



Department
for Environment
Food & Rural Affairs

Pre-Market Engagement for Sustainable Environmental Regulatory and Digital Solutions (SERDS)

Department for Environment, Food and Rural Affairs
(DEFRA)





Department
for Environment
Food & Rural Affairs

Date: 05/08/2024

OFFICIAL - (SUBJECT TO CONTRACT)

Good afternoon,

We are notifying all suppliers of an upcoming requirement, and by doing so we are keen to understand where the market stands in terms of supporting our requirement below.

This Pre-Market Engagement exercise seeks the market appetite to support a replacement to the current Department for Environment, Food and Rural Affairs (DEFRA) Smart Environmental Regulation Programme (SERP), with the replacement procurement titled Sustainable Environmental Regulatory and Digital Solutions (SERDS) for a new multi-year contract.

It should be noted that this may be one of a number of Requests for Information (and other pre-market Engagement methods) to refine the requirements and key aspects of the Procurement going forward. DEFRA reserves the right to not seek the use of these methods or change methods if they require.

Please note the following general conditions:

- This exercise will help us to refine the requirements.
- We reserve the right not to proceed with a further competition. Nothing shall constitute a commitment to ordering unless we undertake a further competition (or other procurement route) that results in the award of a Contract or Call-Off Contract.
- DEFRA reserves the right to utilise another procurement route (via the Crown Commercial Service or other) if required.
- The contents of this Engagement is not binding, and may be subject to change.
- Should a contract be awarded following a further competition, the Supplier agrees to supply the Services in accordance with Terms associated with the chosen route to market.
- Any and all costs associated with the production of a response either to this exercise, a future Request for Information or a further competition must be borne by the Supplier. We will not contribute in any way to meeting the costs of any response.

- Information contained within this document is confidential and must not be shared to or with any third party without prior written consent from DEFRA.
- Information should be handled in line with OFFICIAL Classification guidance.
- No down-selection of Suppliers will take place as a consequence of any responses or interactions relating to this Engagement.
- We expect that all responses to this Engagement will be provided by Suppliers in good faith to the best of their ability in the light of information available at the time of their response.
- No information provided by a Supplier in response to this Engagement will be carried forward, used or acknowledged in any way for the purpose of evaluating the Supplier.

CURRENT SITUATION

1. DEFRA, the UK government department responsible for improving and protecting the environment, aims to grow a green economy, sustain thriving rural communities, and support the UK's world-leading food, farming, and fishing industries. DEFRA works with 33 agencies and public bodies, collectively referred to as the "DEFRA Group."
2. Across DEFRA Group, there are digital programmes being set up or already in place to support the modernisation and/or implementation of both internally and externally facing services and their underlying platforms. Many legacy systems underpin these activities and need replacing, alongside new statutory requirements that need implementing.
3. The Smart Environmental Regulation Programme (SERP), comprising the Regulatory Services Programme (RSP), Waste Tracking (WT), and Environment Monitoring & Planning (EMP) Programme, is transforming digital and IT capabilities for regulatory activities within DEFRA and its Arm's Length Bodies (ALBs). The initial SERP requirement was procured under the Crown Commercial Services (CCS) Call Off Framework Digital Outcomes and Specialists (DOS) 5 (RM1043.7) and DEFRA is looking for a reprocurement of a similar service building on the requirements from the initial procurement (run from September 2022), and improving this for the future.

PROGRAMMES AND BACKGROUND

4. To give context of some of the Programmes a prospective Supplier may need to work on initially, included below is some information about the Environment Agency and some of the Programmes that have been supported by the current contract (and may need to be supported in the future). It should be noted though that this is

a Pan-DEFRA capability and therefore Programmes from other Arms-Length Bodies (ALBs) or core DEFRA might be added in future.

