

Bidder Pack

Procurement Specific Requirements

**Lowland Peat Project 3: the** **options, feasibility and impact of managing lowland peat for reduced greenhouse gas emissions**

Procurement Reference Number C17716

04/2023

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#  Section 1: The Invitation

Defra group Commercial on behalf of Defra group and its Arm’s Length Bodies invite you to bid in this competition.

The Bidder Pack comes in two parts.

This first part, **The Core Requirements**, provides details of the General Requirements, Government Transparency Agenda and Government Priorities.

The second part, **The Procurement Specific Requirements**, provides details of the Specification Requirements, Terms and Conditions of Contract, Evaluation Methodology, Procurement Timetable and Definitions.

The Definitions that apply to both parts can be found in Section 5, Appendix 1 of the Procurement Specific Requirements.

The tendering process seeks to determine the Most Economically Advantageous Tender (MEAT). The Authority will evaluate the Tenders using the tender evaluation criteria and weightings listed in Section 4, Evaluation Methodology.

## The Opportunity

This opportunity is advertised by Defra group Commercial on behalf of Defra.

This is an R&D project to improve evidence and understanding of sustainable land management options for lowland peat, the impacts of implementing these and the requirements needed (e.g. water requirements) to implement the change. To deliver meaningful abatement of greenhouse gas emissions from peatlands, policy needs to know how much abatement management actions deliver; how re-wetting will affect what can be farmed and the wider impacts of doing so; to what extent raising water tables is possible; and, what the impact on national food security would be. The evidence will support ongoing policy development, cross-cutting multiple policy areas within Government.

## Timetable

The timetable below is subject to change from time to time as notified by the Authority. All Tenderers will be informed via the Authority’s [eSourcing System](https://defra.bravosolution.co.uk/web/login.html).

|  |  |  |
| --- | --- | --- |
|  | Activity Title | Date (Time) |
| Finalise Contracts Finder Notice and Bidder Pack (ITT) | 16 June 2023 |
| Clarification deadline | 14 July 2023 at 14:00 Hours (BST) |
| Bidder Pack / ITT response date | 24 July 2023 at 14:00 Hours (BST) |
| Evaluation of Tender  | 25 July – 2 August 2023 at 14:00 Hours  |
| Moderation Meeting | 03 August 2023 – 09:00 -11:00 Hours (BST) |
| Contract award notification | 10 August 2023 |
| Contract award | 18 August 2023 |
| Contract start date | 01 September 2023  |
| Service commencement date  | 01 September 2023 – 01 September 2026 |
| Extension Provision (Optional) | until 01 September 2028 |

All timescales are set using a 24-hour clock and when referring to “days” it means calendar days unless otherwise specified (for example, working days).

**Variant Tenders**

The Authority shall not accept variant Tenders.

For the avoidance of doubt, if the Authority has reserved a right to waive a requirement in this Bidder Pack and chooses to exercise such discretion, the Tender will not be considered a variant Tender.

**Abnormally Low Tenders** **or Pricing Anomalies**

If the Authority considers your Tender to appear abnormally low, an initial assessment will be undertaken using a comparative analysis of the pricing proposals received from all Tenderers and the Authority’s valuation of the procurement. If that assessment indicates that your Tender is abnormally low the Authority will request a written explanation of your Tender, or of those parts of your Tender which the Authority considers contribute to your Tender being abnormally low. The Authority reserves the right to reject your Tender if the response does not satisfactorily account for the low level of price or costs proposed.

The assessment of abnormally low tenders will be undertaken strictly in accordance with Regulation 69 of the Public Contracts Regulations 2015, which outlines how abnormally low tenders must be assessed and the circumstances in which the contracting authority can reject the tender.

**Pricing Anomalies**

If in the opinion of the Authority your Tender contains any pricing anomalies (for example apparent discrepancies between the financial submission and other parts of your response) the Authority may seek clarification. If the clarification response indicates that the pricing anomaly was the result of a clear and obvious error, in the interest of fairness the resulting change will be taken into consideration. If the clarification response results in a change to the initial tendered Commercial Response and price, it will not be taken into account.

**Fixed Price**

This requires the Contractor to offer a fixed price based on the specification provided by the Authority. The Contractor is able to provide a fixed price service without further inflationary measures.

This is in accordance with 28.6 of the attached Terms;

If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the Charges.

# Section 2: The Specification of Requirements

## The Authority’s Priorities

To determine the feasibility, wider impacts and risks of changing lowland peat management to reduce peatland GHG emissions and increase delivery of co-benefits, to inform peat policy aimed at meeting Carbon Budget 6 (CB6) and the Government’s 2050 net zero target.

The R&D programme will explore 3 research questions to deliver against the objective:

1. *Where can we alter management practices?* Determine the feasibility of rewetting lowland peat considering the variability and constraints of water availability, topography and future climatic conditions, with consideration of wider co-benefits.
2. *How will these changes deliver emissions savings?* Determine the greenhouse gas (GHG), yield, co-benefits and financial implications of changing management practices on lowland peat, including under a changing climate.
3. *What will be the net impact of changing land use?* Determine the net GHG and yield impact of removing and reducing food production on lowland peat if fully restored, sustainably managed and under a “no change” scenario.

## Scope

Appendix 3 sets out the Specification of Requirements.

# Section 3: Terms and Conditions of Contract

The Terms and Conditions of Contract for this procurement are Defra standard Research and Development Terms and Conditions.

The Terms and Conditions are split into Core Terms and Contracting Authority Terms within the Annexes and Schedules, and details of the legal priority are provided in from the Conditions of Contract to be used, e.g. the standard Defra Terms and Conditions for Research and Development (R&D).

The Authority proposes that the Contract will commence on **1 September 2023** with a total **duration of 36 months until 1 September 2026.**

There may be an **option to extend** the contract for an **additional twenty-four months until 1 September 2028** subject to the business need and Authority’s approval.

Any change to project timings must be discussed and agreed with the Authority at the inception phase and discussed throughout the project duration to allow consideration of any changes.

