**Appendix 2 (Specification)**

Specification

***Note to Tenderers:*** *the content of this Appendix 2 (Specification), will form Schedule 2 (Specification) of the Contract awarded pursuant to this procurement exercise.*

Provision of Personalised Registration Auction Services

**Contract Reference:** PS/24/48

**Date: 08/08/2024**

**Version: 1**

[1. Introduction 3](#_Toc171341204)

[2. Background to the Requirement 3](#_Toc171341205)

[3. Procurement Timetable 6](#_Toc171341206)

[4. Scope 6](#_Toc171341207)

[5. Implementation and Deliverables 7](#_Toc171341208)

[6. Specification of Services 7](#_Toc171341209)

[7. Quality Assurance Requirements 29](#_Toc171341210)

[8. Other Requirements 29](#_Toc171341211)

[9. Management and Contract Administration 39](#_Toc171341212)

[10. Documentation 41](#_Toc171341213)

[11. Arrangements for End of Contract 42](#_Toc171341214)

[12. Tender Evaluation 42](#_Toc171341215)

[Annex 1- Welsh Language Scheme Requirements 44](#_Toc171341216)

[Annex 2 - Reporting Requirement Examples 45](#_Toc171341217)

[Annex 3 - Definitions 46](#_Toc171341218)

## 1. Introduction

The Driver and Vehicle Licensing Agency (**DVLA**) invites proposals for the delivery of an auctioneer service to offer for sale, via online public auctions, the rights to assign certain registration numbers to a vehicle.

## 2. Background to the Requirement

DVLA is an Executive Agency of the Department for Transport (DfT), based in Swansea. DVLA’s primary aims are to facilitate road safety and general law enforcement by maintaining accurate registers of drivers and vehicle keepers and to collect Vehicle Excise Duty (VED).

In 1989, DVLA commenced sales of personalised vehicle registration numbers (also known as “marks” or “registrations”) to capitalise on the motoring public’s demand for previously un-issued registration numbers. Sales of these Government assets are regarded as an important source of revenue for the Exchequer and to date over £3.6 billion has been raised with almost 8 million registrations sold. Income goes to HM Treasury with DfT retaining some receipts.

The Agency considers DVLA auctions to be the flagship of its Personalised Registrations (PR) business. Auction sales promote and enhance the image of DVLA as an efficient, digital and professional organisation. Consequently, DVLA has always demanded a high-quality service from its auction Supplier to facilitate the growth of revenue from sales. The Agency has currently committed to deliver £135 million to HMT annually as part of its Spending Review commitment through PR sales. Circa £43 million of DVLA’s total forecasted income is apportioned to the auction contract.

DVLA sets starting (minimum bid) prices using its income target from HM Treasury as a starting point, factoring in stock volumes, universal attractiveness, and customer demand.

Registrations included at DVLA auctions are generally included at the request of members of the public and dealers but not exclusively so. Customer requests account for circa 80% of registrations offered for sale at auctions.

**Challenges**

Each auction typically experiences some level of non-payment, this can be as a result of genuine human error, change of circumstance or malicious bidding. DVLA auctions typically conclude with approximately 0.5% of lots not being paid for.

DVLA currently allows customers who purchase at a timed online auction a grace period of 14 days within which to cancel their purchase, however this policy has been subject to legal review, and will not be applied in the new contract. Approximately 1% of purchases are currently cancelled within the 14 days. The impacts of not allowing a 14-day cancellation period are unknown, however we anticipate that overall, the level of non-payment should not exceed 2.5% of auction income.

**Future Prospects**

Potential Suppliers should be aware that unissued stock volumes remain high, however many of the more attractive and therefore valuable registrations have already been sold, such as registrations which contain a single letter or number. The availability of quality, ‘new’ registrations (e.g. FO23 VER) drawn from the twice-yearly release of current style registrations fluctuates in relation to the number sequence. Potential Suppliers can be assured that DVLA continues to have many hundreds of thousands of registrations in its stock. The current lifecycle of Northern Ireland format dateless registrations, which include the letter I and Z, for example TIG 1, is diminishing and consideration is being given to its replacement. The Buyer will be reviewing how the replacement format will be promoted and sold.

**DVLA’s current sales channels**

DVLA currently sells Personalised Registrations through two distinct and separate selling routes:

**Timed Online Auction (“Online Auction”)**

DVLA hold nine Timed Online Auctions each year. Each auction lasts seven calendar days and comprises approximately 2,000 registrations offered for sale by an auction company acting as the Agency’s sole agent.

Registrations included at Timed Online Auctions are generally included at the request of members of the public and Cherished Number Dealers (CNDs) but not exclusively so. Customer requests account for circa 80% of registrations offered for sale at auction.

The Agency attributes and publishes starting prices against each of the registrations in the auction, below which they will not be sold. The Agency intends continuing this practice and is of the view that this is an open way of conducting its business and is appreciated and understood by prospective purchasers. The Agency has sole responsibility for setting starting prices.

A spending limit of £1,000 is applied to each registered bidder. Customers can increase their spending limit by making a refundable deposit payment.

Starting prices start from £70, and the average Hammer Price is £2,500 with approximately 99% of the lots being sold and about 80% of these being purchased by members of the public with the remainder bought by CNDs or speculators trading in the resale of Personalised Registrations. CNDs spend on average £8.6m annually, which is around 20% of income generated through auction Hammer Price. CNDs buy for stock and on behalf of their own customers and tend to bid on most registrations only up to a point at which they can make a profit on their re-sale price. CNDs are recognised as important participants at DVLA auctions as they often act as the underbidder.

To prevent ‘auction Sniping’, (where very late bids are made which prevent the underbidder from making a counter bid) each lot offered for sale has a ‘sliding end time’. This function provides underbidders the opportunity to increase their bid, promotes fair competition, ensures the lot reaches its natural selling point and increases revenue.

The current Timed Online Auction system gives bidders the option to submit maximum bids which are invisible to other bidders. If there is competitive bidding on a lot, the auction system will automatically increase bids on behalf of bidders in £10 increments. Once a bidder’s maximum bid has been reached, the system will cease bidding and notify the bidder that they have been outbid and provide the opportunity for them to further increase their bid. The current winning bid for each lot is always on view on the website. Currently, the average total sold price at each DVLA Timed Online Auction is approximately £5 million.

We receive an average 18,500 registered bidders for each auction.

**Online “Buy Now”**

The majority of Personalised Registrations sold by DVLA are done so direct through its commercial website dvlaregistrations.dvla.gov.uk. The key feature of these registrations sold online is that they are affordable with many priced at £250, which includes the VAT and Assignment Fee. Personalised Registration sales from this DVLA website do NOT form part of the services required under this Specification.

**Promotional Activity**

With over 250 auctions having been held over 33 years, the news value of DVLA auctions as far as the media is concerned is not particularly high. Although this is the case as far as the national media is concerned, the auctions manage to attract some regional media attention and coverage. Additionally, traditional broadcast media has declined significantly over the last few years with more emphasis placed on digital media, in particular social media.

Experience has proved that the novelty aspect or quirkiness of some of the registration numbers contained in the auction often attracts the media. Accordingly, DVLA seek to include some in most auctions although this is becoming less newsworthy as time progresses given that the supply is exhaustible.

It is the Buyer’s intention to work with the Supplier to explore and maximise marketing and digital media opportunities.

The Buyer’s sales and marketing team has responsibility for creating and publishing digital marketing content and messages across various online platforms, including social media channels, and through email broadcast systems.

The Buyer has responsibility for an existing database of c300k customer email addresses who have subscribed to a ‘Keep me Informed’ service. A link to this service can be found at <https://dvlaregistrations.dvla.gov.uk/informed/> . The Buyer manages this service and is responsible for the creation and distribution of marketing emails to subscribed email addresses that have expressed an interest in Personalised Registrations. These emails, which are currently sent from DVLA@public.govdelivery.com, are managed by the Buyer and do not fall within the remit of this contract.

DVLA’s Personalised Registrations official social media channels (Facebook, Instagram & ‘X’), are managed internally by the Buyer, including developing content, scheduling, publishing and handling customer contact, and these also do not fall within the remit of this contract.

Currently, for each auction, the Supplier is responsible for the design and creation of a digital, downloadable catalogue in accordance with agreed briefs which is used to provide useful information to potential bidders and provide a full list of registrations and associated information included in each auction.

The Supplier shall have responsibility for communicating, via email, to customers who have expressed interest in a registration that has been included in an upcoming auction (Data to be provided by the Buyer).

**Information for Potential Suppliers/Tenderers**

The Supplier shall work with DVLA to plan a Timed Online Auction programme to optimise the income stream for the Buyer.

The Buyer is keen to work with the appointed Supplier and to promote the process of continual improvement. In doing this the Buyer seeks a relationship that shares our objective of maximising revenue and managing a profitable and enjoyable business. The Buyer is equally open to working with Suppliers who intend to employ subcontractors to carry out part of their obligations detailed in this Specification. Any subcontractor shall be subject to the same Terms and Conditions as attached to this Specification.

Potential Suppliers are encouraged to submit proposals that optimise registered bidder volumes and maximise Hammer Prices, whilst continually improving the service and customer experience in line with the requirements specified. Tenderers should be mindful of the fact that DVLA is ultimately answerable to ministers and that there are political sensitivities that must be taken into account. However, this should not deter potential Suppliers from proposing some of the best practices from the auction industry and ecommerce that can sit comfortably in a government service.

Potential Suppliers should not underestimate the amount of continuous effort and resource required as well as the level of commitment and dedication that will be expected of the appointed Auction Supplier and/or any subcontractors in the periods leading up to auctions, during each sale and after. Consequently, it is a constant running programme and there are no quiet periods.

## 3. Procurement Timetable

The timetable for this Procurement is set out in the Invitation to Tender (ITT). The timetable may be changed at any time but any changes to the dates will be made in accordance with the Regulations (where applicable).

Tenderers will be informed if changes to the timetable are necessary.

## 4. Scope

The Buyer wishes to procure auction services (the “Services”) on a national (UK wide) basis from the successful Supplier. This paragraph sets out at a high level the intended scope of the Services that shall be provided by the successful Supplier as below:

4.1 Timed Online Auctions and Ancillary Services;

4.2 DVLA auction marketing and Associated Promotional Activity; and

4.3 Hosting, design, content and functionality of bilingual (English & Welsh) website [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/)

For the avoidance of doubt the following aspects of the DVLA Personalised Registrations service are not within scope of this Contract:

4.4 The Online “Buy Now” functionality; and

4.5 Hosting, design, content and functionality of [www.dvlaregistrations.dvla.gov.uk](http://www.dvlaregistrations.dvla.gov.uk/)

4.6 Venue (live) auctions. The Buyer wishes to procure an exclusively online auction solution.

## 5. Implementation and Deliverables

5.1 The Contract will be for an initial term of 3 years and 6 months (see the Procurement Timetable in the Invitation to Tender for detail) which shall be comprised of:

a. a period of 6 months, or such other period as the Buyer deems necessary, from the Effective Date for the delivery of an Implementation Plan (termed the “Transition & Implementation Period”), followed by

b. the period commencing from the end of the Transition & Implementation Period until the expiry of the initial term and any extensions granted by the Buyer.