5. The Environment Agency (EA), an executive non-departmental public body sponsored by DEFRA, is responsible within England for:
 - Regulating major industry and waste
 - Treatment of contaminated land
 - Water quality and resources
 - Fisheries
 - Inland river, estuary, and harbour navigations
 - Conservation and ecology

6. The Programmes that currently use the SERP Contract are as follows:

Regulatory Services Programme

7. The Regulatory Services Programme (RSP) is a leading technology-focused transformation initiative aimed at digitally transforming regulatory services and underlying technology capabilities. The mission is to deliver great digital end-to-end journeys for all services. This programme will enhance digital capabilities for both external customers and internal business users through modular development that can be reused across Government.
8. For external users, RSP aims to deliver quick and easy digital journeys, including new digital features, self-service capabilities, ID management, and online payment systems. Internally, it will improve transactional service provision with new document storage systems, workflow management tools, and analytics solutions, all designed around user needs and ensuring compliance with legal requirements.
9. Priority services under the RSP include:
 - Applying for EPR permits
 - Managing Medium Combustion Plants
 - Managing water abstraction and impoundment licenses
 - Fishing regulations
 - Waste registration and transportation

- Importing and exporting waste
- Recycling electrical and electronic equipment
- Pollution Inventory data returns
- Landfill data returns
- Boat management
- Herbicide use registration

Environment Monitoring and Planning (EMP) Programme

10. The Environment Monitoring and Planning (EMP) Programme is an ambitious multi-phase initiative aimed at transforming the data and IT systems that support monitoring and planning activities for Water, Land, and Biodiversity (WLB) in the EA. The existing EMP IT systems are outdated, complex, and inflexible, having evolved over three decades. The EMP Programme aims to replace these systems with an integrated IT portfolio using public cloud tools and technology, enabling the consolidation of environmental monitoring data and improved analytical tools.
11. Phase 1 will develop a scalable data platform consolidating environmental monitoring data and providing simplified analytical tools for internal users. Future phases will leverage advanced technologies like AI, machine learning, and predictive analytics to further transform environmental monitoring and planning.
12. The EMP Programme will enhance data security, interoperability, and accessibility, providing modern reporting tools that allow teams to focus on effective interventions. This will increase the return on investment from monitoring and collection costs and future-proof the EA to meet incoming challenges and demands. The programme will support multiple business areas and programmes in delivering critical and statutory responsibilities, ultimately enabling more effective environmental management and safeguarding natural resources.
13. Programme outcomes include:
- Monitoring and planning archive data assets are secured and hosted on a scalable, flexible, and secure data management solution which meets the existing and future needs of the EA.
 - Monitoring and Planning data is held in a common framework making it easy to access and standardized, removing duplication and reducing the risk of misinterpretation.

- The complex ecosystem of applications supporting the delivery pipeline from commissioning through to collection is rationalized and simplified.
- The tools and functionality to enable users to extract, analyse, and interpret data quickly and efficiently are provided, ensuring that decisions are based on sound evidence reducing the need for bespoke unsupported IT.
- Users have access to a wider range of third-party data, enabling them to make better-informed decisions.
- Ensure our data is open, easy to access and consume online by our partners and stakeholders.

In parallel, we would like to commence delivery of Phase 2 of the programme which may include, but is not limited to, the following:

- Expanding our data analytics capability to explore AI and machine learning technologies
- Supporting monitoring transformation including delivery of a flexible efficient monitoring commission
- Integrated environmental spatial planning and provision of decision support tools
- Enhanced external data sharing to enable customers and partners to use our data for innovative and additional environmental outcomes.
- Ingestion and use of external third-party data to augment our own, including opportunities for collaboration with NGOs, academia, and Citizen Scientists

Waste Tracking (WT) Programme

14. The Waste Tracking (WT) Programme aims to introduce a new digital service for the UK. The service will help tackle waste crime and support a circular economy. The current systems, as documented by the NAO and the Independent Review into Serious and Organised Crime in the Waste Sector (2018), are no longer fit for purpose. .
15. The service has been in private beta since the end of 2023, starting with a small, invited set of users trialling the service for green list waste exports. During the course of 2024 and beyond, we will be extending the service to UK waste and expanding the user base, progressing towards public beta and a mandated service with the core features and functionality in line with GDS Service Standards. Waste Tracking will require the successful Supplier to provide continuous improvement and development to further extend the service functions, particularly relating to

charging and payment and data outputs, whilst providing ongoing service support and maintenance.

