

Area 9 Asset Support Contract

Instructions for Tenderers

INSTRUCTIONS FOR TENDERERS FOR ASC CONTRACT

CONTENTS AMENDMENT SHEET

Amend. No.	Issue Date	Amendments	Initials	Date
0	March 2013	First Issue	SOS	22/3/13
1	April 2013	Clause 1.8 'Third Party Claims' added Annex A – minor changes to clause 2.2 Annex C timetable updated	SOS	08/04/13
2	May 2013	Clause 2.5.3 – insert text in section 'Appendix A (items A.101 and A.102)' Clause 2.5.7 - Insert text Clause 2.5.8 – Insert text Clause 2.6.1 – Insert Paragraph '(5)' Clause 3.81 – Delete text 'and people overhead schedule' Clause 3.8.2 – insert additional paragraph with following paragraphs renumbered. Annex A – Insert additional paragraph in Section 2.2 part 2.	SOS	07/05/13
3	May 2013	Appendix D – Insert Table D4 Health and Safety Statement Appendix E – Insert Table E6 Assessment of Health and Safety Statement Annex A – Delete text 'as a tender amendment' and insert text 'following tender return but prior to tender assessment'	SOS	23/05/13
4	May 2013	Delete Section 1.8 Clause 2.5.3, insert 'Tenderers to note that the Defined Cost for Equipment is the hire rate for the time the Equipment is required and not the capital purchase cost of the Equipment.' Clause 2.5.4, insert new item (g)	SOS	28/05/13

Amend. No.	Issue Date	Amendments	Initials	Date
		<p>Clause 2.6.1 (5) - minor changes Section 2.8, insert clauses 2.8.1, 2.8.2, 2.8.3</p> <p>Clause 3.6.1, insert new item (i) and subsequent items renumbered.</p> <p>Clauses 3.8.1 and 3.8.2 – minor changes</p> <p>Annex A, clause 1.2, insert new item 7</p> <p>Annex A, clause 2.2, insert new item 4 and subsequent items renumbered</p> <p>Annex K, insert Network Alteration schedule K6</p> <p>Annex L, insert annex and details of Service Alteration Schedules</p>		
5	June 2013	<p>Paragraph 1.1 8 - Minor amendment to re tender period process.</p> <p>Paragraph 2.6.1 (5) - Minor amendment in relation to the third party claims overhead percentage.</p> <p>Paragraph 2.7 amended to include references to Regional Technology Network.</p> <p>Paragraph 2.11.1 - Amendment to in relation to Resource Cost Schedule</p> <p>Paragraph 3.6.1 (h) - Amended to include Regional Technology Network.</p> <p>Annex A - Section 1.2 item 6 amended and item 8 added for Resource Cost Schedule</p> <p>Annex A - Section 2.2 item 3 Amended to include Regional Technology Network.</p> <p>Annex I - Reinstated for Third Party Claims Overhead Percentage</p> <p>Annex K - Network Alteration Schedule amended to include Regional Technology Network.</p> <p>Annex L - delete 'Area Service Alteration L1 – Midlands RTMC'.</p>	SOS	12/06/13
6	June 2013	<p>Paragraph 2.5.3 – Minor amendment</p> <p>Paragraph 2.6.1 (5) - Amended to refer to third party claims overhead percentage proforma.</p>	SOS	20/06/13

Amend. No.	Issue Date	Amendments	Initials	Date
		Annex A - Section 1.2 item 9 added for third party claims overhead percentage proforma. Annex A – Section 2 amended Annex C – Item 5 Tenders Returned date amended to 02/07/2013 Annex C – Typographical error amended in item 19.		

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1. THE TENDER PERIOD PROCESS

1.1. General

- 1.1.1 These Instructions for Tenderers apply to the submission of tenders for Area 9 Asset Support Contract.
- 1.1.2 The Highways Agency Aims, Objectives and Values for this contract are set out in the Service Information, Annex 1 titled 'Vision, Goals and Key Objectives'.
- 1.1.3 The process seeks to determine the most economically advantageous tender to the Highways Agency. This will be a compliant bid with a validated overall score higher than any other Tenderers' overall score.
- 1.1.4 Tenders must be submitted in accordance with these Instructions. Tenders not complying with these Instructions may be rejected by the Highways Agency whose decision in the matter will be final. These Instructions will not form part of the proposed contract.
- 1.1.5 The Procurement Officer for this competition and their contact details are: Keith Mason at the Highways Agency with contact via the e-Sourcing site <https://highways.bravosolution.co.uk>.
- 1.1.6 Contact with the Procurement Officer must be made via the e-Sourcing site <https://highways.bravosolution.co.uk>. Except where otherwise directed in these Instructions, Tenderers must not contact any person in relation to this competition other than the Procurement Officer or, if nominated, their designated deputy. The name of any designated deputy will be confirmed in writing.
- 1.1.7 Tenderers are to identify a single point of contact in their organisation to communicate with the Procurement Officer. The name and email address of the contact are to be provided within one week of the Invitation to Tender.
- 1.1.8 The contents of these Instructions and of any other documentation sent to Tenderers in respect of this tender process are provided on the basis that they remain the property of the Highways Agency/*Employer* and must be treated as private and confidential at all times. Tenderers must not disclose the fact that they have been invited to tender or release details of the tender documents, other than on an "in confidence" basis to those who have a legitimate need to know or whom they need to consult for the purpose of preparing the tender. If you are unable or unwilling to comply with this requirement you are required to destroy these Instructions and all associated documents immediately and not to retain any electronic or paper copies. Tenderers must not release information concerning the invitation to tender and/or the tender documents for publication in the press or on radio, television, screen or any other medium. Tenderers are required to conduct themselves in good faith in all dealings in relation to this tender process.
- 1.1.9 Under the Freedom of Information Act 2000 (the Act), the Environmental Information Regulations 2004 (EIR) and the Public Contracts Regulations 2006 (as amended) the Highways Agency may be obliged to disclose information relating to responses to this tender.

1.1.10 Under the Office of Government Commerce's Guidance Note dated December 2010 entitled "Transparency – Publication of New Central Government Contracts", or any later revision, the Highways Agency is obliged to publish any contract resulting from this competition, excluding only information which is exempt from disclosure pursuant to the Act along with the EIR. The decision as to which materials are excluded from publication rests with the Highways Agency in its sole discretion. The Highways Agency's initial view is that the only materials likely to be excluded from publication on this basis are as follows:

- Part B of the Quality Statement
- Buildups of the Prices in the Pricing Schedule
- EIR information.

1.1.11 Tenderers are invited to request that certain information is not disclosed or published if to do so would prejudice their commercial interests or is otherwise exempt from disclosure under the Act. Requests for nondisclosure under the Act must accompany the tender and include clear and substantive justification and a time limit when any confidential information could be disclosed. The terms of any confidentiality agreement would, if requested, be available for disclosure. Any request by the Tenderer under this paragraph is for information only and will not be taken into account in the tender assessment process, nor will it form part of any contract between the *Employer* and the Tenderer.

1.1.12 Tenderers must immediately advise the Highways Agency and seek approval of such change if

- their ownership or the ownership of any member of their tendering consortium (or their parent company) changes, or
- any organisation involved in the preparation of this contract is acquired by them or by any member of their consortium (or an associated company).

If the Highways Agency considers that a change in ownership has created a potential conflict or approval is not obtained, the Highways Agency may exclude the Tenderer from the tender assessment. If excluded, the Tenderer will be notified by the Procurement Officer.

1.1.13 If there is any change to a Tenderer's standing since the PQQ submission (at any time during the tendering process and/or any subsequent contract) which means that (a) information submitted by the Tenderer at PQQ stage is no longer correct, or (b) the Tenderer's ability to perform the contract materially deteriorates, the Tenderer shall immediately inform the Highways Agency in writing. The Highways Agency reserves the right to reconsider the matters considered at PQQ stage and to revisit each Tenderers pre-qualified status.

1.1.14 These Instructions are made available in good faith. No warranty is given as to the accuracy or completeness of the information contained in it and any liability or any inaccuracy or incompleteness is therefore expressly disclaimed by the Highways Agency and its advisers. Tenderers are advised to satisfy

themselves that they understand all of the requirements of the contract before submitting their Tender.

- 1.1.15 Nothing in these Instructions shall be taken as constituting an offer (whether implied or otherwise), or any agreement, whether express or implied, between the Highways Agency and any other party.
- 1.1.16 The Highways Agency reserves the right to cancel, amend or vary the tender process at any point prior to the award of the contract (in whole or in part) and with no liability on its part.
- 1.1.17 The Highways Agency and/ or its advisers are not liable for any costs resulting from any amendment or cancellation of this tendering process nor any other costs, charges, fees, expenses, claims or disbursements (howsoever arising and including third party costs) incurred by those expressing an interest or tendering for this contract opportunity.
- 1.1.18 Tenderers to note that all information provided as part of their Tender must be true and accurate. The Highways Agency reserves the right to reject any Tender if the Tenderer provides misleading or false information.
- 1.1.19 Tenderers are deemed to understand fully the processes that the Highways Agency are required to follow under relevant European and UK legislation, particularly in relation to the Public Contracts Regulations 2006 (as amended).

1.2. Documents

- 1.2.1 Instructions relating to documentation are contained in Annex A.
- 1.2.2 If Tenderers experience any difficulties in locating documents listed within Annex 18 Reference Documents or within the contract documentation a tender query must be made via the e-Sourcing site.
- 1.2.3 Any drawings, prints, specifications, data, calculations and analyses issued to Tenderers in connection with this tender remain the property of the Highways Agency. All such information issued to Tenderers may only be used for the purpose of tendering. Such information must not be disclosed to persons unconnected with the tender and must be securely destroyed. These provisions apply equally to drawings and other information supplied for the purpose of the tender, the property rights of which rest in a third party.

1.3. Tender communications

- 1.3.1 Any queries from Tenderers regarding the tender documents must be made via the e-Sourcing portal on the form supplied in Annex B and sent to the Procurement Officer no later than 21 days prior to the date of return of tenders, unless instructed otherwise by the Procurement Officer.
- 1.3.2 All tender queries will be acknowledged and responded to by the Procurement Officer. If any response requires a change to the tender documents then a tender amendment will be issued.
- 1.3.3 Tender amendments are changes to the tender documents that are made in writing by the Procurement Officer and issued to all Tenderers. Only in exceptional circumstances will tender amendments be issued after tenders

have been submitted. In such circumstances, the Procurement Officer will notify all Tenderers of the required action.

- 1.3.4 Highways Agency officers and their consultants do not have the authority to make any change to the tender documents except through a tender amendment issued by the Procurement Officer. If a statement is made at any meeting that a Tenderer considers is not in accordance with the tender documents then the Tenderer must refer the matter to the Procurement Officer as a tender query.

1.4. Tender Conference

- 1.4.1 Tenderers will have the opportunity to meet the members of the Highways Agency team at a tender conference. The proposed date for this conference is set out in Annex C.

- 1.4.2 The conference will be held to explain, discuss and answer questions on the tender process. During the conference, the following presentations will be given by the Highways Agency.

