OI/0078 Field Electrical Power Supplies – Support (FEPS-S)

ANNEX D to DEFFORM 47

Evaluation Methodology

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1. PURPOSE AND CONTENT OF THIS DOCUMENT

1.1 This document sets out the evaluation process and criteria that the Authority will use to evaluate the Field Electrical Power Supplies – Support (FEPS-S) Tenders. The objective of the evaluation is to determine the Most Economically Advantageous Tender (MEAT) that is compliant and offers the best Value for Money (VfM) solution for the purpose of recommending an award of Contract.

1.2 The document contains the following sections:

- Annex D - Evaluation Methodology
  - Appendix 1 - Commercial Evaluation
  - Appendix 2 - Compliance Matrix
  - Appendix 3 - Technical Performance Evaluation
    - Appendix 3a – FEPS-S Service SoW Compliance Matrix
    - Appendix 3b – Carbon Reduction Plan
  - Appendix 4 - Social Value Evaluation
  - Appendix 5 - Financial Response Template
  - Appendix 6 - Procedure and Standing Agenda for Negotiations

2. OUTLINE OF THE TENDER EVALUATION PROCESS

2.1 The evaluation process comprises four sections, **Parts A, B**, **C** and **D**.

2.2 **Part A** is the assessment of initial ITN return, and comprises of four evaluation stages:

Stage 1) Commercial Evaluation.

Stage 2) Technical Performance Evaluation.

Stage 3) Social Value Evaluation.

Stage 4) Cost Compliance Evaluation.

(See sections 5,6,7,8 below for more detail.)

2.3 Stages 1-3 will form the non-cost elements of the Tender and Stage 4 will form the cost element of the Tender.

2.4 **Part B** comprises of negotiations between the Authority and all Tenderers, so that the Tenderers can improve their Tender (where required) and submit a Final Tender for the Authority to consider.

(See sections 10,11 below for more detail.)

2.5 **Part C** is the assessment of Final Tender and comprises of the same stages as Part A:

Stage 1) Commercial Evaluation.

Stage 2) Technical Performance Evaluation.

Stage 3) Social Value Evaluation.

Stage 4) Cost Compliance Evaluation.

(See section 12 below for more detail.)

2.6 Following evaluation of the Final Tender all compliant Final Tenders will proceed to **Part D**, please refer to section 13 below for more detail.

2.7 **Part D** will determine the overall tender score and the successful Tender for the FEPS-S procurement.

2.8 The Weighted Value for Money (VfM) index MEAT methodology will be applied to the Final Tender scores and prices, to determine the overall score and Most Economically Advantageous Tender.

2.9 All Tenderers (successful and unsuccessful) will be notified of their individual outcome. The highest-ranking Tender will be considered for contract award.

3 TREATMENT OF NON-COMPLIANT TENDERS

3.1 Non-compliant Tenders are defined as Tenders that achieve an evaluation outcome of “Fail” where this is a possible outcome (Stages 1-4, during **Part A** and **Part C**).

3.2 Where a “Fail” occurs during any Stage of **Part A**, a non-compliant Tender will continue to be evaluated according to the published process. It is possible for the “Fail” score to be resolved through negotiations (**Part B**).

3.3 Where the “Fail” occurs during any Stage of **Part C**, the Authority reserves the right to request the Tenderer correct any obvious errors or omissions before completing the evaluation. The Tender and any revisions will be evaluated according to the published process. If the Tender is assessed as non-compliant, it shall be discounted and not proceed to Part D for consideration for contract award of FEPS-S and a full debrief will be provided.

4 EVALUATION TEAMS AND GOVERNANCE

4.1 The Tender evaluation process will be overseen by the Tender Moderation Panel chaired by the FIMS OI Team Leader. The purpose is to ensure that the evaluation process set out in this document has been followed and to endorse the outcome of the evaluation.

4.2 The Authority has appointed teams of assessors, who are Subject Matter Experts (SMEs) in their respective fields They will undertake the non-cost (commercial, technical and social value) evaluations, validating and evaluating the modelled price in the Financial Response Template (FRT) (see Appendix 5 to this Annex D).

4.3 A lead evaluator will be appointed from each team of SMEs, who will have visibility of both the marking and the supporting rationale entered by the individual evaluators. The lead evaluator will be responsible for moderating the individual evaluations and providing a consolidated result for each area of evaluation, supported by concise reasoning. If agreement cannot be reached, the issue will be resolved by the lead evaluator during the Tender Moderation Panel.

