



Andrew Johnson  
Procurement Manager  
Inventory & Repair Management  
Babcock DSG Ltd  
Defence & Security  
Babcock International Ltd  
Building B15  
MOD Donnington  
Telford TF2 8JT

Tel: 01952 673835  
Email: Andrew.Johnson@dsg.mod.uk

---

Acclimatise Ltd  
CMCA Ltd  
CMCA (UK) Ltd  
Finning UK Ltd

Your Reference:

Our Reference:  
LSBU15/0016

Date: 25/06/2015

---

Dear Sirs,

**Invitation To Tender Reference No. LSBU15/0016**

1. You are invited to tender for in competition for LSBU15/0016 in accordance with the attached documentation.
2. The requirement is for the Supply of HVAC Spares.
3. The anticipated date for the contract award decision is 21/08/2015, please note that this is an indicative date and may change.
4. You must submit your Tender to arrive no later than 05/08/2015 You must attach the enclosed Tender Return Label (DEFFORM 28) to the outer packaging of your Tender when you submit it to the Authority.

Yours sincerely

**Andrew Johnson**  
**Procurement Manager**  
**Babcock DSG acting as the Authority's agent**

## List of Suppliers Invited to Submit a Tender for ITT No. LSBU15/0016

Supplier Name	Supplier Address and Phone No	Supplier Point of Contact
Acclimatise Ltd	Dennis Viollet Avenue Trentham Lakes ST4 4TN United Kingdom 08458381901	Linda Austin linda.austin@acclimatise.net
CMCA Ltd	Unit 35/36 Prospect Road Beechburn Industrial Estate Crook DL15 8JG United Kingdom 01388764985	Ian Smith is@cmca.ltd.uk
Finning UK Ltd	Finning UK Ltd Watling Stret, Cannock Staffordshire WS11 8LL 01543461914	Vito Aguanno vaguanno@finning.co.uk
CMCA (UK) Ltd	Suites 1-4 Brindley Court Gresley Road Worcester WR4 9FD UK 01905750931	Nial Henderson Nial.henderson@cmcauk.co.uk

**Invitation To Tender  
for  
LSBU15/0016  
The Supply of HVAC Spares**

## Contents

This invitation consists of the following documentation:

- DEFFORM 47 – Invitation To Tender LSBU15/0016. The DEFFORM 47 sets out the key requirements that Tenderers need to meet in submitting a valid Tender. It also sets out the conditions relating to this competition. For ease it is broken into:
  - Section A – Introduction Page 5
    - Definitions
    - Purpose
    - ITT Documentation and ITT Material
    - Tender Expenses
    - Material Change of Control from Supplier Selection
    - Contract Conditions
    - Consultation with Credit Reference Agencies
    - Other Information
  - Section B – Key Activities Page 7
  - Section C – Instructions on Preparing Tenders Page 8
    - Tenders for Selected Contractor Deliverables
    - Construction of Tenders
    - Validity
    - Variant Bids
  - Section D – Tender Evaluation Page 9
  - Section E – Instructions on Submitting Tenders Page 10
    - Submission of your Tender
    - Samples
  - Section F – Conditions of Tendering Page 11
    - Conforming to the Law
    - Bid Rigging and Other Illegal Practices
    - Conflicts of Interest
    - Government Furnished Assets
    - Standstill Period
    - Publicity Announcement
    - Sensitive Information
    - Remedies for Breach of Contract
    - Reportable Requirements
    - Conditions of Tendering Specific to this Requirement
  - DEFFORM 47 Annex A – Tender Submission Document (Offer) Page A1
    - Appendix 1 to DEFFORM 47 Annex A (Offer) – Information on Mandatory Declarations
- Schedule of Requirements - Schedule 2, Annex A
- Statement of Requirement – is attached at Annex B to this Defform 47
- Contract Conditions
- DEFFORM 111 – Appendix to Contract - Addresses and Other Information
- Tenderer's Commercially Sensitive Information Form (DEFFORM 539A)
- DEFFORM 28 – Tender Return Label
- DEFFORM 30 – The Electronic Transactions Agreement (where applicable)

## Section A – Introduction

### Definitions

- A1. This requirement is issued on behalf of the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, (referred to in this document as "the Authority"). In this Agreement, the Authority is acting as part of the Crown and Babcock DSG will be conducting procurement and contract management activity as the Authority's agent.
- A2. "You / Tenderer" means the economic operator or group of operators in the form of a consortium, including sub-contractors, which has been invited to submit a response to this Invitation to Tender.
- A3. "Invitation to Tender" (ITT) refers to the first document that the Authority sends out to potential Tenderers that initiates a tender response, competitive dialogue or negotiation.
- A4. A "Tender" is the offer that you are making to the Authority.
- A5. "Contractor Deliverables" means the works, goods and / or the services, including packaging (and Certificate(s) of Conformity supplied in accordance with any Quality Assurance (QA) requirements if specified) which the contractor is required to provide under the contract in accordance with the Schedule of Requirements, but excluding incidentals outside the Schedule of Requirements such as progress reports.
- A6. "Schedule of Requirements" Schedule 2 in Standardised Contracting Template 2 (SC2) means that part of the contract which identifies, either directly or by reference, the Contractor Deliverables to be supplied or carried out, the quantities involved and the price or pricing terms in relation to each Contractor Deliverable.
- A7. The "Statement of Requirement" is attached at Annex B to this Defform 47.
- A8. "Conditions of Tendering" means the conditions set out in the DEFFORM 47 that govern the competition.
- A9. "Contract Conditions" means the attached conditions that will govern any resultant contract.
- A10. A "Third Party" is any person who is not an employee of the Tenderer as defined at A2.

