



Single Source  
Regulations Office

*Assuring value, building confidence*

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8 February 2018

Dear Sir/Madam,

**Subject: Invitation to tender for urgent communications advice and support**

**Reference: SSRO-C-60**

The SSRO is seeking a third party to provide advice and support on communications on an ad-hoc, as required, basis. The contract will initially be for a 24-month duration, with an option to renew for an additional 12 months.

The SSRO invites proposals to tender for the provision of these services, as detailed in the attached Specification. The Specification sets out and explains the information that must be provided in your response.

**All tenders should be returned electronically to [tenders@ssro.gov.uk](mailto:tenders@ssro.gov.uk) and must arrive no later than 17:00 on 26<sup>th</sup> February.** Tenderers should ensure that their quotation arrives on time, as no quotation will be accepted after this date.

Any general questions about the Specification should be addressed to [tenders@ssro.gov.uk](mailto:tenders@ssro.gov.uk) by 16<sup>th</sup> February.

The SSRO's standard contract Terms and Conditions are attached and will be applied to this contract. Any issues with or questions about the SSRO's Terms and Conditions should be raised by tenderers in advance of the deadline for submissions.

The SSRO proposes to inform the successful tenderer by 7<sup>th</sup> March with services to begin by 12<sup>th</sup> March 2018.

Yours sincerely

Neil Swift

Interim Chief Executive

**Enclosures:**

1. Background
2. Specification
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# 1. Background

1.1 The UK MOD spends over £8 billion a year on single source (non-competitive) defence contracts. The Defence Reform Act 2014 created a regulatory framework for single source defence contracts. The framework controls the prices of qualifying contracts and requires greater transparency on the part of defence contractors. The SSRO is at the heart of the regulatory framework, defining and supporting its operation.

1.2 Section 13 (2) of the Act states that in carrying out its functions the SSRO must aim to ensure that:

- good value for money is obtained in government expenditure on qualifying defence contracts, and
- persons (other than the Secretary of State) who are parties to qualifying defence contracts are paid a fair and reasonable price under those contracts.

1.3 The SSRO's functions are to:

- keep under review the Defence Reform Act and the Regulations and recommend appropriate changes to the Secretary of State;
- consider cases referred by the MOD and defence contractors, clarifying or resolving disagreements on how the regime applies to proposed or existing qualifying contracts;
- make an annual recommendation to the Secretary of State on the Baseline Profit Rate, Capital Servicing Rates and SSRO funding adjustment to be applied to determine the profit rates of qualifying contracts;
- keep an up-to-date record of qualifying contracts and receive statutory reports from defence contractors under the regime;
- keep under review the extent to which contractors are complying with their reporting obligations; and
- fulfil requests by the Secretary of State for analysis of reported data and other services or assistance relating to single source defence procurement.

1.4 Over the past year, the SSRO have carried out the following external communications work:

- consultations on our statutory guidance and Corporate Plan (we have undertaken formal consultations inviting written responses three times in 2017 and eight times in 2016);
- publishing our annual report on the single source regime and a discussion paper on our approach to calibrating profit rates;
- publishing opinions and determinations on questions referred to us by the MOD and industry on matters related to the regulatory framework;
- responding to reports about the SSRO's work by other organisations and parliamentary committees;
- announcing the launch of our DefCARS database, our recommended profit rate for defence contracts, and senior staff appointments and departures;

- undertaking a stakeholder survey;
  - discussion events with invited speakers from among our stakeholders; and
  - a newsletter, sent to our entire stakeholder database several times a year.
- 1.5 Our key stakeholders are the MOD and the defence industry. There are several different parts of the MOD that we engage with at working level, ranging from the MOD head office (the Single Source Advisory Team (SSAT) at the MOD are our main point of contact), to the MOD's procurement agency Defence Equipment and Support (DE& S).
- 1.6 We also engage extensively with the defence industry, which ranges from large multinational companies (such as Airbus, Babcock, BAE Systems, Lockheed Martin, QinetiQ, Rolls Royce) to SMEs, to ensure they are aware of the legislation and that we understand the impact of the regulatory framework on their businesses – as well as engaging their trade associations.
- 1.7 A handful of national newspapers take an interest in our work such as the Financial Times, The Times and The Independent. Trade press are also interested, such as Jane's Defence Weekly and Defence News, and individual defence bloggers.
- 1.8 The SSRO has total staff of circa 35, and funding of £5.8 million in 2016/7. Since 2015 we have hired a contractor as a Communications Advisor on a part-time basis.
- 1.9 Since the appointment of a new Chairman in 2017, the SSRO is adopting a reactive only stance for external communications. For example, we now often soft-launch our publications without any press-releases and do not proactively look for opportunities to be interviewed by the media. As a result, we will be internally undertaking the majority of communications work. However, we have identified that there is still a need for external expertise to provide urgent communications advice and support at specific times.