4.4 The Authority intends that the same teams will perform the evaluations in both Parts A, C and D of the evaluation. If substitutions become necessary, staff with equivalent experience and skills will be used.

PART A - DETAILED PROCESS

5 **STAGE 1**: COMMERCIAL EVALUATION

5.1 The Tender will be assessed to determine if the Tender Submission Document (Offer) held at Annex A to the DEFFORM 47 and the commercial section of the Compliance Matrix (Appendix 2 to this Annex) have been submitted and completed appropriately, to the satisfaction of the Authority.

5.2 Assessment shall also include that of any forms or DEFFORMs returned, as required in the Tender Submission Document (Offer), and to check if all documents, as detailed in Section C of the DEFFORM 47, have been provided.

5.3 Acceptance of non-negotiable Terms and Conditions, and any proposed amendments to the negotiable Terms and Conditions or aggregate Heads of Loss values, shall be assessed to confirm they do not materially alter the Tenderer's deliverability and/or performance and/or the required transfer of risk to the Authority and are within the scope of the requirement as advertised.

5.4 The detailed Commercial Evaluation process and scoring methodology is held at Appendix 1 to this Annex D.

5.5 The Tenderer must achieve a "Pass" following evaluation at **Part C** to be deemed compliant and proceed to **Part D** to be considered for contract award. If a "Fail" is awarded, then the Tender will be deemed non-compliant (see section 3).

5.6 The entire Tender response shall be evaluated during **Part A** of the evaluation process. During **Part C**, only those elements which have been revised shall be re-evaluated. Any revised changes must be listed and highlighted clearly by the Tenderer, as per Section C14 of the DEFFORM 47.

6 **STAGE 2**: TECHNICAL PERFORMANCE EVALUATION

6.1 The Tender will be assessed to determine compliance against the technical and performance requirements.

6.2 The Technical Performance Evaluation will account for 90% of the overall non-cost tender score.

6.3 The process and scoring methodology is held at Appendix 3 to this Annex D.

6.4 The Tenderer must achieve a "Pass" following evaluation at **Part C** to be deemed compliant and proceed to **Part D** to be considered for contract award. If a "Fail" is awarded, then the Tender will be deemed non-compliant (see section 3).

6.5 The entire Tender response shall be evaluated during **Part A** of the evaluation process. During **Part C**, only those elements which have been revised shall be re-evaluated. Any revised changes must be listed and highlighted clearly by the Tenderer, as per Section C14 of the DEFFORM 47.

7 **STAGE 3**: SOCIAL VALUE EVALUATION

7.1 The Tender will be assessed to determine compliance against the social value requirements.

7.2 The Social Value Evaluation will account for 10% of the overall quality/non cost tender score.

7.3 The process and scoring methodology is held at Appendix 4 to this Annex D.

7.4 The Tenderer must achieve a “Pass” following evaluation at **Part C** to be deemed compliant and proceed to **Part D** to be considered for contract award. If a “Fail” is awarded, then the Tender will be deemed non-compliant (see section 3).

7.5 The entire Tender response shall be evaluated during **Part A** of the evaluation process. During **Part C**, only those elements which have been revised shall be re-evaluated. Any revised changes must be listed and highlighted clearly by the Tenderer, as per Section C14 of the DEFFORM 47.

8 **STAGE 4**: COST COMPLIANCE EVALUATION

8.1 The Tender will be assessed to determine if the Financial Response Template held at Appendix 5 to this Annex has been fully completed, in accordance with instructions within that Appendix 5, and submitted .

8.2 Tenderers will only achieve a “Pass” if Appendix 5 to this Annex D has been fully completed, in accordance with instructions within that Appendix 5, and submitted.

8.3 The Tenderer must achieve a “Pass” following evaluation at **Part C** to be deemed compliant and considered for **Part D**. If a “Fail” is awarded, then the Tender will be deemed non-compliant (see section 3).

8.4 The entire Tender response shall be evaluated during **Part A** of the evaluation process. During **Part C**, only those elements which have been revised shall be re-evaluated. Any revised changes must be listed and highlighted clearly by the Tenderer, as per Section C14 of the DEFFORM 47.

9 NOTIFICATION OF RESULT OF INITIAL EVALUATION

9.1 Following completion of **Part A**, the Tenderer will be notified in writing of the Authority’s initial assessment of Tender compliance and be invited to the **Part B** negotiation phase.

