



Area 12 Maintenance and Response (M&R) Contract

Instructions for Tenderers (IfT)

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Definitions

| | |
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| Associated Company | has the meaning in section 256 of the Companies Act 2006; |
| Bravo / e-Sourcing Portal | the e-Sourcing portal that is used for the submission of tenders and any supporting documentation, the submission of tender queries, Clarification or any other purpose which the Highways England Procurement Officer may communicate to the Tenderers from time to time; |
| Clarification | the raising of questions relating to a Tenderer's bid by Highways England during the Evaluation, Consensus, Moderation or Sustainability stages of the procurement process; |
| Commercial Assessment Panel | the group of assessors that assess the Commercial Submission; |
| Commercial Envelope | the area on Bravo to which Tenderers should submit their Commercial Submission; |
| Commercial Submission or Submission 3 | the part of the Tenderer's bid dealing with the financial aspects as more particularly described in section 2.1.10(c) of these Instructions and including the Commercial Workbook; |
| Consensus (Initial) | the stage of the procurement process where the members of the Quality Assessment Panel convene to agree a provisional score and rationale for each Tenderer's response to each of the Quality Questions; |
| Consensus (Final) | the stage of the procurement process where the members of the Quality Assessment Panel reconvene to agree an interim score and rationale (subject to Sustainability) for each Tenderer's response to each of the Quality Questions. |
| Cyclical Maintenance | The routine service to maintain the asset and sub-asset to the required level of service as instructed by the <i>Service Manager</i> . |
| Evaluation | the stage of the procurement process where individual members of Quality Assessment Panel and the Commercial Assessment Panel each mark the Tenderer's response to the Quality Questions and the Commercial Submission; |

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| Final Commercial Score | a Tenderer's Total Commercial Score following the application of the 30% weighting derived from this procurement using a 70%/30% quality to price ratio; |
| Final Quality Score | a Tenderer's Total Quality Score following the application of the 70% weighting derived from this procurement using a 70/30 quality to price ratio; |
| Final Tender Score | the aggregate of the Tenderer's Final Commercial Score and Final Quality Score. |
| Instructions | the instructions contained within this Instructions for Tenderers (IfT) document; |
| Lead Tenderer | the Tenderer that ranks first prior to the assessment of the Selection Questionnaire (Stage 8); |
| Lump Sum Services | single payments for specific services outlined in the Maintenance and Response (M&R) Term Service Contract; |
| Maintenance and Response (M&R) Contract/Contract | the NEC 4 Term Service Contract made between the successful Tenderer and Highways England for the successful Tenderer to provide and undertake routine and response maintenance, incident response, defect rectification and severe weather delivery on the all-purpose trunk roads and motorways in Highways England's Area 12 as described in the Scope; |
| Moderation | the stage of the procurement process that is carried out after Consensus during which the Moderation Panel reviews the outcome of the Consensus and assures that this has been carried out in accordance with these Instructions; |
| Moderation Panel | the individuals who conduct Moderation (and who are not members of the Quality Assessment Panel or the Commercial Assessment Panel); |
| OJEU | the Official Journal of the European Union through which all tenders above a required threshold must be advertised; |
| Procurement Officer | the person identified in section 1.6.2 of these Instructions; |
| Quality Assessment Panel | the group of assessors that assess the Tenderer's Quality Submission; |
| Quality Commitments | SMART commitments made by the Tenderer in their Quality Submission describing how the Tenderer will provide the Service. Quality Commitments will be recorded on the Commitments Register and be |

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| | incorporated into the Form of Agreement as conditions of the Contract; |
| Qualification Envelope | the area on the eSourcing portal in which Tenderers submit their Submission 1 (including the Selection Questionnaire); |
| Quality Questions | the questions to which tenderers are required to respond in their Quality Submission as set out in Table 4.2.8 of these Instructions; |
| Quality Score | the aggregate score awarded to a Tenderer's response to the Quality Questions following Moderation; |
| Quality Submission or Submission 2 | the part of the Tenderer's bid containing its response to the Quality Questions as more particularly described in section 2.1.10(b) of these Instructions and including the Quality Commitments; |
| Regional Operations Centre (ROC) | the <i>Client's</i> 24-hour emergency and incident contact facility. |
| Repair Maintenance | The service to rectify a defect in an asset or sub-asset as instructed by the <i>Service Manager</i> . |
| Selection Questionnaire | the document to be completed by Tenderers as part of Submission 1; |
| Severe Weather Plan | the document found in Annex 3; |
| SMART | Specific, Measurable, Achievable, Relevant and Time-bound; |
| SME | a small or medium sized business with fewer than 250 employees; |
| Submission 1 | that part of the Tenderer's response to the invitation to tender including the response to the Selection Questionnaire described in section 2.1.10(a) of these Instructions; |
| Submission 4 | that part of the Tenderer's response to the invitation to tender described in section 2.1.10(d) of these Instructions; |
| Sustainability | the stage of the procurement process where the Lead Tenderer's tender is assessed to satisfy Highways England that the Service can be delivered for the duration of the Contract for the price quoted; |
| Technical Envelope | the area on Bravo to which Tenderers should submit their Quality Submission and Submission 4; |

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|-------------------------|--|
| Tender Assessment Panel | the combined Quality Assessment Panel and the Commercial Assessment Panel; |
| Total Commercial Score | a Tenderer's score for its Commercial Submission determined in accordance with sections 6.3.1 to 6.3.7 and 6.6.3 to 6.6.7 of these Instructions; |
| Total Quality Score | a Tenderer's score for its Quality Submission (subject to any adjustment made at Sustainability) determined in accordance with sections 6.3.8 to 6.6.2 of these Instructions; and. |
| TUPE | the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246). |

1 THE TENDER PROCESS

These Instructions apply to the submission of tenders for the Area 12 Maintenance and Response (M&R) Contract.

1.1 General

1.1.1 This tender process is carried out under the Open Procedure in regulation 27 of the Public Contracts Regulations 2015 following the publication of an OJEU Contract Notice. It seeks to determine the most economically advantageous tender to Highways England. This will be a compliant and affordable tender which meets the selection criteria.

1.1.2 Tenders will be evaluated on a combination of quality and price with quality weighted at 70% and price 30%.

1.1.3 Tenders must be submitted in accordance with these Instructions. Tenders not complying with these Instructions may be rejected by Highways England whose decision in the matter will be final. These Instructions will not form part of the Contract.

1.1.4 Tenderers must maintain and regularly check their Bravo account as this will be the primary form of communication for this tender.

1.1.5 The contents of these Instructions and of any other documentation sent to Tenderers in respect of this tender process are provided on the basis that they remain the property of Highways England. Tenderers must not release information concerning the tender documents for publication in the press or on radio, television, screen or any other medium. Tenderers must not disclose the fact that they are tendering or release details of the tender documents, other than on an "in confidence" basis to those who have a legitimate need to know or whom they need to consult for the purpose of preparing their tender response. If Tenderers are unable or unwilling to comply with this requirement they are required to destroy these Instructions and all associated documents immediately and not to retain any electronic or paper copies.

1.1.6 Before deciding whether to bid for this competition Tenderers are advised to consider the implications of the Network Resilience Test described in section 7 of these Instructions.

1.1.7 Tenderers are required to conduct themselves in good faith in all dealings in relation to this tender process.

1.2 Information Management

1.2.1 Under the Freedom of Information Act 2000 (the "Act"), the Environmental Information Regulations 2004 ("EIRs") and the Public Contracts Regulations 2015 ("PCRs"), Highways England may be obliged (subject to the application of any relevant exemptions and, where applicable, the public interest test) to disclose information relating to the tender process including any tenders received.