## 2. Specification

- 2.1 The SSRO requires urgent communications advice and support to be available as and when required, and to be provided by a third party for an initial duration of 24 months. We would be requiring the tenderer in their proposal to suggest what form of advice and support this would take, and how they would handle any out of hours emergencies if they were to arise. However, based on previous experience this could involve support on development of a communications strategy to deal with the specific issue for which help is required, working with the SSRO to draft documentation such as a press release or lines to take, preparation of the Chairman or Chief Executive for direct questioning, and utilising contacts to manage the situation. We cannot guarantee any minimum amount of work for this service due to it being reactive, however we envisage these services are likely to be utilised about once or twice a year.
- 2.2 We will be undertaking all business as usual communications and stakeholder engagement work internally, and so will **not** require any routine drafting of press releases, horizon scanning or information gathering of the sector or media, or pro-active engagement with stakeholder and journalists on our behalf, unless covered under 2.1 above.
- 2.3 The SSRO will make itself, and any relevant documentation, available for the delivery of the services.
- 2.4 The contract will initially be for 24 months with an option to renew for a further 12 months. At conclusion of the 24 month period we will review the suitability of the arrangements before making a decision as to whether we wish to exercise the option to renew.

### 3. Instructions

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

3.1 The tender timetable is as follows:

Event	Date
Tender documents issued	Thursday 8 <sup>th</sup> February
Deadline for receipt of clarification questions	Friday 16 <sup>th</sup> February
SSRO response to supplier questions	Monday 19 <sup>th</sup> February
Tender return deadline	Monday 26 <sup>th</sup> February
Notification of decision	Wednesday 7 <sup>th</sup> March
Commencement	Monday 12 <sup>th</sup> March 2018

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

- 3.2 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.
- 3.3 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

- 3.4 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.
- 3.5 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 3.1 above.
- 3.6 Please submit such queries by email to the SSRO at: [tenders@ssro.gov.uk](mailto:tenders@ssro.gov.uk)
- 3.7 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.
- 3.8 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 3.1 above. All questions and their answers will be circulated to all tenderers (without revealing the identity of the individual tenderer that put forward a particular question).

## Instructions for return of tenders

- 3.9 Tenderers must respond to this ITT by submitting a proposal (“**the tender**” or “**Submission**”) which must include the following:
- A statement setting out how the contractor will deliver the service requirement, which should contain an appropriate level of detail for delivering the specified services detailed in paragraph 2.1. Your tender should set out the rationale for adopting your suggested approach and provide the following details:
    - the arrangements you would put in place to ensure you would be available to be contacted by the SSRO 24/7, without advance notice, for urgent communications advice and support purposes;
    - the arrangements you would put in place to ensure you have the required knowledge of the SSRO, defence sector and journalists to be able to provide any required communications advice and support in a timely (and often immediate) manner;
    - the possible type and form of advice and support that you could provide the SSRO in respect of urgent communications advice and support.
  - Details of your organisation’s skills and expertise relevant to provision of the services required. This should include the seniority and experience of those who may undertake this work, including their grade and relative split of time between staff roles in delivering the requirement.
  - The proposal must cover the totality of the service requirement with an hourly or daily rate to provide the support set out in paragraph 2.1 including any expenses expected to be incurred – please articulate your expenses policy (but note the SSRO’s Terms).
  - A statement addressing how the tenderer will handle and store sensitive information securely in accordance with the SSRO’s Terms and Conditions.
  - The tenderer’s policy for managing conflicts of interest and an explanation of any perceived conflicts and how it is proposed these be managed.
  - Completed and signed Form of tender.
- 3.10 Tenderers must not qualify their tenders. Any alteration or qualification may result in the tender being rejected.
- 3.11 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. While promotional material may be included or referred to in your tender, you are asked not to include it in substitution of explaining how the service requirement will be delivered.
- 3.12 If explaining how you will deliver an element of the service requirement requires information similar to that included elsewhere in the response, it is not necessary to repeat it, but you should make clear reference to its location and expand upon it where necessary. There is no template for responses.
- 3.13 The tender must be based on prices which include Value Added Tax.
- 3.14 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.

- 3.15 Please return your tender by email to the SSRO at: [tenders@ssro.gov.uk](mailto:tenders@ssro.gov.uk). Your tender must be returned by the date and time specified in the timetable at paragraph 3.1 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.
- 3.16 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.
- 3.17 Tenderers 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**

- 3.18 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.
- 3.19 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).
- 3.20 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 tenderers**

- 3.21 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.
- 3.22 You must not:
- tell anyone else what your tender price is or will be, before the time limit for delivery of tenders;
  - try to obtain any information about anyone else's tender or proposed tender before the time limit for delivery of tenders; or
  - make any arrangements with another organisation about whether or not they should tender, or about their or your tender price.