**Suggested Changes to Conditions of Contract**

Tenderers may raise clarification questions relating to the amendment of contract terms during the clarification period only, as specified in the Timetable, if it can be demonstrated that there is a legal or statutory reason why they cannot be accepted. Where a legal or statutory reason cannot be substantiated the Authority has the right to reject the proposed changed.

Such requests must follow the Clarifications sought by the Tenderer process set out in the Core Requirements element of this Bidder Pack.

Tenderers must be aware that all bids are submitted in acceptance of agreed Defra terms and conditions of contract.  Any clarifications regarding terms and conditions must be discussed & agreed during the tender period.  No discussion of terms and conditions of contract shall be held following tender submission. Failure to agree with the terms and conditions of contract post tender shall result in a bid being deemed non-compliant.

**Section 4: Evaluation Methodology**

The overall aim of the evaluation process is to select the Tender that is the most economically advantageous to the Authority, having regard to the Authority’s overall objectives and the criteria set out below.

Evaluation of Tenders comprise of the stages set out in the table below.

The Authority will carry out its evaluations of the Technical and Commercial elements according to the criteria, sub-criteria and weightings set out in the table below:

|  |  |  |  |
| --- | --- | --- | --- |
| **Evaluation Stage 1 - Technical** | **Section Reference** | **Evaluation Criteria** | **Question Scoring/Weighting (%)** |
| Selection Stage: Selection Questionnaire (SQ) responses submitted in response to the Contract Notice | **Part 1:** covers the basic information about the supplier, such as the contact details, trade memberships, details of parent companies, group bidding and so on and is provided for information only.**Part 2**: covers a series of self-declarations by the supplier regarding whether or not any of the questionnaire exclusion grounds apply and will be assessed on that basis.**Part 3**: covers a series of self-declaration questions regarding whether or not the company meets the selection criteria in respect of their financial standing and technical capacity. | Pass/Fail Pass/FailPass/Fail  |
| **Section Reference** | **Evaluation Criteria** | **Question Scoring/Weighting (%)** |
| Form of Tender | This stage is not scored but if you do not upload a complete, signed and dated Form of Tender in accordance with the instructions in the eSourcing System/accept the Form of Tender statement in the SQ your Tender will be rejected as non-compliant. | Pass/Fail  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Evaluation Stage 1 - Technical** | **Section Reference** | **Evaluation Criteria** | **Question Scoring/Weighting (%)** |
| Evaluation Stage: Technical  | This stage will be evaluated in accordance with the criteria set out in the Technical Questionnaire. Responses that do not meet the minimum thresholds **maybe be excluded** from the process at the stage where they do not meet the required level – this will be determined during the consensus meeting.E01 Approaches and Methodology E02 Project TeamE03 Project ManagementE04 Social Value and Sustainability E05 Innovation and added value | 50%20%15%10% 5% |
| The Technical evaluation will account for **70% of the total score**. All responses will be scored in accordance with the detailed guidance within the Authority’s e-Sourcing System and the Technical Questionnaire.Tenderers must achieve a minimum score of 50 for E01 – E05 the ‘Technical Threshold’ in order to progress to the Commercial evaluation. Tenderers who fail to achieve the stated Technical Thresholds may not proceed to the Commercial evaluation.  |
| **Evaluation Stage 2 - Commercial** | **Section Reference** | **Evaluation Criteria** | **Question Scoring/Weighting (%)** |
| Evaluation Stage: Commercial - Pricing Schedule | Prices will be evaluated in accordance with criteria set out in the Pricing Schedule in the Authority’s e-Sourcing System. | Scored  |
| The Commercial evaluation will account for **30% of the total score**. All responses will be scored in accordance with the detailed guidance within the Authority’s e-Sourcing System and the Specification of Requirements. |
|  | **Section Reference** | **Calculation**  |
| Final score  | The final score is calculated by adding the total quality weighted score with the total commercial weighted score. The most economically advantageous tender will be the Tender with the highest final score. |

**Selection Questionnaire - Financial standing**

The Authority will review the economic information provided as part of the Selection Questionnaire response to evaluate a Tenderer’s economic and financial standing. The Authority’s evaluation will be based on all the information reviewed and will not be determined by a single indicator. If, based on its assessment of the information provided in a Response, the Authority decides that a Tenderer does not meet the Authority’s required level of economic standing, the Authority may:

* ask for additional information, including information relating to the Tenderer’s parent company, if applicable; and/or
* require a parent company guarantee or a performance bond.

If the Authority decides that a parent company guarantee or performance bond is required, the Authority will reject a Response if the Tenderer is unable to offer a commitment to make such provision. In addition to the information provided in a Response, the Authority may, at its discretion, consult Dun & Bradstreet reports and other credit rating or equivalent reports depending on where a Tenderer is located.

The Authority’s assessment of economic and financial standing will consider financial strength and risk of business failure. Financial strength is based on tangible net worth and is rated on a scale of 5A (strongest) to H (weakest) obtained from Dun & Bradstreet. There are also classifications for negative net worth and net worth undetermined (insufficient information). Financial strength will be assessed relative to the estimated annual contract value.

The Authority will also consider annual turnover. For this procurement, the Authority expects the contractor to have an annual turnover for each of its last two financial years of at least £2 million British Pounds Sterling.

In the case of a joint venture or a consortium bid, the annual turnover is calculated by combining the turnover of the relevant organisations in each of the last two financial years. In addition, the annual turnover of at least one of those organisations is expected to be £2 million GBP.

Risk of Business Failure is rated on a scale of 1 (minimal) to 4 (significant) obtained from Dun & Bradstreet. There is also a classification of insufficient information. The Authority regards a score of 4 as indicating inadequate economic and financial standing for this procurement. The Authority will also calculate and evaluate the Tenderer’s:

* operating performance: growth or reductions in sales, gross profit, operating profit, profit before tax and earnings before interest, tax, depreciation, amortisation, exceptional items and profit/loss on sale of businesses;
* liquidity: net current assets, movements in cash flow from operations, working capital and quick ratios, and average collection and payments periods; and
* financial structure: gearing ratios and interest cover.

