



Mini Competition

Mini Competition against an existing Framework Agreement (MC) on behalf of Department for Business, Energy and Industrial Strategy (BEIS)

Subject UK SBS How to measure the prosperity impacts of Shipbuilding in the UK

Sourcing reference number FWRECR16129BEIS Lot 1

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Section 1 – About UK Shared Business Services

Putting the business into shared services

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

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

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

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

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

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

Our Customers

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

UK SBS currently manages £700m expenditure for its Customers.

Our Customers who have access to our services and Contracts are detailed [here](#).

Section 2 – About Our Customer

Department for Business, Energy and Industrial Strategy (BEIS)

The Department for Business, Energy and Industrial Strategy brings together responsibilities for business, industrial strategy, science, innovation, energy, and climate change, merging the functions of the former BIS and DECC.

BEIS is responsible for:

- developing and delivering a comprehensive industrial strategy and leading the government's relationship with business
- ensuring that the country has secure energy supplies that are reliable, affordable and clean
- ensuring the UK remains at the leading edge of science, research and innovation
- tackling climate change

BEIS is a ministerial department, supported by 47 agencies and public bodies.

Section 3 - Working with UK Shared Business Services Ltd.

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

Section 3 – Contact details		
3.1	Customer Name and address	Department for Business, Energy and Industrial Strategy 1 Victoria Street , London, SW1H 0ET
3.2	Buyer name	Liz Vincent
3.3	Buyer contact details	Research@uksbs.co.uk
3.4	Estimated value of the Opportunity	£72,000 excluding VAT
3.5	Process for the submission of clarifications and Bids	<p>All correspondence shall be submitted within the Emptoris e-sourcing tool. Guidance Notes to support the use of Emptoris is available here.</p> <p>Please note submission of a Bid to any email address including the Buyer <u>will</u> result in the Bid <u>not</u> being considered.</p>

Section 3 - Timescales		
3.6	Date of Issue of Mini Competition to all Bidders	16 th December 2016
3.7	Latest date/time Mini Competition clarification questions should be received through Emptoris messaging system	23 rd December 2016 14:00
3.8	Latest date/time Mini Competition clarification answers should be sent to all potential Bidders by the Buyer through Emptoris	4 th January 2017
3.9	Latest date/time Mini Competition Bid shall be submitted through Emptoris	13 th January 2017 14:00
3.10	Anticipated rejection of unsuccessful Bids date	23 th January 2017
3.11	Anticipated Award Date	23 th January 2017
3.12	Anticipated Call Off Contract Start	25 th January 2017

	Date	
3.13	Anticipated Call Off Contract End Date	31 st March 2017
3.14	Bid Validity Period	60 Working Days
3.15	Framework and Lot the procurement should be based on	BIS Research & Evaluation Framework CR150025 LOT 1

Section 4 – Specification

Background

The Government's National Security Strategy (NSS) and Strategic Defence and Security Review (SDSR), published in November 2015, included "Promoting our Prosperity" as one of three national security objectives. This included commitments to publish a National Shipbuilding Strategy and to refresh Defence's industrial policy as measures to help the UK's defence industry grow and compete successfully, to drive greater innovation into defence procurement and to ensure that future investment decisions contribute to a more dynamic and productive economy.

Sir John Parker has submitted his independent report to inform the National Shipbuilding Strategy, which was published by the MOD on 29 November:

<https://www.gov.uk/government/publications/uk-national-shipbuilding-strategy-an-independent-report>. Sir John's report includes the following recommendations, which relate to the socio-economic impact of the Shipbuilding sector:

30. Industry and the Government should, with the TUs, support the creation and sustainment of high skilled jobs along with modern apprenticeships, and expansion of Technician and Graduate recruitment, to drive performance, particularly via digital engineering, and to address the age profile of the current workforce at the shipyards.

31. The MOD should seek to better understand the socio-economic benefit of awarding work to UK shipyards, or UK suppliers, and should give this more weight in non-warship building and all ship outfitting procurement decisions.

