



Ministry  
of Defence

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Your Reference:

Our Reference: 701555429

Date: 29/06/2021

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Dear Sir/Madam,

Invitation To: Tender Reference Number: 701555429 - QEC Identification Friend or Foe (IFF) In Service Support

1. You are invited to tender for QEC Identification Friend or Foe (IFF) In Service Support in accordance with the attached documentation.
2. Due to the current Contract's imminent expiry there is no anticipated date for the contract award, but contract award is required as soon as possible.
3. You must submit your Tender no later than 23<sup>rd</sup> August 2021.
4. Please confirm receipt of this tender to Mr. Maxwell Pugh stated in the e-mail address max.pugh108@mod.gov.uk.

Yours faithfully

Max

# DEFFORM 47ST

## Contents

This invitation consists of the following documentation:

- DEFFORM 47ST – Invitation To Tender / Participate in an Innovative. The DEFFORM 47ST is the document that sets out the key requirements that you need to meet in submitting a valid Tender in advance of any negotiations. It also sets out the conditions relating to this procurement. For ease it is broken into:

- Section A – Introduction
  - DEFFORM 47 Definitions
  - Purpose
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  - Material Change of Control
  - Contract Conditions
  - Consultation with Credit Reference Agencies
- Section B – Key Tendering Activities
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- Section D – Details of Price Breakdown and Mandatory Criteria
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- Section F – Conditions of Tendering
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  - Publicity Announcement
  - Sensitive Information
  - Remedies for Actionable Contraventions under the Defence Reform Act
- DEFFORM 47ST Annex A – Tender Submission Document (Offer)

2014

▪ Appendix 1 to DEFFORM 47ST Annex A (Offer) – Information on Mandatory Declaration Returns

- DEFFORM 47 Annex B – Compliance Matrix
- Contract Terms and Conditions
- Contract Schedules
- Annex A – Statement of Work
- Annex B – Milestone Payment Plan
- Annex C – Tasking Authorisation Form
- Annex D – Task Record
- Annex E – Government Furnished Assets
- Annex F – DEFFORM 532

## **Section A - Introduction**

### **DEFFORM 47 Definitions**

A1. "The Authority" means the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (hereafter referred to as "the Authority"), acting as part of the Crown.

A2. "Defence Sourcing Portal" means the electronic platform in which Tenders are submitted to the Authority.

A3. "Tenderer" means the economic operator or group of operators in the form of a consortium, including sub-contractors, who have been invited to submit a response to this Invitation to Tender. Where "you" is used this means an action on you the Tenderer.

A4. "Invitation to Tender" (ITT) refers to the first document that the Authority sends out to potential Tenderers that initiates a tender response or negotiation.

A5. "Schedule of Requirements" Schedule 2 means that part of the contract which identifies, either directly or by reference, the Contractor Deliverables to be supplied or carried out, the quantities involved and the price or pricing terms in relation to each Contractor Deliverable.

A6. "Single Source" means a situation where the Authority has invited a response from only one Tenderer.

A7. A "Tender" is the offer that you are making to the Authority.

A8. "Contractor Deliverables" means the goods and / or the services, including packaging (and Certificate(s) of Conformity and supplied in accordance with any Quality Assurance (QA) requirements, if specified) and any associated technical data which the contractor is required to provide under any resultant contract in accordance with the Schedule of Requirements, but excluding incidentals outside the Schedule of Requirements such as progress reports.

A9. The "Statement of Requirement" Annex A details the technical requirements and acceptance criteria [Schedule 8 in SC2] of the Contractor Deliverables. The Statement of Requirement is attached Annex A to this DEFFORM 47ST. This may include the Systems Requirements Document (SRD).

A10. "Conditions of Tendering" means the conditions set out in the DEFFORM 47ST that govern the procurement.

A11. "Contract Conditions" means the attached conditions that will govern any resultant contract.

A12. A "Third Party" is anyone who is not an employee of the Authority or Tenderer, as defined at paragraph A3.

A13. "Voluntary Ex Ante Transparency Notice" means a mandatory notice used to announce a procurement decision that the Authority intends to place a non-competitive contract under the procurement procedures. This also appears in the Defence Sourcing Portal as a "Voluntary Transparency Notice". This allows industry to challenge the decision not to compete.

### **Purpose**

A14. This purpose of this ITT is to invite you to propose a solution / best price to meet the Authority's requirement. This documentation explains and sets out the:

- a. Tender process and timetable for the next stages of the procurement;
- b. instructions and conditions that govern this invitation;
- c. information you must include in your Tender and the required format;
- d. administrative arrangements for the receipt and review of your Tender; and
- e. Contract Conditions that shall apply in the event that the Authority awards a contract following this invitation.

A15. The sections in this ITT and associated documents are structured in line with a generic tendering process and do not indicate importance / precedence.

A16. This ITT is Published and advertised under the Defence and Security Public Contracts Regulations 2011. A Voluntary Ex Ante Transparency Notice (VEAT) was published in Find a Tender and / or a Voluntary Transparency Notice in the Defence Sourcing Portal

### **ITT Documentation and ITT Material**

A17. ITT Documentation means any information in any medium or form (for example drawings, handbooks, manuals, instructions, specifications and notes of pre-tender clarification meetings), issued to you or to which you have been granted access, by the Authority for the purposes of responding to this ITT. ITT Material means any other material (including patterns and samples), equipment or software issued to you or to which you have been granted access, by the Authority for the purposes of responding to this ITT. ITT Documentation, ITT Material and any Intellectual Property Rights (IPR) in them shall remain the property of the Authority or other Third Party owners and is released solely for the purposes of enabling you to submit a Tender. You must:

- a. take responsibility for the safe custody of the ITT Documentation and ITT Material and for all loss and damage sustained to it whilst in your care;
- b. not copy or disclose the ITT Documentation or any part of it to anyone other than the bid team involved in preparing your Tender, and not use it except for the purpose of responding to this ITT;
- c. seek written approval from the Authority if you need to provide access to any ITT Documentation or ITT Material to any Third Party;
- d. abide by any reasonable conditions imposed by the Authority in giving its approval under sub-paragraph A17.c, which at a minimum will require you to ensure any disclosure to a Third Party is made by you in confidence. Alternatively, due to IPR issues for example, the disclosure may be made, in confidence, directly by the Authority;
- e. accept that any further disclosure of ITT Documentation or ITT Material (or use beyond the original purpose), or further use of ITT Documentation or ITT Material, without the Authority's written approval may make you liable for a claim for breach of confidence and / or infringement of IPR, a remedy which may involve a claim for compensation;
- f. inform the named Commercial Officer immediately if you decide not to submit a Tender;
- g. immediately destroy all ITT Documentation, ITT Material and derived information of an unmarked nature, should you decide not to participate in responding to this ITT, or you are notified by the Authority that your Tender has been unsuccessful; and
- h. consult the named Commercial Officer to agree the appropriate destruction process if you are in receipt of ITT Documentation and ITT Material marked 'OFFICIAL SENSITIVE' or

‘SECRET’.

A18. Some or all of the ITT Documentation and ITT Material may be subject to one or more Confidentiality Agreements made between you and either the Authority or a Third Party, for example a Confidentiality Agreement established in the form of DEFFORM 94. The obligations contained in any such agreement will be in addition to, and not derogate from, your obligations under paragraph A16 above.

### **Material Change of Control**

A19. You must inform the Authority in writing if there is any material change in control, composition or membership of your organisation and / or consortium members, including any sub-contractors at any time during the procurement process. This may affect our decision to award a contract to you.

### **Contract Conditions**

A20. The Contract Conditions can be found attached to the ITN email.

### **Consultation with Credit Reference Agencies**

A21. The Authority may consult with credit reference agencies to assess your creditworthiness. This information may be used to support and influence decisions to enter into a contract with you.

## Section B - Key Tendering Activities

The key dates for this procurement are currently anticipated to be as follows:

Stage	Date and Time	Initiated By	Submit to:
Final date for Clarification Questions / Requests for additional information	16 <sup>th</sup> August	Tenderer	Rob Stevens
Final Date for Requests for Extension to return date	18 <sup>th</sup> August	Tenderer	Rob Stevens
The Authority issues Final Answers and Clarifications	18 <sup>th</sup> August	The Authority	Tenderer
Tender Return	23 <sup>rd</sup> August	Tenderer	Rob Stevens

## **Section C - Instructions on Preparing Tenders**

### **Tenders for Selected Contractor Deliverables**

C1. You must respond to the requirement for all the Contractor Deliverables listed in the attached Schedule of Requirements.

### **Construction of Tenders**

C2. Your Tender must be written in English, using Arial font size 11. Prices must be in GBP ex VAT. Prices must be Firm Price.

C3. To enable the Authority to complete its Value For Money (VFM) assessment, your price must be broken down. If the resultant contract is a Qualifying Defence Contract (QDC) under the Defence Reform Act (DRA) and Single Source Contract Regulations (SSCR) you must price your bid accordingly. Please set out your Tender response in accordance with Section D.

### **Validity**

C4. Your Tender must be valid / open for acceptance for 30 calendar days from the Tender return date.

### **Variant Bids**

C5. The decision to invite a Single Source response is based on the scope of the requirement. Where you submit a variant bid that is outside the scope of the requirement the Authority may be obliged to compete the requirement.

### **Qualifying Defence Contracts**

#### **Defence Reform Act 2014 – Part 2, Single Source Contracts**

C6. This ITT may result in a Qualifying Defence Contract (QDC) under the provisions of the [Defence Reform Act 2014 \(DRA\)](#). You should therefore understand the implications in the event that it does result in a QDC.

C7. The DRA enables secondary legislation, called Single Source Contract Regulations 2014 (SSCR), which applies:

- a. to new contracts with a value of £5M (ex VAT) or above;
- b. to amended contracts where the amended contract has a value of £5M (ex VAT) or above, and both parties agree that the amended contract should be a QDC.

C8. The DRA and SSCR set out the criteria for determining when a single source contract is a Qualifying Defence Contract (QDC). Any new single source contract which meets the criteria will be a QDC, unless exempt by the Secretary of State for Defence. Exemptions will only be granted in exceptional circumstances.

C9. The DRA and SSCR cover such matters as the pricing of QDCs, the information, openness and transparency that the parties must provide to each other, and the rights and obligations of both parties to a QDC once on contract.

C10. The DRA requires a primary contractor to be satisfied that the costs proposed for inclusion in the price of a QDC are Allowable Costs, in that they are appropriate, attributable to the contract and reasonable in the circumstances. The MOD is obliged to ensure that you meet the criteria and at any time you may be required to show that this is the case in relation to any particular cost. The Single Source Regulations Office (SSRO) has issued Statutory Guidance on Allowable Costs (SGAC) which can be found on their website and which the



parties to a QDC will be expected to adhere to, other than in exceptional circumstances. Either party to a QDC may subsequently make a referral to the SSRO for an adjustment of the contract price, if that party believes the price agreed was not in accordance with the requirements of the DRA / SSCR.

C11. The DRA requires that the contract Profit Rate agreed between the parties for QDCs must be agreed in accordance with the provisions of the DRA and SSCR.

C12. The DRA also sets out the criteria for determining when a contract is a Qualifying Sub-Contract (QSC) to which the DRA and SSCR will apply. Any single source sub-contract in excess of £25M, placed in support of a QDC or another QSC and which meets the criteria in the DRA and SSCR, is potentially a QSC. Responsibility for assessing whether a sub-contract is a QSC lies with the party placing the sub-contract. The Tenderer therefore has an obligation to determine whether any planned sub-contract is a QSC. The Tenderer must keep a record of any determinations and notify both the Secretary of State for Defence and the sub-contractor in writing when a sub-contract is determined to be a QSC.