5.2 The Buyer reserves the right to offer two separate extensions of 12 months each, to provide for a maximum of two further years.

5.3 The maximum Contract duration (including optional extensions) will therefore be 5 years and 6 months (i.e. 3.5 +1 +1 years).

5.4 During the Transition & Implementation Period the successful Tenderer shall take all reasonable steps to effect any necessary transition from incumbent Supplier to new Supplier in accordance with the Implementation Plan, in order to ensure the smooth continuation of service to customers.

5.5 Tenderers should note that there is a requirement to demonstrate full auction functionality during the Transition & Implementation Period as set out in Schedule 8, and that no live auctions (and therefore no revenue generation) will take place during the Transition & Implementation Period.

5.6 Dates for the first Timed Online Auctions to be delivered under this Contract are set out at 6.2.1 and 6.2.2.

## 6. Specification of Services

**6.1 Auction Service Requirements**

Requirements for the web domain [https://www.dvlaauction.co.uk](https://www.dvlaauction.co.uk/)

1. From the end of the Transition & Implementation Period, the Supplier shall be responsible for maintaining and funding the registration, hosting and management of the above domain on behalf of the Buyer and shall use solely this domain to deliver the contracted Services.
2. As part of the Transition & Implementation Period the Supplier shall fully cooperate with the Buyer and any incumbent provider of DVLA online auctions to take on the responsibilities at (i) above in good time to deliver the Services.
3. As part of the Exit obligations at Schedule 30 the Supplier shall fully cooperate with the Buyer and any replacement provider of DVLA online auctions (as nominated by DVLA) to transfer the responsibilities at (i) above by the expiry date of this Contract to either the Buyer or to the replacement provider as instructed by DVLA.

The Supplier shall deliver the Services in accordance with the Service Levels set out in Schedule 10 (Service Levels).

6.1.1 By the end of August each year throughout the Contract Period, the Supplier must submit to the Buyer its suggested dates of auctions for the following calendar year in line with the Buyer’s expectations of nine (9) Timed Online Auctions per year (see 6.1.5).

6.1.2 The Buyer commits to hold at least one Timed Online Auction during the Contract Period. There is no minimum guarantee for the number of lots that will be offered per auction. However, using 2023 overall volumes as a guide, the intention is to include 2,000 registrations in each Timed Online Auction during the Contract Period, with each auction taking place over a seven (7) day period.

6.1.3 The Buyer anticipates holding nine (9) Timed Online Auctions during each year of the Contract Period (including any optional extension years), however it should be noted that these are indicative figures and are subject to change. Any such changes shall be discussed with the Supplier beforehand and as much notice as is possible will be given. Tenderers should base their proposals on the assumption that DVLA will continue to hold nine (9) auctions annually.

6.1.4 For each auction the Buyer shall determine at its sole discretion;

6.1.4.1 the specific individual registrations to be offered for sale;

6.1.4.2 the volume of registrations to be offered for sale; and

6.1.4.3 the starting price for each registration offered for sale.

6.1.5 For each auction, no less than eight (8) weeks before the start of a Timed Online Auction, the Buyer shall send to the Supplier the full list of registrations, and their starting prices, to be offered for sale at the next auction, which are to be announced to the public at a time and date agreed by the Buyer.

6.1.6 The Supplier shall conduct Timed Online Auctions in strict compliance with a pre-determined start time and auctions will remain available without interruption until the last lot has been completed.

6.1.7 The Supplier shall propose an annual strategy that aims to continually improve auction performance, for consideration by the Buyer during an annual review meeting. The Supplier acknowledges that the Buyer is not obliged to adopt all or any of its recommendations in this respect.

6.1.8 The Supplier shall deliver any continuous improvements or required system changes in accordance with a delivery plan that has been pre-agreed by the Buyer.

6.1.9 The Supplier shall ensure that all proposed system changes and website updates are made available to the Buyer through a secure test environment, which is to be hosted and maintained by the Supplier, for the Buyer’s approval before going live.

6.1.10 The Supplier shall ensure that any website updates require a two-person authorisation before going live. This shall be achieved through the Supplier utilising a requester/approver method.

6.1.11 For the avoidance of doubt the Supplier shall not charge the Buyer for any aspect of agreed system improvements or changes.

**6.2 Auction Dates 2025**

6.2.1 The Supplier acknowledges that, by the Effective Date, the Buyer will have agreed the auction calendar to December 2025. The Supplier agrees to honour the scheduled auction dates for 2025 which are anticipated to be:

6.2.1.1 Wednesday 15th to Tuesday 21st October

6.2.1.2 Wednesday 19th to Tuesday 25th November

6.2.2 For the avoidance of doubt, it is anticipated that the first Timed Online Auction within the Contract Period will commence on 15th October 2025, with a shortened marketing and bidder registration period commencing on 1 October 2025.

6.2.3 As part of their tender response, the Supplier shall provide a detailed milestone plan outlining the key deliverables in the Transition & Implementation Period to ensure the readiness of their auction system. This plan shall include, at a minimum, a proposed timeline to deliver:

6.2.3.1 System design proposals and approvals;

6.2.3.2 System access in a secure test environment for Buyer personnel;

6.2.3.3 Regular engagement with the Buyer;

6.2.3.4 Integration of feedback from the Buyer;

6.2.3.5 Completion of a scaled-down end-to-end test auction that demonstrates successful delivery of all aspects of the auction service requirement; and

6.2.3.6Sign off by the Buyer.

6.2.4 The Supplier’s final milestone plan, including the dates of all key deliverables, shall be subject to the approval of the Buyer to ensure the successful continuation of the auction Services.

**6.3 Auction Website Hosting**

6.3.1 The Supplier shall design and build all Timed Online Auction website functionality and shall submit to the Buyer for approval all designs, features, functions, contingencies, cyber security considerations and changes, timings of which shall be agreed by both parties. For the avoidance of any doubt, the Buyer will not view or evaluate any hyperlinks to websites or web pages that are included in tender responses.

6.3.2 Subject to the requirements at 6.1(i), the Supplier shall assume responsibility for the URL https://dvlaauction.co.uk/ or any other URL as advised in writing by the Buyer to promote the Buyer’s auction programme of events and to facilitate any online activity relating to the auctions as a platform. The Supplier shall have responsibility for the provision of cookies on this site and shall provide their cookie policy to the Buyer on request. The Supplier shall ensure the service is cookie compliant.

6.3.3 Any replacement Supplier will have no right to re-use any existing website designs, content or functionality, as these are owned by the incumbent supplier.

6.3.4 Subject to the requirements at 6.1(i), the Supplier shall host its content and auction solution software for Timed Online Auctions on the stand-alone [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/) domain, rather than redirecting web traffic to the Supplier’s own website.

6.3.5 Subject to the requirements at 6.1(i), the Supplier shall have responsibility for hosting, configuring and managing the dvlaauction.co.uk domain. For the avoidance of doubt, the dvlaauction.co.uk domain will remain the property of the Buyer and will be made available to the Supplier at the appropriate time.

6.3.6 The Supplier’s website solution shall have a responsive layout allowing any mobile device to render or rescale according to the device being used.

6.3.7 The Supplier shall provide, support and maintain the IT platform and connectivity, ensuring the domain is hosted in a secure environment and is accessible over public networks to the agreed Service Levels at Schedule 10, KPIs 1.1 & 1.2.

6.3.8 The Supplier shall ensure hosting of the domain includes maintenance of any associated equipment, maintenance of applications, day-to-day operation of the service, maintenance of connectivity and provision of bandwidth.

6.3.9 The Supplier shall ensure the hosting service is scalable to meet changing demands.

6.3.10 The Supplier shall adhere to the required IT security standards, referenced at Section 8.2, and no later than four (4) weeks prior to each Timed Online Auction start date shall provide the Buyer with IT performance test reports which demonstrate software application capability of tolerating the varying level of demand during each Timed Online Auction.

6.3.11 The Supplier shall ensure that the domain’s online design aligns with and supports the Buyer’s position as a government body, and enables browsing and searching of registrations for both upcoming sale and those recently sold.

6.3.12 The Supplier shall ensure that hosting continues on the approved solution/infrastructure throughout the Contract Period.

6.3.13 The Supplier shall be responsible for ensuring the website [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/) is bilingual, with the user able to view all content in either English or Welsh languages.

6.3.14 Once the parties have agreed the website content in English, the Buyer will provide the Supplier with translations of the English wording into Welsh and the Supplier shall replicate this content onto the Welsh version of the live website.

6.3.15 The Supplier shall be responsible for reflecting any agreed changes to the English version of www.dvlaauction.co.uk on the Welsh version of [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/) as agreed with the Buyer. For the avoidance of doubt, the Buyer will be responsible for providing all Welsh language translations.

**6.4 Customer Bidding Functionality**

6.4.1 The Supplier shall provide the necessary functions to enable customers to register to bid at Timed Online Auctions through [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/).

6.4.2 The Supplier shall provide the necessary functions to allow customers to opt in to receiving ‘Keep Me Informed’ marketing information from the Buyer about DVLA auctions of Personalised Registrations at the point of registering to become a bidder.

6.4.3 The Supplier shall provide details of all customers who have opted into marketing, as referenced in 6.4.2, to the Buyer immediately following the end of each Timed Online Auction through secure encrypted email.

6.4.4 The Supplier shall capture all bidder registration details from customers (who shall each be considered a Data Subject within the definitions of the Data Protection Act 2018).

6.4.5 The Supplier shall make available their terms & conditions of sale and bidder registration through the www.dvlaauction.co.uk website, with the Buyer’s prior written approval.

6.4.6 The Supplier shall provide application software which delivers a continuous Timed Online Auction service, this shall include evidence of the capacity, availability, and resilience of the proposed software. During the open period of the Timed Online Auction, 99.9% service availability is required.

6.4.7 The Supplier shall ensure the service has the appropriate level of availability monitoring in place to alert relevant supplier staff in the event of the [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk) website becoming publicly unreachable.

6.4.8 The Supplier shall provide all necessary infrastructure, IT equipment and connectivity to enable online auction bidding activity to take place on a continuous basis whilst the auction is live.

6.4.9 The Supplier shall ensure the service has the appropriate technical support to ensure the availability of the online bidding channel at all times in accordance with the Service Levels at Schedule 10, KPI 1.1.

6.4.10 The Supplier shall display prominently on the Auction website the individual registration numbers being offered for sale.

6.4.11 The Supplier shall develop a function that allows customers to search and filter registrations included within each auction. This can be, but is not limited to, alphabetical, categories, starting prices and styles.

6.4.12 The Supplier shall develop a solution that allows for a unique URL, within the [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/) domain, for each lot included within an auction. This allows marketing and promotional activities to direct customer traffic to a unique web page for each specific registration.

6.4.13 At all times the Supplier shall ensure that correct registration numbers and associated sale statuses are displayed.

6.4.14 At all times during a Timed Online Auction, the Supplier shall ensure that the correct current highest bid is displayed and updated in real time for all registration numbers.

6.4.15 The Supplier shall proactively monitor customer bidding behaviour throughout each Timed Online Auction, to help identify malicious or suspicious bidding activity, and shall act upon this proportionately in conjunction with the Buyer.

6.4.16 The Supplier shall provide the functionality to prevent any registered bidder from placing bids during a Timed Online Auction if it is identified, by either party, that their bids could negatively affect the integrity of the auction service.

