

**INVITATION TO TENDER**

**&**

**STATEMENT OF REQUIREMENT**

**Effective Early Authorisation Engagement Process**

**CPV Code: 79411100**

**Tender Reference: ORR/CT/20-41**

**Purpose of document**

The purpose of this document is to invite proposals for the **Effective Early Authorisation Engagement Process** for the Office of Rail and Road (ORR).

This document contains the following sections:

 1. Introduction to the Office of Rail and Road

 2. Statement of Requirement

 3. Tender Proposal & Evaluation Criteria

 4. Procurement Procedures

**1. Introduction to the Office of Rail and Road (ORR)**

The Office of Rail and Road is the independent safety and economic regulator of Britain’s railways who now also hold Highways England to account for its day-to-day efficiency and performance, running the strategic road network, and for delivering the five year road investment strategy set by the Department for Transport (DfT).

ORR currently employs approximately 300 personnel and operates from 6 locations nationwide. The majority of personnel are located at ORR’s headquarters, 25 Cabot Square, London.

Our strategic objectives

**1. Drive for a safer railway:**
Enforce the law and ensure that the industry delivers continuous improvement in the health and safety of passengers, the workforce and public, by achieving excellence in health and safety culture, management and risk control.

**2. Support a better service for customers:**
Use our powers to hold the industry to account for performance and standards of service across the railway network, for passengers and freight. Promote on-going improvement in the experience of passengers by encouraging the industry to work together, including to provide greater transparency of information.

**3. Secure value for money from the railway, for users and funders:**
Strengthen incentives for the whole industry, including through competition and contestability in the supply chain, to drive greater efficiency from the use and maintenance of existing railway capacity and more cost-effective investment in the network.

**4. Secure improved performance and value for money from the strategic road network:**
Secure improved performance, including efficiency, safety and sustainability, from the strategic road network, for the benefit of road users and the public, through proportionate, risk-based monitoring, increased transparency, enforcement and robust advice on future performance requirements.

Supplying ORR

The ORR procurement unit is responsible for purchasing the goods and services necessary for ORR to achieve its role as the economic and health & safety regulator of the rail industry.

The ORR Procurement unit subscribes to the following values:

* to provide a modern, efficient, transparent and responsible procurement service;
* to achieve value for money by balancing quality and cost;
* to ensure contracts are managed effectively and outputs are delivered;
* to ensure that processes have regard for equality and diversity; and
* to ensure that procurement is undertaken with regard to Law and best practice.

For further information on ORR please visit our website: [www.orr.gov.uk](http://www.orr.gov.uk)

Small and Medium Enterprises

ORR considers that this contract may be suitable for economic operators that are small or medium enterprises (SMEs) and voluntary organisations. However, any selection of tenderers will be based on the criteria set out for the procurement, and the contract will be awarded on the basis of the most economically advantageous tender.

Small and Medium Enterprises and Voluntary Organisations:

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| --- | --- | --- | --- | --- |
| **Enterprise Category** | **Headcount** | **Turnover**  | **Or** | **Balance Sheet Total** |
| **Micro** | **<10** | **≤ € 2 million** | **≤ € 2 million** |
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| **Small** | **<50** | **≤ € 10 million** | **≤ € 10 million** |
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| **Medium** | **<250** | **≤ € 50 million** | **≤ € 43 million** |
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| **Large** | **>251** | **> € 50 million** | **> € 43 million** |

Please ensure that you indicate how your organisation is categorised on the Form of Tender document which should be submitted along with your proposal.**2. Statement of Requirement**

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| **2.1 Background to the project** |
| **Engineering and Asset Management (E&AM) Department**The E&AM department is part of the Railway Planning and Performance directorate. The department remit covers assessment of submissions for Interoperability Authorisation, holding Network Rail to account, undertaking assurance reviews and providing expert knowledge and skills to support other departments within ORR. The department is multi-disciplined and encompasses the following disciplines; Interoperability and Rail Vehicle Engineering, Train Control Systems, Civil Engineering, Asset Management and Enhancements.**Interoperability Authorisation**Under the Railways (Interoperability) Regulations 2011 (as amended), all new, upgraded or renewed infrastructure or rolling stock must:* Be authorised by ORR, as the National Safety Authority (NSA), before it can be placed in service. This is called 'authorisation to place into service' (APIS) or 'interoperability authorisation'; and
* Comply with common technical standards set out in EU Technical Specifications for Interoperability (TSIs) and UK notified national technical rules.

