**INVITATION TO TENDER**

Department for Education

Dear Supplier

**INVITATION TO TENDER (ITT) for the provision of financial advisors to support the department and local authorities with the delivery of the Safety Valve programme**

The department requires expertise and credibility across SEND and finance from a senior local authority background. We are procuring ex local authority CFOs to advise local authorities and the department on how to address the drivers behind their DSG deficits and manage their high needs systems sustainably.

Advisors will influence local authorities to maximise their DSG recovery plans and prioritise their delivery, as well as ensuring that the agreements which the department enters are based on realistic and credible proposals. The advisers ensure that the programme functions on a solid and realistic basis, maximising value for taxpayer money. This will be achieved through the reviewing of local authority monitoring reports, providing support for local authorities and via the financial advisor helpline.

1 Your organisation along with others is invited to offer a tender for provision of the above, to the specification outlined in the attached documents. Enclosed are:

Document 1 Instructions on the tendering procedures.

Document 2 Departmental standard requirements

Document 3 Specification of the requirement.

Document 4 List of attachments.

Document 5 Declaration and information to be provided by tenderer.

2 Please read the instructions on the tendering procedures carefully. Failure to comply with them may invalidate your tender which must be returned by the date and time given below.

3 Your tender must be received by no later than Monday 20th May at 12 midday local time (UK). Late tenders will **not** be considered.

4 If having read the enclosed specification you decide not to submit a tender, we would be grateful if you could send your reasons (though you are under no obligation to do so) via the Department for Education’s e-tendering portal (Jaggaer)

5 Please contact us via Jaggaer if you have any questions about the tendering procedure. Yours sincerely,

Department for Education Commercial Team

**DOCUMENT 1**

**INSTRUCTIONS ON TENDERING PROCEDURES**

1 These instructions are designed to ensure that all tenders are given equal and fair consideration. It is important therefore that you provide all the information asked for in the format and order specified. Please contact us through the Jaggaer portal if you have any doubts as to what is required, or you have difficulty in providing the information requested.

2 Pre-tender negotiations are notallowed and any requests that could be considered a negotiation will be rejected.

3 Potential Suppliers are responsible for ensuring that they understand the tender process. If any information is unclear or if a Potential Supplier considers that insufficient information has been provided, or there appears to be a technical error you must raise an enquiry via the Department for Education’s e-tendering portal (Jaggaer) The deadline for raising an enquiry is 1200 midday local time (UK) 10/05/2024. Please ensure that you have read all documentation thoroughly before submitting an enquiry.

4 Potential Suppliers are responsible for ensuring that they understand the requirements for this procurement. Potential Suppliers can submit clarifications via the Department for Education’s e-tendering portal (Jaggaer). The deadline for raising a clarification is below in the procurement timetable.

5 Please note that references to the 'Department' throughout these documents mean The Secretary of State for Education acting through their representatives in the Department for Education.

**Contract Period**

6 The contract is to be for an initial period of 9 months with the option to extend on a 1+1 basis up to a maximum of 2 years and 9 months. The initial period is from 1st July 2024 until 31st March 2025. The initial period is of 9 months to align any future contract years with financial years.

Provision to extend to cover 1st April 2025 to 31st March 2026 and the second extension period to 1st April 2026 to 31st March 2027 will be subject to DfE internal governance and budget approval.

**Incomplete Tender**

7 Tenders may be rejected if the information asked for in the ITT and Specification is not given at the time of tendering.

**Indicative procurement timetable**

8 The indicative timetable for the procurement is:

|  |  |
| --- | --- |
| Tender documents issued | 29th April 2024 |
| Last day for submission of tenderer clarifications | 10th May 2024 at 12:00 midday |
| Last day for DfE to respond to tenderer clarifications | 15th May 2024 at 16:00 |
| Deadline for tender responses to be received | 20th May 2024 at 12:00 midday |
| Evaluation | 21st May – 31st May 2024 |
| Department announcement of preferred tenders | 3rd June 2024 |
| 10-day standstill period ends  Contract fine-tuning with preferred tenderers | 3rd June – 13th June 2024 |
| Contract commencement | 1st July 2024 |

**Returning Tenders**

9 Tenders must be submitted via the Jaggaer portal by 20th May 2024, 12:00 midday. If you need to register an account, please follow the instruction via this link [https://education.app.jaggaer.com/web/login.html](https://education.app.jaggaer.com/web/login.html?_ncp=1598613913545.121890714-1).  The registration will only take a few minutes to complete.

**Receipt of Tenders**

10 Tenders will be received up to the time and date stated. Those received before the due date will be retained unopened until then. It is the responsibility of the tenderer to ensure that their tender is delivered not later than the appointed time.

**Acceptance of Tenders**

11 By issuing this invitation the Department is not bound in any way and does not have to accept the lowest or any tender and reserves the right to accept a portion of any tender unless the tenderer expressly stipulates otherwise in their tender.

**Authority's Rights**

12 Subject to its obligations to act in a transparent, proportionate, and non-discriminatory manner and in addition to the Authority’s rights specified in these Instructions to Tenderers, the Authority reserves the right to:

1. change the requirements of these Instructions to Tenderers at any time prior to the Submission Deadline. Any such amendment will be numbered, dated, and issued by the Authority via the Jaggaer portal. Where amendments are significant, the Authority may at its discretion extend the Submission Deadline and if so, will communicate details of any such extension via the Jaggaer portal;
2. withdraw these Instructions to Tenderers at any time, or re-invite Tenders on the same or any alternative basis;
3. choose not to award any contract as a result of the Procurement Process;

13 The Authority will reject a Tender and/or exclude a Tenderer from further participation in the Procurement Process where a Tender is submitted late, is incomplete, is submitted other than via the Jaggaer Portal or otherwise fails to meet any of the Authority's submission requirements/instructions which have been notified to the Tenderer, including those set out in these Instructions to Tenderers, or any associated documentation.