- A presentation on the proposed contract by the Highways Agency Project Leader, identifying and explaining any project specific issues of importance to the tender submission
- A presentation by the Procurement Officer, setting out the tender process and timetable
- A presentation focussing on the tender return requirements
- A presentation of the tender marking system by the Highways Agency as detailed in this document

- 1.4.3 Tenderers will have an opportunity to ask questions at this conference and must not rely upon any statement made by the Highways Agency team unless confirmed in writing. Any questions raised will be treated as tender queries and dealt with in accordance with the procedure set out at section 1.3 above.

1.5. Inspections

Tenderers wishing to visit any land or property associated with the contract must notify the Procurement Officer. Liability for any damage or disturbance caused to such land or property rests with the Tenderer.

1.6. Tender Programme

- 1.6.1 The indicative tender programme is included at Annex C.

1.7. Form of contract

- 1.7.1 The successful Tenderer should note that the form of contract issued with these Instructions will form the basis of the contract between the *Employer* and the successful Tenderer and the successful Tenderer will be required to enter into the contract on the terms contained in the form of contract (please see Annex A). The Highways Agency is bound by the Public Contract Regulations 2006 (as amended) and cannot enter into any negotiations on the tender or terms of the form of contract. Any Tenderer who is unwilling to accept the terms of the contract will be disqualified from the process.

2. SUBMISSION OF TENDERS

2.1. General

- 2.1.1 Tenders and supporting documents must be written in English or a full English translation provided at no cost to the Highways Agency and must be priced in pounds sterling
- 2.1.2 Only one Tender is permitted from each Tenderer. In the event that more than one is submitted by a Tenderer the one with the latest time of submission (prior to the deadline given) will be evaluated and the other(s) disregarded.
- 2.1.3 Tenders must be submitted in accordance with the tender documents including any tender amendments. Tenders must not be qualified or accompanied by statements or a covering letter that might be construed as rendering the tender equivocal. Unauthorised alterations or additions must not be made to any component of the tender documents. The Highways Agency's decision as to whether or not a tender complies with these Instructions will be final.
- 2.1.4 When uploading tender submissions the following naming convention must be used for each document: Name of Tenderer/Volume number/document title. Documents should also be loaded into the appropriate envelope as set out in Annex A.
- 2.1.5 Tenders not received by the Highways Agency by the tender return date and time may be excluded from further consideration and returned to Tenderers. Offers must remain open for acceptance for 250 calendar days from the tender return date.
- 2.1.6 The Tenderer must sign and return the [Highways Agency Fair Payment Charter](#) before the Tender can be accepted.
- 2.1.7 The Tenderer must sign and return the [Highways Agency Anti Bribery Code of Conduct](#) before the Tender can be accepted.
- 2.1.8 The Tenderer must sign and return the [Highways Agency Anti Fraud Code of Conduct](#) before the Tender can be accepted.
- 2.1.9 The Form of Tender will be incorporated within the questions on the e-Sourcing portal. No unauthorised alteration or addition must be made to any component of the tender documents. Any response in the negative will lead to the rejection of your tender. The tender must be sent via the Highways Agency e-Sourcing portal at <https://highways.bravosolution.co.uk>. for Area 9 Asset Support Contract in the following volumes. Texts documents are to be in Microsoft Word 2003 format and spreadsheets in Microsoft Excel 2003 format. Where proprietary software is used for process maps, pdf format must be used.

Volume 1

This must contain the Tenderer's Quality Statement and Resource Schedule. This is to be submitted as part of the Qualification Envelope. No single submitted file is to be larger than 20 mb.

Volume 2

This must contain the other documents listed in Annex A and be submitted as part of the Technical Envelope. Submitted files must be no larger than 20 mb.

Volume 3

This must contain the Tenderer's resource cost information and be submitted as part of the Commercial Envelope. Submitted files must be no larger than 20 mb.

2.1.10 Further notes on the contents of these documents are given below.

Volume 1

2.2. Quality Statement

2.2.1 The Quality Statement must follow the structure set out and cover the Items described in Annex D. The Quality Statement must be presented in two separate parts: Part A, the proposed approach to the contract; and Part B, evidence from previous projects undertaken by the Tenderer to demonstrate that the proposed approach is likely to be successfully delivered.

2.2.2 The approach is to be in the form of a substantive part of a draft Quality Plan, which will describe how, if awarded this contract, the Tenderer's quality management system will be applied to Provide the Services. It will contain Processes and Subprocesses that will be incorporated into the successful Tenderer's actual Quality Plan, and must be limited to statements that will become contractual obligations. Further guidance is given in Annex D.

2.2.3 The evidence in Part B of the Quality Statement is to consist of verifiable statements showing how the approach set out in Part A has been developed from and contributed to the successful delivery of similar services.

2.2.4 The Quality Statement must not exceed the page limit of 122 sheets of A4 paper (244 sides). The page limit includes Parts A and B, covers, title pages, drawings, diagrams, flow charts, annexes and includes

- the General Management Section 0 at the front of Parts A and B for which there is a combined page limit of 6 sheets of A4 paper (12 sides),
- Process and Subprocess flow charts in Part A for which there is a combined page limit of 52 sheets of A4 paper (104 sides) and
- detailed Procedures in Part A for which there is a combined page limit of 12 sheets of A4 paper (24 sides), (see Annex D).

2.2.5 Tenderers may use A3 paper in lieu of A4, but each A3 sheet will be counted as two A4 sheets. Text must be presented in "Arial" font and be no smaller than 11 point, single-spaced with the margins set at 2.5cm. The font size relates to the entire Quality Statement except that 8 point may be used for drawings, diagrams and process flows. The pages of the Quality Statement must be numbered. Page numbers and other header or footer information may be included in the margin space.

2.2.6 If the submitted Quality Statement or any part of it exceeds the page limits set out in paragraph 2.2.4 above the Highways Agency may reject the tender. If it is not rejected, the content of the pages after the limit is reached will be disregarded and will not be considered in the tender assessment procedure

and the Highways Agency may seek for the additional text (or part thereof) not to form part of any final contract. If the Tenderer does not agree, then the tender will be rejected.

2.3. Resource Schedule

- 2.3.1 Tenderers are to provide a Resource Schedule giving details of the resources they propose to use for each item in the lump sum payment schedule. As a minimum the resources are to be shown for each month of the first year of the contract and summarised for the first and subsequent years.
- 2.3.2 The resources are to be itemised for People, Equipment, Materials, Charges and Subcontractors and sufficient detail is to be provided to enable the resource implications of their proposals to be fully understood. Where resources are shared between activities or are utilised on a part time basis, full time equivalents must be clearly shown. Tenderers must provide details of the basis on which they have populated the Resource Schedule including the number of hours used to calculate full time equivalents.
- 2.3.3 Entries for people are to identify the posts and roles, and not the names.
- 2.3.4 Only the information requested in the Resource Schedule will be considered. Any additional information relating to the Quality Statement as set out in 2.2 will not be marked.

2.4. Health and Safety Statement

- 2.4.1 The Health and Safety submission shall include a full response to the requirements set out in Table D4 of Annex D. The submission must not exceed the page limit, which is 5 sheets of A4 paper (10 sides).

Volume 2

2.5. Pricing Schedule

- 2.5.1 The Pricing Schedule includes
- Section A (see separate Microsoft Excel worksheet Appendix A) - a lump sum payment schedule for Lump Sum Duties,
- Section B (see separate Microsoft Excel worksheet Appendix B) - a schedule of rates,
- Section C (see separate Microsoft Excel worksheet Appendix C) - Design and Management Factors and
- Section D - a list of Services paid on a cost reimbursable basis.
- 2.5.2 The Tender is to include priced Appendices A, B and C. All items must be priced to two decimal places.
- 2.5.3 The Prices in the Appendices to the Pricing Schedule are to be based on the following:
- Appendix A (except items A.101 and A.102) - forecast Defined Cost of the work described in the Schedule. Tenderers to note that the Defined Cost for Equipment is the hire rate for the time the Equipment is required and not the capital purchase cost of the Equipment. For this purpose only, paragraph 2 of

the schedule of cost components is to be read as if the words “Equipment which is used for Lump Sum Duties and” had been omitted.

Appendix A (items A.101 and A.102) – forecast costs in respect of the constituents listed in the Tenderer’s Fixed overheads proformas. The monthly amounts before the application of annual discounts are to be one sixtieth of the total amount; and

Appendices B and C – forecast Defined Cost of the work described in the Schedule plus the Fee.

A tender that is priced on any other basis will be rejected.

2.5.4 Tenderers to note that each item set out in the Pricing Schedule **must** be completed and separately priced. Tenderers are not permitted to:

- (a) price any item or activity within another item or activity in the schedule;
- (b) cross subsidise any item or activity within any other item or activity in the schedule;
- (c) make any assumptions regarding the use or relevance of any item or activity in the schedule.
- (d) price any items A.101 to A.802 in Section A of the Pricing Schedule as part of item A.001 in Section A of the Pricing Schedule;
- (e) price any items covered under Sections B, C or D of the Pricing Schedule as a Lump Sum item in Section A of the Pricing Schedule;
- (f) duplicate any price in the Pricing Schedule;
- (g) include a credit for the sale of Materials within any of the Prices, or to assume that the *Service Manager* will give permission for Materials to be removed from the Area Network.

Tenderers who price on any other basis and/or make any such assumptions will be rejected.

2.5.5 In the event that a Tenderer prices an item or activity in the schedule of rates as zero, the Tenderer is confirming in relation to Schemes that both the Tenderer’s forecast Defined Cost plus Fee and Defined Cost plus Fee actually incurred and charged to the *Employer* will be treated as zero. Where a Tenderer prices an item or activity in the schedule of rates as zero, the Tenderer must provide the Highways Agency with a detailed explanation of why the item or activity is zero. This information must be included in the tenderer's Pricing Schedule in Volume 2

2.5.6 Where a Tenderer prices an item or activity in the schedule of rates as zero, the Tenderer must also in relation to Schemes explain in principle:

- (a) how the Tenderer will generate a Target Sum which ultimately uses zero rates; and
- (b) how the Tenderer will ensure that the Defined Cost plus Fee actually incurred in providing the corresponding parts of the Scheme is also treated as zero.

The explanations must be included in the Tenderer's Quality Statement in Volume 1 as part of Subprocesses "Target Sum Setting" and "Payment and Disallowed Cost" respectively but must not contain any financial information.

2.5.7 In the event that a Tenderer includes a credit within the price of an item or activity in the schedule of rates, as well as completing the relevant section of the schedule to identify such a credit, the Tenderer must provide the Highways Agency with:

- (a) a detailed explanation of how and why there is a credit in relation to each item or activity where a credit is said to exist ; and
- (b) details of how each credit identified under section 2.5.7a above has been calculated and any uplift in such calculation and how it is consistent with the terms of the contract.

A column is included in the schedule of rates for this identification and explanation to be given. If the column is left blank for any item or activity then it will be assumed that there is no credit for that item or activity. This information must be included in the tenderer's Pricing Schedule in Volume 2. A credit must be shown against the price of an item or activity to which the credit relates.