**Evaluation of Responses**

Evaluation of Responses will be undertaken by a panel appointed by the Authority. Each panel member will first undertake an independent evaluation of the Responses applying the relevant evaluation criteria for each question. Then, a moderation meeting will be held at which the evaluation panel will reach a consensus on the marking of each question.

During the consensus meeting, the decision may be taken that a Response will not be carried forward to the next evaluation stage if the consensus view is that the Tenderer has failed to meet any minimum or mandatory requirements, and/or provided a non-compliant response.

All tenderers should be aware of the timescales set to deliver this requirement and only submit a response where they are fully confident of being able to deliver within these parameters.

Tenders will be evaluated by the Programme Management team for appropriateness, on the basis of scope, methods, expertise, and value for money.

**Scoring Criteria**

If a score of **twenty or zero** is awarded to a response to one (1) or more of questions E01 – E05 the Authority **may choose to reject the Tender.**

The technical questionnaire will be scored using the following scale:

|  |  |  |
| --- | --- | --- |
| **Descriptor** | **Score**  | **Definition**  |
| Very good | 100 | Addresses all the Authority’s requirements with all the relevant supporting information set out in the Bidder Pack. There are no weaknesses and therefore the tender response gives the Authority complete confidence that all the requirements will be met to a high standard. |
| Good | 70 | Addresses all the Authority’s requirements with all the relevant supporting information set out in the Bidder Pack. The response contains minor weaknesses and therefore the tender response gives the Authority confidence that all the requirements will be met to a good standard. |
| Moderate | 50 | Addresses most of the requirements with most of the relevant supporting information set out in the Bidder Pack. The response contains moderate weaknesses and therefore the tender response gives the Authority confidence that most of the requirements will be met to a suitable standard. |
| Weak | 20 | Substantially addresses the requirements but not all and provides supporting information that is of limited or no relevance or a methodology containing significant weaknesses and therefore raises concerns for the Authority that the requirements may not all be met. |
| Unacceptable | 0 | No response or provides a response that gives the Authority no confidence that the requirement will be met. |

Each question will be allocated a score of between 0-100 for the documented response, based on the criteria above.  The scores will be weighted against the technical sub-weighting, and a final technical score will be calculated.  The highest technical score will then receive the maximum 70% technical score to be added to the commercial score in the overall tender evaluation.  Other bidder’s technical scores will be calculated pro rata to the highest technical score.

To enable a consistent and fair evaluation of your tender, we require Suppliers to respond to the questions below, making sure you adhere to the page limits detailed in each section. Words submitted beyond these limits will not be evaluated as part of the tender response.  All sections are mandatory and will be scored. The weighting given to each question is set out below as a percentage of the technical score available.

**Please do not include any commercial information in your response to the technical questionnaire.**

Please upload your response to each section (E01 – E05) as an individual document.  This will allow evaluators to easily differentiate between the response to each section and allow consistent and fair evaluation of bids.  Bidders should not cross reference information provided in each section as they will only be scored on the information requested and provided in each section.

**Technical Evaluation**

|  |
| --- |
| **Technical Evaluation Questions***(Technical e*nve*lope – 70%, Commercial envelope – 30%)***E01 Approaches and Methodology (weighting 50%)**(Your response must be a maximum of 5 sides of A4 (including figures and charts), Arial font size 12. Please upload your document with filename “E01\_your\_company\_name”).This is a mandatory requirement and is scored. Please **do not** include pricing in the technical response, as this should be restricted to the commercial response only.Your approach to the R&D programme should explore 3 research questions to deliver against the project objective:* *Where can we alter management practices?* Determine the feasibility of rewetting lowland peat considering the variability and constraints of water availability, topography and future climatic conditions, with consideration of wider co-benefits.
* *How will these changes deliver emissions savings?* Determine the GHG, yield, co-benefits and financial implications of changing management practices on lowland peat, including under a changing climate.
* *What will be the net impact of changing land use?* Determine the net GHG and yield impact of moving food production off lowland peat if fully rewet and restored, including a “no change” scenario projecting future food production under no change of practice.

Please justify your approach and provide a detailed methodology, demonstrating a clear understanding of the requirements and considerations of the objectives. Explain how your approach and methodology will achieve these, as presented in the Specification of Requirements. Please include information on any challenges and the relevance of your approach to policy and wider stakeholders (e.g., land managers, industry, Whitehall and its Delivery Bodies). Please state what will be delivered and when (broken down by work package and high-level task) and indicate any interdependence of milestones/deliverables. We encourage application of innovative science and technology from the UK and beyond (e.g., the Netherlands) and applying work across multiple scales (e.g., field, catchment, landscape). An indication of how the Tenderer will quality assure the project is required. **Evaluation criteria for E01*** Demonstrate an understanding of Defra’s requirements in the project approach, with clear definition of the key questions, issues and challenges the project will address.
* Present a robust, detailed and credible methodological approach, broken down by work package, clearly using evidence to underpin the development of project outputs and how you will work with stakeholders to achieve this. Include details on how data will be acquired and managed; how models will be developed, tested and compared; experimental design and intended sites; and landscape/catchment scale approaches.
* Presentation of a realistic and deliverable work plan in a Gantt chart format, with key deliverable dates. Please note Defra pays for work on completion of milestones and deliverables, so delivery dates should be realistic and achievable to ensure sustainable cash flow.
* Presentation of a robust quality assurance plan.
* An understanding of issues around data disclosure and solutions to enable the most effective use of data available.