16. The vision for the WT Programme is to enable all waste movements to be easily electronically recorded, checked, and tracked through the waste chain from cradle to grave.

17. Objectives:

- Integrate and simplify recording of all waste movements, bringing together separate systems covering commercial, household, and hazardous waste and linking to other waste systems.
- Improve the quality and accuracy of data on waste movements by ensuring the right data is captured at each point in the waste chain to meet diverse user needs.
- Realize the full value of the data captured by making it easily accessible and usable.
- Achieve efficiencies and resource savings, removing risks associated with existing legacy systems.

18. End-to-End Waste Tracking Service Capabilities:

- **Data Ingestion:** Support for various entities to enter data on waste movement, transfer, and processing, providing multiple data entry options to ensure maximum interoperability with existing industry systems.
- **Data Storage:** Secure, controlled, and cost-effective storage of data entered onto the service, including structured records and supporting evidence.
- **Data Reporting:** Different levels of access, reports, notifications, and alerts for users, with various reporting approaches linking to standard data science dashboards or systems.

OUR AIMS – WHAT WE WANT TO ACHIEVE

19. DEFRA is looking to enter into a multi-year agreement with a Supplier to deliver the requirements within Annex A.

20. This may also contain options to extend the requirements for further contract years.

WHAT WE ARE LOOKING FOR

21. At Annex 1, DEFRA have included questions for the Suppliers to respond to.
22. DEFRA asks for prospective suppliers who are interested in responding to this Engagement to provide a return that answers all the questions within Annex 1, clearly labelling these for DEFRA to review (where an answer has been labelled as Yes/No, please respond accordingly).
23. DEFRA is aware that prospective suppliers may want to include more information from their own literature (including diagrams etc). However, in the interests of ensuring brevity and a concise response, DEFRA asks that the total Engagement response does not exceed 10 double-sided A4 Pages (in 12-point Arial print).

OUR TIMETABLE

DATE	ACTIVITY
05/08/2024	Publication of the Engagement
08/08/2024	Clarification period closes
12/08/2024 1400hrs	Publication of DEFRA responses to the Engagement Clarification questions
14/08/2024 1700hrs	Deadline for Supplier Submission of an Engagement Response
16/08/2024 0930hrs	Analysis of Engagement responses

QUESTIONS AND CLARIFICATIONS

- Suppliers may raise questions or seek clarification regarding any aspect of this Engagement document at any time prior to the 'Clarification Period Closes' deadline. Questions must be submitted via email sent to tom.dubberley@DEFRA.gov.uk.
- To ensure that all Suppliers have equal access to information regarding this Procurement, responses to questions raised by Suppliers will be published in a questions and answers document, which will be published on the Contract Notice that this Engagement is attached to. This document with all answers included will be available on the Contract Notice from 12/08/2024 at 1400hrs (or before).
- Responses to questions will not identify the originator of the question.
- If a Supplier wishes to ask a question or seek clarification without the question and answer being published in this way, then the Supplier must notify DEFRA and

provide its justification for withholding the question and any response. If the Authority does not consider that there is sufficient justification for withholding the question and the corresponding response, the Supplier will be invited to decide whether:

- The question/clarification and the response should in fact be published; or
- It wishes to withdraw the question/clarification.

