United Kingdom
Debt Management
Office

The Lords Commissioners of Her Majesty's Treasury acting through the United Kingdom Debt Management Office

REFERENCE NUMBER

RM3827

ATTACHMENT 3

SUBMISSION REQUIREMENTS AND AWARD CRITERIA

1. **CONFIRMATION OF SERVICE REQUIREMENTS – PASS/FAIL ONLY, WITH SOME IMPACT ON SCORING OF QUALITY QUESTIONS AND TOTAL COST OF OWNERSHIP AS DESCRIBED BELOW**

1.1. Bidders should note that, as set out in Schedule 3 to The Terms and Conditions, there are four priority levels:

    1.1.1. **Critical Requirements**: these are the 17 most critical Requirements, from those "Musts" in Schedule 3 to The Terms and Conditions. They are set out at paragraph 11 of Attachment 1;

    1.1.2. **Core Requirements**: these support specific business functionality, and failure to deliver them will severely impact the effectiveness and/or efficiency of Customer operations. They are described as "Musts" in Schedule 3 to The Terms and Conditions. Bidders are requested for each requirement to indicate whether or not it is delivered by current standard functionality or if not whether it will be delivered by 31 October 2018;

    1.1.3. **Wider Requirements**: these are important requirements that support specific business functionality. Failure to deliver them will impact the effectiveness and/or efficiency of Customer operations. They are described as "Shoulds" in Schedule 3 to The Terms and Condition. Bidders are requested for each requirement to indicate whether or not it is delivered by current standard functionality or if not whether it will be delivered by 31 October 2018s; and

    1.1.4. **Additional Requirements**: these are "nice-to-have" requirements that are expected to improve operational efficiency and/or user satisfaction. However, failure to deliver them will have limited or no impact on the effectiveness and/or efficiency of Customer operations. They are described as "Coulds" in Schedule 3 to The Terms and Conditions. Bidders are requested for each requirement to indicate whether or not it is delivered by current standard functionality or if not whether it will be delivered by 31 October 2018.

1.2. Bidders should respond to the Requirements Response Template in relation to these Requirements.

1.3. The Customer will assess Bidders' responses to the Requirements Response Template in the following manner:

Critical Requirements

    1.1 In relation to Critical Requirements, Tenders will be assessed as:

        1.1.1 Compliant, where the Customer is entirely confident, based on the completed Requirements Response Template and the outcome Structured Demonstration that the relevant Requirements will be delivered by the Solution by 31 October 2018. It is likely that such a level of confidence will be reached only where the proposed Solution delivers these Requirements as at the date of the Tender; and

        1.1.2 Non-compliant, where this is not the case.

Core Requirements

1.2   in relation to Core Requirements, Tenders will be assessed as:

    1.2.1   Compliant, where the Customer is largely confident, based on the completed Requirements Response Template and the outcome Structured Demonstration, that the relevant Requirements will be delivered by the Solution by 31 October 2018. It is likely that such a level of confidence will be reached where the proposed Solution delivers these Requirements as at the date of the Tender, or the Tender contains convincing proposals for development of the Solution between the date of Tender and 31 October 2018; and

    1.2.2   Non-compliant, where this is not the case.

Wider Requirements

1.3   in relation to Wider Requirements, Tenders will be assessed as:

    1.3.1   Compliant, where the Customer has some confidence, based on the completed Requirements Response Template and the outcome Structured Demonstration, that most of the relevant Requirements will be delivered by the Solution by 31 October 2018. Bidders should note that, to the extent that one or more such Requirements will not be delivered by this date, the Customer will consider any costs that it might incur in ensuring that these Requirements are delivered at its own cost, and this will result in an increased Total Cost of Ownership on the basis described at paragraph 8; and

    1.3.2   Non-compliant, where the Customer believes, based on the completed Requirements Response Template and the outcome of Structure Demonstration, that most of the relevant Requirements will not be delivered by the Solution by 31 October 2018.

Additional Requirements

1.4   Additional Requirements will not be assessed for Compliance. However, where the Customer is confident that one or more Additional Requirements will be delivered by the Solution, the benefit of such Additional Requirements will be taken into account by the Customer in relation to Quality Question 2.1.7.

2.   IMPLEMENTATION AFFORDABILITY (PASS/FAIL)

2.1.   Based on the financial information supplied by Bidders using the template in paragraph 8 below, the Customer will assess whether or not the implementation is affordable. Licence and Implementation costs tendered by the Bidder will be added to the Customer's own costs, which will vary depending on the proportion of the total implementation plan that the Customer is required to resource. The resulting total cost will be compared to the affordability threshold. Tenders that are unaffordable will be excluded from the Procurement.

3.   LEGAL COMMENTARY (PASS/FAIL)

3.1.   As noted at paragraph 2 of Attachment 1, substantive changes to the Contract are not expected during Dialogue other than as required to reflect Bidders' Tenders. Accordingly, please confirm

that you accept the risk allocation, and drafting, set out in The Terms and Conditions in their entirety.

3.2.   To the extent that the Bidder cannot make this confirmation, complete the table below. Responses will be evaluated in accordance with the table below.

Clause / paragraph reference	Issue / proposed amendment	Reasoning for this, and advantages that the proposal will deliver to the Customer and/or the Solution

Score	Description
5	A Score of 5 will be awarded where the Bidder proposes no material changes to the Contract, or to the risk allocation which it sets out, or where any changes which are proposed are to the Customer's benefit
4	A Score of 4 will be awarded where the Bidder proposes changes to the Contract, or to the risk allocation which it sets out, but such changes do not: (i) transfer material risk to the Customer; or (ii) substantially alter the form of the Contract (other than to reflect the specifics of its Solution)
3	A Score of 3 will be awarded where the Bidder proposes changes to the Contract, or to the risk allocation which it sets out, which either: (i) transfer material risk to the Customer; or (ii) substantially alter the form of Contract in a manner which is not required in order to reflect the specifics of its Solution
2	A Score of 2 will be awarded where the Bidder proposes changes to the Contract, or to the risk allocation which it sets out, which either: (i) fundamentally alter the risk allocation in favour of the Bidder; or (ii) fundamentally alter the form of the Contract in a manner which is not required in order to reflect the specifics of its Solution
1	A Score of 1 will be awarded where the Bidder largely rejects the Contract, or the risk allocation which it sets out
If a Score of 3 or lower is awarded, the Tender will be Non-compliant	

4.   **QUALITY QUESTIONS**

Please respond to the questions set out in the table below. In doing so (including in relation to those questions which relate to pricing, Implementation and the Services) Bidders should take into account the requirements described in The Terms and Conditions including, without limitation, the:

4.1.   Business Rules & Notes set out in Schedule 3 to The Terms and Conditions; and

4.2.   requirements of Schedule 7 to The Terms and Conditions.

