



Single Source
Regulations Office

Invitation to Tender

The baseline profit rate and capital servicing rates quality assurance

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1. Introduction

- 1.1 The Single Source Regulations Office (“**SSRO**”) invites proposals for the provision of the services described in the Specification at section 2 of this document (the Invitation to Tender or “**ITT**”).
- 1.2 In order to bid for this contract you are required to submit a Tender explaining how you will meet the requirements described in the Specification. Your Tender must contain the information specified in section 3 of this ITT.
- 1.3 The SSRO will evaluate Tenders fairly against the evaluation criteria set out in section 5 of this ITT.

Instructions to firms submitting a Tender

- 1.4 Please read the instructions on the tendering procedures carefully. Failure to comply with the instructions or to return any of the required documents or information may invalidate your tender.

Timetable

- 1.5 The Tender timetable is as follows:

Event	Date
Tender documents issued	Thursday 26 July 2018
Deadline for receipt of clarification questions	Friday 3 August 2018 at 16:00 hrs
SSRO response to supplier questions	Friday 10 August 2018
Tender return deadline	Monday 20 August 2018 at 16:00 hrs
Notification of decision	Friday 14 September 2018
Commencement	Monday 1 October 2018

- 1.6 This is an indicative timetable and may be subject to change. Candidates will be notified if there are any delays to the timetable for evaluation of tenders.

Content and amendments

- 1.7 The information contained in this ITT and the supporting documents and in any related written or oral communication is believed to be correct at the time of issue but the SSRO will not accept any liability for its accuracy, adequacy or completeness and no warranty is given as such. This exclusion does not extend to any fraudulent misrepresentation made by or on behalf of the SSRO.
- 1.8 The SSRO reserves the right to amend the ITT at any time prior to the deadline for receipt of tenders. Where amendments are significant, the SSRO may at its discretion extend the deadline for receipt of tenders.

Questions about this ITT

- 1.9 It is the responsibility of tenderers to obtain at their own expense all additional information necessary for the preparation of their response to this ITT. No claims of insufficient knowledge will be entertained.

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- 1.10 You may submit any queries you have relating to this ITT by no later than the date and time specified in the timetable at paragraph 1.5 above.
- 1.11 Please submit such queries by email to the SSRO at: **tenders@ssro.gov.uk**
- 1.12 Any specific queries should clearly reference the appropriate paragraph in the documentation and, to the extent possible, should be aggregated rather than sent individually.
- 1.13 The SSRO will respond to reasonable requests for clarification of this ITT and supporting documents, provided they are received before the above deadline. No queries received after the above deadline will be answered.
- 1.14 Clarifications provided by the SSRO will be circulated to all tenderers on or before 17:00 hrs, on or before the date, specified in the timetable at paragraph 1.5 above. All questions and their answers will be circulated to all bidders (without revealing the identity of the individual bidder that put forward a particular question).

Instructions for return of tenders

- 1.15 Please return your Tender by email to the SSRO at: **tenders@ssro.gov.uk**.
- 1.16 The title of your email must be "The baseline profit rate and capital servicing rates quality assurance Tender". The documents required to be submitted with your proposal should be provided as attachments to your email.
- 1.17 Your Tender must be returned by the date and time specified in the timetable at paragraph 1.5 above. Any tender received after this date and time will not be considered. Tenders received before the due date will be retained unopened until after the deadline for submission.
- 1.18 It is your responsibility to ensure that your tender is delivered not later than the appointed time. The SSRO accepts no liability whatsoever for bids that are not processed due to internet connectivity issues, transmission delays or errors.
- 1.19 Bidders are advised to retain for themselves details of their submission. The SSRO reserves the right to make a charge to subsequently provide a copy of a submitted Tender.