### Purpose

- A11. The purpose of this ITT is to invite you to propose a solution / best price to our requirement. This documentation explains and sets out the:
- a. tender process and timetable for the next stages of the procurement;
  - b. instructions and conditions that govern this competition;
  - c. information you must include in your Tender and the required format;
  - d. administrative arrangements for the receipt and evaluation of Tenders; and
  - e. Contract Conditions that shall apply in the event that the Authority awards a contract following this competition.
- A12. The sections in this ITT and associated documents are structured in line with a generic tendering process and do not indicate importance / precedence.
- A13. This ITT has been issued to all potential Tenderers chosen during the supplier selection stage, listed on page 2 of this DEFFORM 47.
- A14. The requirement was advertised by the Authority in the OJEU Ref 2015/S 026-048472 dated 11 February 2015 reference to the requirement for the Supply of HVAC Spares following the Restricted procedure, under the Public Contracts Regulations 2006

### ITT Documentation and ITT Material

- A15. ITT Documentation means any information in any medium or form (for example drawings, handbooks, manuals, instructions, specifications and notes of pre-tender clarification meetings), issued to you, or to which you have been granted access, by the Authority for the purposes of

responding to this ITT. ITT Material means any other material (including patterns and samples), equipment or software issued to you, or to which you have been granted access, by the Authority for the purposes of responding to this ITT. ITT Documentation, ITT Material and any intellectual property rights (IPR) in them shall remain the property of the Authority or other Third Party owners and is released solely for the purposes of enabling you to submit a Tender. You must:

- a. take responsibility for the safe custody of the ITT Documentation and ITT Material and for all loss and damage sustained to it while in your care;
- b. not copy or disclose the ITT Documentation or any part of it to anyone other than the bid team involved in preparing your Tender, and not use it except for the purpose of responding to this ITT;
- c. seek approval from the Authority if you need to provide access to any ITT Documentation or ITT Material to any Third Party;
- d. abide by any reasonable conditions imposed by the Authority in giving its approval under sub-paragraph A15.c, which at a minimum will require you to ensure any disclosure to a Third Party is made by you in confidence. Alternatively, due to IPR issues for example, the disclosure may be made, in confidence, directly by the Authority;
- e. accept that any further disclosure of ITT Documentation, or further use of ITT Documentation or ITT Material, without the Authority's written approval may make you liable for a claim for breach of confidence and / or infringement of IPR, a remedy which may involve a claim for compensation;
- f. immediately destroy all ITT documentation, ITT Material and derived information of an unmarked nature, should you decide not to participate in responding to this ITT, or you are notified by the Authority that your Tender has been unsuccessful; and
- g. consult the named Commercial Officer to agree the appropriate destruction process if you are in receipt of ITT Documentation and ITT Material marked 'OFFICIAL-SENSITIVE' or 'SECRET'.

A16. Some or all of the ITT Documentation and ITT Material may be subject to one or more confidentiality agreements made between you and either the Authority or a Third Party, for example a confidentiality agreement established in the form of DEFFORM 94. The obligations contained in any such agreement will be in addition to, and not derogate from, your obligations under paragraph A15 above.

## **Tender Expenses**

A17. You will bear all costs associated with preparing and submitting your Tender. If the Tender process is terminated or amended by the Authority, the Authority will not reimburse you.

## **Material Change of Control from Supplier Selection**

A18. You must inform the Authority in writing if there is any material change in control, composition or membership of your organisation and / or consortium members, including any sub-contractors at any time during the procurement process. This may affect your right to stay in the competition.

## **Contract Conditions**

A19. Standardised Contracting (SC2) conditions are attached. These conditions are non-negotiable.

## **Consultation with Credit Reference Agencies**

A20. The Authority may consult with credit reference agencies to assess your creditworthiness. This information may be used to support and influence decisions to enter into a contract with you.

## Section B – Key Activities

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

Stage	Date and Time	Initiated By	Submit to:
Final date for Clarification Questions / Requests for additional information	22/07/2015	Tenderers	Samual Thangaraj Samual.Thangaraj@dsg.mod.uk
Final Date for Requests for Extension <sup>1</sup>	22/07/2015	Tenderers	Samual Thangaraj
The Authority issues Answers and Clarifications	24/07/2015	The Authority	All Tenderers <sup>2</sup>
Tender Return	05/08/2015 14:00	Tenderers	The Tender Board, using DEFFORM 28
Tender Evaluation	12/08/2015	The Authority	N/A
Reverse Auction	W/C 17/08/2015	The Authority	N/A
Notice of Contract Award (Initiating Standstill Period and bidders debriefs)	21/08/2015	The Authority	All Tenderers
Entry into Contract	01/09/2015	The Authority	All Tenderers

### Notes

1. The Tenderer must make requests for an extension in writing (email is sufficient) to the above named contact, by the date and time shown. Any extension is at the sole discretion of the Authority and if granted will be granted to all Tenderers.

2. The Authority will automatically copy questions and answers to all Tenderers, removing the names of those who have raised the questions. If you do not want your question disclosed you must inform the Authority of this and the reason why when submitting the question. The Authority may choose to discuss with you whether it is appropriate to disclose the question or response, or both, to other bidders. If the Authority decides to disclose, you will be given the opportunity to withdraw your question. Where a question reveals a piece of information that could significantly impact the Tenderers responses this may result in an extension of the Tender return date.

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

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

C1. You must Tender for all the Contractor Deliverables listed in the attached Schedule of Requirements. The Authority reserves the right to reject your Tender where you have not tendered for all of the Contractor Deliverables

### **Construction of Tenders**

C2. Your Tender must be written in English, using Arial font size 11. Prices must be in £GBP. Prices must be Firm for 2 Years with the option year to be negotiated at the time.

C3. To assist the Authority's evaluation please set out your Tender response in accordance with Section D (Tender Evaluation).

### **Validity**

C4. In accordance with F3 your Tender must be valid / open for acceptance for ninety (90) calendar days from the Tender return date. If successful, your Tender must be open for acceptance for a further thirty (30) calendar days.