**Please note, work proposed to take place during any extension to the project will not be assessed by the Evaluation Panel but will be considered in the future subject to funding opportunities.****E02 Project Team (weighting 20%)**(Your response must be a maximum of 4 sides of A4. This includes a brief professional biography for each team member, Arial font size 12. Please upload a document with the filename “E02\_your\_company\_name”).This is a mandatory requirement and is scored. Please **do not** include pricing in the technical response, as this should be restricted to the commercial response only.Please provide a brief overview of the project team, their experience and skillsets. We strongly encourage applications from consortiums of research organisations/academia and industry/NGOs. Please provide a brief professional biography for members of the project team, which should include a short summary of relevant experience, skills, and qualifications. If using a consortia or sub-contracting approach, please include details on all partnerships, justification for their inclusion and the skills/experience they bring to the team.Tenderers will need to demonstrate awareness of Defra Lowland Peat Projects 1 and 2, as well as the UK GHG Inventory (peatland emission factors), to suggest how learning may be utilised and built upon in this project.The team will need to have experience of multidisciplinary working, with the knowledge and skillset as set out in the Specification of Requirements ‘Project Team’ section.**Evaluation criteria for E02*** Provide the breadth and depth of relevant skills, knowledge, and experience of team members/ any other sub-contractors/consortia organisations necessary to meet project needs.
* Demonstrate the team’s knowledge and experience of the policy context, research area, relevant stakeholders and multidisciplinary team working.
* Include intended roles and responsibilities of the team members, including project and work package leads. Include details of how the team will work together if comprised of multiple institutions.
* Demonstrate previous success of team members in delivering relevant projects.

**E03 Project management (weighting 15%)**(Your response must be a maximum of 2 sides of A4, including any diagrams such as Gantt Charts, Arial font size 12. Please upload a document with the filename “E03\_your\_company\_name”).This is a mandatory requirement and is scored. Please **do not** include pricing in the technical response, as this should be restricted to the commercial response only.Please include a detailed description of your project management approach and proposed reporting mechanism and schedule, including budgetary, stakeholder and team management processes, project closure and how you will keep the contracting party informed of progress. Please also identify any initial risks to delivery and their mitigation strategies. The approaches and work plan will be included in the contract issued to the successful Tenderer, therefore please restrict your entry to the salient points and set these out clearly and concisely, using flow charts (or similar) as appropriate.**Evaluation criteria E03*** Demonstrate strong project management skills and outline planned management strategy and how it will be implemented to deliver on time, budget, quality and scope. Include team management structure/reporting chains with clear accountabilities.
* A credible and proportionate plan to keep the Authority informed of progress made and challenges encountered. Indicate a named key contact and method of communication.
* Provide an initial risk register listing high-level risks to successful delivery and how these will be mitigated.

**E04 Social Value and Sustainability (weighting 10%)**(Your response must be a maximum of 1 side of A4, Arial font size 12. Please upload a document with the filename “E04\_your\_company\_name”).This is a mandatory requirement and is scored. Please **do not** include pricing in the technical response, as this should be restricted to the commercial response only.The Civil Society Strategy, launched in 2018, set out how government will use its buying power to drive social value. Following a review of its outsourcing processes in 2018, government committed to extend the requirements of the Public Services (Social Value) Act 2012 in central government to ensure that all major procurements explicitly evaluate social value, where appropriate, rather than just consider it. Social value has a lasting impact on individuals, communities and the environment. Government has a huge opportunity and responsibility to maximise benefits effectively and comprehensively through its commercial activity. For this procurement the Authority has identified ‘Fighting Climate Change’ as the most relevant social value model theme and requires Tenderers to present the opportunities they have identified to support this theme. This theme links to the Policy Outcome: Effective stewardship of the environment.Please describe how the proposed project and its outputs will look to support the sustainability of lowland peat land use and/or innovations to reduce the environmental impact of farming in the lowlands, with the UK Government’s net zero target for carbon emissions by 2050 in mind. Explain how methods will be applied to ensure the sustainability and longevity of the project outputs. Include information on any sustainable approaches to the project that will be explored and what measures/innovations your organisation/s have or plans to put in place to reduce their environmental impact.**Evaluation criteria E04*** Demonstrate an understanding of the policy context and net zero/ sustainability goals of the UK Government and how your proposed project will look to address these (e.g. by providing evidence to improve sustainability of the sector).
* Demonstrate how your project will/could impact or influence the sector, stakeholders, communities, etc., through the delivery of the project, to support environmental protection and improvement with a focus on tackling climate change.
* Highlight any sustainable approaches to be applied to the project which may increase resource efficiency, reduce/minimise waste, reduce carbon footprint, etc. (i.e. measures applied to reduce negative environmental impacts), ensuring implementation of your organisation/s environmental management systems (e.g., ISO 14001)
* Demonstrate an understanding and plan for the longevity of project findings and knowledge e.g., data licensing/ sharing, stakeholder engagement, knowledge exchange, dissemination of findings.

**E05 Innovation and added value (weighting 5%)**(Your response must be a maximum of 1 side of A4, including any figures/charts, Arial font size 12. Please upload a document with the filename “E05\_your\_company\_name”).This is a mandatory requirement and is scored. Please **do not** include pricing in the technical response, as this should be restricted to the commercial response only.Please state any existing contacts, partnerships, capabilities, sources of additional funding (values should not be disclosed in the technical response) and/or access to farming/research networks which could be utilised during the project. Include details of any innovative approaches being applied. Note how this may improve quality, value for money and coverage of the project in addition to the requirements set out in the Specification.**Evaluation criteria for E05*** Clearly outline how your proposal will add value and/or innovation to the requirements set out in the Specification
 |

**Calculation Method**

For both elements, providing the bidder has met any mandatory criteria and minimum quality thresholds, the total weighted scores are calculated as follows (Please See Next Page):

**Technical (WT)**The calculation used is the following:

Then i.e.

Bidder’s Total Technical Score i.e. 71.60%

X 100% = X

71.60%

100%

X 70%

**Commercial (WC)**

Score = Lowest Tender Price x 30% Maximum available marks

 Tender Price

For example, if three Tender Responses are received and Tenderer A has quoted £30,000 as their total price, Tenderer B has quoted £50,000 and Tenderer C has quoted £60,000 then the calculation will be as follows:

**Tenderer A Score = £30,000/£30,000 x 30 (Maximum available marks) = 20%**

**Tenderer B Score = £30,000/£50,000 x 30 (Maximum available marks) = 18%**

**Tenderer C Score = £30,000/£60,000 x 30 (Maximum available marks) = 15%**

The Total Score (weighted) is then calculated by adding the Total Weighted Technical Score to the Total Weighted Commercial Score: **WT+ WC**.