- 1.2.2 Under the Cabinet Office Efficiency Reform Group's Guidance Note dated December 2010 entitled "Transparency – Publication of New Central Government Contracts", or any later revision, Highways England is obliged to publish any contract resulting from this competition, excluding only information which is exempt from disclosure pursuant to the Act, the EIRs or the PCRs. The decision as to which materials are excluded from publication rests with Highways England in its sole discretion. Highways England's initial view is that the only materials likely to be excluded from publication on this basis are as follows:
- The Quality Submission
 - Prices in the Commercial Workbook / Resource Cost Schedule
- 1.2.3 All Central Government Departments and their Executive Agencies and Non-Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.
- 1.2.4 For these purposes, Highways England may disclose within Government any of the Tenderer's documents and information (including any that the Tenderer considers to be confidential and/or commercially sensitive, such as specific tender information) submitted by the Tenderer to Highways England during this tender process. The information will not be further disclosed outside Government. Tenderers taking part in this competition consent to these terms as part of the tender process.
- 1.2.5 Tenderers should be aware that Highways England could receive requests for any information relating to this Contract or tender. While Highways England reserves its discretion in responding to any such information request, Tenderers are invited to request that certain information is not disclosed or published if to do so would breach an undertaking as to confidentiality, prejudice their legitimate commercial interests or is otherwise exempt from disclosure under the Act or the EIRs. Requests for non-disclosure under the Act or the EIRs must accompany the tender and include:
- a) clear and substantive justification; and
 - b) a time limit when any confidential or commercially prejudicial information could be disclosed.
- 1.2.6 Any request by the Tenderer under this paragraph is for information only and will not be taken into account in the tender assessment process, nor will it form part of any contract between Highways England and the Tenderer.
- 1.3 **Change of Status**
- 1.3.1 Tenderers must immediately advise Highways England and seek approval of such change if:

- (a) their ownership or the ownership of any member of their tendering consortium (or its or any of their parent companies) changes, or
 - (b) they (or one of their Associated Companies) completes the takeover of, or merges with, another Tenderer (or one of its Associated Companies that is tendering.)
- 1.3.2 If Highways England considers that a change in ownership or status has created a potential conflict of interest and does not give its approval, the Tenderer may be excluded from the tender assessment. If excluded, the Tenderer will be notified by the Procurement Officer.
- 1.3.3 If, at any time during the tender process the information about the Tenderer's economic or financial standing provided by it in the Selection Questionnaire changes so that it might no longer pass the economic and financial standing test the Tenderer must immediately inform Highways England in writing. Highways England reserves the right to re-run the economic or financial standing test in the Selection Questionnaire and disqualify a Tenderer who has previously passed the Selection Questionnaire stage of this procurement process.
- 1.3.4 Highways England reserves the right to disqualify any Tenderer that fails to inform or advise Highways England as required by section 1.3.1 or 1.3.3 of these Instructions.
- 1.4 **Tender Warranties and Disclaimer**
 - 1.4.1 No warranty is given to tenderers by Highways England as to the accuracy or completeness of the information contained in these Instructions or any other document forming part of the tender process. Any liability for inaccuracy or incompleteness is expressly disclaimed by Highways England. Tenderers are advised to satisfy themselves that they understand all the requirements of the Contract before submitting their tender.
 - 1.4.2 Nothing in these Instructions shall be taken as constituting an offer (whether implied or otherwise), or any agreement, whether express or implied, between Highways England and any other party.
 - 1.4.3 Highways England reserves the right to cancel, amend or vary the tender process at any point prior to the award of the Contract (whole or in part) and with no liability on its part.
 - 1.4.4 Highways England reserves the right not to accept any tender or enter into the Contract with the successful Tenderer for any reason.
 - 1.4.5 Highways England and/or its advisors are not liable for any costs resulting from any amendment or cancellation of this tendering process nor any other costs, charges, fees, expenses, claims or disbursements (howsoever arising and including third party costs) incurred by those tendering for this Contract opportunity. Tenderers submit a Tender at their own risk and expense.

- 1.4.6 Tenderers to note that all information provided as part of their Tender must be true and accurate. Highways England reserves the right to reject any tender if the Tenderer provides misleading or false information.

1.5 Tender Documents

- 1.5.1 The documents provided to Tenderers are listed in the following Tables.

Table 1.5.1

| | |
|---|--|
| Tendering Instructions | Instructions for Tenderers (IfT) (this document) |
| | IfT - Annex 1 Selection Questionnaire Guidance |
| Tendering Instructions Additional Information | Area 12 M&R - Information Assurance Solutions |
| | Tender Query Form |
| | Highways England Anti Bribery Code of Conduct |
| | Highways England Anti-Fraud Code of Conduct |
| | Area 12 M&R - Information Assurance Solutions |
| | Highways England Information Assurance Policy |
| | Highways England Fair Payment Charter |
| Commercial Documents | Price List Issue 7 |
| | Price List Schedules A, B, C |
| | MOM (Method of Measurement) Schedule B Issue 7 |
| | MOM (Method of Measurement) Schedule C Issue 7 |
| | Service Plan Template |
| | Schedule of Rates Resources Schedule |
| | Lump Sum Resources Schedule |
| Contractual Agreement | Form of Agreement Issue 7 |
| | Contract Data Part 1 Issue 7 |
| | Contract Data Part 2 Issue 7 |
| | Z Clauses Issue 7 |
| Network Information | Network Information (NI) Issue 7 |
| Additional Information | Technology Operation and Maintenance Manuals [Please contact the Procurement Officer via BRAVO for access] |
| | Pre-Construction Information Issue 7 |
| | TUPE Information (password protected will be sent via Bravo messaging) |
| Contract Scope and Annexes | Scope Issue 7 |
| | Specification Issue 7 |
| | Scope Annex 1 Defined Term Issue 7 |
| | Scope Annex 2 Vision, Values & Key Objectives Issue 7 |
| | Scope Annex 3 Reference Documents Issue 7 |
| | Scope Annex 4 Insurance Requirements Issue 7 |
| | Scope Annex 6 Information Systems and Security Issue 7 |

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|---|
| Scope Annex 8 Confidentiality & Client's Personnel Security Issue 7 |
| Scope Annex 9 Instruction and Payment Requirements Issue 7 |
| Scope Annex 10 Cost Capture Data Requirements Issue 7 |
| Scope Annex 11 Community Issue 7 |
| Scope Annex 12 Communications Issue 7 |
| Scope Annex 13 General Health & Safety Issue 7 |
| Scope Annex 14 Premises Management Issue 7 |
| Scope Annex 15 Annual Commercial Plan and Service Plan Issue 7 |
| Scope Annex 16 Quality Management Issue 7 |
| Scope Annex 17 Performance Management Issue 7 |
| Scope Annex 18 Continual Improvement and Innovation Issue 7 |
| Scope Annex 19 Records Issue 7 |
| Scope Annex 20 Additional Maintenance and Operational Requirements Issue 7 |
| Scope Annex 21 Client's Stocks Issue 7 |
| Scope Annex 22 Client's Vehicles Issue 7 |
| Scope Annex 22 Appendix E Issue 7 |
| Scope Annex 24 Parent Company Guarantee Issue 7 |
| Scope Annex 25A Form of Novation (old Client to new Client) Issue 7 |
| Scope Annex 25B Form of Novation (old Contractor to New Contractor) Issue 7 |
| Scope Annex 26 Customer Service Issue 7 |
| Scope Annex 27 Environmental Management and Sustainability Issue 7 |
| Scope Annex 28 Minor Improvements and Renewals Issue 7 |
| Scope Annex 29 Data Protection Issue 7 |
| Scope Annex 30 Client Requirements Issue 7 |

- 1.5.2 The following parts of the tender documents are provided in an editable format to allow preparation of the information required:

Table 1.5.2

| |
|---------------------------------|
| Tender Query Form |
| Information Assurance Solutions |
| Price List |
| Contract Data Part 2 |

- 1.5.3 Tenderers are advised to raise a tender query should there be any difficulty in downloading the documents listed.
- 1.5.4 Any drawings, prints, specifications, data, calculations and analyses issued to Tenderers in connection with this tender remain the property of Highways England. All such information issued to Tenderers may only be used for the purpose of tendering.
- 1.6 **Tender Communications**
- 1.6.1 All queries from Tenderers must be made via Bravo using the Tender Query Form provided. The deadline for tender queries is shown in Table 1.7.1, and tender queries submitted after this date will not be accepted, unless instructed otherwise by the Procurement Officer. All details are to be included on this form, and no further attachments are to be sent unless specifically requested by the Procurement Officer. One question should be asked for each row.
- 1.6.2 The Procurement Officer for this competition is [REDACTED] at Highways England. Contact with the Procurement Officer must be made via Bravo only. Except where otherwise directed in these Instructions, Tenderers must not contact any other person in relation to this tender.
- 1.6.3 All tender queries made in accordance with these instructions will be responded to by the Procurement Officer via a tender query response. Tender queries will be issued regularly to all Tenderers via Bravo. If the response requires a change to the tender documents, then a tender amendment will be issued via Bravo.
- 1.6.4 Where a Tenderer believes that their query (and subsequent answer) is confidential, for example, specific questions about their tendering model, Tenderers can ask that their query and answer is treated as confidential. For each query marked as confidential, the Procurement Officer will need to be satisfied that there is a genuine concern before restricting wider disclosure to other Tenderers. If the Procurement Officer does not consider that the question should be treated as confidential, Highways England reserves the right, at its own discretion, to ask the Tenderer to withdraw the query or to circulate it and/or the subsequent response to all Tenderers.
- 1.6.5 Tender amendments are changes to the tender documents that are made in writing by the Procurement Officer only and issued to all Tenderers via Bravo. Only in exceptional circumstances will tender amendments be issued after tenders have been submitted in the form of a post tender amendment. In such circumstances, the Procurement Officer will notify all Tenderers of the required action.
- 1.7 **Tender Programme**
- 1.7.1 The indicative tender programme is shown in the Table below. Please note that Highways England will confirm how depot tours will be delivered.

