



Ministry
of Defence

[REDACTED]
DES Ships Comrcl-CSS-AsstHd2

Defence Equipment and Support
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Please refer to List of Suppliers Invited to Submit a
Tender for ITN No. CSS/0106 (Small)

Your Reference:

Our Reference:
CSS/0106 (Small)

Date: **23/02/2017**

Dear Sir/Madam

Invitation To Negotiate (ITN) Reference No. CSS/0106 - Provision of Tactical Personal Water Craft, to include In-Service Support and Post Design Services

1. You are invited to tender for Provision of Tactical Personal Water Craft, to include In-Service Support and Post Design Services in competition in accordance with the attached documentation.
2. The requirement is for sixteen (16) One- or Two-Man Tactical Personal Water Craft, associated ancillaries (sledges, trailers, collars), In-Service Support (spares provision, upkeep, maintenance and repairs) and Post Design Services.
3. The Authority's detailed requirement is set out in the:
 - a. Statement of Technical Requirement (SoTR) Supporting Information attached at Annex B to this DEFFORM 47; and
 - b. Statement of Technical Requirement (SoTR) at Annex A to Schedule 2 of the Terms and Conditions.
4. The Tenderer is required to provide a trial craft on loan, to be delivered in accordance with the date specified in Section B. The craft shall be provided at no cost to the Authority and at their own risk. The Authority will cover the cost of repair and replacement of the craft should any damage occur.
5. The Tenderer is required to provide a comprehensive risk assessment for the trials craft to allow safe operation by the Authority's representatives during the course of the trials
6. The Tenderer shall ensure that their trials craft is readily available for the duration of the trials. Subsequently the Tenderer should be able to replace or repair any damaged craft.
7. The Authority's Requirement for user trials is set out in:-
 - a. Tender Evaluation Criteria attached at Section D to this DEFFORM 47;

- b. The Trials Plan at Annex C to this DEFFORM 47; and
- c. The SoTR attached at Schedule 2 Annex A (Statement of Requirement) to the Terms and Conditions.

8. The trials will take place at RM Poole UK for five (5) days. The dates of the trials are yet to be confirmed, however the Tenderer will be informed of the dates by no later than April 2017. The Tenderer is responsible for delivery of trials craft to the location in the table below on the date specified by the Authority.

Site	Address	Point of Contact	Dates
Poole UK	RM Poole, Hamworthy, Poole, Dorset BH15 4NQ	[REDACTED]	May 2017, five (5) days total for trials

- 9. The list of Tender Deliverables to be submitted is attached at Annex D (Tender Deliverables) to this DEFFORM 47.
- 10. The anticipated date for the contract award decision is September 2017; please note that this is an indicative date and may change.
- 11. You must submit your Tender to arrive no later than 10am on Wednesday 26th April 2017. You must attach the enclosed Tender Return Label (DEFFORM 28ABW) to the outer packaging of your Tender when you submit it to the Authority.
- 12. Please confirm receipt of this tender to the Commercial Officer stated in Paragraph A20 (Authority's Point of Contact) to this DEFFORM 47.

Yours faithfully

[signed on original]

List of Suppliers Invited to Submit a Tender for ITN No. CSS/0106 (Small)

Supplier Name	Supplier Address and Phone No	Supplier Point of Contact
Berthon Boat Company Limited	The Shipyard Bath Road Lymington Hants SO41 3YL [REDACTED]	[REDACTED]
Salterns Marina Ltd, Trading as Golden Arrow Marine	Unit 17 William Street Southampton Hampshire SO14 5QH [REDACTED]	[REDACTED]
South Boats IOW Ltd	Medina Ship Yard Pelham Road Cowes Isle of Wight PO31 7PG [REDACTED]	[REDACTED]
Survitec Group Ltd	1-5 Beaufort Road Birkenhead Merseyside CH41 1HQ [REDACTED]	[REDACTED]

**Invitation To Negotiate
for
CSS/0106 Provision of Tactical Personal Water Craft, to
include In-Service Support and Post Design Services**

Contents

This invitation consists of the following documentation:

- DEFFORM 47 – Invitation To Negotiate. 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 7
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 - Purpose
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 - DEFFORM 47 Annex A - Tender Submission Document (Offer) Page A1
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 - DEFFORM 47 Annex C - Trials Plan
 - DEFFORM 47 Annex D - Tender Deliverables
 - DEFFORM 47 Annex E - Pricing and Rates
 - DEFFORM 47 Annex F - Tender Clarification Question Template
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- Terms and Conditions
- Schedule 1 - Definitions of Contract
- Schedule 2 - Schedule of Requirements
 - Annex A to Schedule 2 - Statement of Technical Requirement
- Schedule 3 - Contract Data Sheet
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- Schedule 4 - Contract Change Process Procedure (i.a.w. clause A2.b)

