



Department  
of Health

## Invitation to Tender

For the Supply Chain Future Operating Model - Provision of Transactional Services

ITT60478

## Supply Chain Future Operating Model - Transactional Services

Invitation to Tender Ref ITT60478

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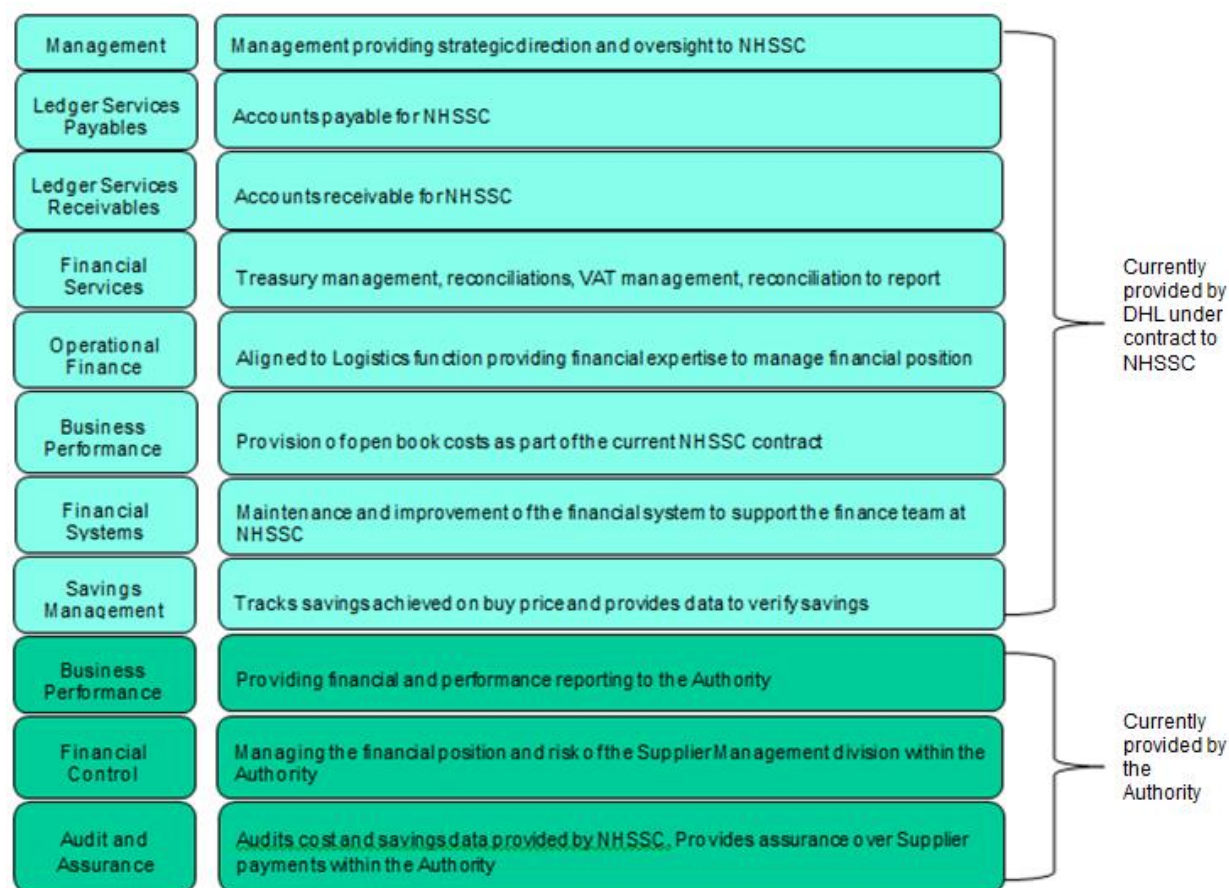
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## 1. INTRODUCTION