6.4.17 The Supplier shall provide a Timed Online Auction solution which prevents the practice of auction Sniping and shall demonstrate how this proposed solution would maximise sales income.

6.4.18 The Supplier shall provide an online solution that allows registered bidders to place a ‘Maximum Bid,’ visible only to that bidder, which the system will incrementally bid automatically up to, and including, that Maximum Bid.

6.4.19 The Supplier shall provide an online bidding solution that allows registered bidders to add auction lots to a ‘Watchlist,’ from which they can track and monitor lots that they are interested in.

6.4.20 The Supplier shall provide an online bidding solution that provides bidders with real time notifications if they are outbid, or a lot that they are watching is about to close.

6.4.21 The Supplier shall provide the functionality to impose a default bidding limit, to be agreed by the Buyer, to all registered bidders who have not made a refundable deposit payment, and the facility to change a bidding limit for each registered bidder.

6.4.22 The Supplier shall provide an online bidding solution that allows registered bidders to increase their own bidding limit by leaving a refundable deposit payment.

**6.5 Customer Payment Facilities and Banking Arrangements**

6.5.1 The Supplier shall provide secure and accountable means of collecting, handling, storing, and banking money it collects in the course of providing the Services.

6.5.2 The Supplier shall be responsible for recovering payment and shall provide payment collection facilities that are PCI (Payment Card Industry) compliant and allow for deposits to be refundable to the customer.

6.5.3 The Supplier shall ensure deposit payments are allocated against successful purchaser invoices. The Supplier shall automatically refund unspent deposit payments within three (3) working days of the conclusion of the auction.

6.5.4 The Supplier shall accept payment for auction transactions in the form of electronic funds transfer, secure online payment, and debit or credit card. Other payment methods may be accepted if agreed by the Parties in accordance with the Variation procedure. The Supplier shall be liable for all payment card charges incurred. As a guide, recent payment card processing charges incurred by the current Supplier have been in the region of £21,300 (net) per calendar month.

6.5.5 The Supplier shall propose a proportionate debt prevention and recovery strategy that will maximise customer payment compliance.

6.5.6 On the first working day following the completion of the auction, the Supplier shall issue to each successful bidder that has not paid in full a request for full payment to be made within five (5) working days. All such requests shall be sent by email bearing the branding of both the Supplier and the Buyer.

6.5.7 Where payment has not been received within five (5) working days of the request referenced in 6.5.6, the Supplier shall issue a further email bearing the branding of both the Supplier and the Buyer, the contents of which shall be agreed beforehand with the Buyer.

6.5.8 Where payment has not been received within ten (10) working days following completion of the auction the Supplier shall issue a further email bearing the branding of both the Supplier and the Buyer, the contents of which shall be agreed beforehand with the Buyer.

6.5.9 The Supplier shall propose all reasonable and proportionate endeavours, excluding bailiff and court proceedings, given that the Buyer has only lost the sale opportunity and not the physical asset, to collect all payments due from successful bidders following each Auction.

6.5.10 The Supplier shall propose a late payment mechanism to apply proportionate and reasonable charges to customer invoices after pre-agreed periods of nonpayment have passed.

6.5.11 Where payment has not been received 28 calendar days following completion of the auction the Supplier shall refer the case, including all sale and purchaser details and copies of all correspondence, to the Buyer through secure encrypted email for further action.

6.5.12 The Buyer may use the information provided by the Supplier pursuant to Clause 6.5.11 to make its own further attempts, on behalf of the Supplier, to encourage any outstanding payments from successful bidders beyond the 28 days.

6.5.13 Once any further attempts to recover outstanding payments pursuant to Clause 6.5.12 have been completed, if the total Hammer Price STILL outstanding exceeds 2% of the total Hammer Price achieved for that Auction, the Supplier shall apply one of the following remedies at the Buyer’s sole discretion:

1. The Supplier shall pay to the Buyer the Buyer’s reasonable costs of pursuing all outstanding payments that were not recovered; or
2. The Supplier shall invest into the marketing budget allocated for the provision of the Service an additional sum equal to that of the outstanding Hammer Price in excess of the 2% threshold; or
3. A mutually agreed alternative solution that fairly compensates the Buyer for its loss of sales revenue.

6.5.14 The Supplier shall deposit all purchaser remittances (the Hammer Price plus VAT and the £80 Assignment Fee) into a secure “Escrow” type holding account within 1 working day of receipt. The Supplier shall be responsible for payment of all fees associated with the holding account.

6.5.15 The Supplier shall ensure the immediate electronic transfer of all cleared remittances due to the Buyer into their nominated bank account on the next working after receipt, where banking arrangements permit.

6.5.16 The Supplier shall administer and process all payments from customers and shall be responsible for pursuing all outstanding payments including late payments and payments refused by the purchaser’s card issuer.

6.5.17 The Supplier shall take reasonable steps to prevent customers who have previously defaulted on payments for the purchase of a DVLA Personalised Registration at auction from registering to bid, acting on its own information and on information provided by the Buyer.

6.5.18 The Supplier shall conduct all auctions in pounds sterling.

6.5.19 The Supplier shall only accept payment in pounds sterling.

6.5.21 The Supplier and any subcontractor shall:

6.5.21.1 handle and store cardholder data only to facilitate card transactions in accordance with this Contract; and

6.5.21.2 comply with the then-current versions of the Payment Card Industry Standards (PCI Standards) including the PCI Data Security Standard (PCI DSS), the Payment Application Data Security Standard (PA DSS) and the PCI PIN Transaction Security (PTS) and Point of Interaction (POI) security requirements, as documented at [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org/) (the “PCI Standards”).

6.5.22 The Supplier shall demonstrate its compliance with the PCI Standards throughout the Contract Period by producing and providing to the Buyer Annual Onsite Security Assessment Validation Documentation.

6.5.23 The Supplier shall be responsible for its costs of complying with the PCI Standards and any costs incurred in demonstrating such compliance.

6.5.24 In the event of an incident whereby the Supplier becomes aware of or suspects that cardholder data has been accessed or used without authorisation or used other than in accordance with the Contract (a “Card Data Incident”), the Supplier shall:

6.5.24.1. notify the Buyer immediately,or at the very latest within 24 hours of becoming aware of the incident; and

6.5.24.2 at its sole cost:

6.5.24.2.1 engage an independent forensic investigator to conduct a thorough audit of any such Card Data Incident, or

6.5.24.2.2 provide (and obtain any waivers necessary to provide) to the Buyer and its forensic investigators and auditors, upon request and at the Supplier’s sole cost, full cooperation, and access to conduct a thorough audit of the Card Data Incident; and

6.5.24.2.3 ensure that the scope of any audit conducted shall include forensic reviews and reports on compliance, as well as any and all information related to the Card Data Incident and must identify the cause of the Card Data Incident and confirm whether or not the Supplier was in compliance with the PCI Standards at the time of the Card Data Incident.

6.5.25 The Supplier shall provide, in a secure manner and within 24 hours of the incident, to the Buyer all information available related to all Card Data Incidents and audit reports of all Card Data Incidents.

6.5.26 The Supplier shall work with the Buyer to rectify all issues arising from all Card Data Incidents, including consulting with the Buyer about communications to cardholders affected by Card Data Incidents and providing (and obtaining any waivers necessary to provide) to the Buyer all relevant information to verify the Supplier’s ability to prevent future Card Data Incidents in a manner consistent with this Contract.

6.5.27 The obligations of the Supplier in a Card Data Incident shall be carried in conjunction with any other obligations under the Terms and Conditions.

**6.6 Continuous Improvement**

6.6.1 The Buyer shall meet with the Supplier virtually, through Microsoft Teams, on a weekly basis. The Buyer will have responsibility to chair, record and share minutes of these meetings. A set agenda and agreed Terms of Reference will be agreed between the parties. The online weekly meetings will cover (as a minimum) the following:

1. Service maintenance and continuous improvement;
2. Review post-sales analysis of recent auctions;
3. Debt and payment status; and
4. Finance and Risk.

6.6.2 The Supplier will be required to demonstrate a process of continuous improvement and improved efficiency of the Services and the Supplier shall have an ongoing obligation throughout the Contract Period to identify potential improvements to the Services and to respond to any Buyer requests for information in respect of any required changes to the Services that the Buyer has identified.

6.6.3 The Supplier shall collect and analyse all appropriate data from auctions for the purpose of obtaining and sharing with the Buyer, at a minimum on a monthly basis, valuable insight and knowledge into all aspects of auction sales and bidder behaviours, to inform proposals for the delivery of continuous improvements to the service.

6.6.4 The Supplier shall review, identify, and report to the Buyer on a monthly basis:

6.6.4.1 potential improvements to the Services;

6.6.4.2 potential changes in business processes and ways of working that would enable the Services to be delivered at lower costs and/or at greater benefits to the Buyer and/or to auction customers; and

6.6.4.3 continuous improvements which deliver benefits to the Buyer and auction customers.

6.6.5 The delivery of service improvements shall be managed via an Improvement Delivery Plan to be agreed by the Buyer.

6.6.6 Any material changes to the scope of the Services or the way in which the Services are to be delivered shall be implemented through the Variation procedure.

**6.7 Marketing & Promotional Activities**

6.7.1 The Supplier must propose a marketing strategy with supporting rationale that demonstrates how it will:

1. optimise registered bidder volumes and maximise revenue;
2. provide effective return on investment;
3. create engaging and professional marketing content;
4. harmonise with DVLA’s existing social media activity; and
5. monitor and report on all marketing performance.

6.7.2 The Supplier's proposals must not make use of any existing customer data that is either:

1. already in the Supplier’s own possession; or
2. held on the Supplier's behalf by a third party (including any data of customers who have subscribed to an existing service that is provided by the Supplier).

For the avoidance of doubt, this is to ensure a level playing field for evaluation purposes, because it will not be practical at this stage for the Buyer to validate the viability or regulatory compliance of any proposals which make use of existing customer data.

6.7.3 The Supplier’s marketing strategy shall promote the full list of registrations included in each Timed Online Auction.

6.7.4 The Supplier shall bear all costs associated with all aspects of the Timed Online Auction promotion programme including, but not limited to, advertising, publicity, social media, public relations, and marketing.

6.7.5 No later than eight (8) weeks prior to a Timed Online Auction, the Buyer shall deliver electronically to the Supplier, using secure encrypted email, a list of the registrations to be included in the next Timed Online Auction. This will allow the programme of marketing to start.

6.7.6 No later than eight (8) weeks prior to a Timed Online Auction, the Buyer shall deliver electronically to the Supplier, using secure encrypted email, a list of email addresses for customers that have expressed an interest in any registration included in the upcoming auction.

6.7.7 Using the data provided by the Buyer, the Supplier shall inform customers via email of how and when their specific registration of interest or a similar registration is to be offered for sale and will allow customers the option to opt out of further communications in relation to auctions of DVLA Personalised Registrations at any time.

6.7.8 The Supplier shall provide details of all customers who have opted out of receiving marketing information as per 6.7.7 to the Buyer immediately following the completion of each Timed Online Auction, using secure encrypted email, for further action.