- Schedule 5 - Export Licence (i.a.w. Clause A17)
- Schedule 6 - Hazardous Articles, Materials or Substances Supplied under the Contract: Data Requirements
- Schedule 7 - Timber and Wood-Derived Products Supplied under the Contract: Data Requirements
- Schedule 8 - Acceptance Procedure (i.a.w. condition F2)
- Schedule 9 - Contractor's Commercially Sensitive Information Form
- Schedule 10 - Information Reporting
- Schedule 11 - Tasking Authorisation Form
- Schedule 12 - Key Performance Indicators (KPIs)
- Schedule 13 - Corrective Action Plan
- Schedule 14 - Integrated Project Management Plan (IPMP)
- Schedule 15 - Transfer of Undertakings (Protection of Employment) (TUPE)
- Schedule 16 - Government Furnished Information (DEFFORM 316)
- Schedule 17 - Pricing and Rates
- Schedule 18 - Contract Data Requirement (DEFFORM 315)
- DEFFORM 28 – Tender Return Label
- Security Aspects Letter

Section A – Introduction

Definitions

- A1. “The Authority” means the Secretary of State for Defence of the United Kingdom of Great Britain and Northern Ireland, (referred to in this document as "the Authority"), acting as part of the Crown.
- A2. “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 ITN. Where “you” is used this means an action on you the Tenderer.
- A3. “Invitation to Negotiate” (ITN) 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) and any associated technical data 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) 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 Technical Requirement” (Annex A to Schedule 2) details the technical requirements and acceptance criteria (Schedule 8) of the Contractor Deliverables.
- 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 ITN 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 ITN and associated documents are structured in line with a generic tendering process and do not indicate importance / precedence.
- A13. This ITN 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 Defence Contracts Online dated 21st November 2016 with reference to the requirement for ‘Provision of Tactical Personal Water Craft, to include In-Service Support and Post Design Services’ following the Competitive Negotiated Procedure under the Defence and Security Public Contracts Regulations 2011.
- ### **ITN Documentation and ITN Material**
- A15. ITN 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 ITN. ITN 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 ITN. ITN Documentation, ITN 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 ITN Documentation and ITN Material and for all loss and damage sustained to it while in your care;
- b. not copy or disclose the ITN 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 ITN;
- c. seek written approval from the Authority if you need to provide access to any ITN Documentation or ITN 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 use beyond the original purpose), 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. inform the Commercial Team if you decide not to submit a Tender;
- g. immediately return 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
- h. 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 ITN Documentation and ITN 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. The full text of Defence Conditions (DEFCONs) and Defence Forms (DEFFORMS) are available electronically via <https://www.gov.uk/acquisition-operating-framework>.

Note: The MOD is changing to an electronic end to end procurement system. Any conditions relating to the payment process may be amended between the issue of this ITT and contract award. Any change will solely be for the purpose of ensuring payment is made.

Authority's Point of Contact

A20. If it is considered that insufficient information has been provided to enable a full response, you should seek further information from the Authority before submitting your tender. To ensure openness, transparency and propriety in the evaluation process, all enquiries and requests for clarification must be addressed in writing in the first instance to the Authority's commercial team, at the following address:

Commercially Supported Shipping (CSS)
Defence Equipment and Support
Ash 2a #3203
Ministry of Defence Abbey Wood (South)
Bristol
BS34 8JH
Attn: [REDACTED]
Telephone No: 030 679 32173
E Mail: DESShipsComrcl-CSS-3b1@mod.uk

Tender Clarification Questions

A21. Tenderers are encouraged to identify tender clarification questions at an early stage and these should be submitted using the template at Annex B to this DEFFORM 47.

A22. If a Tenderer believes that a question is of a commercially sensitive nature the Tenderer should mark it as such.

A23. The Authority will endeavour to answer any questions the Tenderer may have regarding the ITN within a period of three (3) working days. Any questions raised by Tenderers will be treated in the following way:

- a. If a question is of a general clarification nature the question asked and answer provided will be forwarded to all Tenderers;
- b. If the question is considered by the Tenderer to be specific to the Tenderer's proposal and the Authority agrees, it will be treated as commercial in confidence and both the question and answer will not be forwarded to any other Tenderer. In the event that the Authority considers that the question is of a general clarification nature the Authority will, in consultation with the Tenderer, either issue the question and answer to all Tenderers or allow the Tenderer to withdraw the question.