Table 1.7.1

| Item | Activity | Date |
|------|----------------------------------|--------------------------------|
| 1 | Issue Tender Documents | 5 June 2020 |
| 2 | Last date for tender queries | 16 July 2020 |
| 3 | Final tender query response date | 23 July 2020 |
| 4 | Tender submission deadline | Midday on 6 August 2020 |
| 5 | Evaluation and Assessment Period | 11 August – 11 November 2020 |
| 6 | Notification of outcome letters | 12 November 2020 |
| 7 | 10-day Standstill period | 13 November – 23 November 2020 |
| 8 | Contract Award | 30 November 2020 |
| 9 | Mobilisation | 1 December 2020- 6 June 2021 |
| 10 | Go live date | 7 June 2021 |

1.8 Form of Contract

- 1.8.1 The form of Contract between Highways England and the successful Tenderer will be the NEC4 Term Service Contract June 2017 (with amendments January 2019) and additional conditions of contract listed in the Contract Data issued with these Instructions.
- 1.8.2 The successful Tenderer will be required to enter into the Contract on the terms contained within the Form of Agreement issued with these Instructions. Any Tenderer who is unwilling to accept the terms of the Contract will be disqualified from the process.
- 1.8.3 Highways England will not consider any queries with the tender documents highlighted by Tenderers following tender submission deadline.

2 SUBMISSION OF TENDERS

2.1 General

- 2.1.1 Tenders and supporting documents must be written in English and priced in Pounds Sterling.
- 2.1.2 Tenders are to be presented as four separate Submissions, the documents contained within each Submission are detailed below.
- 2.1.3 All the documents below must be completed and returned for a tender to be assessed as compliant. Failure to do so will result in the tender being rejected.
- 2.1.4 All the documents listed below must be submitted as separate electronic documents (files) as detailed in section 2.1.10. They must each be clearly identifiable within the respective Submissions 1 to 4. Where a submission requires multiple files to be uploaded these can be combined in a single zip file. No file is to be larger than 20Mbytes. Label each Zip file with the Tenderer's name and Submission number.

- 2.1.5 Tenders must be submitted in accordance with these Instructions and the tender documents including any tender amendments. Tenders must not be qualified or accompanied by statements, or a covering letter that might be construed as rendering the tender equivocal. Unauthorised alterations or additions must not be made to any component of the tender documents as this may render the tender invalid and it may be rejected. Highways England's decision as to whether or not a tender complies with these Instructions will be final.
- 2.1.6 Tenders must be submitted via Bravo by the tender return date and time shown in Table 1.7.1. Tenders that have received after the deadline will not be accepted and will be excluded from further consideration. Tenderers are advised to allow sufficient time to upload their submission via Bravo well in advance of the deadline.
- 2.1.7 Offers must remain open for acceptance for 180 calendar days from the tender return date.
- 2.1.8 Documents are to be provided in Microsoft Word 2010 or above, Microsoft Excel 2010 or above and also as a pdf document. Where a Tenderer wishes to use a different file format this must be raised as a tender query. Please note, that the Tenderers response must not be submitted as a scanned PDF image. The tender must be submitted via Highways England Bravo portal at <https://highways.bravosolution.co.uk>. The project title is: Area 12 Maintenance and Response Contract
- 2.1.9 Before a tender can be accepted the Tenderer must answer all the confirmation statements within the Bravo Technical Envelope, confirming it has read, understood and accepted specific documents.
- 2.1.10 The following submissions need to be uploaded
- a) The following Submission 1 (IfT Annex 1 Selection Questionnaire) documents are to be completed and submitted via the Bravo Qualification Envelope.

| Submission 1 |
|--|
| PART 1: Potential supplier information |
| PART 2: Exclusion grounds |
| PART 3: Selection questions |

- b) The following Submission 2 (Quality Submission) documents are to be completed and submitted via the Bravo Technical Envelope.

| Submission 2 |
|--|
| Quality Submission (including Quality Commitments) |

- c) The following Submission 3 (Commercial Submission) documents are to be completed and submitted via the Bravo Commercial Envelope.

| Submission 3 |
|---|
| Contract Data Part Two |
| Price List |
| Lump Sum and Schedule of Rates Resource Schedules |
| Service Plan |

- d) The following Submission 4 (Support Information) documents are to be completed and submitted via the Bravo Technical Envelope.

| Submission 4 |
|---|
| A Small and Medium Sized Enterprises (SME) Subcontracting Statement |
| Proposed Information Assurance Solutions |
| A completed and signed Fair Payment Charter |
| A completed and signed Anti-Fraud Code of Conduct |
| A completed and signed Anti Bribery Code of Conduct |
| A summary of relevant insurance policies and certificates |
| A statement undertaking responsibility for dealing with insurance claims (or parts of such claims) within the excess amount |
| Confirmation of registration under the HM Revenue and Customs Construction Industry Scheme |
| A statement confirming willingness, if awarded the Contract, to accept the appointment and duties of principal contractor |
| Any request for non-disclosure under the Freedom of Information Act 2000 |
| Confirmation that the Named Parent Company(s) will enter into the Parent Company Guarantee (if required) |
| Legal Opinion for non-United Kingdom Registered Companies providing a Parent Company Guarantee |

- 2.1.11 Failure to provide compliant statements and Submissions may result in the tender being rejected.
- 2.1.12 When uploading any part of its tender the Tenderer must review the relevant mandatory requirements and
- a) Answer "Yes" to the corresponding question in Bravo; and
 - b) Provide the requested documentation within the tender submission

2.2 Tenderer Guidance

- 2.2.1 Tenderers are advised to follow the guidance stated below when completing their tender.

- a) Use plain and simple English and make use of defined terms. Avoid using buzzwords or management speak. If you use acronyms, please ensure these are spelt out / explained the first time you use them in the response to the question.
- b) Tender evaluation will be based wholly on the contents of the Submissions (subject to any required Clarification) which must therefore contain all the information on which Tenderers wish to be assessed.
- c) Apart from as described in section 2.2.1(e) the Quality Assessment Panel will only review the information provided within the Technical Envelope and the Commercial Assessment Panel will only review information provided within the Commercial Envelope. Therefore, please ensure that you do not rely on information contained within the Technical Envelope to explain commercial reasoning in the Commercial Envelope and vice versa.
- d) The Quality Submission will be assessed based on the response provided for each Quality Question, i.e. approach and evidence referred to in one question will not be used when assessing another so there should be no cross-referencing, between Quality Questions or to other parts of the Quality Submission, except for as stated in 2.2.1(e).
- e) The only exception to 2.2.1(d), will be the Tenderer's response to Quality Question 1 Organisation & Resources. Tenderers may refer to the response to Quality Question 1 throughout the remainder of the Quality Submission where the Tenderer deems appropriate. This response will also be made available to the Commercial Assessment Panel.
- f) If the Quality Assessment Panel and/or the Commercial Assessment Panel consider your tender submission requires Clarification please ensure that you have the required documentary evidence, staff, clients and suppliers ready to provide the response required in a timely manner.

3 INFORMATION TO SUPPORT SUBMISSIONS 1 AND 4

3.1 Small and Medium Sized Enterprises (SMEs)

- 3.1.1 Highways England is committed to removing barriers to SME participation in its contracts and this includes subcontracting opportunities. If Tenderers are proposing to subcontract part of this Contract, they should provide assurance that they have considered how SMEs could play a part and details of the measures they have put in place to encourage and enable their participation as their subcontractors. If awarded the Contract, Tenderers will be asked to provide regular information about their spend with SMEs under the Contract and Highways England may publicise good practice on its websites and report such expenditure to other Government Departments. A SME subcontracting statement is not required if the Supplier has classified itself as a SME.

3.2 **Proposed Information Assurance Solutions**

- 3.2.1 Every Government Department is required to take suitable precautions to safeguard its information. Information Assurance is the confidence that information and communications systems will protect the information they handle, and will function as and when they need to under the control of legitimate users. Tenderers are to provide a description of their proposals for handling information so that the suitability of their proposed Information Assurance solutions can be assessed.
- 3.2.2 Tenderers are to answer the questions within the document provided called 'Information Assurance Solutions' giving descriptions where appropriate. This section is not scored as such, but is a straight pass/fail against all these questions generally. If Tenderers answer 'no' to any of the questions it does not necessarily mean they would fail however they must provide enough information to show that their policies and processes would align to Highways England' policy, and how. The Procurement Officer may request further information to clarify any aspect of the response.
- 3.2.3 Highways England will assess whether the Information Assurance solutions submitted provide adequate protective security for personal and confidential information in accordance with Highways England's Data Handling Policy. The Procurement Officer may refer any concerns to the appropriate Tenderer; unless the Tenderer is able to demonstrate that its proposals can be relied on, the tender may be rejected.