The [MOD Commercial Toolkit](#) provides further information about the new single source legal framework.

## Section D - Details of Price Breakdown and Mandatory Criteria

1. When placing any contract the Authority is required to satisfy itself that the agreed price represents Value for Money (VFM). In single source contracting you must provide to the Authority sufficient information in support of your price proposal and during subsequent price negotiation, to enable the Authority to fulfil its obligation to assure VFM. The Authority approaches all contract pricing on the basis of the NAPNOC principle (No Acceptable Price, No Contract). We will not enter into any contract that is unacceptably priced. Details can be found on [MOD Commercial Toolkit](#).

### 2. Price breakdown requirements for a Qualifying Defence Contract

If the contract is expected to be a QDC - it will be your responsibility to decide the level of information you need to provide to the Authority in support of your price proposal and subsequent price negotiation, in order to satisfy the statutory obligations placed upon you by the [DRA](#) and the [SSCR](#), and in compliance with the [Statutory Guidance on Allowable Costs](#) published by the Single Source Regulations Office (SSRO). Although you will need to understand all the requirements of the DRA/SSCR your particular attention is drawn to the [DRA Section 20 \(Allowable Costs\)](#).

OR

### 2. Price breakdown requirements for a non-qualifying contract

If the contract expected to be a non-QDC. The contract is therefore not subject to the provisions of the DRA/SSCR 2014. It is your responsibility to decide the level of information you need to provide to the Authority in support of your price proposal and subsequent price negotiation, to enable the Authority to fulfil its obligation to assure VFM and sign the contract. The following table shows the Authority's suggestion of the minimum level of information you must provide:

<b>For a non-qualifying contract, as a minimum your Offer should detail the following:</b>	
<b>Hours / Days</b>	The number of hours / days it takes to complete the requirement.
<b>Hourly / Day Rates</b>	The rate used. Where available these should be agreed CAAS (Cost Assurance and Analysis Services) rates and Grades.
<b>Materials</b>	The cost of any raw materials. Please provide a copy of any quotes or invoices with your Tender.
<b>Significant Sub-contractor Costs, e.g. &gt;£50k</b>	The cost of bought in facilities, services and / or parts. Please provide a copy of the sub-contractor quotation / invoice with your Tender. You are encouraged to run a competition at sub-contractor level and advertise opportunities in the MOD Defence Contracts Bulletin, where appropriate.
<b>Other costs</b>	List any rates used to recover overhead costs not otherwise recovered through the activity-based hourly and daily rates stated above. These rates are usually recovered by the application of a percentage uplift to a base cost (e.g. Material Handling is often recovered as a percentage uplift applied to material costs). Where you have an agreed QMAC (Questionnaire on the Method and Allocation of Costs) you must quote

	the reference. Where you do not have an agreed QMAC please include a list of what is included in the overhead rate(s). Provide a sub-total that the overhead will apply to.
<b>Profit Rate</b>	State the Profit Rate you are proposing to apply to the contract costs.
<b>Risk / Opportunities</b>	State whether you have included any contingency for risks and the details on how this has been calculated. State any opportunities that you foresee, for example, exchange rate movement.
<b>T&amp;S</b>	When including Travel and Subsistence you must include details of the assumptions you have made about travel and the rates used. Claims for T&S should be in line with the Civil Service Code which states civil servants must ensure “public money and other resources are used efficiently” for example, travel should be the most economic option available.
<b>Assumptions</b>	State any assumptions made about your proposal, such as the process, when decisions will be made etc.
<b>Exclusions</b>	State any matters that are excluded which, if they subsequently occur, you would expect the MOD to share cost liability.

<b>Mandatory Criteria, applicable to QDCs and non-qualifying contracts</b>	
Full completion of the table in DEFFORM 47ST Annex A (Offer) (See section F, paragraph 19)	Pass / Fail
Minimum Technical Requirements met	Pass / Fail
Other Mandatory Criteria: N/A	Pass / Fail

Failure to meet the Mandatory Criteria will result in the Authority being unable to award a contract.

**Note** that for a non-qualifying contract (i.e. a contract that is **not** a QDC subject to DRA/SSCR) it is the Authority’s policy that a DEFFORM 815 - Contract Pricing Statement should be completed by you on or around contract signature. It is the Authority’s preference that you submit a draft DEFFORM 815 with your price proposal. Instructions on completion of the DEFFORM 815 are available on the commercial toolkit.

## **Section E - Instructions on Submitting Tenders**

### **Submission of your Tender**

E1. Your Tender and any other ITT Documentation must be submitted electronically via the Defence Sourcing Portal as stated in the covering letter to this DEFFORM 47ST. The electronic copy of the Tender must be compatible with MS Office Word and other MS Office applications. If you password protect or encrypt any information containing prices you must supply the password / use compatible encryption methods so that the Authority can undertake a pricing evaluation.

E2. Your Tender must be compatible with MS Office Word and other MS Office applications. If you password protect or encrypt any information containing prices, you must supply the password / use compatible encryption methods so that the Authority can undertake a pricing evaluation.

E3. The DSP is accredited to OFFICIAL SENSITIVE. Material that is protectively marked above this classification must not be uploaded to the DSP. Please contact Robert.Stevens121@mod.gov.uk if you have a requirement to submit documents above OFFICIAL SENSITIVE

E4. You must not upload any ITAR or Export Controlled information as part of your Tender or ITT documentation into the DSP. You must contact robert.stevens121@mod.gov.uk to discuss any exchange of ITAR or Export Controlled information. You must ensure that you have the relevant permissions to transfer information to the Authority.