Other Information

A24. Tenderers are required to appoint a Bid Manager who shall be responsible for all communications with the Authority and to whom the Authority will address all enquiries. The name, address, telephone, fax and e-mail details of the Tenderers Bid Manager shall be notified to the Authority's point of contact, detailed at paragraph A20 above, within five (5) working days from the date of issue of this ITN. Where Tenders are to be submitted by a consortium or team of companies, the Bid Manager is to be authorised to represent the whole consortium or team although they need not, for the purposes of the tendering process, be appointed from the lead Company. The lead party is intended to be the Contracting party.

Government Furnished Information (GFI)

A25. The Authority is providing Government Furnished Information (GFI) to assist the Tenderers in submitting their Tender. The GFI is attached at Schedule 16 (Government Furnished Information) to the Terms and Conditions.

Section B – Key Tendering 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	12 th April 2017	Tenderers	DESShipsComrcl-CSS-3b1@mod.uk
Final Date for Requests for Extension ²	12 th April 2017	Tenderers	DESShipsComrcl-CSS-3b1@mod.uk
The Authority issues Final Clarification Answers	19 th April 2017	The Authority	All Tenderers ³
Tender Return	26 th April 2017	Tenderers	The Tender Board, using DEFFORM 28
Trials/Testing	May 2017	The Authority	N/A
Tender Evaluation	May / June 2017	The Authority	N/A
Negotiations ⁴ /Clarifications/PCAEs	June 2017	The Authority	N/A

Notes

1. A Bidders Conference is where the Authority presents the requirement to all Tenderers at the same time. A copy of the presentation will be issued to all Tenderers regardless of attendance. It gives Tenderers an opportunity to ask questions about the requirement. The Tenderer must provide the name(s) of those attending the Bidders Conference to the above named contact, by the date shown, so that access to the site can be arranged.
2. 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.
3. 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 Tenderers. 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. The Authority will endeavour to ensure that you have at least 10 working days to submit your Tender.
4. Negotiations are only permitted under the Negotiated procedures.

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 Price except where specified otherwise, and supplied on the relevant sections of Annex E.

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

Validity

C4. In accordance with F3 your Tender must be valid / open for acceptance for one hundred and eighty-three (183) calendar days from the Tender return date. If successful, your Tender must be open for acceptance for a further thirty (30) calendar days.

C5. Variant Bids. 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.

C6. The Authority cannot evaluate any Variant Bids during this competition.

Section D – Tender Evaluation

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

Negotiated Procedure

D1. This Contract will be awarded using the negotiated procedure under Regulation 18 of the Defence and Security Public Contract Regulations (DSPCR) 2011 (the “Negotiated Procedure”).

D2. The award of the contract shall be based on the offer which is the most economically advantageous tender from the point of view of the Authority (“MEAT”).

D3. The Authority will evaluate the Tenderers’ proposals in four stages:

- a) Stage 1 – Commercial Evaluation
- b) Stage 2 – Initial Evaluation to achieve a judgement of high-level compliance
- c) Stage 3 – Detailed evaluation to establish the extent of Technical compliance
- d) Stage 4 – Evaluation to establish the Most Economically Advantageous Tender

STAGE 1 - Commercial Evaluation

D5. In order for the Tenderer's tender to meet Stage 1 criteria and to progress to Stage 2 (Initial Evaluation to achieve a judgement of high level compliance) the Tenderer shall have:

Table 1 - Commercial Evaluation

Tender Documents	Evaluation Criteria	Evaluation Marking
DEFFORM 47 Annex A - Tender Submission Document (Offer)	Submitted a completed DEFFORM 47 Annex A – Tender Submission Document (Offer) including all of the Mandatory Declarations (further details are contained in Appendix 1 to DEFFORM 47 Annex A (Offer)	Pass or Fail
Conflict of Interest Compliance Regime	Submitted an acceptable Compliance Regime as outlined at Paragraphs F7 and F8 of this DEFFORM 47. This only applies where the Tenderer identifies a potential Conflict of Interest arising from this Contract and any they currently carry out.	Pass or Fail (if applicable)
Validity	Tender must be valid / open for acceptance for one hundred and eighty three (183) calendar days from the Tender return date. If successful, your Tender must be open for acceptance for a further thirty (30) calendar days. Outlined at Paragraph C4 of this DEFFORM 47.	Pass or Fail
Publicity	You should complete and return DEFFORM 539A as outlined in the DEFFORM 47 Annex A and associated Appendix 1. In accordance with Paragraph F11 of this DEFFORM 47.	Pass or Fail
Trials	The Tenderer has confirmed that they will be providing a trials craft for the Authority's use, in accordance with paragraph 7 of the Covering Letter to this DEFFORM 47	Pass or Fail
Statement of Acceptance of Terms and Conditions and Schedules	Accepted all of the Terms and Conditions of Contract, including Schedules, in the accompanying ITN Material. Any offer made subject to additional or alternative conditions may not be considered and may be rejected on the grounds of such conditions alone. The Tenderer may, however, draw attention in their Tender to any existing understanding or interpretation with the Authority regarding Conditions of Contract which they would want to apply to their Tender.	Pass or Fail
Completed Pricing Rates Table	Submitted prices for all items and years within Tables 1 to 6 detailed in Annex E (Pricing and Rates) to this DEFFORM 47 by completing the tables as detailed in the Instruction Sheet	Pass or Fail
Delivery Dates	The tenderer shall complete Table 1 – Contractor Deliverables (Annex E (Pricing and Rates)) to this DEFFORM 47 including proposed delivery dates for each batch that fall within the specified timeframes.	Pass or Fail

