



Invitation to Quote

Invitation to Quote (ITQ) on behalf of The Department for Business, Energy, and Industrial Strategy

Subject: Research into commercial lease terms for heat and energy efficiency related costs

Sourcing Reference Number: CR21022

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

Registered in England and Wales as a limited company. Company Number 6330639.
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Version 4.0

UKSBS
Shared Business Services

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Section 1 – About UK Shared Business Services

Putting the business into shared services

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

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

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

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

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

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

Our Customers

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

UK SBS currently manages £700m expenditure for its Contracting Authorities. Our Contracting Authorities who have access to our services and Contracts are detailed [here](#).

Privacy Statement

At UK Shared Business Services (UK SBS) we recognise and understand that your privacy is extremely important, and we want you to know exactly what kind of information we collect about you and how we use it.

This privacy notice link below details what you can expect from UK SBS when we collect your personal information.

- We will keep your data safe and private.
- We will not sell your data to anyone.
- We will only share your data with those you give us permission to share with and only for legitimate service delivery reasons.

Privacy Notice

This notice sets out how the Contracting Authority will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation (GDPR).

YOUR DATA

The Contracting Authority will process the following personal data:

Names and contact details of employees involved in preparing and submitting the bid;
Names and contact details of employees proposed to be involved in delivery of the contract;
Names, contact details, age, qualifications and experience of employees whose CVs are submitted as part of the bid.

Purpose

The Contracting Authority are processing your personal data for the purposes of the tender exercise, or in the event of legal challenge to such tender exercise.

Legal basis of processing

The legal basis for processing your personal data is processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the data controller, such as the exercise of a function of the Crown, a Minister of the Crown, or a government department; the exercise of a function conferred on a person by an enactment; the exercise of a function of either House of Parliament; or the administration of justice.

Recipients

Your personal data will be shared by us with other Government Departments or public authorities where necessary as part of the tender exercise. The Contracting Authority may share your data if required to do so by law, for example by court order or to prevent fraud or other crime.

Retention

All submissions in connection with this tender exercise will be retained for a period of (7) years from the date of contract expiry, unless the contract is entered into as a deed in which case it will be kept for a period of (12) years from the date of contract expiry.

YOUR RIGHTS

You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

You have the right to request that any inaccuracies in your personal data are rectified without delay.

You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

You have the right to object to the processing of your personal data where it is processed for direct marketing purposes.

You have the right to object to the processing of your personal data.

INTERNATIONAL TRANSFERS

Your personal data will not be processed outside the European Union

COMPLAINTS

If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF
0303 123 1113
casework@ico.org.uk

Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

CONTACT DETAILS

The data controller for your personal data is:

The Department for Business, Energy & Industrial Strategy (BEIS)

You can contact the Data Protection Officer at:

BEIS Data Protection Officer, Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London SW1H 0ET. Email: dataprotection@beis.gov.uk.

Section 2 – About the Contracting Authority

The Department for Business, Energy and Industrial Strategy (BEIS) was created as a result of a merger between the Department of Energy and Climate Change (DECC) and the Department for Business, Innovation and Skills (BIS), as part of the Machinery of Government (MoG) changes in July 2016.

The Department is responsible for:

- developing and delivering a comprehensive industrial strategy and leading the government's relationship with business;
- ensuring that the country has secure energy supplies that are reliable, affordable and clean;
- ensuring the UK remains at the leading edge of science, research and innovation; and
- tackling climate change.

BEIS is a ministerial department, supported by 46 agencies and public bodies.

We have around 2,500 staff working for BEIS. Our partner organisations include 9 executive agencies employing around 14,500 staff.

<http://www.beis.gov.uk>

Section 3 - Working with the Contracting Authority.

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

Section 3 – Contact details		
3.1.	Contracting Authority Name and address	The Department for Business, Energy and Industrial Strategy (BEIS), 1 Victoria Street, London, SW1H 0ET
3.2.	Buyer name	Karl Oakley
3.3.	Buyer contact details	Research@uksbs.co.uk
3.4.	Maximum value of the Opportunity	£100,000.00 (Excluding VAT)
3.5.	Process for the submission of clarifications and Bids	All correspondence shall be submitted within the Messaging Centre of the e-sourcing. Guidance Notes to support the use of Delta eSourcing is available here. Please note submission of a Bid to any email address including the Buyer <u>will</u> result in the Bid <u>not</u> being considered.