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LEVEL ONE
BUSINESS RISK – 20%

Level two
1.1 Implementation risk – 10% (and pass/fail)

The following Score will be awarded, in relation to implementation risk, to Bidders' responses to each of Quality Questions 1.1(a) to 1.1(d) inclusive:
5 – The response provides the Customer with complete confidence that the Solution will be implemented with minimum risk or disruption, and that transition will be smooth and effectively managed
4 - The response provides the Customer with confidence that the Solution will be implemented with minimum risk or disruption, and that transition will be smooth and effectively managed. Any risk areas are mitigated and managed effectively
3 - The response provides the Customer with some confidence that the Solution will be implemented with minimum risk or disruption, and that transition will be smooth and effectively managed. Any risk areas are mitigated and managed in order to present implementation proposals which, on balance, are low risk
2 - The response provides the Customer with little confidence that the Solution will be implemented with minimum risk or disruption, or that transition will be smooth and effectively managed. Risk mitigation proposals are not convincing
1 - The response provides the Customer with no confidence that the Solution will be implemented with minimum risk or disruption, or that transition will be smooth and effectively managed. Risk mitigation proposals, if provided, are poor. On balance, the proposals are moderate to high risk
The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to implementation risk
The Customer will add the Scores for Quality Questions 1.1(a) to 1.1(d) (inclusive), and divide this number by four to produce an average Score for the implementation risk Quality Questions. Should this average Score be less than 3.75, the Tender will be Non-compliant

Provide an implementation plan for your Solution to achieve completion of UAT by 30 October 2018, by responding to Quality Questions 1.1(a) to 1.1(d) inclusive:

Quality Question 1.1(a)	**Level three**
	1.1(a) Approach – 40%
	(Maximum Weighted Mark – 0.8%)
	Describe your implementation approach with regards to the following areas: planning, resourcing, quality assurance, training, testing and documentation, highlighting methodologies used, migration planning (in detail) and how the supplier implementation team would interact with the Customer.
	The Implementation Plan should include, as a minimum, the following **6** milestones: (1) completion of design; (2) completion of Supplier testing of initial platform build and integration; (3) migration of Data; (4) Completion of User Acceptance Testing (UAT) by 31 October 2017; (5) successful

	completion of parallel run (6) start of Customer live operation. The Bidder is free to add further milestones and deliverables as it thinks fit.
	The maximum number of characters is [ ]
Quality Question 1.1(b)	**Level three** **1.1(b) Tools – 15%** **(Maximum Weighted Mark – 0.3%)** State the tools you can provide which could support project management, configuration, workflow, testing and migration. The maximum number of characters is [ ]
Quality Question 1.1(c)	**Level three** **1.1(c) Controls – 15%** **(Maximum Weighted Mark – 0.3%)** Describe how you would manage risks and issues, change control, and quality assurance of the project in general. Describe how you would manage risks and issues with regards to solution testing of software, in particular prior to release. The maximum number of characters is [ ]
Quality Question 1.1(d)	**Level three** **1.1(d) Resourcing – 30%** **(Maximum Weighted Mark – 0.6%)** Describe the range of skills and experience you will have available for implementation, including training personnel. Indicate the number of staff available in each skill set. Describe whether resources will be employed directly by you, or if it will be sub-contracted. The maximum number of characters is [ ]
Level two **1.2 BAU Risk – 90%**	
Level three **1.2.1 Stability – 25%**	

The following Score will be awarded, in respect of stability, to Bidders' responses to Quality Question 1.2.1(a):

5 – The response provides the Customer with complete confidence that the Solution will be stable and reliable

4 - The response provides the Customer with complete confidence that the Solution will involve a minimal risk of reduced stability or reliability. Any risks to stability and reliability are mitigated and managed effectively

3 - The response provides the Customer with some confidence that the Solution will involve minimal risks to stability or reliability. Any risk areas are mitigated and managed in order to present BAU proposals which, on balance, present a low risk to stability and reliability

2 - The response provides the Customer with little confidence that the Solution will involve minimal risks to stability or reliability. Risk mitigation proposals are not convincing

1 - The response provides the Customer with no confidence that the Solution will involve minimal risks to stability or reliability. Risk mitigation proposals, if provided, are poor. On balance, the proposals are moderate to high risk

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for stability

Quality Question 1.2.1(a)	**Level four** **1.2.1(a) Reliability – 100%** **(Maximum Weighted Mark – 4.5%)** Describe what measures or facilities you will have available to maximise solution availability, and how you: - assure solution performance (including the use of performance metrics) during agreed client availability hours - adhere to agreed client reliability standards after essential updates / upgrades The maximum number of characters is [ ]

Level three

1.2.2 Service management and system upgrades – 15%

The following Score will be awarded, in respect of service management and system upgrades, to Bidders' responses to Quality Question 1.2.2(a):

5 – The response provides the Customer with complete confidence that the upgrades, and associated support, offered in respect of the Solution are manageable

4 - The response provides the Customer with confidence that the upgrades, and associated support, offered in respect of the Solution are manageable

3 - The response provides the Customer with some confidence that the upgrades, and associated support, offered in respect of the Solution are manageable. Any potential issues are mitigated and

managed in order to present proposals which, on balance, give the Customer reasonable confidence in this aspect of the Solution

2 - The response provides the Customer with little confidence that the upgrades, and associated support, offered in respect of the Solution are manageable. Mitigation and management of potential issues are not convincing

1 - The response provides the Customer with no confidence that the upgrades, and associated support, offered in respect of the Solution are manageable. Mitigation and management of potential issues, if provided, are poor

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for service management and system upgrades

Quality Question 1.2.2(a)	**Level four** **1.2.2(a) Solution upgrades – 100%** **(Maximum Weighted Mark – 2.7%)** Describe the frequency of your solution upgrades, and whether they are mandatory. Explain if any assistance is offered with regards to managing the upgrades. The maximum number of characters is [ ]

Level three

1.2.3 Infrastructure & hardware (availability and reliability) – 20%

The following Score will be awarded, in respect of infrastructure & hardware, to Bidders' responses to each of Quality Questions 1.2.3(a) and 1.2.3(b):

5 – The responses provide the Customer with complete confidence that the Solution will provide robust and resilient infrastructure and recovery processes. The term of the Licence proposed, being in excess of the minimum term required, offers significant additional value to the Customer

4 - The response provides the Customer with confidence that the Solution will provide robust and resilient infrastructure and recovery processes. Any risks are mitigated and managed effectively. The term of the Licence proposed, being in excess of the minimum term required, offers additional value to the customer

3 - The response provides the Customer with some confidence that the Solution will provide robust and resilient infrastructure and recovery processes. Any risks are mitigated and managed in order to present BAU proposals which, on balance, result in a Solution which is low risk

2 - The response provides the Customer with little confidence that the Solution will provide robust and resilient infrastructure and recovery processes. Risk mitigation proposals are not convincing

1 - The response provides the Customer with no confidence that the Solution will provide robust and resilient infrastructure and recovery processes. Risk mitigation proposals, if provided, are poor. On balance, the proposals are moderate to high risk