STAGE 2 - Initial Evaluation to achieve a judgement of high-level compliance

D5. The Authority will carry out an initial evaluation of each Tenderer's tender to determine whether it meets the Mandatory and Key requirements identified in the Authority's Statement of Technical Requirements (each Tenderer meeting such requirements being a "Successful First Round Tenderer"). Upon initial analysis, clarification questions may be issued and require a response from the Tenderer within three (3) working days. If the Authority is content with the high-level compliance, the Tenderer will progress to Stage 3 of the assessment process.

D6. Any proposal which remains non-compliant post clarification in respect of any Key or Mandatory requirement will not proceed to Stage 3.

STAGE 3 - Detailed evaluation to establish extent of Technical compliance

D7. Each Successful First Round Tenderer's Tactical PWC Technical Proposal will be evaluated as follows:

- a. The Tenderer's Tactical PWC Technical Proposal, which will be evaluated in accordance with Stage 3a, carries a 90% weighting of the overall technical score (such overall score being 70% of the final MEAT evaluation score);
- b. The IPMP Proposal, which will be evaluated in accordance with Stage 3b, carries a 10% weighting of the overall technical score (such overall score being 70% of the final MEAT evaluation score).

D8. The weightings outlined at D7.a and b. above do not represent a ratio of the total scores available for each section. The table below illustrates how the technical scoring is calculated and applied:

Tender	SoTR Mark (/600)	SoTR % Score	SoTR Score	IPMP Mark (/150)	IPMP % Score	IPMP Score	Total Technical Score
Max.	600	100	90	150	100	10	100
A	510	85	76.5	50	33.3	3.3	79.8
B	440	73.3	66	120	80	8	74
C	390	65	58.5	65	43.3	4.3	62.8

D9. Total Technical Score for Tender B in this example has been calculated as follows:

Achieved 440 of the available 600 marks for the SoTR, representing 73.3% of the available marks;

73.3% of the 90% weighting for the SoTR = **66**;

Achieved 120 of the available 150 marks for the IPMP, representing 80% of the available marks;

80% of the 10% weighting for the IPMP = **8**;

Total Technical Score = SoTR Score + IPMP Score = 66 + 8 = **74**

Stage 3a – Tactical PWC Technical Proposal

D8. Each Successful First Round Tenderer's Tactical PWC Technical Proposal will be reviewed and evaluated against each requirement of the Statement of Technical Requirements attached at Schedule 2 to the Terms and Conditions using the confidence scores identified in Table 2 (Technical Scoring Matrix).

D9. Each requirement has a different weighting factor as detailed in Table 3 (Requirements Weighting). Where there is no weighting factor identified in respect of any requirement, the minimum weighting will be used.

D10. An example of the evaluation scoring is detailed at Table 4 (Example of Technical Compliance and Scoring Matrix).

D11. The technical score for each requirement will be the result of the confidence score multiplied by the weighting factors. These requirement scores will be totalled to produce the Tactical Personal Water Craft Technical Proposal score. **The total available marks for the Tactical PWC Technical Proposal will be 151.**

D12. The User Trials will provide evidence of craft performance. Results from the User Trials will be used to support the scoring of the SoTR. The Tenderer is to provide a Trials Craft to RM Poole in May 2017. Upon confirmation of Trials dates, the Authority will inform the Tenderer. Tenderers who are deemed compliant in accordance with D5 will provide a craft, trailer, sledge and towing bridle for the trial at the Assessment Phase. Each Tenderer will be marked against the User Trials Evaluation Completion Form in Annex C of this DEFFORM 47 in accordance with the Evaluation Table.

D13. As stated at D12, scoring from the User Trials will be used to support the Authority's scoring of the Tenderers SoR. If the evidence taken from the User Trials contradicts the scoring given against the SoR, the scoring shall be adjusted to reflect the evidence that has been provided.

Stage 3b – Integrated Project Management Plan (“IPMP”)

D14. The IPMP shall detail how the Successful First Round Tenderer will manage performance and delivery of the services specified in Schedule 2 Annex A (Statement of Technical Requirements) to the Terms and Conditions.