### **Variant Bids**

C5. You may only submit a variant bid where the Contract Notice states that variant bids will be considered (or where the requirement is exempt from the EU Regulations). A variant bid is a Tender that offers an alternative approach to, or method of, meeting the Authority's requirements as set out in the ITT Documentation. The Authority will give full and careful consideration to any permitted variant bids received. Any variant bid should, as far as possible, meet the attached Conditions of Tendering and Contract Conditions.

C6. Where variant bids are permitted, and you submit a variant bid, you are required to submit two Tenders, one against the Statement of Requirement and one variant bid. The standard Tender must meet the 'minimum' tender evaluation criteria as set out in Section D (Tender Evaluation), and must be submitted in accordance with the Conditions of Tendering. Variant bids will be evaluated in accordance with the tender evaluation criteria as set out in Section D (Tender Evaluation) and must be submitted in accordance with the Conditions of Tendering.

C7. Any Tender made subject to additional or alternative Contract Conditions alone is not a variant bid. Where the tender evaluation has a pass / fail for the Contract Conditions the Authority may reject the Tender on the grounds of such additional or alternative Contract Conditions.



## Section D – Tender Evaluation

***This section details how your Tender will be evaluated, the tools used to evaluate the Tender and the evaluation criteria.***

**The Tender Evaluation will be on the basis of: Lowest Price.**

It is the Authority's intention to award the Contract to the Tenderer offering the lowest total cost technically compliant proposal in terms of both price and lead-time.

The total cost of each bid shall be defined as the total cost of supplying the estimated quantities on Annex A to Schedule 2 – Schedule of Requirements, plus the associated Lead Time Quantity

The Evaluation Quantity is an indication of the Authority's anticipated requirements over a two year period and is provided for evaluation purposes only and on a strictly without commitment basis.

The Lead Time Quantity is defined as the additional quantity required to meet the demand during the period between order placement and completion of delivery, and is calculated as follows:

[ Forecast of Quarterly Demand (FQD) x Lead Time (in months) ] / 3 (rounded up to the nearest whole number).

For the purposes of this evaluation, the FQD to be used for each line item is included at column F in Annex A to Schedule 2 – Schedule of Requirements.

The total Lead Time Quantity shall be added to the estimated quantities of each line item and multiplied by the firm price offered on the Annex A to Schedule 2 – Schedule of Requirements to determine the total cost of each Tenderer's bid.

The Authority does not wish to receive a Minimum Order Quantity (MOQ) against any line item. If, by exception, the Tenderer deems it necessary to impose an MOQ then he must provide adequate justification with his bid. Should a quoted MOQ exceed the sum of the estimated quantities and Lead Time Quantity then the MOQ shall be used in its place to calculate the total cost.

Only Commercially and technically compliant bids will be taken through to the reverse action

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

### **Submission of your Tender**

- E1. Tenders must be sent to the Tender Board by the date and time stated in the covering letter to this DEFFORM 47. You must provide 2 identical copies of the Proposal, 1 signed hard copy and 1 electronic copy, submitted on a CD. You must not email electronic copies until after the Tender Board has taken place. If you email your Tender before the Tender Board date, your Tender may be excluded from the competition.
- E2. Please ensure you include the electronic copy of the priced Tender with the associated paper copy/ies only. You must label the CD containing electronic copy of the Tender with “Includes Prices”. The electronic copy of the Tender must be compatible with Microsoft Office Word 2003 and other MS Office 2003 applications. If you submit files that are password protected or encrypted any information on CDs containing prices you must supply the password so that the Authority can undertake a pricing evaluation.
- E3. You must complete and include DEFFORM 47 Annex A (Offer) (excluding Appendix 1) with your Tender. Where you select ‘Yes’ to any questions you must attach the relevant information.
- E4. You must include the original signed DEFFORM 47 Annex A (Offer) with one paper copy of your priced Tender.
- E5. You must submit your paper and CD copies in a sealed envelope or box. For health and safety reasons, no individual envelope or box should weigh more than 11 kilos.
- E6. You must attach the enclosed Tender Return Label (DEFFORM 28) to the outer packaging of each envelope or box that contains your Tender.
- E7. If you intend to hand deliver your Tender you must inform the named Commercial Officer of your intention and seek further delivery instructions. Failure to do so may result in your Tender being refused and / or returned.
- E8. You must ensure you include all relevant information in your Tender. The Authority can only evaluate information that you include in your Tender.
- E9. For each item on Annex A to Schedule 2 – Schedule of Requirements Tenderers must provide their own part number at Column E.

## Section F – Conditions of Tendering

F1. The issue of ITT Documentation is not a commitment by the Authority to place a contract as a result of this competition or at a later stage. Any expenditure, work or effort undertaken prior to an offer of contract and acceptance of that, is a matter solely for your commercial judgement. The Authority reserves the right to:

- a. seek clarification or additional documents in respect of a Tenderer's submission;
- b. disqualify any Tenderer that does not submit a compliant Tender in accordance with the instructions in this ITT;
- c. disqualify any Tenderer that is guilty of misrepresentation in relation to its Tender, expression of interest, the dynamic Pre-Qualification Questionnaire (PQQ) or the tender process;
- d. re-assess your suitability to remain in the competition, for example where there is a material change of control from supplier selection;
- e. withdraw this ITT at any time, or to re-invite Tenders on the same or any alternative basis;
- f. choose not to award any contract as a result of the current procurement process;
- g. award a contract for some of the Contractor Deliverables, unless you specifically oppose this in your Tender or state any minimum order quantities; and / or:
- h. ask for a price breakdown where the Tender price is low.

F2. The contract will be entered into when the Authority sends written notification of its entry into the contract. Written notification will be issued, to the address you provide, on or before the expiration of the period specified in paragraph C4 and subject to paragraph F3.

F3. It is a Condition of Tendering that the winning Tenderer holds their Tender open for acceptance for the period stated in C4. This period starts on the day the Authority announces its decision to award the contract to the winning Tenderer in accordance with the Tender. In the event that legal proceedings challenging the award of the contract are instituted, prior to entry into contract, it is a condition of this ITT that you hold your Tender open for acceptance during this period, and up to fourteen (14) days after the result of the legal proceedings. In the event of such legal challenge, the Authority agrees to use all reasonable measures to accelerate proceedings.