	The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to infrastructure & hardware
Quality Question 1.2.3(a)	**Level four** **1.2.3(a) Infrastructure and design – 60%** **(Maximum Weighted Mark – 2.16%)** Provide an infrastructure design document describing how you would best support a fully resilient Solution to the Customer's requirements. Outline the infrastructure requirements, including: - servers: hardware, operating solution, database software, 3rd party software and version(s) - network: bandwidth, latency, protocols - client: hardware, operating system, browser software, 3rd party software and version(s) - any licence period offered which is in excess of 15 years The maximum number of characters is [ ]
Quality Question 1.2.3(b)	**Level four** **1.2.3(a) Failover and recovery – 40%** **(Maximum Weighted Mark – 1.44%)** Describe your failover and recovery processes and standards the DMO can expect in case of a component failure in the solution infrastructure. This will need to be based on a DMO hosted solution. The maximum number of characters is [ ]

Level three

1.2.4 Security – 35% (and pass/fail)

The following Score will be awarded, in respect of security, to Bidders' responses to each of Quality Questions 1.2.4(a), 1.2.4(b) and 1.2.4(c):

5 - The response provides the Customer with complete confidence that the Solution provides a robust security structure

4 - The response provides the Customer with complete confidence that the Solution provides an adequate security structure. Any risk areas are mitigated and managed in order to present proposals which, on balance, are very low risk

3 - The response provides the Customer with some confidence that the Solution provides an adequate security structure. Any risk areas are mitigated and managed in order to present proposals which, on balance, are low risk

2 - The response provides the Customer with little confidence that the Solution provides an adequate security structure. Risk mitigation proposals are not convincing

1 - The response provides the Customer with no confidence that the Solution provides an adequate security structure. Risk mitigation proposals, if provided, are poor. On balance, the proposals are moderate to high risk

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to security

The Customer will add the Scores for Quality Questions 1.2.4(a) to 1.2.4(c) (inclusive), and divide this number by three to produce an average Score for security Quality Questions. Should this average Score be less than 3.75, the Tender will be Non-compliant

Quality Question 1.2.4(a)	**Level four** **1.2.4(a) Access – 40%** **(Maximum Weighted Mark – 2.52%)** Describe your mechanisms and controls, which will be used to detect and prevent unauthorised solution access and use. The maximum number of characters is [ ]
Quality Question 1.2.4(b)	**Level four** **1.2.4(b) Attribution – 40%** **(Maximum Weighted Mark – 2.52%)** Explain the attribution mechanisms which will be in place to record solution use, including privileged user use. The maximum number of characters is [ ]
Quality Question 1.2.4(c)	**Level four** **1.2.4(a) Solution integrity – 20%** **(Maximum Weighted Mark – 1.26%)** Describe your mechanisms and controls, which will be in place to preserve solution integrity and accuracy. This will need to include data and configuration, both during normal use and in the event of an unplanned outage. The maximum number of characters is [ ]
Level three **1.2.5 Product strategy and roadmap – 5%**	
The following Score will be awarded, in respect of product strategy and roadmap, to Bidders' responses to Quality Question 1.2.5(a):	

5 - The response provides the Customer with complete confidence that the Solution will be able to accommodate known and likely future developments

4 - The response provides the Customer with confidence that the Solution will be able to accommodate known and likely future developments

3 - The response provides the Customer with some confidence that the Solution will be able to accommodate known and likely future developments

2 - The response provides the Customer with little confidence that the Solution will be able to accommodate known and likely future developments

1 - The response provides the Customer with no confidence that the Solution will be able to accommodate known and likely future developments

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for product strategy and roadmap

Quality Question 1.2.5(a)	Level four
	1.2.5(a) Development strategy – 100%
	(Maximum Weighted Mark – 0.9%)
	Describe what development initiatives are in the pipeline for your system in response to known market-wide changes e.g. bilateral margining
	The maximum number of characters is [ ]

LEVEL ONE

FUNCTIONAL AND TECHNICAL REQUIREMENTS – 40%

Level two

2.1 Functional requirements – 75%

Level three

2.1.1 Cash & debt management (dealing) – 35%

The following Score will be awarded, in respect of cash & debt management functionality, to Bidders' responses to each of Quality Questions 2.1.1(a) to 2.1.1(k) inclusive:

5 - The response provides the Customer with complete confidence that the Solution will provide all of the dealing functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution will provide all of the dealing functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution will provide all of the dealing functionality described at Schedule 3 to The Terms and Conditions

	2 - The response provides the Customer with little confidence that the Solution will provide all of the dealing functionality described at Schedule 3 to The Terms and Conditions
	1 - The response provides the Customer with no confidence that the Solution will provide all of the dealing functionality described at Schedule 3 to The Terms and Conditions
	The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to cash & debt dealing

Quality Question 2.1.1(a)	**Level four** **2.1.1(a) Cashflow forecasting – 20%** **(Maximum Weighted Mark – 2.1%)** Describe your full cashflow forecasting capabilities, that cover all aspects of the business for Cash management, Gilt and T-bill issuance programmes (describing the ability to exclude / aggregate profit centres in the overall makeup of the cashflows and the ability to import external cashflows via other means). The maximum number of characters is [ ]
Quality Question 2.1.1(b)	**Level four** **2.1.1(b) "What-if" scenarios – 5%** **(Maximum Weighted Mark – 0.525%)** Describe how your Solution will support the formulation of what-if scenarios, for future cash and stock positions. Please describe how the impact on current positions and pv01 is communicated by your Solution. The maximum number of characters is [ ]
Quality Question 2.1.1(c)	**Level four** **2.1.1(c) Packaged trades – 10%** **(Maximum Weighted Mark – 1.05%)** Describe your ability to fully package trades, which will create the desired base currency FX equivalent. The maximum number of characters is [ ]
Quality Question 2.1.1(d)	**Level four** **2.1.1(d) Position management – 20%** **(Maximum Weighted Mark – 2.1%)**

	Describe your full stock position ladder and position-keeping capabilities as well as your drill down functionality across all data fields, e.g. counterparty and stock. The maximum number of characters is [ ]
Quality Question 2.1.1(e)	**Level four** **2.1.1(e) P&L – 5%** **(Maximum Weighted Mark – 0.525%)** Describe your real-time P&L reporting functionality, including actual P&L and P&L vs a benchmark. The maximum number of characters is [ ]
Quality Question 2.1.1(f)	**Level four** **2.1.1(f) Bulk trade entry – 5%** **(Maximum Weighted Mark – 0.525%)** Describe your ability to manually enter trades in bulk. The maximum number of characters is [ ]
Quality Question 2.1.1(g)	**Level four** **2.1.1(g) Pricing – 5%** **(Maximum Weighted Mark – 0.525%)** Describe your ability to calculate bid / offer spreads, from a mid-price, and adjust prices to allow for accrued interest on a portfolio basis. Describe how this data can be exported to a spreadsheet. The maximum number of characters is [ ]
Quality Question 2.1.1(h)	**Level four** **2.1.1(h) Portfolio settlement – 5%** **(Maximum Weighted Mark – 0.525%)** Describe your ability to customise settlement for securities on a portfolio basis, e.g. non-standard settlement terms such as 'days settlement' or 'free of payment'. The maximum number of characters is [ ]
Quality Question 2.1.1(i)	**Level four** **2.1.1(i) Yield curve analysis – 5%**

