

Invitation to Quote

Invitation to Quote (ITQ) on behalf of **UK Research and Innovation (UKRI)**

Subject: **Investment Accelerator-Research**

Sourcing Reference Number: **CR18061**



UK Shared Business Services Ltd (UK SBS)
www.uksbs.co.uk

Registered in England and Wales as a limited company. Company Number 6330639.
Registered Office Polaris House, North Star Avenue, Swindon, Wiltshire SN2 1FF
VAT registration GB618 3673 25
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Section 1 – About UK Shared Business Services

Putting the business into shared services

UK Shared Business Services Ltd (UK SBS) brings a commercial attitude to the public sector; helping our Contracting Authorities improve efficiency, generate savings and modernise.

It is our vision to become the leading service provider for the Contracting Authorities of shared business services in the UK public sector, continuously reducing cost and improving quality of business services for Government and the public sector.

Our broad range of expert services is shared by our Contracting Authorities. This allows Contracting Authorities the freedom to focus resources on core activities; innovating and transforming their own organisations.

Core services include Procurement, Finance, Grants Admissions, Human Resources, Payroll, ISS, and Property Asset Management all underpinned by our Service Delivery and Contact Centre teams.

UK SBS is a people rather than task focused business. It's what makes us different to the traditional transactional shared services centre. What is more, being a not-for-profit organisation owned by the Department for Business, Energy & Industrial Strategy (BEIS), UK SBS' goals are aligned with the public sector and delivering best value for the UK taxpayer.

UK Shared Business Services Ltd changed its name from RCUK Shared Services Centre Ltd in March 2013.

Our Customers

Growing from a foundation of supporting the Research Councils, 2012/13 saw Business, Energy and Industrial Strategy (BEIS) transition their procurement to UK SBS and Crown Commercial Services (CCS – previously Government Procurement Service) agree a Memorandum of Understanding with UK SBS to deliver two major procurement categories (construction and research) across Government.

UK SBS currently manages £700m expenditure for its Contracting Authorities.

Our Contracting Authorities who have access to our services and Contracts are detailed [here](#).

Section 2 – About the Contracting Authority

UK Research and Innovation (UKRI)

Operating across the whole of the UK and with a combined budget of more than £6 billion, UK Research and Innovation represents the largest reform of the research and innovation funding landscape in the last 50 years.

As an independent non-departmental public body UK Research and Innovation brings together the seven Research Councils (AHRC, BBSRC, EPSRC, ESRC, MRC, NERC, STFC) plus Innovate UK and a new organisation, Research England.

UK Research and Innovation ensures the UK maintains its world-leading position in research and innovation. This is done by creating the best environment for research and innovation to flourish.

For more information, please visit: www.ukri.org

Section 3 - Working with the Contracting Authority.

In this section you will find details of your Procurement contact point and the timescales relating to this opportunity.

Section 3 – Contact details		
3.1	Contracting Authority Name and address	UK Research and Innovation (UKRI) Polaris House Swindon SN2 1ET
3.2	Buyer name	Becky Eldridge
3.3	Buyer contact details	research@uksbs.co.uk
3.4	Maximum value of the Opportunity	£150,000.00 excluding VAT.
3.5	Process for the submission of clarifications and Bids	All correspondence shall be submitted within the Emptoris e-sourcing tool. Guidance Notes to support the use of Emptoris is available here. Please note submission of a Bid to any email address including the Buyer <u>will</u> result in the Bid <u>not</u> being considered.

Section 3 - Timescales		
3.6	Date of Issue of Contract Advert and location of original Advert	9 th April 2018
3.7	Latest date/time ITQ clarification questions shall be received through Emptoris messaging system	16 th April 2018 11:00am
3.8	Latest date/time ITQ clarification answers should be sent to all Bidders by the Buyer through Emptoris	17 th April 2018
3.9	Latest date/time ITQ Bid shall be submitted through Emptoris	19 th April 2018 11:00
3.10	Anticipated notification date of successful and unsuccessful Bids	23 rd April 2018
3.11	Anticipated Award date	23 rd April 2018
3.12	Anticipated Contract Start date	25 th April 2018
3.13	Anticipated Contract End date	25 th March 2020
3.14	Bid Validity Period	60 Days

Section 4 – Specification

1. Background

a. Investor Partnership: Investment Accelerator Pilot Competition

The fundamental concept of the Investor Partnership model is to make the most informed funding & investment decision at the earliest possible stage. Enabled by simultaneously bringing together UKRI expertise to find the most promising opportunities and its grant funding to materially change the risk profile of the proposition; and investor expertise to identify the commercial opportunities and management teams with the highest potential for growth.