Transparency

- 1.20 The Freedom of Information Act 2000 ("FOIA") and the Environmental Information Regulations 2004 ("EIR") apply to the SSRO. You should be aware of the SSRO's obligations and responsibilities under FOIA or EIR to disclose, on written request, recorded information held by the SSRO. Information provided by you in connection with this procurement exercise, or with any contract that may be awarded as a result of this exercise, may therefore have to be disclosed by the SSRO, unless the SSRO decides that one of the statutory exemptions under the FOIA or the exceptions in the EIR applies.
- 1.21 If you wish to designate information supplied as part of this response as confidential, or if you believe that its disclosure would be prejudicial to any person's commercial interests, you must provide clear and specific detail as to the precise information involved. Such designation alone may not prevent disclosure if in the SSRO's reasonable opinion publication is required by applicable legislation or policy or where disclosure is required by the Information Commissioner or the First-tier Tribunal (Information Rights).
- 1.22 Additionally, for reasons of transparency the SSRO may publish its tender documents (including ITTs such as this) on a publicly searchable web site. The same applies to any contract entered into by SSRO once the procurement is complete. By submitting a tender

you agree that your participation in this procurement may be made public. The answers you give in this response will not be published but may fall to be disclosed under FOIA or EIR. Where tender documents issued by the SSRO or contracts with its suppliers are disclosed, the SSRO will redact them as it thinks necessary and in doing so will have regard to the exemptions in the FOIA or EIR.

Conduct of bidders

- 1.23 Offering an inducement of any kind in relation to obtaining this or any other contract with SSRO will disqualify your tender from being considered and may constitute a criminal offence.
- 1.24 You must not:
 - (a) tell anyone else what your tender price is or will be, before the time limit for delivery of tenders;
 - (b) try to obtain any information about anyone else's tender or proposed tender before the time limit for delivery of tenders; or
 - (c) make any arrangements with another organisation about whether or not they should tender, or about their or your tender price.
- 1.25 Should it be determined that any bidder has been communicating with any other bidder, the SSRO may, acting reasonably, disqualify both bidders.
- 1.26 The SSRO will investigate Tenders where the price appears to be abnormally low. If the bidder cannot provide substantial reasons for the low prices then the SSRO may disqualify the bidder.
- 1.27 You should not withdraw a Tender after it has been opened. If you do so, and the SSRO is not satisfied with the reasons for withdrawal, then the SSRO may refuse to accept future tenders from you.
- 1.28 If the SSRO disqualifies a bidder from this procurement, it will also consider whether to exclude the bidder from subsequent procurement exercises.

Conflicts of interest

- 1.29 The SSRO requires that bidders notify immediately should there be any risk of a conflict of interest. Any bidder failing to notify a conflict that is later identified will be disqualified.

Acceptance of tenders

- 1.30 The SSRO reserves the right to discontinue this procurement at any time or not to select a supplier and does not bind itself to accept the lowest or any tender.
- 1.31 Bidders are advised that in the event of their Tender being successful, the Contract between the SSRO and the Contractor will only come into existence once it has been duly executed in writing by both parties.
- 1.32 No other purported method of acceptance (e.g. telephone call) or any action by the bidder (e.g. commencement of any work) shall be binding upon the SSRO or have any contractual effect.
- 1.33 Nothing contained in this ITT shall constitute an agreement. Receipt by the bidder of this ITT does not imply the existence of a contract or commitment by or with the SSRO for any purpose and bidders should note that the ITT may not result in the award of any business.

Bid costs

- 1.34 Tenders are to be prepared and submitted at the cost of the bidder. The SSRO will not be liable for any costs incurred by the bidder in the preparation and submission of a tender.