6.7.9 No later than two (2) days prior to a Timed Online Auction, the Supplier shall provide to the Buyer details of all customers where attempts to deliver email communications referenced in 6.7.7 have failed.

6.7.10 The Supplier shall promote the full list of registrations on offer on the [www.dvlaauction.co.uk](http://www.dvlaauction.co.uk/) website.

6.7.11 For each auction the Supplier shall undertake a programme of marketing activities as agreed in advance with the Buyer. The Supplier will hold responsibility for managing the sum of money that has been agreed for marketing.

6.7.12 The Supplier and the Buyer shall agree in advance of each auction the Supplier’s marketing activities and optimal advertising expenditure for that auction which they feel will maximise participation in and revenue generation. Marketing activities in this context include, but are not limited to, direct marketing (both online and offline), above the line marketing, and public relations.

6.7.13 For each auction the Supplier shall spend no less than the agreed minimum marketing expenditure on agreed marketing activities, save where the Supplier has obtained the prior written agreement of the Buyer. In such cases any agreed under-spend shall be carried forward as additional marketing expenditure for subsequent auctions.

6.7.14 At a time to be agreed between the parties, but in any event within 8 (eight) to 10 (ten) weeks of the next auction, the Supplier shall submit to the Buyer a schedule of proposed marketing activities for approval by the Buyer.

6.7.15 The Supplier shall use all reasonable endeavours to ensure optimal effectiveness in the marketing and promotional activities in support of auctions and shall on request provide evidence of the same to the Buyer.

6.7.16 The Supplier shall reinvest any under-spend, commissions, rebates, late payment charges and discounts from publishing, media buying and other marketing activities into additional advertising to promote the auction programme and the wider Personalised Registrations brand.

6.7.17 The Supplier shall not conduct any social media, public relations activity or issue any press release content or responses to any press enquiries without the Buyer’s prior written approval.

6.7.18 The Supplier shall ensure that all media enquiries directed to the Supplier are referred to the Buyer’s Contract Owner in the first instance.

6.7.19 For the avoidance of doubt the Supplier shall not be responsible for speaking with the media on any aspect of the Personalised Registration sales scheme or about DVLA auctions, including conducting interviews with the media, except when authorised to do so by the Buyer.

6.7.20 The Supplier shall support any customer feedback initiatives as requested by the Buyer. At a minimum, this should include displaying prominent customer information on the website to advise how service feedback can be given.

6.7.21 The Supplier must provide a sample marketing campaign, which incorporates all the relevant features outlined in this Specification, with their tender.

6.7.22 All of the Supplier’s marketing and promotional activities shall be designed and implemented to align with and support DVLA's position as a government body and to avoid detriment to DVLA's corporate image or reputation.

**6.8 Downloadable Auction Catalogue**

6.8.1 For each auction the Supplier shall design and produce an electronic Timed Online Auction catalogue in accordance with agreed briefs and shall submit designs to the Buyer for approval no later than eight (8) weeks prior to the commencement of the auction, and in anticipation of the registrations being supplied to the Supplier.

6.8.2 For each calendar year within the Contract Period, the Supplier shall propose a catalogue theme and design and submit to the Buyer for approval no later than the end of August of the preceding year.

6.8.3 The Supplier shall bear all costs of catalogue design and production.

6.8.4 The Supplier shall make downloadable catalogues available from the website, free of charge. For the avoidance of doubt, there is no requirement for the Supplier to produce bilingual versions of catalogues.

**6.9 Staffing and Customer Service Requirements**

6.9.1 The Supplier shall provide a sufficient level of resource throughout the Contract Period to consistently deliver a quality service to all, taking into account the contractual obligations, anticipated responsibilities and workloads of the Supplier.

6.9.2 The Supplier shall provide live customer support during the open period of each Timed Online Auction, on a 24/7 basis.

6.9.3 The Supplier shall ensure the Supplier Staff have the appropriate competency, proficiency, capability and experience to deliver the Services in accordance with this Specification.

6.9.4 The Supplier shall ensure that all Supplier Staff receive proactive and appropriate training, including data protection training, on all aspects of service delivery to enable them to demonstrate capability to carry out their job to a consistent level.

6.9.5 The Supplier shall ensure a structure is in place to immediately communicate and disseminate updates on business and legislative changes to relevant Supplier Staff.

6.9.6 The Supplier shall provide continuous investment in relevant skills, learning and qualifications for Supplier Staff.

6.9.7 The Supplier shall ensure any Supplier Staff conflicts of interest in delivery of the Services are disclosed to the Buyer immediately following identification. This includes both actual and perceived conflicts of interest.

6.9.8 The Supplier shall ensure that Supplier Staff do not behave in a manner that would harm the public’s perception of the Buyer and/or its customers.

6.9.9 The Supplier shall ensure that any inappropriate activities and/or risks associated with the conduct of Supplier Staff occurring during the delivery of the Services are reported immediately to the Buyer’s Contract Owner. This includes circumstances where there is any potential or actual suspicion of fraud, misconduct or any other irregularity.

6.9.10 The Supplier shall ensure that sufficient Supplier Staff are available during normal office hours (between 9am and 5pm, Monday to Friday, excluding Public Holidays in England and Wales) to discuss any and all matters pertaining to the Contract with the Buyer.

6.9.11 Outside the live period of the Timed Online Auction, the Supplier shall make available sufficient Supplier Staff to deal with all telephone, email and postal enquiries accurately and competently from members of the public about specific DVLA auctions during normal office hours (as per clause 6.9.10).

6.9.12 Calls to the Supplier for enquiries relating to the Services must be chargeable to the caller at local rate charges and will make use of the Buyer’s 0300 phone number ranges, which will be made available to the Supplier at the appropriate time. Should the Supplier intend to record calls at any time they must first seek the permission of the Buyer and agree to any such stipulations regarding data protection that the Buyer may require.

6.9.13 For the avoidance of doubt the Supplier is not required to respond to enquiries about any non-auction related questions which should be referred to DVLA by the next working day to respond.

**6.10 Complaints Handling**

6.10.1 The Supplier shall ensure it has gained the agreement of the Buyer to put in place an efficient and effective methodology for complaints handling and dispute management. For the avoidance of doubt this will include complaints related to the Services and their delivery. Any complaints or requests relating to personal data and the rights of Data Subjects should be immediately forwarded to the Buyer.

6.10.2 The Supplier shall provide to the Buyer on a daily basis details of any complaints received by the Supplier that day, to include the number of complaints received and the subject matter of each.

6.10.3 The Supplier shall provide to the Buyer, on a monthly basis, details of the number and nature of complaints received by the Supplier during that period and the remedial action taken.

6.10.4 The Supplier shall respond to acknowledge complaints relating to the Services within one working day of receipt.

6.10.5 The Supplier shall resolve and respond to all complaints relating to the Services within five (5) working days of receipt.

6.10.6 The Supplier shall appoint a member of Supplier Staff to act as a Complaints point of contact for the Buyer.

6.10.7 The Supplier shall appoint a member of Supplier Staff to act as a point of escalation for complaints handling.

6.10.8 The Supplier shall provide to the Buyer wording contributions to Official Correspondence, individuals rights requests and requests made under the Freedom of Information Act 2000, within timeframes as agreed with the Buyer at the point of request but within no more than five (5) working days of any such request.

**6.11 Reporting Requirements**

(See Annex 2 for examples)

6.11.1 The Supplier shall provide to the Buyer a complete spreadsheet, in lot number order, of sold registrations within three (3) working days of the conclusion of an auction. For each registration on the sold registration list the Supplier shall include:

1. the lot number;
2. the registration number;
3. the Hammer Price;
4. VAT on the Hammer Price;
5. the Assignment Fee;
6. the total of iii. to v;
7. the Buyer’s Premium amount charged;
8. VAT on the Buyer’s Premium charged; and
9. the total of vii. plus viii.

6.11.2 The Supplier shall provide to the Buyer, via email, a complete spreadsheet, in lot number order, of unsold registrations within three (3) working days of the conclusion of an auction.

6.11.3 The Supplier shall provide to the Buyer, via email, full details of the revenue raised, the sales Conversion Rate and the % change in the sales Conversion Rate within three (3) working days of the conclusion of an auction.

6.11.4 The Supplier shall provide to the Buyer, via email, a complete .txt file, in lot number order, of sold registrations within three (3) working days of the conclusion of an auction. The format of this file is at the sole discretion of the Buyer. The .txt file will include the unique sale key for that auction, the date, and the total number of lines within the file. For each registration the Supplier shall include:

1. the lot number;
2. the registration number;
3. the starting price;
4. the Hammer Price;
5. the VAT on the Hammer Price; and
6. the Assignment Fee.

6.11.5 The Supplier shall provide to the Buyer, via secure encrypted email, a complete .txt file, in lot number order, of registrations for each working day where cleared funds have been received following each auction. The format of this file is at the sole discretion of the Buyer. The .txt file will include the unique sale key for that auction, the date, and the total number of lines within the file. For each registration the Supplier shall include:

1. the lot number;
2. the registration number;
3. the starting price;
4. the Hammer Price;
5. the VAT on the Hammer Price;
6. the Assignment Fee; and
7. the total of iv. to vi.

6.11.6 The Supplier shall provide to the Buyer, via secure encrypted email, a .pdf document, in bidder number order, of registrations for each working day where cleared funds have been received following each auction. The format of this file is at the sole discretion of the Buyer. The .pdf file will include a single page for each payment received, and must include:

* 1. the registration number;
  2. the purchase price inclusive of VAT & the Assignment Fee;
  3. the purchaser name;
  4. the purchaser addresses & postcode;
  5. the purchaser telephone number; and
  6. the nominee name (if applicable).

6.11.7 The Supplier shall provide to the Buyer, via secure encrypted email, a spreadsheet, in bidder number order, of registrations for each working day where cleared funds have been received following each auction. The format of this file is at the sole discretion of the Buyer, and must include:

1. the registration number;
2. the purchase price inclusive of VAT & the Assignment Fee;
3. the purchaser name;
4. the purchaser addresses & postcode;
5. the purchaser telephone number; and
6. the nominee name (if applicable).

6.11.8 In addition to the Management Information reports and requirements specifically referenced elsewhere in this Specification which the Supplier is required to provide to the Buyer, the Supplier shall have the flexibility to produce and provide to the Buyer any other tailored/non-standard Management Information reports as may be reasonably requested by the Buyer from time to time.

6.11.9 Following each Timed Online Auction, the Supplier shall provide to the Buyer a detailed post-sales analysis containing Management Information that demonstrates the performance, effectiveness and return on investment of the Services. This report shall include the Supplier’s recommendations for improvements to future Timed Online Auctions, together with comparisons of all agreed operational and marketing activities against historical data, including but not limited to the following reports:

6.11.9.1 Pre-sales: agreed timetable of marketing activity and daily registered bidder reports starting 10-12 weeks prior to a Timed Online Auction.

6.11.9.2 Post-sales: information relating to the auction including summary reports of activities carried out pre-, during and post-sale, and the outcomes seven (7) working days following close of the auction.

6.11.10 Examples of Management Information covering all requirements of Clause 6.11.9 must be submitted with each Tender for evaluation purposes.

6.11.11 The Supplier shall provide secure access to an online dashboard, allowing authorised Buyer staff real-time access to auction metrics throughout the auction.

