

Outsourced Finance Support Service

**PART B: Invitation to Tender (ITT) – Evaluation Document**

**April 2019**

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1. Introduction 
   1. Introduction to this Document
      1. This document is the **Invitation to** **Tender (ITT) Part B** – Evaluation Document. It provides Bidders with the methodology and evaluation criteria that will be used to evaluate compliant Tender Responses for Outsourced Finance Support Services.
      2. This document should be read alongside the **Invitation to Tender** **Part A** – Information Document (**"Information Document"**), **Part C** - Contract: Terms (**"Contract"**) and **Part D** – Pricing (**"Pricing Document"**).
      3. Unless the context otherwise requires, words, expressions and abbreviations that have been capitalised shall have the meanings prescribed in clause 1 (Definitions) of the Contract and or Annex 1 Interpretation of Terms of Part A of this ITT.
2. Purpose of the Evaluation Framework
   1. Overview
      1. Following submission of Tender Responses there will be two evaluation stages: (i) compliance checks and (ii) individual evaluation stage.
      2. At each stage, Bidders’ Tender Responses will be evaluated in accordance with the evaluation methodology and criteria set out in this document.
      3. The stages of the ITT process are detailed in Part A: Information Document.
   2. Basis of the Evaluation
      1. This Evaluation Framework provides Bidders with the evaluation methodology and criteria that will be applied to compliant Tender Responses at each stage of the evaluation process.
      2. Tender Responses will be evaluated in order to determine which Bidder provides the Most Economically Advantageous Tender to the Authority when assessed against the Evaluation Criteria detailed within Table 1 of paragraph 3.
      3. The Authority will only evaluate the information contained in the Bidder’s Tender Response and will not take account of any information provided that is not recorded in the Tender Response.
      4. Where any Tender Response submitted by a Bidder to technical questions exceeds the word limits stated in Table 2, the Authority will disregard those parts of Bidder’s responses which exceed the word limit.
   3. Evaluation Process
      1. Figure 2 below shows the evaluation process that will be applied to evaluate Tender Responses.
      2. Tender Responses will be evaluated based on **Technical (weighted at 70%)** and **Price (weighted at 30%)**.



* + 1. **Step 1** - Compliant Tender Submission

1. Bidders are to submit a compliant Tender Response by the Tender Response deadline stated in the ITT (Part A) and in accordance with the instructions and response requirements contained in this ITT (Part B).
2. **The Authority reserves the right not to evaluate any response where**:
   1. the Tender Response fails the compliance check as set out in paragraph 2.3.4; or
   2. the Tender Response scores 0 for any criteria or sub-criteria.
3. Where a Tender Response is deemed to fall within the criteria listed in (b) above, the Authority reserves the right to exclude a Bidder automatically with no further obligation to evaluate the Tender Response.
4. The Authority reserves the right to disqualify any Bidder that provides information in a Tender Response that is found subsequently to be materially false or misleading.
5. Bidders assume sole responsibility to notify the Authority of any material changes to the information included in their Tender Responses, (including proposed changes to the use of sub-contractors). Changes should be notified as soon as they become aware by contacting the Authority via the email to**:** [tenders@ssro.gov.uk](mailto:tenders@ssro.gov.uk).
   * 1. **Step 2** - Compliance Check
6. Tender Responses will be subject to an initial compliance check to ensure that the required information (as set out in paragraph 14 of Part A – ITT Information Document) has been submitted **in full** in accordance with the requirements set out in this ITT**.**
7. Bidders that do not satisfy the compliance check may have their Tender Response rejected.
8. Bidders must include as part of their Tender, evidence to show the following types and levels of insurance are held:
   1. Public Liability Insurance to a minimum value of five million pounds (£5 million) for each and every claim or series of claims arising out of one event;
   2. Employer’s Liability Insurance to a minimum value of five million pounds (£5 million) for each and every claim or series of claims arising out of one event; and
   3. Professional Insurance to a minimum value of five hundred thousand pounds (£500,000) for each and every claim or series of claims arising out of one event
      1. **Step 3** - Individual Evaluation
9. The responses to the individual technical questions will be scored having regard to the scoring framework within Table 3 of this Part B document.
10. The completed Pricing Schedule will be evaluated by the Authority taking into account the total costs of service delivery as detailed in Part D. Pricing will be scored in accordance with the methodology in paragraph 5.2 of this Part B document.
11. Each criterion (technical) will be evaluated by individual evaluators, who will work independently to record a score.
12. For the avoidance of doubt only the specific scores set out in the relevant scoring framework will be applied i.e. half marks shall not be awarded.
13. The Authority will not enter into discussions during either the evaluation stages as to the scores Bidders will be given.
    * 1. **Step 4** – Moderation

The Authority will conduct one or more moderation meetings to determine the final score to be awarded to each Tender Response for each technical question. During the moderation meetings, evaluators will discuss their proposed scores, and a consensus score will be reached for each Tender Response

* + 1. **Step 5** - Ranking

The scores for Technical and Price for each Tender Response will be combined in accordance with the Evaluation Framework to generate an overall total score. Tender Responses will be ranked according to that total score and the highest total score will determine the preferred Bidder.