- 1.1 The NHS Business Services Authority (the "Authority"), represented in this Procurement by the Department of Health, is issuing this Invitation to Tender ("ITT") in connection with the competitive procurement of financial transactional services, as part of the Procurement Transformation Programme Supply Chain Future Operating Model ("FOM").
- 1.2 Except where specified or where the context requires, capitalised terms in this Invitation to Tender shall have the meaning given to them in Attachment 1 – Glossary of Terms ("Glossary").
- 1.3 The Contract will be for an initial three (3) year period with an option to extend for a further two (2) years.
- 1.4 The estimated value of the Contract is £47.1 million for the total period of the Contract (i.e. for the initial 3 year term of the Contract and the potential 2 year extension period).
- 1.5 The Regulations regulate how we procure the required services. This Procurement will use the Open Procedure. The OJEU Notice reference 2017/S 187-383042.
- 1.6 This ITT contains the information and instructions you need to submit a Tender. Please read this document carefully as failure to follow these instructions may result in the rejection of your Tender.
- 1.7 The Terms of Participation (Attachment 2) apply throughout this Procurement. You will need to confirm acceptance of these Terms of Participation by completing the Form of Tender and Acceptance of the Terms of Participation (Attachment 14) in order to be included in this Procurement.
- 1.8 We are using the Department of Health's e-sourcing portal, [BMS](#) ("BMS") to manage this Procurement. Tenders must be submitted via BMS. All communications relating to the Procurement will be conducted through BMS unless otherwise instructed by the Authority. Further details of BMS are set out at paragraph 8 below. Please note that the Department of Health is in the process of changing its e-tendering system and may change the e-sourcing tool during this Procurement. The Department of Health will try to minimise the impact this will have on this Procurement and all Potential Providers will be kept informed of any changes.
- 1.9 The Services covered by this Procurement have not been sub-divided into Lots because it would be neither financially nor commercially beneficial.

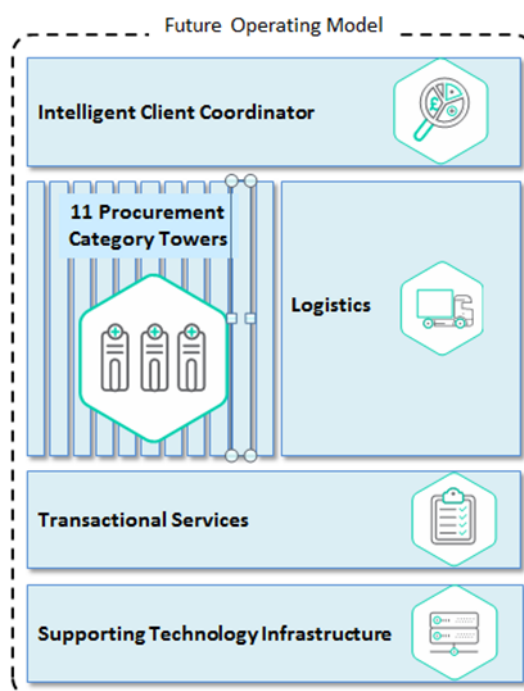
## **2. BACKGROUND TO THE PROCUREMENT AND SERVICE OUTLINE**

- 2.1 The Authority spends around £5.7 billion on goods and services each year. This range of goods and services (excluding medicines) covers:
- 2.1.1 everyday hospital consumables;
  - 2.1.2 common goods;
  - 2.1.3 high value healthcare consumables;
  - 2.1.4 capital items; and
  - 2.1.5 home delivery service.
- 2.2 In order to promote efficient purchasing and delivery of the goods and services listed in paragraph 2.1, in 2006 the Authority entered into a single national supply chain contractual arrangement with DHL Supply Chain Limited (“DHL”), operating as NHS Supply Chain (“NHSSC”), to deliver outsourced services (“NHSSC Contract”).
- 2.3 The NHSSC Contract provides NHSSC with exclusivity (as between the Authority and NHSSC) to supply the NHS, at the direction of the Department of Health, with everyday hospital consumable products and capital equipment. Although this does not prevent products and equipment being purchased by NHS bodies independently of the NHSSC Contract, it has resulted in the service being utilised by circa 243 NHS Trusts and over 1000 individual organisations across the NHS landscape (“NHS Customers”).
- 2.4 In total these good and services account for 40% of total Authority in scope spend. The remaining 60% of goods and services are sourced either directly or through intermediaries outside of the NHSSC arrangement.
- 2.5 The NHSSC Contract was extended (in accordance with its terms) in 2016 in order to generate significant savings for the Authority and allow for a smoother transition to the new Supplier.
- 2.6 The NHSSC Contract will expire on 30 September 2018.
- 2.7 The current financial activities managed and provided under the NHSSC Contract within the Transactional Services function are set out in Figure 1 below.

