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| THE ROYAL BOROUGH OF KENSINGTONAND CHELSEA |

REQUEST FOR QUOTATION

INSTRUCTIONS TO TENDERERS

CONTRACT FOR THE

SUPPLY AND INSTALLATION OF

AUTOMATED PAYMENT MACHINES

(also called Automated Pay Stations; Self-Pay Machines; Self-Service Payment Machines)

1. **Introduction**
	1. The Royal Borough of Kensington and Chelsea (the “Authority”) is issuing a Request for a Quotation (‘RFQ’) for the supply, installation, commissioning and on-going maintenance of two Automated Payment Machines (also known as automated pay stations, self-pay machines and self-service payment machines) as described in the accompanying Service Specification (“the Services”).
	2. This procurement is being executed through the Authority’s electronic procurement portal, capitalEsourcing (‘the Portal). These Instructions describe the procurement process, the form and content of quotations and the timetable and other administrative arrangements.
	3. The RFQ documents are being made available on the Portal on condition that they are used solely in connection with this RFQ and for no other purpose.
	4. The Authority wishes to receive offers based on outright purchase of the machines and, in the alternative, leasing the machines for either 3 or 5 years. In all cases the machines will need to be installed and commissioned in the Customer Services Centre at Kensington Town Hall. The supplier will also be required to provide on-going maintenance and banking services
	5. The successful supplier will be required for the Contract Price to provide the Services in accordance with the Service Specification and the Terms and Conditions.
	6. The Specification sets out a number of Essential Requirements. These fall under a number of headings:
* cover functional requirements,
* the Council’s Communications Standards; and
* compliance with the Council’s financial integration requirements.

 Full details are contained in the Specification.

ALL offers from providers MUST be capable of meeting ALL the Essential Requirements. They are pass/fail tests. Your offer will not be eligible for evaluation unless you can satisfy ALL the Essential Requirements.

* 1. There are also a number of Contract Award Criteria to which you are required to provide responses. These are the requirements described as ‘Desirable’ in the Service Specification If you meet the Essential Requirements, your responses to the award criteria (the Desirable Requirements) will be evaluated and scored.
	2. You must make your submissions through the Portal in accordance with the provisions set out below and submit quotations by 17.00 hours on 26 August 2016.
1. Timetable
	1. To ensure that the evaluation and award process is completed and the Contract executed prior to the Commencement Date the Authority has set the following timetable. The Authority reserves the right to amend the timetable.

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| **Activity** | **Completed by** |
| Request quotations from suppliers | About 26 July 2016 |
| Closing date for submission of suppliers’ clarification questions | 19 August 2016 |
| Closing date for receipt of quotations | 26 August 2016 |
| Evaluation of submissions | 29/8 - 9/9 2016 |
| Notification of proposed award of contract on or around  | 23 September 2016 |

1. Right to Cancel or Vary the Process
	1. The Authority reserves the right:
		1. to abandon the quotation process at any stage;
		2. not to award a contract;
		3. to require a supplier to clarify its submission in writing and/or provide additional information (failure to respond adequately may result in a supplier not being successful); and/or
		4. amend the terms and conditions of the quotation process.
2. Considerations Prior To Submission Of Quotation
	1. **Sufficiency of information**
		1. The Supplier shall ensure that it is familiar with the content, the extent and nature of its obligations as outlined in the RFQ documents and shall in any event be deemed to have done so before submitting its quotation.
		2. The Supplier will be deemed for all purposes connected with the RFQ documents to have carried out all research, investigations and enquiries which can reasonably be carried out and to have satisfied itself as to the nature, extent, volume and character of the Services (in the context of and as described in the Specification) and the extent of the personnel, equipment, assets, plant and machinery which may be required and any other matter which may affect its quotation.
	2. **Costs and expenses**
		1. All costs, expenses and liabilities incurred by the Supplier in connection with preparation and submission of the quotation will be borne by the supplier.
		2. The supplier shall have no claim whatsoever against the Authority in respect of such costs and in particular (but without limitation) the Authority shall not make any payments to the successful supplier or any other supplier save as expressly provided for in the Contract and (save to the extent set out in the RFQ documents) no compensation or remuneration shall otherwise be payable by the Authority to the successful supplier in respect of the Services by reason of the scope of the Services being different from that envisaged by the successful supplier or otherwise.
	3. **Further information and enquiries**
		1. Any questions about this procurement should be submitted in writing via the capitalEsourcing Portal. Suppliers must clearly indicate, when submitting a question, which (if any) part of their question they view as confidential and applicable only to the supplier submitting the question. If the Authority does not agree that the question is confidential and applicable only to the supplier, the supplier will be given the right to withdraw the question without it being answered.
		2. The closing date for clarification questions to be raised will be 19 August 2016 at 17.00 hours. Once the procurement event is live, a supplier is able to submit clarification questions through the Messages feature within the Portal, accessed via the 'Messages' tab. This should be used for all queries and requests for clarification regarding the procurement as it provides an effective and auditable trail. A supplier’s queries will be secure and cannot be seen by any other suppliers. The Authority will publish the question and the response, in a suitably anonymous form, via the Messages tool to all suppliers before the Deadline.
	4. **Freedom of Information**
		1. The Authority is subject to the provisions of the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004. If the supplier considers that any information supplied by it is either commercially sensitive or confidential in nature, this should be highlighted and the reasons for its sensitivity given. In such cases the relevant material will, in response to FOIA requests, be examined in the light of the exemptions provided for under the FOIA.
		2. Information supplied by the Authority may be disclosed by suppliers insofar as is necessary for the preparation, submission and evaluation of quotations. It should otherwise be treated as confidential.
3. QUALIFICATION ENVELOPe