3.3 **Parent Company Guarantee**

- 3.3.1 If required by Highways England the Tenderer is to provide a confirmation statement that their named parent company will enter into the Parent Company Guarantee along with the documentation described in section 3.3.5.
- 3.3.2 For the purposes of section 3.3.1 "Tenderer" shall be construed as referring separately to each party comprising the Tenderer, if more than one.
- 3.3.3 The Tenderer must identify and propose a Guarantor that meets the Economic and Financial Standing test set out in Annex 1 of the Selection Questionnaire and this will be verified by Highways England. If the proposed Guarantor does not pass the Economic and Financial standing test the tender may be rejected unless the Tenderer can provide an alternative form of security acceptable to Highways England, for example a performance bond from the Tenderer's bank. The Tenderer should note that Highways England is entitled to request a Parent Company Guarantee prior to Contract award or at any point during the Contract period.
- 3.3.4 If the Tenderer does not have a parent company Guarantor that meets the Economic and Financial Standing test set out in Annex 1 of the Selection Questionnaire, the Tenderer must contact the Procurement Officer no later than 1 month prior to the tender return date to discuss an acceptable alternative Guarantor or other form of security. Examples of alternative forms of guarantee could include Performance Guarantees, Performance Bonds and Letters of Credit; this will need to be agreed by

the Procurement Officer prior to the tender return date. If an acceptable Guarantor or other form of performance security cannot be agreed, the tender may be rejected.

3.3.5 If it is required to provide as Parent Company Guarantee in accordance with section 3.4.1, the Tenderer must submit from the stated Guarantor either:

a) If the Guarantor is registered in the United Kingdom under the Companies Act 2006

(i) a certified copy of a Board minute of the Guarantor clearly and unambiguously confirming that it will enter into the Parent Company Guarantee when requested, or

(ii) a letter signed by the company secretary and a director (or two directors) of the Guarantor clearly and unambiguously confirming that it will enter into the Parent Company Guarantee when requested

or

b) If the Guarantor is not registered in the United Kingdom under the Companies Act 2006

(i) a letter signed by the equivalent under the law applicable to the Guarantor of the company secretary and a director (or two directors) of the Guarantor clearly and unambiguously confirming that it will enter into the Parent Company Guarantee when requested; or

(ii) a legal opinion from a lawyer or law firm acceptable to Highways England) which is qualified and registered to practise in the jurisdiction in which the Guarantor is incorporated containing the information described in section 3.5.3 of these Instructions. The legal opinion must be addressed to Highways England on a full reliance basis and the liability of the lawyer or law firm giving the opinion must not be subject to any financial limitation unless otherwise agreed by Highways England in writing.

3.4 Legal Opinion for non-United Kingdom Registered Companies

3.4.1 If the Tenderer, or a consortium member of the Tenderer (or if a Parent Company Guarantee is required and the proposed Guarantor) is not a company incorporated in and subject to the laws of England and Wales (a "Foreign Entity"), then the Tenderer provides a legal opinion from a lawyer or law firm which is

- qualified and registered to practise in the jurisdiction in which the Foreign Entity is incorporated and
- acceptable to Highways England (the Tenderer must discuss this with the Procurement Officer prior to tender return).

- 3.4.2 The legal opinion must be submitted via the Bravo Qualification Envelope and addressed to Highways England on a full reliance basis and the liability of the lawyers or law firm giving the opinion is not to be subject to any financial limitation unless otherwise agreed by Highways England in writing.
- 3.4.3 The legal opinion must cover the following matters:
- (a) confirmation that:
 - (i) the Foreign Entity is a corporation duly incorporated in the relevant jurisdiction, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated;
 - (ii) the Foreign Entity has full power to execute, deliver, enter into and perform its obligations under the Form of Agreement for this Contract (or Parent Company Guarantee);
 - (iii) all necessary corporate, shareholder and other action required to authorize the execution and delivery by the Foreign Entity of the Form of Agreement (or Parent Company Guarantee) and the performance by it of its obligations under it have been duly taken;
 - (iv) confirmation of the proposed signatories/method of execution and confirmation that this will constitute valid execution by the Foreign Entity;
 - (v) the execution and delivery by the Foreign Entity of the Form of Agreement (or Parent Company Guarantee) and the performance of the obligations thereunder will not conflict with or violate:
 - the constitutional documents of the Foreign Entity;
 - any provision of the laws of the jurisdiction in which it is incorporated;
 - any order of any judicial or other authority in the jurisdiction in which it is incorporated; or
 - any mortgage, contract or other undertaking which is binding on the Foreign Entity or its assets; and
 - (assuming that the Form of Agreement (or Parent Company Guarantee is binding under English law), the Form of Agreement (or Parent Company Guarantee) constitutes legal, valid and binding obligations of the Foreign Entity enforceable in accordance with its terms;
 - (b) notification of any other formalities to be complied with under local law which may be necessary to enforce the Form of Agreement (or Parent Company Guarantee) in the Foreign Entity's place of incorporation, including for

example notarisation, legalisation or registration of the Form of Agreement (or Parent Company Guarantee);

- (c) notification of whether withholding is required to be made by the Foreign Entity in relation to any monies payable to Highways England under the Form of Agreement (or Parent Company Guarantee);
- (d) confirmation that Highways England will not be deemed to be resident or domiciled in the foreign jurisdiction by reason of its entry into the Form of Agreement (or the Guarantor's entry into the Parent Company Guarantee); and
- (e) confirmation that the Foreign Entity and its assets are not entitled to immunity from suit, pre-judgment attachment or restraint or enforcement of a judgment on grounds of sovereignty or otherwise in the courts of England and Wales in respect of proceedings against it in relation to the Form of Agreement (or the Parent Company Guarantee).
- (f) The tender may be rejected if a legal opinion does not comply with section 3.4.3.

4 QUALITY SUBMISSION (SUBMISSION 2)

4.1 Introduction

4.1.1 Tenderers must submit their Quality Submission following the structure set out in these Instructions and including all the items required.

4.2 Quality Submission and the Quality Commitments

4.2.1 The Quality Submission provides a response to each of the Quality Questions in Table 4.2.8.

4.2.2 The purpose of the Tenderer's Quality Submission is to allow the Quality Assessment Panel to evaluate the extent to which:

- a) the Tenderer's approach corresponds to that of a competent and experienced contractor to successfully deliver the Service, and
- b) the Tenderer has the necessary capability and capacity to deliver this approach

and in both cases can evidence this using relevant experience.

4.2.3 The Quality Submission contains a separate answer for each Quality Question, comprising the Tenderer's proposed approach to provide the Service. This is supported by evidence showing how the approach proposed has been developed from the Tenderer's successful delivery of similar work.

- 4.2.4 The Quality Submission should address Highways England's specific requirements described in the Quality Questions. Supporting evidence may include reference to projects from other sectors where transferable skills and capabilities can be demonstrated. Where an innovative process is proposed, supporting evidence may include reference to how the process has been developed since its conception and tested.
- 4.2.5 The response to each Quality Question should contain evidence sufficient for it to be assessed by Highways England during the Evaluation and Sustainability stages of the assessment process.
- 4.2.6 Tenderers must provide the specified number of Quality Commitments for each Quality Question within their Quality submission as stated in Table 4.2.8. Each Quality Commitment confirms what the Tenderer contractually agrees to do to deliver Highways England's requirement for the Service.
- 4.2.7 Each Quality Commitment should be SMART. The time for delivery of the Quality Commitment should be expressed as a defined date or a period of time.
- 4.2.8 The Quality Questions are as set out in Table 4.2.8.