D15. The IPMP must also meet the requirements set out in Paragraph 2.4 of Annex D (Tender Deliverables).

D16. Each section of the IPMP will also be reviewed and evaluated for compliance with the Authority's Statement of Technical Requirements (Annex A to Schedule 2 to the Terms and Conditions) where relevant.

D17. The IPMP sections will be evaluated using the criteria in the scoring matrix at Table 2 (Technical Scoring Matrix).

D18. Each section carries a weighting factor which is disclosed on Table 5 (Technical Documentation). The scores gained in the evaluation of each section will be multiplied by the relevant weighting factor to give a score for each section. These scores will be totalled to give an overall score for the IPMP. **The total available marks for the IPMP will be 1000.**

Stage 3c – Clarification and Pre-Contract Award Evaluation

D19. Once each Successful First Round Tenderer's technical and commercial proposals have been evaluated by the Authority in accordance with Stage 2 any items requiring clarification will be raised as Clarification Questions (“CQs”), which will be forwarded to the relevant Successful First Round Tenderer for a response.

D20. The responses to the CQs will be reviewed and evaluated by the Authority and, where necessary, further clarification sought.

D21. Any outstanding clarifications and/or issues will be discussed at the face-to-face Pre-Contract Award Evaluation (PCAE) meetings

Stage 3d – Best and Final Offers

D22. Following the clarification analysis and the PCAE, Best And Final Offers (“BAFO”) will be sought from the Successful First Round Tenderers. In its BAFO response each Successful First Round Tenderer shall identify those parts of its original tendered proposal which have changed as a result of the agreement regarding the clarification responses together with any impact on price and delivery. Each Successful First Round Tenderer shall also confirm that all other elements of their originally tendered proposal remain unchanged. The Successful First Round Tenderers will be advised by the Authority of the date on which the BAFO is to be submitted. The BAFO shall be submitted in accordance with Section E of this DEFFORM 47. Each Tenderer's BAFO will be

reviewed and re-evaluated against the criteria detailed at Stage 3a, 3b, and 3c to determine the final Technical score and Commercial compliance.

STAGE 4 - Most Economically Advantageous Tender

D23. In the Most Economically Advantageous Tender (MEAT) assessment process Tenders will be allocated comparative scores and the scoring method is worked out using the ratio specified in D24 below. The optimum is the commercially compliant, highest technical score with the lowest price, together achieving the highest total score.

D24. The evaluation will be out of 100 with the Technical / Price scoring ratio (MEAT Ratio) being 70/30 respectively. Tenderers should note that:

(a) if their Tender scores a fail for its commercial proposal, the Authority reserves the right to disqualify the Tenderer's Tender from the procurement process; and

(b) if any Tenderer makes changes at BAFO stage to their original proposal rendering their technical proposal non-compliant with the Mandatory and Key requirements identified in the Authority's Statement of Technical Requirements, the Authority will disqualify the Tenderer's Tender from the procurement process.

D25. The total tendered prices submitted on Table 6 (Calculation Sheet) to Annex E of this DEFFORM 47 will be added together to produce an overall cost of the contract.

D26. The table below is a worked example of the MEAT process

Example of Technical and Pricing MEAT Scoring System

Tender	Technical Mark	Technical Score	Commercial Compliance	Price	Pricing Score
A	176	70	Yes	£1,235,732	28.9
B	112	Not scored, technically non-complaint	Yes	£950,000	Not scored, technically non-complaint
C	153	60.9	Yes	£1,356,721	26.3
D	151	60.1	Yes	£1,189,621	30
E	196	0	No	£1,798,598	Technically compliant but not allocated a score as commercially non-compliant

Under this example, the minimum Technical mark (for illustrative purposes only) is 140. Therefore Tender B would be deemed technically non-compliant.

Technical Score

D27. Technical score for C = Total Available Marks x [Total weighted technical score for tender] / [highest Compliant total weighted technical score]

$$= 70 \times \frac{[153]}{[176]}$$

$$= 70 \times 0.869$$

Technical score = 60.85 (rounded to 60.9)

Pricing Score

For Company C = Total Available x ([Lowest price technical and commercial compliant tender] / [Tender price (both as adjusted in accordance with D27)])

$$= 30 \times \frac{[\underline{\pounds 1,189,621}]}{[\underline{\pounds 1,356,721}]}$$

$$= 30 \times 0.877$$

$$= 26.31 \text{ (rounded to 26.3)}$$

$$\text{Total score for C} = \text{Tech} + \text{Price} = 60.9 + 26.3 = 87.2$$

Table 2 – Technical Scoring Matrix

Evaluation	Score	Evidence
High Confidence	10	The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides full details and examples of how the requirement will be met in full.
Good Confidence	7	The response is detailed and demonstrates a good understanding and provides details of how the requirements will be fulfilled.
Satisfactory	5	The response is sufficiently detailed to demonstrate an understanding and provides some details of how the requirements will be fulfilled.
Minor Concerns – Low Confidence	3	The response addresses some elements of the requirement but contains insufficient / limited detail or explanation to demonstrate how the requirement will be fulfilled.
Major Concerns	0	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.