The UKRI Pilot Investment Accelerator was created with the overall aim of accelerating economic growth by matching innovative businesses to Investor Partner match funding opportunities at an early stage in the R & D pathway. Creation of this link at an early stage provides greater certainty of follow on funding over the longer term for companies and speeds up the delivery of market focused products/services. Evidence has shown businesses that secure both grants and equity, outperform those that secure solely grants or equity¹ and tend to raise more money and achieve higher valuations as they obtain the two key factors for success –a product and a route to market.

The Investment Accelerator operates by providing simultaneous grant funding and venture capital to projects at an early stage in their growth cycle.

The Investment Accelerator aims and objectives are:

- To increase the chances of the best funding/investment decisions being made at the earliest possible stage
- Enable leadership teams to have more time to focus on managing the business rather than - searching for the next round of finance
- Enable early stage companies to get direct access to the commercial acumen and market access opportunities private sector equity investors provide
- To provide a runway for later stage capital and equity investment beyond grant funding
- Maximise impact & reduce risk through aligned processes for businesses, partners and wider UK innovation.
- Experiment with a new model of support for UKRI, learn, check and adjust

Investor Partners involved with the Investment Accelerator are: IPGroup, LongWall Ventures, Mercia Fund Management, Oxford Sciences Innovation, Rainbow Seed Fund, Syncona and Touchstone Innovations. Whom in combination, invested over £930m across 166 fundraising events in UKRI portfolio companies between 2011 and 2016 (Beauhurst).

The Investment Accelerator Competition offered 100% funding of project costs – up to 70% of which could be funded by IUK and the remaining match, i.e. 30%, provided by an investor partner, typically

¹ The impact of equity and grants Report by Beauhurst (2017)

as a convertible loan. The competition covered two sectors: Infrastructure Systems and Health and Life Sciences.

All eligible projects could attract a maximum of £150k to cover costs (e.g. 70% UKRI, 30% an Investor Partner) and last for a maximum of 12 months. The competition was open to single UK based SMEs only.

Both UKRI and the investor partner needed to identify a project/company as fundable which meant being successful in the standard UKRI competition processes and reaching 'heads of terms' with and Investor Partner within the agreed timelines.

Applicants were:

- Encouraged to research/contact potential investor partners prior to submission
- Required to select a preferred investor from the panel for the first phase, to encourage direct interaction between applicant and investor
- Required to select if they agree to their application going into the wider pool if they are unsuccessful with the preferred investor at phase 1
- Required to answer a small number of upfront business questions agreed across investors, to speed up negotiation.

The competition process involved two phases:

Phase 1 – eligible applications were sent for independent assessment and were simultaneously reviewed by the applicant's preferred investor partner. The UKRI technical assessment and investor review were entirely independent of each other. Successful applications, reaching UKRI threshold, were shared with the chosen Investor Partner along with anonymised assessor reviews. Applicants had until the end of phase 1 to reach 'heads of terms' with their preferred investor.

Phase 2 – if UKRI fundable applicants were unable to secure a preferred investor during phase 1 then applications were shared with all investor partners to increase the opportunity of reaching 'heads of terms' with an investor partner.

On conclusion of Phase 1 and Phase 2, the Investment accelerator programme offered funding to a total of 42 companies who had reached Heads of Terms with one of the Investor Partners:

- 30 companies in the Health and Life Sciences stream reached Heads of Terms and were offered UKRI grant funding if they were able to complete and sign an investment contract with their Investor Partner. The total costs of these projects (grant and investment) came to approximately £4m. A total of 171 full applications were received from 490 registrations.
- 12 companies in the Infrastructure systems stream reached Heads of Terms and were offered UKRI grant funding if they were able to complete and sign an investment contract with their Investor Partner. The total costs of these projects (grant and investment) came to approximately £2m. A total of 55 applications were received from 265 registrations.

From the total of 226 applications across both streams, 101 were qualified as being of sufficient quality to receive funding by UKRI.

As at 6th Feb 2018: 31 investment contracts had been executed, 7 were pending and 4 companies/offers withdrawn. Throughout the competition feedback on the initiative from the business, market sector lobby groups, Government Departments and investment communities has been extremely positive.

2. Aim of Evaluation

The purpose of the evaluation is to assess the extent to which the Investment Accelerator Pilot is making or has made an impact, taking into account the original aims (set out in the background section above). The evaluation will include qualitative elements (i.e case studies and in-depth interviews with relevant stakeholders; see section 3) and quantitative analysis to improve the evidence base of the pilot and provide insight on the possible scalability of the programme.