5.1 Within the RFQ on capitalEsourcing, there is a Qualification Envelope. This contains questions to which you are simply required to answer ‘Yes’ or ‘No’. You must say whether:

* any of the grounds for mandatory or discretionary exclusion apply to you;
* you have or will have the required type and level of insurance cover indicated;
* you accept the Conditions of Contract applying to outright purchase and those applying to leasing; and
* you can meet all the Essential Requirements of the Specification.

5.2 You will be excluded if you are in one of the conditions that require mandatory exclusion. You may be excluded if there exist discretionary grounds for exclusion. You will be excluded if you do not have or decline to commit to have the required insurance cover. You may be excluded if you do not accept the Terms and Conditions of Contract.

5.3 You must also download and complete the Form of tender, the certificates of Bona Fide Tendering and No Canvassing and the FOIA Confidentiality Certificate. The purpose of these forms is explained in the RFQ.

**6. TECHNICAL (QUALITY) RESPONSE ENVELOPE**

6.1 Within the RFQ on capitalEsourcing there are four electronic ‘Technical Response Envelopes’.

6.2 The first envelope contains the Contract Award Criteria. The same technical (quality) award criteria apply to all the payment options - so you only have to submit responses to the questions once.

6.3 Your responses to the Contract Award Criteria will be evaluated in accordance with the weightings and marking scheme in Tables 1 and 2 below.

6.4 The other three technical envelopes require no input from suppliers and are for the Authority’s use only.

7. commercial RESPONSE ENVELOPE / Quotation

7.1 Within the RFQ on capitalEsourcing there are three electronic ‘Commercial Response Envelopes’ for you to submit your quotations for outright sale; 3 year leasing; and 5 year leasing.

7.2 You must complete all sections of the three Commercial Response Envelopes providing offers for both purchasing outright and for both leasing options.

7.3 All prices and rates requested in the Commercial Response Envelope must be inclusive of all costs and expenses necessary for the supply and proper performance of the Services and include for all Contractor risks under the Conditions of Contract. All prices and rates shall be exclusive of Value Added Tax. The Authority will not pay any sum or sums other than those set out in the pricing document appertaining to the payment option that it selects.

8. Conditions of contract

8.1 Suppliers should ensure that they understand and are willing to accept the terms and conditions of Contract contained in the ‘Attachments’ section of the RFQ and again in the Qualification Envelope before submitting their quotation. Amendments or variations to the terms and conditions requested by a supplier will not be acceptable to the Authority. Quotations will be considered non-compliant if any alterations are made and may be rejected.

9. Return Of quotations

9.1 Suppliers are required to submit their completed offers through the capitalEsourcing Portal. Use of this system does not require the purchase of high specification IT equipment or connections, or high level personal IT skills/capabilities. Suppliers are advised to complete all responses in advance of the Deadline to allow time to request guidance where it is required. It is the responsibility of suppliers to ensure they are familiar with the system and allow sufficient time for finalising their completed Commercial Response Envelopes.

