has failed to achieve the minimum quality requirements may not be considered further in the tender assessment, and if excluded, the Tenderer will be notified by the Procurement Officer. If the tender is not excluded the marks achieved by the tender will be used in subsequent calculations.

Table 4.4a Marks Awarded for Approach

<b>Proposed Approach</b>	<b>How well does the proposed approach demonstrate an understanding of the project objectives and address the main management and technical risks relating to the project?</b>	<b>Mark</b>
Weak	The approach fails to demonstrate an adequate understanding of the project objectives and fails to address adequately the main management and technical risks	1-4
Acceptable	The approach demonstrates an adequate understanding of the project objectives and covers the main management and technical risks to an acceptable standard	5
Good	The approach demonstrates a good understanding of the project objectives. It deals fully with the main management and technical risks and provides for delivering continual improvement over the life of the project	6-7
Very Good	The approach demonstrates a very good understanding of the project objectives. The approach includes specific initiatives which give a high degree of confidence of delivering the project objectives. Optimal levels of resource have been allocated with experience and expertise directly relevant to the main management and technical risks and provides for delivering continual improvement. .	8-9
Excellent	The approach has been tailored specifically to suit the project objectives, uses innovative approaches to deal comprehensively with the main management and technical risks, and is highly likely to maximise performance against Key Performance Indicators and deliver continual improvement	10

Table 4.4b Marks awarded for Evidence

<b>Supporting Evidence</b>	<b>How well does the evidence from previous projects provide confidence that the proposed approach is likely to be successfully delivered?</b>	<b>Mark</b>
Weak	There is little evidence that the proposed approach has been influenced by experience on other contracts.	1-4
Acceptable	There is an adequate level of evidence that the proposed approach has been developed as a result of successful experience on other contracts.	5

Good	There is substantial evidence that the proposed approach has been developed from other contracts using formal continual improvement processes.	6-7
Very Good	There is very substantial evidence that the proposed approach has been developed from other contracts using formal continual improvement processes, demonstrating that the proposed approach is likely to be successful.	8-9
Excellent	There is substantial evidence that the approach has been developed using continual improvement processes, which are routinely used to develop approaches and deliver the objectives successfully on all contracts.	10

Table 4.4c assessment of the quality statement

Quality assessment criteria	Part A marks	Part B marks	Lower of Part A and B marks
	Approach on this contract	Evidence from past projects	
<b>1. Health and Safety</b>			
1.1			
1.2			
1.3			
1.4			
1.5			
<b>2. Collaboration</b>			
2.1			
2.2			
2.3			
<b>3. Customers and Stakeholders</b>			
3.1			
3.2			
3.3			
<b>4. Sustainability</b>			
4.1			
4.2			
<b>5. Quality</b>			
5.1			
5.2			
<b>6. Time</b>			

6.1			
<b>7. Cost</b>			
7.1			
<b>Subtotal</b>			

Table 4.4d A worked example

Quality assessment criteria	Part A marks	Part B marks	Lower of Part A and B marks
	Approach on this contract	Evidence from past projects	
<b>1. Health &amp; Safety</b>			
1.2 Health and Safety Management	8	7	7
1.3 Minimising Accidents	7	7	7
1.4 Security	8	5	5
<b>2. Collaboration</b>			
2.1 Improving Collaborative Relationships	9	8	8
2.2 Enabling Collaboration	8	7	7
2.3 Communication and Problem Solving	7	6	6
<b>3. Customer &amp; Stakeholder</b>			
3.1 Stakeholder Engagement	8	7	7
3.2 Stakeholder Relationship Development and Communication	7	6	6
<b>4. Sustainability</b>			
4.1 Environmental sustainability	8	7	7
4.2 Innovation	9	8	8
<b>5. Quality</b>			
5.1 Proactive Maintenance Activities	9	9	9
5.2 Reactive Maintenance	6	5	5
5.3 Quality Management System	6	6	6
<b>6. Time</b>			
6.1 Project Timescales	9	7	7
6.2 Time Management	9	8	8
6.3 Time Management	7	8	7

<b>7. Cost</b>			
7.1 Value for Money	9	9	9
<b>Subtotal</b>			<b>119</b>
<b>Total mark</b> (subtotal x 100 / 170)			<b>70</b>

4.4.9 Assume 5 tenderers have been marked for quality as follows:

The lowest marks acquired from each of the Quality - Part A (Approach) and Part B (Evidence) are totalled and this total is then normalised out of 100 as shown in Table 4.4e

Table 4.4e – Normalised Total Scores

Tenderer	Normalised mark
A	60
B	56
C	83
D	70
E	85

Tenderer B's mark is less than 60 for the normalised quality mark and is therefore not considered further.

4.4.10 The tender with the highest mark will be given a score of 100. The score of other Tenderers will be calculated by deducting from 100 one point for each full percentage point by which their mark is below the highest as shown in Table 4.4f

Table 4.4f – Final Quality Score

Tenderer	Quality score
A	71
B	Failed Quality
C	98
D	82
E	100

4.4.11 The final quality mark will then be converted into a Quality Score for each region. The maximum available Quality Score is 60% which will be awarded to the Tenderer with the highest overall quality mark using the method above.