Table 3 – Requirements Weighting

	<u>Key</u>	<u>Mandatory</u>	<u>Priority 1</u>	<u>Priority 2</u>	<u>Priority 3</u>
Threshold (Minimum)	3	3	2	1.5	1
Threshold +	3.75	3.75	2.5	1.75	1.25
Objective (Maximum)	4.5	4.5	3	2	1.5

Note – any proposal which exceeds the maximum against any of the requirements will not be awarded a higher weighting

Table 4 – Example of Technical Compliance and Scoring Matrix

SRD ID	TITLE	REQUIREMENT	PERFORMANCE PARAMETERS		SRD PRIORITY	Technical Confidence Score	Requirements Weighting	Overall Score
			THRESHOLD	OBJECTIVE				
3.1	Fuel types	The craft shall operate using fuels routinely available in maritime theatre of operations.	Achieve performance requirements utilising F67 or F76 as a primary fuel source.	Achieve performance requirement utilising F67 or F76 as a primary fuel source. The craft can also operate reliably using F44, F34 & F35.	1	3	2	6
3.2	Refuelling	The craft shall be able to be refuelled from portable and fixed sources.	Can be re-fuelled from a fixed or portable source at a minimum rate of 12 L per minute.	Can be re-fuelled from a fixed or portable source at a minimum rate of 24 L per minute.	2	10	1.5	15
3.3	Defueling	The craft shall have a means to remove all fuel from the fuel tanks.	10x manually operate pumps shall be provided with the capability to entirely drain the tanks of fuel.	As per threshold, plus supplied pumps to compatible with both small and large variants.	3	5	1	5
3.4	Fuel level check	The craft shall ensure that the level of fuel capacity available in the fuel tank can be confirmed by a quick visual check.	Coxswain visual confirmation of fuel level within the tanks without the need to remove a filler cap or conduct an intrusive inspection of a fuel tank. Plus a manual method of obtaining fuel level.		2	7	1.5	10.5

Table 5 - Technical Documentation

Area	Section	Title	Technical Confidence Score (out of 10)	Weighting factor (Total of 100)	Score
IPMP	A	Project Monitoring & Control Plan		26	
	B	Communication, Relationship Management & Reporting Plan		4	
	C	Risk Management Plan		8	
	D	Quality Management Plan		8	
	E	Safety & Environmental Management Plan		8	
	F	Exit Strategy		8	
	G	Security Plan		6	
	H	Supply Chain Management Plan		12	
	I	Test, Evaluation & Acceptance Plan		8	
	J	Through Life Support Plan		12	

Maximum overall score for IPMP is 1000.

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. The Authority reserve the right to reject any Tender received after the stated date and time. You must provide one (1) unpriced and one (1) priced copies of your Tender. 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. You must include the electronic copy/ies of the priced and unpriced Tender with the associated paper copy/ies only. You must label CDs containing electronic copies of the Tender with “Includes Prices” or “Unpriced”. The electronic copies of the Tenders must be compatible with Microsoft Office Word 2010 and other MS Office 2010 applications. If you, password protect or encrypt any information on CDs containing prices you must supply the password / use compatible encryption methods 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.

Samples

E9. Samples are not required.

E10. You should send any samples to the named Commercial Officer after the Tender return date.

E11. The Authority may retain all samples for twelve (12) months from the Tender return date. After this period, the Authority will destroy the samples unless you specifically state you require their return. The Authority may keep samples associated with a successful Tender indefinitely.

E12. Samples that are consumed will not be returned.

Section F – Conditions of Tendering

F1. The issue of ITT Documentation or ITT Material 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. visit your site;
- c. disqualify any Tenderer that does not submit a compliant Tender in accordance with the instructions in this ITN;
- d. 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;
- e. re-assess your suitability to remain in the competition, for example where there is a material change of control from supplier selection;
- f. withdraw this ITN at any time, or to re-invite Tenders on the same or any alternative basis;
- g. re-issue this ITN on a single source basis, in the event that this procurement does not result in a 'competitive process' as defined in the Single Source Contract Regulations 2014, making such adjustments as would be required by the application of the Defence Reform Act 2014 and / or the Single Source Contract Regulations 2014;
- h. choose not to award any contract as a result of the current procurement process;
- i. award a contract for some of the Contractor Deliverables, unless you specifically oppose this in your Tender; and / or:
- j. ask for an explanation of the costs of price proposed in the tender where the tender appears to be abnormally low.