2.5.8 In the event that a Tenderer includes a credit within any Lump Sum item, the Tenderer must provide the Highways Agency with a schedule showing:

- (a) a detailed explanation of how and why there is a credit in relation to each Lump Sum item where a credit is said to exist; and
- (b) details of how each credit identified under section 2.5.8a above has been calculated and any uplift in such calculation and how it is consistent with the terms of the contract.

This information must be included in the tenderer's Pricing Schedule in Volume 2. A credit must be shown against the price within the Lump Sum item to which the credit relates except for items specified in paragraph 2 of Appendix A to Annex 23 of the Service Information which must be shown against those items.

2.5.9 Tenderers to note that these Instructions for Tenderers and the contract do not provide for working capital or any other loans to Tenderers as part of this procurement process and the Highways Agency can confirm that loans will not be provided by the Highways Agency in any circumstances.

2.5.10 Tenderers to note that these Instructions for Tenderers and the contract do not provide for the Highways Agency to fund any resources including but not limited to Equipment, Material including but not limited to de-icing/anti-icing materials, accommodation and/or people (save for Information Systems, telephone, emergency and all other necessary communication systems) needed to deliver the Services during the post Mobilisation Period within item A.001 of Section A of the Pricing Schedule. All such resources (save for Information Systems, telephone, emergency and all other necessary communication systems) are to be priced in accordance with items A.101 to A.802 of Section A or Sections B, C or D of the Pricing Schedule.

2.5.11 Tenderers to note that sections 2.5.5, 2.5.6, 2.5.7 and 2.5.8 and all other provisions in this Instructions for Tender are without prejudice to the Highways Agency's rights to undertake due diligence in relation to a potentially abnormally low offer under the Public Contracts Regulations 2006, as amended.

2.5.12 The Highways Agency may undertake due diligence in relation to a potentially abnormally low offer on any aspect of a Tender and at any stage of the procurement process.

2.6. Commercial information

2.6.1 The tender is to include

(1) *Lump sum annual discounts* or the *schedule of rates annual discounts* are to be stated by Tenderers in Contract Data Part Two.

- The monthly lump sum amounts set out in the lump sum payment schedule and the rates set out in the schedule of rates will be adjusted for Contract Years 2, 3, 4 and 5 by the application of the lump sum *annual discounts* or the *schedule of rates annual discount* as set out in Sections A and B of the Pricing Schedule.
- Each lump sum *annual discount* and *schedule of rates annual discount* shall not be less than 2.5%. A tender that is priced on any other basis will be rejected.

(2) a *premises document* containing:

- the build-up of the monthly charges for *Employer's Premises* and the *Provider's Main Premises* stated in Appendix A of the Pricing Schedule, which must follow the layout shown in Annex F. There must be a build-up for each premise supported by verifiable calculations of the forecast cost and
- details of each premise setting out detailed usage, services to be provided, number and categories of people and equipment, and any other information relevant to the build-up of the monthly charges.

(3) a Fixed overheads schedule showing:

- the build-up of the monthly Fixed overheads stated in Appendix A of the Pricing Schedule, which must follow the layout shown in Annex G and
- substantiation of the amounts entered in the Fee Schedule, in sufficient detail to demonstrate which elements of cost have been included. The substantiation must be based on verifiable costs.

(4) a Fee Schedule containing:

- the build-up of the Fee percentages entered in the Contract Data Part Two, which must follow the layout shown in Annex H and

- substantiation of the percentages entered in the Fee Schedule, in sufficient detail to demonstrate which elements of cost have been included. The substantiation must be based on verifiable costs.
- (5) a build up of the *third party claims overhead percentage* quoted in the Contract Data to be set out on the proforma included in the tender documents, an example of which is shown in Annex I. There must be a detailed build up for each item showing the detailed method of assessment and be supported by verifiable calculations of the forecast costs.

2.7. Area Network and Regional Technology Alteration Schedule

- 2.7.1 It is likely that alterations to the Area Network and Regional Technology Network will take place during the currency of the contract. Annex K sets out the anticipated alterations to the Area Network and the Regional Technology Network, but any actual alterations may be different. Tenderers are to prepare an Area Network and Regional Technology Network Alteration Schedule providing detailed information explaining the changes to the Prices and resource levels, including the provision of compounds, depots and accommodation, if the anticipated alterations to the Area Network and Regional Technology Network take place.
- 2.7.2 In addition, the Schedule is to contain sufficient information broken down on a route by route basis which clearly indicates how each individual route contributes to the overall changes, to allow changes to the Prices for the actual alterations to the Area Network and Regional Technology Network to be assessed and agreed at the time. The changes to the Prices are to be set out on the proforma included in the tender documents, an example of which is shown in Annex K. A proforma is required for each potential alteration and is to show the change to the Prices in Appendix A of the Pricing Schedule.
- 2.7.3 All items must be priced to two decimal places.

2.8. Area Service Alteration Schedule

- 2.8.1 It is likely that alterations to the Services will take place during the currency of the contract. Annex L sets out the anticipated alterations to the Services, but any actual alterations may be different. Tenderers are to prepare an Area Service Alteration Schedule providing detailed information explaining the changes to the Prices and resource levels, including the provision of compounds, depots and accommodation, if the anticipated alterations to the Services take place.
- 2.8.2 In addition, the Schedule is to contain sufficient information broken down on a route by route basis which clearly indicates how each individual route contributes to the overall changes, to allow changes to the Prices for the actual alterations to the Services to be assessed and agreed at the time. The changes to the Prices are to be set out on the proforma included in the tender documents, an example of which is shown in Annex L. A proforma is required

for each potential alteration and is to show the change to the Prices in Appendices A of the Pricing Schedule.

2.8.3 All items must be priced to two decimal places.

2.9. Parent Company Guarantee

2.9.1 For the purposes of this provision, "Tenderer" shall be construed as referring separately to each party comprising the Tenderer, if more than one.

2.9.2 The Tenderer will be required to provide a parent company guarantee in the form at Annex N (the Parent Company Guarantee) from the parent company or companies ("the Named Parent Company(s)") stated in the *Employer's* invitation to tender letter. If the *Employer's* invitation to tender letter does not require a parent company guarantee then no parent company guarantee is required.

2.9.3 When a parent company guarantee is required, then the Tenderer must submit either

(a) from the Named Parent Company(s) a certified copy of the Board minutes from the Named Parent Company(s) clearly and unambiguously confirming that the Named Parent Company(s) will enter the Parent Company Guarantee when requested or

(b) a letter signed by the Company Secretary and a Director (or two Directors) of the Named Parent Company(s) clearly and unambiguously confirming that the Named Parent Company will enter into the Parent Company Guarantee when requested together with evidence of the signatories authority to offer the Parent Company Guarantee.

2.9.4 If the Tenderer does not return a certified copy(s) of the minutes or a signed letter(s) and evidence of authority as above, then its tender will not be considered and will be rejected.

2.9.5 In addition to the above, Tenderers must return the other information set out in Annex A.

2.10. Information Assurance

2.10.1 Every Government Department is required to take suitable precautions to safeguard its information. Information Assurance is the confidence that information and communications systems will protect the information they handle, and will function as and when they need to under the control of legitimate users. Tenderers are to provide a description of their proposals for handling information so that the suitability of their proposed Information Assurance solutions can be assessed.

2.10.2 In addition to the above, Tenderers must return the other information set out in Annex A.

Volume 3**2.11. Resource costs**

- 2.11.1 The costs of the resources included in the Resource Schedule are to be set out in a Resource Cost Schedule which must follow the layout in the template identified in Annex A. Substantiation is to be provided for the cost of people included in the Resource Cost Schedule, including details of the basic and overhead costs anticipated.

3. TENDER ASSESSMENT PROCEDURE

3.1. Evaluation Method

- 3.1.1 The Highways Agency assessment of tenders will be carried out in three stages. In the first stage, the Procurement Officer will check for tender compliance and panels will judge tender submissions, based wholly on the contents of the tender submission (subject to clarifications set out below) which must therefore contain all the information which Tenderers wish to be considered.
- 3.1.2 The second stage will involve the validation of the quality submission and financial information. The final stage involves sustainability checks. A flow chart of the evaluation process is set out in Annex J.
- 3.1.3 The Financial Assessment Panel and the Quality Assessment Panel will work independently and will not have access to each other's assessments prior to the sustainability checks.
- 3.1.4 The Highways Agency will, when considering the appointment, take into account the tender submissions and the following other relevant matters.

Stage 1

3.2. General

- 3.2.1 An equivocal tender or a tender which does not comply with the tender documents, including any tender amendments, may result in the tender being rejected.
- 3.2.2 During the evaluation period, the Highways Agency reserves the right to seek clarification in writing or by means of a clarification meeting (and confirmed in writing) from any or all of the Tenderers solely to assist it in its consideration of their Tenders but shall be under no obligation to do so.

3.3. Information Assurance

- 3.3.1 The Highways Agency will assess whether the Information Assurance solutions submitted provide adequate protective security for personal and confidential information. The Procurement Officer may refer any concerns to the appropriate Tenderer; unless the Tenderer is able to demonstrate that its proposals can be relied on, the tender will be rejected.

3.4. Health and Safety Statement

- 3.4.1 The Quality Assessment Panel will undertake a competency assessment of the Tenderer's organisations (including principal contractor, contractors, designers and CDM co-ordinator). This will include an assessment whether information in the Quality Statement and the Resource Schedule is suitable to ensure that the requirements of The Construction (Design and Management) Regulations 2007 can be met. The assessment shall be undertaken against the criteria stated in Annex E Table E6.

3.4.2 Tenderers must therefore be able to satisfy the *Employer* that they are competent and will have available adequate resources for health and safety. The Procurement Officer may refer any concerns to the appropriate Tenderer; unless the Tenderer is able to demonstrate that its proposals are suitable and can be relied on, the tender will be rejected.

3.5. Marking of the Quality Statement

3.5.1 A Quality Assessment Panel will mark the Quality Statement. The Panel will determine which Quality Statement provides the Highways Agency with the most confidence that the *Employer's* objectives will be delivered. In marking the Quality Statement, the panel will take into account all the material supplied in Volume 1 and the Resource Schedule.

3.5.2 The Quality Assessment Panel will award marks for the assessment criteria using the marking system given in Annex E and determine the total mark by completing Table E5 of Annex E.

3.5.3 Clarifications are statements requested from Tenderers by the Procurement Officer to remove any ambiguity from tenders. Clarifications will be recorded in writing. If necessary to complete their marking, the Quality Assessment Panel will seek clarifications from the Tenderer via the Procurement Officer. Clarifications will be sought during the marking process to remove any uncertainty over the meaning of the Quality Statement. If a clarification provides information not requested by the Procurement Officer then this information will not be accepted by the Highways Agency and will not be considered as part of the evaluation process and may lead to the rejection of a tender.

3.5.4 Any uncertainty over the meaning of the Quality Statement will be removed via clarifications before the Quality Assessment Panel complete their marking. No further requests for clarifications on the Quality Statement will be made after the marking is completed.

3.5.5 The minimum quality requirement for this contract is to reach a threshold of 60 for the total quality mark. A tender that has failed to achieve the minimum quality requirements may not be considered further in the tender assessment, and if excluded, the Tenderer will be notified by the Procurement Officer.