**Tender Costs**

14 The Authority will not be liable for any costs or expenses incurred by any Tenderer or the Tenderer's Team or any other person in connection with the Procurement Process, including (but not limited to) the preparation and submission of Tenders, nor will the Authority or any of its officers, ministers, employees, agents or advisors be liable in any way to any Tenderer, any member of the Tenderer's Team or any other person for any costs, expenses or losses incurred by any Tenderer, any member of the Tenderer's Team or any other person in connection with this Procurement Process, including (but not limited to) where the Procurement Process is cancelled or amended or the Authority otherwise decides not to award a Contract pursuant to the Procurement Process.

**Inducements**

15 Offering an inducement of any kind in relation to obtaining this or any other contract with the Department will disqualify your tender from being considered and may constitute a criminal offence.

**Confidentiality of Tenders**

16 Please note the following requirements - 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.
* Make any arrangements with another organisation about whether or not they should tender, or about their or your tender price.

Failure to comply with these conditions may disqualify your tender.

**Debriefing**

17 Following the award of contract, debriefing will be available to unsuccessful tenderers on request.

**Evaluation Criteria**

18 The tender process will be conducted in a manner that ensures tenders are evaluated fairly to ascertain the economically most advantageous tender(s).

* Questions 1-5 are technical questions which will contribute 70% to the overall weighting. Question 6 is a commercial question which will contribute 30% of the overall weighting.

19 For a bid to be compliant, a minimum score of 50 must be achieved on question 1-4 in the technical envelope. Any bidder who scores below this on one or more questions will be excluded from award.

20 Your response to the tender specification will be evaluated using the criteria set out in Attachment 2- Evaluation Criteria.

**Tender Period**

21 Due to the intensive evaluation process the Department requires tenders to remain valid for a period specified in Document 5[Declarations].

**Basis of the Contract**

22 The specification in Document 3, and the terms and conditions in Document 5 Attachment 1, include any buyer specific terms (please refer to the commercial toolkit for DfE specific terms)**,** together with any special requirements, will form the basis of the contract between the successful tenderer(s) and the Secretary of State for Education.

**Format of Bids**

23 Tenderers should respond to the ITT questions in Jaggaer system.

**Conclusions**

24 Whilst every endeavour has been made to give tenderers an accurate description of the Department's requirements, tenderers should make their own assessment about the methods and resources needed to meet those requirements.

**Public Procurement Review Service**

25 If you have concerns about our procurement practices, you can contact the Public Procurement Review Service. Further details can be found on the Public Procurement Review Service Website or contact them at [publicprocurementreview@cabinetoffice.gov.uk](mailto:publicprocurementreview@cabinetoffice.gov.uk)

**DOCUMENT 2**

**DEPARTMENTAL STANDARD REQUIREMENTS**

**Freedom Of Information**

1 The Department is committed to open government and to meeting their responsibilities under the Freedom of Information Act 2000. Accordingly, all information submitted to the department may need to be disclosed in response to a request under the Act. If you consider that any of the information included in your tender is commercially sensitive, please 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. You should be aware that, even where you have indicated that information is commercially sensitive, we may still be required to disclose it under the Act if a request is received. Please also note that the receipt of any material marked ‘confidential’ or equivalent by the department should not be taken to mean that we accept any duty of confidence by virtue of that marking. If a request is received, we may also be required to disclose details of unsuccessful tenders.

**Publication of Contract**

2 Under the Government’s Transparency requirements we are obliged to publish the contract between the Department and the successful tenderer(s) in full. The successful tenderer(s) should identify any information regarded as commercially sensitive and explain (in broad terms) what harm may result from disclosure and the time period applicable to that sensitivity. You should be aware that, even where you have indicated that information is commercially sensitive, we may still be required to disclose it if the public interest in disclosure outweighs withholding the information. See ‘[The Transparency of Suppliers and Government to the Public](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/592358/TransparencyPrinciplesFebruary2017.pdf)’ for more detail.

**Information Sharing Across Government**

3 All Central Government Departments and their Executive Agencies and Non-Departmental Public Bodies are subject to control and reporting within Government. They report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

4 For these purposes, the Department may disclose within Government any of the Contractor's documentation/information (including any that the Contractor considers to be confidential and/or commercially sensitive such as specific bid information) submitted by the Contractor to the Department during this Procurement. The information will not be disclosed outside Government. Contractors taking part in this competition consent to these terms as part of the competition process.”

**Data Security Requirements**

12 For contracts which require the holding or processing of either personal data and/or OFFICIAL data the successful contractor will need to assure the Department that they can comply with the Department’s security requirements.

13 Departmental security requirements are listed as contract clauses (see Document 4 – List of Attachments).

**Prompt Payment Policy**

14 Government’s aim is to pay 90% of all correctly submitted invoices within 5 days of receipt and we are 100% committed to paying correctly submitted invoices within 30 days of receipt.

15 The payment period will be deemed to have started when a correctly submitted invoice reaches the nominated e-mail address.

The supplier shall submit invoices electronically by email within 30 days of the end of the relevant invoicing date to

* DfE Core/STA/TRA/Oak National Academy –[AccountsPayable.OCR@education.gov.uk](mailto:AccountsPayable.OCR@education.gov.uk)

16 A correct invoice is one that:

* Is delivered in timing in accordance with the contract;
* Is for the correct sum;
* Is in respect of goods / services supplied or delivered to the required quality (or are expected to be at the required quality);
* Includes the date, supplier’s full name and address, contact details and bank details;
* Quotes the relevant purchase order / contract reference;

Which has been delivered to the nominated email address.

A valid purchase order number will include the PO prefix

* + CORE CORE-PO-

Invoices without a valid purchase order are now rejected by the Buyers e-invoicing solution. The Buyer no longer accepts paper invoices.

To request a statement, please email [accountspayable.BC@education.gov.uk](mailto:accountspayable.BC@education.gov.uk) quoting the Contract reference number.