E5. You must ensure that your DEFFORM 47ST Annex A (Offer) is signed, scanned and uploaded to the DSP with your Tender as a PDF (it must be a scanned original). Where you select 'Yes' to any questions you must upload the relevant information to the DSP.

## **Section F - Conditions of Tendering**

- F1. The issue of ITT Documentation or ITT Material is not a commitment by the Authority to place a contract as a result of this ITT or at a later stage. Any expenditure, work or effort undertaken by you prior to an offer and subsequent acceptance of contract, is a matter solely for your commercial judgement. In addition to its legal rights in relation to qualifying contracts, under the Defence Reform Act 2014 the Authority reserves the right to:
- a. seek clarification or additional documents in respect of your submission;
  - b. visit your site;
  - c. not enter into a contract if you are found guilty of serious misrepresentation in relation to your Tender or the Tender process;
  - d. re-assess your suitability. For example, where there is a material change of control from supplier selection;
  - e. reject / negotiate your Tender or part of your Tender;
  - f. withdraw this ITT at any time, or invite other Tenders on the same or any alternative basis;
  - g. choose not to award any contract as a result of the current procurement process;
  - h. award a contract for some of the Contractor Deliverables, unless you specifically oppose this in your Tender or state any minimum order quantities.
- F2. The contract will be entered into when the Authority sends written notification of its entry into the contract, either accepting your offer via DEFFORM 159 or by issuing an offer via DEFFORM 8 and you accept via a DEFFORM 10. Written notification will be issued, to the address you provide, on or before the end of the validity period specified in paragraph C4.

### **Conforming to the Law**

- F3. You must comply with the UK Bribery Act 2010, applicable UK legislation and any equivalent legislation in a third state.
- F4. Your attention is drawn to legislation relating to canvassing of a public official, collusive behaviour and bribery. If you act in breach of this legislation your Tender may be disqualified from this procurement. Disqualification will be without prejudice to any civil remedy available to the Authority or any criminal liability that your conduct may attract.

### **Fraud and Other Illegal Practices**

- F5. You must report any, fraud, bribery, corruption, or any other dishonest irregularity in connection to this tendering exercise to:

Defence Regulatory Reporting Cell Hotline

0800 161 3665 (UK) or

+44 1371 85 4881 (Overseas)

### **Conflicts of Interest**

- F6. You must notify the Authority immediately of any new Conflicts of Interest (COI) that have arisen or that arise at any point prior to the contract award decision.

F7. Where there is an existing or potential Conflict of Interest (COI) you must include a proposed Compliance Regime in your Tender. As a minimum this must include:

- a. manner of operation and management;
- b. roles and responsibilities;
- c. standards for integrity and fair dealing;
- d. levels of access to and protection of competitors sensitive information and Government Furnished Information;
- e. confidentiality / non-disclosure agreements (e.g. DEFFORM 702);
- f. the Authority's rights of audit; and
- g. physical and managerial separation.

Should your Tender be accepted your proposed Compliance Regime will become part of the Contract Conditions and shall be legally binding.

### **Government Furnished Assets**

F8. Where the Authority provides Government Furnished Assets (GFA) in support of this procurement, you must include details of the GFA in your Public Store Account and treat it in accordance with Def Stan 05-099. If the Authority decides not to proceed with this procurement, you must seek instructions for the GFA from the named Commercial Officer.

### **Publicity Announcement**

- F9. The Authority will publish notification of the contract and shall publish contract documents under the FOI Act except where publishing such information would hinder law enforcement; would otherwise be contrary to the public interest; would prejudice the legitimate commercial interest of any person, or might prejudice fair competition in the supply chain. You should complete and return DEFFORM 539A as explained in the DEFFORM 47ST Annex A and associated Appendix 1.
- F10. If you wish to make a similar announcement you must seek approval from the named Commercial Officer.
- F11. Under no circumstances should you confirm to any Third Party the Authority's acceptance of an offer of contract prior to either informing the Authority of your acceptance or the Authority's announcement of the award of contract, whichever occurs first.

### **Sensitive Information**

- F12. All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-governmental role delivering overall Government policy on public procurement, including ensuring value for money and related aspects of good procurement practice and answering Freedom of Information requests.
- F13. For these purposes, the Authority may share within Government any of your documentation / information (including any that you consider to be confidential and / or commercially sensitive such as specific bid information) submitted by you to the Authority during this procurement. The information will not be disclosed outside Government. You must identify any sensitive material in the DEFFORM 539A (or SC1B Schedule 4 or SC2 Schedule 5) and consent to these terms as part of the tendering

process. This allows the MOD to share information with other Government Departments while complying with our obligations to maintain confidentiality.

- F14. The Authority reserves the right to disclose on a confidential basis any information it receives from you during the procurement process (including information identified by you as Commercially Sensitive Information in accordance with the provisions of this ITT/ITN) to any third party engaged by the Authority for the specific purpose of evaluating or assisting the Authority in the evaluation of your Tender. In providing such information the you consent to such disclosure.

#### **Remedies for Actionable Contraventions under the Defence Reform Act 2014**

- F15. If you have a Qualifying Defence Contract under the DRA 2014 you should be aware that if you fail to comply with certain aspects of the legislation then the Authority may issue a Compliance Notice to you. If you continue to fail to comply, the Authority may serve you with a Civil Penalty, as provided in the Single Source Contract Regulations 2015. If you believe either a Compliance Notice or a Civil Penalty is unjustified, you may appeal the matter to the independent Single Source Regulations Office.

#### **Reportable Requirements**

- F16. Listed in the DEFFORM 47ST Annex A (Offer) are the Mandatory Declarations. It is a Condition of Tendering that you complete and attach the returns listed in the Annex and, where you select "Yes", you attach the relevant information with your tender submission.
- F17. Failure to complete this part of the Annex in full makes your Tender non-compliant. Additional information provided in response to Appendix 1 may be used to support the Authority's evaluation of your tender, as detailed in Section D.
- F18. If you are an overseas Contractor and your Tender is successful you will be required to provide the name and address of your bank and the relevant bank account number on contract award.