6.11.12 The Supplier shall provide the facility for authorised Buyer staff to receive, through electronic means, auction metrics at regular points throughout the auction process, at times specified by the Buyer. For example, at 09:00, 14:00 and 19:00 each day that the auction is open.

6.11.13 The Supplier shall provide the facility for authorised Buyer staff to generate an auction metrics report at any point when a Timed Online Auction is live. This report must contain, at a minimum, the current Hammer Price for each registration included in the auction.

6.11.14 Within ten (10) Working Days of the end of each month, the Supplier shall provide a performance monitoring report to the Buyer.

6.11.15 The performance monitoring report shall contain, as a minimum, the following information in respect of the month just ended:

6.11.15.1 For each Service Level in Schedule 10 (Service Levels), the actual performance achieved over the month, and that achieved over the previous three (3) months;

6.11.15.2 A summary of any failures to achieve service level(s) that occurred during the calendar month;

6.11.15.3 The level of each failure to achieve service level(s) which occurred;

6.11.15.4 Which failures to achieve service level(s) remain outstanding and progress in resolving them, the cause of the fault and any action being taken to reduce the likelihood of reoccurrence;

6.11.15.5 For any repeat failures to achieve service level(s), actions taken to resolve the underlying cause and prevent reoccurrence;

6.11.15.6 The Service Credits to be applied in respect of that month, indicating the failures to achieve service level(s) to which the Service Credits relate;

6.11.15.7 A rolling total of the number of failures to achieve service level(s) that have occurred and the amount of Service Credits that have been incurred by the Supplier over the past six (6) months;

6.11.15.8 Relevant particulars of any aspects of the performance by the Supplier which fail to meet this Specification; and

6.11.15.9 Such other details as the Buyer may reasonably require from time to time.

**6.12 The Appointed Auction Supplier’s Means of Remuneration**

6.12.1 For each registration sold at a Timed Online Auction the Supplier shall charge the customer:

6.12.1.1 the sale price;

6.12.1.2 VAT on the sale price at the prevailing rate (currently 20%);

6.12.1.3 the auction Buyer’s Premium of xx% [tenderer to propose] on the sale price;

6.12.1.4 VAT on the Buyer’s Premium at the prevailing rate (currently 20%); and

6.12.1.5 an Assignment Fee at the prevailing rate (set by DVLA, currently £80 (eighty) pounds).

6.12.2 In calculating the amount payable to the Buyer from the proceeds of sale of a relevant registration at auction, the Supplier shall deduct and retain the following amounts from the gross proceeds from each sale:

6.12.2.1 the Buyer’s premium; and

6.12.2.2 VAT on the Buyer’s Premium.

6.12.3 The Supplier shall pay to the Buyer all proceeds of auction sales, less the relevant Buyer’s Premium and VAT on the Buyer’s Premium, as referenced in 6.12.2.

6.12.4 The costs of any auction sales that are not completed or are rescinded as a result of non-payment shall be borne by the Supplier.

6.12.5 The Buyer’s Premium plus VAT shall be the only remuneration that the Supplier shall be entitled to receive for providing the Services.

6.12.6 The Buyer’s Premium shall be a percentage figure, limited to one decimal place, fixed for the duration of the Contract Period and not subject to any limitations such as a minimum.

6.12.7 Indexation shall not apply to the Supplier’s remuneration under this Contract.

6.12.8 Further to Section 4 of Appendix 1 (Part B) - Core Terms, the Buyer agrees to pay the Supplier the sum of one pound (£1.00) in consideration for complying with the terms of this Contract, the sufficiency of which sum is acknowledged by each Party.

**6.13 Volumetric Information**

6.13.1 In recent auctions, the average number of:

6.13.1.1 Catalogue downloads per auction has been approximately 35,000; and

6.13.1.2 unique registered bidders per auction has been approximately 18,000.

6.13.2 The average Hammer Price achieved per registration at recent DVLA auctions is approximately £2,450 with approximately 99% of lots being sold.

6.13.3 For Timed Online Auctions in 2023, 1% of the total Hammer Price generated has been cancelled by successful bidders who have exercised their rights under the Consumer Contract Regulations. For the avoidance of doubt, the Consumer Contract Regulations will not be applied to this contract. The Buyer anticipates that a percentage of customers who would have exercised this right in the past will default on payments in future.

6.13.4 For Timed Online Auctions in 2023, 0.7% of the total Hammer Price generated has been lost through successful bidders defaulting on payments.

6.13.5 Registered bidder volumes in recent years were as follows:

|  |  |  |
| --- | --- | --- |
| **Year** | **Registered bidders** | **% Change from previous year** |
| 2019 | 96,092 | +21% |
| 2020 | 125,875 | +31% |
| 2021 | 217,629 | +73% |
| 2022 | 170,671 | -22% |
| 2023 | 155,025 | -9% |

6.13.6 In recent auctions the number of website visits over the 7 day Timed Online Auction period was 290,000 (this includes both unique visitors and impressions).

6.13.7 Example sale data for a recent Timed Online Auction is provided at Annex 2, showing the starting price and Hammer Price for each registration.

**6.14 Service Degradation & Incidents**

6.14.1 The Supplier shall provide application software which delivers a continuous Timed Online Auction service. This shall include evidence of the capacity, availability, and resilience of the proposed software. 99.9% service availability is required during the live period of a Timed Online Auction.

6.14.2 During any period where the Timed Online Auction service experiences unplanned degradation or downtime, the Supplier shall provide immediate notification via SMS and email to the Buyer. Such notifications shall include the time and date of when the issue began and a brief summary of the incident. The Supplier shall provide progress notifications throughout the duration of the incident and a final notification once the incident has been resolved.

6.14.3 Post-incident, the Supplier shall provide to the Buyer a full incident report. The incident report shall include the following:

1. Start date & time (1st minute of unavailability);
2. End date & time (final minute of unavailability);
3. Duration of unavailability period in minutes;
4. Details of impact and root-cause of the issue; and
5. Recommendations to mitigate future incidents.

6.14.4 The Supplier shall ensure that a sufficient level of personnel is in place to respond, on a 24/7 basis, to any unplanned service outage during the period of time when the Timed Online Auction is live.

**6.15 Business Continuity & Disaster Recovery**

6.15.1 The Supplier shall ensure business continuity and disaster recovery arrangements and procedures are in place for the Services that are maintained and managed at all times.

6.15.2 The Supplier shall develop a full contingency plan to be approved by the Buyer on an annual basis, to ensure the continuity of the Timed Online Auctions in the event of unavailability of any or all aspects of the Service.

6.15.3 The Supplier shall ensure the service includes a UK-based disaster recovery solution.

6.15.4 In response to this tender, the Supplier shall provide their proposed Business Continuity & Disaster Recovery plans in accordance with Schedule 14.

**6.16 Exclusivity**

6.16.1 From the Effective Date until the end of the Contract Period, the Supplier shall, without exception:

6.16.1.1 sell ONLY those Personalised Registrations that have been specified by DVLA; and

6.16.1.2 sell Personalised Registrations ONLY via the means specified in this Contract.

6.16.2 For the avoidance of doubt, this means that the Supplier must NOT sell any Personalised Registrations (whether by auction or any other means) outside of the auctions that it conducts on DVLA’s behalf, and the Supplier must NOT include in the auctions that it conducts on DVLA’s behalf any additional Personalised Registrations that have not been specified by DVLA.

PROVIDED that:

6.16.3 the Supplier may sell its own stock of personalised registrations privately in the secondary re-sale market until the end of the Transition and Implementation Period, from which time it shall be required to conduct auctions on DVLA’s behalf as specified by DVLA and in this Contract.

**6.17 Rights of Data Subjects**

6.17.1 In order to comply with the rights conferred on customers as Data Subjects within the definition of the DPA 2018, the Supplier must:

6.17.1.1 Provide clear signposting in all forms of communications to allow customers to access the Buyer’s privacy policy; and

6.17.1.2 Provide clear instructions in all forms of communication to allow customers to unsubscribe from future communications.

**6.18 Service Level Agreement (SLA) and Key Performance Indicators (KPIs)**

6.18.1 The details of the SLA and KPIs applicable to this requirement are outlined in Schedule 10 (Service Levels).

**6.19** **Transparency/Publication of Key Performance Indicators (KPIs)**

6.19.1 In accordance with the UK Government’s transparency agenda, to build trust and increase transparency in the delivery of public services, DVLA are required to publish and make publicly available key supplier performance data from our most important contracts. This contract has been classified as one of DVLA’s most important contracts, therefore the Supplier’s performance against the three KPIs which are most representative of the general purpose of this contract, and the single most important Social Value KPI (four KPIs in total, as identified in Schedule 10), will be published on a quarterly basis.

6.19.2 The selected KPIs will clearly relate to the contractual requirements and will be based on SMART criteria, i.e. they will be Specific, Measurable, Achievable, Relevant and Time-bound. Each KPI will have clearly defined descriptions and target performance thresholds set by DVLA, in consultation with the Supplier, at the outset of the contract.

6.19.3 Supplier performance against the target thresholds will be rated as one of the following for the purposes of publication:

* **Good:** The Supplier is meeting or exceeding the KPI targets that are set out within the Contract;
* **Approaching Target**: The Supplier is close to meeting the KPI targets that are set out within the Contract;
* **Requires Improvement** The performance of the Supplier is below that of the KPI targets that are set out within the Contract; or
* **Inadequate**: The performance of the Supplier is significantly below that of the KPI targets that are set out within the Contract.

6.19.4 The four selected KPIs and associated ratings above will be published on GOV.UK on a quarterly basis.

6.19.5 You are requested to acknowledge your understanding and acceptance of these shared obligations, under the government’s transparency agenda, in your tender.

**6.20 Social Value Considerations**

6.20.1 The Social Value Act (2012) requires contracting authorities to consider social value when procuring services, by taking into account the additional social benefits that can be achieved in the delivery of its contracts. It has been identified that [Procurement Policy Note 06/20 – taking account of social value in the award of central government contracts](https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts) applies to this procurement.

6.20.2 Using policy outcomes aligned with Government’s priorities, a weighting of 10% of the overall evaluation score for this requirement is dedicated to social value criteria.

6.20.3 The social value theme for this requirement is set out below, which requires Tenderers to demonstrate how, in the delivery of this Contract, they can assist DVLA in delivering the policy outcomes shown:

|  |  |  |
| --- | --- | --- |
| **Theme** | **Policy Outcome** | **Delivery Objective – What good looks like** |
| 5.Wellbeing | Improve Health & Wellbeing | Measures to raise awareness or increase the influence of staff, Suppliers, customers, communities and/or any other appropriate stakeholders to promote health and wellbeing, including physical and mental health, through its performance of the Contract, e.g. through engagement; co-design/creation; training and education; partnering/collaborating; and volunteering. |

6.20.4 An overview of the evaluation process is provided in Section 12 (Tender Evaluation) and the required social value criteria are detailed in Appendix 6 (Quality and Social Value). Any specific performance monitoring requirements and KPIs relating to social value are outlined in Schedule 10 (Service Levels).

6.20.5 The successful Supplier will be expected to demonstrate how they deliver social benefits that support the key social outcomes highlighted in the table above.