17 Any correctly submitted invoices that are not paid within 30 days will be subject to the provisions of the Late Payment of Commercial Debt (Interest) Act 1998.

**Sub-contracting to Small and Medium Enterprises (SMEs)**

18 DfE is committed to removing barriers to SME participation in its contracts and would like to also actively encourage its larger suppliers to make their sub-contacts accessible to smaller companies and implement SME-friendly policies in their supply-chains. This can be achieved by advertising subcontracting opportunities on Contracts Finder and implementing the principles of the SME and Growth Agenda in your own organisation.

19 To help us measure the volume of business we do with SMEs; we will be asking DFE suppliers to provide us with information about the size of your own organisation and those in your supply chain. We may ask about volumes of business that will flow from this contract down your supply chains and ask you to quantify that for us. This data will help us contribute towards Government targets on the use of SMEs. We may also publish success stories and examples of good practice on our website.

**Armed Forces Covenant**

20 The Armed Forces Covenant is a public sector pledge from Government, businesses, charities, and organisations to demonstrate their support for the armed forces community. The Covenant was brought in under the Armed Forces Act 2011 to recognise that the whole nation has a moral obligation to redress the disadvantages the armed forces community face in comparison to other citizens, and recognise sacrifices made.

21 The Covenant’s 2 principles are that:

• the armed forces community should not face disadvantages when compared to other citizens in the provision of public and commercial services.

• special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

22 The Department encourages all Tenderers, and their suppliers, to sign the Corporate Covenant, declaring their support for the Armed Forces community by displaying the values and behaviours set out therein.

23 Guidance on the various ways you can demonstrate your support through the Armed Forces Covenant. [Armed Forces Covenant](https://www.armedforcescovenant.gov.uk/).

24 If you wish to register your support you can provide a point of contact for your company on this issue to the Armed Forces Covenant Team at the address below, so that the MOD can alert you to any events or initiatives in which you may wish to participate. The Covenant Team can also provide any information you require in addition to that included on the website.

Email address: covenant-mailbox@mod.uk

Address: Armed Forces Covenant Team

Zone D, 6th Floor, Ministry of Defence,

Main Building, Whitehall, London, SW1A 2HB

25 Paragraphs 20-24 above are not a condition of working with the Department now or in the future, nor will this issue form any part of the tender evaluation, contract award procedure or any resulting contract. However, the Department very much hopes you will want to provide your support.

**Conflicts of interest**

26 The Department may exclude an organisation if there is a conflict of interest which cannot be effectively remedied. The concept of a conflict of interest includes any situation where relevant staff members have, directly or indirectly, a financial, economic, or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement process.

27 Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the organisation to inform the Department, detailing the conflict in a separate Appendix. Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Department should not represent a conflict of interest for the organisation.

**Collusion**

28 The Tenderer’s attention is drawn to the requirements of the Competition Act 1998, Part 1. Any Tenderer found to have been part of a ‘Concerted Practice’ or ‘Agreement’, the purpose of which was to prevent, restrict or distort competition, shall be disqualified from consideration from this procurement. Disqualification will be without prejudice to any civil remedy available to the Authority or criminal liability which the conduct of the Tenderer may attract.

29 Tenderers may be disqualified (without prejudice to any civil remedy available to the Authority or criminal liability arising from the conduct), if it is found that they have taken any action that:

* fixes or adjusts the amount of its Tenderer by or in accordance with any agreement or arrangement with any other Tenderer; or communicates to any person other than the Authority the amount or approximate amount of its proposed Tender or information that would enable the amount or approximate amount to be calculated (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of the Tender or for the purposes of obtaining insurance or for the purposes of obtaining any necessary security); or
* enters into any agreement or arrangement with any other potential Tenderer that shall refrain from tendering or as to the amount of any Tender to be submitted.

**Equality and Diversity**

30 Equality and diversity are critical to delivering DfE’s vision: we enable children and learners to thrive by protecting the vulnerable and ensuring the delivery of excellent standards of education, training, and care.

This helps realise everyone’s potential – and that powers our economy, strengthens society, and increases fairness.

There is an expectation that all suppliers endorse and demonstrate a commitment to the DfE’s [equality objectives](https://www.gov.uk/government/publications/department-for-education-outcome-delivery-plan/dfe-outcome-delivery-plan-2021-to-2022#e-our-equality-objectives) – including the legal requirements of the Equality Act 2010 and the Public Sector Equality Duty.

**Disability Confident Scheme**

31 The Department for Education is a Disability Confident leader. Through the Disability Confident campaign, the government is working with employers to remove barriers, increase understanding and ensure that disabled people have the opportunities to fulfil their potential and realise their aspirations.

32 The Department encourage other employers to sign up to the disability confident scheme. It is open to all employers and there are three levels ranging from ‘Committed’ to ‘Leader’ with employers having to meet certain criteria to reach each level.

33 Employers who sign up to the disability confident scheme ensure that they can:

* draw from the widest possible pool of talent;
* secure and retain high quality staff who are skilled, loyal and hard working;
* save time and money on the costs of recruitment and training by reducing staff turnover;
* keep valuable skills and experience;
* reduce the levels and costs of sickness absences; improve employee morale and commitment by demonstrating that they treat all employees fairly.

34 Disability confident employers can use the disability confident branding in their communications and when advertising jobs.

35 Find out more about the aims of disability confident, why becoming a disability confident employer will be good for your business and how you will be supported through your journey to being a Disability Confident leader [here](https://www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme).

**Supplier Code of Conduct**

36 Government relies on its suppliers for the delivery of many important public services, for assistance in delivering policy and for the construction of public assets. While underpinned by a contractual relationship this reliance needs to be based on a bond of trust.

37 Our relationships with our suppliers are critical to successful performance. Civil servants are all subject to the [Civil Service Code](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code) and the [Seven Principles of Public Life](https://www.gov.uk/government/publications/the-7-principles-of-public-life), which define the values that we espouse and the behaviours required of us. This [Supplier Code of Conduct](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf) sets out the matching behaviours that we expect of suppliers who are delivering services on behalf of government.