**Commercial Pricing Breakdown applicable to this ITT is on Atamis (**[**https://defra-family.force.com/s/Welcome**](https://defra-family.force.com/s/Welcome)**).**

This should be downloaded; completed and attached to the commercial envelope.

# Section 5: Appendices

## Definitions

Unless the context otherwise requires, the following words and expressions used within the Bidder Pack (except for Section 3: Terms and Conditions of Contract) shall have the following meanings to be interpreted in the singular or plural as the context requires.

|  |  |
| --- | --- |
| **TERM** | **MEANING** |
| **“Authority”** | the Department for Environment, Food and Rural Affairs acting as part of the Crown |
| **“Bidder Pack”** | this invitation to tender and all related documents published by the Authority and made available to Tenderers. |
| **“Contract”**  | the contract (set out in Appendix B) to be entered into by the Authority and the successful Tenderer. |
| **“EIR”** | the Environmental Information Regulations 2004 (as amended) together with any guidance and/or codes of practice issued by the Information Commissioner or any Government Department in relation to those Regulations.  |
| **“eSourcing system”** | eSourcing system is the eSourcing system used by the Authority for conducting this procurement, which can be found at <https://defra-family.force.com/s/Welcome> |
| **“FOIA”** | the Freedom of Information Act 2000 (as amended) and any subordinate legislation made under that Act together with any guidance and/or codes of practice issued by the Information Commissioner or any Government Department in relation to that legislation. |
| **“Form of Tender”** | means the form contained in Annex 2 to the Procurement Specific section of the Bidder Pack which must be signed, scanned and uploaded into the Authority’s eSourcing System by the Tenderer to indicate that it understands the Tender and accepts the various terms and conditions and other requirements of participating in the exercise. |
| **“Information”** | means the information contained in the Bidder Pack or sent with it, and any information which has been made available to the Tenderer by the Authority, its employees, agents or advisers in connection with the procurement.*Lowland Peat Project 3: the options, feasibility and impact of managing lowland peat for reduced greenhouse gas emissions* |
| **“Involved Person”** | means any person who is either working for, or acting on behalf of, the Authority in connection with this procurement and/or the Contract including, without limitation, any officer, employee, advisor, agent, member, partner or consultant” |
| **“Pricing Schedule”** | the form accessed via e-Sourcing system (<https://defra-family.force.com/s/Welcome>) in which Tenderers are required to submit their pricing information as part of a Tender. |
| **“Regulations”** | the Public Contracts Regulations 2015.  |
| **“Relevant Body** | means any other organisation, body or government department that is working with or acting on behalf of the Authority in connection with this procurement and/or the Contract including, without limitation, its officers, employees, advisors, agents, members, partners or consultants. |
| **“Response”** | means the information submitted in response to the Bidder Pack via the online response forms on eSourcing system including the Tenderer’s formal Tender. |
| **“Specification of Requirements”** | the Authority’s requirements set out in Section 2 of the Bidder Pack Procurement Specific Requirements. |
| **“Tender”** | the formal offer to provide the goods or services descibed in section 1.1 of part 1 of the Bidder Pack and comprising the responses to the questions in eSourcing system and the Pricing Schedule. |
| **“Tenderer”** | anyone responding to the Bidder Pack and, where the context requires, includes a potential tenderer. |
| **“Timetable”** | the procurement timetable set out in Section 1 of the Bidder Pack Procurement Specific Requirements.  |
| **“Workstreams”** | these are the three different areas of the interventions covering animal welfare, health, and environmental sustainability outcomes. Each workstream may be present in an intervention (i.e. all three workstreams are included in the mandatory reporting intervention) and other interventions may only include some of the workstreams (i.e. environmental sustainability as part of the mandatory methodology intervention). |
| **“Headline Outcomes”** | there are three main outcomes for the FDTP (see Table 1). The outcomes within each area may differ by workstreams, as such this document will talk about different outcomes within an outcome area. |

## Form of Tender

The Form of Tender document is located on the Authority’s eSourcing system Atamis <https://defra-family.force.com/s/Welcome>

It is to be printed, signed, scanned and uploaded into the Authority’s e-Sourcing System as instructed within the eSourcing system.



## Specification

For information. Located on the Authority’s eSourcing system.

1. **Introduction**

In England, lowland peat under agriculture occupies an estimated 243kha, and is responsible for 8.52Mt carbon dioxide equivalents (CO2e) emissions each year (1990-2019 reported figures, 2021); representing 88% of the country’s total emissions from peat[[1]](#footnote-2). Due in large parts to historic and ongoing drainage, lowland peatlands provide some of the country’s most fertile soils with capacity for high water retention, which can support highly productive arable, horticultural and livestock farming systems. Reducing greenhouse gas (GHG) emissions from cultivated lowland peatlands could generate significant emissions savings, contributing to the Government’s emission target of net zero by 2050.

Emissions abatement from peatlands, particularly lowland peat, is a key focus area of the England Peat Action Plan (EPAP)[[2]](#footnote-3). Restoration is the Government’s central mechanism for delivery, but where restoration is not possible or desirable, the Government has committed to develop more responsible management practices; Defra’s Lowland Agricultural Peat Task Force (LAPTF) has been exploring the changes which might be required to unlock these techniques. Increased ambition on peat rewetting, whether for restoration or more responsible management, is required to meet the Sixth Carbon Budget (CB6) effort share and net zero targets. We need to improve the evidence base for better water management in lowland peat landscapes as a priority, to design and implement appropriate policies to meet emission reduction targets.

Research widely demonstrates that mean water table depth is the overriding control on peatland emissions[[3]](#footnote-4). Evidence suggests there may also be the potential to use irrigation as a mitigation technique[[4]](#footnote-5). To support the Government’s climate ambitions, the Climate Change Committee (CCC) is recommending that 60% of UK lowland peatlands are rewet or sustainably managed by 2050[[5]](#footnote-6). The CCC define ‘sustainable management’ of lowland peatlands as either a) dynamic water-table management and b) permanent raising of water-tables. To deliver abatement at this scale would require new ways of managing water across lowland peat landscapes.

