**Invitation to Tender for Evidence Gathering – Low Carbon Heating Technologies**

Tender Reference Number: 1043/07/2015

Deadline for Tender Responses: **Friday 7th August 2015 14:00 hrs**

**Department of Energy and Climate Change**

Date: Wednesday 8th July 2015

The Department of Energy and Climate Change (“DECC”) wishes to commission a project for Evidence Gathering - Low Carbon Heating Technologies. This project has been split into 4 Lots.

Enclosed are the following sections:

* Section 1 (page 3) Instructions on tendering procedures
* Section 2 (page 7) Specification of requirements
* Section 3 (page 18) Further information on tendering procedure
* Section 4 (page 21) Declarations and information to be provided;

Statement of Non-Collusion

Form of Tender

Conflict of Interest

Questions for tenderers

Code of Practice for Research

* Annex A: Pricing schedule
* Annex B: Code of practice for research

Please register your interest in submitting a tender for this project by emailing **sidteateam@decc.gsi.gov.uk**quoting the tender reference number in the subject field. This will ensure you receive immediate notification of updates to the ITT process or answers to questions raised by potential bidders.

Please read the instructions on the tendering procedures carefully since failure to comply with them may invalidate your tender. Your tender must be returned electronically by e-mail and by Friday 7th August 2015 14:00 hrs clearly marked as “TENDER” quoting the tender reference number. On the e-mail submission please state what lots you are applying for and list both the completion date and the price offered (excluding VAT) for each lot.

I look forward to receiving your response.

Yours sincerely,

Oliver Sutton

E:mail: sidteateam@decc.gsi.gov.uk

**Section 1**

**Instructions and Information on Tendering Procedures**

Invitation to Tender for **Evidence Gathering – Low Carbon Heating Technologies**

Tender Reference Number: 1043/07/2015

Deadline for Tender Responses: **Friday 7th August 2015 14:00 hrs**

**Contents**

A. Indicative Timetable 4

B. Procedure for Submitting Tenders 4

C. Conflict of Interest 5

D. Evaluation of Responses 6

E. Terms and conditions applying to this Invitation to Tender 6

F. Further Instructions to Contractors 6

G. Checklist of Documents to be Returned 6

# Indicative Timetable

The anticipated timetable for this tender exercise is as follows. DECC reserves the right to vary this timetable. Any variations will be published on contracts finder or circulated to all organisations who have registered an interest in notifications.

|  |  |
| --- | --- |
| **Tender Timeline** | **Date** |
| Advert and full invitation to tender issued | Wednesday 8th July 2015 |
| Deadline for questions relating to the tender | Friday 24th July 2015 |
| Responses to questions published  | Friday 31st July 2015 |
| Deadline for receipt of tender | Friday 7th August 2015 |
| All suppliers alerted of outcome | Friday 21st August 2015 |
| Contract award on signature by both parties | Monday 31st August 2015 |
| Contract start date | Monday 7th September 2015 |

The contract is to be for a period of **three** months unless terminated or extended by the Department in accordance with the terms of the contract.

# Procedure for Submitting Tenders

This ITT is split into four separate Lots, outlined below:

* + **Lot 1 - Domestic High Temperature Heat Pumps**
	+ **Lot 2 - Domestic Hybrid Heap Pumps**
	+ **Lot 3 - Gas Driven Heat Pumps**
	+ **Lot 4 - Hybrid Solar Photo Voltaic Thermal Panels.**

Bidders are able to bid for any number of Lots. It should be made clear in your proposal which Lots you are bidding for. If bidding for multiple Lots it is **not** necessary to complete separate submissions but each Lot will be assessed separately. It should be made clear therefore how you proposed to meet all requirements of each Lot you are bidding for.

The maximum page limit for tenders is 10 per Lot but not exceeding a maximum of 20 if bidding for multiple Lots (excluding declarations, pricing schedule and CVs).

For questions regarding the procurement process please contact Kate Saworsky kate.saworsky@decc.gsi.gov.uk

Tenders will be received up to the time and date stated. Please ensure that your tender is submitted not later than the appointed time on the appointed date. The Department does not undertake to consider tenders received after that time. The Department requires tenders to remain valid for a period indicated in the specification of requirements.

DECC shall have the right to disqualify you from the procurement if you fail to fully complete your response, or do not return all of the fully completed documentation and declarations requested in this ITT. DECC shall also have the right to disqualify you if it later becomes aware of any omission or misrepresentation in your response to any question within this invitation to tender. If you require further information concerning the tender process, or the nature of the proposed contract, email sidteateam@decc.gsi.gov.uk

All questions should be submitted by **Friday 24th July 2015 14:00 hrs;** questions submitted after this date may not be answered. Should questions arise during the tendering period, which in our judgement are of material significance, we will publish these questions with our formal reply by the end of **Friday 31st July 2015 14:00 hrs** and circulate – unnamed - to all organisations that have expressed an interest in bidding. All contractors should then take that reply into consideration when preparing their own bids, and we will evaluate bids on the assumption that they have done so.

You will not be entitled to claim from the Department any costs or expenses that you may incur in preparing your tender whether or not your tender is successful.

# Conflict of Interest

The DECC standard terms and conditions of contract include reference to conflict of interest and require contractors to declare any potential conflict of interest to the Secretary of State.

For research and analysis, conflict of interest is defined the presence of an interest or involvement of the contractor, subcontractor (or consortium member) which could affect the actual or perceived impartiality of the research or analysis.

Where there may be a potential conflict of interest, it is suggested that the consortia or organisation designs a working arrangements such that the findings cannot be influenced (or perceived to be influenced) by the organisation which is the owner of a potential conflict of interest. For example, consideration should be given to the different roles which organisations play in the research or analysis, and how these can be structured to ensue maintain an impartial approach to the project is maintained.