* + 1. **Clarifications**

The Authority reserves the right, but is not required, to raise clarification queries with the Bidders at any stage during the evaluation process as part of its evaluation of the Tender Responses. The Authority will issue any clarification questions directly to a Bidder and Bidders must respond within the allotted timeframe.

1. Evaluation Criteria and Weightings 
   1. Evaluation Criteria

The following paragraphs describe the evaluation criteria that will be used to determine the Most Economically Advantageous Tender (MEAT). The evaluation criteria and relative weightings are set out in Table 1 below:

|  | **Evaluation Criteria** | **Weightings** |
| --- | --- | --- |
|  | 1. General Requirements | **5%** |
|  | 2. Implementation/ Mobilisation Services | **5%** |
|  | 3. Finance Accounting | **15%** |
|  | 4. Management Accounting | **5%** |
| **Technical**  **70%** | 5. Resource Accounting | **10%** |
|  | 6. Payments (Staff and Suppliers) | **10%** |
|  | 7. IT and Security management | **10%** |
|  | 8. Service Management and KPI | **5%** |
|  | 9. Training | **5%** |
| **Price**  **30%** | Total whole life cost for 3 years plus implementation | **30%** |

***Table 1: Breakdown of the technical & price evaluation criteria and weighted scores***

2. Technical Questions/Evaluation

***Table 2: Technical Evaluation Questions and Weighting***

| **Nos** | **Evaluation Criteria Heading** | **Tender Response Submission Requirements** |
| --- | --- | --- |
| 1. | **General Requirements**  **(Weighted at 5%)** | **1(a). Clause 4.2 (c) of Part C: Contract Terms – General Requirements**  Bidders are required to provide an overview of their organisation structure (use diagrams if applicable) and highlight the proposed key staff(s) responsible (with CV’s) for delivery of the Service.  ***Weighting 2% - 500 words limit (excluding diagrams and CV’s)***  1(b). Bidders are required to address the points in **Clause 4.2 of Part C: Contract Terms** in to demonstrate their understanding of the obligations and that all requirements within that clause will be met.  ***Weighting 2% - 500 words limit***   1(c). Bidders are required to supply **one reference (with contact details)** from an organisation for whom they have provided a similar service.  ***Weighting 1% - 250 words limit*** |
| 2. | **Implementation/Mobilisation Services**  **(Weighted at 5%)** | Bidders are required to demonstrate how they will provide Implementation/Mobilisation Services (Schedule 4 of Part C) in order to achieve service commencement by 1 October 2019.   Bidders should include an Implementation Plan, which includes as a minimum:   * their proposed personnel for mobilisation, including numbers of persons assigned, for what periods and the roles that they will undertake in delivery of the Implementation Services; * identification and explanation of how they will manage any interdependencies between the tasks; * their approach to working with other organisations in order to deliver the Implementation Services.   Bidders should submit their end to end plan  ***Weighting 5% - 1000 word limit excluding diagrams/plans.*** |
| 3. | **Service Deliverable: Finance Accounting**  **(Weighted at 15%)** | Bidders are required to provide a proposal of how they will deliver **Finance Accounting Services** to the level and timescales to ensure their solution continues to meet:   1. the requirements of **paragraph 1.2 (a) to (l) of Schedule 4 of Part C: Contract Terms**; and 2. the additional deliverables in **paragraph 1.2 (m) to (o) of Schedule 4 of Part C: Contract Terms.**   ***Weighting 15% - 2000 words limit*** |
| 4. | **Service Deliverable: Management Accounting**  **(Weighted at 5%)** | Bidders are required to provide a proposal on how they will deliver **Management Accounting Services** to the level and timescales to ensure their solution continues to meet:   1. the requirements of **Schedule 4, paragraph 1.3 (a) to (e) of Part C: Contract Terms**; and 2. the additional deliverables in **Schedule 4** **paragraph 1.3 (f) of Part C: Contract Terms.**   ***Weighting 5% - 2000 words limit*** |
| 5. | **Service Deliverable: Resource Accounting**  **(Weighted at 10%)** | Bidders are required to provide a proposal on how they will deliver **Resource Accounting Services** to the level and timescales to ensure their solution continues to meet:   1. the requirements of **Schedule 4, paragraph 1.4 (a) to (c), of Part C: Contract Terms;** and 2. The additional deliverables in Schedule 4, paragraph 1.4 (d) to (g).   ***Weighting 10% - 2000 words limit*** |
| 6. | **Service Deliverable: Finance Payments (Staff and Suppliers)**  **(Weighted at 10%)** | Bidders are required to provide a proposal on how they will deliver **Payments Services** to the level and timescales to ensure their solution continues to meet the requirements of **Schedule 4, paragraph 1.5 (a) to (l) of Part C: Contract Terms.**  ***Weighting 10% - 2000 words limit*** |
| 7. | **IT and Security Measures**  **(Weighted at 10%)** | 7(a) Bidders are required to describe the technical architecture of their system to include connectivity, user identification and authentication to meet the Authority Requirements in **Schedule 4, paragraph 2, of Part C: Contract Terms.**  ***Weighting 2.5% - 1000 words limit excluding diagrams and policy documents***  7(b) Bidders are required to describe and confirm the nature of their application and technology environment, which must be compliant with the specification as outlined in **Schedule 4: paragraph 2 of Part C: Contract Terms.**  ***Weighting 5% - 1000 words limit excluding diagrams and policy documents***  7(c) Bidders are required to demonstrate (with certificates where necessary) their compliance with the security requirements/standards in **Schedule 4, paragraph 2.2, of Part C: Contract Terms**.  ***Weighting 2.5% - 500 words limit excluding diagrams and policy documents*** |
| 8. | **Service Management and KPI**  **(Weighted at 10%)** | Bidders are required to provide relevant information regarding their proposed service support model and demonstrate how the Authority’s service standards will be met, including compliance with the KPI set out in **Schedule 6 of Part C (Standards and Key Performance Indicators)**  ***Weighting 10% - 2000 words limit*** |
| 9. | **Training**  **Weighted at 5%** | Bidders are required to provide a proposal to demonstrate how their organisation will deliver training needs within the Implementation timescales, as referred at **paragraph 3 of Schedule 4 in Part C: Contract Terms**.  ***Weighting 5% - 500 words*** |