The main objective of the evaluation is to assess how the Pilot Investment Accelerator:

- Enabled the best funding/investment decisions for IUK and Investment Partners in the highest potential companies?
 - a. The two funding parties seek different outcomes (detailed below) but both aim for increase in revenue growth and increased company valuations.
- Accelerated innovation-led businesses?
- Reduced risk and increased impact for all parties?
- Stimulated increased private investment in R&D?

To address these objectives, there are a number of assumptions that need to be tested from the point of view of the investee, investor and UKRI:

- From an investee (company receiving grant/investment) perspective:
 - Having an investor on-board gives the company more time to focus on the business rather than pursuing money for the next stage
 - Investor Partners bring the relevant commercial expertise to complement the investee's technological expertise, helping the investee company to grow and scale
 - Investors Partners bring market access and knowledge to the investee, whether this is direct or through contacts
- From an Investor Partner perspective:
 - By working with UKRI, the grant funding changes the risk profile significantly, leading to Investor Partners coming in earlier and wider
 - The assessment process gives Investor Partners much greater technical assurance to invest
 - UKRI is providing high quality deal flow
 - Investor Partners have the ability to syndicate for future investment rounds
- From an UKRI perspective:
 - Investors are identifying companies with the best management teams within the opportunities UKRI presents to them
 - Investors are identifying grant applicants with high growth potential
 - By combining the strengths of our processes, UKRI and the Investor Partners are identifying the best companies based on 1. A commercially exploitable

asset, 2. A great management team and 3. Companies with an aptitude and structure for growth and scale.

a. Evaluation Questions

Taking into account all three perspectives and objectives of the pilot described above, analysis should be based upon, although not limited to, the following research questions:

- To what extent does the programme reduce the risk associated with innovation to
 - i) Private investors?
 - ii) Investees?
 - iii) UKRI (i.e risk profile reduction due to the inclusion of a dual assessment process)?
- To what extent does the programme enable, increase and accelerate innovation-led business performance?
- How effective is the programme at stimulating and leveraging longer-term investment in innovation from the investment community?
- What is the additionality of the programme? Aspects Include:
 - How does the investment made by the investor differ from their business as usual strategy?
 - Has the programme enabled investors to invest in projects that they would not have done otherwise? This includes investing in riskier propositions (even if the overall magnitude of the investment is the same), different market areas, or different types of organisations.
 - To what extent did the Investment Accelerator enable projects to come to fruition that would not have happened otherwise?
 - How has the programme enabled grant recipients to secure equity investment?
 - Where investors have invested in existing portfolio companies, how has the programme accelerated outcomes for those companies?
- How does the presence of an investor in organisations that were successful in the program affect the company's management?
- To what extent does the investor provide knowledge to the investee?
- How does the presence of an investor give organisations wider access to a different array of markets and opportunities?
- To what extent does the programme simplify the private investment process for investors and investees?
- How effective is the programme on accelerating the investment process?
- In what way has the programme improved UK competitiveness and access to global opportunities?
- How effective is the programme at stimulating private investment in R&D and Innovation?
- How effective is the programme at increasing company valuations?
- What are the benefits of having similar programs available?
- What is the potential impact of scaling up the Investment Accelerator programme?
- What is the initial impact of the Investment Accelerator Pilot?
- Has the programme reached its final aim of speeding up processes and accelerating innovation as measured at the end of the project?

Where possible the successful bidder should provide an assessment of wider spill-over benefits and these should be quantified where possible.

3. Economic Impact Evaluation

Proposals should clearly set out how the evaluation of the Investment Accelerator Pilot will be delivered. This should include all aspects that are deemed to be relevant in answering the broader questions set out above with reference to the aim and objectives of the Pilot. It is anticipated that the Investment Accelerator evaluation will require a combination of analytical techniques including case studies, surveys to stakeholders, in-depth interviews, data linking and where possible econometric analysis to evaluate economic, scientific/technological, and societal impacts.

The evaluation will cover a period of 2 years. It is recognised that given the long timescales involved with impacts arising from innovation projects, impacts will not fully materialise in the timeframe. The evaluation should account for both realised and anticipated impacts, distinguishing between the two, identifying the expected time frames to impact, as well as capturing interim outcomes and project outputs. It is expected that a logic model and/or theory of change will be designed for the Investment Accelerator Pilot that will draw on existing logic models that have been developed, refining these where necessary.