Furthermore, the MOD has also recently launched the consultation phase of the Defence Industrial Policy Refresh: <https://www.gov.uk/government/consultations/defence-industrial-policy>. The consultation document states that the refresh will specifically:

'examine how the MOD assesses value for money when conducting investment appraisals to inform defence procurement decisions. This will ensure that we recognise prosperity benefits while remaining fully compliant with EU procurement regulations and the Treasury Green Book guidelines on appraising options for spending public money.'

BEIS is supporting both of these initiatives by working with both MOD and HMT to provide an understanding of the economic and industrial consequences of defence procurement. To support both initiatives, this project should seek to develop a more in depth understanding of the prosperity impacts of the UK Shipbuilding sector on both national and regional economies. This study will support the development of the National Shipbuilding Strategy, as well as support wider cross-government work to develop a framework of measures by which government can quantify the economic impact of Defence procurement in a more robust way, for use in assessing value for money in defence investment decisions.

BEIS recently commissioned a study on the wage premium for Defence-related businesses, which will be made available to contractors. MOD has also recently undertaken some analysis of a number of UK shipyards, which will be shared with contractors. A number of

other studies into the Defence sector have already been undertaken, which provide an indication of the work already done to understand the sector dynamics. A couple of examples include:

<https://www.caat.org.uk/issues/mod-york-report-nov-01.pdf>

<https://rusi.org/publication/briefing-papers/defence-skills-shift-myth>

Aims and Objectives of the Project

The overall aim of this project is to assist government (BEIS, MOD, HMT) in gaining a better understanding of the prosperity impacts of building warships in the UK, both at the national and regional level and the development of a practical set of metrics for measuring this. This work should be seen in the context of the overarching objective for government which is to develop a practical approach for assessing the UK prosperity benefits of Defence procurement, which can be used systematically as part of the MOD's value for money assessments, in a manner compatible with HM Treasury's Green Book framework.

We would like the work to specifically focus on:

- productivity effects and its drivers such as higher wages, skills, innovation and spillovers.
- sub-national effects to understand the role that procurement decisions might play in affecting local areas such as local employment and wages, clustering of technologies and skills, local supply chains, deprivation and others.

For the purpose of this study, we are defining the Shipbuilding Sector as the shipyards, the marine equipment manufacturers, and the related service and knowledge providers to these organisations.

In order to do this, the study will need to address the following questions:

1. What economic factors/outcomes best indicate the prosperity and productivity impacts of the Shipbuilding sector – both in the local regions containing shipyards, and nationally? These could include (but should not be limited to) productivity indicators such as increased wages, upskilling, increased exports, R&D and spillovers, as well as local area effects such as labour mobility, employment and wages at local area levels, extent and nature of local supply chains etc.
2. In this circumstance, we are defining prosperity as improving productivity and reducing deprivation. Is this the right definition and are there other indicators that we should include?
3. Of these indicators, which are the most impactful and robust in terms of measuring prosperity gain at national and sub-national levels?
4. What data, information or literature is currently available which relates to both the regional and national economic impact of Shipbuilding in the UK? What is the best available evidence on the identified measures?

5. Where are the gaps in the available data and other information, and what would government need to do to address them?

Bidders should not look upon the above as an exhaustive list and should consider and suggest other areas for investigation, which might provide further insight into the economic value and impact of the sector.

The output of this study will help in informing the National Shipbuilding Strategy (which will include the government's response to Sir John Parker's independent report). It will also help shape government thinking on how to better use socio-economic information when making procurement decisions.

Suggested Methodology

This is a suggested methodology and we would welcome bidders' alternative suggestions providing that they also meet the project aims and objectives. Bidders should also justify why they have suggested an alternative approach.

The study will need to review existing literature, data and information, which relates to the potential outcome measures that could best assess the prosperity impact of the Shipbuilding sector in the UK and identify the most impactful economic indicators which drive prosperity (as defined above).

Some primary research, potentially through case studies, may be required to understand regional and local area dynamics and to get a sense of the accessibility of information. In addition to engaging with businesses, the study should include engagement with key stakeholders in local areas who have a perspective on the impact the sector as on an area (e.g. local authorities, LEPs, trade associations).

For the purposes of price evaluation please provide costings for 3 case studies, detailed in the price schedule which will give the potential maximum value of the contract. On inception, we expect discussion around case studies and anticipate there could be some fluctuation following the initial bid estimate.