## 7. Quality Assurance Requirements

Not used

## 8. Other Requirements

**8.1 Information Assurance and Governance**

Where the Supplier processes Government data, including but not limited to, Personal Data on behalf of DVLA the following requirements shall apply, unless otherwise specified or agreed in writing.

**Assurance and Audit**

* **Statement of Assurance**

This Contract will require the Supplier to process government data on DVLA’s behalf. The successful tenderer will be required to complete a Statement of Assurance Questionnaire (SoAQ) prior to formal Contract award and before any Processing of data commences in relation to this Contract, to satisfy DVLA that its data will be appropriately protected. The purpose of the questionnaire is to assess the maturity of policies, systems and controls associated with the handling of our data.

As part of this, the Supplier must confirm how DVLA data or information will be securely managed at each stage of the supply chain, including any Subcontractors, Subprocessors or any other third parties.

The questionnaire must be completed and returned prior to contract award, and annually thereafter, and will be assessed by our Information Assurance & Governance team. DVLA will work with the Supplier to address any information aspects requiring improvement.

* **Audits of Processing**

The Supplier shall allow for auditing of its DVLA data Processing activity. Such audits will be conducted by DVLA, DVLA's representative or an agent acting on DVLA’s behalf and may include a site visit to the Supplier’s offices where DVLA data is processed.

* **Monitoring**

The Supplier shall collect audit records which relate to all events in delivery of the Services or that would support the analysis of potential and actual compromises resulting in a breach of security or a Data Loss Event.

In order to facilitate effective monitoring and forensic readiness such audit records should (as a minimum) include regular reports and alerts setting out details of access by users of the service, to enable the identification of (without limitation) changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of DVLA data. The retention periods for audit records and event logs must be agreed with DVLA and documented.

* **Data Protection Impact Assessment**

Where this Contract involves the Processing of Personal Data on behalf of DVLA that results in a significant risk to the rights and freedoms of individuals, the Supplier shall provide all reasonable assistance to DVLA in the preparation and completion of a Data Protection Impact Assessment (DPIA) prior to commencing any Processing of Personal Data. A DPIA may be required prior to Contract award or during the Contract Period if the risk profile changes.

Such assistance may, at the discretion of DVLA, include:

1. a systematic description of the envisaged Processing operations and the purpose of the Processing;
2. an assessment of the necessity and proportionality of the Processing operations in relation to the Services;
3. an assessment of the risks to the rights and freedoms of Data Subjects; and
4. the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

**Certification**

The Supplier shall ensure they hold relevant certifications in the protection of Personal Data and/or evidencing the effectiveness of technical and organisational measures they have in place. These certifications must be maintained throughout the entirety of the Contract, including any applicable extension periods. Evidence of valid certificates and corresponding documentation shall be provided upon request to DVLA's representative or an agent acting on DVLA’s behalf.

**Supplier Devices**

* **Removable Media**

The Supplier shall not use removable media in the delivery of this contract without the prior written consent of DVLA.

* **Mobile Device Management**

The Supplier shall ensure that any DVLA data which resides on a mobile, removable or physically uncontrolled device is stored encrypted, using a product or system component which has been formally assured through a recognised certification process agreed with DVLA, except where DVLA has given prior written agreement to an alternative arrangement.

* **Security**

The Supplier shall ensure that any device which is used to Process DVLA data meets all of the security requirements set out in the National Cyber Security Centre’s End User Devices Platform Security Guidance, a copy of which can be found at [https:www.ncsc.gov.uk/guidance/end-user-device-security](https://www.ncsc.gov.uk/guidance/end-user-device-security).

**Governance**

* **Organisational Structure**

The Supplier shall have a senior individual responsible for DVLA Assets (having the same meaning as “Buyer Assets”) within the Supplier’s custody.

* **Asset Management**

The Supplier shall implement and maintain an asset register that identifies and records the value of sensitive DVLA Assets which require protection. This includes both physical and information assets. Risk assessments should be managed to ensure that the security of the asset is proportionate to the risk depending on value and sensitivity.

* **Policies**

The Supplier shall establish, or indicate that they have in place, policies which detail how DVLA Assets should be processed, handled, copied, stored, transmitted, destroyed and/or returned. These shall be regularly maintained. The Supplier shall provide evidence of relevant policies upon request.

**Risk Assessment**

* **Technical**

The Supplier shall perform a technical information risk assessment on the Services supplied and be able to demonstrate what controls are in place to address any identified risks.

* **Security**

The Supplier shall ensure an annual security risk assessment is performed at any sites used to process or store any DVLA data. This assessment must include perimeter security, access controls, manned guarding, incoming mail and delivery screening, secure areas and/or cabinets for the storage of sensitive assets, and have a demonstrable regime in place for testing controls against operational requirements.

* **Return of Data / Information to DVLA**

The Supplier must be able to demonstrate they can supply a copy of all data or information on request or at termination of the Service.

* **Destruction / Deletion of Data or Information**

The Supplier must be able to securely erase or destroy all DVLA-related data or information that has been stored and processed for the Services, upon DVLA request.

* **Redundant Equipment / Media**

The Supplier shall securely destroy all redundant equipment or media that has held DVLA data in line with good industry practice and DVLA instructions. The Supplier must also be able to provide a certificate or confirmation of destruction/erasure upon request.

* **Incident Management**

The Supplier shall have policies in place which set out how information security incidents, and Personal Data Breaches or Data Loss Events (including breaches to the confidentiality, integrity, availability, and resilience of data) should be managed and who it should be escalated to, including notifying DVLA immediately, or in any case within 24 hours, of becoming aware of the incident(s) and/or breach(es).

This policy shall also include:

1. individual responsibilities for identifying and reporting security incidents and information security breaches;
2. a reporting matrix including escalation points;
3. an up-to-date list of relevant internal and external contact points; and
4. a timeline detailing at which point the policy should be implemented.

**Personal Data**

* **Processing Personal Data**

The Supplier as part of this Contract agrees to comply with all applicable UK law relating to the Processing of Personal Data and privacy, including but not limited to the UK GDPR and the Data Protection Act 2018, and the EU GDPR where applicable to the Processing.

* **DVLA Written Processing Instructions**

The Supplier shall comply with DVLA’s written instructions, as outlined in Appendix 8 and Schedule 20 (Processing Data).

* **International Transfers (Offshoring) of Government Data**

When international transfers or offshoring is described, the focus is typically on the physical location where data is hosted (such as where the data centres are located). However, whilst physical location of data is a critical part of the offshoring question, it is important to understand how and where data might be logically accessed. Administrators or technical support staff may be located anywhere in the world, with logical access to data.

The Supplier (and any of its third party Subcontractors, Subprocessors or suppliers) shall not transfer, store, process, access or view DVLA data outside of the UK without the prior written approval of DVLA, which may be subject to conditions. Any changes to offshoring arrangements must also be approved by DVLA.

Any request to offshore DVLA data must receive formal approval from DVLA prior to the commencement of any data Processing activity. This is requested through the completion of DVLA’s offshoring questionnaire.

In the event that the Supplier proposes to offshore any DVLA data as part of the Contract, they would be required to provide details in the offshoring questionnaire about the Processing to be carried out offshore, including:

1. the privacy risks and the security controls in place to protect the data;
2. how the offshoring arrangement is legitimised to comply with relevant Data Protection Legislation (e.g. adequacy decision, appropriate safeguards, standard contractual clauses/international data transfer agreements); and
3. where applicable details of any transfer risk assessment that has been conducted, along with any supplementary measures implemented.

**Personnel**

* **Security Clearance**
* **Level 1**

By submitting a tender response, the Supplier acknowledges that any Supplier Staff that will have access to a DVLA site for meetings and similar (but have no access to DVLA systems), must be supervised at all times by DVLA staff.

* **Level 2**

By submitting a tender response, the Supplier confirms that Baseline Personnel Security Standard clearance (BPSS) will be held for any Supplier Staff that will have:

* access to or will process DVLA (customer or staff) data or information;
* access to a DVLA site to provide routine maintenance; or
* access to a DVLA site and DVLA systems.

The BPSS comprises verification of the following four main elements:

1. Identity;

2. Employment History (past 3 years);

3. Nationality and Immigration Status; and

4. Criminal Record Check (unspent convictions only).

The aim of the BPSS verification process is to provide an appropriate level of assurance as to the trustworthiness, integrity, and proper reliability of prospective staff.The Supplier will be required to provide evidence of relevant Supplier Staff clearance before commencing delivery of the Services.

* **Employment Contracts**

By submitting a tender response, the Supplier confirms that organisational and individual responsibilities for information security are clearly defined in the terms and conditions of employment contracts, along with relevant non-disclosure agreements, where the individual with have access to any DVLA data, information and /or a DVLA site or systems.

* **Training**

The Supplier shall maintain a mechanism to ensure employees and contractors receive appropriate information security awareness and data protection training upon appointment, and perform regular updates to organisational policies and procedures, as relevant for each job function. Evidence must be provide where reasonably requested by DVLA.

* **Access Rights**

The Supplier shall ensure their staff are provided only the necessary level of access (using the principle of least privilege) to DVLA data or information, to deliver their job function within the contracted Services.

Upon staff migration, or termination of employment, the Supplier shall verify that there is a process in place to ensure assets are returned and rights to assets revoked without undue delay.

Evidence of the above must be provided where reasonably requested by DVLA.

**Data Sharing**

DVLA’s Contract Owner will work with the successful tenderer to implement any information sharing or data sharing procedures and associated DVLA requirements that may be needed at any point during the lifecycle of the Contract.

Information or data sharing procedures will need to be formally assessed and approved by DVLA through the Data Sharing Clearance Process, managed by the Information Assurance & Governance Team.

The Supplier will submit any requirements for information / data sharing via the Contract Owner to DVLA who will consider the changes through this Data Sharing Clearance process.  Any proposals shall be considered and, if approved, an implementation plan will be formally offered to and accepted by both DVLA and the Supplier before commencement.

This approvals process is designed to assess and identify additional measures and safeguards that may be required to protect data to those already stated in this Specification.

**8.2 Cyber Security**

The Government has developed Cyber Essentials, in consultation with industry, to mitigate the risk from common internet-based threats.

It will be mandatory for new Central Government contracts, which feature characteristics involving the handling of Personal Data and ICT systems designed to store or process data at the OFFICIAL level of the Government Security Classifications scheme (link below), to comply with Cyber Essentials.

<https://www.gov.uk/government/publications/government-security-classifications>

All potential tenderers for Central Government contracts, featuring the above characteristics, should make themselves aware of Cyber Essentials and the requirements for the appropriate level of certification. The link below to the Gov.uk website provides further information:

<https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>

As this requirement features the above characteristics, tenderers are required to demonstrate in their tender responses that:

* their organisation has Cyber Essentials or Cyber Essentials Plus certification; **or**
* their organisation will be able to secure Cyber Essentials or Cyber Essentials Plus certification prior to commencement of the required Services/Deliverables; **or**
* their organisation has other evidence to support that they have appropriate technical and organisational measures to mitigate the risk from common internet-based threats in respect to the following five technical areas:
* Boundary firewalls and internet gateways;
* Secure configuration;
* Access control;
* Malware protection; and
* Security update management.