UKRI places great weight on the robustness of the methodology. Proposals should clearly set out why the proposed methodology is deemed to be the most robust option. These could include case studies, surveys of stakeholders or beneficiaries, in-depth interviews, data linking (data linking to private databases of equity investment are welcome, and should be costed into proposals), econometric analysis, primary or secondary data, and industry consultations; proposals must clearly set out how different analytical approaches will be combined to produce the final findings.

The use of case studies to illustrate the impact of the Pilot Investment Accelerator is considered essential. Proposals should give an overview of the number of case studies to be conducted and what methods (i.e. random selection, willingness to participate etc.) and tools (i.e. face to face, phone interview) are going to be implemented, taking into consideration the time and costs. Proposals should also set out how case study findings will be analysed and presented.

For survey activity, proposals should indicate the type of survey to be implemented, an indication of the required or expected sample size, as well as strategies to achieve this. This includes methods and approaches used in order to capture and ensure the maximum response rate possible. Risk mitigation steps if the sample size is not achieved should also be described. The purpose of the survey is to collect baseline information on the projects to add to the evidence base for future evaluations, as well as serving as evidence to track outputs, outcomes and early stage impacts reported on the final evaluation report. Please be aware that although successful and unsuccessful applicants are encouraged to participate in follow up surveys, they are not legally obliged to do so, proposals should highlight how they will combat sample attrition.

All proposals should follow best practice guidance in designing evaluations as set out in HM Treasury's Magenta Book. Proposals should clearly outline their plan for measuring deadweight, displacement, leakages and spill-overs, in this context. Each of these factors must be individually addressed in proposals. It will not be considered sufficient for bidders to rely on general estimates drawn from the wider literature.

For the purpose of measuring additionality, proposals should attempt to identify one or more appropriate control groups. Proposals should set out the population any proposed control group will

be drawn from, why this represents the most appropriate control group(s), and how data will be collected from the sample (both treatment and control groups), including how any issues around engagement will be addressed.

Bidders are encouraged to use different control groups which can include but are not necessarily limited to:

- Organisations that have applied to the programme and didn't received any funding
- Organisations that were deemed fundable by IUK and didn't received the acceptance by investors
- Organisations that investors thought to be good for funding but didn't meet the IUK threshold for funding
- Organisations that passed the IUK assessment process and reached a first stage of head of terms but failed to complete the final agreement
- Organisations who were successful in both the UKRI assessment process and reached Heads of Terms with an investor, but the investment contract was later abandoned by either the investee or investor

There may also be scope to compare companies who applied to this competition against companies who applied for previous "grant only" feasibility competitions in similar scope areas e.g. Infrastructure and Life Sciences Competitions in 2017, although there may be limitations in primary data collection where these companies are part of another evaluation.

As finding a counterfactual that shares the exact same characteristics as the treated population can be challenging and can prove detrimental for a robust comparison. Proposals should also alternatively address the use of a self-reported measure of 'what would have happened in absence of the pilot'.

The evaluation should consider the impact of the pilot on a range of factors including, but not necessarily limited to, economic growth, business performance, R&D activity, the novelty and quality of innovations, behavioural or attitudinal changes, collaboration activity (organisation and investor), investment, and spillover impacts. Business performance should consider not just business growth but wider indicators of innovativeness and performance, including the ability to raise finance. For example, UKRI is interested in creating a long lasting link to encourage long term private sector investment.

The evaluation should aim to quantify and monetise as many of these factors as possible, and proposals should set out how this will be achieved. Tenderers are encouraged to think innovatively in terms of how they propose to address the evaluation objectives, although innovation should not be to the detriment of robustness. The funding partners are keen to push boundaries in their evaluations in order to improve the quality of their evidence base.

3.1 Process Evaluation

The process evaluation will examine how the Investment Accelerator Pilot was delivered, with a particular focus on whether improvements could be made to existing processes, where there might be scope for harmonised processes (including e.g. the viability of a standardised heads of terms

around appropriate clauses), and how best to support interaction between grant applicants, Investor Partners, UKRI and wider stakeholders.

This process evaluation will provide timely evidence as to:

- Which aspects of the existing Investment Accelerator processes are most effective
- How does this new model of double assessment (by UKRI and Investors) enhance the quality of projects approved for funding? What is the influence of the UKRI assessment process on the investment community?
- How effective are the competition processes in delivering the programme's objectives i.e. are there any learnings? Whether any changes to processes could improve effectiveness and efficiency;
- The extent to which the Investment Accelerator model supports or inhibits pathways to future impact, and whether any improvements are needed;
- The broader factors and processes that support or inhibit the effectiveness of the Investment Accelerator (e.g. the contexts and systems in which they operate);
- The potential for developing harmonised processes across different Investment models;
- Any lessons for the design or delivery of new Investment Accelerator programmes.