Interoperability authorisation has a direct relationship to safety, but has a wider purpose of ensuring technical compatibility, reliability, performance and accessibility of new or substantially modified rail vehicles or infrastructure. The process of getting interoperability authorisation requires compilation of a technical file identifying the relevant rules and standards for an infrastructure project or rail vehicle, explaining the arrangements for demonstrating conformity with them and having these verified by an independent notified body (for EU requirements) or designated body (for UK-specific requirements). The ORR role is to check that this process has been carried out correctly and to issue authorisation to place into service based on the technical file submitted.**Brexit**From 1 January 2021, a new framework of UK technical standards within National Technical Specification Notices (NTSNs) will take effect in Great Britain. UK approved bodies will assess against the NTSNs and issue the necessary UK documentation for placing on the market and placing into service. The NTSNs will reproduce the same technical requirements as the TSIs in force at the end of the Transition Period. From 1 January 2021 vehicles first authorised outside the UK will require an additional authorisation before they are first used in the UK. This system will be operated in accordance with the UK’s COTIF international obligations. This requirement should not cause disruption as, while additional vehicle authorisation is not currently mandatory in the UK, it is normally sought voluntarily to ensure compliance with the UK’s technical rules.**Early Engagement**The E&AM team have a shared objective to continuously improve the delivery, policy and process of authorisations for power, infrastructure, PRM and rolling stock. This will be delivered in part through early engagement with applicants sustained through to authorisation.Beyond our [policy document](https://www.orr.gov.uk/sites/default/files/2020-10/authorisations-under-interoperability-regulations-policy-statement.pdf) relating to the progressive approach to infrastructure authorisation, there is little formal requirement for early engagement in the current process. Without proactive engagement between applicants and assessors this leaves the risk that issues discovered late in a project could lead to delay or fail in the final submission for authorisation.Following authorisation issues on a Network Rail project in 2019, ORR completed an investigation into the authorisation process considering Network Rail’s, ORR’s and the independent assessor’s roles. One of the identified issues was ineffective early engagement between parties. This lead to late identification of issues and consequent risks to final authorisation.Within the current legislative framework, the ORR seeks to review the policy and process of assurance to encompass an appropriate early stage gate approval process for infrastructure and rail vehicle projects to enable a clean and efficient authorisation at the end of those projects. **Alternative Approaches**ORR are aware that, working under the same EU legislation, the French NSA operates an early engagement regime with stage gate approval reviews. |
| **2.2 Project Objectives & Scope** |
| **Project Objective**To develop a policy and process for early stage gate approval and ongoing engagement and appropriate further stage gate assurance reviews to enable a clean an efficient authorisation at the end of infrastructure and rail vehicle projects.**Key Tasks** * Identify current processes and requirements
* Identify key processes of French or other NSAs (for comparison)
* Recommend alternative approaches to achieve the objective
* Consult with ORR on developing a policy suitable for UK practice
* Write the new process and policy and any necessary supporting documentation
* Assist ORR with stakeholder consultation on new policy and process
* Update new process and policy as required following consultation
* Prepare a transition plan from existing regime to new process

**Scope*** The developed policy and process must comply with current legislation, particularly the Railways (Interoperability) Regulations 2011 (as amended)
* The developed policy and process must be written for post-Brexit legislation (i.e. Railways (Interoperability) Regulations 2011 (as amended post 1 January 2021)

**Exclusions*** No legislative changes

**Timescales*** We anticipate the project taking 8-12 weeks

**Security Requirements*** The supplier will not be processing personal data or accessing the ORR network in any capacity.
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| **2.3 Project Outputs, Deliverables and Contract Management**  |
| **Outputs and Deliverables*** The supplier should prepare a project plan and present it with the proposal.
* If a contract is awarded to the supplier, the plan should be kept up-to-date.
* Interim presentation of the proposed options for future policy/process (so that ORR has the opportunity to provide comments and direction before the policy/process is finalised)
* Draft policy/process for review
* Final policy/process (following stakeholder consultation)
* Transition plan

**Contract Management Requirements**This project is being paid for from the Rail Safety Director’s (Ian Prosser) budget. The ORR project manager is Head of Interoperability and Rail Vehicle Engineering (Pete Gracey).The Consultant shall have a kick off meeting with the Rail Safely Director, RAD Deputy Director (Strategy & Policy), DRPP Deputy Director (E&AM) and Project Manager (MSTeams) where the expectations will be described.The Project Manager and the Consultant shall have a minimum weekly MSTeams meeting to discuss progress and agree actions. Following the “kick off” the consultant shall meet (MSTeams) the Project Manager and selected RPP staff to understand what needs to be included in the policy and process. The consultant shall record this meeting.ORR templates and visual identity guidelines will be used by the Consultant.  |
| **2.4 Project Timescales** |
| The provisional project timetable is as follows:* Start-up meeting and commencement 04 or 07 December 2020.
* Weekly updates on progress and any issues (MS Teams)
* Presentation of options for policy/process w/c 04 January 2021 (or as agreed)
* Draft policy/process w/c 01 February 2021.
* Stakeholder consultation from 08 February 2021.
* Final policy/process by 19 March 2021.