Sub-contractors and consortia

- 1.35 If you are bidding for this contract in association with another supplier you must explain the structure of your bid. If you do not do so, then your bid may be disqualified.
- 1.36 Bidders must indicate whether they are reliant on any third parties for any aspects of fulfilling the project as specified, or if this is a consortia bid. In such cases you should provide full details of subcontractors and partners, the nature of the relationship and the intended balance of work to be completed, and copies of quality assurance arrangements operating with subcontractors.
- 1.37 If you are intending to bid as a consortium and to establish a new legal entity to perform the contract please give full details of how that entity will be constituted, including its legal status, who will own it and in what proportions. The SSRO may require cross guarantees to be provided by all members of the consortium.
- 1.38 Bidders and Contractors must not, without the prior consent of the SSRO (given by the Contract Officer), appoint sub-contractors or add consortia partners who have not been declared as part of the initial submission. The SSRO may refuse consent for any reason, provide it does not act unreasonably. This is to ensure a timely, good quality and cost effective outcome.
- 1.39 The SSRO may request a copy of the consortia legal arrangements or the form of contract to be entered into between the Contractor and any proposed sub-contractor. Failure to provide this information may lead to the bid being disqualified or the SSRO refusing its consent to sub-contractors or consortia partners.
- 1.40 The SSRO appreciates that discussions over the delivery partner structure and supply chain may impact the overall cost of the scheme and the bidder is required to highlight all such options and impacts prior to any award.

2. The Specification

- 2.1 The Specification is provided as a separate attachment to this ITT. It will comprise one of the Schedules to the Contract.
- 2.2 Bidders must address the requirements of the Specification in their Tenders.

3. Contractor's Tender

- 3.1 A submitted tender ("**the Tender**" or "**the Contractor's Tender**") must include the following:
- (a) Form of Tender;
 - (b) Response to Tender Questions;
 - (c) Pricing Schedule;
 - (d) Evidence of Insurance;
 - (e) Equalities Policy;

(f) Statement of Conduct.

- 3.2 Tenders which omit any of the documents in 3.1, or which include documents that are not properly completed may not be considered.
- 3.3 Bidders may not alter the form of any documents provided with this ITT and required to be submitted. Bidders must not qualify their proposals. Any alteration or qualification may result in the tender being rejected.
- 3.4 Any additional pre-existing material which may expand upon your Tender should be included as appendices with cross-references to this material in the main body of your Tender.

Form of Tender

- 3.5 Bidders must provide a completed Form of Tender which is provided as a separate attachment to this ITT.

Response to Tender Questions

- 3.6 Bidders must complete the Response to Tender Questions which is provided as a separate attachment to this ITT. Bidders must respond in full to each of the questions set out in the Response to Tender Questions document in order to enable the SSRO to evaluate bids in a fair, like-for-like and reasonable manner.
- 3.7 If a question is similar to a question included elsewhere in the Response to Tender Questions document, you should repeat your response where relevant and expand upon it where necessary. Bidders should not, however, exceed the indicated word limits as the SSRO may not evaluate the excess material.
- 3.8 While promotional material may be included or referred to in your Tender, you are asked not to include it in substitution of responding fully to all questions.

Pricing Schedule

- 3.9 Bidders must complete a Pricing Schedule which is provided as a separate attachment to this ITT.
- 3.10 Bidders must quote on the basis that rates and prices set out in the Pricing Schedule shall remain fixed for the Contract Period. Bidders are strongly advised to check all figures and arithmetical calculations before submitting their Tenders. The SSRO will not allow Bidders to amend their pricing schedules after submission. If the Tender is accepted the Bidder will not be entitled to claim and the SSRO will not allow any increase in the price.
- 3.11 The Tender must be based on prices which exclude Value Added Tax. This tax, if applicable, will be paid by the SSRO as an addition at the appropriate rate on the invoices when submitted.

Validity of Proposals

- 3.12 Tenders should state that they remain open for acceptance for 90 days from the closing date for receipt of tenders. If this statement is not included, or you state that your Tender is valid for a shorter period, then it may be rejected by the SSRO as failing to meet the ITT conditions.