38 Government expects all suppliers to meet these commitments and ensure that their employees, partners, and subcontractors will do the same.

**Economic and Financial Standing (EFS) – Bronze Tier**

1. The Department will assess the EFS of Tenderers using an independent third party to obtain credit, financial and business information to determine whether the financial risk of contracting with the Tenderer is deemed acceptable.
2. The information obtained is analysed and combined into third-party proprietary credit metrics that predicts the likelihood of business failure in the next 12 months which the Department will use for the assessment.
3. If the financial risk is determined as unacceptable based upon the original assessment, Tenderers will not fail the EFS checks at this stage. The Department will issue a Financial Viability Risk Assessment Tool (FVRAT) document to the Tenderer for completion. The Tenderer must complete and return the document with a copy of the financial accounts for the last two financial years. Where a Tenderer has a Parent Company, completion of the FVRAT and submission of Financial Accounts must be completed for the Parent Company.
4. Accounts should comprise of the Profit and Loss Account (P&L) and Balance Sheet (BS), and if included in a Tenderer’s financial accounts, a Cash Flow Statement (or equivalents). Where the Tenderer is not required to publish a P&L and / or Balance Sheet with Companies House, the Tenderer must provide them to the Department.
5. On evaluating the FVRAT, the Department may, at its own discretion, seek further information from the Tenderer that explains how the unacceptable financial risk may be mitigated and, therefore, allow for a different risk classification to be determined.
6. The Department may, at its own discretion, seek to place additional obligations on the Tenderer in response to the mitigations proposed by the Tenderer.
7. For the avoidance of doubt, the decision to do this, and to pass a Tenderer that was originally assessed as having unacceptable financial risk, will be at the Department’s discretion and will be based on the strength of the mitigation provided.
8. If the Department determines that the financial risk is acceptable and the remainder of the Selection Stage evaluation is successfully completed, the Tenderer will then proceed to the Award Stage evaluation.

**Economic and Financial Standing (EFS) – for all tiers – Gold/Silver and Bronze**

1. The Department will assess the EFS of Tenderers using the answers and information provided in response to Part 3, Section 5 of the Standard Selection Questionnaire (SSQ).
2. Tenderers must complete and return the Financial Viability Risk Assessment Tool (FVRAT) document, in response to Part 3, Section 5 of the Standard Selection Questionnaire (SSQ), along with providing their latest two (2) sets of audited accounts (or other alternative sources as specified in the SSQ).
3. The Department has set out the thresholds that Tenderers must meet and the methodology for assessment in the table below.
4. The Department will focus on three (3) key thresholds within the FVRAT to determine a Tenderer’s financial standing. If applicable, the supplementary information in mitigation of any amber or red metrics will be required for the thresholds detailed below:
5. Turnover
6. Operational Gross Margin
7. Acid Ratio
8. If the Department determines that the financial risk is acceptable and the rest of the Selection Stage evaluation is successfully completed, the Tenderer will then proceed to the Award Stage evaluation.
9. The instructions and methodology which follow explain how the Department will approach the EFS assessment and its overall evaluation process.