The final report should recommend a credible list of measures and indicators, along with an assessment of the best available evidence at national and sub-national level for these, and the extent to which these could be usefully applied to other Defence related sectors. It should also clearly highlight gaps in the evidence base and some recommendations on how to address these gaps.

Deliverables

- (i) A presentation to the National Shipbuilding Strategy Sponsor Group (chaired by MOD with attendance from MOD, BEIS and HMT)
- (ii) A final report detailing all of the findings and recommendations.

Timetable:

16th-23rd January 2017: Start of contract

24th February 2017: Presentation to Sponsor Group

31st March 2017: Final Report

In order to increase awareness of research and evaluation reports, all contractors are to ensure the following are included in the costings for this project:

- Summary poster / infographic
- Slide pack summary

Publication

The final report for this research / evaluation project must be formatted according to BIS publication guidelines, therefore within the Research paper series template and adhering to BIS accessibility requirements for all publications on GOV.UK. The publication template will be provided by the project manager. Please ensure you note the following in terms of accessibility:

Checklist for Word accessibility

Word documents supplied to BIS will be assessed for accessibility upon receipt. Documents which do not meet one or more of the following checkpoints will be returned to you for re-working at your own cost.

- document reads logically when reflowed or rendered by text-to-speech software
- language is set to English (in File > Properties > Advanced)
- structural elements of document are properly tagged (headings, titles, lists etc.)
- all images/figures have either alternative text or an appropriate caption
- tables are correctly tagged to represent the table structure
- text is left aligned, not justified
- document avoids excessive use of capitalised, underlined or italicised text
- hyperlinks are spelt out (e.g. in a footnote or endnote)
- Datasets to support those to be published in the final report must be provided in an accessible format (CVS, Excel) on submission of the report.

Section 5 – Evaluation of Bids

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

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

To maintain a high degree of rigour in the evaluation of your bid, a process of moderation will be undertaken to ensure consistency by all evaluators.

After moderation the scores will be finalised by performing a calculation to identify (at question level) the mean average of all evaluators (Example – a question is scored by three evaluators and judged as scoring 5, 5 and 6. These scores will be added together and divided by the number of evaluators to produce the final score of 5.33 ($5+5+6=16\div3=5.33$))

Pass / fail criteria		
Questionnaire	Q No.	Question subject
Commercial	FOI1.1	Freedom of Information Exemptions
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Price	AW5.5	E Invoicing
Price	AW5.6	Implementation of E-Invoicing
Quality	AW6.1	Compliance to the Specification
-	-	Invitation to Quote – received on time within e-sourcing tool

The Response Question and Answer Document must be used by all tenderers to answer the PROJ (Quality Questions). This should then be uploaded as an attachment to PROJ1.1. This is the only document assessors will evaluate; any other method used by bidders to answer questions will not be evaluated. Scoring shall be based on 0-100 scoring methodology (as outlined below). Each question has a page limit and this should be adhered to. Any additional content provided beyond this will not be considered or scored during the evaluation process

Scoring criteria

Evaluation Justification Statement

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

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	20%
Quality	PROJ1.1	Approach	30%
Quality	PROJ1.2	Staff to Deliver	10%
Quality	PROJ1.3	Understanding the Environment	30%
Quality	PROJ1.4	Project Plan and Timescales	10%

Evaluation of criteria

Non-Price elements

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

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

Example if a Bidder scores 60 from the available 100 points this will equate to 12% by using the following calculation: Score/Total Points available multiplied by 20 ($60/100 \times 20 = 12$)

Where an evaluation criterion is worth 10% then the 0-100 score achieved will be multiplied by 10.

Example if a Bidder scores 60 from the available 100 points this will equate to 6% by using the following calculation: Score/Total Points available multiplied by 10 ($60/100 \times 10 = 6$)

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

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

0	The Question is not answered or the response is completely unacceptable.
10	Extremely poor response – they have completely missed the point of the question.
20	Very poor response and not wholly acceptable. Requires major revision to the response to make it acceptable. Only partially answers the requirement, with

	major deficiencies and little relevant detail proposed.
40	Poor response only partially satisfying the selection question requirements with deficiencies apparent. Some useful evidence provided but response falls well short of expectations. Low probability of being a capable supplier.
60	Response is acceptable but remains basic and could have been expanded upon. Response is sufficient but does not inspire.
80	Good response which describes their capabilities in detail which provides high levels of assurance consistent with a quality provider. The response includes a full description of techniques and measurements currently employed.
100	Response is exceptional and clearly demonstrates they are capable of meeting the requirement. No significant weaknesses noted. The response is compelling in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.