9.2 The Authority is not responsible for inaccurate or incomplete contact information input into the Portal by suppliers. It is the supplier’s responsibility to ensure that the contact information they have entered for their organisation on the Portal is accurate and kept up to date. Important notification messages relevant to this procurement may not be received by a supplier should the contact information be inaccurate. If at any stage a supplier needs to update the contact information held for their organisation this can be achieved by submitting it via the Portal. The Authority is under no obligation to respond/follow up on 'out of the office' responses received from a supplier and so suppliers will need to make appropriate arrangements to deal with absences. For any technical advice or assistance relating to the e-Bidding system if for any reason the Portal is not available, please contact the capitalEsourcing helpdesk between 8.00am and 6.00pm Monday to Friday on 0800 368 4850 (or +442033496601 if outside the UK) or e-mail help@capitalesourcing.com.) This email address should only be used where there are technical issues with the Portal. Otherwise, all questions and queries relating to this procurement should be submitted via the Portal.

9.3 All aspects (documents/attachments/responses) of the completed Qualification, Technical and Commercial Response Envelopes must be submitted electronically via the Portal. Once the final completed Commercial Response Envelope has been submitted a pop-up box will appear notifying the supplier. Suppliers must not return by email any part of their completed Commercial Response Envelopes. Any attempt by a supplier to email any part of its completed Commercial Response Envelopes may result in its quotations being disqualified.

9.4 Suppliers are advised to allow plenty of time to submit their completed Envelopes onto the Portal as this will take some time and the Authority reserves the right to reject and not evaluate any completed Response Envelopes submitted after the Deadline.

9.5 All quotations must remain valid and open for acceptance by the Authority for a period of 6 months.

10. Evaluation MODEL AND EVALUATION METHODOLOGY

10.1 The Authority does not bind itself to accept the lowest or any quotation.

10.2 Each quotation will be checked to ensure that it is complete and legally compliant.

10.3 The Specification sets out the Authority’s Essential Requirements and you must acknowledge in the Qualification Envelope that you can satisfy all those requirements. Failure to satisfy any of the essential requirements will cause your offer to be rejected.

10.4 The scored Award Criteria and sub-criteria are set out in the Specification where they are described as being ‘Desirable’. These desirable elements are the Award Criteria in the Technical (Quality) Envelope on capitalEsourcing. You can see them in Table 2 below. A weighting is attributed to each evaluation heading that reflects its relative priority Your responses to the scored criteria will be evaluated and marked according to the Marking Scheme set out in Table 1 below.

10.5 The Authority intends to award the Contract on the basis of the quotation that represents the most economically advantageous offer to the Authority. This will be made up of the scores for the Technical (Quality) Award Criteria and the Price. The following overall weightings will be applied to the Technical (Quality) Award Criteria and the Price:

Quality – 60 %

Price – 40 %.

10.6 The final Quality Scores will be aggregated to give an overall score for the quotation.

10.7 Each supplier’s total weighted score for the Technical (Quality) Award Criteria (Table 2) will be added to their total weighted score for each of the three price options. This will determine the best offer for each of the three payment options. In the RFQ, the three payment options are described as ‘Lots’.

10.8 The Authority will consider the best offers for the three payment options and determine by applying the award criteria which payment offer it wishes to accept.

10.9 The Authority reserves to itself the right in its absolute discretion:

* to award the Contract(s) to any supplier;
* not to award the Contract(s) to any of the suppliers or at all.