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| **EFS Evaluation Process** |
| **Part 1, Section 3: Economic and Financial Standing Assessment** |
| 1. To pass the Department’s viability test, Tenderers must provide all the information required under Part 3, Section 5 of the Standard Selection Questionnaire (SSQ) and pass the Department’s minimum standard of economic and financial standing as set out below. 2. Where the Tenderer is a Group of Economic Operators, the Lead Member and each member of the Group of Economic Operators must pass the minimum standard as described below. 3. Where the Tenderer is a Consortium (or Special Purpose Vehicle, or similar legal entity), all parties to the legal entity shall be assessed in their own economic right and have to pass Minimum Standards as described below. 4. Where the Tenderer proposes to Sub-Contract part of the Contract, the Lead Member and each Sub-Contractor which will be assigned responsibility to deliver Services worth 20% or more of the total Contract value must pass the minimum standard as described below. 5. The Lead Member of the Group of Economic Operators shall complete all questions on behalf of the Group of Economic Operators, ensuring a completed FVRAT is submitted for each member of the Group of Economic Operators. The Lead Member shall make it clear who the lead member of the group is, and who will be contractually responsible for delivery of the Contract. |
| **Question 3.1 - Minimum Standard and method of assessment** |
| **Pass/Fail**  Tenderers must provide all the information required. Tenderers will fail the EFS assessment if they fail to provide all the necessary information required to complete the assessment.  Tenderers must provide the information set out at Part 3, Section 5 of the Standard Selection Questionnaire. |
| **Question 3.2 and 3.3a - Minimum Standard and method of assessment** |
| 1. Tenderers are required to complete the Financial Viability Risk Assessment Tool (“FVRAT”) by providing financial information in the templates provided. The FVRAT has instructions in the “Bidder Instructions” tab. Financial information provided shall be from the same three (3) financial years as those for which accounts (or other statements where accounts were not able to be provided) were provided in respect of question 1. 2. Where the Tenderer is not the ultimate parent in a group structure, separate financial information shall be provided in the FVRAT for immediate and ultimate parent companies of the Tenderer. Where the Tenderer is the holding company of a Group and prepares consolidated financial statements, the Tenderer’s consolidated figures shall be used. 3. Where the Tenderer is a Lead Member for a Group of Economic Operators, separate financial information for other members of the Group of Economic Operators shall be provided in separate FVRATs. 4. Where the Tenderer proposes to Sub-Contract part of the Contract, separate financial information for Sub-Contractors shall be provided in the “Subcontractor Input” tabs (1.2a or 1.2b) where it is proposed they will be assigned responsibility to deliver services worth 20% or more of the total Contract value. 5. Where the Tenderer is a Consortium (or Special Purpose Vehicle, or similar legal entity), all parties financial information should be provided in separate FVRATs. 6. The Department will, for contracts categorised as Bronze, follow a simplified process of EFS.  In the first instance, a report will be run against Dun & Bradstreet’s Finance Analytics and if the results are acceptable against both the Tenderer’s respective Risk Indicator and Failure Score metrics then the Tenderer will be deemed to have passed the metrics [thresholds: Risk Indicator Scores 1 - 3 and Failure Score 26 – 100].  A Turnover Ratio metric threshold of 1.5 must also be passed. 7. If, however, the Tenderer does not meet any / all of the above thresholds, the Department will then either seek additional assurance from the supplier and undertake a full EFS assessment on the supplier’s financial position using the FVRAT and follow the process as set out below. |
| **Red metrics - Questions 3.3b and 3.3c** |
| 1. In the event the FVRAT(s) calculate one or more red rated metrics, Tenderers are required to provide supporting statements for those metrics at tabs 4.1 – 4.2c. 2. Supporting statements shall be provided for all red or amber rated metrics i.e., those generated by the financial information provided for:    1. the Tenderer/Lead Provider/Lead Member; and    2. ultimate and immediate parents of the Tenderer/Lead Provider/Lead Member;    3. all members in a Group of Economic Operators or all parties in a Consortium (or Special Purpose Vehicle, or similar legal entity; and    4. Sub-Contractors where it is proposed they will be assigned responsibility to deliver services worth 20% or more of the total Contract value. 3. Where red or amber rated metrics are calculated for two (2) consecutive years, two (2) separate supporting statements, each specific to the relevant financial year, shall be provided. 4. The purpose of the supporting statements to be provided alongside any red or rated metric is to provide Tenderers with the opportunity to explain, to the satisfaction of the Department, why different risk classifications (i.e., green) for that metric may be more appropriate and what mitigations are in place to reduce the risk that the rating represents. 5. Supporting statements shall contain no more than 300 words. |
| **Evaluation of economic and financial standing (“EFS”)** |
| 1. Evaluation of Tenderers’ EFS will be based on the metrics generated by the FVRAT(s) and any supporting statements provided for red or amber rated metrics. 2. Tenderers will pass the EFS assessment where:    1. all metrics generated by the FVRAT are automatically rated as green;    2. one or more metrics generated by the FVRAT is red or amber rated, but the supporting statement(s) for all red or amber rated metrics provides additional information that explains why, to the satisfaction of the Department, notwithstanding the original red or amber rating, the risk identified by the metric’s red or amber rating is mitigated and, therefore, a different risk classification is more appropriate. 3. Tenderers will fail the EFS assessment where one or more metrics generated by the FVRAT is red or amber rated, and the supporting statement(s) for one or more red or amber rated metric(s) does not provide sufficient additional information to explain why, to the satisfaction of the Department, notwithstanding the original red or amber rating, the risk identified by the metric’s red or amber rating is mitigated and, therefore, a different risk classification is more appropriate.   The decision to pass a Tenderer with one or more red or amber metrics will be at the Department’s discretion. The exercise of the Department’s discretion will be based on the strength of the mitigation provided within the financial information in the FVRAT and the content of the associated supporting statement(s).  The Department may, at its own discretion, seek to place additional obligations on the Tenderer in response to the mitigations proposed by the Tenderer. |
| **Guidance for supporting statements** |
| The Department has provided a non-exhaustive list of examples that Tenderers can provide in their supporting statements for the Department’s consideration. The Department’s assessment will focus on the three ratios identified above.  The Department may, as necessary, utilise the other ratios within the FVRAT and associated examples to further assess Tenderers rated ‘red’ or ‘amber’.  Example supporting statements for the three noted above that the Department will focus on include:   1. **Turnover Ratio** = Tenderer Annual Revenue / Expected Annual Contract Value    1. Extension of the test to the Tenderer’s wider Group where the Tenderer is part of a Group, and the Tenderer is supported by a parent company guarantee.    2. Inclusion of new contracts won by the Tenderer since the publication of its financial results or the full impact of which is not fully reflected in the accounts used for the assessment.   For members in a Group of Economic Operators and/or any Sub-Contractors in each case assigned responsibility to deliver services worth 20% or more of the total Contract value, the turnover ratio will be calculated using the estimated year 1 Contract value assigned to those Sub-Contractors / economic operators and their own respective turnovers.   1. **Operating margin =** Operating Profit / Revenue    1. Adjustment for any one-off costs or expenses that unduly affected the operating margin for the period(s) under consideration and are unlikely to be repeated to the same extent in future years;    2. Adjustment for profitable new business won or loss-making business closed since the publication of its financial results or the full impact of which is not fully reflected in the financial statements used for the assessment; or    3. Recognition that the operating profit margin may not be an appropriate indicator of sustainability where, for example, the Potential Provider is a charity or other non-profitmaking organisation with a mission to subsidise provision of Services. 2. **Acid Ratio = (Current Assets – Inventories)/ Current Liabilities**    1. A Tenderer’s ability to raise cash through new borrowings, equity issuance, the sale of an asset or the use of parent company resources where the Tenderer is a member of a wider Group; or    2. A Tenderer’s stock turn, i.e., the speed with which it can sell its inventory to raise cash; or    3. The nature of the Tenderer’s short-term liabilities which may include creditors and accruals not immediately due for settlement. 3. **Net Debt to EBITDA Ratio = Net Debt / EBITDA**     1. Adjustment for any one-off costs that unduly affected EBITDA for the year under consideration and are unlikely to be repeated to the same extent in future years; or    2. Adjustment for profitable new business won or loss-making business closed since the publication of its financial results or the full impact of which is not fully reflected in the financial statements used for the assessment; or    3. A Tenderer’s ability or plans to repay debt from sources other than the generation of cash flow from operations, for example through the sale of an asset or business currently generating limited cash flow or through the use of parent company resources where the Tenderer is a member of a wider Group; or    4. Adjustment for elements of debt or deferred consideration which are only due for repayment in the long term (for example beyond the maturity of the Framework Agreement being procured) or debt which is held with other companies in the same Group which is not likely to be required to be repaid; or    5. Adjustment for contingent deferred consideration to the extent that the liability is unlikely to crystallise in practice.   Example supporting statements for any other red metrics, if applicable, are as follows:   1. **Net Debt + Net Pension Deficit to EBITDA Ratio = (Net Debt + Net Pension Deficit) / EBITDA**    1. Adjustment for any one-off costs that unduly affected EBITDA for the year under consideration and are unlikely to be repeated to the same extent in future years; or    2. Adjustment for profitable new business won or loss-making business closed since the publication of its financial results or the full impact of which is not fully reflected in the financial statements used for the assessment; or    3. A Tenderer’s ability or plans to repay debt from sources other than the generation of cash flow from operations, for example through the sale of an asset or business currently generating limited cash flow or through the use of parent company resources where the Tenderer is a member of a wider Group; or    4. Adjustment for elements of debt, deferred consideration or pension deficit which are only due for repayment in the long term (for example beyond the maturity of the Contract under procurement) or debt which is held with other companies in the same Group which is not likely to be required to be repaid; or    5. Adjustment for contingent deferred consideration to the extent that the liability is unlikely to crystallise in practice; or    6. Where the deficit in the most recent triennial valuation (as adjusted for subsequent deficit recovery payments) is significantly lower than that shown for accounting purposes. 2. **Net Interest Paid Cover = Earnings Before Interest and Tax / Net Interest Paid**    1. Adjustment for any one-off costs that unduly affected EBIT for the year under consideration and are unlikely to be repeated to the same extent in future years; or    2. Adjustment for profitable new business won or loss-making business closed since the publication of its financial results or the full impact of which is not fully reflected in the accounts used for the assessment; or    3. A Tenderer’s plans to repay debt, for example through the sale of an asset or business currently generating limited profits or through the use of parent company resources where the Tenderer is a member of a wider Group. 3. **Net Asset Value = Net Assets**    1. A comparison of the net assets relative to the size of the Tenderer as measured by revenue or operating profit; or    2. Considering the value of any intangible assets such as goodwill which have not been included in the balance sheet (although the value of purchased goodwill is included in balance sheets, the value of self-generated goodwill is not); or    3. Considering any other assets (for example property) which may have been included at an undervalue. 4. **Group Exposure Ratio = Group Exposure / Gross Assets**    1. A comparison of group exposure relative to the size of the Tenderer as measured by revenue or operating profit; or    2. Inclusion within gross assets of the value of any intangible assets such as goodwill which have not been included in the balance sheet (although the value of purchased goodwill is included in balance sheets, the value of self-generated goodwill is not). |