3.5.6 A tender that has failed to achieve the minimum quality requirements but is considered further in the tender assessment, will be given a quality score equal to the total quality mark achieved.

3.5.7 A tender with a total quality mark of 60 will be given a quality score of 60. Tenders with a total quality mark of 70 or above will be given a quality score of 100.

3.5.8 The quality score for tenders with total quality marks between 60 and 70 will be calculated by subtracting 60 from the total quality mark, multiplying the answer by 4 and adding the result to 60.

3.5.9 Quality scores will be expressed to one decimal place.

3.6. Financial Scoring

- 3.6.1 A Financial Assessment Panel will determine a price for each Tenderer on the following basis:
- a) An adjustment to the lump sum amounts and the schedule of rates by the application of the *lump sum annual discounts* or *the schedule of rates annual discount*,
 - b) the total of the adjusted lump sum amounts in Appendix A of the Pricing Schedule,
 - c) an allowance for the construction of a number of Schemes using the adjusted rates in the schedule of rates in Appendix B of the Pricing Schedule. The Highways Agency will provide an overview of the scheme briefs that will be used in the financial assessment. Such scheme briefs will not specify any of the items within the schedule of rates to be used or the quantum of any item. In the financial assessment, the Highways Agency will apply consistent assumptions for all Tenderers.
 - d) an allowance for Design Services using the tendered Design Factors,
 - e) an allowance for Management Services using the tendered Management Factor,
 - f) an allowance for the traffic management requirements of the RTMC Contractor (Midlands), and the various HADECS Suppliers and VMS Suppliers using the adjusted rates in the schedule of rates in Appendix B of the Pricing Schedule,
 - g) an allowance for cost reimbursable work including the tendered fee percentages,
 - h) an adjustment for the anticipated changes to the Area Network and Regional Technology Network,
 - i) an adjustment for the anticipated changes to the Services and
 - j) an allowance for compensation event assessments including the tendered fee percentages.
- 3.6.2 The lowest priced Tenderer with an acceptable quality mark will be given a score of 100. The score of other Tenderers with acceptable quality marks will be calculated by deducting from 100 1 point for each full percentage point by which their price is above the lowest price.
- 3.6.3 Any Tender rejected during the Stage 1 quality assessment will be excluded from the financial assessment.
- 3.6.4 The estimates, allowances and adjustments above are estimates for tender assessment purposes only and there is no guarantee that work to assessment values will be carried out during the contract period.
- Determining the tender to be Validated
- 3.6.5 The score for the Quality Statement and the financial score will be combined in the ratio 50:50. The total will be expressed to one decimal place. If any two

Tenderers have the same score they will be ranked in order of highest quality score.

- 3.6.6 If the price assessed by the Financial Assessment Panel of the Tenderer with the highest total score is higher than the Highway's Agency's budget for the work, the Highway's Agency will carry out an affordability review of the tenders, and the Highways Agency may cancel the procurement if it considers the tenders are not affordable
- 3.6.7 The tender with the highest total score and an affordable price will be validated. In the event of more than one tender with the same total, the Tenderer with the higher quality score will be validated.
- 3.6.8 The Procurement Officer will inform Tenderers whether or not they have been identified for validation. Such notifications must not be taken as inferring acceptance of any tender.

Stage 2

3.7. Validating the Quality Statement

- 3.7.1 The Quality Assessment Panel will validate Part B of the Quality Statement to determine whether the Tenderer can substantiate its Part B evidence.
- 3.7.2 The Quality Assessment Panel will not reconsider the Part A information or scores, nor will they seek or permit any further clarifications in relation to the Quality Statement. The tender cannot be modified during the validation stage, and therefore Part B marks cannot be increased above those assessed in Stage 1.
- 3.7.3 In validating Part B of the Tenderers' Quality Statements, the Quality Assessment Panel will use any practical means, and may approach any person or organisation named in the Quality Statement as part of the validation. The validation may include meetings with the Tenderer.
- 3.7.4 The Quality Assessment Panel will reconsider their Part B marks in the light of their findings. If lower marks are awarded then the overall scores will be re-calculated.

3.8. Validating the financial information

- 3.8.1 The Financial Assessment Panel will establish whether the Tenderer has satisfactorily demonstrated that the overhead calculations and the build up in the Fee Schedule demonstrate that the figures stated are representative of the likely costs to be incurred.
- 3.8.2 The Financial Assessment Panel will establish whether the Tenderer has satisfactorily demonstrated that the build up of the *third party claims overhead percentage* is in accordance with the contract requirements and representative of the likely costs to be incurred.
- 3.8.3 The Financial Assessment Panel will review the Tenderer's Pricing Schedule Appendices. They will seek to satisfy themselves that they include for reasonable level of resources for the work described, and may seek further information or an explanation of any elements of the pricing information.

3.8.4 Failure to provide satisfactory evidence to support any part of this aspect of the tender may result in the tender being rejected.

3.9. Determining the Preferred Bidder

3.9.1 Following validation, if their score remains the highest, then that Tenderer becomes the Preferred Bidder.

3.9.2 If

- validating the financial information has led to the rejection of the tender, or
- the Tenderer's score has been changed, and is no longer the highest score,

the tender with the next highest total combined score from Stage 1 is validated. This process continues until a tender with a validated score higher than other bidders has been identified. This Tenderer becomes the Preferred Bidder.

3.9.3 The Procurement Officer will inform Tenderers whether or not they have been identified as the Preferred Bidder. Such notifications must not be taken as inferring acceptance of any tender.

Stage 3

3.10. Sustainability check

3.10.1 The Contract must operate as a viable business for both partners. The Highways Agency seeks to have the required level of service at an affordable cost, whilst providing a profit for the winning Tenderer. The Preferred Bidder's tender will be subject to scrutiny, and may be rejected if considered not sustainable.

3.10.2 The Quality Assessment Panel and the Financial Assessment Panel will jointly review the material submitted with the tender to verify that the resources proposed are likely to deliver the level of service set out in the Quality Statement.

3.10.3 During this stage of the assessment, the Quality Evaluation Panel and the Financial Assessment Panel may seek further clarification from the Preferred Bidder to enable them to understand the submission better. This may include requiring the Preferred Bidder pricing a dummy scheme with supporting documentation. These clarifications may be sought in writing or at a meeting called for that purpose (and confirmed in writing).

3.10.4 Failure to provide satisfactory evidence to support any part of this aspect of the tender may result in the tender being rejected.

3.10.5 Tenderers to note that this sustainability check is in addition to and without prejudice to the Highways Agency's rights to undertake due diligence in relation to a potentially abnormally low offer under the Public Contracts Regulations 2006, as amended. The Highways Agency may undertake due diligence in relation to a potentially abnormally low offer on any aspect of a Tender and at any stage of the procurement process.

4. TENDER AWARD**4.1. General**

- 4.1.1 The Highways Agency reserves the right not to proceed with any proposal made in response to this invitation.
- 4.1.2 As soon as possible once the award decision has been made, the Highways Agency will inform the unsuccessful Tenderers of its decision in accordance with Regulation 32 of the Public Contracts Regulations 2006 (as amended). Tenderers will be given feedback on their tender as set out in Annex M.
- 4.1.3 Prior to the award of any contract the Preferred Bidder must provide evidence that insurance required by the contract is in place.
- 4.1.4 The contract will be executed as a Deed.
- 4.1.5 Details of the Contract Award will be published in the Official Journal of the European Union.

ANNEXES

Annex A - Tender Documents

1 List of Documents with Invitation to Tender

1.1 The following documents are included with the invitation:-

- 1 Instructions for Tenderers
- 2 Conditions of Contract
- 3 Contract Data Parts One and Two
- 4 Form of Agreement by Deed
- 5 Service Information
- 6 Pricing Schedule
- 7 Network Information
- 8 Performance Management Framework
- 9 Fair Payment Charter
- 10 Anti Bribery Code of Conduct
- 11 Anti Fraud Code of Conduct
- 12 Area Pre-Construction Information
- 13 Scheme briefs for schemes that will be used in the financial assessment - **to be issued following Tender Return but prior to Tender Assessment.**

1.2 The following parts of the tender documents are in a form to allow electronic preparation of the information required:-

- 1 Tender Query Form
- 2 Contract Data Part Two
- 3 Pricing Schedule Appendices A, B and C
- 4 Form for build-up of monthly overhead charges
- 5 Form for build-up of *fee percentages*
- 6 Area Network and Regional Technology Network Alteration Schedule proforma
- 7 Area Service Alteration Schedule proforma
- 8 Resource Cost Schedule
- 9 Third Party Claims Overhead Percentage proforma

2 List of Documents to be returned with the Tender.

Tenderers to note that all the documents below must be completed and returned, in their appropriate envelope, for their bid to be assessed as compliant. Failure to do so may result in the tender being rejected.

2.1 The following documents must be completed and returned by Tenderers with their tenders in volume 1 (Quality envelope):

- 1 The Quality Statement
- 2 The Resource Schedule
- 3 Health and Safety Statement

2.2 The following documents must be completed and returned by Tenderers with their tenders in volume 2 (Technical envelope):

- 1 The tendered Pricing Schedule Appendices A, B and C duly priced in the electronic proforma provided
- 2 Commercial information
 - The *premises document* incorporating the build-up of the monthly premises amounts in the electronic proforma provided,
 - Fixed overheads schedule in the electronic proforma provided and substantiation of the amounts,
 - The completed Fee Schedule in the electronic proforma provided and substantiation of the fee percentages
 - A build-up of the *third party claims overhead percentages* including the detailed method of assessment and supporting calculation, and
- 3 The Area Network and Regional Technology Network Alteration Schedule
- 4 The Area Service Alteration Schedule
- 5 Other Information
 - The completed Contract Data part Two
 - Confirmation of registration under HMRC Construction Industry Scheme Regulations.
 - Summary of relevant insurance policies including intrusive asbestos survey insurance and certificates where appropriate.
 - Statement undertaking responsibility for dealing with insurance claims or parts of such claims within the excess amount.
 - Statement confirming willingness, if awarded the contract, to accept the appointment and duties of principal contractor and CDM coordinator.
 - Fair Payment Charter
 - Anti Bribery Code of Conduct
 - Anti Fraud Code of Conduct

- A description of proposals for handling information (Information Assurance Proposals)
- Confirmation that the Named Parent Company(s) will enter into the Parent Company Guarantee (if required)
- Any request made for non-disclosure under the Freedom of Information Act 2000.

2.3 The following documents must be completed and returned by Tenderers with their tenders in volume 3 (Commercial envelope):

- 1 The Resource Cost Schedule

Annex C - Indicative Tender Period Timetable

The proposed timetable below is provided by way of guidance only. The Highways Agency reserve the right to amend this timetable at its absolute discretion at any time during the tendering process.