#### **Specific Conditions of Tendering**

In addition to the Notices and Instructions specified elsewhere in the Invitation to Negotiate (ITN) the following shall also apply:

#### **Communications**

- F19. The Tenderer shall appoint one person who shall be responsible for all communications with the Authority and to whom the Authority may address any enquiries. Pursuant to paragraph 2 below, the Tenderer shall make all enquiries in writing to the Authority's Commercial Officer at the address shown below:

Robert Stevens  
SSCSG Commercial Manager  
Birch 1a #3131  
MOD Abbey Wood South  
Bristol  
BS34 8JH  
E-Mail: Robert.Stevens121@mod.gov.uk

#### **Tenderer Clarification Questions**

- F20. Any matter relating to this ITN on which the Tenderer requires clarification shall be raised in the form of a Tenderer's Clarification Question (TCQ). All questions shall be submitted via email to the Authority's Commercial Officer detailed above, no later than 5 (five) working days before the due date for return of the ITN. The Authority cannot guarantee a response will be provided to any TCQs submitted after this date.
- F21. The Authority undertakes to reply to Tenderer's questions within 5 (five) working days of receipt. In the event a reply cannot be provided within 5 (five) working days, the Authority will inform the Tenderer of the likely timescale for a response and the reason for the delay.

### **Government Security Classifications Policy**

- F22. This Tender and any subsequent contract that may be awarded to you as a result, is subject to protection under the Government Security Classifications (GSC) Policy. You are therefore encouraged to make yourself aware of the classifications through the Gov.uk GSC website.
- F23. The Authority hereby reserves the right to amend any security related term or condition of the draft contract accompanying this ITN to reflect any changes introduced by national law or government policy. Where this ITN is accompanied by any instructions on safeguarding classified information (e.g. a security aspects letter), the Authority reserves the right to amend the terms of these instructions as a result of any changes in national law or government policy whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies, or otherwise. This may relate to the instructions on safeguarding classified information as they apply to the tender process and / or any contract awarded to you as a result of this tender process.
- F24. The classification of this ITN is Official-Sensitive.

### **Sustainable Development**

- F25. The Authority is very committed to achieving sustainable development goals through educating the supply chain, developing performance measures and sharing best practice. This is not a condition to working with the Authority now or in the future, nor part of the Contract. It is however a commitment on our part to encourage and support sustainable development and we are committed to working with you to this end. The Authority very much hopes that you share this commitment and we will discuss sustainable development further with the successful Tenderer during the performance of any resultant contract.

### **Third Party IPR - Confidentiality and Technical Assistance**

- F26. All Third Party IPR shall be included by the Tenderer as part of their return.

### **Cyber Security**

- F27. The Authority has assessed the level of Cyber risk associated with this project as Low in accordance with DEFSTAN 05-138.



- F28. Tenderers are required to complete a Supplier Assurance Questionnaire on the [Supplier Cyber Protection Service](#) to demonstrate your compliance with the required cyber risk level. You can find further information on the SAQ by searching for [DCPP on GOV.UK](#).
- F29. The Risk Assessment Reference (RAR) for this requirement is RAR-T5RA4NZZ.
- F30. Where a Tenderer intends to sub-contract any part of the contract, Tenderers must complete a Risk Assessment to assess the cyber risk level of that subcontract. All potential sub-contractors must complete a SAQ and ensure they have the necessary security controls in place before the sub-contract is awarded.
- F31. Tenderers that cannot meet the level of cyber security controls required by the contract start date shall not automatically be declared non-compliant. Where a Tenderer cannot meet the level of Cyber Controls by the contract start date the Tenderer shall submit a Cyber Implementation Plan (CIP) as part of their tender submission detailing the steps they would take to meet the necessary controls, together with associated timescales, details of any equivalent standards they have, or reasons why they are unable to comply with the requirements of DEFCON 658 (Cyber).

## **Prices**

- F32. All Contract Prices quoted in the Contract and Price Breakdown shall be FIRM (i.e. non-revisable) prices.
- F33. The prices shall include all royalties, commercial agreements; licence fees and taxes with the exception of Value Added Tax. Sums payable in respect of royalties and licence fees shall be separately identified with full particulars supplied about them, including details of periods covered by licences etc. If no such sums are payable the Tenderer shall provide the Authority with a statement to that effect.
- F34. The Contract Price quoted in the Contract shall also include Travel and Subsistence estimated to undertake the work detailed in the Statement of Work.
- F35. A full breakdown of the Contract price should be provided as part of the Tender return. The price breakdown should include: Hourly Rates, Number of Hours, Travel expenses, Subsistence expenses including food and accommodation and any other costs accrued including sub-contractor costs.

## **Tender Composition**

- F36. The tenderer is to provide the following documents in response to the Invitation to Negotiate to be considered compliant:
- a. Volume 1 – Commercial Proposal (Priced) detailed below (1 Soft Copy):
    - i. Technical Proposal – a proposal of the offered technical solution in response to the ITN and SOW at Annex A.
    - ii. An original completed and dated DEFFORM 47 Annex A (Offer).