- 3.23 Should it be determined that any bidder has been communicating with any other bidder, the SSRO may, acting reasonably, disqualify both tenderers.
- 3.24 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.
- 3.25 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.
- 3.26 If the SSRO disqualifies a bidder from this procurement, it will also consider whether to exclude the bidder from subsequent procurement exercises.

### **Acceptance of tenders**

- 3.27 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.
- 3.28 Tenderers 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.
- 3.29 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.
- 3.30 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 tenderers should note that the ITT may not result in the award of any business.

### **Bid costs**

- 3.31 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**

- 3.32 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.
- 3.33 Tenderers 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.
- 3.34 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.
- 3.35 Tenderers 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, provided it does not act unreasonably. This is to ensure a timely, good quality and cost-effective outcome.

- 3.36 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.
- 3.37 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.

### **Conflicts of interest**

- 3.38 The SSRO is aware that third parties with relevant experience and expertise may encounter conflicts of interest due to working with, or having worked with, organisations or individuals the SSRO may regulate. Tenderers must:
- demonstrate they have an effective mechanism for assessing and managing conflicts of interest; and
  - state whether any conflicts of interest have been identified and, if so, how these are proposed to be addressed.
- 3.39 Any bidder failing to notify a conflict that is later identified will be disqualified.
- 3.40 The obligation to make conflicts known to the SSRO will continue throughout the Agreement. Contractors will be required to raise conflicts of interest with the SSRO on an ongoing basis as they arise and the SSRO shall make the final decision in each case as to whether the conflict of interest can be mitigated and waived or prevents the supplier from acting.

### **Security of information**

- 3.41 Delivering this service may require processing confidential information. Tenderers must demonstrate they can handle and store sensitive information securely in accordance with the SSRO's Terms and 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 in respect of the provision of support and advice for urgent communications advice and support, expertise of team, conflicts of interest, and handling and storing sensitive information securely, as set out above. Tenders will be scored on the basis of price and quality, with the weighting between these two being: quality 50 per cent; and price 50 per cent. In the event of two or more tenders being awarded the same total, the SSRO shall choose the tender with the lowest price.
- 4.2 In order to combine technical score with cost, the percentage difference method will be used. The lowest price tender is given a score of 10 and other bids are scored relative to this using the relationship:

$$\text{Price score} = \frac{\text{Lowest price bid}}{\text{Bid price}} \times 10$$

- 4.3 In relation to quality, tenders will be scored according to the matrix in Table 1 below. A score will be allocated to each of the following elements:
- provision of support and advice for urgent communications advice and support (45%);

- expertise of team (45%);
- conflicts of interest (5%); and
- handling and storing sensitive information securely (5%).

The scores will be weighted as above and combined to provide a combined quality score against table 1 for this purpose.

**Table 1: Scoring matrix**

High confidence	10	Submission sets out a robust solution that fully addresses and meets the requirements, with full details or explanation (and, where evidence is required or necessary, full and relevant evidence) provided to support the solution; provides full confidence as to the relevant ability, understanding, expertise, skills and/or resources to deliver the requirements.
Good confidence	7	Submission sets out a solution that largely addresses and meets the requirements, with some detail and explanation (or, where evidence is required or necessary, some relevant evidence) provided to support the solution; minor reservations or weakness in a few areas of the solution in respect of relevant ability, understanding, expertise, skills and/or resources to deliver the requirements.
Low confidence	3	Weak submission which does not set out a solution that fully addresses and meets the requirements: response may be basic/ minimal with little or no detail or explanation (and, where evidence is required or necessary, with insufficient evidence) provided to support the solution and demonstrate that the tenderer will be able to provide the services and/or some major reservations as to the tenderer's solution in respect of relevant ability, understanding, expertise, skills and/or resources to deliver the requirements
Major concerns	0	No response at all or insufficient information provided in the response such that the solution is totally un-assessable and/or incomprehensible.

4.4 It is essential that the successful tenderer is able to deliver its obligations under the proposed contract and accordingly the SSRO will not make an award to any tenderer that fails to achieve at least “good confidence” on each of the elements of the quality score detailed above.

4.5 A tenderer that does not achieve these minimum scores will not be awarded the contract even if the tenderer’s proposal would otherwise have achieved the highest overall score.

## 5. Useful Links

SSRO's Corporate Plan 2017-20

<https://www.gov.uk/government/publications/ssro-corporate-plan-2017-2020>

SSRO's Annual Report & Accounts

<https://www.gov.uk/government/publications/ssro-annual-report-and-accounts-201617>

Single Source Contract Regulations

[http://www.legislation.gov.uk/ukdsi/2014/9780111122440/pdfs/ukdsi\\_9780111122440\\_en.pdf](http://www.legislation.gov.uk/ukdsi/2014/9780111122440/pdfs/ukdsi_9780111122440_en.pdf)

Defence Reform Act

<http://www.legislation.gov.uk/ukpga/2014/20/pdfs/ukpg>

**6. Form of tender (attached as a separate document)**

**7. SSRO's Terms and Conditions (attached as a separate document)**