The process by which this is managed in the procurement process is as follows:

1. **During the bidding process, organisations may contact DECC to discuss whether or not their proposed arrangement is likely to yield a conflict of interest.** Any responses given to individual organisations or consortia will be published on contract finder (in a form which does not reveal the questioner’s identity). Any organisation thinking of submitting a bid, should share their contact details with the staff member responsible for this procurement, to ensure they receive an update when any responses to questions are published.
2. **Contractors are asked to sign and return Declaration 3 (page 24) to indicate whether or not any conflict of interest may be, or be perceived to be, an issue.** If this is the case, the contractor or consortium should give a full account of the actions or processes that it will use to ensure that conflict of interest is avoided. In any statement of mitigating actions, contractors are expected to outline how they propose to achieve a robust, impartial and credible approach to the research.
3. **When tenders are scored, this declaration will be subject to a pass/fail score**, according to whether, on the basis of the information in the proposal and declaration, there remains a conflict of interest which may affect the impartiality of the research.

Failure to declare or avoid conflict of interest at this or a later stage may result in exclusion from the procurement competition, or in DECC exercising its right to terminate any contract awarded.

# Evaluation of Responses

The tender process will be conducted to ensure that bids are evaluated fairly and transparently, in accordance with agreed assessment criteria. Further details are provided in the specification.

# Terms and conditions applying to this Invitation to Tender

The DECC Standard Terms and Conditions of Contract will apply to this contract. These can be downloaded from Contracts Finder.

# Further Instructions to Contractors

The Department reserves the right to amend the enclosed tender documents at any time prior to the deadline for receipt of tenders. Any such amendment will be numbered, dated and issued by **Friday 31st July 2015 14:00 hrs.** Where amendments are significant, the Department may at its discretion extend the deadline for receipt of tenders.

DECC reserves the right to withdraw this contract opportunity without notice and will not be liable for any costs incurred by contractors during any stage of the process. Contractors should also note that, in the event a tender is considered to be fundamentally unacceptable on a key issue, regardless of its other merits, that tender may be rejected. 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.

# Checklist of Documents to be Returned

* Proposal (maximum 10 pages per Lot up to a maximum of 20 pages)
* Annex A – pricing schedule
* Declaration 1: Statement of non-collusion
* Declaration 2: Form of Tender
* Declaration 3: Conflict of Interest
* Declaration 5: Code of Practice

**Section 2**

**Specification of Requirements**

Invitation to Tender for **Evidence Gathering – Low Carbon Heating Technologies**

Tender Reference Number: 1043/07/2015

Deadline for Tender Responses: **Friday 7th August 2015 14:00 hrs**

**Contents**

1. Introduction and summary of requirements 8

2. Aims and Objectives 8

3. Methodology 9

4. Outputs Required 10

5. Quality Assurance 13

6. Timetable 13

7. Ethics 14

8. Working Arrangements 14

9. Skills and experience 14

10. Consortium Bids 14

11. Budget 15

12. Evaluation of Tenders 15

# Introduction and summary of requirements

Almost half (47%) of the final energy consumed in the UK is used as heat for domestic, commercial and industrial purposes and heating is responsible for producing around a third of the UK’s greenhouse gas emissions.

To meet the EU 2020 renewable energy targets, and our longer term GHG targets, a change in the way we generate, distribute and use heat in buildings is required. Whilst there are a range of policies in place to reduce demand for heat, even if these all deliver to their potential, there will still be a very large demand for space heating in the UK which will continue to be highly seasonal and show very strong peaks on the coldest days.

The dominant domestic heating system in UK homes is the gas boiler. A portion of homes will be difficult to insulate to levels at which conventional electric heat pumps will be viable. It is therefore important to evaluate technologies which are able to reach higher flow temperatures and therefore provide low carbon heat to homes which are difficult to insulate. Higher flow temperatures also enable conventional heat emitters to be maintained and with heating patterns which customers are familiar with.

It is also important to recognise new variants or combinations of existing technologies such as solar PVT which may offer cost and efficiency improvements or a better user experience over conventional products. Therefore gathering evidence on these systems is important to understand their potential role in meeting our decarbonisation targets.

This evidence gathering is therefore to develop the department’s evidence base with regards to low carbon heating technologies. It does not directly link to any specific policy currently in place or planned for the future.

# Aims and Objectives

In light of the UK ambitious renewable heating and carbon reduction targets, this project seeks to gather evidence about the technical potential and performance of low carbon heating technologies.

The research will focus on the following technologies:

1. **Domestic High Temperature Heat Pumps** – defined as systems which are <45kWth, able to deliver flow temperatures of at least 60°C at a COP of 2.2, they can be either ground or air-source.
2. **Domestic Hybrid Heat Pumps** – defined as a gas boiler in combination with a heat pump, air or ground source, both components should be <45kWth. It must have an intelligent control system capable or directly switching between heat sources.
3. **Gas Driven Heat Pumps** – defined as a gas driven heat pump which uses a thermal compressor. It should be <45kWth in capacity and can be either air or ground source.
4. **Hybrid Solar Photovoltaic-Thermal Panels (PV-T)** – defined as a packaged solar panel which contains both photovoltaic cells and a thermal collector actively working as one system.

The products included should be either currently available on the market or at Technology Readiness Level (TRL) 9 and therefore likely to enter the market imminently.

The overall aim of the study is to provide an overview of the current status of these low carbon heating technologies, understand their in-use performance and market potential. In addition to provide a gap analysis to establish where additional evidence gathering is required to provide a comprehensive picture of these technologies in the UK.

Each technology will be treated as a separate study and therefore each represents a different Lot within the tender.

Please make it clear in your submission which Lot(s) you are bidding for. If you wish to bid for more than one Lot, only one submission is required; however, please note you may not be awarded the work for all Lots so costs must be kept separate.