9.2 This notification will include a written debrief, summarising the scores achieved across the four compliance areas.

PART B - DETAILED PROCESS

10. NEGOTIATION

10.1 The scope of the negotiations is as follows:

- To provide feedback on the initial ITN return;
- To eliminate areas of technical non-compliance (FAIL) identified in Part A;
- To strengthen areas of technical lower relative confidence identified in Part A;

- To seek areas of trade-off, to ensure Value for Money achieved within the advertised affordability parameters.
- To reach agreement on the content of those Terms & Conditions and Annexes which are identified as “negotiable” in the Compliance Matrix (Appendix 2 of this Annex D).
- To remain within the advertised scope of the requirement.

10.2 The full details of the procedure and standing agenda for negotiations are held at Appendix 6 to this Annex D.

11 REVISE OR CONFIRM AND FINAL TENDER

11.1 Following the negotiations, the Tenderer will be invited to submit a Final Tender to consider the outcome of the negotiations.

11.2 The Tenderer is requested to mark up their Final Tender to make it clear to the evaluators where evidence has changed. The Authority will use this information and its own examination of the Tender to decide whether evidence provided in the original Tender has changed or not. The Authority’s decision in this matter is final.

PART C - DETAILED PROCESS

12 EVALUATION OF FINAL TENDER

12.1 Evidence that has not changed from the original Tender will retain the evaluation scoring from Part A.

12.2 New evidence, and any other revisions made to the original Tender, shall be re-evaluated, using the same 4-stage process as detailed in sections 5, 6, 7 and 8.

12.3 Should any section score a “Fail”, the process as detailed at section 3.3 shall be followed.

12.4 The Final Tender (revised to reflect any agreed changes made up to the conclusion of Part C) will then be recorded as being compliant (accepted), or non-compliant (not accepted), with compliant Final Tenders proceeding to **Part D**.

PART D - DETAILED PROCESS

13 FINAL ASSESSMENT AND MEAT

13.1 Tenders that proceed to **Part D** will be assessed in accordance with the Weighted Value for Money (VfM) index MEAT methodology, to determine the overall tender score and the Most Economically Advantageous Tender.

13.2 The overall tender score is calculated as follows:

$$\frac{Non - cost\ score^{\frac{wQ}{wC}}}{cost}$$

Where:

wQ = weighting of non-cost criteria (60%)

wC = weighting applied to cost (40%)

13.3 Weighted VfM index example:

Tender	Non-cost score	Cost (£)	Weighted VFM Index	Rank
A	$62^{60/40}$ = 488.2	20	24.41	3
B	$85^{60/40}$ = 783.7	24	32.65	2
C	$100^{60/40}$ = 1000.0	29	34.48	1

In this example Tender C will be the highest-ranking Tender

13.4 If two or more Tenders achieve the same Weighted VFM index score, and are jointly ranked 1, the lowest cost of those Tenders will be determined as the MEAT.

14 NOTIFICATION OF RESULT OF EVALUATION

14.1 Following tender evaluation, the Authority shall begin the internal Assurance and Approval Process for that Tender identified as the Most Economically Advantageous Tender.

14.2 You are reminded that Your Tender must be valid and open for acceptance for [INFORMATION REDACTED] calendar days from the Tender return date. In addition, the winning Tender must be open for acceptance for a further [INFORMATION REDACTED] calendar days once the Authority announces its decision to award the Contract. In the event that legal proceedings challenging the award of the Contract are instituted, before entry into Contract, you must hold your Tender open for acceptance during this period, and for up to [INFORMATION REDACTED] calendar days after any legal proceedings have concluded.

14.3 Notification of evaluation outcomes will be issued once the Authority has completed the internal Assurance and Approval Process

14.4 For Tenders that did not proceed to Part D, the Tenderers will be notified in writing of the Authority's final assessment of tender compliance.

14.5 This notification will include a written debrief, summarising the scores achieved across the four compliance areas. The Tenderer may also request a verbal debrief but the scope of verbal debriefs will remain the same as the written debriefs.

14.6 For Tenders that did proceed to Part D, the Tenderers will be notified in writing of the Authority's final assessment in accordance with the MEAT Weighted Value for Money index ranking.

14.7 This notification will include a written debrief, summarising the individual ranking achieved in accordance with the Weighted Value for Money index. The Tenderer may

also request a verbal debrief but the scope of verbal debriefs will remain the same as the written debriefs.

15. OFFER OF CONTRACT

15.1 Following the standstill period of 10 calendar days, and subject to a successful outcome of the internal process referred at 14.1, the winning Tenderer will receive an Offer of Contract letter including a version of the Contract and Annexes, revised to reflect any agreed changes made up to the conclusion of Part C.