4. Evaluation

- 4.1 The Contract Award will be based on the most economically advantageous tender (MEAT) method, subject to minimum scores being achieved as set out at 4.6. Quotes will be scored on the basis of price and quality, with the weighting between these two being: quality 60 per cent; and price 40 per cent. In the event of two or more Quotes being awarded the same total score, the SSRO shall choose the Quote with the lowest price.
- 4.2 In relation to quality, Tenders will be evaluated against the criteria set out in Table 1 having regard to the requirements of the Specification. In determining the score, consideration will be given to:
- (a) the Response to Tender Questions;
 - (b) the information submitted with the tender as required at 3.1; and
 - (c) any additional material supplied as noted at 3.4.
 - (d) Quality scores will be awarded between 0 and 5, with an indication of how the scores will be assigned as follows:
 - 0 = Unacceptable
 - 1 = Unsatisfactory – well below requirement
 - 2 = Weak - below requirement
 - 3 = Satisfactory – meets requirement with low levels of assurance
 - 4 = Good – meets the requirement with moderate levels of assurance
 - 5 = Outstanding – meets the requirement with high levels of assurance
- 4.3 A total quality score will be the sum of the scores assigned to each quality element multiplied by the weights in Table 1. Each bidder's total quality score will then be converted to a score out of 100 using the relationship:

$$\text{Quality score} = \frac{\text{Total quality score}}{5 \text{ (the maximum possible score)}} \times 100$$

Table 1: Quality element score matrix

Quality element	Quality element weight
Objectives and approach	45%
Experience and expertise in the Assurance elements <i>comprised of</i> , knowledge in the application of transfer pricing principles scrutiny of analytical methodologies verification of analytical models and of data reporting on the findings of assurance activities	45%
Conflicts of interest	5%
Security	5%
Aggregated quality score:	Sum of the above scores

- 4.4 The price scoring will use an approach which awards the lowest cost that satisfies the conditions set in 5.6 a score of 100, and that scores other bids relative to that lowest cost. Each Bidder's total cost for the three years plus the fourth option year excluding VAT will be converted to a score out of 100 using the relationship:

$$\text{Price score} = \frac{\text{Lowest bid price}}{\text{Bid price}} \times 100$$

- 4.5 Each Bidder's aggregate quality score and price score will be weighted using the percentages set in 4.1. The weighted scores for quality and price will be added together to arrive at a total score using the relationship:

$$\text{Total score} = (60\% \times \text{quality score}) + (40\% \times \text{price score})$$

- 4.6 Any Tender which in the reasonable opinion of the SSRO is fundamentally unacceptable on any key point, regardless of its other merits, may be rejected by the SSRO at its discretion. It is essential that the successful supplier is able to deliver its obligations under the proposed contract and accordingly the SSRO will not make an award to any supplier that fails to achieve at least "satisfactory" on any of the evaluation criteria set out in Table 1.
- 4.7 A supplier that does not achieve these minimum scores will not be awarded the contract even if the supplier's proposal would otherwise have achieved the highest total score.

5. Evidence of insurance

- 5.1 Please enclose documentary evidence to show that you have the following types and amounts of insurance cover –
- (a) Public Liability Insurance to a minimum value of five million pounds for each and every claim or series of claims arising out of one event;
 - (b) Employer's Liability Insurance to a minimum value of ten million pounds for each and every claim or series of claims arising out of one event; and
 - (c) Professional Indemnity Insurance to a minimum value of five million pounds for each and every claim or series of claims arising out of one event.
- 5.2 The evidence should include a copy of the relevant policy together with proof of payment of the current year's premium.

6. Terms and Conditions

- 6.1 The information in these instructions to Tenderers, is given in good faith for the guidance of the Tenderer, but in the event of a conflict the Contract shall take precedence.
- 6.2 The Contract will be awarded on the Terms and Conditions provided with this invitation. Please do not submit your own standard terms with your Tender.
- 6.3 The Contract will comprise:
- (a) the SSRO's Terms and Conditions;
 - (b) the Contractor's Tender;

- (c) the Specification; and
- (d) any other agreed Schedules.

7. Statement of Conduct

- 7.1 Bidders must provide a completed Statement of Conduct which is provided as a separate attachment to this ITT.

8. Documents provided with this ITT

- 8.1 The following documents are provided with this ITT –

Terms and Conditions

Form of Tender

Specification

Response to Tender Questions

Pricing Schedule

Statement of Conduct