* + **Lot 1 - Domestic High Temperature Heat Pumps**
	+ **Lot 2 - Domestic Hybrid Heap Pumps**
	+ **Lot 3 - Gas Driven Heat Pumps**
	+ **Lot 4 - Hybrid Solar Photo Voltaic Thermal Panels.**

# Methodology

This section outlines the questions that we require the contractor to address and related parameters that data should be collected for. The parameters and questions indicated here are not intended to be an exhaustive list, and others may come out of the work during the contracting period.

The successful supplier of this procurement is expected to deliver the following tasks which are relevant to all Lots. Please note Task 7 – Technology Specific requirements contain different requirements for each Lot.

A high level summary of these tasks is detailed below:

1. **Current state of the art -** A description of the possible system configurations, and those that are currently on the market in the UK and Europe. A review of the state of the technology, what if/any innovation is underway.
2. **Market and product review –** A review of the current market and the market potential in the UK for the technology. A review of all products currently available on the market in the UK.
3. **Standards review** – A review of all of the technical standards that govern the design, installation and performance of the technology.
4. **System performance -** Details of the rated performance of systems currently on the market and a summary of any data on in-use performance from published research, manufacturer’s data, international research and other non-published sources.
5. **Costs –** A review of the current costs of the technology, including capital cost of the system, installation, operating costs including maintenance. This should also include evidence on learning rates and potential for cost reduction over time. Sufficient detail should be provided in order to carry out a levelised cost assessment.
6. **Barriers to deployment –** A focus on the technical barriers but also include details on wider barriers such as market, regulatory, consumer etc.
7. **Technology specific requirements –** Each technology will have a number of specific questions that will be required to be answered.
8. **Gap analysis** – This should be a review of the current evidence available and collected through the study. The review should identify where gaps exist in evidence and make recommendations for filling these gaps. In particular a specific review of evidence of in-use performance should be provided.

Each Lot will be treated as a separate project. Therefore technologies should not be grouped within tasks. If you are bidding for multiple Lots it should be clear that each task will be completed for each Lot separately.

Tenderers should set out details of their preferred method/s for all of the data collection conducted as part of this research, as well as any analysis of data as appropriate. The contractor should illustrate how these will ensure a credible and impartial approach.

Where available, data collection should focus on the UK market and installation. However where the UK market is not sufficiently developed, data from the EU and other international sources should be used. We expect the contractor to have an understanding of how the market development may differ internationally.

Where possible a range of values should be sought for specific parameters. This should include a high, medium, and low range and should make clear what the associated uncertainty is for the data supporting these ranges.

Tenderers should clearly outline their proposed approach to quality assure all information collected through the study.

Tenderers should demonstrate they have sufficient technical expertise in the relevant fields to deliver all aspects of the requirements for the particular Lot.

All data and information should be referenced and these references should be clearly presented within the report.

Where possible, optimism bias should be taken into account when collecting data. A methodology should be presented to address this issue.

# Outputs Required

The following items are an indicative list of requirements. They are not an exhaustive list and should be used to guide your evidence collection. These requirements may be amended throughout the project duration.

**Task 1 - Current state of the art**

* + Descriptions of the current systems available, including details on heat source, working fluids, temperature and pressure regimes, key materials, key components, scalability etc.
	+ Where possible provide examples of products that fit under the relevant system types.
	+ System diagrams should be produced clearly demonstrating the variations in systems available or in development.
	+ Details of how the systems vary and what are the advantages/disadvantages?
	+ What is on the horizon in terms of technical developments that would impact this technology

**Task 2 - Market and products review**

* + What products are available on the market in the UK and in Europe now and what will be by Winter 2016/17?
	+ Provide a summary of each product currently available, this should include all relevant technical parameters.
	+ What is the current market size in the UK?
	+ What is the potential market size for these technologies in the UK?
	+ What are the likely applications and system topologies (e.g. modular, combined with other technologies)?
	+ How is the market segmented by system type and size?
	+ What are the implications of the limited availability of products in the market for future competition?
	+ Which existing technologies will be in direct competition in specific market segments?

**Task 3 – Standards Review**

* + Provide details of standards that are currently in place, or in development, that govern the technology’s performance in the UK and Europe?
	+ Particular attention should be paid to the standards of the Energy Related Products Directive (ErP), how these technologies fit within this framework and the implication of any changes to existing standards currently in place.
	+ Are any standards in place that governs the design of the systems in the UK and Europe?
	+ Are any standards in place that governs the installation of the systems in the UK and Europe?

**Task 4 - System performance**

* + What is the current lab tested performance of available systems at different test points? What standards have these test points been carried out in accordance with?
	+ Is there any evidence for the in use performance of the technologies? If so;
	+ What efficiencies does this data show?
	+ What is the source of this data?
	+ How rigorous and impartial is the testing process/field trails?
	+ What are the relevant system boundaries that should be used for in-use monitoring?
	+ What fraction of the heat delivered can be considered renewable?
	+ What are the expected technology lifetimes?
	+ Does this differ by size?
	+ What is the potential CO2 reduction vs a relevant counterfactual (to be agreed with DECC)?
	+ What are the opportunities for performance improvements under (i) low deployment, and (ii) high deployment scenarios?
	+ What are the most sensitive variables that would result in poor system performance i.e. design, installation, maintenance, controls, user interaction?

**Task 5 - Costs**

* + What are the capital costs? Breakdown of the total cost of systems (per kW of installed capacity and total) on a uniform basis, including:
		- Cost of the primary system equipment, e.g. heat pump, solar panel;
		- Cost of the secondary system equipment, e.g. hot water buffers, pumps, fans, piping etc.
		- Cost of the primary system installation;
		- Cost of control system, where relevant;
		- Cost of additional work, e.g. replacing heat emitters;
		- Cost of the heat source equipment, where relevant;
		- Cost of the heat source installation, where relevant;
		- Operating cost of the system;
		- Maintenance cost of the system;
		- Cost of import (if applicable);
		- Cost of sale;
		- Profit;
		- Cost of metering inputs and outputs.
	+ What are the operating costs?
		- Maintenance costs;
	+ What are the opportunities for cost reductions under (i) low deployment, and (ii) high deployment scenarios?
	+ What evidence is there of historic cost reductions from other related markets?
	+ What are the average lifetimes of the technologies?
		- Do these lifetimes vary with system type?