**Figure 1: Scope of Current Finance Activities**

- 2.8 The FOM disaggregates the services currently delivered by NHSSC into five constituent parts, each of which is to be managed by a specialist service provider. The FOM will be supported by a new performance management and customer engagement function, the Intelligent Client Coordinator ("ICC"), and by an enhanced transactional services, logistics and IT infrastructure as per Figure 2 below:

**Figure 2: The five functions of the Future Operating Model**

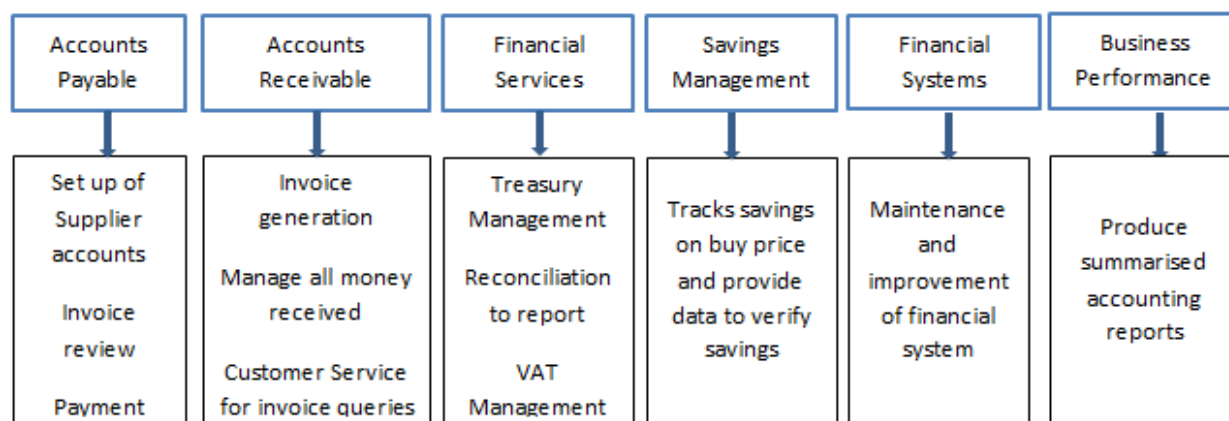


- 2.9 The ICC will be the central service delivery management function for the FOM. As the key enabler, it will co-ordinate and drive the key commercial objectives of the FOM, delivering better service, quality and savings.
- 2.10 The ICC will create a much larger client function than has previously existed, bringing a new clinical assurance function with an increased number of nurse advisers. It will drive the strategic direction of the future supply chain model, based upon customer requirements, to deliver market leading category strategies that achieve savings, maintain healthy supply markets and supply chain solutions that meet the requirements of the NHS, and encouraging innovation by providing effective routes to market.
- 2.11 The scope of this Procurement is for a single transactional processing service providing:
- 2.11.1 accounts payable (invoice processing and payment);
  - 2.11.2 accounts receivable (sales invoice generation and cash collection);
  - 2.11.3 customer service for invoice queries;
  - 2.11.4 cash and treasury management (i.e. keeping track of liquidity of the business);
  - 2.11.5 savings tracking and reporting;
  - 2.11.6 administration, configuration and improvement of financial systems; and
  - 2.11.7 consolidation of FOM financial information including periodic reporting, forecasts and annual planning information.
- 2.12 The Supplier will be required to deliver a coherent financial transactional service across the disaggregated functions of the FOM, ensuring that consolidated invoicing for customers is maintained.

**Figure 3: Transactional Services across Functions**

## Supply Chain Future Operating Model - Transactional Services

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2.13 The objectives for the Services include, but are not limited to:

- 2.13.1 delivering seamless service continuity through transition to the FOM;
- 2.13.2 enabling the ongoing delivery of the FOM;
- 2.13.3 enhancing the effectiveness and sustainability of FOM financial service processes and controls;
- 2.13.4 delivering improvements across the supply chain through active enablement of FOM objectives and the enhancement of the customer experience through timely financial data; and
- 2.13.5 facilitating decision making in the ICC through the provision of accurate and timely financial data.

2.14 The Supplier will support the FOM in its aims to deliver on going annualised c£600m in savings by growing market share from approximately 40% to 80%. A functional provision of the Services to customers along with excellent customer query management is essential to delivery of this growth. The Supplier must provide a flexible platform capable of dealing with increases in transactional activity in line with anticipated growth.

2.15 The Supplier must maintain the current practice of providing consolidated monthly invoices to the NHS Customers. Consolidated invoicing is seen as a key contributor to growth ambitions, and is received extremely favourably by existing NHS Customers.

2.16 The Supplier must ensure high degrees of accuracy are maintained, to preserve the integrity of financial controls and protect the public purse. DHL is currently responsible (through the NHSSC Contract) for transacting product spend of circa £2 billion (goods purchased by NHS and non-NHS customers), and circa £200 million of operational spend. The Supplier will be responsible for transacting the current volume of spend and increased expenditure as this increases under the FOM.