	(Maximum Weighted Mark – 0.525%)
	Describe your ability to run yield curve analysis on open positions, as a book, or on different profit centres.
	The maximum number of characters is [ ]
Quality Question 2.1.1(j)	**Level four**
	2.1.1(j) Risk limits – 10%
	(Maximum Weighted Mark – 1.05%)
	Describe your ability to set nonstandard risk and credit limits in the Solution and display real time risk / credit exposure alerts.
	The maximum number of characters is [ ]
Quality Question 2.1.1(k)	**Level four**
	2.1.1(k) Screen configuration – 10%
	(Maximum Weighted Mark – 1.05%)
	Describe your ability to create fully customisable screens:
	- that will be able to be locked by specific functionality relevant to each desk
	- that each user will be able to customise to their own preferences.
	The maximum number of characters is [ ]

Level three

2.1.2 Business operations & development – 15%

The following Score will be awarded, in respect of business operations and development, to Bidders' responses to each of Quality Questions 2.1.2(a), 2.1.2(b) and 2.1.2(c):

5 - The response provides the Customer with complete confidence that the Solution will provide all of the loans, funds and deposits functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution will provide all of the loans, funds and deposits functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution will provide all of the loans, funds and deposits functionality described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution will provide all of the loans, funds and deposits functionality described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution will provide all of the loans, funds and deposits functionality described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to business operations & development

Quality Question 2.1.2(a)	**Level four** **2.1.2(a) Loan processing – 45%** **(Maximum Weighted Mark – 2.025%)** Describe your capabilities regarding loans processing which include the following: - the treatment of fixed and variable rate loans - functionality to apply interest rates depending on tenor periods - functionality to apply different fee structures - functionality to monitor repayments and late repayments of loans - functionality for full or partial premature repayment of loans applying specific business rules - at trade, counterparty and portfolio level highlighting drill down functionality and reporting. The maximum number of characters is [ ]
Quality Question 2.1.2(b)	**Level four** **2.1.2(b) Fund management – 30%** **(Maximum Weighted Mark – 1.35%)** Describe your capabilities regarding fund management (cash) which will include the following: - call notice deposit accounts - cash transactions (based on transaction type) - dummy transactions - ability to create sub accounts (and apply cash balances and interest split across the underlying beneficiaries) - at trade, counterparty and portfolio level highlighting drill down functionality and reporting. The maximum number of characters is [ ]
Quality Question 2.1.2(c)	**Level four** **2.1.2(c) Deposits – 25%** **(Maximum Weighted Mark – 1.125%)** Describe your capabilities regarding deposits which will include the following: - functionality to apply interest rates depending on deposit period

	- functionality for fixed or floating rate deposits - functionality to be able to 'roll over' or extend a deposit prior to maturity - at trade, counterparty and portfolio level highlighting drill down functionality and reporting. The maximum number of characters is [ ]
Level three **2.1.3 Risk management – 10%**	
The following Score will be awarded, in respect of risk management, to Bidders' responses to each of Quality Questions 2.1.3(a) to 2.1.3(f) inclusive: 5 - The response provides the Customer with complete confidence that the Solution will provide all of the risk management functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective 4 - The response provides the Customer with confidence that the Solution will provide all of the risk management functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective 3 - The response provides the Customer with some confidence that the Solution will provide all of the risk management functionality described at Schedule 3 to The Terms and Conditions 2 - The response provides the Customer with little confidence that the Solution will provide all of the risk management functionality described at Schedule 3 to The Terms and Conditions 1 - The response provides the Customer with no confidence that the Solution will provide all of the risk management functionality described at Schedule 3 to The Terms and Conditions The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to risk management	
Quality Question 2.1.3(a)	**Level four** **2.1.3(a) Credit risk management – 25%** **(Maximum Weighted Mark – 0.75%)** In order to manage Credit and Settlement Risk Limits and Exposures: - describe how limits can be set up and maintained by counterparty, counterparty group, product - describe how the exposure against limits can be monitored, exceptions identified, analysed and reported. The maximum number of characters is [ ]
Quality Question 2.1.3(b)	**Level four** **2.1.3(b) Credit risk calculation – 25%** **(Maximum Weighted Mark – 0.75%)**

	Describe the extent to which Credit Risk Exposure Calculations can take account of current market value, potential future exposure, netting, roll-off and terms of any credit support agreements (e.g. margins, thresholds, haircuts). The maximum number of characters is [ ]
Quality Question 2.1.3(c)	**Level four** **2.1.3(c) Market risk management of limits & exposures – 15%** **(Maximum Weighted Mark – 0.45%)** In order to manage Market Risk Limits and Exposures: - describe how limits can be set up and maintained by portfolio, sub-portfolio, and product - describe how the exposure against limits can be monitored, exceptions identified, analysed and reported. The maximum number of characters is [ ]
Quality Question 2.1.3(d)	**Level four** **2.1.3(d) Market risk calculation – 15%** **(Maximum Weighted Mark – 0.45%)** Describe how market risk exposure measurements can be calculated against specific portfolios using prevailing market data. Explain with regards to both outright basis and relative to a benchmark portfolio. The maximum number of characters is [ ]
Quality Question 2.1.3(e)	**Level four** **2.1.3(e) Collateral management – 10%** **(Maximum Weighted Mark – 0.3%)** In order to demonstrate the link between the risk solution and collateral management, describe how collateral, held against counterparty trade portfolios, can be integrated with the underlying portfolios for exposure calculation purposes. The maximum number of characters is [ ]
Quality Question 2.1.3(f)	**Level four** **2.1.3(f) Scenario analysis – 10%** **(Maximum Weighted Mark – 0.3%)** Describe the facilities available to provide Scenario Analysis. Give examples, such as the ability to create, save and apply variations to risk factors to

	analyse the effect on market values and exposure calculations, on a routine and ad-hoc basis.
	The maximum number of characters is [ ]
Level three **2.1.4 Settlements – 10%**	

The following Score will be awarded, in respect of settlements, to Bidders' responses to each of Quality Questions 2.1.4(a) to 2.1.4(g) inclusive:

5 - The response provides the Customer with complete confidence that the Solution will provide all of the settlements functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution will provide all of the settlements functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution will provide all of the settlements functionality described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution will provide all of the settlements functionality described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution will provide all of the settlements functionality described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to settlements

Quality Question 2.1.4(a)	**Level four** **2.1.4(a) Corporate actions – 15%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution will process Corporate Actions (for all securities). The maximum number of characters is [ ]
Quality Question 2.1.4(b)	**Level four** **2.1.4(b) Collateral management – 15%** **(Maximum Weighted Mark – 0.45%)** Describe your Solution's ability to collateralise portfolios for both GMRA and ISDA conventions. The maximum number of characters is [ ]
Quality Question 2.1.4(c)	**Level four** **2.1.4(c) Extrapolate data – 15%**