4. Available Resources

UKRI holds contact data for all projects awarded funding within the Investment Accelerator Pilot.

Competition Details which include: briefing documents, guidance for applicants, MOU with investors, Investors PR, briefing slides, assessor guidance amongst other.

Contact Details of applicants successful and unsuccessful

Contact details for investors involved with the Pilot

UKRI Evaluation Framework, available

<https://www.ukpbs.co.uk/services/procure/Pages/ResearchandEvaluation.aspx>

5. Deliverables

It is envisaged that the evaluation will be delivered through a set of deliverables:

- Deliverable 1: After agreeing with the methodology and practical aspects of the evaluation in the first inception meeting:
 - Deliverable 1 will build on the material already developed for this programme, and as set out in this document, validate and refine as necessary the programme's logic model and key success criteria (See Annex A & B). It is expected to have two detailed logic models in addition to the general one, which indicates the pathway for the investor partner and the beneficiary company.
 - Deliverable 1 will deliver an overview of the case studies (i.e topic guides), interviews and surveys to address the high-level elements of the evaluation and receive feedback from the steering group. As well as initial findings from consultations and data analysis.
- May, 2018

- Deliverable 2: An interim report highlighting the first findings of the evaluation should be presented. This will include the Process Evaluation and initial findings on the Economic Impact Evaluation after early surveying exercises are implemented. This will be delivered by July, 2018
- Deliverable 3: Interim written report compiling the information gathered during the evaluation to date. This will include Economic Impact Evaluation, analysis of the interviews and summary of case studies and of the overall material to date. This will be delivered by Early March, 2019
- Deliverable 4: Final Report compiling all the evidence of the Investment Accelerator and case studies written in full. Final Report should include an executive summary highlighting the main findings and annexes detailing the methodology employed. This will be delivered by March, 2020

The winning proposal may be put to an external, independent peer review group of academic evaluation experts. The successful bidders will be expected to consider and, if appropriate, respond to any comments from peer reviewers. This process may be repeated with draft reports throughout the project and any published reports will have peer review comments published alongside them. The successful bidder will be expected to make amendments or respond to comments before publication.

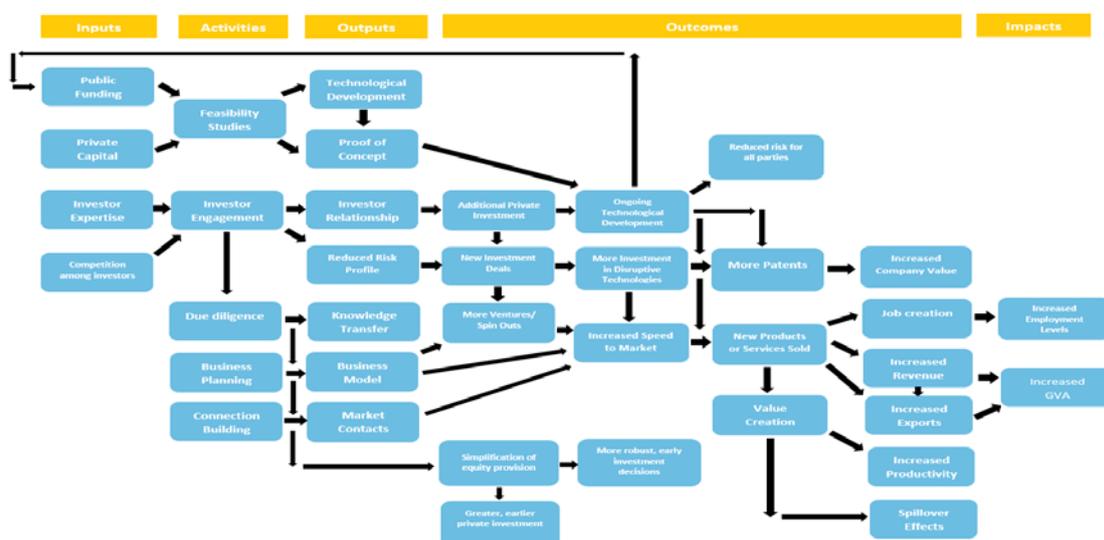
At the end of the evaluation, all datasets provided, compiled, or used, along with all analysis and reporting relating to them, must be provided to UKRI with a unique business identifier for further matching at the end of the evaluation in a convenient format, such that it will be possible to hand over, in full, either to UKRI or another contractor, as appropriate. The bidders will also need to make all the code available to use econometric and survey data analysis. Proposals must state how this will be achieved, including how any data protection issues will be resolved.