To inform future peatland policy, we must improve our understanding of the true costs of re-wetting drained peatlands, accounting for the practicalities and wider implications of changing how we manage water in lowland peat landscapes. This includes wider co-benefits, e.g., to biodiversity, reducing peat erosion, hydrology. We need to understand what management options are feasible in the lowlands; where they are feasible; what are the risks and opportunities of changing practices; and the wider environmental, social and economic impacts, including on water availability, quality and flood risk. Additionally, we need to explore the net impacts of peat restoration and sustainable management (where water levels allow) on food production in England, and the resulting production shortfall needing to be met elsewhere to ensure stable domestic supply, in alignment with the Government Food Strategy[[6]](#footnote-7). The Government’s Lowland Agricultural Peat Task Force has discussed the need to better understand the practicalities and economics of system change, highlighting several key evidence gaps to be addressed.

This project aims to develop our understanding of the feasibility and net impacts of changing lowland peat management practices in England. Management practices of interest (although not limited to) include:

* Raising water table levels (permanently and dynamically);
* Irrigation methods;
* Applying mulches;
* Regenerative agriculture techniques.

Project outputs will be used to improve the Government’s understanding of viable management options for lowland peat; help design policies for peatland management; and consider the net impacts of restoring lowland peatlands. Recognising the need to balance implications for carbon and climate, food and farming, biodiversity, floods and water, we will use the project outputs to inform different solutions which can be rolled-out in combination at a landscape-scale.

We recognise to truly understand the real-world implications of changing management practices on lowland peat, the research and development (R&D) programme will need to include substantial field trials of different management options at larger scales than previous pilots. Field trials will help us to understand the extent to which changes on one farm, or farm cluster, could impact the hydrology, productivity and environment in an area. To deliver meaningful emissions savings, policy needs to understand how much abatement management actions can deliver, how re-wetting will affect what can be farmed, to what extent raising water tables is even possible and the wider environmental, social and economic impacts of changing management.

##

**Work Packages and methods**

The R&D programme will cover a 3-year period from September 2023. This programme of work will be made up of 4 key work packages (WPs) to address the three research questions set out in the Objectives (Figure 1).

The work will build on previous Defra-funded project work (Lowland Peat Projects 1 and 2, UKCEH[[7]](#footnote-8)). We request that all major capital expenses for equipment be profiled to spend in year 1 where possible.



**Figure 1 | Proposed structure of the lowland peat R&D programme, consisting of four work packages to answer three high-level research questions.**

**Work Package 1:**

*Assess how much water is required to re-wet the lowlands, whether this water is available, and where it will come from.*

Defra needs to understand if the water resources available in England will meet lowland peat re-wetting requirements and what this will mean for water allocations at catchment and national scales. Hydrological-scale modelling will be required to answer this question, including calculation of the water demand for re-wetting the lowlands, and the impact of meeting these demands on other water systems / requirements (e.g., drinking water, industry, fishing, etc.), the wider environment and the population. As such, water resource and land availability will need to be assessed, i.e., the volume of water available and where it is available at a catchment and regional scale, to understand if a) we have the water budget and storage across seasons to meet demands of re-wetting, and b) if not, what proportion do we have. Additionally, whether existing water retention structures can cope with the increased water levels required for re-wetting, or whether these structures need to be modified.

The standing water volume and volume of water needed to initially raise the water table is of most interest, as well as the importance of seasonal flow-through of water. We need to understand if the required volumes of water are available within existing water infrastructure networks and where the water is stored. The spatial distribution of water storage infrastructure will be important to determine whether the water we have available is in proximity to the lowlands to meet re-wetting demands, and if not, highlight whether significant amounts of water will need to be moved from one catchment to another. We need to understand the capacity to capture and store water in lowland peat landscapes rather than requiring new water inputs where water is not captured presently, and ensure we consider if diversion of water or abstraction from rivers to lowland landscapes would put vulnerable designated sites at risk. We will encourage and facilitate close working with stakeholders in the Environment Agency on this work package where necessary.

The work package will also require predictive models to be developed based off the Met Office’s UKCP18 datasets[[8]](#footnote-9) (and/or similar datasets), considering how projected changes in rainfall, temperature, sea-level, etc. under different warming scenarios may impact on land and water availability to meet demands for rewetting in England, now and into the future. The impact of seasonal variation, and 2°C and 4°C warming scenarios on the water budget will need consideration.

This work package will contribute towards research question 1, alongside Work Package 2.

**Work Package 2:**

*Assess the impact of landscape topography on the feasibility of raising water tables.*

We need to assess how topography will influence the feasibility of raising water tables. Agricultural peat fields are rarely flat and can vary in elevation by a few metres across a single field. Agricultural peatlands are also often lower than the surrounding land and may remain as remnant peat pockets in a landscape that is mostly no longer peat. As such, we need to assess the impact of topography on rewetting across all scales, from landscape, catchment, Internal Drainage Board (IDB) to field scale. This includes consideration of the impact of topography on the risk of saline incursion (e.g., in the Norfolk Broads). The suitability of management options for rewetting land with varying topographies, physical and hydrological properties, and vegetative covers should also be considered.

Catchment fieldwork and earth observation techniques will be required to look at the detailed terrain of sites, their management history and vegetative cover, and the impact of raising the water table in an area. We are currently developing a new baseline England Peat Map (EPM), due to complete in 2024. It may be possible to utilise interim products as part of this work package and outputs could complement the EPM output. LiDAR data may also be used to model where water would flow and where inundation risks would arise if rewetting, to understand the in-field and wider impacts on the surrounding landscape. The different rewetting scenarios (to be agreed with Defra, outlined below) will need to be modelled to understand the implications of topography and water table depth on potential GHG emissions.