### Conforming to the Law

F4. You must comply with the UK Competition Act 1998, the UK Bribery Act 2010, applicable EU and UK legislation and any equivalent legislation in a third state.

F5. Your attention is drawn in particular to legislation relating to the canvassing of a public official, collusive behaviour and bribery. If you act in breach of this legislation then your Tender may be disqualified from this procurement. Disqualification will be without prejudice to any civil remedy available to the Authority or any criminal liability that your conduct may attract.

### Bid Rigging and Other Illegal Practices

F6. You must report any bid rigging, fraud, bribery, corruption, or any other dishonest irregularity in connection to this tendering exercise to:

Defence Regulatory Reporting Cell Hotline  
0800 161 3665 (UK) or  
+44 1371 85 4881 (Overseas)

## Conflicts of Interest

F7. You must notify the Authority immediately of any Conflicts of Interest (COI) that have arisen or that arise at any point prior to contract award decision.

F8. Where there is an existing or potential Conflict of Interest (COI) you must include a proposed Compliance Regime in your Tender. As a minimum this must include:

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

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

## Government Furnished Assets

F9. Where the Authority provides Government Furnished Assets (GFA) in support of this competition, you must include details of the GFA in your Public Store Account and treat it in accordance with Def Stan 05-99. If unsuccessful in this competition, you must seek disposal instructions for that GFA from the named Commercial Officer.

## Standstill Period

F10. The Authority is obliged under certain circumstances to allow a space of ten (10) calendar days between the date of dispatch of its notice to Tenderers before entering into a contract, known as the standstill period. This period is to give unsuccessful Tenderers an opportunity to make a legal challenge before the contract is entered into if there has been, or it is alleged that there has been, a breach of the Regulations. The standstill period ends at midnight at the end of the 10th day after the date the DEFFORM 158 is sent. Where this is not a working day, it extends to midnight of the next working day.

## Publicity Announcement

F11. The Authority will publish notification of the contract and may publish contract documents under the FOI Act except where publishing such information would hinder law enforcement; would otherwise be contrary to the public interest; would prejudice the legitimate commercial interest of any person, or might prejudice fair competition between suppliers. You should complete and return DEFFORM 539A as explained in the DEFFORM 47 Annex A and associated Appendix 1.

F12. If you wish to make a similar announcement, you must seek approval from the named Commercial Officer.

F13. Under no circumstances should you confirm to any Third Party the Authority's acceptance of an offer of contract prior to either informing the Authority of your acceptance or the Authority's announcement of the award of contract, whichever occurs first.

## Sensitive Information

F14. All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-governmental role delivering overall Government policy on public procurement, including ensuring value for money and related aspects of good procurement practice.

F15. For these purposes, the Authority may share within Government any of the Contractor's documentation / information (including any that the Contractor considers to be confidential and / or commercially sensitive such as specific bid information) submitted by the Contractor to the Authority during this Procurement. Contractors taking part in this competition must identify any sensitive material in the DEFFORM 539A and consent to these terms as part of the competition process. This allows the MOD to share information with other Government departments while complying with our obligations to maintain confidentiality.

### **Remedies for Breach of Contract**

F16. If using Standardised Contracting conditions you should be aware of the contractual remedies set out in clause F.6.a of SC2 which may apply in the event of a breach of contract by the contractor. Damages for breach of contract are not limited under the contract. However, you should also note [under clause F6.d that in exercising its rights and remedies under the contract the Authority must act in a reasonable and proportionate manner having regard to the nature and consequences of the breach of contract. If you are unsure about the potential liability under the contract, you should seek advice from the named Commercial Officer.

### **Reportable Requirements**

F17. Listed in the DEFFORM 47 Annex A (Offer) are the Mandatory Declarations. It is a Condition of Tendering that you complete and attach the returns listed in the Annex and, where you select yes, you attach the relevant information.

F18. This is not a test of your answer but failure to complete this part of the Annex makes your Tender non-compliant.

### **Conditions of Tendering Specific to this Requirement**

F19. Submission of Tender Response.

The Tenderer shall submit one signed hard copy of the bid plus a CD containing a soft copy. The Tenderer shall, as a minimum, provide the following information:

- a. Completed and signed DEFFORM 47 (Offer) sheet
- b. A Completed, signed copy of DEFFORM 539A - Tenderer's Commercially Sensitive Information Form.
- c. Annex A to Schedule 2 – Schedule of Requirements – Firm pricing offer for 2 Years for each line item, making special note of the following:
  - i. The Tenderer shall offer appropriate price breaks (up to a maximum of 6) that take account of the Evaluation Quantities identified at columns J.
  - ii. In conjunction with the price breaks offered, the Tenderer shall confirm, at column K, the Evaluation Price, which shall be the price applicable to the Evaluation Quantity at column J. Where the Evaluation Price does not match the price breaks offered, the Authority reserves the right to consider the offer for that line item as non-compliant.
  - iii. In providing price breaks for each line item, Tenderers shall ensure that the prices represent a consistent offer across the range of quantity bands where each price is commensurate with the quantity band it relates to and the other prices offered for higher and lower quantity bands.
  - iv. Where the Authority reasonably considers that an offer for a particular line item has been skewed to supply an artificially low price for the Evaluation Quantity then the Authority reserves the right to consider the offer for that line item as non-compliant.
- d. Annex A to Schedule 2 – Schedule of Requirements – Lead time for each line item, at column Y is to be provided in working days.
- e. Tenderers shall submit a draft Quality Plan with their Tender in accordance with AQAP2105.
- f. Tenderers shall submit a Quality Inspection statement in accordance with Paragraph F25.

- g. Tenderers are required to confirm unqualified acceptance of the Terms and Conditions of the Contract by completing the Compliance Matrix

F20. Key Performance Indicators.