Table 4.2.8 – The Quality Questions

| Quality Question Number | Question (Please note that each of the bullet points in this column is given equal precedence by the evaluators) | Question Weighting | Number of Quality Commitments required |
|-------------------------|---|--------------------|--|
| 1 | <p>Delivery – Management, Organisation and Resources</p> <p>Please provide details of the overall management and resourcing of the Contract to support the delivery of your approach and to fulfil the requirements.</p> <p>You must include a schedule identifying proposed named key people for the following roles as a minimum.</p> <ul style="list-style-type: none"> • General Manager • Network Manager • Commercial Manager • Quality Manager • Health and Safety Manager • Community Representative. <p>For each role you must also include a CV. Each CV is limited to 1 sheet of A4 paper (2 sides) and is not included in the page limit identified in 4.2.9</p> <p>Your response may also include but is not limited to:</p> <ul style="list-style-type: none"> • An organisation chart (not included in the page limit) • How you will self-deliver the Service where feasible. | 10% | 3 |

| | | | |
|---|--|-----|---|
| | <ul style="list-style-type: none"> • Details of the resources that you may subcontract or source via your supply chain and how they will be integrated in to your operations to provide a consistent approach. • Details of the Management Systems to be used • Details of the locations from which the Service will be provided • How you will add value to the Area 12 Asset Delivery Community and promote collaboration across all partners | | |
| 2 | <p>Health & Safety – Network and process</p> <p>How will you identify and fully reduce Health and Safety risks associated with delivery and support Highways England’s Safety imperative which is that no one is killed or seriously harmed whilst working or travelling on the strategic road network?</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> • Your organisational approach to Health & Safety and Wellbeing. • Arrangements for risk mitigation and management from identification to project completion. Including innovative approaches to identify/mitigate risks • How you will ensure duties under CDM Regulations 2015 are fully discharged • How you promote collaboration in order to recognise health and safety best practice and innovation? • What Health & Safety mechanisms and systems you have in place including incident reporting. • How you achieve continual improvement, including initiatives to increase H&S performance and learning from incidents and sharing outputs. • How you manage work related road risks and ensure road user safety | 10% | 3 |
| 3 | <p>Health & Safety – Resources</p> <p>How will you ensure the competency of resources to deliver services safely?</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> • How you ensure that staff are competent for their role. • How you identify, manage and deliver a full range of Health, Safety and Wellbeing activities. • Your approach to H&S throughout the supply chain or other third parties • How your organisation can support Highways England to achieve improvements that are aligned to our Home, Safe and Well Ambition. | 10% | 3 |

| | | | |
|---|---|------|---|
| | <ul style="list-style-type: none"> How the leadership elements within Behavioural Safety will be demonstrated and embedded across your organisation. | | |
| 4 | <p>Delivery – Maintenance & Response</p> <p>Describe your collaborative approach to delivering both cyclical and repair maintenance and incident response in a safe and effective way?</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> How you work in collaboration with a range of stakeholders efficiently How you support Highways England to demonstrate a defence under Section 58 of the Highways Act 1980 How you support Highways England to meet incident clearance and lane availability targets. How you ensure the timely installation of emergency temporary traffic management How you act as on scene command for incidents How you provide effective communication to all parties (on and off scene) during an incident How you ensure that occurrences of flooding are minimised and appropriate response mobilised when occurrences arise How you will support Highways England's objectives in keeping the network operating safely and effectively by providing high quality asset information captured in fulfilling the duties required under the Contract. | 20% | 4 |
| 5 | <p>Delivery – Severe Weather</p> <p>Describe your approach to delivering the severe weather service in a safe, efficient and effective manner in both routine operations and within an incident response situation.</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> How your approach mitigates the impact of severe weather on the network How you will minimise disruption to the Customer How you will keep trans-Pennine routes operational during periods of adverse weather How you will provide mutual aid support to adjoining Areas or authorities on request Your organisation's ability to mobilise the reserve winter fleet if required | 15% | 4 |
| 6 | <p>Delivery – Quality</p> | 7.5% | 2 |

| | | | |
|---|--|----|---|
| | <p>Describe how you will implement your quality management processes on a day to day basis throughout the Contract.</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> • How you ensure continuous improvement is embedded? • How best practice is cascaded throughout your organisation, supply chain and community • How you will ensure processes are kept under regular review and updated accordingly • How you will ensure that Highways England's requirements are effectively captured within your Quality Management System • How you promote a 'right first time' culture • How you will manage the raising and effective closure of Non-Conformities | | |
| 7 | <p>Delivery – Commercial</p> <p>Describe how you will deliver the commercial management aspects of the Contract?</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> • Details of your commercial governance and how this aligns with the requirements of this Contract • How you will shape your resource to effectively deliver the commercial aspects of the Service. • How your organisation will adapt to deliver a varying Required Level of Service to meet budget fluctuations including details of your defined cost capture system to be used. • How you will prevent duplication of cost and how any disallowed costs will be identified and managed. • How you will ensure information shared is accurate and delivered in a timely way. | 6% | 2 |
| 8 | <p>Customer</p> <p>Describe how you will ensure continuous and systematic customer service improvements over the life of the Contract</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> • How you will address Annex 26 requirements • How your organisation will maximise network occupancy including making use of shared opportunities with others working on the Area 12 network | 9% | 3 |

| | | | |
|----|--|------|---|
| | <ul style="list-style-type: none"> How you will achieve effective communication with Highways England's Regional Operations Centre (ROC), traffic officers' contractors, emergency services and other stakeholders Details of your approach to stakeholder engagement and management. | | |
| 9 | <p>Delivery – Sustainability</p> <p>Describe how you will deliver the Contract to ensure that you support the region by:</p> <ul style="list-style-type: none"> Providing local employment and apprenticeship opportunities Promoting equality, diversity and inclusion Engaging with the community and local organisations Delivering Social Value e.g. by engaging with Social Enterprises for employment opportunities or the supply of goods and services Taking account of environmental and sustainability impacts Addressing Annex 27 requirements | 7.5% | 2 |
| 10 | <p>Delivery – Innovation</p> <p>Please describe your approach to delivering innovation and additional value for this Contract.</p> <p>Your response may include but is not limited to:</p> <ul style="list-style-type: none"> How you will encourage innovation to provide added value Details of the process you will use to drive innovation and to determine suitability for use How you will adopt innovation from elsewhere (including other industries where appropriate) What innovation you will bring to this Contract and how this will benefit the three imperatives. | 5% | 1 |

4.2.9 The Quality Submission must not exceed 40 sheets of A4 paper (80 sides). This page limit includes all text included in the Quality Submission, title pages, drawings, diagrams, flow charts and any annexes. Only the organisation chart and the CVs of key people from question 1 are excluded from the page count.

4.2.10 Tenderers must use "Arial" font no smaller than 11 point, no less than single-spaced with the margins set at 2.5cm. Text used for figures, tables, drawings, sketches, diagrams and flow-charts must be no smaller than Arial 8 point.

- 4.2.11 The pages of the Quality Submission must be numbered, and responses to each Quality Question should show the number of the question being answered. Page numbers and other header or footer information may be included in the margin space.
- 4.2.12 If the Quality Submission exceeds the page limit stated in section 4.2.9, the material beyond the page limit will be ignored in the tender assessment.
- 4.2.13 If Tenderers consider that the page limit is insufficient to provide the information required by these Instructions, then a tender query should be raised to the Procurement Officer. No guarantee can be given that the page limit will be increased.

5 COMMERCIAL SUBMISSION (SUBMISSION 3)

5.1 General

- 5.1.1 Tenderers must submit their Commercial Submission following the structure set out and including the Items described in these instructions.

5.2 Completed Contract Data Part Two

- 5.2.1 The Commercial Submission is to include the completed Contract Data Part Two.

5.3 Price List/Financial Submission Workbook/Task Schedule

- 5.3.1 The tenderer is to include a completed and priced Price List
- 5.3.2 The *lump sum* items, rates and percentages are to be calculated in accordance with Price List. The prices tendered must be built up from verifiable forecast costs, resources and outputs, and substantiation of any percentages entered are to be in sufficient detail to demonstrate which elements of cost have been included. A tender that is priced on any other basis may be rejected.
- 5.3.3 Tenderers must price:
- (a) all items, rates, fees, percentages and adjustments as required by the Price List,
 - (b) all items, rates, fees, percentages and adjustments to two decimal places and
 - (c) all items, rates, fees, percentages and adjustments separately.
- 5.3.4 Tenderers are not permitted to:
- (a) price any item, rate, fee, percentage or adjustment within another item, rate, fee, percentage and adjustment,
 - (b) cross subsidise any item, rate, fee, percentage or adjustment within any other item, rate, fee, percentage or adjustment,