GENERAL CONTACT POINT FOR THIS ENGAGEMENT

Name: Tom Dubberley
Role: Category Manager, Digital Services and Applications, DEFRA
Group Commercial
Telephone Number: +44 (0)7827 903738
Email Address: Tom.Dubberley@DEFRA.gov.uk

Annex A

Scope and Constraints Of The SERDS Project

1. As different programmes are at different stages of development, with some in Beta and Alpha, others in Discovery, DEFRA will work collaboratively with the preferred Supplier to implement capabilities. The preferred Supplier will need to work within the GDS, DEFRA/DDTS & relevant ALB governance, policies, and assurance frameworks.
2. As there is an incumbent Supplier for the existing SERP contract, there will also be a transition delivery. Transition arrangements will be agreed during the implementation phase.
3. The ordering and phasing of delivery will be agreed with the preferred Supplier, depending on business, technology, and architectural dependencies.
4. DEFRA require a contract that allows the fluidity of development from different Programmes across the DEFRA estate. The below Programmes may be included within the scope of the new contract (but will not be limited to these Programmes):
 - In Regulation, scope includes the determination and management of permits and registrations, charging, returns, compliance, general workflow management, enforcement, data storage, and analytics/intelligence, as well as externally facing digital services for managing online accounts, applying, submitting returns, and tracking data online.
 - In Monitoring and Planning, the scope includes key business capabilities of commissioning, planning, scheduling and field data collection; storage, ingestion and management of data including workflow management, analytics and intelligence to provide insights which inform environmental planning including predictive analytics and decision support tools to enable effective targeting of resources and interventions.
 - In Waste Tracking, the scope includes user login, setting of roles and permissions, user generation and management of waste information notes, data storage and data views/analytics, and integration with payment processing.
5. There are differing levels of progress in baselining architectural strategies across the constituent programmes; however, there is an impetus to develop common capabilities on the same technology stacks wherever possible.
6. This contract will be used to develop those common capabilities using a combination of Microsoft Technologies including Azure services such as AI enhanced Analytics, Data Services, Microsoft365 PowerApps, Power Automate and Power BI; External Customer Facing Services have been and will be built in line

with GDS service standards. Use of shared DEFRA capabilities such as the Core Delivery Platform, DEFRA Forms etc is encouraged if they will meet the business needs. There is potential for suppliers to innovate and suggest additional technologies where they believe they will enhance or expedite the delivery of the required capabilities; any such additions would need to be taken through DEFRA governance processes. .

7. DEFRA is looking for a partner to collaborate with over a longer term – ideally with an initial core period with resulting options.
8. DEFRA is looking for a contractual vehicle that allows flexibility of work packages that are outcome-based and can be monitored throughout the contract towards completion (unless a prospective supplier can offer a more innovative Commercial model for Product-Based development). The prospective supplier will need to help to manage cross-programme delivery and provide governance to work on continuous improvement along with robust Ways of Working practises.
9. DEFRA is seeking a Microsoft Gold build partner to configure Power Platform & Azure technologies with experience in government delivery of:
 - Power Platform & Azure based developments, integrations & migrations.
 - GDS compliant Portal driven by configuration to empower business changes to be quickly implemented.
 - Azure Data Services including AI-based analytics.
 - Discovery to live digital projects, with responsibility for all associated assurance processes and gateways.
 - Hosting services. Although the services will be hosted internally by DEFRA Cloud Centre of Excellence (CCoE), the Supplier may need to help support hosting outcomes as part of the requirements.
 - There is an optional requirement for the Support and Maintenance of live services. More information will be provided at the Invitation to Tender stage.
 - There is an optional requirement for the Continuous improvement of services in live/production. More information will be provided at the Invitation to Tender stage.

10. The following services are NOT in scope for the SERDS procurement:

- Microsoft Dynamics licensing procurement.

Commercial Approach

Overview

1. DEFRA intends to use market Engagement to ensure that the SERDS commercial approach:
 - (a) is attractive to the market;
 - (b) ensures that the latest technology is utilised to continue developing the service to meet future needs;
 - (c) forms a strong partnership between DEFRA and the supplier;
 - (d) delivers a strong and resilient service team; and,
 - (e) supports continuity of service for end users.