The Contract shall contain a set of Key Performance Indicators, as detailed at General Contract Provision K1, to measure the Contractor's performance in areas such as delivery and quality. The Tenderer is invited to put forward additional KPIs to measure its performance, plus that of the Authority, in specific areas.

F21. Shelf Life

It shall be a requirement of the Contract that, where shelf life is a consideration, the Contractor shall declare to this effect and provide details against each Contractor Deliverable to be recorded at Annex A to Schedule 2.

F22. Government Security Classifications.

As of the 2<sup>nd</sup> April 2014, the new Government Security Classifications Policy (GSC) was introduced. A key aspect of this policy is the reduction in the number of security classifications used. This Tender and any subsequent contract that may be awarded to you as a result, is subject to protection under GSC. You are therefore encouraged to make yourself aware of the changes through the [Gov.uk GSC website](#).

The Authority hereby reserves the right to amend any security related term or condition of the draft contract accompanying this ITT to reflect any changes introduced by national law or government policy. Where this ITT is accompanied by any instructions on safeguarding classified information, e.g. a security aspects letter, the Authority reserves the right to amend the terms of these instructions, as a result of any changes in national law or government policy, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies, or otherwise. This may relate to the instructions on safeguarding classified information as they apply to the tender process and, or, any contract awarded to you as a result of this tender process."

F23. Sustainable Development.

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

F24. Military Level Packaging

Military level Packaging shall be the responsibility of the Contractor. The Tenderer shall ensure that their bids reflect the full cost of any items that require packaging to a military level standard.

Where the Tenderer intends to use a MPAS accredited specialist packaging Contractor to undertake military level packaging, the Tenderer shall submit with his bid details of the Contractor, including full title, address and contact details as a minimum.

F25. Quality Plan and Inspection

In accordance with Schedule 3 and Clause B1.a.(2), Tenderers are required to submit a Draft Quality Plan with their Tender response detailing how all Contract related quality requirements shall be fulfilled. The Draft Quality Plan must be produced in accordance with AQAP 2105 Edition

2, a copy of which is available upon request. Upon receipt of Tender responses, a copy of the Tenderer's Draft Quality Plan shall be passed to the Operational (OIP) Project Team Quality Manager for scrutiny. A template is included at Annex B to Schedule 3.

Tenderer's shall allow the Authority access to their premises for the purpose of undertaking Quality Audits and Inspections during the tender period and post contract award. The Tenderer shall indicate their willingness to accommodate this in the form of a statement in their Tender return. The Authority shall carry out an inspection of each of the Tenderer's proposed facilities in line with the Draft Quality Plan.

#### F26. Reverse Auction

1. The Authority intends to conduct a Reverse Auction for this requirement. The Reverse Auction is a process conducted via the Internet in which those Tenderers who have submitted a compliant response to the Invitation to Tender (ITT) are invited in electronic competition to offer a lower price than that provided in the tender return. The purpose of conducting a Reverse Auction is so that the Authority shall benefit from improved competition while Tenderers shall benefit from improved knowledge about market pricing. Acceptance by the Authority of an electronic offer shall be subject to the terms and conditions of the ITT.

2. In accordance with paragraph F1 of the DEFFORM 47 the Authority reserves the right to request an explanation of the costs or price proposed.

3. To participate in the Reverse Auction, Tenderers must have access to the Internet and one of the following browsers:

- Internet Explorer 9 and above,
- Mozilla Firefox 31+
- Google Chrome
- Apple Safari 6.14

In addition, for full functionality of the Auction Monitor, bidders must install;

- Java version 1.7+

4. Acting on behalf of the Authority, the external Auction Service Provider shall notify the date and scheduled start time of the Reverse Auction to compliant Tenderers. The external Auction Service Provider will manage the operational aspects of the Reverse Auction event on behalf of the Authority. The Auction Service Provider will provide the Tenderer with the Rules of Participation, a username and password that allows secure access to the relevant web pages, including the training activity and individual Reverse Auction event.

5. Training shall be provided by the Auction Service Provider, usually 24 hours before the event is scheduled to take place. The training exercise is aimed at ensuring that participating Tenderers are adequately equipped in terms of computer software, hardware and Internet connectivity. It will also provide the opportunity to confirm that starting prices are accurate as actual pricing will be used during the training. The identity of the Tenderers shall not be disclosed at any point.

6. Compliant Tenderers shall be notified of the starting prices by the Auction Service Provider prior to the Reverse Auction scheduled start time, but shall not be able to make any revised bid until the start of the Reverse Auction.

The Auction Service Provider shall use the lowest total tendered price, per Lot, submitted by a compliant Tenderer on DEFFORM 47 Annex A, as the starting price in the Reverse Auction. If the tender has been evaluated using Most Economically Advantageous Tender evaluation criteria the total price of the highest scored tender, per Lot, rather than the lowest price, will be ranked first. If the tender has been evaluated where nominal price discounts have been awarded for technical elements of the tendered solution, the total lowest weighted price, per Lot, rather than the lowest price, will be ranked first. If the requirement is divided into Lots each Lot will be auctioned concurrently.

7. During the Auction each Tenderer shall be able to see their own tendered price in comparison to the lowest total tendered price (or highest scored total price / lowest weighted total price) per Lot and their individual ranking. Any change in the total price, or a Tenderers individual ranking, shall be reflected on the screen shortly after it has been submitted. A new total price submitted by a Tenderer that equals an existing total price shall be ranked behind the existing bid. No minimum or maximum bid decrement shall be applied.
8. The Reverse Auction will have a standard duration of thirty minutes. The Auction Service Provider's website shall indicate the time remaining to the end of the Auction. Any bids submitted in the final three minutes of the Auction shall automatically extend the Auction to ensure that there is always at least three minutes remaining to allow Tenderers to review their position and enter a lower bid. The Auction will end only when no more bids are received during the three minute extensions
9. Following completion of the Reverse Auction, all Tenderers are required to update the item pricing on the pricing sheet provided, per Lot, by the Auction Service Provider. No item price should exceed the item price initially offered by the Tenderer in their tender return. The total price of the completed pricing sheet must match the lowest total price offered by the Tenderer during the Reverse Auction. Each Tenderer should return the completed pricing sheet to the Auction Service Provider within 48 hours of the Reverse Auction closure.
10. Tenderers must note that bids made during the Reverse Auction are provided on the understanding that the price offer shall remain open for acceptance by the Authority. The Authority reserves the right not to award a Contract based on the outcome of the tender process or the Reverse Auction.