Section 3 - Timescales		
3.6.	Date of Issue of Contract Advert on Contracts Finder	Wednesday, 24 February 2021
3.7.	Latest date / time ITQ clarification questions shall be received through Delta eSourcing messaging system	Monday, 08 March 2021 11.00
3.8.	Latest date / time ITQ clarification answers should be sent to all Bidders by the Buyer through Delta eSourcing Portal	Wednesday, 10 March 2021
3.9.	Latest date and time ITQ Bid shall be submitted through Delta eSourcing	Wednesday, 17 March 2021 11.00
3.10.	Date Bidders should be available if clarifications are required	Thursday, 18 March 2021
3.11.	Anticipated notification date of successful and unsuccessful Bids	Thursday, 01 April 2021
3.12.	Anticipated Contract Award date	Thursday, 01 April 2021
3.13.	Anticipated Contract Start date	Monday, 05 April 2021
3.14.	Anticipated Contract End date	Monday, 04 October 2021
3.15.	Bid Validity Period	60 Days

• Section 4 – Specification

1. Background

The UK has committed to achieving net zero emissions by 2050. The department is considering how to decarbonise heat and improve the energy efficiency of non-domestic buildings. The non-domestic building stock consists of approximately 1.6 million commercial, industrial, and public buildings in England of which 60% are rented. These buildings will need to transition to low carbon heating technology and to assist this, will need to improve the fabric of the building and invest in energy efficiency improvements.

This research project will build on the department's evidence base on how costs for space heating, hot water generation and energy efficiency improvements in rented non-domestic buildings are allocated between the tenant and landlord in England. It is designed to interact with our existing evidence so that findings can be overlaid onto the different segments of the non-domestic building stock.

In coming years, this research will feed into a suite of policies for energy efficiency and heating in non-domestic buildings in England. Examples of these include:

- Energy efficiency policies such as the Private Rented Sector (PRS) Regulations which will impact a large proportion of the non-domestic building stock that are privately rented. These buildings will be required to improve their Energy Performance Certificate (EPC) score to Band B by 2030.
- Policies for non-domestic buildings that use oil, liquid petroleum gas, or coal to fuel their heating systems. In the coming years we will be regulating these buildings to phase out the use of fossil fuel heating systems. First starting with those off the gas grid in line with the department's Clean Growth Strategy, published in October 2017, where the government committed to phase out the installation of high carbon forms of fossil fuel heating in new and existing businesses off the gas grid during the 2020s.

Improving the energy efficiency of these buildings will pave the way for the installation of clean heat, and in some instances incentivise early transition.

Due to the diverse nature of the non-domestic building stock, there is a need to build on current evidence to ensure our regulations are reflective of the different arrangements that are in place across the stock. Looking longer term at heat decarbonisation specifically, it would be valuable to understand how costs are allocated for buildings on the gas grid in readiness for when we do regulate these buildings; we have therefore included the full non-domestic building stock in the scope of this research.

This research will be carried out in 2 phases. In phase 1, through desk research the contractor will review model form commercial leases to understand how most standard lease arrangements treat the allocation of energy efficiency and heating system costs between the landlord and tenant. This phase will also require the contractor to consider what market drivers are impacting the arrangements for cost allocation, including future impacts such as those from Covid-19. In phase 2 the contractor will focus on bespoke

agreements to assess the types of arrangements that are in place in different segments of the building stock, for example specific sectors. We expect this to involve interviews with landlords and tenants, to analyse their leases, and understand the cost allocation. The contractor will bring their findings from both phases together to provide a view of commercial leases across the non-domestic building stock.

Understanding how costs are currently allocated will inform our assessment on affordability, how we target potential government support or intervention and whether the responsibility falls in a fair manner.

The project has a budget of £100k across the two phases.