The successful tenderer will be required to provide evidence of Cyber Essentials or Cyber Essentials Plus certification ‘or equivalent’ (i.e. demonstrate they meet the five technical areas the Cyber Essentials Scheme covers) at the point of Contract award, and prior to Personal Data being sent to the Supplier for Processing. This will be through the completion of the Statement of Assurance Questionnaire (SoAQ).

The Supplier will be required to secure and provide evidence of Cyber Essentials or Cyber Essentials Plus re-certification ‘or equivalent’ (i.e. demonstrate they meet the five technical areas) on an annual basis.

Further information regarding the certification process can be found here:

<https://www.ncsc.gov.uk/cyberessentials/overview>

**8.3 Sustainability**

DVLA is committed to reducing any negative impacts produced by its activities, products, and services. This aligns to the Greening Government Commitments which state we must: “Continue to buy more sustainable and efficient products and services with the aim of achieving the best long-term, overall value for money for society.”

DVLA is certified to ISO 14001:2015. More information is available in our Environmental Policy at <https://www.gov.uk/government/publications/dvlas-environmental-policy>. The Supplier shall comply with this policy.

Where appropriate, the Supplier shall assist DVLA in achieving its Greening Government Commitments. The current iteration is detailed on [Greening Government Commitments 2021 to 2025 - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025), i.e. Reduce CO₂ emissions through energy consumption and travel, reduce water consumption and waste produced.

In line with Government commitments, the Supplier shall provide the specified Services without the use of single use plastic.

The Supplier shall be committed to, and able to evidence, continual environmental improvements in their own organisation (ideally through a certified Environmental Management System, i.e. ISO 14001).

If available, the Supplier shall provide to DVLA a copy of their sustainability or environmental policy.

If requested, the Supplier shall provide to DVLA data on carbon emissions related to the Services being supplied to aid with scope 3 emission calculations and other Government reporting requirements.

All products and services procured by DVLA must comply with the Government Buying Standards (GBS). Further information, including details of each standard can be found on <https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>. The Supplier must ensure that any products procured for the delivery of the Services comply with the mandatory criteria of the relevant GBS and shall be able to evidence this to DVLA upon request.

The Supplier shall promote resource efficiency and waste avoidance, to reduce waste arising and the consumption of natural resources. All waste shall be disposed of correctly and in accordance with the waste hierarchy (as per the Waste (England and Wales) Regulations 2011) and duty of care (as per the Environmental Protection Act 1990 and the Environmental Protection (Duty of Care) Regulations 1991), and any other applicable legislation.

The Supplier shall continually aim to travel sustainably whilst conducting DVLA business or attending a DVLA site.

The Supplier shall be committed to reducing their carbon emissions year on year.

The Supplier shall ensure that any activities conform to the overarching principles of the Greening Government ICT and Digital Services Strategy, the current iteration of which is detailed on <https://www.gov.uk/government/publications/greening-government-ict-and-digital-services-strategy-2020-2025/greening-government-ict-and-digital-services-strategy-2020-2025>. The strategy outlines the Government’s vision to be a global leader in sustainable ICT. By submitting a tender response, the Supplier confirms their understanding and acceptance of this strategy.

**8.4 Health and Safety**

DVLA has an Occupational Health and Safety Management System that is certificated to ISO45001. Further information on DVLA’s Health & Safety Policy is available on request from the Commercial Advisor.

DVLA requires proactive management of health, safety, and environmental practices across all Services in accordance with and adherence to required health and safety and environmental legislation, compliance, and governance.

The Supplier shall maintain industry best practice health, safety and environmental management systems and record keeping repositories, actively managing associated risks and incidents. The Supplier shall support DVLA in promoting health, safety, and environmental good practice as a business improvement tool and not just to satisfy the requirement for regulatory compliance.

The Supplier shall provide regular reviews and updates to ensure health, safety and environmental management systems and document repositories remain current and in line with any revisions to and/or amendment of statutory instruments. This information shall be readily available when requested.

8.4.1 The following Standards and Requirements apply to this Service.

8.4.2 The Supplier shall prepare and as appropriate, revise a written safety policy, risk assessment and method statement identifying any safety implications that its activities may have and how they will be managed.  The Supplier’s Managing Director or appropriate senior manager must sign this safety policy.

8.4.3 The Supplier shall have documented, appropriate risk assessments and method statements, covering all significant activities and deliveries of the Services. Copies shall be made available to DVLA on request.

8.4.4 The Supplier shall ensure:

8.4.4.1.   Its safety policy statement aligns with the requirements of DVLA;

8.4.4.2.   It has suitable organisational arrangements in place to implement its safety policy throughout the Contract Period;

8.4.4.3.   Its safety policy aligns with all regulations and any Public Health England / Wales (PHE/W) and Department of Health and Social Care (DHSC) guidelines, in addition to any further measures set out in the health and safety executive guidelines and/or agreed with DVLA. The Supplier shall recognise the regulations may vary between regions and across Devolved Administrations. The Supplier shall ensure that, where required, it adopts and complies with any applicable regulations as appropriate wherever necessary;

8.4.4.4.   Its safety policy and safety management plan shall be readily available and accessible to all its employees and anyone, including DVLA, who may require sight of it;

8.4.4.5.   Details of its Safety Management plan shall be reviewed and revised accordingly to take account of legislation and other factors that may affect its effectiveness;

8.4.4.6.   It has an appropriate number of first aid and CPR trained staff deployed to successfully meet its own requirements in accordance with the Health and Safety (First Aid Regulations) 1981;

8.4.4.7 It has an accident reporting and recording process for all near miss, accidents/incidents, or violent and aggressive behaviours such that any incident on DVLA sites should be reported immediately to DVLA’s Health & Safety Team; and

8.4.4.8. It indemnifies DVLA against all losses where any failure of the Supplier’s product/service and/or its acts or omissions, with regards to health and safety, results in economic penalty, time delay, issue, accident/incident or claim against DVLA.

8.4.5. The Supplier where required shall provide a health and safety expert who is either a member of the Institution of Occupational Safety and Health (IOSH) or hold an equivalent qualification that is issued by a recognised organisation.

8.4.6. The Supplier shall be responsible for recording and investigating all accidents, incidents, dangerous occurrences and near misses involving its staff. A written report, must be provided, including recommendations to prevent any repeat, to DVLA.

8.4.7. The Supplier shall be responsible for ensuring that all RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) related incidents are reported in accordance with HSE (Health and Safety Executive) legislation. The Supplier shall be responsible for ensuring that DVLA is notified of any such incidents immediately and followed up in writing.

**8.5 Estates**

Not used.

**8.6 Diversity and Inclusion**

The Public Sector Equality Duty (PSED) is a legal requirement under the Equality Act 2010. The Equality Duty ensures that all public bodies play their part in making society fairer by tackling discrimination and providing equality of opportunity for all. It ensures that public bodies consider the needs of all individuals in their day-to-day work – in shaping policy, in delivering services, and in relation to their own employees.

DVLA is committed to encouraging equality, diversity and inclusion within its workforce and against unlawful discrimination of employees, customers and the public. We promote dignity and respect for all and will not tolerate bullying, harassment or discrimination by staff, customers or partners we work with. Everyone working for us and with us, as partners in delivering our services, has a personal responsibility for implementing and promoting these policy principles in their day-to-day transactions with customers and our staff.

A full copy of our Equality, Diversity and Inclusion Policy is included at Appendix 11.

**8.7 Business Continuity**

The Supplier shall have business continuity and disaster recovery plans in place to maintain or quickly resume the Services provided to DVLA and shall maintain compliance with relevant legislation.

See Section 6.15 for further detail.

**8.8 Procurement Fraud**

By submitting a tender response, the Supplier confirms that it will comply with the Procurement Counter Fraud and Bribery Statement embedded below:



**8.9 Use of DVLA Brands, Logos and Trademarks**

DVLA does not grant the Supplier licence to use any DVLA brands, logos or trademarks except for use in communications or official Contract documentation, which is exchanged between DVLA and the Supplier as part of their fulfilment of the Contract.

Approval for any further specific use of DVLA’s brands, logos or trademarks must be requested and obtained in writing from DVLA.

**8.10 Welsh Language Scheme Requirements**

The Contract will require the Supplier to deliver Services to the public in Wales, on behalf of DVLA. Consequently, the requirements of the Welsh Language Scheme (Annex 1) will apply.

**8.11 Accessibility**

The accessibility regulations ([Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018](https://www.legislation.gov.uk/uksi/2018/952/made)) came into force for public sector bodies on 23 September 2018. The regulations require that all public sector websites developed for use by the public should be accessible, and meet the [requirements](https://www.gov.uk/guidance/accessibility-requirements-for-public-sector-websites-and-apps) which can be found on GOV.UK.

The successful tenderer shall ensure the auction website meets these legal requirements and shall publish an accessibility statement that explains how accessible the auction website is.

## 9. Management and Contract Administration

The Parties shall appoint the following key personnel as a minimum and shall provide each other with up-to-date contact details for each throughout the Contract Period:

|  |  |  |
| --- | --- | --- |
| **Role** | **Personnel of** | **Point of contact for** |
| Contract Owner | Buyer | * Day-to-day Service delivery and performance. * Escalation of operational issues. |
| Account Manager | Supplier |
| Commercial Advisor | Buyer | * Contractual queries or changes. * Escalation of contractual issues. |
| Data Protection Officer | Supplier | * Discussion of security controls protecting DVLA information in this Service. * Contact point for Data Incidents. |

* 1. The Supplier shall participate in such meetings as may be required by the Buyer prior to the commencement of any activities or actions associated with the DVLA auction service. All meetings can be held virtually with the option to hold a meeting, where necessary, at Buyer premises where the Buyer hasagreed.
  2. The Buyer shall ensure all minutes of meetings are recorded and disseminated electronically to the appropriate persons within five (5) Working Days after the meeting.
  3. The Supplier shall ensure Open Book Accounting in the provision of the Services.
  4. The Supplier shall prepare and maintain a contract and operational risk register in accordance with the Buyer's instructions. The Supplier shall identify risks, allocate risk mitigation action and ownership, and report to the Buyer on progress on mitigation at applicable risk review meetings to be agreed between the Supplier and the Buyer.
  5. The Supplier shall ensure that information held by the Supplier in connection with the provision of the Services is always held and maintained securely and in accordance with all security requirements.
  6. The Supplier shall advise the Buyer immediately of any material issues which it would reasonably expect may generate complaints or receive regulatory or press attention.
  7. The Supplier shall ensure fully robust performance management and disciplinary procedures are in place and are applied for all Supplier Staff.
  8. The Supplier shall ensure that any inappropriate activities and/or risks associated with inappropriate conduct of Supplier Staff occurring during the course of provision of the Services are reported immediately to the Buyer’s Contract Owner.
  9. The Supplier shall notify the Buyer’s Contract Owner immediately where there is, or is any suggestion of, fraud, misconduct or any other irregularity occurring during the course of provision of the Services.
  10. The Supplier shall insure or indemnify itself against the cancellation or postponement of an auction (in full or in part) either due to unforeseen circumstances or on the Buyer's reasonable request.
  11. For the avoidance of doubt the Buyer shall not be liable for any costs incurred by the Supplier howsoever caused in the event of a cancellation or postponement of an auction.
  12. The Supplier shall fully comply with the Buyer’s information security requirements. This includes consideration of handling, storage and transmission of reports and customer data.
  13. The information routinely stored, accessed and processed on the Buyer IT infrastructure is of a sensitive nature, much of which is classified as Official Sensitive in accordance with the Security Policy Framework (SPF). The Supplier shall comply with the Buyer’s security requirements.
  14. The Buyer owned information may only be accessed via and processed on correctly accredited Buyer or authorised (partner/third party) computer equipment and systems. The use of personal computer equipment and systems for access and/or processing of Buyer owned information is strictly prohibited.
  15. All third parties with access to the Buyer’s data are required to comply with the Data Protection Act in accordance with Buyer’s policy.
  16. The Supplier shall immediately and securely destroy all operational case information and any associated images held after completion of the relevant archive periods as set out by the Buyer post Contract award. Such data must be destroyed/deleted to a level that any personal data can no longer be retrieved in accordance with the retention periods detailed in the Schedule of Processing, Personal Data & Data Subjects set out in Schedule 2.