**Task 6 - Barriers to deployment**

* + What technical barriers are there for the technology that prevent widespread deployment?
		- Are these barriers likely to be solved through continued development or specific innovations?
	+ What specific installation challenges does the technology have?
		- What set of skills would be required for installation and how do these compare with the current market of installers?
	+ What market barriers are there?
	+ What are the barrier costs or other indirect costs?
	+ What are the consumer barriers?
		- Is the systems performance compatible with current consumer behaviour?

**Task 7 – Technology specific requirements**

**Domestic High Temperature Heat Pumps**

* + What is the rated performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at low external temperatures e.g. below 0°C.
	+ How do these performance measures compare with those for typical low temperature heat pumps?

**Domestic Hybrid Heat Pumps**

* + What is the rated performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at low external temperatures e.g. below 0°C.

**Gas Driven Heat Pumps**

* + What is the rated performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at flow temperatures of 60+°C?
	+ What is the in-use performance of the technologies at low external temperatures e.g. below 0°C.

**Hybrid Solar Photovoltaic-Thermal Panels (PV-T)**

* + What effect does the combination of a solar thermal panel with a solar photovoltaic panel have on the efficiency of both systems?
	+ What effect does the combination of a solar thermal panel with a solar photovoltaic panel have on the lifetime of both systems?
	+ What is the relative cost difference of PV-T compared with installing separate PV and solar thermal at the same time?

**Task 8 - Gap analysis**

* + Does the evidence gathered through this study answer all of the requirements to a high level of assurance that the data is accurate, robust and reliable?
	+ Identify those areas, if any, which require further evidence to meet the required level of confidence.
	+ Make recommendations for how these evidence gaps could be filled through further study, in particular the requirement for data on in-use performance of technologies.

# Quality Assurance

Tenderers should clearly outline their proposed approach to quality assure all information collected through the study.

# Timetable

Table 1 below, provides an indicative timeline for each Lot of the study.

**Table 1: Indicative timeline and requirements for the stages of the study**

|  |  |  |  |
| --- | --- | --- | --- |
| Reporting points/ deliverables | Detail | Milestone Payment | Due date |
| Inception Meeting  | Project meeting at DECC offices to present and discuss proposed methodology to be used during analysis and clarify any points. |  | w/c 7th September 2015  |
| Regular progress emails  | Weekly emails from contractor to DECC project manager detailing progress for the week. If needed ad-hoc meetings  |  | Weekly throughout project  |
| Interim results | Presentation of interim results of evidence. | 40% | w/c 26th October 2015 |
| Draft report | Submission of draft report for review by DECC |  | w/c 16th November 2015  |
| Final Report and Presentation | Submission of final Report and Presentation to DECC. | 60% | w/c 30th November 2015 |

# Ethics

All applicants will need to identify and propose arrangements for initial scrutiny and on-going monitoring of ethical issues. The appropriate handling of ethical issues is part of the tender assessment exercise and proposals will be evaluated on this as part of the ‘addressing challenges and risks’ criterion.

We expect contractors to adhere to the following GSR Principals:

1. Sound application and conduct of social research methods and appropriate dissemination and utilisation of findings
2. Participation based on valid consent
3. Enabling participation
4. Avoidance of personal harm
5. Non-disclosure of identity and personal information

# Working Arrangements

The successful contractor will be expected to identify one named point of contract through whom all enquiries can be filtered. A DECC project manager will be assigned to the project and will be the central point of contact.

# Skills and experience

DECC would like you to demonstrate that you have the experience and capabilities to undertake the project. Your tender response should include a summary of each proposed team members experience and capabilities.

 Contractors should propose named members of the project team, and include the tasks and responsibilities of each team member. This should be clearly linked to the work programme, indicating the grade/ seniority of staff and number of days allocated to specific tasks.

Contractors should identify the individual(s) who will be responsible for managing the project.

# Consortium Bids

In the case of a consortium tender, only one submission covering all of the partners is required but consortia are advised to make clear the proposed role that each partner will play in performing the contract as per the requirements of the technical specification. We expect the bidder to indicate who in the consortium will be the lead contact for this project, and the organisation and governance associated with the consortia.

Contractors must provide details as to how they will manage any sub-contractors and what percentage of the tendered activity (in terms of monetary value) will be sub-contracted.

If a consortium is not proposing to form a corporate entity, full details of alternative proposed arrangements should be provided in the Annex. However, please note DECC reserves the right to require a successful consortium to form a single legal entity in accordance with Regulation 28 of the Public Contracts Regulations 2006.

DECC recognises that arrangements in relation to consortia may (within limits) be subject to future change. Potential Providers should therefore respond in the light of the arrangements as currently envisaged. Potential Providers are reminded that any future proposed change in relation to consortia must be notified to DECC so that it can make a further assessment by applying the selection criteria to the new information provided.

# Budget

The budget for this project is £20,000 to £40,000 excluding VAT for each Lot.

Contractors should provide a full and detailed breakdown of costs (including options where appropriate). This should include staff (and day rate) allocated to specific tasks.

Cost will be a criterion against which bids which will be assessed.

Payments will be linked to delivery of key milestones. The indicative milestones and phasing of payments is as outlined in Table 1. Section 7 - Timetable. Please advise in your tender response how this breakdown reflects your usual payment processes:

In submitting full tenders, contractors confirm in writing that the price offered will be held for a minimum of 60 calendar days from the date of submission. Any payment conditions applicable to the prime contractor must also be replicated with sub-contractors.