Item	Activity	Date	Week
1	Issue tender Documents	5/4/13	0
2	Tender Conference	15/4/13	1
3	Tour of Depots and RCC		tba
4	Last Date for Tender Queries	4/6/13	8
5	Tenders Returned	02/7/13	11
6	Marking of the Quality Statement Part A - Individual Assessment	3/7/13 – 13/8/13	12 to 18
7	Marking of the Quality Statement Part A - Consensus and Final Quality Scores	14/8/13 – 27/8/13	18 to 20
8	Marking of the Quality Statement Part B – Individual Assessment	28/8/13 – 23/9/13	20 to 24
9	Marking of the Quality Statement Part B – Consensus and Final Quality Scores	24/9/13 – 7/10/13	24 to 26
10	Financial Scoring	3/7/13 – 30/9/13	12 to 25
11	Tender with the highest score and an affordable price identified	7/10/13	26
12	Validating the quality statement	21/10/13 – 8/11/13	28 to 31
13	Validating the financial information	21/10/13 – 8/11/13	28 to 31
14	Preferred Bidder identified	11/11/13	31
15	Sustainability check	12/11/13 – 2/12/13	31 to 34
16	10 day standstill period	17/12/13 - 30/12/13	36 to 38
17	Award Contract	31/12/13	38
18	Inaugural Meeting	w/c 6/1/14	39
19	<i>Starting date</i>	6/1/14	39
20	<i>access date</i>	1/7/14	64

Annex D - Quality Statement Requirements

1. Structure

- 1.1 Table D1 sets out the Quality Plan Processes and Subprocesses identified in Annex 24 of the Service Information with an additional General Management Section included at the front. The Quality Statement must be structured around and cover each of the following headings/sub headings from Table D1 separately, using the appropriate numbering system in the table:

0	General Management
1	Develop Area Business Strategy
2.01	Inspect Asset Condition
2.02	Identify Maintenance Requirements
2.04	Manage Asset
2.05	Identify Schemes
3.01	Develop Maintenance Requirements Plan
3.02	Develop Severe Weather Plan
3.03	Develop Incident Response Plan
3.04	Develop Schemes
3.05	Develop Annual Commercial Plan
3.06	Manage Network Occupancy
4.01	Deliver Maintenance Requirements
4.02	Deliver Severe Weather Service
4.03	Respond to Incidents
4.05	Manage Works by Others
6	Continual Improvement
7.03.01	Target Sum Setting
7.03.04	Payment and Disallowed Cost
7.03.06	Red and Green Claims
7.04	Risk Management
7.05	Procurement and Supply Chain Management
7.08	H S & E
7.09	Mobilisation and Demobilisation (excluding Demobilisation)

- 1.2 The remaining Processes and Subprocesses in Table D1 (including Demobilisation), although an important part of the Quality Plan, must not be addressed in, or submitted as part of the Quality Statement.

2. Part A

- 2.1 Part A will contain swim-lane process flows supported by detailed Activity Notes describing each of the activities in the process flows. The statement should deal with the Area specific issues listed. Sample formats for swim-lane

process flows and Activity Notes showing the minimum requirements are given in Table D2. Portrait or landscape orientation can be used. The Part A submission will be used as part of the Quality Plan and any development of the Quality Plan will maintain the substance/commitments given in part A.

- 2.2 Table D3 gives further guidance on the form of Part A.
- 2.3 Within the Activity Notes reference should be made where applicable to Procedures, and a schedule listing all Procedures should be included at the end of Section 0 General Management in Part A. In addition Tenderers can provide up to 12 No detailed Procedures that describe how particular tasks are carried out that Tenderers recognise as being of critical importance to the Highways Agency in relation to this tender submission. These detailed Procedures are to be included at the end of the particular Process or Subprocess to which they refer and each Procedure must be limited to two sides of A4.
- 2.5 In the General Management Section at the front of Part A, Tenderers should describe their management organisation, Process ownership (both design and implementation), the systems that the Tenderer intends to utilise to support the delivery of the Quality Plan, and include an organisation chart, a Procedure schedule, and such general information as is needed to help the assessors understand the statements that follow. The management organisation description should include the proposed location of key posts and their teams. The organisation chart should identify the posts, and the skills, training and experience needed to fill those posts. Part A must not include named individuals.
- 2.6 The General Management Section should also include a summary sheet listing the following information:
 - Main office location
 - Other office locations
 - NCC location
 - Number and location of depots
 - Number of gritter/spreader routes
 - Salt supplier
 - Full time equivalent of Lump Sum labour
 - Full time equivalent of Lump Sum staff

3 Part B

- 3.1 Part B is to identify the evidence from other projects to provide the Highways Agency with confidence that the proposed approach is likely to be successfully delivered. The evidence required is for work of the same or similar nature to the work described in the Part A Processes and Subprocesses and should be backed up with details and factual data, not simply provided in the form of unverifiable statements.
- 3.2 Part B is to identify the evidence from other projects to provide the Highways Agency with confidence that the proposed approach is likely to be

successfully delivered. The evidence is to consist of verifiable statements showing how the approach proposed in Part A has been developed and has contributed to the successful delivery of similar services. Detailed examination of the evidence referred to in Part B (i.e. process flows and supporting documentation e.g. Activity Notes from other projects) will form part of the validation process in Stage 2; it is not necessary to include this information in Part B.

- 3.3 The evidence does not necessarily have to be Highways Agency specific in all areas, for example, evidence of target cost setting Processes, or scheme development or risk management may be from other industries. However, it is expected that the Agency's particular requirements will be addressed.
- 3.4 A schedule outlining details of all projects used to provide evidence should be included at the end of Part B. It should include the following details:
- Project title
 - Client
 - Value
 - Contractor or designer
 - Role played
 - Dates

4 General

- 4.1 Some approach proposals and some issues may be common to several Processes/Subprocesses; duplication should be avoided by the use of cross references. The absence or lack of effective cross referencing affects the assessment process and in turn may adversely affect the marks awarded.
- 4.2 Any approach set out in Part B and any evidence set out in Part A will not be marked.
- 4.3 There should be clear linkage between approach proposals (Part A) and corresponding evidence (Part B) by the use of cross referencing. The absence or lack of effective cross referencing may adversely affect the marks awarded.
- 4.4 Assessment is based on how the proposed approach will be implemented and Tenderers should be aware that the extensive re-statement of material already contained in the issued tender documentation is normally disregarded in the assessment of tender submissions.

Table D1 – Quality Statement Structure

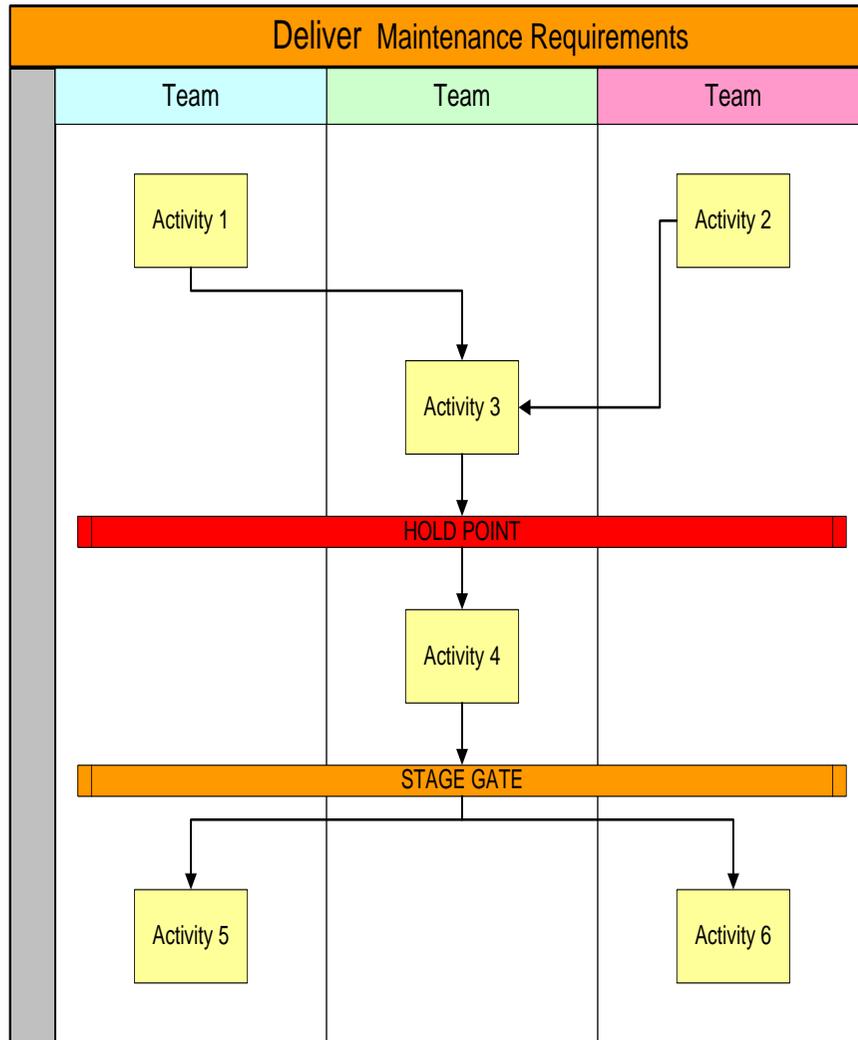
0	General Management	Management organisation, Process ownership, systems description, an organisation chart, a Procedure schedule, general information and a summary (See Annex D paragraphs 2.5 and 2.6)		
Core Processes		Subprocesses		Area Specific Issues
1	Develop Area Business Strategy			Significant stakeholder interest and sensitivities requires management due to the proximity of the network to major conurbation areas, development pressures, airports, the NEC and several other key destination venues with significant annual events. The high percentage of HGV traffic creates expectations from the freight and haulage industry as users.
2	Establish Network Needs	2.01	Inspect Asset Condition	The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.
		2.02	Identify Maintenance Requirements	The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.
		2.03	Undertake Technical Surveys	Not submitted as part of the Quality Statement
		2.04	Manage Asset	The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.

Core Processes		Subprocesses		Area Specific Issues
		2.05	Identify Schemes	<p>The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.</p> <p>Traffic Technology is an important and integral element for the safe and effective operation of the Area Network and a strategic approach is required to support its on-going development and management.</p>
3	Develop Network Solutions	3.01	Develop Maintenance Requirements Plan	The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.
		3.02	Develop Severe Weather Plan	
		3.03	Develop Incident Response Plan	
		3.04	Develop Schemes	Traffic Technology is an important and integral element for the safe and effective operation of the Area Network and a strategic approach is required to support its on-going development and management.
		3.05	Develop Annual Commercial Plan	

Core Processes		Subprocesses		Area Specific Issues
		3.06	Manage Network Occupancy	<p>Traffic Technology is an important and integral element for the safe and effective operation of the Area Network and a strategic approach is required to support its on-going development and management.</p> <p>Significant stakeholder interest and sensitivities requires management due to the proximity of the network to major conurbation areas, development pressures, airports, the NEC and several other key destination venues with significant annual events. The high percentage of HGV traffic creates expectations from the freight and haulage industry as users.</p>
4	Deliver Service	4.01	Deliver Maintenance Requirements	The strategic management of the unique maintenance needs of the Midlands Links structures on the M5 and M6.
		4.02	Deliver Severe Weather Service	
		4.03	Respond to Incidents	
		4.04	Construct Provider Schemes	Not submitted as part of the Quality Statement
		4.05	Manage Works by Others	Traffic Technology is an important and integral element for the safe and effective operation of the Area Network and a strategic approach is required to support its on-going development and management.