## Ministry of Defence

Tender Ref No. LSBU15/0016

## Tender Submission Document (Offer)

To the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland (hereafter called "the Authority")

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

<b>Applicable Law</b>				
I agree that any contract resulting from this competition shall be subject to English Law *Where 'No' is selected, Scots Law will apply.				Yes / No*
<b>Total Value of Tender (excluding VAT)</b>				
£ .....				
WORDS .....				
<b>UK Value Added Tax</b>				
If registered for Value Added Tax purposes, please insert:				
a. Registration No .....				
b. Total amount of Value Added Tax payable on this Tender (at current rate(s)) £.....				
<b>Location of work (town / city) where contract will be performed by Prime:</b>				
Where items which are subject of your Tender are not supplied or provided by you, state location in town / city to be performed column (continue on another page if required)				
Tier 1 Sub-contractor Company Name	Town / city to be Performed	Contractor Deliverables	Estimated Value	SME Yes / No
<b>Mandatory Declarations</b> (further details are contained in Appendix 1 to DEFFORM 47 Annex A (Offer)):			<b>Tenderer's Declaration</b>	
Is the offer subject to the Authority contracting for all the Contractor Deliverables?			Yes* / No	
Is the offer made subject to a Minimum Order Quantity?			Yes* / No	
Are the Contractor Deliverables subject to Registered Designs or Patents?			Yes* / No	
Are the Contractor Deliverables subject to Foreign Export Control and Security Restrictions?			Yes* / No	
Are the Contractor Deliverables subject to Overseas Expenditure?			Yes* / No	
Have you complied with all regulations relating to the operation of the collection of custom import duties?			Yes / No	
Have you completed Form 1686 for sub-contracts?			Yes / No	
Have you and your sub-contractors registered with the Prompt Payment Code with regards to SMEs?			Yes / No	
Have you completed and attached Tenderer's Commercially Sensitive Information Form (DEFFORM 539A)?			Yes / No	

If you have not already signed a corporate level DEFFORM 30 have you attached one?	Yes / No		
Have circumstances changed since Supplier Selection Stage? If so have you attached a revised Statement Relating to Good Standing?	Yes* / No		
Do the Contractor Deliverables contain Asbestos, as defined by the control of Asbestos Regulations 2012?	Yes* / No		
Do the Contractor Deliverables contain hazardous items, materials or substances?	Yes* / No		
Do the Contractor Deliverables (including Packaging) use Substances that deplete the Ozone Layer, as defined in Regulation (EC) No 2037/2000 of the European Parliament and of the Council of 29 June 2000? <a href="http://ozone.unep.org/new_site/en/montreal_protocol.php">http://ozone.unep.org/new_site/en/montreal_protocol.php</a>	Yes* / No		
Are you able to support the objectives of Reservist and other supplier support to the Armed Forces?	Yes* / No		
Have you attached The Bank / Parent Company Guarantee?	Yes* / No / Not Required		
Have you complied with the requirements of the Military Aviation Authority Regulatory Articles?	Yes / No / Not Required		
*If selecting Yes to any of the above questions, please attach the information detailed in Appendix 1 to DEFFORM 47 Annex A (Offer).			
<b>Tenderer's Declaration of Compliance with Competition Law</b>			
<p>We certify that the offer made is intended to be genuinely competitive. No aspect of the price has been fixed or adjusted by any arrangement with any Third Party. Arrangement in this context includes any transaction, or agreement, private or open, or collusion, formal or informal, and whether or not legally binding. In particular:</p> <ul style="list-style-type: none"> <li>a. the offered price has not been divulged to any Third Party,</li> <li>b. no arrangement has been made with any Third Party that they should refrain from tendering,</li> <li>c. no arrangement with any Third Party has been made to the effect that we will refrain from bidding on a future occasion,</li> <li>d. no discussion with any Third Party has taken place concerning the details of either's proposed price, and</li> <li>e. no arrangement has been made with any Third Party otherwise to limit genuine competition.</li> </ul> <p>We understand that any instances of illegal cartels or market sharing arrangements, or other anti-competitive practices, suspected by the Authority will be referred to the Competition and Markets Authority for investigation and may be subject to action under the Competition Act 1998 and the Enterprise Act 2002.</p> <p>We understand that any misrepresentations may also be the subject of criminal investigation or used as the basis for civil action.</p> <p>We agree that the Authority may share the Contractor's information / documentation (submitted to the Authority during this Procurement) more widely within Government for the purpose of ensuring effective cross-Government procurement processes, including value for money and related purposes. We certify that we have identified any sensitive material in DEFFORM 539A.</p>			
<b>Dated this..... day of ..... Year .....</b>			
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Signature:</b>   (Must be original) </td> <td style="width: 50%; vertical-align: top;"> <b>In the capacity of</b>  .....  (State official position e.g. Director, Manager, Secretary etc.) </td> </tr> </table>		<b>Signature:</b>  (Must be original)	<b>In the capacity of</b> ..... (State official position e.g. Director, Manager, Secretary etc.)
<b>Signature:</b>  (Must be original)	<b>In the capacity of</b> ..... (State official position e.g. Director, Manager, Secretary etc.)		
<b>Name:</b> (in BLOCK CAPITALS)  <b>duly authorised to sign this Tender for and on behalf of:</b> (Tenderer's Name)	<b>Postal Address:</b>  <b>Telephone No:</b> <b>Registered Company Number:</b>		