2. Aims and Objectives of the Project

The overarching aim of the research is to investigate commercial leases to help us understand how the terms for rented non-domestic buildings in England allocate costs and responsibilities between the landlord and tenant for capital costs relating to replacing a heating system when it reaches the end of its life and operating costs related to energy bills, maintaining a heating system and related improvements. The contractor will investigate how the terms of the lease treat the following heating, ventilation, and air conditioning (HVAC) features of a building:

- Space heating;
- Hot water;
- Air conditioning, ventilation, refrigeration, and cooling;
- Building fabric;
- Building instrumentation and control;
- Carbon and Energy Management;
- Equipment e.g. computer upgrade, motor controls;
- Lighting; and
- Other features identified as relevant by the contractor.

The findings of this research project will represent important additions to our understanding of the terms for rented non-domestic buildings and feed into upcoming policies.

Our current understanding, based on initial engagement with stakeholders, has indicated that tenants of non-domestic off-gas grid buildings frequently bear the cost of replacing heating systems, although other research such as that carried out to support Private Rented Sector Policy (PRS) suggests that cost allocation can vary widely depending on the type of landlord and sector.

Despite some evidence of landlords bearing the costs of energy efficiency improvements, it is our understanding that where the lease allows the landlord to do so, these costs are often passed onto tenants. We hope to gain a clearer and more accurate understanding of these issues through this research.

The questions below provide a starting point for the topics the contractor should explore when reviewing leases to meet this requirement. The contractor may use their expertise

to identify or develop the precise questions deemed necessary to deliver the required output.

The following questions should be explored to understand how each of those expenditures are treated:

Cost

- To which party are the costs allocated to?
- At what point does the relevant party incur the cost? Is it during the lease or at the end? What is the mechanism for managing the costs, for example is it through a service charge or a dilapidation process?
- For multi-occupant buildings, how are costs allocated to tenants? How are the costs shared, for example do they consider factors, such as floor area, number of employees, energy use?
- Do leases typically include mechanisms to review the allocation of these costs?
- What happens in cases where the leasing agreement does not explicitly outline the party responsible for the heating and energy efficiency related expenditure?
- How do leases respond to regulatory changes that impact on the costs?
- Is the reality of how costs are allocated different to the legal provisions set out in the commercial lease?

Additional

- What drivers in the market, or characteristics specific to the segment of the building stock the lease is being used for, are likely to have resulted in the costs being allocated in this way? Looking to the future, what drivers are likely to impact cost allocation, should we expect to see any changes due to Covid-19?
- How do landlords create the commercial lease in use for the building? Is this through a letting agent, lawyers or completed in house?
- How do landlords treat requests from the tenant to undertake discretionary improvements to the building? What happens in those instances if there are restoration requirements at the end of the lease?
- Are there common restrictive terms controlling what level of improvements a tenant can make to the building?
- How do landlords intend to comply with new regulations regarding energy efficiency and heating? How will they cover the costs of complying with these measures if responsible?

The findings from the questions should be presented in a written report. We expect the contractor to identify trends and drivers for how commercial leases differ across different segments of the building stock. The characteristics and segments important to BEIS are set out in Table 1. In phase 1 we expect the contractor to combine the review of model form contracts with the expertise of commercial property experts to provide a meaningful assessment of the questions posed under 'cost' and 'additional'.

3. Suggested Methodology

The research questions set out above will be answered using a mixture of primary qualitative research and secondary analysis across phase 1 and phase 2.

We propose that phase 1 includes desk-based research of the model form contracts most used across the non-domestic building stock. It should also include interviews with commercial property experts, academics, and large-scale commercial landlords to understand the drivers behind how the model commercial leases were designed, how frequently they are used, and to gather additional information that is unlikely to be obtainable through a review of model form contracts. This phase will culminate in an interim report and presentation to key BEIS stakeholders.

We propose that phase 2 includes primary research into commercial leases, focused on bespoke leasing arrangements and to verify findings from phase 1 on how model form contracts are used. We propose the contractor will review 'live' leases and carry out interviews with a combination of landlords, tenants, and legal experts to understand how the parties consider costs to be allocated, in addition to what the legal position is in the lease. This will be used to develop a written report that reflects the trends of the non-domestic building stock. It is during phase 2 of the research where emphasis is placed on segmenting the findings by the characteristics outlined in table 1. This phase will culminate in a final written report, a database of segmented leasing arrangements, and a presentation to BEIS stakeholders.