Packaging approach

2. Due to the nature of the requirements and the forecasted timescales for this procurement, DEFRA is currently looking to procure all capabilities as a single contract and, therefore, the capabilities have not been disaggregated into a greater number of contracts at this stage. This is because:
 - a) best value will most likely be achieved by giving responsibility to one supplier. Further disaggregation would increase the service and technical integration risks, and any potential savings achieved through disaggregation would be offset through increased contract management oversight and the additional resources required. This is also true for further disaggregation of the service components (e.g. infrastructure and platform management (hosting));
 - b) by giving responsibility to one supplier for the technical solution, the responsibility for implementation, integration, operation, scalability, and reusability is sat with the party best placed to manage it and deliverability is improved by fewer contract management interfaces; and
 - c) a larger single contract is likely to more attractive to the market and therefore drive greater competition and better value for money for DEFRA

Route to market

3. Due to this being a strategic capability within DEFRA and the criticality of this service, DEFRA intends to award a contract for a core period of two (2) years with three (3) one (1) year options.
4. DEFRA is considering the relative pros and cons of the following “OJEU” (as was) routes to market and compliant Crown Commercial Services (CCS) Call-Off Frameworks:
 - (a) **the restricted procedure:** a paper-based two-stage procurement process whereby potential suppliers are invited to express an interest through the submission of a selection questionnaire, which is used to establish their

capability, experience, and suitability. A shortlist of at least 5 suppliers are then invited to submit a written tender for formal assessment by DEFRA; or

- (b) **Crown Commercial Services (CCS) Technology Services 3 (TS3)**: a hybrid paper and electronic procurement process whereby an Invitation to Tender (ITT) is submitted to a range of suppliers that have already been pre-approved against the Framework's Lot (for this procurement, DEFRA are considering Lot 3d for Operational Services - Application and Data Management).
 - (c) **Crown Commercial Services (CCS) Big Data and Analytics**: a hybrid paper and electronic procurement process whereby an Invitation to Tender (ITT) is submitted to a range of suppliers that have already been pre-approved against the Framework's Lot (for this procurement, DEFRA are considering Lot 2: Commercial off-the-shelf (COTS) Software).
 - (d) **Crown Commercial Services (CCS) Digital & Legacy Application Services (DALAS)**: a hybrid paper and electronic procurement process whereby an Invitation to Tender (ITT) is submitted to a range of suppliers that have already been pre-approved against the Framework's Lot (for this procurement, DEFRA are considering either Lot 2a Digital, Integration and Programme Application Services (large scale) or Lot 3 Application and Integration Run Services).
5. For the restricted procedure, requests to participate in the procurement will be requested using the UK government standard selection questionnaire¹, which will outline prospective tenderers proposed participation model, their compliance with mandatory and discretionary grounds for exclusion, their economic and financial standing, and their technical or professional ability, to test the capacity and capability of prospective tenderers' eligibility to take part in the procurement. For CCS Framework Procurements, a downselected supplier will be able to respond to the ITT that will have been sent to them via the electronic portal.
6. Subject to there being sufficient tenderers that meet the selection requirements, DEFRA is minded to:
- (a) in the case of a restricted procedure, limit the number of pre-qualified tenderers to be invited to submit a tender to at least 5 tenderers in total; or
 - (b) in the case of the CCS Call-Off Frameworks, only downselected suppliers will be able to access and apply for the procurement opportunity;
7. It should be noted that suppliers who are not on the call-off frameworks cannot apply to be on the frameworks – therefore, potential suppliers may want to partner with suppliers who are available under the framework.

Award criteria

8. DEFRA is looking to adopt the following award criteria for this procurement (although it should be noted that these weightings may change):
- (a) technical solution: 55%
 - (b) social value: 10%
 - (c) price: 35%.

¹ <https://www.gov.uk/government/publications/procurement-policy-note-816-standard-selection-questionnaire-sq-template>

9. As required by PPN06/20², DEFRA is required to explicitly evaluate social value, where the requirements are related and proportionate to the subject-matter of the contract. DEFRA would encourage prospective tenderers to review the social value model³ and provide feedback via the Engagement - Questions on the applicability of the model award criteria and associated sub-criteria within the social value model, including:
- a) Theme 1: COVID-19 recovery (help local communities to manage and recover from the impact of COVID-19);
 - b) Theme 2: Tackling economic inequality (create new businesses, new jobs and new skills);
 - c) Theme 2: Tackling economic inequality (increase supply chain resilience and capacity);
 - d) Theme 3: Fighting climate change (effective stewardship of the environment);
 - e) Theme 4: Equal opportunity (reduce the disability employment gap);
 - f) Theme 4: Equal opportunity (tackle workforce inequality);
 - g) Theme 5: Wellbeing (improve health and wellbeing);
 - h) Theme 5: Wellbeing (improve community integration).