## **Information on Mandatory Declarations**

### **Part Tender**

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

### **Minimum Order Quantities**

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

### **Notification of Inventions etc.**

3. Where the Contractor Deliverables are subject to any Registered Intellectual Property Rights select 'Yes'.

4. You must clearly state in your Tender any Contractor Deliverable to be produced under any resultant contract that is, or is likely to be, the subject of a Patent, a Registered Design right or an application for either, or an unregistered design right, owned by either yourself or a Third Party. This includes anything of this nature affecting the performance of any resultant contract or subsequent use of any Contractor Deliverable by the Authority. You must specifically draw attention to:

- a. any Patent or Registered Design (or application for either) or unregistered design right you own or control which is or appears to be relevant to the Contractor Deliverables, the use of which by or on behalf of the Authority may give rise to a claim under Sections 55 or 56 of the Patents Act 1977, or Section 12 of the Registered Designs Act 1949, or Section 240 of the Copyright, Designs and Patents Act 1988;
- b. any allegation made against you, whether by claim or otherwise, of an infringement of an intellectual property right (whether a Patent, Registered Design, unregistered design right, copyright or otherwise) or of a breach of confidence, which relates to the performance of any resultant contract or subsequent use by or for the Authority of any Contractor Deliverables;
- c. the nature of any allegation referred to under sub-paragraph 4.b., including any obligation to make payments in respect of the Intellectual Property Right of any confidential information and / or;
- d. any action you need to take or the Authority is required to take to deal with the consequences of any allegation referred to under sub-paragraph 4.b.

5. You must, when requested, give the Authority details of every restriction and obligation referred to in paragraph 4. You must also provide, on request, any information required for authorisation to be given under Section 2 of the Defence Contracts Act 1958.

6. If you have previously provided information under paragraphs 4 and 5 you can provide details of the previous notification, updated as necessary to confirm their validity.

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

7. In respect of any Contractor Deliverables, likely to be required for the performance of any resultant contract, you must provide the following information in your Tender:

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

b. If requested, a summary of every existing, expected or known licence and restriction referred to in paragraph 7.a. This includes any related obligation or restriction and the extent they place an obligation or restriction on the Authority, including:

- (1) the exporting nation and the export licence number, where known;
- (2) the Contractor Deliverables affected;
- (3) the nature of the restriction and obligation;
- (4) the authorised end use and end users;
- (5) any specific restrictions on access by Third Parties, or by individuals based on their nationality, to the Contractor Deliverables; and
- (6) any specific restrictions on re-transfer or re-export to Third Parties of the Contractor Deliverables or anything delivered or used in the performance or fulfilment of them.

c. If requested, you must provide an outline of your mitigation plan to manage performance risks on any resultant contract based on paragraph 7.a.

8. You must use reasonable endeavours to obtain sufficient information from your potential supply chain to enable a full response to paragraphs 7.a and 7.b. If you are unable to obtain adequate information, you must state this in your Tender when responding to paragraph 7.a and 7.b.

9. If you become aware at any time during the competition that all or part of any proposed Contractor Deliverable is likely to become subject to a non-UK Government Control through a Government-to-Government sale only, you must inform the Authority immediately.

10. If you have previously provided information under paragraph 7 you can provide details of the previous notification and confirm the validity.

11. This does not include any Intellectual Property specific restrictions mentioned in paragraph 4.

12. It is the Winning Tenderer(s) responsibility to ensure they comply with any restrictions stated in paragraph 7 during the life of the contract. This includes any restrictions the Authority has explicitly stated / clarified in any ITT documentation.

13. You must notify the named Commercial Officer immediately if you are unable for whatever reason to abide by any restriction of the type referred to in paragraph 7.

## **Overseas Expenditure**

14. You must provide details in your Tender of any expenditure outside the UK, including:

- a. country in which sub-contract is placed / to be placed;
- b. name, division and full postal address of sub-contractor;
- c. value of sub-contract; and
- d. date sub-contract placed / to be placed.

15. Should you propose the supply of Articles of US origin the export of which from the USA are subject to control under the US International Traffic in Arms Regulations (ITAR), you must include details in your Tender. This will allow the Authority to make a decision whether the export can or cannot be made under the auspices of the US-UK Defense Trade Co-operation Treaty. The Authority shall then convey its decision to the Tenderer. If the Authority decides that use of the Treaty for the export is permissible, it is your responsibility to make a final decision whether you want to use that route for the export concerned if you are awarded the contract.

## Import Duty

16. Council Regulation (EC) No 150/2003 suspends Custom duties on a range of military weapons and equipment. For the purposes of this competition for any Contractor Deliverables eligible for suspension of import duties and not yet imported into the European Union, you must provide prices excluding **and** including Import Duty.

17. Where the Contractor Deliverables are exempt under Council Regulation (EC) No. 150/2003, the Authority will issue a certificate for those Contractor Deliverables eligible for suspension of import duties.

18. You should note that it is your responsibility to ensure compliance with all regulations relating to the operation of the collection of import duties. This includes but is not limited to obtaining Her Majesty's Revenue and Customs (HMRC) end use relief authorisation.

## Sub-contracts Form 1686

19. Form 1686 (also known as Appendix 5) is to be used in all circumstances where contractors wish to place a sub-contract with a contractor where the release of either Reportable OFFICIAL or OFFICIAL-SENSITIVE information is involved. The process will require submission of the single page document either directly to the MOD Project Team or, where specified, to the DE&S Security Advice Centre. You can find further information in the [Security Policy Framework – Contractual Process](#) chapter. You can access a word version of Form 1686 on GOV.UK at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/322603/Contractual\\_Process\\_-\\_Appendix\\_5\\_form.doc](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/322603/Contractual_Process_-_Appendix_5_form.doc).

## Small and Medium Enterprises

20. The Authority is committed to supporting the Government's small and medium-sized enterprise (SME) initiative; its aspiration is that 25% of spend, direct and through the supply chain, should go to SMEs by 2015. The MOD uses the EU definition of an SME.