6. Management

Management of the Evaluation will be through UKRI governance structures and an UKRI Monitoring and Evaluation Board. The successful contractor may need to attend periodic meetings to update the board, present results, and agree outputs as fit for purpose.

Annexes

Annex A: Logic Model of the programme



Annex B: Potential Investment Accelerator Performance Metrics/Indicators

- Registration and application
 - number of registrations
 - number of applications, split by sector
 - number of applications, split by region and which region applies to which investor
 - number of emails received by investors from applicants
- Assessment
 - Number and percent of application pool:
 - projects qualified by IUK
 - projects qualified by investors
 - o from IUK qualified pool i.e. matched project qualification
 - o from IUK rejection pool
 - projects matched with investor choice
 - projects pooled in clearing stage for investor selection
 - projects reaching heads of terms total
 - projects reaching heads of terms phase 1
 - projects reaching heads of terms phase 2
 - projects that reached completion from each phase
 - time to complete from HoT (Head of Teams)
- Investor involvement and response
 - number and identification of investors expressing interest
 - number of email responses from investors and time to respond

From each of the seven investors involved:

- number of projects assessed in total
 - number of projects shortlisted
 - number of applications per investor as the “preferred investor”
 - total number of applications where the applicant has received prior funding from a partner investor (ie existing portfolio vs new deal flow)
 - per individual partner number of applications where the applicant has received prior funding from a partner investor (ie existing portfolio vs new deal flow)
 - number of new companies interviewed
 - number of new deals and amount of investment committed as part of competition
 - number of new deals and amount of investment committed in companies rejected by IUK
 - amount of additional investment in competition participants during competition but additional to match funding
 - amount of additional investment in competition participants after the competition process
 - number of new ventures created (broken down by academic spin out or existing company creating spin out)
 - number of new markets entered
- Feedback on process from applicants and investors

Applicants:

- number of investors contacted
- number of investor responses
- number of interviews with different investors

Investors:

- number of companies for which the competition has reduced the risk profile
- amount of time saved in investment decision process
- extent of exposure to companies from new UK regions
- other wider benefits they have seen

Terms and Conditions

Bidders are to note that any requested modifications to the Contracting Authority Terms and Conditions on the grounds of statutory and legal matters only, shall be raised as a formal clarification during the permitted clarification period.

Section 5 – Evaluation model

The evaluation model below shall be used for this ITQ, which will be determined to two decimal places.

Where a question is 'for information only' it will not be scored.

The evaluation team may comprise staff from UK SBS and the Contracting Authority and any specific external stakeholders the Contracting Authority deems required. After evaluation the scores will be finalised by performing a calculation to identify (at question level) the mean average of all evaluators (Example – a question is scored by three evaluators and judged as scoring 5, 5 and 6. These scores will be added together and divided by the number of evaluators to produce the final score of 5.33 ($5+5+6 = 16 \div 3 = 5.33$))

Pass / fail criteria		
Questionnaire	Q No.	Question subject
Commercial	SEL1.2	Employment breaches/ Equality
Commercial	FOI1.1	Freedom of Information Exemptions
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Commercial	AW3.1	Validation check
Commercial	SEL3.11	Compliance to Section 54 of the Modern Slavery Act
Commercial	SEL3.12	Cyber Essentials
Commercial	SEL3.13	General Data Protection Regulations (GDPR)
Commercial	AW6.2	Non-Disclosure Agreement
Commercial	AW4.1	Contract Terms Part 1
Commercial	AW4.2	Contract Terms Part 2
Price	AW5.3	Maximum budget
Price	AW5.6	Implementation of E-Invoicing
Quality	AW6.1	Compliance to the Specification

Scoring criteria			
Evaluation Justification Statement			
In consideration of this particular requirement the Contracting Authority has decided to evaluate Potential Providers by adopting the weightings/scoring mechanism detailed within this ITQ. The Contracting Authority considers these weightings to be in line with existing best practice for a requirement of this type.			
Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	20%
Quality	PROJ1.1	Approach	40%
Quality	PROJ1.2	Staff to Deliver	10%
Quality	PROJ1.3	Understanding the Environment	20%
Quality	PROJ1.5	Risk Management	10%

Evaluation of criteria

Non-Price elements

Each question will be judged on a score from 0 to 100, which shall be subjected to a multiplier to reflect the percentage of the evaluation criteria allocated to that question.

Where an evaluation criterion is worth 20% then the 0-100 score achieved will be multiplied by 20%.