	(Maximum Weighted Mark – 0.45%) Describe how your Solution can extrapolate data from price feeds (using live or stale prices) for the purpose of collateral management valuations (on daily and intraday basis). The maximum number of characters is [ ]
Quality Question 2.1.4(d)	**Level four** **2.1.4(d) Nostro reconciliation – 15%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution can support cash Nostro reconciliation and forecasting capabilities. The maximum number of characters is [ ]
Quality Question 2.1.4(e)	**Level four** **2.1.4(e) Deposit reconciliation – 15%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution can support securities depository reconciliation functionality. The maximum number of characters is [ ]
Quality Question 2.1.4(f)	**Level four** **2.1.4(f) Trade netting – 5%** **(Maximum Weighted Mark – 0.15%)** Describe how your Solution can amalgamate trades (as per our auction procedures) and net trades (as per clearing requirements). The maximum number of characters is [ ]
Quality Question 2.1.4(g)	**Level four** **2.1.4(g) Swift payments – 20%** **(Maximum Weighted Mark – 0.6%)** Describe how your Solution supports SWIFT payments and messaging requirements. The maximum number of characters is [ ]

Level three **2.1.5 Finance – 10%**	

The following Score will be awarded, in respect of finance, to Bidders' responses to each of Quality Questions 2.1.5(a) to 2.1.5(h) inclusive:

5 - The response provides the Customer with complete confidence that the Solution will provide all of the finance functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution will provide all of the finance functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution will provide all of the finance functionality described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution will provide all of the finance functionality described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution will provide all of the finance functionality described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to finance

Quality Question 2.1.5(a)	**Level four** **2.1.5(a) Product accounting – 15%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution supports multicurrency IFRS accounting for all products on the 'DMO product list', offering a range of methodologies including 'EIR' amortisation, 'FIFO' and 'weighted average' stock sales. The maximum number of characters is [ ]
Quality Question 2.1.5(b)	**Level four** **2.1.5(b) Ledgers – 15%** **(Maximum Weighted Mark – 0.45%)** Confirm whether your Solution will include an integrated general ledger / sub-ledger which will permit a wide range of trade information, to feed into the ledger (e.g. counterparty ID) The maximum number of characters is [ ]

Quality Question 2.1.5(c)	**Level four** **2.1.5(c) Reporting – 20%** **(Maximum Weighted Mark – 0.6%)** Describe the integrated reporting function from the general ledger / sub-ledger and how flexible and easy to use they are, such that non-developers can design and produce reports. Confirm whether the reports will permit a variety of formats and integrated graphs and text etc. The maximum number of characters is [ ]
Quality Question 2.1.5(d)	**Level four** **2.1.5(d) Analysis – 15%** **(Maximum Weighted Mark – 0.45%)** Describe what analysis tools for the general ledger / sub-ledger will be available. Describe how they can facilitate quick reconciliations, review of account codes and drill down functionality etc. The maximum number of characters is [ ]
Quality Question 2.1.5(e)	**Level four** **2.1.5(e) Accounting rules – 10%** **(Maximum Weighted Mark – 0.3%)** Describe to what extent accounting rules for each product and profit centre can be determined and amended by the user. Explain to what extent all the accounting rules will be visible to the user. The maximum number of characters is [ ]
Quality Question 2.1.5(f)	**Level four** **2.1.5(f) Fee calculations – 5%** **(Maximum Weighted Mark – 0.15%)** Describe what capability will be available to calculate settlement, brokerage and other fees (with bespoke fee structures). The maximum number of characters is [ ]
Quality Question 2.1.5(g)	**Level four** **2.1.5(g) Test / hypothetical – 10%**

	(Maximum Weighted Mark – 0.3%) Describe how test / hypothetical trades can be separately distinguished (from live trading) and how the accounting can be reviewed / reported, either separately or together with the rest of the integrated general ledger / sub-ledger (as determined by the user). The maximum number of characters is [ ]
Quality Question 2.1.5(h)	**Level four** **2.1.5(h) Benchmarking – 10%** **(Maximum Weighted Mark – 0.3%)** Describe how benchmarking facilities will be available in your Solution, both in terms of running a dummy portfolio, against which a live portfolio can be compared, whilst calculating a cost of funds for any given profit centre based on the cash invested / borrowed in that profit centre. The maximum number of characters is [ ]

Level three

2.1.6 Policy and research (product assurance and integrity of calculations) – 15%

The following Score will be awarded, in respect of policy and research, to Bidders' responses to each of Quality Questions 2.1.6(a) to 2.1.6(h) inclusive:

5 - The responses provide the Customer with complete confidence that the Solution will provide all of the policy and research requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery in support of all such policies appears robust and effective

4 - The response provides the Customer with confidence that the Solution will provide all of the policy and research requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality in support of all such policies appears robust and effective

3 - The response provides the Customer with some confidence that the Solution will provide all of the policy and research requirements described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution will provide all of the policy and research requirements described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution will provide all of the policy and research requirements described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to policy and research

Quality Question 2.1.6(a)	**Level four** **2.1.6(a) Products – 10%** **(Maximum Weighted Mark – 0.45%)**

	Describe your ability to fully support all products currently issued by the DMO (conventional gilts, 3-month index-linked gilts, 8-month index-linked gilts, gilt strips and Treasury bills). The maximum number of characters is [ ]
Quality Question 2.1.6(b)	**Level four** **2.1.6(b) Interest calculations – 10%** **(Maximum Weighted Mark – 0.45%)** Describe how calculation of accrued interest, cashflows and proceeds for all types of gilt, gilt strips and Treasury bills is in line with the DMO convention. The maximum number of characters is [ ]
Quality Question 2.1.6(c)	**Level four** **2.1.6(c) Yield calculations – 10%** **(Maximum Weighted Mark – 0.45%)** Describe how calculation of redemption yield and modified duration for all types of gilt, gilt strips and Treasury bills is in line with the DMO convention. The maximum number of characters is [ ]
Quality Question 2.1.6(d)	**Level four** **2.1.6(d) Index linked products – 10%** **(Maximum Weighted Mark – 0.45%)** Confirm that your Solution will be able to handle index-linked bond products of more than one cashflow structure, indexation lag or index. The maximum number of characters is [ ]
Quality Question 2.1.6(e)	**Level four** **2.1.6(e) Bond products – 20%** **(Maximum Weighted Mark – 0.9%)** Confirm that your Solution will be able to handle bonds of any maturity and with coupons in 1/8% increments or decimals, including coupons of zero. The maximum number of characters is [ ]