21. A key aspect of the Government's SME Policy is ensuring that its suppliers throughout the supply chain are paid promptly. All suppliers to the Authority and their sub-contractors are encouraged to make their own commitment and register with the Prompt Payment Code at: <http://www.promptpaymentcode.org.uk>.

22. Suppliers are also encouraged to work with the Authority to support the wider SME initiative. The link below to the Cabinet Office website provides information on the Government's Crown Representative for SMEs, a link to the definition of an SME and details on the SME initiative. <https://www.gov.uk/government/policies/buying-and-managing-government-goods-and-services-more-efficiently-and-effectively/supporting-pages/making-sure-government-gets-full-value-from-small-and-medium-sized-enterprises>.

23. The opportunity also exists for Tenderers to advertise any sub-contract valued at over £10,000 in the MOD Contracts Bulletin and further details can be obtained directly from:

BiP Solutions Ltd

Web address: [www.contracts.mod.uk](http://www.contracts.mod.uk)

Tel No: 0845 270 7099

## Transparency, Freedom of Information and Environmental Information Regulations

24. You should be aware that the contents of any resultant contract may be published in line with government policy set out in the Prime Minister's letter of May 2010 (<https://www.gov.uk/government/policies/improving-the-transparency-and-accountability-of-government-and-its-services>) and the information contained within and the information contained within DEFCON 539 or SC2 Conditions of Contract Clause A14.

25. Before publishing the contract, the Authority will redact any information which is exempt from disclosure under the Freedom of Information Act 2000 ("the FOIA") or the Environmental Information Regulations 2002 ("the EIR").

26. You should complete the attached Tenderer's Commercially Sensitive Information Form (DEFFORM 539A) explaining which parts of your Tender you consider are commercially sensitive. This includes providing a named individual who may be contacted with regard to FOIA and EIR.

27. You should note that, while your views will be taken into consideration, the ultimate decision whether to publish or disclose information lies with the Authority. You are advised to provide as much detail as possible on the form. It is highly unlikely that a Tender will be exempt from disclosure in its entirety. Should the Authority decide to publish or disclose information against your wishes, you will be given prior notification.

## **Electronic Purchasing**

28. It is the intention to operate electronic trading. Babcock DSG is developing an electronic payment system; all potential suppliers will be notified of the new system and the migration plan in due course. Where Suppliers are already established on P2P, trading by this method will continue until such a time as the Babcock DSG electronic payment system is introduced. Where a Supplier is not already established on P2P, Babcock DSG will trade via MOD Form 640's until a new electronic payment system has been established.

## **Change of Circumstances**

29. Where circumstances have changed with regard to a Statement Relating to Good Standing or you have not previously submitted a Statement Relating to Good Standing select 'Yes' and submit a Statement Relating to Good Standing with your Tender.

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

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

## **Reservist and other Supplier Support to the Armed Forces**

31. The 2010 Strategic Defence and Security Review set out what our Armed Forces will look like and outlined the role of the Reserve Forces within that Future Force. Reserves will have a greater role, providing both a larger proportion of the force and Defence capabilities in certain specialist areas that are not practical or cost effective to maintain full time.

32. The MOD wishes to have a more sustained and enduring relationship with suppliers, on Reservist and other military personnel objectives, based on mutual benefit. The personnel objectives include:

- a. Employment of service leavers
- b. Employment of wounded, injured or sick veterans
- c. Employment of the partners of service personnel
- d. Helping local cadet units
- e. Support to Reservist employees
- f. Encouragement of Reserve service

33. Of particular interest to Defence is the need to have more Reservists employed by reserves supportive employers as described in Chapter 4 of the White Paper, 'Reserves in the Future Force 2020; Valuable and Valued' available at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/210470/Cm8655-web\\_FINAL.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/210470/Cm8655-web_FINAL.pdf)

34. The Authority therefore encourages all Tenderers, and their suppliers, to:

- a. consider whether they are able to support these objectives; and, if they are
- b. sign the Corporate Covenant, declaring their support for the Armed Forces community.

35. Guidance on the various ways you can demonstrate your support through the Corporate Covenant is at [The corporate covenant - Detailed guidance - GOV.UK](#).

36. Specific guidance on how you can support the Reserve Forces, what your support means in practice, and what the potential benefits are for you can be found at: [www.sabre.mod.uk](http://www.sabre.mod.uk).

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

Email address: [covenant-mailbox@mod.uk](mailto:covenant-mailbox@mod.uk)

Address: Armed Forces Covenant Team  
Zone D, 6<sup>th</sup> Floor, Ministry of Defence,  
Main Building, Whitehall, London, SW1A 2HB

38. Where you decide to contribute to meeting the personnel objectives above, you should also report the outcomes of such contributions to the above address so they can be recorded and acknowledged.

39. Paragraphs 31 – 38 above are not a condition of working with the Authority now or in the future, nor will this issue form any part of the tender evaluation, contract award procedure or any resulting contract. However, the Authority very much hopes you will want to provide your support and we are committed to working with you to this end.

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

40. There are no MAA Requirements.

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

41. A Bank or Parent Company Guarantee is not required.

**Statement of Requirement**

The Authority is considering establishing an Enabling Contract (EC) for the Supply of HVAC Spares used by the British Army. The duration of the EC shall be firm for 2 years with the option to extend for a further year.

The Authority is seeking a single supplier to provide all items, Tenderer's shall be provided with NATO Stock Numbers and using ISIS, shall be required to source and price the items in scope for the requirement. There are no drawings or specifications available to issue with the Invitation to Tender.

The Authority reserves the right to add items of a similar nature to the contract during its lifetime.

Any resulting contract shall contain a set of Key Performance Indicators to measure performance in areas such as delivery and quality and shall include remedies for poor performance.

The Authority shall award the Contract based upon best value for Defence in accordance with the process detailed at Section D of DEFFORM 47