Key commercial considerations

10. **Form of contract.** The SERDS Procurement will either utilise Cabinet Office Terms (if this is a restricted procedure) or CCS Terms and Conditions (under either Technology Services 3, Digital & Legacy Application Services, or Big Data and Analytics).
11. **Payment mechanism and performance management regime.** Discussions on the payment mechanism and performance management regime are required to ensure an appropriate level of risk transfer and to enable consideration of innovative solutions which might require different performance or payment structures.
12. **The Use of Small and Medium Enterprises (SMEs).** DEFRA (as with all Government Departments) is looking to utilise more SMEs within its strategic contracts to provide more innovation, speed, and better ways of working. Potential suppliers are minded to consider how they could partner with SMEs within the sector to develop and deliver a service which utilises innovation.

² <https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government><https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940826/Social-Value-Model-Edn-1.1-3-Dec-20.pdf

Annex 1: Pre- Market Engagement - Questions

No.	Question	Response type
1.	Organisation details	Free text for: <ul style="list-style-type: none"> • Organisation name • First name • Surname • Job title • E-mail address • Phone number
2	Is your company an SME?	Yes/No
3	Are you happy to share your details with other prospective tenderers?	Yes/No
4	Based on the information provided, would you be interested in bidding for this tender?	Yes/No
5	If not, can you provide a response as to why?	Free Text Response
6	Based on your experience of delivering equivalent services, are the requirements clear and easy to understand?	Free Text Response
7	Based on your experience of delivering equivalent services, how long would you expect a transition period to take?	Free Text Response
8	Have you got any recommendations around the initial requirements?	Free Text Response

No.	Question	Response type
9	Based on your experience, out of the four options, which procurement route would you see being the best route to use?	Select one option from list of values: <ul style="list-style-type: none"> • Restricted • CCS Framework – Technology Services 3

		<ul style="list-style-type: none"> • CCS Framework – Big Data and Analytics • CCS Framework - Digital & Legacy Application Services
10	Based on your experience of delivering equivalent services, which elements of the social value model are related and proportionate to the subject-matter of the potential contract?	<p>Select multiple options from list of values:</p> <ul style="list-style-type: none"> • Theme 1: COVID-19 recovery (help local communities to manage and recover from the impact of COVID-19); • Theme 2: Tackling economic inequality (create new businesses, new jobs and new skills); • Theme 2: Tackling economic inequality (increase supply chain resilience and capacity); • Theme 3: Fighting climate change (effective stewardship of the environment); • Theme 4: Equal opportunity (reduce the disability employment gap); • Theme 4: Equal opportunity (tackle workforce inequality); • Theme 5: Wellbeing (improve health and wellbeing); • Theme 5: Wellbeing (improve community integration).
11	Based on your experience of delivering equivalent services, what do you think the pricing mechanism should be? Would you be open to a hybrid pricing methodology i.e. Firm elements and other elements	Free Text Response

12	Do you agree with the suggested contract term (e.g. 2+1+1+1)?	Rate from Strongly Disagree to Strongly Agree ⁴
13	Is there anything else that you feel should be included or considered by DEFRA?	Free Text Response
14	Would you be interested in a briefing session from the Team on this? ⁵	Yes/No (if Yes, please follow this link to confirm your attendance)

⁴ Please note the following ratings – Strongly Disagree; Disagree; No strong feelings; Agree; Strongly Agree

⁵ Please note that this would be a closed briefing, with a presentation from DEFRA and then an opportunity for interested Suppliers to submit questions post-briefing. This may be followed up with another Engagement to allow DEFRA to produce a robust Tender Pack for the Market.