2.17 The Supplier will be required to provide robust debtor and creditor management in order to manage cash flow with growing volumes of transactions. This will be enabled by the customer/supplier support functions, and managed through robust contractual key performance indicators.

2.18 A full description of the Services is more specifically set out in Attachment 6 (Services Description). The Services Description will form Schedule 2.1 of the Contract.

### 3. OVERVIEW OF INVITATION TO TENDER

3.1 The following Attachments form part of this ITT:

SUPPORTING TENDER DOCUMENTATION		
Attachment Number	Document Name	Document Description
N/A	Invitation to Tender (this document)	Provides an introduction to the Procurement and contains the information and instructions needed to submit a Tender.
Attachment 1	Glossary	Defines the terms relevant to this Invitation to Tender.
Attachment 2	Terms of Participation	Sets out rights/obligations which apply to the Authority and the Potential Provider during this Procurement.
Attachment 3	Evaluation Guidance	Provides the assessment/evaluation methodology and criteria together with guidance on how the Authority will evaluate Tenders.
Attachment 4	Financial Submission Guidance	Provides guidance on how to complete the Financial Submission Template.
Attachment 5	Allowable Assumptions Guidance	Provides guidance on what Allowable Assumptions will be accepted by the Authority and how to complete the Allowable Assumptions Template.
Attachment 6	Services Description (Schedule 2.1)	A detailed description of the Services that the Supplier will be required to provide. This is provided as a separate document at this stage but will be incorporated as Schedule 2.1 to the Contract in the final form of Contract.
Attachment 7	Contract	The Contract, comprising the terms and conditions and Schedules (excluding Schedule 2.1) that will be entered into by the Authority and the Supplier.
Attachment 8	Not used	Not used
Attachment 9	Clarification Questions Submission Template	A template for Potential Providers to complete and email to: <a href="mailto:transactionalservices@dh.gsi.gov.uk">transactionalservices@dh.gsi.gov.uk</a> . Questions will be anonymised and responded to via BMS.
RESPONSE DOCUMENTS TO BE COMPLETED AND SUBMITTED IN TENDER		
Attachment 10	Selection Questionnaire	A template containing Selection Questions to which Potential Providers are required to respond.
Attachment 10a	Financial Compliance Template	A template to be completed as per question SQ4.3 of the Selection Questionnaire.



SUPPORTING TENDER DOCUMENTATION		
Attachment Number	Document Name	Document Description
Attachment 11	Award Questionnaire	A template containing Award Questions to which Potential Providers are required to respond.
Attachment 12	Financial Submission Template	A template requiring pricing detail which Potential Providers are required to complete.
Attachment 13	Allowable Assumptions Template	A template to be completed by Potential Providers (if required) setting out proposed Allowable Assumptions.
ADMINISTRATIVE DOCUMENTS TO BE COMPLETED AND SUBMITTED IN TENDER		
Attachment 14	Form of Tender and Acceptance of the Terms of Participation	Potential Providers to sign, confirming formal submission of their Tender and acceptance of the Terms of Participation.
Attachment 15	Non-Disclosure Agreement	Potential Providers to sign and submit, agreeing that they will not disclose, share or discuss any of the information shared or provided to them as part of this Procurement.
Attachment 16	Non Collusion and Canvassing Certificate	Potential Providers to sign and submit, declaring that they have not colluded in submitting their Tenders.
Attachment 17	Conflict of Interest Declaration	Potential Providers to sign and submit, declaring whether or not they have any potential conflicts of interest in tendering for this Contract.
Attachment 18	Commercially Sensitive or Confidential Information Request	Potential Providers to identify any information within their Tenders which they wish to request to be designated as commercially sensitive or Confidential Information.
MISCELLANEOUS DOCUMENTS		
Attachment 19	Changes to Contracting Arrangements Template	To be submitted by a Potential Provider where there are changes to its Groups of Economic Operators and/or Sub-Contractors after submission of its Tender but prior to award decision.

#### 4. THE CONTRACT

- 4.1 Provided the Authority does not exercise its right to cancel or vary it, this Procurement will result in the award of the Contract. Once the Contract commences, the Potential Provider will become the Supplier.
- 4.2 The Contract to be entered into by the Authority and the Supplier is included at Attachment 7 – Contract: NHS Supply Chain Future Operating Model – Transactional Services. The Contract is based

on the Cabinet Office Model Services Contract, adapted as necessary to reflect the requirements of the Authority.