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| **2.5 Budget and Payment Schedule** |
| The maximum budget for this piece of work is £40,000 (inc. of expenses, exc. of VAT), however ORR expects bids to be significantly below this threshold.**Payment** Payment of the total fee will be on the delivery and acceptance by ORR of all required outputs and/or deliverables. |
| **2.6 Further project related information for bidders** |
| **Intellectual Property Rights**ORR will own the Intellectual Property Rights for all project related documentation and artefacts. **Transparency requirements**Please note ORR is required to ensure that any new procurement opportunity above £10,000 (excluding VAT) is published on Contracts Finder, unless the ORR is satisfied it is lawful not to. Once a contract has been awarded as a result of a procurement process, ORR is required to publish details of who won the contract, the contract value and indicate whether the winning supplier is a SME or voluntary sector organisation. **Confidentiality**All consultants working on the project may be required to sign a confidentiality agreement and abide by the Cabinet Office’s protective marking guidelines, which ORR uses to protectively mark a proportion of its information. In addition, the consultant may be required to sign additional confidentiality agreements as required by external stakeholders. **Sub-Contractors** Contractors may use sub-contractors subject to the following:* That the Contractor assumes unconditional responsibility for the overall work and its quality;
* That individual sub-contractors are clearly identified, with fee rates and grades made explicit to the same level of detail as for the members of the lead consulting team.

Internal relationships between the Contractor and its sub-contractors shall be the entire responsibility of the Contractor. Failure to meet deadlines or to deliver work packages by a subcontractor will be attributed by ORR entirely to the Contractor.Conflict of InterestAt the date of submitting the tender and prior to entering into any contract, the tenderer warrants that no conflict of interest exists or is likely to arise in the performance of its obligations under this contract; or Where any potential, actual or perceived conflicts of interest in respect of this contract exist, tenderers need to outline what mitigation/safeguards would be put in place to mitigate the risk of actual or perceived conflicts arising during the delivery of these services.The ORR will review the mitigation/safeguards in line with the perceived conflict of interest, to determine what level of risk this poses to them. Therefore, if tenderers cannot or are unwilling to suitably demonstrate that they have suitable safeguards to mitigate any risk then their tender will be deemed non-compliant and may be rejected. |

**3. Tender Response & Evaluation criteria**

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| **3.1 The Tender Response** |
| The proposals for this project should include an outline of how bidders will meet the requirement outlined in section (ii) “Statement of Requirement”. The following information should be included: **a) Understanding of customer's requirements** * Demonstrate an understanding of the requirement and overall aims of the project.

**b) Approach to customer's requirements*** Provide an explanation of the proposed approach and any methodologies bidders will work to;
* Details of your assumptions and/or constraints/dependencies made in relation to the project
* A project plan to show how outputs and deliverables will be produced within the required timescales, detailing the resources that will be allocated;
* An understanding of the risks, and explain how they would be mitigated to ensure delivery
* Compliance with any security requirements outlined in the SOR, including details of accreditation for systems (e.g. ISO27000, Cyber Essentials) etc.
* What support bidders will require from ORR;

**c)** **Proposed delivery team*** Key personnel including details of how their key skills, experience and qualifications align to the delivery of the project; and
* Project roles and responsibilities
* Confirmation that you have carried out the necessary employment checks (e.g. right to work in the UK)
* Some relevant examples of previous work that bidders have carried out (eg. case studies)

**d) Pricing**A fixed fee for the project inclusive of all expense. This should includea breakdown of the personnel who will be involved with the project, along with associated charge rates and anticipated time inputs that can be reconciled to the fixed fee.**e) Conflicts of Interest**Confirm whether you have any potential, actual or perceived conflicts of interest that may by relevant to this requirement and outline what safeguards would be put in place to mitigate the risk of actual or perceived conflicts arising during the delivery of these services. |
| **3.2 Evaluation Criteria** |
| Tenders will be assessed for compliance with procurement and contractual requirements which will include:* Completeness of the tender information
* Completed Declaration Form of Tender and Disclaimer
* Tender submitted in accordance with the conditions and instructions for tendering
* Tender submitted by the closing date and time
* Compliance with contractual arrangements.