The Department aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest in line with standard terms and conditions of contract.

# Evaluation of Tenders

Contractors are invited to submit full tenders of no more than 10 pages per Lot up to a maximum of 20 pages in total, excluding declarations. Tenders will be evaluated by at least three DECC staff.

DECC will select the bidder that scores highest against the criteria and weighting listed below:

* **Conflict of interest:** pass/fail. See page 5 of the ITT for further information

**EVALUATION CRITERIA AND SCORING METHODOLOGY**

|  |  |  |
| --- | --- | --- |
| Criterion | Description | Weighting |
| 1 | **1. Technical approach** | 50% |
| 1A  | Methodological approach and consistency with stated objectives (20%) |  |
| 1B | Understanding of the technology (20%) |  |
| 1C | Quality assurance approach (10%) |  |
| 2 | **2. Experience of project team** | 40% |
| 2A | Technical capability (20%) |  |
| 2B | Contacts and links with industry (20%) |  |
| 3 | **3. Cost effectiveness** | 10% |
| Total | 100% |

**Scoring Method**

Tenders will be scored against each of the criteria above, according to the extent to which they meet the requirements of the tender. The meaning of each score is outlined in the table below.

The total score will be calculated by applying the weighting set against each criterion, outlined above; the maximum number of marks possible will be 100. Should any contractor score 1 in any of the criteria, they will be excluded from the tender competition.

|  |  |
| --- | --- |
| **Score** | **Description** |
| 1 | Not Satisfactory: Proposal contains significant shortcomings and does not meet the required standard |
| 2 | Partially Satisfactory: Proposal partially meets the required standard, with one or more moderate weaknesses or gaps  |
| 3 | Satisfactory: Proposal mostly meets the required standard, with one or more minor weaknesses or gaps. |
| 4 | Good: Proposal meets the required standard, with moderate levels of assurance |
| 5 | Excellent: Proposal fully meets the required standard with high levels of assurance |

**Scoring for Pricing Evaluation**

Scoring for the cost effectiveness will take into account the value offered by the proposal and will therefore take into account staff effort and total price offered.

There will be a maximum of 5 marks:

Best value bid receives 5 marks

2nd best valued bid receives 4 marks

3rd best valued bid receives 3 marks

4th best valued bid receives 2 marks

5th best valued bid receives 1 mark

All other bids receive 0 marks

**Structure of Tenders**

Contractors are strongly advised to structure their tender submissions to cover each of the criteria above. Complete the price schedule attached at Annex A, specifying the daily rates (ex-VAT) you will charge for each level of your staff.

**Bid Clarification**

After reviewing and evaluating the written proposals, DECC may decide to hold bid clarifications with suppliers.

**Feedback**

Feedback will be given in the unsuccessful letters or emails.

**Section 3**

**Further Information on Tender Procedure**

Invitation to Tender for **Evidence Gathering – Low Carbon Heating Technologies**

Tender Reference Number: 1043/07/2015

Deadline for Tender Responses: **Friday 7th August 2015 14:00 hrs**

**Contents:**

A. [Definitions](#_Definitions) 14

B. [Data security](#_Data_security) 14

C. [Non-Collusion](#_Non-Collusion) 15

# Definitions

Please note that references to the "Department" throughout these documents mean The Secretary of State for Energy and Climate Change acting through his/her representatives in the Department of Energy and Climate Change.

The Freedom of Information Act 2000 (“FOIA”) and the Environmental Information Regulations 2004 (“EIR”) apply to the Department. You should be aware of the Department’s obligations and responsibilities under FOIA or EIR to disclose, on written request, recorded information held by the Department. Information provided in connection with this procurement exercise, or with any contract that may be awarded as a result of this exercise, may therefore have to be disclosed by the Department in response to such a request, unless the Department decides that one of the statutory exemptions under the FOIA or the exceptions in the EIR applies. If you wish to designate information supplied as part of this response as confidential, of if you believe that its disclosure would be prejudicial to any person’s commercial interests, you must provide clear and specific detail as to the precise information involved and explain (in broad terms) what harm may result from disclosure if a request is received, and the time period applicable to that sensitivity. Such designation alone may not prevent disclosure if in the Department’s reasonable opinion publication is required by applicable legislation or Government policy or where disclosure is required by the Information Commissioner or the First-tier Tribunal (Information Rights).

Additionally, the Government’s transparency agenda requires that tender documents (including ITTs such as this) are published on a designated, publicly searchable web site. The same applies to other tender documents issued by the Department (including the original advertisement and the pre-qualification questionnaire (if used)), and any contract entered into by the Department with its preferred supplier once the procurement is complete. By submitting a tender you agree that your participation in this procurement may be made public. The answers you give in this response will not be published on the transparency web site (but may fall to be disclosed under FOIA or EIR (see above)). Where tender documents issued by the Department or contracts with its suppliers fall to be disclosed the Department will redact them as it thinks necessary, having regard (inter alia) to the exemptions/exceptions in the FOIA or EIR.

# Data security

The successful tenderer must comply with the Data Protection Act (DPA) 1998 and any information collected, processed and transferred on behalf of *DECC*, and in particular personal information, must be held and transferred securely**. Contractors must provide assurances of compliance with the DPA and set out in their proposals details of the practices and systems they have in place for handling data securely including transmission between the field and head office and then to *DECC***. Contractors will have responsibility for ensuring that they and any subcontractor who processes or handles information on behalf of *DECC* is conducted securely. The sorts of issues which must be addressed satisfactorily and described in contractors’ submissions include:

* procedures for storing both physical and system data;
* data back-up procedures;
* procedures for the destruction of physical and system data;
* how data is protected;
* data encryption software used;
* use of laptops and electronic removable media;
* details of person/s responsible for data security;
* policies for unauthorised staff access or misuse of confidential/personal data;
* policies for staff awareness and training of DPA;
* physical security of premises.
* How research respondents will be made aware of all potential uses of their data.