Quality Question 2.1.6(f)	**Level four** **2.1.6(f) Static data – 20%** **(Maximum Weighted Mark – 0.9%)** Describe how your Solution will support the use of instrument static data for gilts, gilt strips and Treasury bills from the DMO's in-house database. The maximum number of characters is [ ]
Quality Question 2.1.6(g)	**Level four** **2.1.6(g) Calculation engine - internal – 10%** **(Maximum Weighted Mark – 0.45%)** Describe how the DMO's in-house calculation engine could be used in your trading solution for calculating accrued interest, cashflows, proceeds, redemption yields and modified durations for all types of gilt, gilt strips and Treasury bills. The maximum number of characters is [ ]
Quality Question 2.1.6(h)	**Level four** **2.1.6(h) Calculation engine - external – 10%** **(Maximum Weighted Mark – 0.45%)** Describe how the calculation engine could be operated outside the trading system (for example in in-house Customer applications and as add-in functions in Excel). The maximum number of characters is [ ]
Level three **2.1.7 General requirements – 5%**	
The following Score will be awarded, in respect of general requirements, to Bidders' responses to each of Quality Questions 2.1.7(a) to 2.1.7(e) inclusive: 5 - The response provides the Customer with complete confidence that the Solution will provide all of the general functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective. Additional benefit is provided through provision of a Solution which delivers a significant number of Additional Requirements 4 - The response provides the Customer with confidence that the Solution will provide all of the general functionality described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective. Additional benefit is provided through provision of a Solution which delivers some Additional Requirements	

3 - The response provides the Customer with some confidence that the Solution will provide all of the general functionality described at Schedule 3 to The Terms and Conditions. Few Additional Requirements, if any, are provided by the Solution

2 - The response provides the Customer with little confidence that the Solution will provide all of the general functionality described at Schedule 3 to The Terms and Conditions. No Additional Requirements are provided by the Solution

1 - The response provides the Customer with no confidence that the Solution will provide all of the general functionality described at Schedule 3 to The Terms and Conditions. No Additional Requirements are provided by the Solution

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to general requirements

Quality Question 2.1.7(a)	**Level four** **2.1.7(a) Data – 30%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution will deliver the following capabilities: - audit trail on data changes (new, amended, enriched and de-activated) with trade versioning - controls around accidental data deletion, e.g. produce a view on the cascading impact of deleting reference data - maintaining business rules such as Chart of Accounts, mapping tables and Fee structure - import and export of data that adheres to industry standard formats e.g. xlsx, xml, csv, pdf, odf etc The maximum number of characters is [ ]
Quality Question 2.1.7(b)	**Level four** **2.1.7(b) Workflow tool – 10%** **(Maximum Weighted Mark – 0.15%)** Describe how: - workflows for business processes will be designed and deployed, including whether there will be graphical tools - the Solution will run simulations and validate workflow, e.g. checking for overlapping rules, duplicated tasks, loops and test the workflow before committing - the Solution will create and deploy workflow diagrams between non production and production environments The maximum number of characters is [ ]
Quality Question 2.1.7(c)	**Level four** **2.1.7(c) Market data – 15%** **(Maximum Weighted Mark – 0.225%)**

	Describe how the Solution delivers the following capabilities:
	- create & maintain market data feeds to support different business activities (Trading, Portfolio & Collateral valuation, P&L calculation) e.g. real time Gilt prices for Trading, end of day prices for collateral valuation. - enrichment and validation of market data e.g. apply discount/premium, thresholds/missing values/outliers/min and max. - support for positive, zero and negative yields and rates The maximum number of characters is [ ]
Quality Question 2.1.7(d)	**Level four** **2.1.7(d) Reporting – 30%** **(Maximum Weighted Mark – 0.45%)** Describe how your Solution will deliver the following capabilities: - integrated reporting solution - the ability to customise reports (corporate logo, security classification, by legal entity / book / counterparty / currency etc.), create user-defined reports - dashboard creation - moving reports to / from other environments (e.g. Dev / Test) - integration with external reporting tools (BI tools) - the ability to apply security and access control to reports (data access) - the ability to customise and save user screen layout - can you also explain what type of resource is required to customise reports (Supplier, User, DMO developer) The maximum number of characters is [ ]
Quality Question 2.1.7(e)	**Level four** **2.1.7(e) Reference data – 15%** **(Maximum Weighted Mark – 0.225%)** Describe how the Solution delivers the following capabilities - set up & maintain a Hierarchical Reference data structure (Legal entities, Books/Profit centre, Counterparty, SSI, Limits, Ratings, and Instruments) - migration of existing reference data structure - notification of reference data changes to users - support multi-currency asset classes The maximum number of characters is [ ]

Level two **2.2 Technical requirements – 25%**	
Level three **2.2.1 Technical architecture – 40%**	

The following Score will be awarded, in respect of technical architecture, to Bidders' responses to each of Quality Questions 2.2.1(a) to 2.2.1(f) inclusive:

5 - The response provides the Customer with complete confidence that the Solution meets all of the technical architecture requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution meets all of the technical architecture requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution meets all of the technical architecture requirements described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution meets all of the technical architecture requirements described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution will provide all of the technical architecture requirements described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to technical architecture

Quality Question 2.2.1(a)	**Level four** **2.2.1(a) Technology stack – 20%** **(Maximum Weighted Mark – 0.8%)** Describe your Solution's architecture, e.g. user interface, database, server, reporting, communication, BI tools, Development languages etc. The maximum number of characters is [ ]
Quality Question 2.2.1(b)	**Level four** **2.2.1(b) Configuration – 10%** **(Maximum Weighted Mark – 0.4%)** Describe how your Solution will be configured and where an environment's configuration will be stored. Explain how this will be replicated across production and test environments, e.g. explain how you will control production configuration values from being accidently set in the test environment, or indeed test environment overwriting production.

	The maximum number of characters is [ ]
Quality Question 2.2.1(c)	**Level four** **2.2.1(c) Data access – 10%** **(Maximum Weighted Mark – 0.4%)** Describe your Solution's approach to handling shared (or golden source) data. Include how the solution will handle a scenario where data is externally held in one of the DMOs own solutions. Explain how other solutions will be able to access data programmatically, to synchronise with the golden source values. Explain the security model for this interface. The maximum number of characters is [ ]
Quality Question 2.2.1(d)	**Level four** **2.2.1(d) Data source – 20%** **(Maximum Weighted Mark – 0.8%)** Describe your options around how your Solution will create data, e.g. if it is populated via a manual process, or if it is externally obtained (from wire services (e.g. Bloomberg or equivalent)). Explain how your Solution will manage data with the DMO's own reference data repository. Clearly outline your expected approach to data migration, including roles and responsibilities. The maximum number of characters is [ ]
Quality Question 2.2.1(e)	**Level four** **2.2.1(e) Environments – 20%** **(Maximum Weighted Mark – 0.8%)** Describe how your Solution will be hosted to allow development, testing and production. Explain how your solution's service connectivity will be managed, e.g. links to external services and links to internal processes across these environments. How will your solution updates migrate between these environments? What effort will be required to manage connectivity? Explain if these will be manually configured or scripted and how the security will be managed. The maximum number of characters is [ ]
Quality Question 2.2.1(f)	**Level four**