#### 4.5 Commercial Scoring

- 4.5.1 The Financial Assessment Panel (FAP) will determine a total price for each tenderer who has not been excluded, based on the tendered total of the Prices on the Price List for each region the tenderer wishes to bid for.
- 4.5.2 The price used in the financial assessment for each Tenderer will be the total of the Prices (Part 1 and Part 2) in the Price List.
- 4.5.3 Any uncertainty over the meaning of the financial submission will be removed via tender clarification queries and tender clarification responses before the Financial Assessment Panel complete the marking part of their assessment.
- 4.5.4 The lowest priced assessment will be given a score of 100. The score of other Tenderers will be calculated by deducting from 100 one point for each full percentage point by which their price is above the lowest.
- 4.5.5 The overall total price will then be converted into a Price Score for each region. The maximum available Price Score is 40%, which will be awarded to the Tenderer with the lowest overall total price calculated using the method above.
- 4.5.6 The other tenderers will then be awarded a Price Score on a pro-rata basis in the ratio of the lowest overall total price divided by their overall total – see Table 4.5a - Worked Example below

Table 4.5a – Worked Example

Tenderer	Price £	Financial score
A	27,001,585	100
B	Price not considered	-
C	31,136,455	85
D	30,021,033	89
E	29,854,676	90

- 4.5.7 Examination of documents may detect errors in computation that may undermine the reliability of the tender. Tenders may be corrected to take into account misplaced decimal points or errors in arithmetic.
- 4.5.8 The estimated quantities contained within the Price Lists are purely for tender assessment purposes only. There is no guarantee as to the level of work that will be carried out during the contract period.

#### 4.6 Overall Scoring and Identification of Lead Bidders

- 4.6.1 To identify the Lead Bidder for each Lot, the overall Quality Scores are added to the overall Price Scores to give a combined Total Score.

4.6.2 The Tenderers with the highest Total Score for each region will be identified as the Lead Bidders. An example is included in Table 4.6a below. In this example, tenderer E would be identified as the Lead Bidder and progress to the validation stage

Table 4.6a Total Scores

Tenderer	Proportion of score		
	Quality score (x60%)	Financial Score (x40%)	Total score
A	70 (42.6)	100 (40)	82.6
B	not considered		
C	98 (58.8)	85 (34)	92.8
D	84 (50.4)	89 (25.6)	76
E	100 (60)	90 (36)	96

#### 4.7 STAGE 3 – SELECTION QUESTIONNAIRE

- 4.7.1 This stage involves checking the status of the Lead Bidders, but should it be deemed necessary, the second highest bidders may also be subject to the checks.
- 4.7.2 During this stage, tenderers may be required to submit the evidence which supports their declarations and answers contained in the Selection Questionnaire.
- 4.7.3 The financial standing test will be undertaken in accordance with the Selection Questionnaire.
- 4.7.4 If the winning tenderer fails to provide the required evidence within set timeframes, or the evidence or the answers in the Selection Questionnaire are unsatisfactory, the second-placed tenderer shall become the Lead Bidder. If they subsequently fail the checks, this process will continue until at least one tenderer has passed the checks.
- 4.7.5 The tenderers that pass Stage 3, become the Preferred Bidders and move to Stage 4.

**4.8 STAGE 4 – TENDER AWARD**

- 4.8.1 Highways England reserves the right not to award a contract to any tenderer, but it is anticipated that the outcome of this procurement exercise will be that one contract is awarded for each region.
- 4.8.2 Highways England will have the final decision on the award of contracts and appointment to the regions.
- 4.8.3 Once the award decision has been made, Highways England will inform the unsuccessful tenderers of its decision in accordance with Regulation 86 of the Public Contracts Regulations 2015. This will trigger the start of the Standstill Period.
- 4.8.4 Prior to the commencement of services, the preferred bidders must provide evidence that insurance required by the contract is in place.
- 4.8.5 Any drawings and other documents not returned with the tender should be deleted from the tenderer's computers and all hard copies destroyed.
- 4.8.6 Details of the contract award will be published in the Official Journal of the European Union.

**5 APPENDIXES****APPENDIX A – DOCUMENT REGISTER**

<b>Table 1.5.1 – List of documents published</b>	
Tendering Instructions	Instructions for Tenderers (IfT)
	IfT Annex A Selection Questionnaire (SQ)
	IfT Annex B Example Risk Register
	IfT Annex C Quality Questions
	IfT Annex D North East Pricing Schedule
	IfT Annex E North West Pricing Schedule
	IfT Annex F South Pricing Schedule
	IfT Annex G Tender Query Form
	IfT Annex H Salt Inspection Report
Contractual Agreement	Form of Tender
	Form of Agreement
	Contract Data Part 1 & 2
Contract Scope	Scope
	Scope Annex 1 Defined Terms
	Scope Annex 2 Reference Documents
	Scope Annex 3 Insurance Requirements
	Scope Annex 4 Client Personnel Security Procedures
	Scope Annex 5 Customer Service
	Scope Annex 6 People Strategy
	Scope Annex 7 Not used
	Scope Annex 8 Data Protection
	Scope Annex 9 Information Systems & Security
	Scope Annex 10 Not used
	Scope Annex 11 Not used
	Scope Annex 12 Not used
	Scope Annex 13 Form of Novation (Client to new Client)
	Scope Annex 14 Form of Novation (Contractor to new Contractor)
	Scope Annex 15 Health & Safety
	Scope Annex 16 Parent Company Guarantee
	Scope Annex 17 Not used
	Scope Annex 18 Not used
Scope Annex 19 Not Used	