10.10 Written responses to each award criterion should be clear and concise and contained on no more than 4 sides of A4.

**Table 1: MARKING SCHEME**

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| **Score** | **Rating** | **Criteria for Awarding Score** |
| **0** | **Totally Unacceptable** | No response or response completely fails to address all of the Authority’s requirements |
| **1** | **Unacceptable** | Very limited or vague response which fails to address key areas or meet key Authority requirements, or the response received contains a large number of weaknesses or omissions in a majority of aspects |
| **2** | **Poor** | Limited or vague response that only meets some of the key Authority requirements but with numerous material weaknesses or omissions and the Council has serious doubts about aspects of the response which gives rise to serious concerns, or inadequate information has been provided |
| **3** | **Unsatisfactory** | The response addresses a number of key Authority requirements but is unsatisfactory in a number of material respects. The proposal contains some material weaknesses or omissions which give the Authority some concerns |
| **4** | **Fair** | The response generally meets the key Authority requirements but with some aspects which give the Authority concern because either they are incomplete or contain minimal material weaknesses or omissions, or differ from the Authority’s requirement necessary to meet the criteria in at least one aspect |
| **5** | **Satisfactory** | The response addresses a majority of key Authority requirements and is generally satisfactory but does not demonstrate any clear strengths |
| **6** | **Generally Good** | The response is generally good in all material respects but does contain some minor weaknesses or omissions. The proposal does, however, have at least one clear strength. |
| **7** | **Strong** | The response is of a good quality in all respects with good concepts and approaches, but contains a few minor weaknesses or omissions with a clear strength in a key area. |
| **8** | **Very Good** | High quality response with clear, coherent and high quality proposals that present a fully workable response with clear strengths in key areas, and any minor weaknesses or omissions which may be present in the response may be acceptable as offered |
| **9** | **Outstanding** | Very high quality, considered response with outstanding features in a majority of areas. A very strong response overall with no material weaknesses or omissions |
| **10** | **Excellent** | Exemplar response in all material respects. The response also demonstrates significant strengths and has no weaknesses or omissions |

The Technical (Quality) Award Criteria in Table 2 below are the requirements described in the Service Specification as ‘Desirable’. Your responses to the questions concerning the Award Criteria in the Technical Quality Envelope on capitalEsourcing will be evaluated and scored in accordance with the marking scheme in Table 1 above.

**Table 2**: **Technical Quality 60% total weighting**

|  |  |
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| **Technical Response (Quality) Award Criteria**  | **Marks** |
| **Customer Transactions** |
| It would be advantageous if the machines supplied could meet the following requirements:1. Read QR codes
2. Read magnetic strips on cards

c) Dispense change in notes as well as coinsd) Be able to provide on-screen balance reporting where appropriate including payment transactions enquiries Please provide detail on how this is achievede) Money taken via credit and debit cards should feed into a merchant ID linked directly to a Council accountf) A daily electronic “polling” message should be sent to provide resilience in the accounting process.5 marks are available for each sub-criterion a) to f) | 30 |
| **Printing** |
| It would be advantageous if the machines supplied could meet the following printing requirements:a) Incorporate thermal printersb) Limit the amount of paper used per receipt while using a font size large enough to be clearly visiblec) Have a large capacity receipt roll to minimise re-stockingd) Support stationery and relevant consumables which are widely available for purchasee) Enable the printing of bespoke messages onto receipts dependent on the type of account into which money is being paida) and b) are worth 1 mark each; c) is worth 2 marks; d) and e) are worth 3 marks each  | 10 |
| **Implementation** |
| Please upload an attachment containing an Implementation Plan which demonstrates your ability to meet the deadline for installation in a thorough and credible fashion.More marks will be awarded for a comprehensive and logical plan | 10 |
| **User Guidance** |
| Please upload an attachment describing what User Guidance material you intend to provide and state the scope of the guidance including whether it will include basic trouble-shooting and maintenance such as the replacement of receipt rolls, clearing of jams and change replenishment.More marks will be awarded for guidance that is relevant to the machines supplied, complete and easy to understand  |  |
| **Reporting** |
| Please upload an attachment detailing the full range of management information reports that can be provided on request and state whether any application software will be required to deliver reporting functionality; if so, what application software will be required?More marks will be awarded for the easy availability of useful reports and the ready availability of any necessary software | 10 |
| **Support and Maintenance** |
| The Essential Requirements include the necessity for helpdesk support and software and hardware support to be available between 09.00 and 17.00 Monday to Fridays (excluding Bank Holidays).In an attachment, please state whether, if at all, you are able to provide a staff helpdesk to support Council officers at a minimum between the hours of 8.30 to 18.00 Monday to Fridays (excluding Bank Holidays).AndWhether the software and hardware support will include critical updates, telephone support, remote support, transaction queries and log file analysis between the following hours:08.30 to 18.00 Monday to Friday (excluding Bank Holidays).More marks will be awarded for support that is readily available outside of the core hours that are an essential requirement | 10 |
| **Warranty** |
| Please upload an attachment stating what warranty period will apply to the machines and what will be covered by the warranty and over what period of time.More marks will be awarded to warranty provision that is longer and more comprehensive | 5 |
| **Supplier Contract Management** |
| Please upload an attachment, describing how you intend to manage the contract addressing in particular, the following requirements:a) how you will ensure that a high quality service is maintained and that all requirements set out in the specification will be metb) your proposals for monitoring and reporting on the quality of the services delivered, including the performance checks you will perform, their frequency and scope, and who will perform themc) your proposed contract management and supervisory systemsd) whether you are accredited to any international or British quality standards or are actively seeking accreditatione) your customer liaison arrangements, including procedures for dealing with complaints and problems and customer support arrangements.The division of this award criterion into paragraphs is for ease of reference only. There are no sub-criteria and your response will be evaluated on the basis of how it addresses this criterion as a whole. | 10 |
| **Installation** |
| Please provide evidence of any industry standards used in the installation of payment machines into the fabric of a building |  |
| **Total Marks**  | 100 |