**Economic and Financial Standing (EFS)**

Annual (and where appropriate periodic) assessments will be conducted by the Buyer to assure the economic and financial standing of the Supplier, with regards to its ongoing ability to deliver the Services.

**Subcontracting to Small and Medium Enterprises (SMEs)**

DVLA is committed to removing barriers to SME participation in its contracts, and would like to also actively encourage its larger Suppliers to make their subcontracts accessible to smaller companies and implement SME-friendly policies in their supply chains (see the Gov.Uk [website](https://www.gov.uk/government/publications/department-for-transport-actions-for-improving-business-opportunities-for-small-and-medium-enterprises) for further information).

To help us measure the volume of business we do with SMEs, our Form of Tender document asks about the size of your own organisation and those in your supply chain.

If you tell us you are likely to subcontract to SMEs, and are awarded this contract, we will send you a short questionnaire asking for further information. This data will help us contribute towards Government targets on the use of SMEs. We may also publish success stories and examples of good practice.

## 10. Documentation

See Annex 2.

## 11. Arrangements for End of Contract

11.1 The Supplier shall (unless otherwise agreed by the Buyer in writing) procure that all sub-contracts and other agreements with third parties, which are necessary to enable the Buyer and/or any Replacement Supplier to perform the Services in accordance with this Contract or the replacement services, shall be assignable and/or capable of novation at the request of the Buyer to the Buyer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Services (or part of them) without restriction on (including any need to obtain any consent or approval) or payment by the Buyer.

11.2 The Supplier shall work with the Buyer to coordinate the transfer of the URL [https://www.dvlaauction.co.uk](https://www.dvlaauction.co.uk/) to the Buyer or other nominated third party on the Contract Expiry Date or upon early termination of this Contract.

11.3 The Supplier shall fully cooperate with the Buyer to ensure a fair and transparent re-tendering process for this contract. This may require the Supplier to demonstrate separation between those personnel involved in delivering the existing Services and those involved in tendering for any replacement services, to prevent actual (or perceived) conflicts of interest arising.

## 12. Tender Evaluation

Evaluation will comprise of the following elements:

1. **Selection:** an assessment of the Selection Questionnaire (see Appendix 4 (Selection));
2. **Mandatory criteria:** an evaluation of responses to the mandatory requirements, in accordance with Appendix 6 (Quality and Social Value). These will be assessed on a pass/fail basis. Tenders that fail any of the mandatory requirements may be disqualified from further consideration;
3. **Scored Quality & Social Value Criteria:** an evaluation of the tender based on the quality criteria and social value criteria, in accordance with Appendix 6 (Quality and Social Value). Tenders that fail to meet the minimum Quality threshold of 50% for all scored criteria may be disqualified from further consideration;
4. **Price:** an evaluation of the costs tendered (Buyer’s Premium), in accordance with Appendix 5 (Pricing);
5. **Post-tender submission tender differentiation:**
6. Where two or more tenders share a total score (i.e. a combined Quality, Social Value & Price score) that is also the highest total score, those tenders will be considered to be “Tied.”
7. Additionally to (i), where one or more tender(s) have a total score that is less than 0.5% different from the highest total score, those tenders will also be considered to be “Tied” with the highest-scoring tender. (For the avoidance of doubt this means that, where the difference from the highest total score is 0.5% or greater, tenders will NOT be considered to be Tied.)
8. Tied tenders will be subject to the following additional evaluation stage(s) to determine the winning tender:
9. Application of the order of precedence of the Scored Quality Evaluation Criteria, using the “priority” numbers specified at Section 4 of Appendix 6 (Quality and Social Value) as follows:
10. The tender with the highest score for the Criterion with priority “1” wins. If this does not produce a single winner, proceed to next step;
11. The tender with the highest score for the Criterion with priority “2” wins. If this does not produce a single winner, proceed to next step;
12. The tender with the highest score for the Criterion with priority “3” wins. If this does not produce a single winner, proceed to next step;
13. And so on, in order of priority number, for all remaining Scored Quality criteria.
14. If step A above does not produce a single winner, this Step B shall apply:
15. Each tenderer will be asked to propose a revised Buyer’s Premium as a “best and final offer.”
16. Each revised Buyer’s Premium proposed pursuant to step B(i) above will be evaluated in the same way as the tenderer’s original Price submission, to produce a revised Price score.
17. The tender with the highest revised Price score wins.
18. **EFS:** an assessment of the Economic and Financial Standing (EFS) of the successful tenderer (see Schedule 24 (Financial Difficulties)).

## Annex 1- Welsh Language Scheme Requirements

DVLA must ensure that arrangements and contracts with third parties that relate to the provision of services to the public in Wales are consistent with the terms of the Welsh Language Scheme and are implemented accordingly.

This means that, where DVLA provides services in English through use of a 3rd party supplier, it will deliver the same quality of service to residents in Wales, specifically:

* documentation and publications in English and in Welsh will be provided to the same quality and timescale. The majority of forms and correspondence provided as part of the Service will be provided by DVLA; and
* target times for response to correspondence will be the same whether the correspondence is conducted in English or in Welsh.

Where the service is supported by a corporate or telephone support service located outside Wales, it will not be practicable to offer a Welsh Language telephone service. However, the Supplier must offer those who call and who wish to speak in Welsh the option of writing in Welsh or continuing the conversation in English.

Suppliers must adopt a bilingual corporate identity within Wales. This means Welsh and English must be displayed on all material which displays corporate identity. This includes identity badges and vehicles.

All signs, which give information to the public, must be bilingual with the Welsh and English text being treated equally with regard to size, legibility and prominence.

Each agent or supplier who delivers services to the public on behalf of DVLA in Wales will be monitored on an annual basis to ensure compliance with the Welsh Language terms of their agreements or arrangements.

## Annex 2 - Reporting Requirement Examples

|  |  |  |
| --- | --- | --- |
| **Document Title** | **Requirements Reference** | **Embedded Document** |
| Treasury Report | 6.11.1 | XXXXXX “redacted under FOIA section No 40” |
| Auction Sale Report | 6.11.4 | XXXXXX “redacted under FOIA section No 40” |
| Payment Batch .txt Report | 6.11.5 | XXXXXX “redacted under FOIA section No 40” |
| Payment Batch .pdf customer data report | 6.11.6 | XXXXXX “redacted under FOIA section No 40” |
| Payment Batch Spreadsheet Report | 6.11.7 | XXXXXX “redacted under FOIA section No 40” |

## Annex 3 - Definitions

**Ancillary Services**

All additional services required to aid the operation of Timed Online Auctions. This includes, but is not limited to, customer support and marketing.

**Assignment Fee**

This is the fee set by DVLA to assign a registration to a vehicle, which is included in the total price a customer must pay when purchasing a Personalised Registration.

**Associated Promotional Activity**

All marketing activity that is carried out to promote Timed Online Auctions, with the intention to increase traffic to the dvlaauction.co.uk website, increase registered bidders for each Timed Online Auction, and increase the Hammer Price achieved at each Timed Online Auction.

**Buy Now**

The facility for a Personalised Registration to be purchased instantly at a fixed price on [dvlaregistrations.dvla.gov.uk](file:///C:\Users\Peachc\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\WT3X7WXF\dvlaregistrations.dvla.gov.uk).

**Buyer’s Premium**

A charge in addition to the hammer price of an auction lot, which the winning bidder (the customer) is required to pay to the auctioneer (the Supplier). All of the Buyer's Premium is retained by the Supplier. For the avoidance of doubt, “Buyer’s Premium” relates to the charging mechanism explained in this definition (wherein the word “Buyer” relates to the customer of a sold auction lot), and should not be confused with the separate definition for the stand-alone term “Buyer” (which in this Contract means DVLA).

**Card Data Incident**

An incident where cardholder data has been accessed or used without authorisation or used other than in accordance with the Contract.

**Contract Start Date**

Has the same meaning as Start Date in Schedule 1 (Definitions).

**Conversion Rate**

The percentage of lots on offer that ‘convert’ to a sale. If all registrations receive a bid, and there are no unsold lots, then the ‘Conversion Rate’ would be 100%.

**Hammer Price**

This is the price that the highest bid was at when a lot closes and does not include any additional fees.

**Improvement Delivery Plan**

A proposal to deliver changes and enhancements that includes timelines, opportunity for Buyer feedback and approval, and testing.

**Management Information**

Information used to inform and support decision-makers of a business, allowing them to make better decisions, build more robust plans, and ultimately drive growth and efficiencies based on current performance, trends and potential issues.

**Maximum Bid**

The facility that will allow bidders to submit the highest amount that they are willing to spend on an auction lot.

**Official Correspondence**

Correspondence of an official nature received by the Buyer from sources including (but not limited to) Ministerial channels, that requires a prompt formal response from the Buyer which may in turn require input from the Supplier.

**Personalised Registration**

Any vehicle registration number that could be desirable to a person or organisation and attract a monetary value if offered for sale.  This includes (but is not limited to) vehicle registration numbers which have not been previously issued and which may be offered for sale by DVLA (or by DVLA’s authorised agent on its behalf), and vehicle registration numbers which have been previously issued and which may be offered for sale by private individuals or organisations (sometimes referred to as “cherished” registration numbers).

**Service Level Failure**

This is the failure to achieve one or more of the Service Levels as described in Schedule 10 (Service Levels).

**Sniping**

The practice of placing a bid likely to exceed the current highest bid as late as possible—usually seconds before the end of the auction—giving other bidders no time to outbid the sniper. This can be done either manually or by software on the bidder's computer.

**Timed Online Auctions**

The method in which registrations (lots) are offered for sale, allowing a time window for registered customers to bid on lots, with the highest bidder at the conclusion of that time window being the winning bidder, and purchasing the lot.

**Transition & Implementation Period**

A period of 6 months, or such other period as the Buyer deems necessary, from the Effective Date for the delivery of an Implementation Plan.

During the Transition & Implementation Period the Supplier must take all reasonable steps, in collaboration with the Buyer, to ensure the smooth continuation of service to customers by delivering the agreed Implementation Plan. This includes effecting any necessary transition from incumbent Supplier to new Supplier in accordance with the agreed Implementation Plan.

The delivery of the Implementation Plan is carried out at the Supplier’s own risk. No Timed Online Auctions (and therefore no revenue generation) will take place under this Contract during the Transition and Implementation Period.