**DOCUMENT 3**

**SPECIFICATION**

* Introduction
* Description of Requirement
* Outputs/deliverables (services)
* Methodology (services)
* Detailed requirements (goods e.g., number required, size, standard etc.)
* Working arrangements
* Contract period
* Any service levels/key performance indicators
* GDPR considerations
* Exit strategy for end of contract

Introduction

The Safety Valve programme, introduced in 2020-21, is a key element of the Department’s strategy on high needs. Recent years have shown that just spending more money on high needs does not improve the quality of services on offer to children and young people – but spending money in a strategic way can. The programme requires the LAs involved to develop reform packages for their high needs systems which address their key issues. The Safety Valve programme forces LAs to address the drivers behind their deficits and manage their high needs systems sustainably, in return for funding support to eliminate their historic deficits, and so, is a critical part of the department’s efforts to tackle DSG deficits.

Description of requirement

We are procuring the time of ‘financial advisers’ (consultants) who are ex Chief Finance Officers of local authorities, and who have a strong understanding of the SEND system, to advise the department on local authorities’ DSG recovery plans’ viability. Advisors will influence local authorities to maximise their DSG recovery plans and prioritise their delivery, as well as ensuring that the agreements which the department enters, are based on realistic and credible proposals. The advisers ensure that the programme, functions on a solid and realistic basis, maximising value for taxpayer money.

Outputs

The contractor will participate in meetings with senior representatives from LAs. The contractor will provide expert advice in response to issues raised by the LAs which have led to their DSG deficits. The contractor will provide suggestions for improving the LAs’ overall management of DSG funding.

The contractor may also be required to assist the Department in the monitoring of those local authorities who secured agreements in the previous rounds of negotiations and advise the Department on issues raised by the local authorities.

The contractor must be available to participate in negotiation meetings, likely to be conducted virtually. The contractor will be reachable over email to provide comments and feedback on strategy documents.

The contractor may also be required, if requested, to participate in the department’s ‘Financial Adviser Helpline’ service, which is intended to support local authorities, not participating in either Safety Valve or the Departments other intervention programme, Delivering Better Value in SEND, in any financial issues the ESFA believes they need help with. They may also be required to work intensively with local authorities who aren’t meeting the conditions of their agreements in the Enhanced Monitoring Scheme (EMS).

The contractor will declare in advance any conflicts of interest that may arise with any particular LAs chosen to participate in the programme.

Performance measures

All monitoring report 2’s are reviewed and returned to the department within 2 weeks of Weds 28 August 2024.

All monitoring report 3’s are reviewed and returned to the department within 2 weeks of Weds 27 November 2024.

Advisors will be monitored via tracking of attendance at meetings and work being completed with the department and local authorities.

Contract periodWe aim to award a minimum of 6 contracts but are looking to award up to as many as 12 contracts. If we awarded the minimum of 6 contracts, you could expect to work up to 24 days in the first contract year, and up to 40 days in following years if the contract is extended.