Core Processes		Subprocesses		Area Specific Issues
5	Measure Performance			Not submitted as part of the Quality Statement
6	Continual Improvement			
7	Enablers	7.01	IT	Not submitted as part of the Quality Statement
		7.02	HR / Training	Not submitted as part of the Quality Statement
		7.03	Commercial Management	
		7.03.01	• Target Sum Setting	
		7.03.02	• Cost Reimbursable Work	Not submitted as part of the Quality Statement
		7.03.03	• Compensation Events	Not submitted as part of the Quality Statement
		7.03.04	• Payment and Disallowed Cost	
		7.03.05	• Cost Capture and Schedule of Cost Components	Not submitted as part of the Quality Statement
		7.03.06	• Red and Green Claims	
		7.04	Risk Management	
		7.05	Procurement and Supply Chain Management	
		7.06	Stakeholder Liaison	Not submitted as part of the Quality Statement
		7.07	Customer Communication	Not submitted as part of the Quality Statement
		7.08	H S & E	
7.09	Mobilisation and Demobilisation (excluding Demobilisation)			
7.10	Manage Facilities	Not submitted as part of the Quality Statement		

Table D2 – Sample format of swim-lane process flow and Activity Notes



Process flows must not contain Highways Agency swim-lanes.

Deliver Maintenance Requirements		Date
		Page 1 of 1
Objective	To effectively and efficiently execute the Maintenance Requirements Plan	
Input	Maintenance Requirements Plan	
Output	Maintenance requirements met	
Executive Owner	Role or position	
Local Owner	Role or position	
Implementation Owner	Role or position	
Activity 1	XYZ	
Abc (Detailed description of Activity 1).....also can refer to Procedure XXX (method statements, forms, registers etc.)		
Activity 2 etc	XYZ	
Abc.....		
HOLD POINT	Treat like an activity – what gets done in terms of checks, sign offs etc and by whom – reference to forms – must describe what the Hold Point is for and more importantly what the conditions/actions are for release. Hold Points can be self imposed by the <i>Provider</i> .	
Activity 4	XYZ	
STAGE GATE	Treat like an activity – describe what the gate is for, what happens and who is accountable for making that happen.	

Table D3 – Guidance on the form of Part A

Ref	Guidance
1	The operational work Processes have been made consistent across all Providers (at high level) by the introduction of the process model in Annex 24 of the Service Information. The Part A submission covers the Providers' design of the various Processes and Subprocesses.
2	The Process designs should clearly describe how the work gets done and by whom. This is represented by swim-lane process flows with detailed Activity Notes adding further description to the work activity. Using swim-lane process flows satisfies the requirements of Annex 24 in that they describe 'who' does 'what' work 'when' and in 'what sequence' (see Annex 24 Appendix B) – this approach is in line with ISO 9001 which “promotes the adoption of a process approach when developing implementing and improving the effectiveness of a quality management system”.
3	The Part A quality submission must not include a swim-lane for the Highways Agency's activities.
4	Part O General Management section should cover management organisation, Process ownership (both design and implementation), the systems that the Tenderer intends to utilise to support the delivery of the Quality Plan, and include an organisation chart, a Procedure schedule, and such general information as is needed to help the assessors understand the statements that follow. It should provide confidence to the assessors that the necessary management and communication requirements will be in place to ensure that the various Processes and Subprocesses will actually be implemented as designed. The guidance given in Table E2 and the requirements for General Management as stated in the Instructions for Tenderers will be used to mark the General Management section.
5	Activity descriptions in the process flows should be clear and unambiguous – it may be helpful to adopt a verb: noun type description e.g. “Produce X”, “Deliver Y” etc. The Tenderer should avoid lengthy descriptions in the activity boxes in the process flows – detail should be reserved for the Activity Notes.
6	Activities that cross multiple swim-lanes i.e. are described as being done by multiple teams or functions should be avoided wherever possible as this obscures visibly on accountability for the work.
7	Process flows with too few activities should be avoided as the assessors will not be able to determine what work is proposed.
8	Hold Points can be shown on the process flows and described in the Activity Notes as the example provided. Hold Points can be those included in the contract requirements (i.e. the <i>Provider</i> must do X before Y in respect of approvals etc.) or can be inserted by the Tenderer on its own initiative. Tenderer's own Hold Points demonstrate an added degree of control at key risk areas but care should be taken to avoid having too many that could limit the proper flow of work. For all Hold Points the mechanism for their release must be clearly stated with named accountabilities. For the purposes of this guidance only a Hold Point can be defined as “a point of defined circumstances beyond which an activity or any element of work must not proceed without the approval of a designated authority or prescribed release mechanism”.

Ref	Guidance
9	Stage Gates can be used at the Tenderer's discretion and described as per the example provided. For the purposes of this guidance only a Stage Gate can be defined as "a defined point in a process where a review takes place to ensure work is in accordance with HA requirements before proceeding with subsequent work".
10	It is envisaged that the <i>Provider</i> will have a significant number of detailed Procedures within its quality management system (including method statements etc.) and a list of those should be included in Section 0 General Management. Wherever these Procedures relate to an activity in the process flow they should be referenced in the Activity Notes – in this way the assessors are made aware that there is in fact a Procedure for that work and that will be available for inclusion in the Quality Plan.
11	Up to 12 No Procedures (maximum total i.e. <u>not</u> 12 No per Subprocess) are available to Tenderers to add to the Subprocess Activity Notes in Part A. This is to allow each Tenderer to reflect on what are the key business critical tasks that are carried out to deliver the Highways Agency's requirements, and express further detail on exactly how those tasks will be undertaken to ensure the requirements are fulfilled. All these Procedures will be relevant to one or more of the Subprocesses shown in Table D1 and should be included at the end of the particular Subprocess to which they refer (or if more than one, the most relevant). The selection of these Procedures will provide the assessors with confidence that the Tenderer has understood the Highways Agency's requirements and the associated critical tasks. Procedures must not be included in or against items in the Part 0 General Management section.
12	The process flows should show how the various Processes inter-relate e.g. 2.02 Identify Maintenance Requirements Process will have a relationship to 3.02 Develop Maintenance Development Plan which in turn should have a relationship to 4.01 Deliver Maintenance Requirements.
13	As can be seen from Table D1 – Quality Statement Structure, not all of the Processes and Subprocesses are to be included in the Tenderers Quality Statement, although they will all be required to be part of the successful Tenderers Quality Plan. The Tenderer must ensure that the Processes and Subprocesses submitted in the Tenderers Quality Statement include the scope of work covered by the 'input' and 'output' descriptions in the Service Information Annex 24 Process Data Sheets, and for all the related Performance Requirements in the contract including addressing the Objective stated in the Process Data Sheets.
14	The Quality Policy themes in Annex 24 (Fast, Right, Lean and Easy To Do Business With) should be considered against the context of all Processes e.g. 'Right' in 2.03 Manage Asset Data, 'Lean' in 7.05 Procurement and Supply Chain Management etc. – the submission should make it clear to the assessors where these themes have been reflected.
15	The 'Easy To Do Business With' theme relates to how well the Tenderer demonstrates a willingness to structure its business (organisation structure, operating Processes and Procedures, systems etc.) in a way that reflects what the Highways Agency requires.
16	The Enabler Processes can be generic and applied across the other Processes e.g. 7.04 Risk Management could be a generic process design that is then referred to but not replicated when used in say 3.04 Develop

Ref	Guidance
	Schemes.
17	Area specific issues should be identified and covered under the appropriate Process/Subprocess.
18	The quality statement must not be annotated nor contain any reference to what Tenderers consider is a Lump Sum Duty or a cost reimbursable Service.
19	For the purpose of the Quality Plan those activities in Service Information Annex 20, Stage 2 “Phase 2B – Duties during and after construction” where the <i>Provider</i> is constructing the Scheme, will be included in the Subprocess “Construct Provider Schemes”. However, the cost of those activities in Service Information Annex 20, Stage 2 “Phase 2B – Duties during and after construction” for Schemes constructed by the <i>Provider</i> , will be included in the relevant Design Factor for the Scheme.

Table D4 Health and Safety Statement

The Health and Safety Statement shall set out how the duty holders (CDM coordinator, designer and principal contractor) will address the health and safety aspects of the area specific issues listed below.

Area Specific Issues
Works on sections of the Area Network which are managed motorways including routine maintenance, reactive maintenance and planned works
Working in the vicinity of railway level crossings present on the Area Network
Management and maintenance of the ageing structures and in particular the Midlands Link Viaducts

Annex E - Quality Assessment

1. Part A

- 1.1 Marks will be based on all the information supplied in Part A and the Resource Schedule, and will be awarded using the marking matrix in Table E1.
- 1.2 Individual attributes will be categorised in accordance with Table E2 but will not be awarded a mark. Each criterion will be given a weighting as shown in Table E1. Section 0 General Management will be marked using the Marking Categories in Table E2 where the 'attributes' will be the requirements for General Management as stated in the Instructions for Tenderers.
- 1.3 A mark will be awarded for each of the following criterion and will be set against the extent to which the attributes within the criterion are demonstrated:
 - Quality of Process design,
 - Extent to which quality policy themes (Fast, Right, Lean and Easy To Do Business With) have been embraced in Process designs.

2. Part B

- 2.1 Marks will be based on all the information supplied in Part B and the Resource Schedule, and will be awarded using Table E3.
- 2.2 The attribute will be categorised in accordance with Table E4.
- 2.3 A mark will be awarded and will be set against the extent to which the attribute is demonstrated.

3. Summary

- 3.1 The mark given for each Process or Subprocess will be the lower of the individual marks for Part A and Part B as set out in Table E5.
- 3.2 The mark is a measure of the Highways Agency's level of confidence that the Tenderer will deliver the project objectives. The higher the total mark, the lower the risks to delivery and the more confidence the Highways Agency will have that best value will be delivered. To illustrate this point, the relationship between the Part A and B marks and the risks to delivery of are shown in Table E7.

Table E1: Scoring matrix for each Subprocess – Part A

Criteria	Attributes	Attribute Category			Criteria Mark (1-10)	Weighting	Weighted Mark
		Weak	Good	Excellent			
1. Process Design	(a) Processes are designed in a manner that achieves the key objectives set out in Annex 1 of the Service Information, thus assisting and enabling the <i>Employer</i> to achieve its vision and goals. Correct activities are undertaken to deliver the Performance Requirements and avoid the risk of not delivering those, including area specific risks.					80%	
	(b) Processes show who does what work when and in what sequence e.g. swim lanes with connected work activities in a logical flow. Minimal situations where work spans multiple swim lanes. Processes have appropriate Stage Gates and Hold Points that prevent flawed work passing through the Process. Activity notes explain work and cross reference more detailed Procedures, and the interaction with other Processes.						
2. Quality Policy	(a) The Processes recognise where each theme is necessary and include practical steps (i.e. not simply words) to ensure the appropriate theme is reflected in the work done e.g. Incident Response needs to demonstrate the 'Fast' attribute. In terms of ETDBW it is clear that the Provider intends to structure its operations first and foremost to meet HA requirements.					20%	

Note: Weighted marks expressed to one decimal place

OVERALL MARK

Table E2: Marking Categories for Part A

How well does the proposed approach demonstrate the capability to deliver the criteria described in Table E1?		
Weak (1-4)	Good (5-8)	Excellent (9-10)
The approach fails to demonstrate an adequate understanding of the key objectives and critical issues.	The approach demonstrates an adequate understanding of the key objectives and critical issues.	The approach demonstrates a good understanding of the key objectives and identifies proposals for dealing with the critical issues.