- 4.3 The Contract is not negotiable and you may not propose any amendments in your Tender. Clarification may be sought, by completing the Clarification Questions Submission Template, and emailing to: [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk), during the clarification period, on points of ambiguity or apparent error in the Contract which we may at our sole discretion take into account and make amendment to the Contract.

## 5. AUTHORITY'S REQUIREMENTS

- 5.1 A detailed description of the Services that a Supplier will be required to supply is set out at Attachment 6 – Service Description (Schedule 2.1) and a short description is contained in the OJEU Notice.

## 6. PROCUREMENT TIMETABLE

- 6.1 The timetable for this Procurement is set out in the table below in paragraph 6.2.
- 6.2 The Authority may change this timetable at any time. You will be informed through BMS if we make changes to this timetable.

Procurement Activity	Start	Finish
<b>Submit OJEU Notice (Open Procedure)</b>	26/09/2017	26/09/2017
Publish Opportunity on Contracts Finder	29/09/2017	29/09/2017
Data Room Opens & Closes	29/09/2017	01/11/2017
Supplier Clarification Period (SQ & ITT)	29/09/2017	19/10/2017
Supplier Site Visit (Optional)	10/10/2017	10/10/2017
<b>Tender Submission Deadline</b>	<b>15:00 (GMT) - 01/11/2017</b>	<b>15:00 (GMT) - 01/11/2017</b>
Evaluation period	01/11/2017	01/12/2017
<b>Recommendation Report</b>	<b>04/12/2017</b>	<b>05/12/2017</b>
Approval to Proceed	07/12/2017	09/03/2018
<b>Issue Unsuccessful /Successful Notifications</b>	12/03/2018	12/03/2018
<b>Standstill Period</b>	13/03/2018	22/03/2018
Debriefs (Optional)	13/03/2018	22/03/2018
<b>Contract Award</b>	<b>23/03/2018</b>	
Contract Signature	30/03/ 2018	

## 7. QUESTIONS AND CLARIFICATIONS

- 7.1 Potential Providers may raise questions or seek clarification regarding any aspect of this Procurement at any time prior to the end of the Supplier Clarification Period indicated in the table in paragraph 6.2 above. Questions must be submitted using the Clarification Questions Submission Template (Attachment 9) and submitted via the following email box: [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk).

- 7.2 If a Potential Provider believes that their question is commercially sensitive, then they will need to indicate this in advance. The Authority will then consider the sensitivity of the question, and if it deems the question not to be commercially sensitive, give the Potential Provider the opportunity to retract the question without receiving an answer or, if not retracted, circulate the question and response to all Potential Providers.
- 7.3 To ensure that all Potential Providers have equal access to information regarding this Procurement, the Authority will publish all its responses to questions raised by Potential Providers via the e-sourcing Portal only.
- 7.4 At times the Authority may issue communications through the e-Sourcing Portal, therefore please ensure that the primary contact's mailbox is reviewed on a regular basis.

## 8. BUSINESS MANANAGEMENT SYSTEM ("BMS") AND THE DATA ROOM

- 8.1 The Authority is using the Department of Health's e-tendering portal, BMS, to manage this Procurement. All Tenders and responses to Authority clarification questions must be submitted via BMS. Tenders or responses submitted by any other means will not be accepted. All communications relating to this Procurement will be conducted through BMS, unless otherwise instructed by the Authority.
- 8.2 All Tenders, responses to Authority clarification questions and other information to be submitted must be uploaded by Potential Providers via the Sourcing Home Page using the 'Actions' window and selecting 'Create Quote'. Documents uploaded using the 'New Message/Documents' tab are not correctly linked to the Invitation to Tender and therefore will be rejected. Potential Providers should refer to the BMS e-tendering manual for guidance on how to use BMS which can be found at [BMS](#).
- 8.3 In order to ensure the primary contact receives messages in relation to this Procurement (including responses to questions), Potential Providers are required to send an initial acknowledgement via BMS that they wish to participate in the Procurement. This is done by sending an online message via BMS using the Potential Providers' primary login. Online messaging is accessible via the 'Actions' drop down in the top right hand corner of the screen. **Messages from the Authority are only sent to Potential Providers who have sent an initial acknowledgment** (in the form of the initial online message) that they wish to participate. Note: this is a technical requirement.
- 8.4 Should Potential Providers experience any technical difficulties uploading their Response, they must contact the BMS helpdesk prior to the Tender Submission Deadline (set out in the table at paragraph 6.2 above). The BMS helpdesk is available between 10am and 4pm, Monday to Friday (excluding public and bank holidays). Please call telephone number 0113 254 5777.