The 60% weighting for Quality will be applied to the Tenderer’s total score out of 100 to obtain the weighted score for quality.

**11.** **PRICE EVALUATION (40% weighting)**

11.1 You must enter your prices for outright purchase by the Authority, 3 and 5 year leasing in the relevant Commercial Envelopes. In all cases, provision of banking services will be required along with support and maintenance and training.

11.2 Tenderers must also download, complete and upload the spreadsheets that show how the tenderer’s prices breakdown year by year. Table 3 below shows what the spreadsheets looks like:

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| **TABLE 3 - Breakdown of Quoted Payment Options** **Please enter figures for TWO machines in all tables excluding VAT** |
|   |   |   |   |   |   |
| **Components** | **LEASING AND ANNUAL RUNNING COSTS - 5 YEARS** |
| **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| **Hardware** |   |   |   |   |   |
| **Software/licences** |   |   |   |   |   |
| **Delivery/Installation** |   |   |
| **Support and Maintenance**  |   |   |   |   |   |
| **Banking services** |   |   |   |   |   |
| **Training** |   |   |   |   |   |
| **TOTAL £ exc VAT** |   |   |   |   |   |
|  |  |  |  |  |  |
|   |  |  |  |  |  |
| **Components** | **Leasing and Annual Running Costs - 3 Years** |  |
| **Year 1** | **Year 2** | **Year 3** |   |  |
| **Hardware** |   |   |   |  |
| **Software/licences** |   |   |   |  |
| **Delivery/Installation** |   |   |  |
| **Support and Maintenance**  |   |   |   |  |
| **Banking services** |   |   |   |  |
| **Training** |   |   |   |  |
| **TOTAL £ exc VAT** |   |   |   |  |
|  |  |  |  |  |  |
| **Outright Purchase** |  |  |  |
| **Components** | **Cost £** |  |  |  |
| **Hardware** |   |  |  |  |
| **Annual Software/Licence** |  |  |  |  |
| **Delivery/Installation** |  |  |  |  |
| **Annual Support and Maintenance** |  |  |  |  |
| **Annual Banking Services** |  |  |  |  |
| **Training** |  |  |  |  |
| **TOTAL £ exc VAT** |  |  |  |  |

11.3 The figures entered in the Commercial Envelopes must be inclusive of all relevant costs to supply and perform the services described in the Specification (excluding VAT).

11.4 The Authority will not pay costs that were not included in the Commercial Envelope of the Tenderer submitting the offer that the Authority accepts (except VAT).

11.5 The quotations in the three Commercial Envelopes will be evaluated in the following manner. The lowest total price for providing the goods and services in accordance with the particular payment option, will automatically be awarded full marks (40%). Thereafter each other quotation is compared against the lowest priced quotation in accordance with the following formula:

(A÷B) x C = X

Where:

A = the lowest submitted price of all quotations

B = the total price submitted by supplier

C = the maximum percentage score i.e. 40%

X = the score for Price

11.6 Tenderer’s weighted Technical (Quality) score (which will be the same regardless of the payment option) will be added to their weighted price scores in each of the three case to produce three totals.

11.7 The highest total scores (representing the most economically advantageous offer) for the three payment options will be compared by the Authority in order to determine which offer provides best value.

11.8 The chosen supplier will be awarded the contract subject to verification that their solution satisfies all the Essential Requirements set out in the Technical (Quality) Envelope and their responses to the questions in the Qualification Envelope are satisfactory.

12 Acceptance Of quotation

12.1 Any acceptance by the Authority of a quotation shall be notified to the successful supplier in writing by the Authority.