- iii. Completed self-assessment against the Commercial and Technical Evaluation Matrices (which can be found at Annex B to the DEFFORM 47) demonstrating the Tenderer's compliance with the Contract Terms and Conditions and Statement of Work (Annex A to the Contract). A Compliancy Status against each Criteria using one of the following:
  - 1. 'Fully Compliant' – the Tenderer considers that its proposed Technical Solution is fully compliant with the Criteria, providing robust explanation within the Tender documentation. The Tenderer must provide a cross-reference to the Tender where the appropriate compliancy evidence can be found.
  - 2. 'Non-Compliant' – the Tenderer considers that its proposed Technical Solution does not provide the required level of performance required by the Criteria, providing explanation within the Tender documentation. The Tenderer must provide a cross-reference to the Tender where the appropriate explanation and mitigation can be found.
- iv. Completed documentation requested under the mandatory declarations as stated at Appendix 1 to Annex A to the DEFFORM 47.
- v. A full price breakdown, including but not limited to labour, materials, profit, travel and subsistence, and justification for any significant changes in price from the previous Contract SHIPACQ208. This price should be put against line item 1 of Schedule 2 (Schedule of Requirements).
- vi. A proposal and full price breakdown for Option 1, the price should be put against line item 3 of Schedule 2 (Schedule of Requirements).
- vii. A proposal and full price breakdown for Option 2, the price should be put against line item 4 of Schedule 2 (Schedule of Requirements).
- viii. A full price breakdown for Option 3, the price should be put against line item 5 of Schedule 2 (Schedule of Requirements).
- ix. A completed Schedule 5 (Contractor's Commercial Sensitive Information).
- x. A completed Schedule 6 (Hazardous Contractor Deliverables, Materials or Substances Supplied).
- xi. A completed Annex B to the Contract (Milestone Payment Plan), detailing the dates and payments required for line items 1, 3 and 4 of Schedule 2 (Schedule of Requirements).
- xii. A completed Annex F to the Contract (DEFFORM 532), completing the details of the Data Processor for the Contractor for this Contract.

- F37. Tenderers are to provide concise explanations, evidence and justifications of the different elements in their Tender. The Tender must not include promotional text, pictures and diagrams that do not add value to the Authority's understanding of the Tender.
- F38. Tenderers are responsible for ensuring that transit arrangements for classified material are adequate and in accordance with relevant Authority security requirements.

### **Tender Delivery**

- F39. The Tender response should be submitted by email to the Authority's Commercial Officer.

### **Government Furnished Assets (GFA)**

- F40. Any GFA required to perform the Contract must be detailed within the Tender response. Whilst the Authority will endeavour to provide requested GFA, the Authority is under no obligation to do so. Tenderers should not assume that any GFA will be provided.
- F41. GFA will include Government Furnished Equipment, Information, Facilities and Resources.

### **Negotiations**

- F42. The Authority reserves the right to enter into negotiations following receipt of the Tender. These negotiations will take place at the Authority's premises.

### **Authority Clarification Questions**

- F43. Following receipt of Tenders it may be necessary for the Authority to seek clarification from the Tenderers in respect of their Tenders. This will be done through the Authority's Commercial Officer nominated at paragraph 1 above.

### **Disclaimer**

- F44. Nothing in this ITN is to be construed as implying a commitment by the Authority to place any Contract now or in the future, with any Tenderer in respect of the requirement under consideration, and no liability will be accepted by the Authority for costs incurred by the Tenderer in preparation or in anticipation of the placing of a Contract.

**DEFFORM 47ST Annex A - Edn 11/20****Ministry of Defence****Tender Ref No. 701555429****Tender Submission Document (Offer)****To the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (hereafter called “the Authority”)**

The undersigned Tenderer, having read the ITT Documentation, offers to supply the Contractor Deliverables at the stated price(s), in accordance with any referenced drawings and / or specifications, subject to the Conditions of Tendering. It is agreed that only the Contract Conditions or any amendments issued by the Authority will apply.

<b>Applicable Law</b>				
I agree that any contract resulting from this procurement shall be subject to English Law				Yes / No*
*Where 'no' is selected, Scots Law will apply.				
<b>Value of Tender (excluding VAT)</b>				
£.....				
WORDS.....				
<b>UK Value Added Tax</b>				
If registered for Value Added Tax purposes, please insert:				
a. Registration No .....				
b. Total amount of Value Added Tax payable on this Tender (at current rate(s)) £.....				
<b>Location of work (town / city) where the contract will be performed by Prime:</b>				
Where items which are subject of your Tender are not supplied or provided by you, state location in town / city to be performed column (continue on another page if required)				
Tier 1 Sub-contractor Company Name	Town / city to be performed	Contractor Deliverables	Estimated Value	S M E  Yes / No

<b>Mandatory Declarations (further details are contained in Appendix 1 to DEFFORM 47ST ST Annex A (Offer)):</b>	<b>Tenderer's Declaration</b>
Is the offer subject to the Authority contracting for all the Contractor Deliverables?	Yes* / No
Have you completed and attached a Contract Pricing Statement?	Yes / No
Is the offer made subject to a Minimum Order Quantity?	Yes* / No
Are the Contractor Deliverables subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding?	Yes* / No
Are the Contractor Deliverables subject to Foreign Export Control and Security Restrictions? If the answer is yes, please complete and attach DEFFORM 528.	Yes* / No
Have you obtained prior foreign export approval necessary to secure IP user rights for the Authority in Contract Deliverables, including technical data, as determined in the Contract Conditions?	Yes* / No
Have you provided details of how you will comply with all regulations relating to the operation of the collection of custom import duties, including the proposed Customs procedures to be used and estimates of duties to be incurred or suspended?	Yes / No
Have you completed Form 1686 for sub-contracts?	Yes / No
Are you a Small Medium Sized Enterprise (SME)?	Yes / No
Have you and your sub-contractors registered with the Prompt Payment Code with regards to SMEs?	Yes / No
Have you completed and attached DEFFORM 539A (Tenderer's Commercially Sensitive Information Form)?	Yes / No
If you have not previously submitted a Statement Relating to Good Standing, or circumstances have changed, have you attached a revised version?	Yes / No / N/A
Do the Contractor Deliverables contain Asbestos, as defined by the control of Asbestos Regulations 2012?	Yes* / No
Have you completed and attached a DEFFORM 68 - Hazardous Articles, Deliverables materials or substances statement?	Yes* / No
Do the Contractor Deliverables (including Packaging) use Substances that deplete the Ozone Layer, as defined in Regulation (EC) 1005/2009 as it applies in Great Britain as retained EU Law, and as it applies in Northern Ireland directly..	Yes* / No
Have you attached The Bank / Parent Company Guarantee?	Yes* / No / Not Required
Have you complied with the requirements of the Military Aviation Authority Regulatory Articles?	Yes / No / Not Required
Have you completed the Project Specific Declarations?	Yes / No / Not Required
*If selecting Yes to any of the above questions, please attach the information detailed in Appendix 1.	
<b>Tenderer's Declaration</b>	

We understand that any misrepresentations may also be the subject of criminal investigation or used as the basis for civil action.