	2.2.1(f) Reporting – 20%
	(Maximum Weighted Mark – 0.8%)
	The DMO will store historical trade history from its current trading solution, in a historical datastore. In order to keep this data series complete, similar information will be extracted from your Solution. Describe how:
	- this will be facilitated - your time series reporting could span across to an external data source or whether an alternative approach will be available
	The maximum number of characters is [ ]
Level three **2.2.2 Support – 30%**	
The following Score will be awarded, in respect of support, to Bidders' responses to each of Quality Questions 2.2.2(a) to 2.2.2(d) inclusive: 5 - The response provides the Customer with complete confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective. Support is provided locally (i.e. based in Greater London) 4 - The response provides the Customer with confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective. Support is based within a time zone that is +/- two hours GMT 3 - The response provides the Customer with some confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions. Support is based outside of the time zones referred to above 2 - The response provides the Customer with little confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions 1 - The response provides the Customer with no confidence that the Solution will provide all of the capabilities described at Schedule 3 to The Terms and Conditions The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to support	
Quality Question 2.2.2(a)	**Level four** **2.2.1(a) Service & support – 60%** **(Maximum Weighted Mark – 1.8%)** Describe your support coverage options, bearing in mind the DMO core business hours are 6am to 8pm Monday to Friday and that an option for weekend cover would be pursued. Please confirm where your principal support centre is located. The maximum number of characters is [ ]

Quality Question 2.2.2(b)	**Level four** **2.2.2(b) Service credits – 10%** **(Maximum Weighted Mark – 0.3%)** Describe your service credit and annual error frequency compensation plan and agreement. The maximum number of characters is [ ]
Quality Question 2.2.2(c)	**Level four** **2.2.2(c) Customer account management – 15%** **(Maximum Weighted Mark – 0.45%)** Describe your account management and escalation structures including in particular access to senior executives for the Customer's senior management. The maximum number of characters is [ ]
Quality Question 2.2.2(d)	**Level four** **2.2.2(d) Post-implementation – 15%** **(Maximum Weighted Mark – 0.45%)** Describe what technical support arrangements, such as warranty periods, will be in place immediately following successful implementation. Highlight your DMO support and relationship management framework. Give examples of roles, responsibilities, escalation points, review meetings and frequencies. The maximum number of characters is [ ]

Level three
2.2.3 Security – 30%
The following Score will be awarded, in respect of security, to Bidders' responses to each of Quality Questions 2.2.3(a) to 2.2.3(d) inclusive:

5 - The response provides the Customer with complete confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

4 - The response provides the Customer with confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions, and the proposed delivery of all relevant functionality appears robust and effective

3 - The response provides the Customer with some confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions

2 - The response provides the Customer with little confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions

1 - The response provides the Customer with no confidence that the Solution meets all of the requirements described at Schedule 3 to The Terms and Conditions

The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to security

Quality Question 2.2.3(a)	**Level four** **2.2.3(a) Access controls – 25%** **(Maximum Weighted Mark – 0.75%)** Describe the information access controls and security procedures that will be used to ensure the correct identification, authorisation and authentication of solution users. The maximum number of characters is [ ]
Quality Question 2.2.3(b)	**Level four** **2.2.3(b) Account management – 25%** **(Maximum Weighted Mark – 0.75%)** Describe the information and the procedures you will use to ensure proper account management, including: - establishing, changing, reviewing and removing accounts (including emergency and other temporary accounts) - maintaining an audit trail of unauthorised solution use The maximum number of characters is [ ]
Quality Question 2.2.3(c)	**Level four** **2.2.3(c) Unauthorised use – 25%** **(Maximum Weighted Mark – 0.75%)**

	Describe the administrative procedures (such as adherence to least privilege and separation of duties concepts) and information which will be provided to assist in the detection of unauthorised use of the Solution. The maximum number of characters is [ ]
Quality Question 2.2.3(d)	**Level four** **2.2.3(d) Accessibility – 25%** **(Maximum Weighted Mark – 0.75%)** Describe the steps you will take to ensure your solution is accessible to all users and will comply with any accessibility standards (i.e. EN 301 549). The maximum number of characters is [ ]

5. **SOLUTION RISK / STRUCTURED DEMONSTRATION**

Bidders should note that statements that a Solution meets a Requirement, and responses to Quality Questions made as part of Outline Solutions, will be discussed during Dialogue and examined during Structured Demonstration. If, as a result of this process, there is doubt about the deliverability of these requirements, this will result in an adverse Solution Risk Score as part of Final Tenders.

6. **LEVEL ONE: SOLUTION RISK (15%)**

6.1. **Level Two: development risk (95%)**

The Customer will, taking into account the overall responses to Quality Questions and (in respect of Final Tenders) the outcome of the Structured Demonstration to award a Score for development risk based on the table below.

Score	Description
	(Maximum Weighted Mark – 14.25%)
5	A Score of 5 will be awarded where the Customer has complete confidence that the Solution proposed, and all other material benefits suggested by the Tender, can and will be delivered, to the required quality and within the implementation programme timeframe. There are no material areas of doubt or concern
4	A Score of 4 will be awarded where the Customer has confidence that the Solution proposed, and all other material benefits suggested by the Tender, can and will be delivered, to the required quality and within the implementation programme timeframe. Any areas of doubt or concern have been thoroughly addressed by the proposals such that any risk to delivery is minimal
3	A Score of 3 will be awarded where the Customer has some confidence that the Solution proposed, and all other material benefits suggested by the Tender, can and will be delivered, to the required quality and within the implementation programme

	timeframe. Areas of doubt or concern remain and have not been thoroughly addressed by the proposals such that there is a material risk to delivery
2	A Score of 2 will be awarded where the Customer has little confidence that the Solution proposed, and all other material benefits suggested by the Tender, can and will be delivered, to the required quality and within the implementation programme timeframe, such that there is a significant risk to delivery
1	A Score of 1 will be awarded where the Customer has very little confidence that the Solution proposed, and all other material benefits suggested by the Tender, can and will be delivered to the required quality and within the implementation programme timeframe
The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for development risk	

6.2. **Level Two: Delay payments (5%)**

Please confirm that you accept the delay payment regime set out in the Terms and Conditions. Should you have alternative proposals in relation to this regime, please describe them. Bidders should note that their responses, if they represent a sufficiently serious adjustment to the Customer's proposed risk allocation, be assessed adversely (leading to Non-compliance) under Legal Commentary.

Score	Description **(Maximum Weighted Mark – 0.75%)**
5	A Score of 5 will be awarded where the Bidder accepts the delay payment regime in its entirety. Any alternative proposals are to the Customer's advantage
4	A Score of 4 will be awarded where the Bidder substantially accepts the delay payment regime. Any alternative proposals do not transfer material risk to the Customer
3	A Score of 3 will be awarded where the Bidder accepts some aspects of the delay payment regime, but material risk is transferred to the Customer
2	A Score of 2 will be awarded where the Bidder rejects most aspects of the delay payment regime, transferring significant risk to the Customer
1	A Score of 1 will be awarded where Bidder rejects the delay payment regime in its entirety
The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to delay payments	

7. LEVEL ONE: COMMERCIAL RISK – 5%

7.1. The Customer will, based on the Bidders' commercial proposals, award Scores for commercial risk based on the tables below.