### Data Room

- 8.5 Additional supporting information for this Procurement is available within the Data Room. A list of all documents within the Data Room is set out in the document entitled Data Room Index within the Data Room. If the Authority includes any additional information in the Data Room it will notify Potential Providers and update the Data Room Index document.
- 8.6 To request access or raise any queries in relation to the Data Room, please send an email to: [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk). Access will be granted on receipt of a signed Non-Disclosure Agreement (Attachment 15).

## **9. WORKFORCE INFORMATION AND STAFF TRANSFER: THE TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS 2006 (“TUPE”)**

- 9.1 The attention of Potential Providers is drawn to the provisions of Schedule 9.1 (Staff Transfer) of the Contract. Indicative data (anonymous) concerning transferring employees (together with relevant employment details) who may transfer to the Supplier on the Relevant Transfer Date (as defined in the Contract) is set out in the Data Room. Potential Providers will need to consider whether and to what extent staff may transfer to the Supplier in accordance with TUPE at Contract commencement. Tenders must include full and accurate details of Potential Provider’s staffing proposals.
- 9.2 The Authority has obtained the workforce information from DHL. If it is necessary to update this then the Authority will seek to do so. Potential Providers will need to take account of any updated information in their Tenders and show their assumptions and reasoning around staff transfer bearing in mind that there may be some change to the staff list before and during transition caused by resignations or other staff initiated events.
- 9.3 Potential Providers should note that although it is the view of the Authority that TUPE will apply to the transfer of the Services to the Supplier, Potential Providers should form their own opinion and seek advice as necessary (at their own expense).

## **10. PROPERTY MATTERS AND SITE VISIT**

- 10.1 The current financial transactional services provided under the NHSSC Contract are provided from the following three (3) locations (“Sites”), with the Site at Alfreton being the head office:
- 10.1.1 Alfreton: West Way, Cotes Park Industrial Estate, Alfreton, Derbyshire DE55 4QJ;
  - 10.1.2 Normanton: Foxbridge Way, Normanton, West Yorkshire WF6 1TL; and
  - 10.1.3 Carwood Park, Selby Road, Leeds.
- 10.2 In the future, these Sites will be multitenant and co-inhabited with other FOM service providers. The Sites are fully operational and will be managed by one of the other FOM service providers. The Authority expects that access and maintenance will be provided free of charge to the Potential Provider, with the exception of Carwood Park, where a token rent may need to be agreed and paid by the Potential Provider.
- 10.3 The Authority does not envisage that the locations that the Services will be provided from will alter in the short term, particularly given the emphasis the Authority has placed upon a low risk solution.
- 10.4 Potential Providers who wish to change the location of where the Services are provided from can do so but should state the reasons for this approach within their Tender and include an explanation of the benefits to the Authority gained by this approach together with the associated risks and costs.
- 10.5 A site visit to Alfreton will be held for all Potential Providers (to visit together) on 10th October 2017. The site visit will provide you with an opportunity to view the premises where the current head office is located. Further clarifications on any matters relating to the site must be raised by completing the Clarification Questions Submission Template, and emailing to: [transactionalservices@dh.gsi.gov.uk](mailto:transactionalservices@dh.gsi.gov.uk).

- 10.6 As space at the site visit is limited, please nominate a maximum of two (2) representatives to attend. Details of those attending must be provided to the Authority via the messaging system within BMS, by no later than 15:00 (GMT) on 4<sup>th</sup> October 2017.