Example if a Bidder scores 60 from the available 100 points this will equate to 12% by using the following calculation:

$$\text{Score} = \{\text{weighting percentage}\} \times \{\text{bidder's score}\} = 20\% \times 60 = 12$$

The same logic will be applied to groups of questions which equate to a single evaluation criterion.

The 0-100 score shall be based on (unless otherwise stated within the question):

0	The Question is not answered or the response is completely unacceptable.
10	Extremely poor response – they have completely missed the point of the question.
20	Very poor response and not wholly acceptable. Requires major revision to the response to make it acceptable. Only partially answers the requirement, with major deficiencies and little relevant detail proposed.
40	Poor response only partially satisfying the selection question requirements with deficiencies apparent. Some useful evidence provided but response falls well short of expectations. Low probability of being a capable supplier.
60	Response is acceptable but remains basic and could have been expanded upon. Response is sufficient but does not inspire.
80	Good response which describes their capabilities in detail which provides high levels of assurance consistent with a quality provider. The response includes a full description of techniques and measurements currently employed.
100	Response is exceptional and clearly demonstrates they are capable of meeting the requirement. No significant weaknesses noted. The response is compelling in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.

All questions will be scored based on the above mechanism. Please be aware that the final score returned may be different as there may be multiple evaluators and their individual scores will be averaged (mean) to determine your final score.

Example

Evaluator 1 scored your bid as 60

Evaluator 2 scored your bid as 60

Evaluator 3 scored your bid as 40

Evaluator 4 scored your bid as 40

Your final score will $(60+60+40+40) \div 4 = 50$

Price elements will be judged on the following criteria.

The lowest price for a response which meets the pass criteria shall score 100.

All other bids shall be scored on a pro rata basis in relation to the lowest price. The score is then subject to a multiplier to reflect the percentage value of the price criterion.

For example - Bid 1 £100,000 scores 100.

Bid 2 £120,000 differential of £20,000 or 20% remove 20% from price scores 80

Bid 3 £150,000 differential £50,000 remove 50% from price scores 50.

Bid 4 £175,000 differential £75,000 remove 75% from price scores 25.

Bid 5 £200,000 differential £100,000 remove 100% from price scores 0.

Bid 6 £300,000 differential £200,000 remove 100% from price scores 0.

Where the scoring criterion is worth 50% then the 0-100 score achieved will be multiplied by 50.

In the example if a supplier scores 80 from the available 100 points this will equate to 40% by using the following calculation: $\text{Score/Total Points multiplied by 50}$ ($80/100 \times 50 = 40$)

The lowest score possible is 0 even if the price submitted is more than 100% greater than the lowest price.

Section 6 – Evaluation questionnaire

Bidders should note that the evaluation questionnaire is located within the **e-sourcing questionnaire**.

Guidance on completion of the questionnaire is available at <http://www.ukpbs.co.uk/services/procure/Pages/supplier.aspx>

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

What makes a good bid – some simple do's 😊

DO:

- 7.1 Do comply with Procurement document instructions. Failure to do so may lead to disqualification.
- 7.2 Do provide the Bid on time, and in the required format. Remember that the date/time given for a response is the last date that it can be accepted; we are legally bound to disqualify late submissions. Unless formally requested to do so by UK SBS e.g. Emptoris system failure
- 7.3 Do ensure you have read all the training materials to utilise e-sourcing tool prior to responding to this Bid. If you send your Bid by email or post it will be rejected.
- 7.4 Do use Microsoft Word, PowerPoint Excel 97-03 or compatible formats, or PDF unless agreed in writing by the Buyer. If you use another file format without our written permission we may reject your Bid.
- 7.5 Do ensure you utilise the Emptoris messaging system to raise any clarifications to our ITQ. You should note that we will release the answer to the question to all Bidders and where we suspect the question contains confidential information we may modify the content of the question to protect the anonymity of the Bidder or their proposed solution
- 7.6 Do answer the question, it is not enough simply to cross-reference to a 'policy', web page or another part of your Bid, the evaluation team have limited time to assess bids and if they can't find the answer, they can't score it.
- 7.7 Do consider who the Contracting Authority is and what they want – a generic answer does not necessarily meet every Contracting Authority's needs.
- 7.8 Do reference your documents correctly, specifically where supporting documentation is requested e.g. referencing the question/s they apply to.
- 7.9 Do provide clear, concise and ideally generic contact details; telephone numbers, e-mails and fax details.
- 7.10 Do complete all questions in the questionnaire or we may reject your Bid.
- 7.11 Do check and recheck your Bid before dispatch.