Tenders that are not compliant may be disqualified from the process. We reserve the right to clarify any issues regarding a Bidder’s compliance. It will be at ORR's sole discretion whether to include the relevant Bidder’s response in the next stage of the process. The contract will be awarded to the Bidder(s) submitting the **‘most economically advantageous tender’**. Tenders will be evaluated according to weighted criteria as follows: **Methodology (25%)**The proposal should set out the methodology by which the project requirement will be initiated, delivered and concluded. In particular, it must:a) Explain the methodology and delivery mechanisms to ensure that the requirements of this specification are met in terms of quality;b) Explain how your organisation will work in partnership with ORR’s project manager to ensure that the requirement is met1. Explain how your organisation will engage with external stakeholders;
2. Outline how the proposed approach utilises **innovative** consultation methodologies to develop a diverse and comprehensive evidence-base

**Delivery (20%)**The proposal should set out how and when the project requirement will be delivered. In particular, it must:a) Explain how this work will be delivered to timescale and how milestones will be met, detailing the resources that will be allocated to each stage; b) Demonstrate an understanding of the risks, and project dependencies and explain how they would be mitigated to ensure project delivery; c) Explain the resources that will be allocated to delivering the required outcomes/output, and what other resources can be called upon if required.**Experience (25%)**The proposal should set out any experience relevant to the project requirement. In particular, it must:a) Provide CVs of the consultants who will be delivering the project; b) Highlight the organisation’s relevant experience for this project, submitting examples of similar projects.**Cost / Value for money (30%)**A **fixed fee** for delivery of the project requirement (inclusive of all expenses), including a full price breakdown for each stage of the project and details of the day rates that will apply for the lifetime of this project.

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| Name of consultant | Grade | Role  | Day rate | Number of days | Total cost (ex VAT) |
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Please note that consultancy grades should align with the following definitions:

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| **Grade** | **Requirement** |
| Junior consultant | Demonstrable experience in a wide range of projects in their specialist field. Evidence of client facing experience and support services to wider consultancy projects. |
| Consultant | Notable experience and in-depth knowledge of their specialist field. Evidence of a wide range of consultancy projects and client facing experience. Support work in process and organisational design and leading workshops and events. |
| Senior Consultant | Substantial experience in their specialist field and in a consultancy/training role. Previous experience in project management and working in a wide range of high quality and relevant projects. Familiarity of the issues/problems facing public sector organisations. |
| Principal Consultant | Substantial experience in their specialist field and in a consultancy/training role. Sound knowledge of the public sector and current policy and political issues affecting it. Previous experience in project management on at least three major projects, preferably in the public sector and using the PRINCE2 or equivalent method. |
| Managing Consultant | Substantial experience in their specialist field and in a consultancy role. In depth knowledge of the public sector and of current policy and political issues affecting it. Previous experience in project management on at least 5 major projects, preferably in the public sector and using PRINCE2 or equivalent methods. |
| Director / Partner | Extensive experience in their specialist field, in which they are nationally or internationally renowned as an expert. Extensive experience of leading or directing major, complex and business critical projects; bringing genuine strategic insight. In depth knowledge of the public sector and of current policy and political issues affecting it. |

**Marking Scheme**

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| Score 0  | Unanswered or totally inadequate response to the requirement. Complete failure to grasp/reflect the core issues |
| 1 | Minimal or poor response to meeting the requirement. Limited understanding, misses some aspects |
| 3 | Good understanding and interpretation of requirements, providing clear evidence of how the criterion has been met |
| 5 | Excellent response fully addressing the requirement and providing significant additional evidence of how the criterion has been met and how value would be added |

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**4. Procurement procedures**

Tendering Timetable

The timescales for the procurement process are as follows:

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| **Element** | **Timescale** |
| Invitation to tender issued | 05 November 2020 |
| Deadline for the submission of clarification questions | 12 November 2020 12:00pm |
| Deadline for submission of proposals | 19 November 2020 12:00pm |
| Shortlisted suppliers notified | 24 November 2020 |
| Interviews and presentations\* | 26/27 November 2020 |
| Award contract | 02 December 2020 |
| Project Inception Meeting | 04 or 07 December 2020 |

\*Please ensure that the Project Manager and other key consultants who will be delivering this work are available to give presentations on the interview date

Tendering Instructions and Guidance

**Amendments to ITT document**

Any advice of a modification to the Invitation to Tender will be issued as soon as possible before the Tender submission date and shall be issued as an addendum to, and shall be deemed to constitute part of, the Invitation to Tender. If necessary, ORR shall revise the Tender Date in order to comply with this requirement.