Suggested scenarios to model (final scenarios to be agreed with Defra):

* Raising water tables under lowland peat to 10cm below the surface lowest part of the field
* Raising water tables under lowland peat to 30cm below the surface lowest part of the field
* Raising water tables under lowland peat to 60cm below the surface lowest part of the field

Work package 2 will complement the assessment of water availability in Work Package 1 as part of a nested approach to answering research question 1: *‘Where can we alter management practices?’*. Together, work packages 1 and 2 will determine water availability spatially and then describe (and rank) where it would be most feasible to raise water tables. A mapped layer of water availability and storage would be useful, to be used in combination with the England Peat Map, currently under development for publication in 2024. The combined work packages 1 and 2 should be brought together to illustrate an index of favourable areas for rewetting vs those less suitable, considering variability in topography and water availability/infrastructure.

**Work Package 3:**

*Assessment of how peatland emissions vary depending on management models.*

We need to understand how emission factors vary by peat category, management practices and crop type. This includes both grassland and cropland management. This should include large-scale field trials over multiple years using different management options and crop mixes on different peat types in different localities. New field data will be produced to develop system models from. Emissions, both in terms of CO2equivalents (CO2e) and separate measurements for carbon dioxide (CO2), dissolved organic carbon (DOC), methane (CH4) and nitrogen (N2O) will need to be measured. Consideration of the different water demands, practicalities and costs for farmers and the wider environmental risks, opportunities and impacts will be required, including reference to low-cost and high-cost solutions, such as drip-irrigation vs near-surface irrigation. The benefits and viability of integrating management between field trials on a landscape scale and how these may link to hydrological surface and groundwater gradients should be considered.

Questions the field studies could look to answer:

* How do emission factors for lowland peat vary between peat category, land management changes, and crop type?
* What are the effects of different management treatments on yield?
* What are the broader effects on the environment at local and landscape scales, including risks and opportunities, e.g., relating to flooding, water quality, erosion, and biodiversity?
* Which management practices can be used to reduce GHG emissions from grass-dominated lowland peat?
* What are the implications for the carbon and nitrogen cycles considering rewetting impacts on soil moisture levels?
* How do emissions differ for lowland peat arable sites in transition to full restoration as opposed to implementing sustainable management practices?
* How can we model the socio-economic implications of different management models, i.e., impacts on farmers, food security, communities and infrastructure?

Field studies should include at least five management treatments and a control over a minimum of three different sites. Combinations of treatments are of interest as well:

* Water table manipulation (including dynamic/seasonal management)
* Surface irrigation
* Applying a surface mulch
* Using cover crops
* Minimum tillage
* A control (e.g., negative treatment, ‘no change’, or semi-natural and wetland habitat.)

*Field study requirements:*

Field sites will require characterisation of peat depth and carbon content of the profile. Site selection should include a shallow peat, deep peat and wasted peat site. A peat grassland with livestock should be included as one of the sites, and relevant treatments applied.

Crop types should include a conventional cereal crop and a conventional horticultural crop (e.g., leek, celery, broccoli). Having an innovatively farmed horticultural crop (e.g., vertically farmed lettuce) would be a useful comparator to lowland peat management but does not constitute a main management type to be explored.

Measurements from the field studies may include impact of the treatments on: GHG emissions (both total CO2e and separated CO2, CH4 and N2O), water quality and water balance, yield, crop health, soil moisture, average cost of production, wider cost: benefit analysis. Analysis should include life cycle assessment (LCA) of GHG emissions up to the farm gate for each crop on a peaty soil, with comparison to the same/similar crop on a mineral soil, an indoor farming system (where appropriate/available) and importing the crop.

WP3 should also consider the impact of projected changes in climate, i.e., model the relationship between the measured treatment and emissions under 2°C and 4°C warming scenarios. In addition, analysis of the abatement possible when moving from one state to another would be valuable, to develop a modelled matrix of change for expected abatement resulting from land management changes.

The output of the WP will be a set of emission factors, including for intensive grassland; an increased understanding of the wider opportunities, risks and impacts of the management treatments and how they compare to farming similar crops elsewhere; and potential understanding of expected emissions during land management transitions and under a changing climate.

Engagement with stakeholders (e.g., landowners, farmers) will be required and trials may act as useful pilot sites for stakeholder visits, to demonstrate how different management practices may be used to manage lowland agricultural peat more sustainably.

This work package will contribute towards research question 2.

**Work Package 4:**

*Assessment of the impact on food systems if lowland peat is taken out of production.*

We need to understand whether raising water tables on lowland peat leads to genuine emission reductions, or in emissions being redistributed as food production is shifted elsewhere. This includes the resultant socio-economic impacts on farmers, communities, food security and infrastructure, including water table levels and water resources. Analysis should include a “no change” scenario, projecting future food production under no change of practice/land use.

The work package should model the following:

* How much lowland peat in England is currently under agricultural management, what types of agricultural management systems, and what is the modelled nutritional content / calorie output / yield from this land?
* Does shifting production from England’s peaty to mineral soils lead to genuine emission reductions when considered at the system level, is there the land capacity to do so, and does this lead to other costs / benefits?
* Would taking lowland peat out of production lead to offshoring of emissions by increasing our reliance on imports if production demand cannot be met elsewhere in England, and to what extent?

The work package should assess current production and production systems on lowland peat in England, then consider shifting production primarily off lowland agricultural peat to other mineral soils and vertical/innovative farming alternatives in England. This includes whether the land has the capacity to meet the added demand generated by this shortfall in production on lowland peat, the requirements for more inputs (e.g., fertiliser) and the resultant impact on national emissions. Finally, consider whether taking lowland peat out of production increases our reliance on imported products if demand cannot be met nationally, and to what extent this may lead to offshoring of emissions.

The work package should answer the questions in terms of GHG emissions and food security, but also consider land pressures, including the social and economic impacts of shifting production off lowland peat and onto other landscapes (and land uses), as well as the wider cost: benefits, e.g. impact on biodiversity, water quality, soil quality.

This work package will contribute towards research question 3.

**Timeline**

We envisage the programme of work to be contracted and commence in Quarter 2 of fiscal year 2023-2024. The project will run for an initial period of 3 years, until 2026, with a 3-month potential leeway to extend if necessary. The contract will include a break clause, to be enacted, if necessary, e.g., due to changes in policy circumstances and their impact on the project work.

**Wider Scope**

The project is designed in a way that allows for future extensions to the project if further funding opportunities become available that are within Scope of the Subject matter. This includes licencing /publishing of project data and outputs for public use.