All questions will be scored based on the above mechanism. Please be aware that the final score returned may be different as there will be multiple evaluators and their individual scores after a moderation process will be averaged (mean) to determine your final score.

Example

Evaluator 1 scored your bid as 60

Evaluator 2 scored your bid as 60

Evaluator 3 scored your bid as 50

Evaluator 4 scored your bid as 50

Your final score will $(60+60+50+50) \div 4 = 55$

Price elements will be judged on the following criteria.

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

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

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

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

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

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

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

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

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

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

Section 6 – Evaluation questionnaire

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

Guidance on completion of the questionnaire is available at <http://www.ukpbs.co.uk/services/procure/Pages/supplier.aspx>

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

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

DO:

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

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

DO NOT

- 7.12 Do not cut and paste from a previous document and forget to change the previous details such as the previous buyer's name.
- 7.13 Do not attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them. Only send what has been requested and only send supplementary information if we have offered the opportunity so to do.
- 7.14 Do not share the Procurement documents, they are confidential and should not be shared with anyone without the Buyers written permission.
- 7.15 Do not seek to influence the procurement process by requesting meetings or contacting UK SBS or the Customer to discuss your Bid. If your Bid requires clarification the Buyer will contact you.
- 7.16 Do not contact any UK SBS staff or Customer staff without the Buyers written permission or we may reject your Bid.
- 7.17 Do not collude to fix or adjust the price or withdraw your Bid with another Party as we will reject your Bid.
- 7.18 Do not offer UK SBS or Customer staff any inducement or we will reject your Bid.
- 7.19 Do not seek changes to the Bid after responses have been submitted and the deadline for Bids to be submitted has passed.
- 7.20 Do not cross reference answers to external websites or other parts of your Bid, the cross references and website links will not be considered.
- 7.21 Do not exceed word counts, the additional words will not be considered.
- 7.22 Do not make your Bid conditional on acceptance of your own Terms of Contract, as your Bid will be rejected.

Some additional guidance notes

- 7.23 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool may be submitted to Crown Commercial Service (CCS – previously Government Procurement Service), Telephone 0345 010 3503.
- 7.24 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered.
- 7.25 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.
- 7.26 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.
- 7.27 We do not guarantee to award any Contract as a result of this procurement
- 7.28 All documents issued or received in relation to this procurement shall be the property of UK SBS.
- 7.29 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through Emptoris.
- 7.30 If you are a Consortium you must provide details of the Consortiums structure.
- 7.31 Bidders will be expected to comply with the Freedom of Information Act 2000 or your Bid will be rejected.
- 7.32 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this Mini Competition Bidders are agreeing that their Bid and Contract may be made public
- 7.33 Your bid will be valid for **60** days or your Bid will be rejected.
- 7.34 Bidders may only amend the Special terms if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract and UK SBS fail to accept your legal or statutory reason is reasonably justified we may reject your Bid.
- 7.35 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.
- 7.36 If you fail mandatory pass / fail criteria we will reject your Bid.
- 7.37 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Emptoris e-sourcing tool.

- 7.38 Bidders should note that if they are successful with their proposal UK SBS reserves the right to ask additional compliancy checks prior to the award of any Call Off Contract. In the event of a Bidder failing to meet one of the compliancy checks UK SBS may decline to proceed with the award of the Call Off Contract to the successful Bidder.
- 7.39 All timescales are set using a 24 hour clock and are based on British Summer Time or Greenwich Mean Time, depending on which applies at the point when Date and Time Bids shall be submitted through Emptoris
- 7.40 All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

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

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

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

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

USEFUL INFORMATION LINKS

- [Emptoris Training Guide](#)
- [Emptoris e-sourcing tool](#)
- [Contracts Finder](#)
- [Tenders Electronic Daily](#)

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