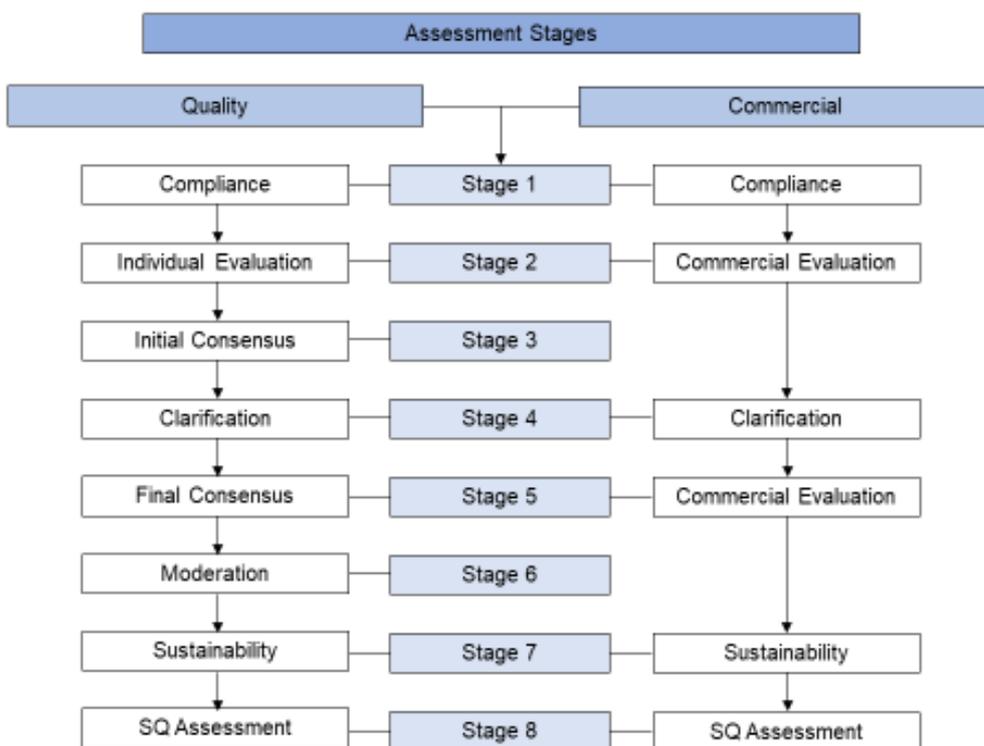
- (c) make any assumptions regarding the use or relevance of any item, rate, fee, percentage, adjustment or quantity or
 - (d) duplicate any price.
- 5.3.5 Tenderers who price on any other basis and/or make any such assumptions may be rejected.
- 5.3.6 Tenderers should ensure that the costs for the senior team/managers are wholly covered in the Rates and Prices submitted within Schedules A and/or B. For the avoidance of doubt there should be no expectation that senior team/manager costs would be cross subsidised through Schedule C or D activities.
- 5.3.7 Tenderers should ensure that the costs for the Contractor's people not within the Service Area are wholly covered in the Rates and Prices submitted within Schedules A and/or B. For the avoidance of doubt the costs for the Contractor's people not within the Service Area should not be covered in the Rates and Prices of Schedule C and will not be reimbursed as defined cost in connection with any services instructed under Schedule D as all such costs are included in schedule A and/or B.
- 5.3.8 Where a tenderer prices an item, rate, fee or percentage or adjustment as zero, the tenderer must provide Highways England with a detailed explanation of why the item, rate, fee, percentage or adjustment is zero. This information must be included within Submission 4.
- 5.3.9 In the event that a Tenderer prices an item, rate, fee, percentage or adjustment as zero, the tenderer is confirming that both the tenderer's forecast Defined Cost-plus Fee and Defined Cost-plus Fee actually incurred and charged to the *Employer* will be treated as zero.
- 5.3.10 In the event that a Tenderer includes a credit for any item, rate, fee or percentage, the tenderer must provide Highways England with a schedule showing:
 - (a) a detailed explanation of how and why there is a credit in relation to each item, rate, fee or percentage where a credit is said to exist, and
 - (b) details of how each credit identified is consistent with the terms of the Contract. This information must be included in the tenderer's in Submission 4. A credit must be shown against the price of an item or activity to which the credit relates.
- 5.3.11 Tenderers are to note that these Instructions for Tenderers and the Contract do not provide for working capital or any other loans to tenderers as part of this procurement process and Highways England can confirm that loans will not be provided by Highways England in any circumstances.
- 5.4 ***Lump Sum and Schedule of Rates Resource Schedules***

- 5.4.1 Tenderers are to provide a detailed schedule of the resources for all *lump sum* and schedule of rates which must either follow the requirements of the templates or be a direct output, pdf and excel, from the Estimating software used for pricing, (i.e. Candy, Causeway, etc. both pdf and electronic output of file from the estimating software used). All submissions are required to include the same level of detail as in the templates.
- 5.4.2 For both Direct and Subcontract works, the resources are to be itemised for People, Equipment, Plant and Materials, Charges and Credit (where applicable) for all work, in sufficient detail to enable the resource implications, the methodology, the outputs and assumptions to be fully understood. Where resources are shared between activities or are utilised on a part time basis, full time equivalents must be clearly shown. Tenderers must provide details of the basis of the build-up, including the number of hours used to calculate full time equivalents. A tenderer that does not follow the layout in the templates or provide outputs from the Estimating software used for pricing, may be rejected.
- 5.4.3 Entries for people are to identify the posts and roles, and not the names of individuals.
- 5.4.4 Only the information requested in the template will be considered.
- 5.5 **Service Plan**
- 5.5.1 For the purpose of assessment, the tenderer shall outline the first-year forecast of work and must be provided in accordance with the requirements in the Scope.

6 TENDER ASSESSMENT

6.1 General

- 6.1.1 Highways England assessment of tenders will be carried out in the following eight stages.



- 6.1.2 During any of the stages of the evaluation process Highways England reserves the right to seek a Clarification from a Tenderer either in writing or by means of a clarification meeting (and followed up with confirmation in writing). The purpose of Clarification is to assist the members of the Quality Assessment Panel or the Commercial Assessment Panel (as the case may be) in their consideration of the Tender. There is no obligation on Highways England to conduct Clarification if the contents of the Tender are unequivocal.
- 6.1.3 Individual Quality Assessment Panel or Commercial Assessment Panel members (as the case may be) may identify issues or queries where Clarification is required from a Tenderer during the Evaluation stage. The Procurement Officer will submit and requests for Clarification via Bravo asking for a response from the Tenderer. Any issues queries raised and the subsequent response from the Tenderer will be shared with all members of the Quality Assessment Panel or Commercial Assessment Panel (as the case may be). If a Clarification response provides information not requested by the Procurement Officer, then this information will be ignored and not provided to the members of the relevant panel.
- 6.1.4 The Tenderer acknowledges that any documents and information submitted as part of this tender or for assessment and/or verification purposes represent the proposals for meeting Highways England’s requirements, but do not in any way override or modify those requirements. If awarded the Area 12 M&R Contract, the Tenderer will remain liable to comply with all the obligations set out in the documents forming part

of the Contract. The Tenderer shall not be relieved from compliance with these obligations by any:

- a) Clarification or Sustainability checks carried out by Highways England on any part of the tender, or
- b) Evidence, assumptions or other information provided by the Tenderer to support the items in paragraph (a) above or

6.2 **Stage 1 – Compliance (Quality and Financial)**

6.2.1 During this stage, the Procurement Officer will undertake an initial check of the tender submission for completeness and compliance, including that:

- a) the correct documents & submissions have been made in accordance with submission requirements;
- b) the format of submitted documents is correct;
- c) the page count and font size in submitted documents has not been exceeded as per section 4.2.9 of these Instructions;
- d) no further documents have submitted beyond those required; if so these are removed from the tender;
- e) the Selection Questionnaire has been self-certified as a pass; and
- f) if applicable, the Tenderer's Construction Line account is live, up to date and verified.

6.2.2 A tender that does not meet one or more of the conditions in section 6.2.1 may be rejected. Highways England's decision will be final.

6.3 **Stage 2 – Individual Evaluation**

Commercial Evaluation

6.3.1 The members of the Financial Assessment Panel will independently assess Submission 3.

6.3.2 The Financial Assessment Panel will be provided with the response to Quality Question 1 (Delivery Management – Organisation and Resources) for information purposes.

6.3.3 The Financial Assessment Panel will determine a total price for each Tenderer on the following basis:

- a) The lump sum amounts in Schedule A supported by the Schedule of Rates (cyclic maintenance) in Schedule B

- b) The total of the Schedule of rate items amounts in Schedule C tested against expected SoR work
 - c) An allowance for cost reimbursable items
 - d) An allowance for possible compensation events
 - e) An inflationary allowance calculated using the Office for Budget Responsibility (OBR) forecast for inflation over the service period, as published at the base date, applied in accordance with clause X1 of the Conditions of Contract
- 6.3.4 The total price for each tenderer will be discounted to take account of the time value of money (e.g. discounted by 3.5% per annum) to provide a present value.
- 6.3.5 The Financial Assessment Panel will check that the resources and costs in the Resource Schedules (or the estimating output as supplied by the tenderer) and the tendered prices correspond. If they do not correspond Clarification may be sought. If the Tenderer fails to provide a satisfactory explanation the tender may be rejected.
- 6.3.6 Examination of documents may detect errors in computation that may undermine the reliability of the tender. Tenders may be corrected to consider misplaced decimal points, etc, or patent errors in arithmetic. Tenderers will be notified and asked within 2 working days/by return to either confirm the corrected tender or explain why they consider their original Commercial Submission was correct.
- 6.3.7 The Financial Assessment Panel may ask by way of Clarification to be provided with original evidence that demonstrates that the allowances made reflect forecasted costs incurred.