Any proposed Contract Variation and/or Extension will be at the Authority’s discretion subject to a maximum 50% of the Original Contract Value.

**Project Team**

We welcome consortia bids which draw together a range of expertise from different research institutes and organisations across environmental, economic and social disciplines. The Project Team should have the ability and capabilities to cover a range of lowland peat systems for field trials primarily across England, with potential sites in the Devolved Administrations, e.g. in Wales, if needed and suitable.

***Expertise required:***

As the project seeks to understand and demonstrate holistic solutions to lowland peat management, a multi-disciplinary approach is required, and we expect the Project Team to possess experience working collaboratively across multiple organisations on similar large-scale projects. We anticipate the Project Team to consist of the following:

* Peat scientist
* Hydrologist / Hydrogeologist
* Geomorphologist
* Geochemist / Water quality specialist
* Ecologist / Eco-hydrologist
* Climate specialist
* Social researcher
* Economist
* Geo-spatial data scientist
* Modeller / Data scientist
* Project Manager

**Governance**

The project will be managed out of the Soils & Peat Evidence Team in Defra; however, a Steering Group of key stakeholders will be established, comprising of evidence and policy specialists across Defra, Defra’s Arm’s Length Bodies, and other government departments. The role of the Steering Group will be to provide strategic direction, alignment with cross-Whitehall and Defra Group objectives and quality assurance of the project.

The Authority will nominate a Project Manager for this project. A Lead Project Manager will be responsible for the day-to-day management of this contract and will agree the membership of a Project Board to review the work and ensure it meets the projects aim and objectives. The Project Manager will also act as the principal point of contact for the Authority. Meetings have been incorporated into the Programme of Work to discuss progress and to ensure timely support and data provision as required.

The Tenderer will be required to regularly update the Project Manager on project progress via monthly meetings arranged by the Tenderer, and when there are any significant issues (as early as convenient or a maximum of 3 days) and quarterly progress reports (max 2 pages), including reporting on KPIs quarterly. Please see the range of KPIs included. The frequency of the meetings will be reviewed throughout the course of the project. Meetings will be organised by the Tenderer including full secretariat. Meeting agendas will be agreed with Defra a week before meetings.



**Reporting requirements**

To be confirmed with the winning tender, proposed requirements:

* Monthly update bullet point reports and meeting,
* 6-monthly update meeting and report,
* Annual update meeting with Steering Group,
* Final report for each work package, including a separate policy summary,
* Final project report,
* Final project handouts, consisting of a separate policy summary, infographic of key project findings, and a final dissemination presentation.
* Wider dissemination activities and publication in peer-reviewed journals encouraged with the Authority’s consent.

The final report, handouts and work package reports will be published on Defra’s R&D pages for public access.

**Payment**

Payment is proposed by annual capital purchase costs, 6-monthly milestone updates, and deliverables, as per the proposed schedules below. Resourcing costs should be included as part of 6-monthly milestone costings. Request for capital purchases for equipment to be made in year 1 where possible, with the remaining to be combined into an annual purchase in years 2 and 3 (years following the standard fiscal year, running April – March). Invoices will be receipted upon delivery of equipment.

*Proposed milestone payment schedule (dates and descriptions to be agreed once winning tender awarded)*

|  |  |  |
| --- | --- | --- |
| Milestone payment | Description | Date |
| M1 | Year 1 - capital purchase invoices | 29/12/2023 |
| M2 | Year 1 – Q4 update report/meeting | 29/03/2024 |
| M3 | Year 2 - capital purchase invoices | 29/06/2024 |
| M4 | Year 2 - Q2 update report/meeting | 27/09/2024 |
| M5 | Year 2 - Q4 update report/ meeting | 28/03/2025 |
| M6 | Year 3 - capital purchase invoices | 27/06/2025 |
| M7 | Year 3 - Q2 update report/meeting | 26/09/2025 |
| M8 | Year 3 - Q4 update report/meeting | 27/07/2026 |

*Proposed deliverable payment schedule (dates and descriptions to be agreed with winning tender)*

|  |  |  |
| --- | --- | --- |
| Deliverable payment | Description | Date |
| D1 | WP1 final report and policy summary | 17/03/2025 |
| D2 | WP2 final report and policy summary | 02/06/2025 |
| D3 | WP3 final report and policy summary | 02/09/2026 |
| D4 | WP4 final report and policy summary | 01/07/2024 |
| D5 | Final full project report | 02/09/2026 |
| D6 | Final project handouts (policy summary, infographic, presentation) | 02/09/2026 |

## Conditions of Contract

For information. Located on the Authority’s -eSourcing system Atamis (<https://defra-family.force.com/s/Welcome>)



## TUPE Data N/A

## Commercial Sensitive Information



## Commercial Pricing Workbook



## Staff Time in Days Per Milestone



1. Using data from: <https://www.gov.uk/government/statistics/final-uk-greenhouse-gas-emissions-national-statistics-1990-to-2019> [↑](#footnote-ref-2)
2. England Peat Action Plan, May 2021: [England Peat Action Plan - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/england-peat-action-plan) [↑](#footnote-ref-3)
3. Evans et al, 2021: Overriding importance of water table in the greenhouse gas balance of managed peatlands [↑](#footnote-ref-4)
4. Evans et al, 2021: A Novel Low-Cost, High-Resolution Camera System for Measuring Peat Subsidence and Water Table Dynamics [↑](#footnote-ref-5)
5. Climate Change Committee, December 2020: The Sixth Carbon Budget – the UK’s path to Net Zero [↑](#footnote-ref-6)
6. Defra, June 2022: Government Food Strategy. [↑](#footnote-ref-7)
7. [Defra Lowland Peat 2 Project | Lowland Peat (ceh.ac.uk)](https://lowlandpeat.ceh.ac.uk/LowPeat2) [↑](#footnote-ref-8)
8. [UK Climate Projections (UKCP) - Met Office](https://www.metoffice.gov.uk/research/approach/collaboration/ukcp/index) [↑](#footnote-ref-9)