# Non-Collusion

No tender will be considered for acceptance if the contractor has indulged or attempted to indulge in any corrupt practice or canvassed the tender with an officer of DECC. Section 4 contains a "Statement of non-collusion" (declaration 1); any breach of the undertakings covered under items 1 - 3 inclusive will invalidate your tender. If a contractor has indulged or attempted to indulge in such practices and the tender is accepted, then grounds shall exist for the termination of the contract and the claiming damages from the successful contractors. 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.

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.

**Section 4**

**Declarations to be submitted by the Tenderer**

Invitation to Tender for **Evidence Gathering – Low Carbon Heating Technologies**

Tender Reference Number: 1043/07/2015

Deadline for Tender Responses: **Friday 7th August 2015 14:00 hrs**

**Contents**

Declaration 1: Statement of non-collusion 17

Declaration 2: Form of Tender 18

Declaration 3: Conflict of Interest 19

Declaration 4: Questions for tenderers 21

# Declaration 1: Statement of non-collusion

To: The Department of Energy and Climate Change

1. We recognise that the essence of competitive tendering is that the Department will receive a bona fide competitive tender from all persons tendering. We therefore certify that this is a bona fide tender and that we have not fixed or adjusted the amount of the tender or our rates and prices included therein by or in accordance with any agreement or arrangement with any other person.

2. We also certify that we have not done and undertake not to do at any time before the hour and date specified for the return of this tender any of the following acts:

1. communicate to any person other than the Department the amount or approximate amount of our proposed tender, except where the disclosure, in confidence, of the approximate amount is necessary to obtain any insurance premium quotation required for the preparation of the tender;
2. enter into any agreement or arrangement with any other person that he shall refrain for submitting a tender or as to the amount included in the tender;
3. offer or pay or give or agree to pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person doing or having done or causing or having caused to be done, in relation to any other actual or proposed tender for the contract any act, omission or thing of the kind described above.

3. In this certificate, the word “person” shall include any person, body or association, corporate or unincorporated; and “any agreement or arrangement” includes any such information, formal or informal, whether legally binding or not.

……………………………………………………………………………….….

Signature (duly authorised on behalf of the tenderer)

……….………………………………………………………………………….

Print name

…………………………………………………………….…………………….

On behalf of (organisation name)

…………………………………………………………………….…………….

Date

# Declaration 2: Form of Tender

To: The Department of Energy and Climate Change

1. Having considered the invitation to tender and all accompanying documents

(including without limitation, the terms and conditions of contract and the Specification) we confirm that we are fully satisfied as to our experience and ability to deliver the goods/services in all respects in accordance with the requirements of this invitation to tender.

2. We hereby tender and undertake to provide and complete all the services required to be performed in accordance with the terms and conditions of contract and the Specification for the amount set out in the Pricing Schedule.

3. We agree that any insertion by us of any conditions qualifying this tender or any unauthorised alteration to any of the terms and conditions of contract made by us may result in the rejection of this tender.

4. We agree that this tender shall remain open to be accepted by the Department for 8 weeks from the date below.

5. We understand that if we are a subsidiary (within the meaning of section 1159 of (and schedule 6 to) the Companies Act 2006) if requested by the Department we may be required to secure a Deed of Guarantee in favour of the Department from our holding company or ultimate holding company, as determined by the Department in their discretion.

6. We understand that the Department is not bound to accept the lowest or any tender it may receive.

7. We certify that this is a bona fide tender.

…………………………………………………………………………........

Signature (duly authorised on behalf of the tenderer)

…………………………………………………………………………………

Print name

………………………………………………………………………….

On behalf of (organisation name)

………………………………………………………………………….

Date

# Declaration 3: Conflict of Interest

I have nothing to declare with respect to any current or potential interest or conflict in relation to this research (or any potential providers who may be subcontracted to deliver this work, their advisers or other related parties). By conflict of interest, I mean, anything which could be reasonably perceived to affect the impartiality of this research, or to indicate a professional or personal interest in the outcomes from this research.

Signed …………………………………….

Name …………………………………….

Position …………………………………….

***OR***

I wish to declare the following with respect to personal or professional interests related to relevant organisations\*;

* X
* X

*Where a potential conflict of interest has been declared for an individual or organisation within a consortia, please clearly outline the role which this individual or organisation will play in the proposed project and how any conflict of interest has or will be mitigated.*

* X
* X

Signed …………………………………….

Name …………………………………….

Position …………………………………….

Please complete this form and return this with your ITT documentation - Nil returns **are** required.

**\*** These may include (but are not restricted to);

* A professional or personal interest in the outcome of this research
* For evaluation projects, a close working, governance, or commercial involvement in the project under evaluation
* Current or past employment with relevant organisations
* Payment (cash or other) received or likely to be received from relevant organisations for goods or services provided (Including consulting or advisory fees)
* Gifts or entertainment received from relevant organisations
* Shareholdings (excluding those within unit trusts, pension funds etc) in relevant organisations
* Close personal relationship or friendships with individuals employed by or otherwise closely associated with relevant organisations

***All of the above apply both to the individual signing this form and their close family / friends / partners etc.***

If your situation changes during the project in terms of interests or conflicts, you must notify DECC straight away.

A DECLARATION OF INTEREST WILL NOT NECESSARILY MEAN THE INDIVIDUAL OR ORGANISATION CANNOT WORK ON THE PROJECT; BUT IT IS VITAL THAT ANY INTEREST OR CONFLICT IS DECLARED SO IT CAN BE CONSIDERED OPENLY.

# Declaration 4: Questions for tenderers

In some circumstances the Department is required by law to exclude you from participating further in a procurement. If you cannot answer ‘no’ to every question in this section it is very unlikely that your application will be accepted, and you should contact us for advice before completing this form.