Quality Evaluation

- 6.3.8 During this stage of the assessment the members of the Quality Assessment Panel will independently assess Submission 2.

Marking of the Quality Submission

- 6.3.9 The Quality Assessment Panel comprises of individuals who each assess the Tenderer's Quality Submission and award each Quality Question a provisional score and rationale.
- 6.3.10 The provisional score for each Quality Question is determined using the Scoring Criteria in section 6.3.11.

Quality Submission Scoring Criteria

- 6.3.11 The Quality Scoring Criteria are defined as follows:

| | |
|-------|--|
| Score | <p>To what extent does the Tenderer's response to the Quality Question provide confidence that they will meet the requirements and contribute to the delivery of the Contract?</p> <p>The response will be assessed based on Highways England's confidence in the following areas:</p> <ul style="list-style-type: none"> a) How the proposed methodology will successfully deliver the requirements. b) How the proposed methodology will achieve efficiencies, continual improvement, and/or additional value. c) How the Tenderer will act in a collaborative manner throughout the Contract duration. d) The extent to which the Quality Commitment(s) is/are SMART and their delivery will contribute to the successful delivery of the Contract. e) The extent to which the methodology is supported by evidence. |
| 1 | The response provides an Unsatisfactory level of confidence which means one or more significant weaknesses or omissions have been identified in the area being assessed which may prevent delivery of some or all of the Contract requirements. |
| 3 | The response provides a Limited level of confidence which means one or more weaknesses have been identified in the area being assessed that are likely to affect delivery of some or all the Contract requirements that may require significant or ongoing intervention. |
| 5 | The response provides an Adequate level of confidence which means one or more weakness have been identified in the area being assessed that may affect delivery of some or all the Contract requirements that may require some intervention. |
| 7 | The response provides a Good level of confidence which means one or more weaknesses have been identified in the area being assessed that may require little or no intervention, and are unlikely to affect the delivery of all of the Contract requirements. |
| 9 | The response provides a High level of confidence which means no weaknesses are identified in the area being assessed, and meets all the Contract requirements, and may provide additional value to the requirements. |

6.3.12 For Question 10, the scoring matrix is:

| | |
|------|---|
| Mark | <p>To what extent does the Tenderer's response to the Quality Question provide confidence that they will provide innovation and additional value which will contribute to the delivery of the Contract?</p> <p>The response will be assessed based on Highways England's confidence in the following areas:</p> |
|------|---|

| | |
|---|---|
| | <p>a) How the proposed methodology will successfully deliver innovation and additional value.</p> <p>b) How the proposed methodology will achieve efficiencies, continual improvement, and/or additional value.</p> <p>c) How the Tenderer will act in a collaborative manner throughout the Contract duration.</p> <p>d) The extent to which the Quality Commitment(s) is/are SMART and their delivery will contribute to the successful delivery of the Contract.</p> <p>e) The extent to which the methodology is supported by evidence.</p> |
| 1 | The response provides an Unsatisfactory level of confidence which means one of more significant weaknesses or omissions identified in the area being assessed which may prevent delivery. |
| 3 | The response provides a Limited level of confidence which means one or more weaknesses identified in the area being assessed that are likely to affect delivery of innovation or additional value that may require significant or ongoing intervention. |
| 5 | The response provides an Adequate level of confidence which means one or more weakness identified in the area being assessed that may affect delivery of innovation or additional value that may require some intervention. |
| 7 | The response provides a Good level of confidence which means one or more weaknesses identified in the area being assessed that may require little or no intervention, however unlikely to affect the delivery of innovation of additional value. |
| 9 | The response provides a High level of confidence which means no weaknesses are identified in the area being assessed. |

6.4 Stage 3 – Initial Consensus

6.4.1 Following Evaluation of the Quality Submission an Initial Consensus meeting will be held between members of the Quality Assessment Panel to agree the interim Quality Score and rationale for each Tenderer's response to each Quality Question.

6.5 Stage 4 – Clarification (Quality and Financial)

6.5.1 During Individual Assessment and Initial Consensus the Quality Assessment Panel may identify issues or queries with a Tenderer's Quality Submission that requires Clarification.

6.5.2 Highways England may undertake a teleconference, site meeting or any other communication method as appropriate during the Clarification stage.

6.6 Stage 5 – Final Consensus (Quality)

- 6.6.1 The Quality Assessment Panel will reconvene to review the responses received during the Clarification stage and agree the final score (subject to Moderation and Sustainability) for each Tenderer's response to each Quality Question.
- 6.6.2 The final score for each Quality Question is a measure of Highways England's level of confidence that the Tenderer will deliver the Service. The higher the score, the lower the risks to delivery and the more confidence Highways England will have that the Contract will be delivered.

The Quality Statement Scoring Formula

- 6.6.3 The methodology for scoring the Quality Questions is shown below. The mark per question is divided by the maximum available mark per question of nine, multiplied by the question weighting with the result multiplied by 100. For example:
- a) Evaluation

$$Q1 = ((\text{Mark for Q1}/9) * 0.10 * 100)$$

$$Q2 = ((\text{Mark for Q2}/9) * 0.10 * 100)$$
 - b) Repeat for all questions
 - c) Multiply total weighted aggregate score for all Quality Questions by Quality Weighting (70%) to identify Total Quality Score
 - d) Total Quality Scores are rounded to one decimal place.
- 6.6.4 Total Quality Score – worked example

Interim Score

| Question | Question Weighting | Quality Mark Awarded | Weighted Quality Score |
|---|--------------------|----------------------|------------------------|
| 1 | 10% | 7 | 7.8 |
| 2 | 10% | 5 | 5.6 |
| 3 | 10% | 7 | 7.8 |
| 4 | 20% | 9 | 20.0 |
| 5 | 15% | 7 | 11.7 |
| 6 | 7.5% | 5 | 4.2 |
| 7 | 6% | 7 | 4.7 |
| 8 | 9% | 9 | 9.0 |
| 9 | 7.5% | 5 | 4.2 |
| 10 | 5% | 3 | 1.7 |
| Aggregate Weighted Quality Score for each question (out of 100) | | | 76.4 |
| Total Weighted Quality Score (aggregate score *70%) | | | 53.5 |

| Tenderer | Aggregate Weighted Score | Weighted Quality Score (70%) |
|----------|--------------------------|------------------------------|
| A | 76.4 | 53.5 |
| B | 65.5 | 45.9 |
| C | 63.1 | 44.2 |

Commercial Score

- 6.6.5 The Financial Assessment Panel will determine each Tenderer's Commercial Score as follows.
- 6.6.6 The Tenderer with the lowest price adjusted for present value will be given a Commercial Score of 100. The Commercial Score of other Tenderers will be calculated by deducting from 100 the number of percentage points (to two decimal places) by which their price adjusted for present value is above the lowest price. If a tender is subsequently excluded from further tender assessment these scores will be recalculated.
- 6.6.7 The Commercial Score is weighted 30% according to the Quality / Price ratio to one decimal place and this provides the Total Commercial Score.
- 6.6.8 The estimates, allowances and adjustments above are estimates for tender assessment purposes only and there is no guarantee that work to assessment values will be carried out during the Contract period.
- 6.6.9 Financial Assessment – worked example:

| Price Assessment | | | | | |
|------------------|-------------|-------------------|----------------------|--------------------|----------------|
| Lowest Price | | £30,535,665 | | | |
| Tenderer | Price | Lowest Price Rank | Variance from Lowest | Lowest Price Score | Weighted Score |
| A | £30,535,665 | 1 | 0.00% | 100.00 | 30.0 |
| B | £31,535,789 | 2 | 3.28% | 96.72 | 29.0 |
| C | £32,535,665 | 3 | 6.55% | 93.45 | 28.0 |

6.7 Stage 6 – Moderation

- 6.7.1 A Moderation Panel will meet comprised of Highways England staff that have not been part of the Quality Assessment Panel or the Commercial Assessment Panel. Areas that may be looked at by the Moderation Panel include but are not limited to:
- Whether the final Quality Scores awarded to the Tenderers' responses to the Quality Questions are consistent and in accordance with the scoring criteria.