| **Assessment** | **Score** |
| --- | --- |
| Completely fails to meet required standard or does not provide a response | 0 |
| Proposal significantly fails to meet the standards required, contains significant shortcomings and/or is inconsistent with other proposals | 1 |
| Proposal falls short of achieving expected standard in a number of identifiable respects | 2 |
| Proposal meets the required standard in most material respects | 3 |
| Proposal meets the required standard in all material respects | 4 |
| Proposal exceeds the required standard in all material respects | 5 |

***Table 3: ITT Technical Evaluation Scoring***

* Where a Bidder scores 0 for one or more criteria or sub-criteria the bid may be deemed unacceptable and the Authority reserves the right to reject the Tender Response.

1. Pricing Evaluation
   1. Pricing Provision:
2. Tenders that, in the reasonable opinion of the Authority, feature abnormally low pricing may be rejected, following further investigations.
3. Bidders are required to complete the worksheet within **Part D: Pricing (**MS Excel) in accordance with the instructions set out in Part D**.**
4. The price which will be evaluated is only the “Total Charge”, (currently cell E14 highlighted in yellow), being the total cost to the SSRO for the provision of the Service over the entire Contract Period (including implementation).
5. The completed pricing schedule will be included within the Contract.
   1. Scoring associated with Pricing: 
      1. The method set out below will be used to score the Price element of the Tender Response.
      2. The Whole life costs evaluation approach will award the lowest Price, subject to paragraph 5.1(a) above, a score of 100% for the price criteria. The Prices of all other Tender Responses will be calculated relative to the lowest Price as illustrated below:

Lowest Bid Price           x          100

Bid Price

* + 1. The Price evaluation score will be rounded to 2 decimal places.
    2. The score will then be weighted using the relevant percentage weighting from Table 1.

|  | Bidder A | Bidder B | Bidder C |
| --- | --- | --- | --- |
| Price Evaluation Component (i.e. Total Costs in this example) (£) | 90 | 100 | 110 |
| Score Conversion | 90 x 100  90 | 90 x 100  100 | 90 x 100  110 |
| Price Evaluation - Price component raw Score (%) | 100.00 | 90.00 | 81.82 |
| Price Evaluation – Price component weighted Score (%) | 30.00% | 27.00% | 24.54% |

***Table 4: Financial Evaluation - Price: example calculation***

**Please note that**: Where a charge/price of £0 is provided, a nominal £1 will be used for the calculation.

1. Final Evaluation score
   1. Tenders will be evaluated against the Technical and Price criteria detailed within this Evaluation Framework. To ensure the relative importance of both categories are reflected correctly in the overall score, a weighting system has been applied to each part.
   2. The Technical criterion represents 70**%** whilst the Price criterion represents 30**%**.
   3. For example, an overall technical score of 60 of the available maximum and a price score of 50 would equate to the following:

| Evaluation Criteria | Calculation |
| --- | --- |
| Technical score  (As percentage of maximum) | 60 x 70% = **42** |
| Price score  (As percentage difference from mean) | 50 x 30% = **15** |
| **Final Evaluation Score** | **57** |

***Table 5: Final Evaluation Score***

1. Contract Award

The Contract Award decision will be based solely upon the highest final evaluation score of the Final Tenders that are submitted in response to the ITT, as determined in accordance with paragraph 6 above.