Please state ‘Yes’ or ‘No’ to each question.

|  |  |
| --- | --- |
| **Has your organisation or any directors or partner or any other person who has powers of representation, decision or control been convicted of any of the following offences?** | **Answer** |
| 1. conspiracy within the meaning of [section 1](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23section%251%25sect%251%25num%251977_45a%25&risb=21_T12077301839&bct=A&service=citation&A=0.2630909849289865) or 1A of the Criminal Law Act 1977 or article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983 where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA;
 |  |
| 1. corruption within the meaning of [section 1](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23section%251%25sect%251%25num%251889_69a%25&risb=21_T12077301839&bct=A&service=citation&A=0.774070316337072)(2) of the Public Bodies Corrupt Practices Act 1889 or [section 1](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23section%251%25sect%251%25num%251906_34a%25&risb=21_T12077301839&bct=A&service=citation&A=0.24433813672949012) of the Prevention of Corruption Act 1906; where the offence relates to active corruption;
 |  |
| 1. the offence of bribery, where the offence relates to active corruption;
 |  |
| 1. bribery within the meaning of section 1 or 6 of the Bribery Act 2010;
 |  |
| 1. fraud, where the offence relates to fraud affecting the European Communities’ financial interests as defined by Article 1 of the Convention on the protection of the financial interests of the European Communities, within the meaning of:
 |  |
| 1. the offence of cheating the Revenue;
 |  |
| 1. the offence of conspiracy to defraud;
 |  |
| 1. fraud or theft within the meaning of the [Theft Act 1968](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23num%251968_60a_Title%25&risb=21_T12077301839&bct=A&service=citation&A=0.35766330215827113), the Theft Act (Northern Ireland) 1969, the Theft Act 1978 or the Theft (Northern Ireland) Order 1978;
 |  |
| 1. fraudulent trading within the meaning of [section 458](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23section%25458%25sect%25458%25num%251985_6a%25&risb=21_T12077301839&bct=A&service=citation&A=0.5972529271560607) of the Companies Act 1985, article 451 of the Companies (Northern Ireland) Order 1986 or section 993 of the Companies Act 2006;
 |  |
| 1. fraudulent evasion within the meaning of section 170 of the [Customs and Excise Management Act 1979](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23num%251979_2a_Title%25&risb=21_T12077301839&bct=A&service=citation&A=0.22540552446837803)  [or section 72 of the Value Added Tax Act 1994](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23num%251994_23a_Title%25&risb=21_T12077301839&bct=A&service=citation&A=0.9838628229561671);
 |  |
| 1. an offence in connection with taxation in the European Union within the meaning of section 71 of the Criminal Justice Act 1993;
 |  |
| 1. destroying, defacing or concealing of documents or procuring the execution of a valuable security within the meaning of [section 20](http://www.lexisnexis.com:80/uk/legal/search/runRemoteLink.do?langcountry=GB&linkInfo=F%23GB%23UK_ACTS%23section%2520%25sect%2520%25num%251968_60a%25&risb=21_T12077301839&bct=A&service=citation&A=0.5036676212568264) of the Theft Act 1968 or section 19 of the Theft Act (Northern Ireland) 1969;
 |  |
| 1. fraud within the meaning of section 2, 3 or 4 of the Fraud Act 2006; or
 |  |
| 1. making, adapting, supplying or offering to supply articles for use in frauds within the meaning of section 7 of the Fraud Act 2006;
 |  |
| 1. money laundering within the meaning of section 340(11) of the Proceeds of Crime Act 2002;
 |  |
| 1. an offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B or 93C of the Criminal Justice Act 1988 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996; or
 |  |
| 1. an offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994; or
 |  |
| 1. any other offence within the meaning of Article 45(1) of Directive 2004/18/EC as defined by the national law of any relevant State.
 |  |

# Declaration 5: Code of Practice[[1]](#footnote-1)

I confirm that I am aware of the requirements of the DECC Code of Practice[[2]](#footnote-2) for Research and, in the proposed project, I will use my best efforts to ensure that the procedures used conform to those requirements under the following headings[[3]](#footnote-3):

Responsibilities

Competence

Project planning

Quality Control

Handling of samples and materials

Facilities and equipment

Documentation of procedures and methods

Research/work records

I understand that DECC has the right to inspect our procedures and practices against the requirements of the Code of Practice, and that I may be asked to provide documentary evidence of our working practices or provide access and assistance to auditors appointed by DECC.

(There is some flexibility in the application of the Code of Practice to specific research projects. Contractors are encouraged to discuss with DECC any aspects that cause them concern, in order to reach agreement on the interpretation of each requirement.)

**Annex A: Pricing Schedule**

**Part A – Staff/project team charges**

|  |  |
| --- | --- |
| Set up Costs – please specify  |  |
|  |
| Expenses  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **\*Grade/level of staff** | **Daily rate** **(ex VAT)** | **No. days offered over course of contract** | **Tasks to be undertaken on this project** | **Total price offered per staff member** |
|  | £ |  |  | £ |
|  | £ |  |  | £ |
|  | £ |  |  | £ |
|  | £ |  |  | £ |
|  | £ |  |  | £ |
| **Sub-total**  |  | **£** |

[\*Suppliers should also include sub-contractors]

**Part B – Non-staff/project team charges**

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **No. of items** | **Price per item** **(ex VAT)** | **Total price per offered** |
|  |  | £ | £ |
|  |  | £ | £ |
|  |  | £ | £ |
|  |  | £ | £ |
|  |  | £ | £ |
| **Sub-total**  | **£** |

**Part C – Full price offered**

|  |  |
| --- | --- |
| **Sub-total (Part A + Part B)** | **£** |
| **VAT** | **£** |
| **TOTAL (Sub-total + VAT)** | **£** |

**Annex B: Code of Practice for Research**

**CODE OF PRACTICE FOR RESEARCH**

***Issued by the Department of Energy of Climate Change***

DECC has developed this Code of Practice from the Joint Code of Practice issued by BBSRC; the Department for Environment, Food and Rural Affairs (Defra); the Food Standards Agency; and the Natural Environment Research Council (NERC) which lays out a framework for the proper conduct of research. It sets out the key aspects of the research process and the importance of making judgements on the appropriate precautions needed in every research activity.