Table E3: Scoring Table for each Subprocess – Part B

Criteria	Attributes	Attribute Category			Weighted Mark
		Weak	Good	Excellent	
1. Supporting Evidence	How well does the evidence from previous projects provide confidence that the proposed approach is likely to be successfully delivered?	Category Only			

Table E4: Marking Categories for Part B

How well does the evidence from previous projects provide confidence that the proposed approach is likely to be successfully delivered?		
Weak (1-4)	Good (5-8)	Excellent (9-10)
There is little evidence that the proposed approach has been influenced by experience on other projects.	There is an adequate level of evidence that the proposed approach has been developed as a result of successful experience on other projects.	There is substantial evidence that the proposed approach has been developed from other projects using formal continual improvement processes.

Table E5: Assessment of the Quality Statement

Heading		Part A Marks	Part B Marks	Combined Mark	Weighting	Weighted Mark
		Approach on this contract	Evidence from past projects	Lower of Mark A and B		Lower of Mark A and B
0	General Management				8%	
1	Area Business Strategy				4%	
2.01	Inspect Asset Condition				4%	
2.02	Identify Maintenance Requirements				4%	
2.04	Manage Asset				4%	
2.05	Identify Schemes				4%	
3.01	Develop Maintenance Requirements Plan				4%	
3.02	Develop Severe Weather Plan				4%	
3.03	Develop Incident Response Plan				4%	
3.04	Develop Schemes				4%	
3.05	Develop Annual Commercial Plan				4%	
3.06	Manage Network Occupancy				4%	
4.01	Deliver Maintenance Requirements				4%	
4.02	Deliver Severe Weather Service				4%	
4.03	Respond to Incidents				4%	
4.05	Manage Works by Others				4%	
6	Continual Improvement				4%	
7.03.01	Target Sum Setting				4%	
7.03.04	Payment and Disallowed Cost				4%	
7.03.06	Red and Green Claims				4%	
7.04	Risk Management				4%	
7.05	Procurement and Supply Chain Management				4%	
7.08	H S & E				4%	
7.09	Mobilisation and Demobilisation (excluding Demobilisation)				4%	
Total					100%	

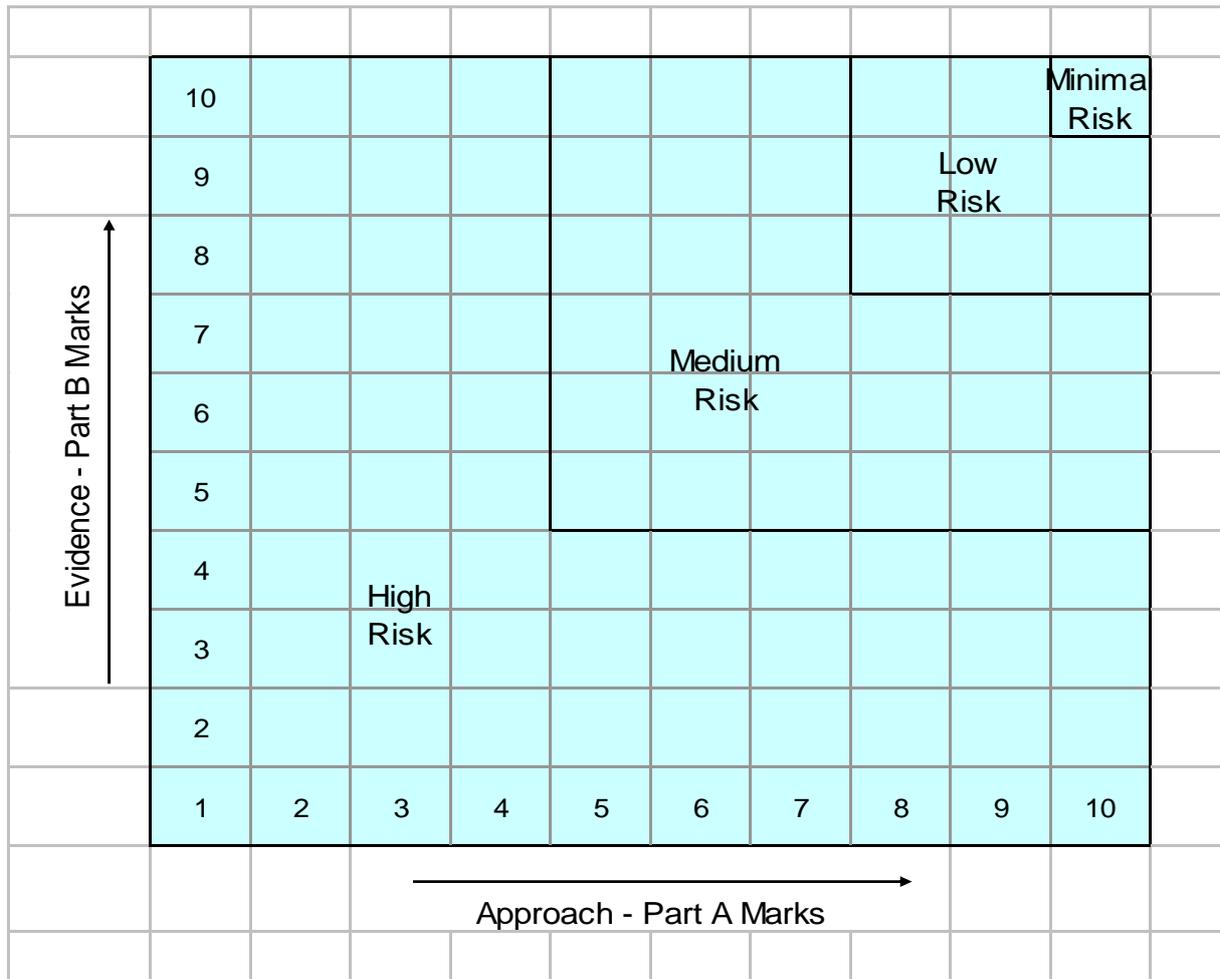
Note: Weighted marks calculated to one decimal place

Table E6: Assessment of Health and Safety Statement

Assessment of Health & Safety Submission

Does the evidence provided demonstrate the required competence?	Criteria
Yes	<p>There is sufficient evidence of the required competence to fulfil the roles of CDM Coordinator, Designer and Principal Contractor.</p> <p>The proposed approach has identified the key health and safety risks with suitable measures detailed to manage the risks. The response includes the approach to those issues identified in Table D4 and methods of mitigating and managing the associated risks.</p> <p>The supporting evidence demonstrates the duty holders' ability to deal with the key health and safety issues arising from the work.</p> <p>Where there are shortfalls in previous experience, or there are risks associated with the Services which have not been managed before, an explanation of how these shortcomings will be overcome that provides confidence to the assessor these will be adequately managed. The tenderer shall state if they believe there to be no shortfall in previous experience.</p> <p>A tender with acceptable proposals for Health & Safety Statement must meet all of the above criteria.</p>
No	<p>A failure to meet any one or more of the criteria above will result in the submission being found to be not acceptable.</p>

Table E7: Relationship of delivery risk to Part A and Part B Marks



This chart identifies the relationship between Part A and Part B marks, and the perceived risk to the Highways Agency from a tender submission. A Mark is awarded for the proposed approach given in Part A. Part B gives the level of confidence that the approach set out in Part A will be delivered. Thus the Part A mark is the highest that can be scored.

Annex F - Proforma for build-up of monthly charge for premises

1. The monthly charges for *Employer's Premises* and *Provider's Premises* inserted in the lump sum schedule in Appendix A of the Pricing Schedule by the Tenderer are to be supported by the details in the following tables.
2. Where a listed constituent cannot be separated then "Included" is inserted. It is made clear in which other constituent of the fee the constituent is included.
3. A copy of the table is required for each premise.

Employer's Premises

Premises:		Amount (£)
Constituent		
(1)	Repair, maintenance, decoration and improvement of the <i>Employer's Premises</i> in accordance with the requirements of the Lease(s)	
(2)	Maintenance of equipment provided by the <i>Employer</i>	
(3)	Provision, depreciation and maintenance of equipment provided by the <i>Provider</i>	
(4)	Heating, sanitation, power, lighting and water	
(5)	Maintenance of furnishings and fittings	
	Other (please specify)	
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		
(14)		
(15)		
Total monthly charge		

Tenderers to complete cells shown

Provider's Premises

Premises:	Amount (£)
Constituent	Amount (£)
(1) Accommodation	
(2) Provision, depreciation and maintenance of equipment	
(3) Heating, sanitation, power, lighting and water	
(4) Provision, depreciation and maintenance of furnishings and fittings	
Other (please specify)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
(12)	
(13)	
(14)	
(15)	
(16)	
(17)	
(18)	
(19)	
(20)	
Total monthly charge	

Tenderers to complete cells shown

Annex I – Third Party Claims Overhead Percentage**AREA**

<i>third party claims percentage</i>		Forecast Defined Cost recoverable from third parties over the <i>contract period</i>	
Item		£	£
(a)	Repair of damage including supervision and management		-
(b)	Traffic management during repair		
(c)	Initial response to incident, clear up and make safe		
(d)	Planning repair of damage		-
(e)	Additional costs of Depot space required for storage of any material over and above normal routine maintenance requirements		
(f)	Additional Finance charges not recovered under fixed overheads, for delay in recovery from third party/insurers		
(g)	An allowance for fixed overheads (item 7 below)		
	<i>third party claims overhead percentage</i>	[[d)+(e)+(f)+(g)] / [(a)+(b)+(c)]	

Allowance for fixed overheads		Tendered lump sum over the <i>contract period</i>
Item		£
(1)	Fixed Overheads (items A.101 & A.102 in Appendix A to the Pricing Schedule)	
(2)	Total of all Lump Sum Duties (all items in Appendix A to the Pricing Schedule)	
(3)	Credit for third party claim recovery (negative amount)	
(4)	Total of all Lump Sum Duties excluding fixed overheads and credit for third party claim recovery [(2)-(1)-(3)]	-
(5)	Fixed overhead percentage (1)/(4)	
(6)	Total of (a)+(b)+(c) above	-
(7)	Allowance for fixed overheads (6)*(5)	

Example tender marking

Quality		
Tender	Quality Mark	Quality Score
A	68.7	94.8
B	81.3	100.0
C	79.5	100.0
D	75.7	100.0
E	65.3	81.2

Highest
Highest
Highest

Price				
Tender	Price	%age above lowest	Deduction	Financial Score
A	£52,000,000	23.8%	23	77
B	£42,000,000	0.0%	0	100
C	£55,000,000	31.0%	30	70
D	£47,000,000	11.9%	11	89
E	£44,000,000	4.8%	4	96

Highest

Combined			
Tender	50% of Quality Score	50% of Financial Score	Total
A	47.4	38.5	85.9
B	50.0	50.0	100.0
C	50.0	35.0	85.0
D	50.0	44.5	94.5
E	40.6	48.0	88.6

Highest Combined

Annex K - Proforma for Area Network and Regional Technology Network Alteration Schedule

AREA NETWORK AND REGIONAL TECHNOLOGY NETWORK ALTERATION SCHEDULE

Possible changes to the Area Network and Regional Technology Network				
Ref	Road	Description of Change	Proposed Implementation Date	
K1	A45	A45 Eastway		01/07/16
K2	A45/A46	A45/A46 Tollbar End Improvement		01/07/14
K3	M6	M6 J5-8 (Birmingham Box Phase 3) Managed Motorway		01/07/14
K4	M6	M6 J10a-13 Managed Motorway		01/07/14
K5	M54	I54 Strategic Employment Area Section 6 Agreement		01/07/14
K6	A45 / A446 / A452	HS2		01/04/17
KT1	EM Region	Midlands RTMC		01/07/16
Further details of the changes can be found in the Network Information.				