**Dated this .....** day of  
.....**Year** .....

**Signature:**

**In the capacity of**

.....  
.....  
(Must be original) (State official position e.g.  
Director, Manager, Secretary etc.)

**Name:** (in BLOCK CAPITALS)

**duly authorised to sign this Tender for and on  
behalf of:**

(Tenderer's Name)

**Postal Address:**

**Telephone No:**

**Registered Company Number:**

**Dunn and Bradstreet Number:**

## **Appendix 1 to Annex A (Offer)**

**Edn11/20**

### **Information on Mandatory Declaration Returns**

#### **Part Tender**

1. Under Conditions of Tendering F1, the Authority reserves the right to order some or part of your Tender. If your offer is subject to the Authority contracting for all the Contractor Deliverables, select 'Yes' and provide further details in your Tender.

#### **Minimum Order Quantities**

2. Where your offer is subject to minimum order quantities, select 'Yes' and provide further details in your Tender.

#### **IPR Restrictions**

3. Where the Contractor Deliverables are subject to IPR that has been exclusively or part funded by private venture, foreign investment or otherwise than by Authority funding you must select 'Yes' in Annex A (Are the Contractor Deliverables subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding).
4. If you have answered 'Yes' in Annex A (Offer) as directed by paragraph 3 above, you must provide details in your Tender of any Contractor Deliverable which will be, or is likely to be, subject to any IPR restrictions or any other restriction on the Authority's ability to use or disclose the Contractor Deliverable, including export restrictions. In particular you must identify:
  - a. any restriction on the provision of information to the Authority; any restriction on disclosure or the use of information by the Authority; any obligations to make payments in respect of IPR, and any Patent or Registered Design (or application for either) or other IPR (including unregistered Design Right) owned or controlled by you or a Third Party;
  - b. any allegation made against you, whether by claim or otherwise, of an infringement of an Intellectual Property Right (whether a Patent, Registered Design, unregistered Design Right, Copyright or otherwise) or of a breach of confidence, which relates to the performance of any resultant contract or subsequent use by or for the Authority of any Contractor Deliverables;
  - c. the nature of any allegation referred to under sub-paragraph 4.b., including any obligation to make payments in respect of the intellectual property right any confidential information and / or;
  - d. any action you need to take or the Authority is required to take to deal with the consequences of any allegation referred to under sub-paragraph 4.b.
5. You must, when requested, give the Authority details of every restriction and obligation referred to in paragraph 4. The Authority will not acknowledge any such restriction unless so notified under paragraph 4 or as otherwise agreed under any resultant Contract. You must also provide, on request, any information required for authorisation to be given under Section 2 of the Defence Contracts Act 1958.
6. If you have previously provided information under paragraphs 4 and 5 you can provide details of the previous notification, updated as necessary to confirm their validity.

#### **Notification of Foreign Export Control Restrictions**

7. If, in the performance of the Contract, you need to import into the UK or export out of the UK anything not supplied by or on behalf of the Authority and for which a UK import or export licence is required, you will be responsible for applying for the licence. The Authority will provide you with all reasonable assistance in obtaining any necessary UK import or export licence.

8. In respect of any Contractor Deliverables, likely to be required for the performance of any resultant

contract, you must provide the following information in your Tender:

- a. Whether all or part of any Contractor Deliverables are or will be subject to:
  - (1) a non-UK export licence, authorisation or exemption; or
  - (2) any other related transfer control that restricts or will restrict end use, end user, re-transfer or disclosure.

You must complete DEFFORM 528 (or other mutually agreed alternative format) in respect of any Contractor Deliverables identified at paragraph 8 and return it as part of your Tender. If you have previously provided this information you can provide details of the previous notification and confirm the validity.

- 9. You must use reasonable endeavours to obtain sufficient information from your potential supply chain to enable a full response to paragraph 8. If you are unable to obtain adequate information, you must state this in your Tender. If you become aware at any time during the procurement that all or part of any proposed Contractor Deliverable is likely to become subject to a non-UK Government Control through a Government-to-Government sale only, you must inform the Authority immediately by updating your previously submitted DEFFORM 528 or completing a new DEFFORM 528.
- 10. This does not include any Intellectual Property specific restrictions mentioned in paragraph 4.
- 11. You must notify the named Commercial Officer immediately if you are unable for whatever reason to abide by any restriction of the type referred to in paragraph 8.
- 12. Should you propose the supply of Contractor Deliverables of US origin the export of which from the USA is subject to control under the US International Traffic in Arms Regulations (ITAR), you must include details on the DEFFORM 528. This will allow the Authority to make a decision whether the export can or cannot be made under the US-UK Defense Trade Co-operation Treaty. The Authority shall then convey its decision to you. If the Authority decides that use of the Treaty for the export is permissible, it is your responsibility to make a final decision whether you want to use that route for the export concerned if you are awarded the contract.