## **11. SUBMITTING A TENDER**

- 11.1 You are required to submit a Tender which fully complies with the instructions in this ITT and its Attachments. You are strongly advised to read through all documentation first to ensure you understand how to submit a fully compliant Tender.
- 11.2 Your responsibilities in respect of ensuring your Tender is compliant are set out in paragraph 5.1 of Attachment 2 – Terms of Participation.
- 11.3 Tenders must remain valid for a period of 180 days following the Tender Submission Deadline (set out in the table at paragraph 6.2 above).
- 11.4 The Tender must comprise of the following completed and signed (as relevant) documents:
- 11.4.1 Selection Questionnaire (see paragraph 11.5);
  - 11.4.2 Financial Compliance Template (see paragraph 11.6);
  - 11.4.3 Award Questionnaire (see paragraph 11.7);
  - 11.4.4 Financial Submission Template (see paragraph 11.8);
  - 11.4.5 Allowable Assumptions Template (see paragraph 11.9); and
  - 11.4.6 Administrative Documents (see paragraph 11.10).
- 11.5 **Selection Questionnaire (Attachment 10)**
- 11.5.1 Guidance on how to complete the Selection Questionnaire is contained in Attachment 10 – Selection Questionnaire and Attachment 3 – Evaluation Guidance.
- 11.6 **Financial Compliance Template (Attachment 10A)**
- 11.6.1 Guidance on how to complete the Financial Compliance Template is contained in Attachment 10 – Selection Questionnaire and Attachment 3 Evaluation Guidance.
- 11.7 **Award Questionnaire (Attachment 11)**
- 11.7.1 Guidance on how to respond to the Award Questionnaire is contained in Attachment 11– Award Questionnaire and Attachment 3 –Evaluation Guidance
- 11.8 **Financial Submission Template (Attachment 12)**
- 11.8.1 Prices should be submitted in pounds sterling inclusive of any expenses but should exclude VAT.
  - 11.8.2 Guidance on how to complete the Financial Submission Template is contained in Attachment 3 – Financial Submission Guidance.
- 11.9 **Allowable Assumptions Template (Attachment 13)**
- 11.9.1 Prices should be submitted in pounds sterling inclusive of any expenses but should exclude VAT.

- 11.9.2 Details of how price will be scored and Allowable Assumptions taken into account in determining the total cost are provided in Attachment 3 – Evaluation Guidance, Attachment 4 – Financial Submission Guidance and Attachment 5 – Allowable Assumptions Guidance.

**11.10 Administrative Documents**

- 11.10.1 Potential Providers are required to sign and complete as relevant:
- 11.10.1.1 Form of Tender and Acceptance of Terms of Participation (Attachment 14);
  - 11.10.1.2 Non-Disclosure Agreement (Attachment 15);
  - 11.10.1.3 Non-Collusion and Canvassing Certificate (Attachment 16);
  - 11.10.1.4 Conflict of Interest Declaration (Attachment 17); and
  - 11.10.1.5 Commercially Sensitive of Confidential Information Template (Attachment 18).

**11.11 Changes to Contracting Arrangements Template (Attachment 19)**

- 11.11.1 Attachment 19 – *Changes to Contracting Arrangements Template* should not be submitted as part of your Tender.
- 11.11.2 This Attachment is only relevant if your contracting arrangements (i.e. membership of your Group of Economic Operators or your Sub-Contractors) change after submission of your Tender but before the Authority has notified you of its award decision.
- 11.11.3 If your contracting arrangements change after submission of your Tender, you should notify the Authority immediately by completion and submission of Attachment 19 via BMS.

**12. CONTRACTING ARRANGEMENTS (SUB-CONTRACTORS AND GROUPS OF ECONOMIC OPERATORS)**

- 12.1 The Authority welcomes Tenders from Economic Operators collaborating as a Group of Economic Operators or Sub-Contracting elements of their obligations. Where one of these approaches is adopted the remaining provisions of this paragraph 12 apply.
- 12.2 It is important that Tenders accurately convey how Potential Providers will satisfy the minimum requirements for legal, economic and financial standing and technical and professional capacity set out in Attachment 10 – Selection Questionnaire (SQ). Where more than one organisation is relied upon to satisfy the Authority's minimum requirements, the Authority needs clarity on how the Tender and Potential Provider is structured in terms of organisations contributing to the provision of the Services.

**Sub-Contracting Proposals**

- 12.3 Potential Providers are able to propose Sub-Contractors to provide the Services (or any part of them). Potential Providers must include in their Tenders details of all proposed Sub-Contractors. The Contract contains provisions relating to the notification of Sub-Contractors to the Authority and their appointment and replacement. Any organisation, group company, subsidiary, parent company,

holding company, associated company, franchise or fellow franchisee, strategic partner or organisation in any other relationship with the Potential Provider must (unless it is included within a Group of Economic Operators to which paragraphs 12.7 to 12.9 apply) be identified as a Sub-Contractor in the Tender.