The Code applies to all research funded by DECC. It is intended to apply to all types of research, but the overriding principle is fitness of purpose and that all research must be conducted diligently by competent researchers and therefore the individual provisions must be interpreted with that in mind.

***PRINCIPLES BEHIND THE CODE OF PRACTICE***

Contractors and consortia funded by DECC are expected to be committed to the quality of the research process in addition to quality of the evidence outputs

The Code of Practice has been created in order to assist contractors to conduct research of the highest quality and to encourage good conduct in research and help prevent misconduct,.

Set out over 8 responsibilities the code of practice provides general principles and standards for good practice in research.

Most contractors will already have in place many of the measures set out in the

Code and its adoption should not require great effort.

***COMPLIANCE WITH THE CODE OF PRACTICE***

All organisations contracting to DECC (including those sub-contracting as part of a consortium) will be expected to commit to upholding these responsibilities and will be expected to indicate acceptance of the Code when submitting proposals to the Department.

Contractors are encouraged to discuss with DECC any clauses in the Code that they consider inappropriate or unnecessary in the context of the proposed research project. The Code, and records of the discussions if held, will become part of the Terms and Conditions under which the research is funded.

Additionally, DECC may conduct (or request from the Contractor as appropriate) a formal risk assessment on the project to identify where additional controls may be needed.

***MONITORING OF COMPLIANCE WITH THE CODE OF PRACTICE***

Monitoring of compliance with the Code is necessary to ensure:

* Policies and managed processes exist to support compliance with the Code
* That these are being applied in practice.

In the short term, DECC can require contractors to conduct planned internal audits although DECC reserve the right to obtain evidence that a funded project is carried out to the required standard. DECC may also conduct an audit of a Contractor’s research system if deemed necessary.

In the longer term it is expected that most research organisations will assure the quality of their research processes by means of a formal system that is audited by an impartial and competent third party against an appropriate internationally recognised standard that is fit for purpose.

A recommended checklist for researchers can be found on the UK Research Integrity Office (UKRIO) website at http://www.ukrio.org/what-we-do/code-of-practice-for-research

***SPECIFIC REQUIREMENTS IN THE CODE OF PRACTICE***

***1. Responsibilities***

All organisations contracting to DECC (including those sub-contracting as part of a consortium will be responsible for the overall quality of research they conducted. Managers, group leaders and supervisors have a responsibility to ensure a climate of good practice in the research teams, including a commitment to the development of scientific and technical skills.

The Principal Investigator or Project Leader is responsible for all the work conducted in the project including that of any subcontractors. All staff and students must have defined responsibilities in relation to the project and be aware of these responsibilities.

***2. Competence***

All personnel associated with the project must be competent to perform the technical, scientific and support tasks required of them. Personnel undergoing training must be supervised at a level such that the quality of the results is not compromised by the inexperience of the researcher.

***3. Project planning***

An appropriate level of risk assessment must be conducted to demonstrate awareness of the key factors that will influence the success of the project and the ability to meet its objectives. There must be a written project plan showing that these factors (including research design, statistical methods and others) have been addressed. Projects must be ethical and project plans must be agreed in collaboration with DECC, taking account of the requirements of ethical committees[[4]](#footnote-4) or the terms of project licences, if relevant.

Significant amendments to the plan or milestones must be recorded and approved by DECC if applicable.

***4. Quality Control***

The organisation must have planned processes in place to assure the quality of the research undertaken by its staff Projects must be subjected to formal reviews of an appropriate frequency. Final and interim outputs must always be accompanied by a statement of what quality control has been undertaken.

The authorisation of outputs and publications shall be as agreed by DECC, and subject to senior approval in DECC, where appropriate. Errors identified after publication must be notified to DECC and agreed corrective action initiated.

***5. Handling of samples and materials***

All samples and other experimental materials must be labelled (clearly, accurately, uniquely and durably), and retained for a period to be agreed by DECC. The storage and handling of the samples, materials and data must be as specified in the project plan (or proposal), and must be appropriate to their nature. If the storage conditions are critical, they must be monitored and recorded.

***6. Documentation of procedures and methods***

All the procedures and methods used in a research project must be documented, at least in the personal records of the researcher. This includes analytical and statistical procedures and the generation of a clear audit trial linking secondary processed information to primary data.

There must be a procedure for validation of research methods as fit for purpose, and modifications must be trackable through each stage of development of the method.

***7. Research/work records***

All records must be of sufficient quality to present a complete picture of the work performed, enabling it to be repeated if necessary.

The project leader is accountable for the validity of the wok and responsible for ensuring that regular reviews of the records of each researcher are conducted[[5]](#footnote-5)

The location of all project records, including critical data, must be recorded. They must be retained in a form that ensures their integrity and security, and prevents unauthorised modification, for a period to be agreed by DECC

A recommended checklist for researchers can be found on the UK Research Integrity Office (UKRIO) website at http://www.ukrio.org/what-we-do/code-of-practice-for-research

1. Please note that this declaration applies to individuals, single organisations and consortia. [↑](#footnote-ref-1)
2. The Code of Practice is attached to this ITT as Annex B [↑](#footnote-ref-2)
3. Please delete as appropriate [↑](#footnote-ref-3)
4. Please note ethical approval does not remove the responsibility of the individual for ethical behaviour. [↑](#footnote-ref-4)
5. Please note that this also applies to projects being undertaken by consortia. [↑](#footnote-ref-5)