### **Import Duty**

- 13. United Kingdom (UK) legislation permits the use of various procedures to suspend customs duties.
- 14. For the purpose of this procurement, for any deliverables not yet imported into the UK, you are required to provide details of your plans to address customs compliance, including the Customs procedures to be applied (together with the procedure code) and the estimated Import Duty to be incurred and / or suspended.
- 15. You should note that it is your responsibility to ensure compliance with all regulations relating to the operation of the accounting for import duties. This includes but is not limited to obtaining the appropriate Her Majesty's Revenue & Customs (HMRC) authorisations.

### **Sub-contracts Form 1686**

- 16. [Form 1686](#) (also known as Appendix 5) is to be used in all circumstances where contractors wish to place a sub-contract with a contractor where the release of OFFICIAL-SENSITIVE information is involved. The process will require submission of the single page document either directly to the MOD Project Team or, where specified, to the DE&S Security Advice Centre. You can find further information in the [Security Policy Framework – Contractual Process](#).

### **Small and Medium Enterprises**

- 17. The Authority is committed to supporting the Government's small and medium-sized enterprise (SME) policy, and we want to encourage wider SME participation throughout our supply chain. Our goal is that 25% of Authority spending should be spent with SMEs by 2022; this applies to the money which the Authority spends directly with SMEs, and through the supply chain. The Authority uses the European Commission definition of SME.



18. A key aspect of the Government's SME Policy is ensuring that its suppliers throughout the supply chain are paid promptly. All suppliers to the Authority and their sub-contractors are encouraged to make their own commitment and register with the [Prompt Payment Code](#).
19. Suppliers are also encouraged to work with the Authority to support the Authority's SME initiative. Information on the Authority's purchasing arrangements, our commercial policy priorities and our SME policy can be found at [Gov.UK](#).
20. The opportunity also exists for Tenderers to advertise any sub-contract valued at over £10,000 on the Defence Sourcing Portal and further details can be obtained directly from:

<https://www.gov.uk/guidance/subcontract-advertising>. This process is managed by the Strategic Supplier Management team who can be contacted at: [DefComrcISSM-Suppliers@mod.gov.uk](mailto:DefComrcISSM-Suppliers@mod.gov.uk).

## **Transparency, Freedom of Information and Environmental Information Regulations**

21. You should be aware that the contents of any resultant Contract may be published in line with government policy set out in the Prime Minister's letter of May 2010 ([Government Transparency and Accountability](#)) and the information contained within SC2 Conditions of Contract Clause.
22. Before publishing the Contract, the Authority will redact any information which is exempt from disclosure under the Freedom of Information Act 2000 ("the FOIA") or the Environmental Information Regulations 2002 ("the EIR").
23. You should complete the attached Tenderer's Commercially Sensitive Information Form (DEFFORM 539A or SC1B Schedule 4 or SC2 Schedule 5) explaining which parts of your Tender you consider to be commercially sensitive. This includes providing a named individual who can be contacted with regard to FOIA and EIR.
24. You should note that, while your views will be taken into consideration, the ultimate decision whether to publish or disclose information lies with the Authority. You are advised to provide as much detail as possible on the form. It is highly unlikely that a Tender will be exempt from disclosure in its entirety. Should the Authority decide to publish or disclose information against your wishes, you will be given prior notification.

## **Electronic Purchasing**

25. You must note that use of the [Contracting, Purchasing and Finance \(CP&F\)](#) electronic procurement tool is a mandatory requirement for any resultant contract awarded following this Tender. By submitting this Tender you agree to electronic payment. Please feel free to consult the service provider on connectivity options. Failure to accept electronic payment will result in your Tender being non-compliant.

## **Change of Circumstances**

26. If you have not previously submitted a Statement Relating to Good Standing or circumstances have changed please, select 'Yes' and submit a Statement Relating to Good Standing with your Tender.

## **Asbestos, Hazardous Items and Depletion of the Ozone Layer**

27. The Authority is required to report any items that use asbestos, that are hazardous or where there is an impact on the Ozone. Where any Contractor Deliverables fall into one of these categories select 'Yes' and provide further details in your Tender.

## **Military Aviation Authority (MAA)**

28. In July 2011 the Military Aviation Authority (MAA) launched a new set of Regulatory Publications. Key to these is the Regulatory Articles (RA), which prescribe Acceptable Means of Compliance (AMC) for each separate Regulation. Where there is a MAA requirement and

you wish to propose an alternative means of compliance you must obtain agreement in principle from the MAA (through the Project team) in advance of submitting your Tender. AMC are strongly recommended practices and a justification will be required if they are not followed. You must consult the MAA where there is more than one AMC. You must confirm how you intend to comply with the RA, and the date you consulted with the MAA.

### **Bank or Parent Company Guarantee**

29. A parent Company or bank Guarantee may be required in the form of DEFFORM 24 / 24A as appropriate. No contract will be awarded until a suitable Parent Company or Bank Guarantee, is in place.

### **The Armed Forces Covenant**

30. The Armed Forces Covenant is a promise from the nation to those who serve, or who have served, and their families, to ensure that they are treated fairly and are not disadvantaged in their day to day lives as a result of their service.

31. The Covenant is based on two principles:

- a. the Armed Forces community would not face disadvantages when compared to other citizens in the provision of public and commercial services; and
- b. special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

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

32. [The Armed Forces Covenant](#) provides guidance on the various ways you can demonstrate your support through your Covenant pledges and how by engaging with the Covenant and Armed Forces such as employing Reservists, a company or organization can also see real benefits in their business.

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

Email address: [employerrelations@rfca.mod.uk](mailto:employerrelations@rfca.mod.uk)

Address: Defence Relationship Management

Ministry of Defence

Holderness House

51-61 Clifton Street

London, EC2A 4EY

34. Paragraphs 30 – 33 above are not a condition of working with the Authority now or in the future, nor will this issue form any part of the tender review, contract award procedure or any resulting contract. However, the Authority very much hopes you will want to provide your support.