- 12.4 The Authority does not require all Sub-Contractors to be disclosed. Only those Sub-Contractors who will directly contribute to the ability to meet the Supplier's obligations under the Contract must be disclosed. There is no need to specify Sub-Contractors supplying general services to you (such as window cleaners, lawyers, desktop software providers etc.)
- 12.5 Annex A of Attachment 10 - Selection Questionnaire (SQ) provides guidance on completing the Selection Questionnaire where Sub-Contractors are relevant.
- 12.6 Reliance on the capability and/or experience of one or more Sub-Contractors to demonstrate ability to provide the Services must be described in the Tender. Potential Providers must clearly identify in relevant responses to Attachment 11 - Award Questionnaire when it is relying on a Sub-Contractor.

**Group of Economic Operator proposals**

- 12.7 The Authority may require a Group of Economic Operators to assume a specific legal form for the purpose of concluding the Contract. In that case, the Authority may require the members of the Group of Economic Operators to nominate a guarantor (or guarantors) for the single legal entity's performance of the contract. Following such requirement the Authority reserves the right to request and assess information on the economic and financial standing of the proposed guarantor(s) and to disqualify a Group of Economic Operators from further participation in this Procurement in the event that the Group of Economic Operators does not nominate a guarantor(s) that resolves any Authority concerns in relation to the economic and financial standing of such single legal entity.
- 12.8 A Lead Contact should be nominated to lead the bidding process for any Group of Economic Operators and to complete the Tender on behalf of all the other members. Details of the members of the proposed Group of Economic Operators and the percentage of contractual obligations assigned to each member are requested in Selection Question SQ1.2 (b) (ii) the Selection Questionnaire.
- 12.9 Reliance on the capability and/or experience of one or more members of the Group of Economic Operators to demonstrate ability to provide the Services must be described in the Tender. Potential Providers must clearly identify in responses to questions when it is relying on a member of the Group of Economic Operators and explain the member's role, capability and experience as the context of the question requires.

**Changes to the contracting arrangements**

- 12.10 The Authority recognises that arrangements in relation to Sub-Contracting and Groups of Economic Operators may be subject to future change, and may not be finalised until a later date. However, any changes to those arrangements may affect the ability to deliver the requirements. Potential Providers must tell us about any changes to the proposed Sub-Contracting arrangements or to the Group of Economic Operators using Attachment 19 (Changes to Contracting Arrangements Template). The Authority will assess the new information provided and reserves the right to exclude the Potential Provider prior to any award of contract.

### **13. EVALUATION PROCESS**

- 13.1 In the interests of an open, fair and transparent Procurement, Attachment 3 – Evaluation Guidance sets out details of the Authority's approach to evaluation. The Authority's evaluation will include the following Gates:

Gate A: Administrative Compliance

Gate B: Legal, Economic and Financial Standing and Suitability Assessment

Gate C: Quality (Management/Technical) Evaluation; Price Evaluation

- 13.2 The Authority will evaluate all Tenders against Gate A. Tenders that pass through Gate A will be evaluated against Gate B. Tenders that pass through Gate B will be evaluated against Gate C.
- 13.3 The evaluation criteria and weightings that will apply to the Authority's evaluation of Tenders are set out in the Evaluation Guidance.

### **14. CONTRACT AWARD**

- 14.1 The Contract will be awarded to the most economically advantageous tender, determined by application of the Evaluation Methodology.
- 14.2 Contract award is subject to the formal approval process of the Authority. Until all necessary approvals are obtained and the Standstill Period completed, no Contract will be entered into.
- 14.3 Prior to the award of the Contract, the successful Provider will be required to provide confirmation of the self-certifying information provided in the Selection Questionnaire.
- 14.4 Should the successful Potential Provider not be able to provide the confirmation required by paragraph 14.3, the Authority reserves the right to reject the successful Potential Provider at this point and return to the Potential Provider which ranked second to the initial successful Potential Provider in the Tender evaluation.
- 14.5 The process set out in paragraphs 14.2 and 14.3 shall then apply to the second ranked Potential Provider in the same way as it did to the successful Potential Provider originally identified. The Authority reserves the right to apply the same process to the third (and, if necessary, the fourth) ranked Potential Provider should the relevant Potential Providers be unable to provide the confirmation required by paragraph 14.3.
- 14.6 Once the Authority has reached a decision in respect of the Contract award, it will notify all Potential Providers of that decision, confirming the commencement of the Standstill Period together with such other information as the Authority is required to provide to successful and unsuccessful Potential Providers under the Regulations.
- 14.7 Subject to paragraph 14.2, following the satisfactory conclusion of the Standstill Period, the Authority intends to conclude a contract with the successful Preferred Provider, within five (5) working days.



**15. PROCUREMENT CONTACT**

15.1 The lead person for this Procurement is:

Steve Powell, Procurement Lead

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