AREA NETWORK AND REGIONAL TECHNOLOGY NETWORK ALTERATION SCHEDULE PROFORMA

Tenderers are to prepare an Area Network and Regional Technology Network Alteration Schedule providing detailed information explaining the changes to the Prices and resource levels, including the provision of compounds, depots and accommodation, if the anticipated alterations to the Area Network and Regional Technology Network take place. In addition, the Schedule is to contain sufficient information broken down on a route by route basis which clearly indicates how each individual route contributes to the overall changes, to allow changes to the Prices for the actual alterations to the Area Network and Regional Technology Network to be assessed and agreed at the time. The changes to the Prices are to be set out on the proforma included in the tender documents. A proforma is required for each potential alteration and is to show the changes to the amounts in the lump sum schedule in Appendix A of the Pricing Schedule.

Annex L – Proforma for Area Service Alteration Schedule**AREA SERVICE ALTERATION SCHEDULE**

Possible changes to the Services			
Ref	Description of Change	Proposed Implementation Date	
L1	Not Used		
L2	Provision of LiDAR and Imagery Data		Access Date
Further details of the changes can be found in the Network Information.			

AREA SERVICE ALTERATION SCHEDULE PROFORMA

Tenderers are to prepare an Area Service Alteration Schedule providing detailed information explaining the changes to the Prices and resource levels, including the provision of compounds, depots and accommodation, if the anticipated alterations to the Services take place. In addition, the Schedule is to contain sufficient information broken down on a route by route basis which clearly indicates how each individual route contributes to the overall changes, to allow changes to the Prices for the actual alterations to the Area Network to be assessed and agreed at the time. The changes to the Prices are to be set out on the proforma included in the tender documents. A proforma is required for each potential alteration and is to show the changes to the amounts in the lump sum schedule in Appendix A of the Pricing Schedule.

Annex M - Feedback Template

To assist tenderers the feedback below will be provided following the completion of the ASC tendering process and will be issued with the notice of the award decision in accordance with Regulation 32 of the Public Contracts Regulations 2006 (as amended).

1. Contract Requirements

- Criteria for award of contract –
- The reason for the decision including the characteristics and relative advantages of the successful tender.
- Combined Scores, ranked and anonymized for each tenderer, except for the named successful tenderer the contract may be awarded to.
- Requirements for tender return – information provided as part of the bid:
 - Volume 1 Quality Statement
 - Volume 2 Pricing Schedule
 - Volume 3 Resource Costs

2. Review of Compliance

- Tender Assessment Procedure – summary of tender clarifications sought during Stage 1 if applicable

3. Assessment Process

- Quality Scoring – summary of the Quality Statement scoring process as set out in the IfT.
- Financial Scoring – summary of the Financial information scoring process as set out in the IfT.
- Determining the Lead Bidder – summary of the combined Quality/Price scores as set out in the IfT

4. Quality Assessment

- Quality Scores, ranked and anonymised for each tenderer, except for the named successful tenderer the contract may be awarded to.
- A breakdown of your individual quality score for each section of the Quality Statement together with;
 - positives and areas of concern including the weighted quality mark for each section
 - the characteristics and relative advantages of the successful tender, [and the score (if any) obtained]

5. Financial Assessment

- Financial Scores, ranked and anonymised for each tenderer, except for the named successful tenderer the contract may be awarded to.
- A template of the structured approach taken in the tender assessment process.
- A breakdown of your individual assessed total price against Section A Lump Sum, Section B Target Sum & Section C Design Factors & Management Factor headings drawn from the tender assessment model and the characteristics and relative advantages of the successful tender, [and the score (if any) obtained].
- A breakdown of your individual assessed total prices for financial tender assessment purposes and the characteristics and relative advantages of the successful tender, [and the score (if any) obtained].

- A breakdown of your individual assessed total price against the Renewal of Roads, Renewal of Structures, LNMS and technology headings drawn from the tender assessment.

6. Additional information required by Regulation 32

- Any additional information required by Regulation 32 (10).

Please be advised that the standstill period will end on (date to be inserted).

All feedback will be offered in written format only.

Annex N - Parent Company Guarantee

Dated

2013

[GUARANTOR]
THE SECRETARY OF STATE FOR TRANSPORT

Parent company guarantee

relating to the
Asset Support Contract for Area []

THE PARTICULARS

- Date of this Deed** :
- The Guarantor** : [NAME] [(registered number [number])][whose registered office is at] [of] [Address]
- The Employer** : The Secretary of State for Transport of Great Minster House, 33 Horseferry Road, London SW1P 4DR
- [The Subsidiary]** : [NAME] [(registered number [number])][whose registered office is at] [of] [Address]]¹
- The Contract** : the asset support contract dated [DATED] made between the Employer and the Provider
- The Provider** : [] / [The joint venture comprising the Subsidiary and [] and []]

THIS DEED is made on the date set out in the Particulars

BETWEEN

(1) the Guarantor; and

(2) the *Employer*.

BACKGROUND

- (A) The *Employer* has entered into the Contract with the Provider.
- (B) The *Employer* has requested and the Guarantor has agreed to provide a guarantee of the [Subsidiary's obligations (as Provider) / Provider's obligations] under the Contract.

¹ Definition of the Subsidiary and alternative wording in blue font to be deleted if *Provider* is **not** an unincorporated joint venture. If *Provider* is an unincorporated JV, wording in blue font to be retained and alternative wording in red font to be deleted.

IT IS NOW AGREED**1. DEFINITIONS**

The words and expressions defined in the Particulars shall have the same meaning throughout this Deed and references to the Particulars and clauses are to the Particulars and clauses of this Deed.

2. GUARANTEE

In consideration of the *Employer* entering into the Contract, the Guarantor irrevocably and unconditionally guarantees to the *Employer* as primary obligor the full and due performance of all the obligations of the [*Subsidiary / Provider*] under or in connection with the Contract, provided that the Guarantor shall have no greater liability by virtue of this Deed than it would have had if the Guarantor had been a party to the Contract in place of the [*Subsidiary / Provider*].

3. REIMBURSEMENT

The Guarantor by this Deed indemnifies the *Employer* against all losses, damages, costs and expenses (including legal costs and expenses incurred in enforcing the provisions of the Contract or this Deed), or otherwise which may be incurred by the *Employer* by reason of any breach on the part of the [*Subsidiary / Provider*] (including without limitation in this Deed the occurrence of any of the events of insolvency listed in the Contract) in fully and duly performing and observing the terms and conditions on its part contained in the Contract.

4. NO DISCHARGE OF LIABILITY

The liability of the Guarantor shall not be discharged or affected in any way by:

- 4.1.1 any fact, event or rule of law which, but for this **clause 4** might operate to release in whole or in part the Guarantor from its obligations under this Deed including (without limitation) any novation, assignment, termination of the Contract (whether automatic or otherwise and whether by reason of the [*Subsidiary's / Provider's*] insolvency or otherwise), or any amendment or extension of time or variation of or under the Contract or any forbearance or forgiveness by the *Employer* of the *Provider*;
- 4.1.2 any total or partial invalidity, illegality or unenforceability of the Contract; or
- 4.1.3 a legal limitation, disability or incapacity of the [*Subsidiary / Provider*].

5. CONTINUING GUARANTEE

This Deed creates a continuing guarantee and will remain in force until all the liabilities of the *Provider* under the Contract have been fully satisfied.

6. GUARANTOR'S WAIVER

The Guarantor waives any right it may have of first requiring the *Employer* to proceed against or enforce any claims against any of the parties to the Contract or any other person.

7. GUARANTOR'S DEFENCES

- 7.1 The Guarantor shall be entitled in any proceedings brought by the *Employer* under this Deed to take advantage of any defences set-offs, counterclaims, estoppels and the like which would be available to the [Subsidiary / Provider] in any proceedings brought by the *Employer* under the Contract.
- 7.2 The *Employer* agrees that any set-off and/or counterclaim in respect of monies due or allegedly due from the *Provider* to the *Employer* under the Contract which is taken into account in determining the liability of the Guarantor under this Deed and/or the calculation of any payment made by the Guarantor to the *Employer* pursuant to this Deed is accepted by the *Employer* to be a payment made by the [Subsidiary / Provider] in full and final discharge of any liability on the part of the *Provider* under the Contract to pay such sum. The *Employer* agrees that it shall not commence any action against the [Subsidiary / Provider] under the Contract to pursue that same sum or any sum which represents the same set-off and/or counterclaim.

8. ASSIGNMENT

- 8.1 The *Employer* may assign the benefit of and its benefits and rights under this Deed. The *Employer* shall give the Guarantor written notice following any assignment.
- 8.2 The Guarantor shall not contend that any assignee (in this **clause 8.2** the "New Employer") is precluded from recovering any loss resulting from any breach of this Deed by reason:
- 8.2.1 of the assignment; or
- 8.2.2 the *Employer* (in this **clause 8.2** excluding the New Employer) suffered no loss or a different loss to the New Employer.

9. GOVERNING LAW AND JURISDICTION

- 9.1 This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English Law.
- 9.2 The parties agree that the courts of England and Wales shall have exclusive jurisdiction to determine any dispute arising out of or in connection with this Deed (including (without limitation) in relation to any non-contractual obligations). The parties irrevocably submit to the jurisdiction of those courts.

10. THIRD PARTY RIGHTS

10.1 The Parties do not intend that any term of this Deed shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than the Parties.

THIS DOCUMENT is executed as a deed and delivered on the date stated at the beginning of this Deed.

[THE COMMON SEAL OF)

[GUARANTOR])

was affixed to this deed)

in the presence of:)

Director

Director/Secretary

OR

EXECUTED as a deed by)

[GUARANTOR])

acting by one director in the presence of:)

Director

Witness signature:

Name:

Address:

Occupation:

OR

Executed as a deed by)

[**GUARANTOR**] in the presence of:)

Director

Director/Company Secretary

The corporate seal of **THE SECRETARY**)
OF STATE FOR TRANSPORT is affixed)
and is authenticated by:)

Authorised by the Secretary of State