- (b) That any Clarifications requested have been responded to and that Tenderer's explanations provided are robust and appropriately evidenced and have been taken into account in the evaluation.
 - (c) That no new evidence not included in the Quality Submission has been submitted or considered during the evaluation stage.
 - (d) That the rationale for the score allocated to each Quality Question is consistent with the score awarded.
- 6.7.2 If the Moderation Panel has any concern over any of the issues described in section 6.7.1 it will refer this back to the Quality Assessment Panel and ask it to revise, or alternatively to confirm, the final Quality Score and/or the rationale it awarded. If the Moderation Panel has no such concern then the final Quality Score awarded by the Quality Assessment Panel will stand.
- 6.7.3 Where adjustments have been made to any scores by the Quality Assessment Panel following Moderation, additional rationale is required to detail the reasoning of the adjustment. This will be reviewed by the Moderation Panel to ensure that the revised final Quality Score is fully justified, and the rationale supports the new score.
- 6.7.4 Following Moderation the calculation in section 6.6.2 is repeated in respect of any quality scores that have been altered.
- 6.8 Stage 7 – Sustainability**
- 6.8.1 In order to conduct Sustainability, the Quality Assessment Panel and the Commercial Assessment Panel will combine to form the Tender Assessment Panel.
- 6.8.2 Prior to the Sustainability stage the Procurement Officer will combine each Tenderer's aggregate weighted Final Quality Score and its weighted Final Commercial Score and determine the Lead Tenderer with the highest weighted overall score. The Lead Tenderer will then be subject to the Sustainability process in accordance with section 6.9 of these Instructions. Where the scores are determined sufficiently close, Highways England may invite more than one Tenderer to the Sustainability stage.
- 6.8.3 At the Sustainability Stage, the Tender Assessment Panel will identify key issues that may raise concerns that the Lead Tenderer may not be able to deliver the Contract for the price submitted.
- 6.8.4 Tenderers should note that the Sustainability assessment is in addition to and without prejudice to Highways England's rights to undertake due diligence in relation to a potentially abnormally low offer under regulation 69 of the Public Contracts Regulations 2015, as amended. Highways England may undertake due diligence in relation to a potentially abnormally low offer on any aspect of a tender and at any stage of the procurement process.
- 6.8.5 Sustainability is a critical part of the procurement process and Tenderers should ensure appropriate time and resources are offered to support this. Highways England

may interview appropriate accounting staff to provide the level of confidence required. Failure to provide satisfactory evidence to support the sustainability any part of this aspect of the Quality Submission, or where the Tender Assessment Panel have not been satisfied that the prices reflect a sustainable tender, Highways England may reduce the Quality Score as described in section 6.9.9 of these Instructions.

- 6.8.6 The Tender Assessment Panel may request evidence or explanation of, but will not be limited to any element of the pricing information to substantiate the build-up and calculations behind items based on costs actually incurred/forecast Defined Cost (or forecast cost where appropriate).
- 6.8.7 Highways England may undertake a teleconference, site meeting or any other communication method as appropriate with the Lead Tenderer during the Sustainability stage. However, in all cases any communication must be followed up in writing via Bravo.
- 6.8.8 If the Lead Tenderer is able to demonstrate that the Contract can be delivered in the manner described in its Quality Submission for the price quoted no adjustment to the aggregate Total Quality Score will be made by Highways England.
- 6.8.9 If the Lead Tenderer is unable to demonstrate that the Contract can be delivered in the manner described in its Quality Submission for the price quoted then the Tender Assessment Panel will reduce the Lead Tenderer's aggregate Total Quality Score as described in Table 6.9.9.

Table 6.9.9 - Sustainability deduction table:

| % reduction from aggregate Total Quality Score | To what extent is the Lead Tenderer unable to demonstrate that it can deliver the M&R Contract for the price quoted |
|--|---|
| -20% | There is a high level of concern that the Contract cannot be delivered for the price quoted |
| -10% | There is a medium level of concern that the Contract cannot be delivered for the price quoted |
| -5% | There is a low level of concern that the Contract cannot be delivered for the price quoted |
| 0% | There are no concerns |

- 6.8.10 Sustainability deduction – worked example:

| Tenderer | Quality Score | Sustainability (reduction) | Final Weighted Quality Score |
|----------|---------------|----------------------------|------------------------------|
| A | 53.5 | 0% | 53.5 |

- 6.8.11 Upon completion on the Sustainability stage, if the Lead Tenderer remains the Tenderer with the highest combined Total Quality Score and Total Commercial Score then it will proceed to the Selection Questionnaire stage of the procurement process.

- 6.8.12 If following the completion of the Sustainability stage the Lead Tenderer no longer is the Tenderer with the highest combined total Quality Score and total Commercial Score, the Tenderer whose combined total Quality Score and total Commercial Score is now the highest will undergo Sustainability and this process will be repeated as necessary to determine the Lead Tenderer after Sustainability.

Final Score

- 6.8.13 The total Quality Score following Sustainability and the total Commercial Score are added together to derive the Final Tender Score and to confirm the Lead Tenderer.

- 6.8.14 Combining the score – worked example:

| Tenderer | Quality Score (70%) | Commercial Score (30%) | TOTAL Score |
|----------|---------------------|------------------------|-------------|
| A | 53.5 | 30.0 | 83.5 |
| B | 45.9 | 29.0 | 74.9 |
| C | 44.2 | 28.0 | 72.2 |

- 6.8.15 Only the Lead Tenderer will proceed to the Selection Questionnaire assessment stage of the procurement process (Stage 8). However, where the Final Tender Score of any other Tenderer is determined to be sufficiently close, Highways England may allow more than one Tenderer to proceed to Stage 8.

6.9 Stage 8 – Selection Questionnaire (SQ) Assessment

- 6.9.1 When instructed, the Lead Tenderer determine at Stage 7 (Total Score) will be required to submit the evidence which supports their declarations in Parts 1 and 2 of the Selection Questionnaire within the time stated. Highways England will check the evidence before the award of a contract. If the required evidence is not provided within the time stated in the instruction or the evidence does not validate the statements made, the tender may be rejected.
- 6.9.2 Highways England will assess the responses to Part 3 of the Selection Questionnaire; evaluation information is included in Annex 1 Selection Questionnaire. The assessment will be completed on a pass/fail basis unless otherwise stated. In the event of a tender being given a “fail” against any of the mandatory exclusion criteria, the tender will be rejected. In the event of a tender being given a “fail” against any of the discretionary exclusion criteria, Highways England will decide if the tender will be rejected or if any further action is required by the Lead Tenderer before that decision can be taken,
- 6.9.3 Highways England will contact the Lead Tenderer if a Parent Company Guarantee (or other form of security in accordance with these Instructions) is required before its tender can be accepted and will specify the parent company from whom the Parent Company Guarantee must be provided.
- 6.9.4 Prior to the award of any Contract the Lead Tenderer must provide evidence that the insurance required by the contract data is in place. Failure to do so will lead to the tender being rejected.

- 6.9.5 If the Lead Tenderer passes the Selection Questionnaire assessment, then that Tenderer will be recommended for Award.
- 6.9.6 If the Lead Tenderer fails the Selection Questionnaire assessment, it is repeated on the Tenderer with the second highest Final Tender Score combined score from Stage 7 and this process is repeated until a Tenderer acceptable to Highways England passes the Selection Questionnaire check. This Tenderer becomes the First Ranked Tenderer recommended for award.

7 NETWORK RESILIENCE TEST

- 7.1.1 In order to ensure the resilience of the network and avoid an over dependency on a limited number of suppliers a market share threshold test will be applied in this competition.
- 7.1.2 If, at the date the Lead Tenderer in this competition is identified, it, or a member of its Consortium or one of its or their Associated Companies has already been appointed as the Asset Support Contractor or Maintenance and Response Contractor
- a) for a total of four (4) or more of those types of contract; or
 - b) for those types of contract in four (4) or more Highways England Areas
- but in both cases excluding
- c) any such contracts that will expire less than 12 months from that date, or
 - d) the current Area 12 Asset Support Contract (that the winner of this competition will replace)
- then it will be ineligible to be awarded this Contract.
- 7.1.3 If the Lead Tenderer is excluded due to the operation of paragraph 7.1.2 the Tenderer with the next highest Total Tender Score is then subjected to the same market share test and the process will continue until a Tenderer with less than the maximum permitted number of contract awards is identified
- 7.1.4 If a tender that originally failed the market share test, but following a change in circumstance may pass the market share test, that tender may be reconsidered.

8 CONTRACT AWARD

- 8.1.1 Highways England reserves the right not to accept any Tender received in response to this invitation.
- 8.1.2 As soon as possible once the Lead Tenderer has passed the Selection Questionnaire and Market Resilience checks Highways England will inform the successful and unsuccessful Tenderers of its decision in accordance with Regulation 86 of the Public

Contracts Regulations 2015. This will trigger the start of the 10-day Standstill Period under regulation 87.

- 8.1.3 All unsuccessful Tenderers are required to delete any drawings and other documents not returned from the Tenderer's computers and all hard copies destroyed.
- 8.1.4 Details of the Contract award will be published in the Official Journal of the European Union.