The Contractor shall commence the Services on 1st July 2024 and, subject to Clause 10.1 shall complete the Services on or before 31st March 2025. The Buyer may extend the Contract on a 1+1 basis, making a total of three contract years, for a period of up to 12 months per extension by giving not less than 30 Days’ notice in writing to the Supplier prior to the Expiry Date (or the Expiry Date of the initial extension if this has been exercised). **The 12-month extension may be in full, or in multiples of one month up to the full 12-month potential.** The terms and conditions of the Contract shall apply throughout any such extended period.

**DOCUMENT 4**

**LIST OF ATTACHMENTS**

**1 DRAFT CONTRACT**

Please see attachment 1

**2 EVALUATION CRITERIA**

Please see attachment 2

**3SECURITY REQUIREMENTS**

Please refer to attachment 1 Annex 4

**DOCUMENT 5**

**DECLARATIONS AND INFORMATION TO BE PROVIDED BY THE TENDERER**

**1 Grounds for mandatory exclusion**

You will be excluded from the procurement process if there is evidence of convictions relating to specific criminal offences including, but not limited to, bribery, corruption, conspiracy, terrorism, fraud and money laundering, or if you have been the subject of a binding legal decision which found a breach of legal obligations to pay tax or social security obligations (except where this is disproportionate e.g., only minor amounts involved).

Please answer the following questions in full. Note that every organisation that is being relied on to meet the selection must complete and submit the self-declaration.

|  |  |  |
| --- | --- | --- |
| 2 | Grounds for mandatory exclusion | |
| Question number | Question | Response |
| 2.1(a) | **Regulations 57(1) and (2)**  The detailed grounds for mandatory exclusion of an organisation are set out on this [web page](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf), which should be referred to before completing these questions.  Please indicate if, within the past five years you, your organisation or any other person who has powers of representation, decision or control in the organisation been convicted anywhere in the world of any of the offences within the summary below and listed on the [webpage](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf). | |
|  | Participation in a criminal organisation. | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
|  | Corruption. | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
|  | Fraud. | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
|  | Terrorist offences or offences linked to terrorist activities | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
|  | Money laundering or terrorist financing | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
|  | Child labour and other forms of trafficking in human beings | Yes ☐  No ☐  If yes, please provide details at 2.1(b) |
| 2.1(b) | If you have answered yes to question 2.1(a), please provide further details.  Date of conviction, specify which of the grounds listed the conviction was for, and the reasons for conviction,  Identity of who has been convicted  If the relevant documentation is available electronically, please provide the web address, issuing authority, precise reference of the documents. |  |
| 2.2 | If you have answered Yes to any of the points above have measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion? (Self-Cleaning) | Yes ☐  No ☐ |
| 2.3(a) | **Regulation 57(3)**  Has it been established, for your organisation by a judicial or administrative decision having final and binding effect in accordance with the legal provisions of any part of the United Kingdom or the legal provisions of the country in which the organisation is established (if outside the UK), that the organisation is in breach of obligations related to the payment of tax or social security contributions? | Yes ☐  No ☐ |
| 2.3(b) | If you have answered yes to question 2.3(a), please provide further details. Please also confirm you have paid or have entered into a binding arrangement with a view to paying, the outstanding sum including where applicable any accrued interest and/or fines. |  |

Please Note: The department reserves the right to use its discretion to exclude a potential supplier where it can demonstrate by any appropriate means that the potential supplier is in breach of its obligations relating to the non-payment of taxes or social security contributions.

We are actively monitoring bids and are vigilant for signs of bid-rigging. Should we discover/suspect any anti-competitive behaviour we will contact the Competitions and Markets Authority (CMA). For more information and to find out if this applies to you, visit the [CMA website](https://cheatingorcompeting.campaign.gov.uk/). Should you be found to be in breach of competition law you may face:

|  |  |
| --- | --- |
| * Fines of up to 10% of worldwide turnover * Director disqualification of up to 15 years * Damages claims by third parties | * Prison for up to 5 years * Reputational harm |

|  |  |  |
| --- | --- | --- |
| 3 | Grounds for discretionary exclusion | |
|  | Question | Response |
| 3.1 | **Regulation 57 (8)**  The detailed grounds for discretionary exclusion of an organisation are set out on this [web page](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf), which should be referred to before completing these questions.  Please indicate if, within the past three years, anywhere in the world any of the following situations have applied to you, your organisation or any other person who has powers of representation, decision, or control in the organisation. | |
| 3.1(a) | Breach of environmental obligations? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1 (b) | Breach of social obligations? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1 (c) | Breach of labour law obligations? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(d) | Bankrupt or is the subject of insolvency or winding-up proceedings, where the organisation’s assets are being administered by a liquidator or by the court, where it is in an arrangement with creditors, where its business activities are suspended, or it is in any analogous situation arising from a similar procedure under the laws and regulations of any State? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(e) | Guilty of grave professional misconduct? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(f) | Entered into agreements with other economic operators aimed at distorting competition?  For more info see [CMA information/advice](https://cheatingorcompeting.campaign.gov.uk/) | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(g) | Aware of any conflict of interest within the meaning of regulation 24 due to the participation in the procurement procedure? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(h) | Been involved in the preparation of the procurement procedure? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(i) | Shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract, a prior contract with a contracting entity, or a prior concession contract, which led to early termination of that prior contract, damages, or other comparable sanctions? | Yes ☐  No ☐  If yes, please provide details at 3.2 |
| 3.1(j)  3.1(j) - (i)  3.1(j) - (ii)  3.1(j) –(iii)  3.1(j)-(iv) | Please answer the following statements  The organisation is guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria.  The organisation has withheld such information.  The organisation is not able to submit supporting documents required under regulation 59 of the Public Contracts Regulations 2015.  The organisation has influenced the decision-making process of the contracting authority to obtain confidential information that may confer upon the organisation undue advantages in the procurement procedure, or to negligently provided misleading information that may have a material influence on decisions concerning exclusion, selection or award. | Yes ☐  No ☐  If yes, please provide details at 3.2    Yes ☐  No ☐  If yes, please provide details at 3.2  Yes ☐  No ☐  If yes, please provide details at 3.2  Yes ☐  No ☐  If yes, please provide details at 3.2 |

|  |  |  |
| --- | --- | --- |
| 3.2 | If you have answered Yes to any of the above, explain what measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion? (Self-Cleaning) |  |

**Taking Account of Tenderer’s Past Performance**

The Department may assess the past performance of a Supplier (through a Certificate of Performance provided by a customer or other means of evidence). The Department may also assess whether specified minimum standards for reliability for such contracts are met.