What makes a good bid – some simple do not's Ⓜ

DO NOT

- 7.12 Do not cut and paste from a previous document and forget to change the previous details such as the previous buyer's name.
- 7.13 Do not attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them. Only send what has been requested and only send supplementary information if we have offered the opportunity so to do.
- 7.14 Do not share the Procurement documents, they are confidential and should not be shared with anyone without the Buyers written permission.
- 7.15 Do not seek to influence the procurement process by requesting meetings or contacting UK SBS or the Contracting Authority to discuss your Bid. If your Bid requires clarification the Buyer will contact you. All information secured outside of formal Buyer communications shall have no Legal standing or worth and should not be relied upon.
- 7.16 Do not contact any UK SBS staff or the Contracting Authority staff without the Buyers written permission or we may reject your Bid.
- 7.17 Do not collude to fix or adjust the price or withdraw your Bid with another Party as we will reject your Bid.
- 7.18 Do not offer UK SBS or the Contracting Authority staff any inducement or we will reject your Bid.
- 7.19 Do not seek changes to the Bid after responses have been submitted and the deadline for Bids to be submitted has passed.
- 7.20 Do not cross reference answers to external websites or other parts of your Bid, the cross references and website links will not be considered.
- 7.21 Do not exceed word counts, the additional words will not be considered.
- 7.22 Do not make your Bid conditional on acceptance of your own Terms of Contract, as your Bid will be rejected.

Some additional guidance notes

- 7.23 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool must be submitted to Crown Commercial Service (previously Government Procurement Service), Telephone 0345 010 3503.
- 7.24 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered as part of the evaluation process.
- 7.25 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.
- 7.26 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.
- 7.27 We do not guarantee to award any Contract as a result of this procurement
- 7.28 All documents issued or received in relation to this procurement shall be the property of the Contracting Authority. / UKSBS.
- 7.29 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through Emptoris.
- 7.30 If you are a Consortium you must provide details of the Consortiums structure.
- 7.31 Bidders will be expected to comply with the Freedom of Information Act 2000 or your Bid will be rejected.
- 7.32 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this ITQ Bidders are agreeing that their Bid and Contract may be made public
- 7.33 Your bid will be valid for 60 days or your Bid will be rejected.
- 7.34 Bidders may only amend the contract terms during the clarification period only, only if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract terms without such grounds and the Contracting Authority fail to accept your legal or statutory reason is reasonably justified we may reject your Bid.
- 7.35 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.
- 7.36 If you fail mandatory pass / fail criteria we will reject your Bid.
- 7.37 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Emptoris e-sourcing tool.
- 7.38 Bidders should note that if they are successful with their proposal the Contracting Authority reserves the right to ask additional compliancy checks prior to the award of any Contract. In the event of a Bidder failing to meet one of the compliancy checks

the Contracting Authority may decline to proceed with the award of the Contract to the successful Bidder.

- 7.39 All timescales are set using a 24 hour clock and are based on British Summer Time or Greenwich Mean Time, depending on which applies at the point when Date and Time Bids shall be submitted through Emptoris.
- 7.40 All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

For these purposes, the Contracting Authority may disclose within Government any of the Bidders documentation/information (including any that the Bidder considers to be confidential and/or commercially sensitive such as specific bid information) submitted by the Bidder to the Contracting Authority during this Procurement. The information will not be disclosed outside Government. Bidders taking part in this ITQ consent to these terms as part of the competition process.

- 7.41 The Government is introducing its new Government Security Classifications (GSC) classification scheme on the 2nd April 2014 to replace the current Government Protective Marking System (GPMS). A key aspect of this is the reduction in the number of security classifications used. All Bidders are encouraged to make themselves aware of the changes and identify any potential impacts in their Bid, as the protective marking and applicable protection of any material passed to, or generated by, you during the procurement process or pursuant to any Contract awarded to you as a result of this tender process will be subject to the new GSC. The link below to the Gov.uk website provides information on the new GSC:

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

The Contracting Authority reserves the right to amend any security related term or condition of the draft contract accompanying this ITQ to reflect any changes introduced by the GSC. In particular where this ITQ is accompanied by any instructions on safeguarding classified information (e.g. a Security Aspects Letter) as a result of any changes stemming from the new GSC, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies or otherwise. This may relate to the instructions on safeguarding classified information (e.g. a Security Aspects Letter) as they apply to the procurement as they apply to the procurement process and/or any contracts awarded to you as a result of the procurement process.

USEFUL INFORMATION LINKS

- [Emptoris Training Guide](#)
- [Emptoris e-sourcing tool](#)
- [Contracts Finder](#)
- [Equalities Act introduction](#)
- [Bribery Act introduction](#)
- [Freedom of information Act](#)