Level two Currency risk– 30% **(Maximum Weighted Mark – 1.5%)**	
Score	**Description**
5	A Score of 5 will be awarded where the Customer has complete confidence that the Bidder's proposals, can and will be delivered without currency risk exposure, or any administrative burden or residual risk associated with hedging arrangements
4	A Score of 4 will be awarded where the Customer has confidence that the Bidder's proposals, can and will be delivered without currency risk exposure, or any administrative burden or residual risk associated with hedging arrangements
3	A Score of 3 will be awarded where the Customer has some confidence that the Bidder's proposals, can and will be delivered without currency risk exposure, or any administrative burden or residual risk associated with hedging arrangements. However, material risk and/or administrative burden has been transferred to the Customer
2	A Score of 2 will be awarded where the Customer has little confidence that the Bidder's proposals, can and will be delivered without currency risk exposure, or any administrative burden or residual risk associated with hedging arrangements. Substantial risk and/or administrative burden has been transferred to the Customer
1	A Score of 1 will be awarded where the Customer has no confidence that the Bidder's proposals, can and will be delivered without currency risk exposure, or any administrative burden or residual risk associated with hedging arrangements. Very substantial risk and/or administrative burden has been transferred to the Customer
The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to currency risk	

Level two Contractual payment risk – 70% **(Maximum Weighted Mark – 3.5%)**	
5	A Score of 5 will be awarded where the Customer has complete confidence that the Bidder's proposals, can and will be delivered without payment profile risk exposure for the Customer. There are no material areas of doubt or concern
4	A Score of 4 will be awarded where the Customer has confidence that the Bidder's proposals, can and will be delivered without payment profile risk exposure for the

	Customer. Any areas of doubt or concern have been thoroughly addressed by the proposals such that any risk to delivery is minimal
3	A Score of 3 will be awarded where the Customer has some confidence that the Bidder's proposals, can and will be delivered without payment profile risk exposure for the Customer. Areas of doubt or concern remain and have not been thoroughly addressed by the proposals such that there is a material risk to delivery
2	A Score of 2 will be awarded where the Customer has little confidence that the Bidder's proposals can and will be delivered without payment profile risk exposure for the Customer.
1	A Score of 1 will be awarded where the Customer has very little confidence that the Bidder's proposals, can and will be delivered without payment profile risk exposure for the Customer.
The Maximum Weighted Mark will then be divided by 5, and multiplied by the Score awarded, to give an Actual Weighted Mark for each Quality Question in relation to contractual payment risk	

8.   LEVEL ONE: TOTAL COST OF OWNERSHIP (20%)

8.1.   Please complete the Financial Template, which will be used by the Customer to calculate the Total Cost of Ownership and to assess implementation affordability. Responses to the Financial Template will be evaluated in accordance with the method set out at paragraph 8.2.

Cost category	Quotation
Software licence (for 100 users, including all required environments)	£
Annual agreement for 10 years	
Further extension of 5 years	
Implementation support (for project entering parallel run by 31/10/18 with 3-month parallel run)	£
Resource cost	
Travel & expenses	
Hardware/tools charged separately	
Support & maintenance	£
Annual agreement for 10 years	
Further extension of 5 years	
Inflation link (if proposed as part of Tender) based on UK CPI	%
Hedging costs (if any) to be determined by DMO where the Tender is not denominated in Sterling	
Additional costs resulting from those Wider Requirements not delivered	
Modelled consultancy cost The modelled consultancy cost will be a figure equal to:	

> - a blended day rate of the consultancy rates proposed as part of the Tender, using consultancy grades in proportions which the Customer reasonably determines most closely reflects its requirements; and
>
> - multiplied by 240 (being an assumed 24 days' consultancy support per year, over the first 10 years of the Contract)
>
> **Please note that all figures included in the Financial Response should be expressed exclusive of VAT**
>
> **Please note: If the additional licence offered by vendor is in excess of 5 years (e.g. Perpetual), please state the cost of that licence. The licence must be at least co-terminous with the Contract**

8.2. Level Two: Total Cost of Ownership (75%) (Maximum Weighted Mark – 15.0%)

The score reflects the cost of the solution over the implementation phase and initial ten-year period and the cost of a subsequent five-year extension of the Contract. The Net Present Value (NPV) of all Supplier charges plus all relevant Customer costs over ten years, and of a subsequent five-year extension of the Contract, will be calculated using a discount factor of 3.50% per year. Each Bidder's TCO will be scored out of 5 marks by comparing it with the lowest TCO tendered by all Bidders.

TCO over the life of the contract is scored out of 5. The score is calculated as follows: Score = 5 x (Minimum TCO tendered by all Bidders at Outline stage) / (TCO of Supplier's bid).

For example, if the minimum TCO tendered was £10m and the TCO being assessed was £12.5m then the score awarded to the bid being assessed would be 4, i.e. (5 x (10/12.5)

8.3. Level Two: Affordability (25%) A: Operational charges (20%) (Maximum Weighted Mark – 1.0%)

The score reflects the year-by-year cost of the solution over the initial duration of the Contract, i.e. to 31 March 2029. The total cost each year (1 April to 31 March) including the Supplier's year-by-year charges plus relevant Customer costs will be measured against a threshold of £300,000 and associated tolerance of £150,000. The score will be based on the most expensive year. Costs on or below the threshold (£300k) will score 5. The score will be reduced on a sliding scale calculated by reference to the tolerance of £150,000 as follows: 5- (5 x (Total cost over £300,000/150,000)). Costs at or above the sum of threshold and tolerance (£450k) will score zero. No score will be greater than 5 or less than zero. For example, a total cost for one year of £360,000 will score 3, calculated as 5 – (5 x (60,000/150,000)).

8.4. Level Two: Affordability (25%) B: Implementation charges (80%) (Maximum Weighted Mark – 4.0%)

The score reflects the profile of costs over the two years of the implementation phase, i.e. 1 April 2017 to 31 March 2018 and 1 April 2018 to 31 March 2019. It assesses the fit of the cost profile over the two years to the Customer's preferred cost profile. It favours a higher proportion of costs incurred earlier in the implementation programme.

Each Bidder's charges will be scored out of 5 marks by comparing it with the highest proportion of costs from 1 April 2017 to 31 March 2018 (compared to the total costs of the implementation phase of that bid) tendered by all Bidders.

The score is calculated as follows: Score = 5 / (Maximum % of costs in 2017-18 tendered by all Bidders at Outline stage) / (% of costs in 2017-18 of Supplier's bid), where % of costs in 2017-18 = total costs in 2017-18 / (total costs in 2017-18 + total costs in 2018-19).

For example, if the highest proportion in 2017-18 tendered was 50% and the proportion being assessed was 40% then the score awarded to the bid being assessed would be 4, i.e. (5 / (50/40)

[Please note that requirement 8.4 is subject to clarification and that any change required will be published by 7 June 2017).]