**Clarifications & Queries**

Please note that, for audit purposes, any query in connection with the tender should be submitted via the ORR eTendering portal.The response, as well as the nature of the query, will be notified to all suppliers without disclosing the name of the Supplier who initiated the query.

**Submission Process**

Tenders must be uploaded to the ORR eTendering portal **no later** than the submission date and time shown above. Tenders uploaded after the closing date and time may not be accepted. Bidders have the facility to upload later versions of tenders until the closing date/time.

Please submit the Form of Tender and Disclaimer certificate along with your proposal. If you are already registered on our eTendering portal but have forgotten your login details, please contact the portal administrator.

An evaluation team will evaluate all tenders correctly submitted against the stated evaluation criteria.

By issuing this Invitation to Tender ORR does not undertake to accept the lowest tender, or part or all of any tender. No part of the tender submitted will be returned to the supplier

**Cost & Pricing Information**

Tender costs remain the responsibility of those tendering. This includes any costs or expenses incurred by the supplier in connection with the preparation or delivery or in the evaluation of the tender. All details of the tender, including prices and rates, are to remain valid for acceptance for a period of 90 days from the tender closing date.

Tender prices must be in Sterling.

Once the contract has been awarded, any additional costs incurred which are not reflected in the tender submission will not be accepted for payment.

**References**

References provided as part of the tender may be approached during the tender stage

**Contractual Information**

Following the evaluation of submitted tenders, in accordance with the evaluation criteria stated in this document, a contractor may be selected to perform the services and subsequently issued with an order.

Any contract awarded, as a result of this procurement will be placed with a prime contractor who will take full contractual responsibility for the performance of all obligations under the contract. Any sub-contractors you intend to use to fulfil any aspect of the services must be identified in the tender along with details of their relationship, responsibilities and proposed management arrangements.

The proposal should be submitted in the form of an unconditional offer that is capable of being accepted by the ORR without the need for further negotiation. Any contract arising from this procurement will be based upon ORR’s standard Terms & Conditions (see Form of Agreement attached). You should state in your proposal that you are willing to accept these Terms & Conditions.

The ORR does not expect to negotiate individual terms and expects to contract on the basis of those terms alone. If you do not agree to the Conditions of Contract then your tender may be deselected on that basis alone and not considered further.

The ORR may be prepared to consider non-fundamental changes to the standard terms and conditions in exceptional circumstances. If there are any areas where you feel you are not able to comply with the standard ORR terms and conditions, then details should be submitted as a separate annex to the proposal using the following format:

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| --- | --- | --- | --- |
| ***Clause Number*** | ***Existing Wording*** | ***Proposed Wording*** | ***Rational for amendment*** |
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Any services arising from this ITT will be carried out pursuant to the contract which comprises of:

* ORR Terms & Conditions;
* Service Schedules;
* this Invite to Tender & Statement of Requirement document; and
* the chosen supplier’s successful tender.

## ORR’s Transparency Obligations and the Freedom of Information Act 2000 (the Act)

The ORR is a central Government department and as such complies with the Government’s transparency agenda. As a result, there is a presumption that contract documentation will be made available to the public via electronic means. The ORR will work with the chosen supplier to establish if any information within the contract should be withheld and the reasons for withholding it from publication.

Typically the following information will be published:

* contract price and any incentivisation mechanisms
* performance metrics and management of them
* plans for management of underperformance and its financial impact
* governance arrangements including through supply chains where significant contract value rests with subcontractors
* resource plans
* service improvement plans

Where appropriate to do so information will be updated as required during the life of the contract so it remains current;

In addition, as a public authority, ORR is subject to the provisions of the Freedom of Information Act 2000. All information submitted to a public authority may need to be disclosed by the public authority in response to a request under the Act. ORR may also decide to include certain information in the publication scheme which it maintains under the Act. If a bidder considers that any of the information included in its proposal is commercially sensitive, it should identify it and explain (in broad terms) what harm may result from disclosure if a request is received and the time period applicable to that sensitivity. Bidders should be aware that even where they have indicated that information is commercially sensitive ORR may be required to disclose it under the Act if a request is received. Bidders should also note that the receipt of any material marked “confidential” or equivalent by the public authority should not be taken to mean that the public authority accepts any duty of confidence by virtue of that marking. If a request is received ORR may also be required to disclose details of unsuccessful bids

Please use the following matrix: to list such information:

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| Para. No. | Description | Applicable exemption under FOIA 2000 |
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