In addition, the Department may re-assess reliability based on past performance at key stages in the procurement process (i.e., supplier selection, tender evaluation, contract award stage etc.). Suppliers may also be asked to update the evidence they provide in this section to reflect more recent performance on new or existing contracts (or to confirm that nothing has changed).

**Non-payment of taxes/social security contributions**

The Department reserves the right to use its discretion to exclude a supplier where it can demonstrate the supplier’s non-payment of taxes/social security contributions where no binding legal decision has been taken.

Please note that this section relating to tax compliance only applies where the Department has indicated that the contract is over £5million in value.

“Occasion of Tax Non-Compliance” means:

1. any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found to be incorrect as a result of:
   * + 1. a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;
       2. the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or
2. the Supplier’s tax affairs give rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a penalty for civil fraud or evasion

|  |  |  |
| --- | --- | --- |
| From 1 April 2013 onwards, have any of your company’s tax returns submitted on or after 1 October 2012; (Please indicate your answer by marking ‘X’ in the relevant box). | | |
| 3.1 | Given rise to a criminal conviction for tax related offences which is unspent, or to a civil penalty for fraud or evasion; | ▢ Yes  ▢ No |
| 3.2 | Been found to be incorrect as a result of:   * + - HMRC successfully challenging it under the General Anti-Abuse Rule (GAAR) or the “Halifax” abuse principle; or     - a tax authority in a jurisdiction in which the legal entity is established successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the GAAR or the “Halifax” abuse principle; or     - the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified under the Disclosure of Tax Avoidance Scheme (DOTAS) or any equivalent or similar regime in a jurisdiction in which the Supplier is established. | ▢ Yes  ▢ No |
| If answering “Yes” to either 3.1 or 3.2 above, the Supplier may provide details of any mitigating factors that it considers relevant and that it wishes the Department to take into consideration.  This could include, for example:   * + Corrective action undertaken by the Supplier to date;   + Planned corrective action to be taken;   + Changes in personnel or ownership since the Occasion of Non-Compliance (OONC); or   + Changes in financial, accounting, audit, or management procedures since the OONC.   In order that the Department can consider any factors raised by the Supplier, the following information should be provided:   * A brief description of the occasion, the tax to which it applied, and the type of “non-compliance” e.g., whether HMRC or the foreign tax authority has challenged pursuant to the GAAR, the “Halifax” abuse principle etc. * Where the OONC relates to a DOTAS, the number of the relevant scheme. * The date of the original “non-compliance” and the date of any judgement against the Supplier, or date when the return was amended. * The level of any penalty or criminal conviction applied. | | |

**Defining Different Types of Organisations**

The Department for Education is keen to collect information about SMEs. We are particularly interested in discovering how many SMEs apply for our contracts through the tendering process. Completion of the table below is for departmental information purposes only and will have no effect on the evaluation process outcomes. Government is committed to changing how it does business to make sure that small companies, charities, and voluntary sector organisations are included and encouraged to compete for our contracts.

A voluntary sector organisation may also be a SME if it has the same attributes.

Defn; A SME must be autonomous, an EU Company not owned or controlled by a non-EU parent, and employ less than 250 staff and have sales below €50million

*Source -*http://ec.europa.eu/enterprise/policies/sme/files/sme\_definition/sme\_report\_2009\_en.pdf

Please complete the table below.

|  |  |  |
| --- | --- | --- |
| **Describe your Organisation** | | |
| **What type of supply arrangement best describes you in relation to this bid.** | | **Delete as appropriate** |
| 1. | We are a SME by definition | Yes/No |
| 2. | We are a Charity or Voluntary Sector Organisation (VSO) | Yes/No |
| 3. | We are a mutual organisation | Yes/No |
| 4. | We anticipate using a supply chain to deliver against this service. | Yes/No |
| 5. | We estimate that that our service delivery will be i.e., 40% delivered by VSO’s/SMEs | …….% |
| 6. | If none of the above applies, please describe the type of organisation you are: | |
| 7. | Please provide us with your Dun and Bradstreet Number, or a consortium, the lead tenderer’s number.  <http://www.dnb.co.uk/dandb-duns-number> |  |

The Department uses Dun and Bradstreet Numbers to manage its data around suppliers; we strongly encourage all suppliers to apply for a free Dunn’s number. The link to apply is: -<http://www.dnb.co.uk/myduns> - add ‘GOVERNMENT SUPPLIER’ as a reason for requesting your D&B DUNS number.

Do not delay returning your tender if you do not already have a Dun and Bradstreet number, returning your tender within the deadline is more important.

Declarations

1 ...............................................……………………………. (Name of tenderer) declares that we accept the Department’s standard terms and conditions included at Document 4 Attachment 1 as the basis of the contract: and

2 agree that the Department may disclose the Contractor's information/documentation (submitted to the Department during this Procurement) more widely within Government for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes.

3 declare that we have not communicated to any other party the amount or approximate amount of the tender price other than in confidence and for the express purpose of obtaining insurances or a bond in connection with this tender. The tender price has not been fixed nor adjusted in collusion with any third party, and

4 declare that the tender will remain valid until 20th May 2025 and that we are not entitled to claim from the Department any costs or expenses incurred in preparing the tender or subsequent negotiations whether or not the tender is successful.

signed on behalf of the Tenderer ..................................................................................

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