F2. The contract will be entered into when the Authority sends written notification of its entry into the contract via a DEFFORM 159. 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 Initiated/instituted, prior to entry into contract, it is a condition of this ITN that you hold your Tender open for acceptance during this period in accordance with C4, 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 05-099. If unsuccessful in this competition, you must seek 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 at the end of the next working day.

Publicity Announcement

F11. The Authority will publish notification of the contract and shall 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 and answering Freedom Of Information requests.

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 (or SC1B Schedule 4, SC2 Schedule 9, or SC3 Schedule 6) 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.

F16. The Authority reserves the right to disclose on a confidential basis any information it receives from Tenderers during the procurement process (including information identified by the Tenderer as Commercially Sensitive Information in accordance with the provisions of this ITT/ITN) to any third party engaged by the Authority for the specific purpose of evaluating or assisting the Authority in the evaluation of the Tenderer's Tender. In providing such information the Tenderer consents to such disclosure.

Remedies for Breach of Contract

F17. If using Standardised Contracting conditions you should be aware of the contractual remedies set out in the Contract Conditions (clause F.6.a) 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

F18. 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.

F19. Failure to complete this part of the Annex in full makes your Tender non-compliant. Additional information provided in response to Appendix 1 may be used to support the Authority's evaluation of your tender, as detailed in Section D.

F20. If you are an overseas Contractor and your Tender is successful you will be required to provide the name and address of your banker and the relevant bank account number on contract award.

Specific Conditions of Tendering

F21. The Authority requires option prices for Option Years 6 and 7.

Options

F22. You must provide prices against the options. The option prices must be supplied in accordance with the instructions provided in Annex E (Pricing and Rates).

F23. If your Tender is successful you will be expected to supply / provide that option requirement(s) in contract condition K2. (Right To Extend The Contract). The Authority will not waive any rights under the said contract condition.

F24. The Authority reserves the right to seek competitive Tenders for the option requirement(s) detailed in contract condition K2. (Right To Extend The Contract).

Ministry of Defence

Tender Ref No.

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 ITN 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.

Applicable Law				
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*
Total Value of Tender (excluding VAT)				
£				
WORDS				
UK Value Added Tax				
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)) £.....				
Location of work (town / city) where contract will be performed by Prime:				
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
Mandatory Declarations (further details are contained in Appendix 1 to DEFFORM 47 Annex A (Offer)):			Tenderer's Declaration	
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 IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding?			Yes* / No	
Are the Contractor Deliverables subject to Foreign Export Control and Security Restrictions?			Yes* / No	
Have you obtained foreign export approval necessary to secure IP user rights for the Authority in Contract Deliverables, including technical data, as determined in the Contract Conditions?			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 completed the compliance matrix/matrices			Yes / No / Not Required	

Are you a Small Medium Sized Enterprise (SME)?	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
If you have not previously submitted a Statement Relating to Good Standing, or circumstances have changed have you attached a revised version?	Yes* / No / N/A
Do the Contractor Deliverables contain Asbestos, as defined by the control of Asbestos Regulations 2012?	Yes* / No
Have you completed and attached a DEFFORM 68 - Hazardous Articles, Deliverables materials or substances statement?	Yes* / No
Do the Contractor Deliverables (including Packaging) use Substances that deplete the Ozone Layer, as defined in Regulation (EC) 1005/2009 (as amended by EC 744/2010) of the European Parliament and of the Council. http://ozone.unep.org/en/treaties-and-decisions/montreal-protocol-substances-deplete-ozone-layer	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 completed, or are you working towards Cyber Essentials accreditation or equivalent and will have it in place by the Commencement Date of the Contract.	Yes*/No
If applicable are you working with your proposed supply chain to ensure where relevant they achieve Cyber Essentials accreditation or equivalent prior to the commencement date of each sub contract.	Yes* / No / N/A
Have you complied with the requirements of the Military Aviation Authority Regulatory Articles?	Yes / No / Not Required
Have you completed the additional Mandatory Requirements?	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).	
Tenderer's Declaration of Compliance with Competition Law	
<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> <ol style="list-style-type: none"> the offered price has not been divulged to any Third Party, no arrangement has been made with any Third Party that they should refrain from tendering, no arrangement with any Third Party has been made to the effect that we will refrain from bidding on a future occasion, no discussion with any Third Party has taken place concerning the details of either's proposed price, and no arrangement has been made with any Third Party otherwise to limit genuine competition. <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>	
Dated this..... day of Year	
Signature:	In the capacity of

(Must be original)		(State official position e.g. Director, Manager, Secretary etc.)	
Name: (in BLOCK CAPITALS) duly authorised to sign this Tender for and on behalf of: (Tenderer's Name)		Postal Address: Telephone No: Registered Company Number: Dunn And Bradstreet number:	

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.

IPR - Restrictions.

3. Where the Contractor Deliverables are subject to IPR that has been exclusively or part funded by private venture, foreign investment or otherwise than by Authority funding you must select 'Yes' in Annex A (Are the Contractor Deliverables subject to IPR that has been exclusively or part funded by Private Venture, Foreign Investment or otherwise than by Authority funding).

4. Furthermore if you have answered 'Yes' in Annex A (Offer) as directed by para 3 above, you must clearly state in your Tender and any Contractor Deliverable to be produced under any resultant contract that is or is likely to be the subject to any IPR restrictions, (or anything of this nature including export restrictions in provision to the Authority or resulting in the Authority receiving limited use or disclosure rights) either by yourself or a Third Party. You must particularly draw attention to:

a. Any restriction of, provision to the Authority, disclosure or use by the Authority, or obligation to make payments, in respect of any intellectual property (including technical information) required for the purpose of any resultant contract or any subsequent use of any Contractor Deliverable by the Authority. Any Patent or Registered Design (or application for either) or unregistered design right owned or controlled by you or a Third Party 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. The Authority will not acknowledge any such restriction unless so notified under paragraph 4 or as otherwise agreed under any subsequent Contract. 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 ITN 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 Defence 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. European Union (EU) legislation permits the use of various procedures to suspend customs duties.

17. For the purpose of this competition, for any deliverables not yet imported into the EU, you are required to provide details of your plans to address customs compliance, including the procedures to be applied and the estimated Import Duty to be incurred and / or suspended.

18. You should note that it is your responsibility to ensure compliance with all regulations relating to the operation of the accounting for import duties. This includes but is not limited to obtaining the appropriate Her Majesty's Revenue & Customs (HMRC) authorisations.

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 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/28522/1686UKSubcontractor.pdf

Small and Medium Enterprises

20. The Authority is committed to supporting the Government's small and medium-sized enterprise (SME) initiative; its ambitious target is that every £1 in every £3 that the Government spends should be with small businesses by 2020. Our goal is that 25% of MOD spending should be spent with SMEs by 2020; this applies to the money which the MOD spends directly with SMEs and through the supply chain. The Authority uses the European Commission 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 Authority's SME initiative. The link below to Gov.uk website provides information on the Authority's purchasing arrangements, our commercial policies and our SME policy. <https://www.gov.uk/government/organisations/ministry-of-defence/about/procurement>.

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
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 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. Tenderers must note that use of the Contracting, Purchasing and Finance (CP&F) electronic procurement tool is a mandatory requirement for any resultant contract awarded following this tender. By submitting this tender you agree to e-trading. You can view information on CP&F and the methods to connect at [MOD contracting, purchasing and finance: e-procurement system - Publications - GOV.UK](#). Please feel free to consult the service provider on connectivity options. Failure to accept electronic trading will result in your Tender being non-compliant.

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.

Military Aviation Authority (MAA) Requirements

31. There are no MAA Requirements.

Bank or Parent Company Guarantee

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

Cyber Essentials Accreditation

33. For all new requirements advertised from 1st January 2016 which entail the transfer of MOD identifiable information¹ from customer to supplier or the generation of information by a supplier specifically in support of the MOD contract, MOD will require suppliers to have a Cyber Essentials certificate by the contract start date at the latest, and for it to be renewed annually. This requirement must be flowed down the supply chain.

34. Please notify the Authority as soon as you become aware of any issues with Supply Chain ability to comply with Cyber Essentials.

The Armed Forces Covenant

35. The Armed Forces Covenant is a public sector pledge from Government, businesses, charities and organisations to demonstrate their support for the Armed Forces community. The Covenant was brought in under the Armed Forces Act 2011 to recognise that the whole nation has

¹ In this context ‘information’ shall have the meaning as defined in the contract.

a moral obligation to redress the disadvantages the armed forces community face in comparison to other citizens, and recognise sacrifices made.

36. The Covenant's two principles are that:

a. The Armed Forces community would not face disadvantages when compared to other citizens in the provision of public and commercial services; and

b. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.

The Authority encourages all Tenderers, and their suppliers, to sign the Corporate Covenant, declaring their support for the Armed Forces community by displaying the values and behaviours set out therein.

37. Guidance on the various ways you can demonstrate your support through the Corporate Covenant is at: <https://www.gov.uk/government/policies/armed-forces-covenant>.

38. If you wish to register your support you can 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 on the website.

Email address: covenant-mailbox@mod.uk

Address: Armed Forces Covenant Team

Zone D, 6th Floor, Ministry Of Defence

Main Building, Whitehall, London, SW1A 2HB

39. Paragraphs 33 – 36 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.