BEIS understands the nature of this research and legal sensitivities surrounding live leasing arrangements may present a number of challenges to contractors. The below methodology represents a proposed approach we believe may be suitable. However, we encourage bidders to suggest alternative approaches which meet the objectives of this research within the specified budget if they believe they are more appropriate.

Phase 1 – The Maximum Budget for Stage 1 is £30,000 (excluding VAT)

During phase 1 of the research, we propose that the contractor looks into the following approaches to meet the requirements of this research. This will likely include the review of model form contracts and engagement with commercial lease experts to provide an initial written report on how costs are allocated in the most common contractual arrangements in operation in the non-domestic stock.

The methods the contractor may use to meet this requirement may include, but is not limited to:

- Desk-based research, compiling and reviewing model form contracts most commonly used in non-domestic buildings and reviewing the terms relating to heat and energy efficiency. The contractor should match the contracts with the percentage of properties on the market covered by model form contracts and draw out property characteristics. Where possible this will give the contractor the opportunity to identify trends, for example if specific types of arrangements are

commonplace in certain sectors, for how costs are allocated for heating and energy efficiency.

- Carrying out interviews with key stakeholders, most likely commercial property experts. This could include large commercial property companies or landlords, commercial lawyers, those in academia and local authority property teams. The contractor will use these interviews to identify the factors in the market (and specific segments of stock) that are driving, or likely to impact in the future, the cost allocation.

We acknowledge that until bespoke arrangements are assessed in phase 2 it may not be possible to clearly identify trends or draw out property characteristics that are representative of how costs are allocated in the non-domestic building stock. Through bids we actively encourage suppliers to alert us to specific areas of the research that may be challenging to deliver as outlined and bring forward suggestions on a methodology that best reflects what they are able to do even if it does deviate from the methods suggested.

We anticipate the interim report to be delivered within 8 weeks of the project start date. However, we encourage suppliers through their bids to suggest the timescales they will need to deliver the requirements for this phase of the research.

Phase 2 - The Maximum Budget for Stage 2 is £70,000 (excluding VAT)

We expect phase 2 of the research to focus on reviewing bespoke arrangements across the building stock and verify findings in phase 1 on model form contracts.

In this phase we propose that the contractor reviews large quantities of 'live' commercial leases to gain an understanding of bespoke arrangements and how model leases are implemented. We also anticipate the contractor will develop at least 25 case studies, representative of the non-domestic building stock and various leasing arrangements, by carrying out interviews with landlords, tenants (25 with landlords and 25 with tenants), and legal experts to understand how the parties consider costs to be allocated, in addition to what the legal position is in the lease. Findings should be segmented by the characteristics in Table 1 to, allow us to understand trends and drivers across the non-domestic stock.

- The contractor will engage with BEIS to review the approach to phase 2, taking their learnings from phase 1, including which characteristics will require targeting in their primary research.
 - Phase 1 may identify additional characteristics that would be valuable to segment by, but these should not be priced for at this stage. To clarify, the contractor should price their bid based on the characteristics outlined in this requirement.
- Provide BEIS with a work plan that outlines their approach to produce an assessment that gives an indication of the lease agreements in place across the non-domestic building stock, including reviewing large quantities of leases and undertaking interviews.
- It is encouraged that the contractor considers the large number of small and mediums size businesses who occupy non-domestic buildings to ensure their contractual arrangements are represented.

- As this research will be feeding into some of our nearer term policies targeting off-gas grid buildings, it is requested that the contractor achieves a near even split between on-gas and off-gas grid samples.

As with phase 1, we actively encourage suppliers to alert us to specific areas of the research that may be challenging to deliver as outlined and bring forward suggestions on a methodology that best reflects what they are able to do even if they do deviate from the methods suggested.

We anticipate this phase of the research to deliver a final report within 12 weeks of its start date. However, we encourage suppliers to suggest the timescales they will need to deliver the requirements for this phase of the research.

Table 1 below identifies the key characteristics of the non-domestic building stock. We expect this data to be gathered during phase 2, but the contractor may find instances where this can be drawn from analysis in phase 1. When conducting interviews during phase 2 of the research, we expect the contractor to gather data on these key characteristic segments from the interviewee. Through the duration of the research the contractor may want to raise additional segments that can be beneficial to the research. It would be valuable, wherever possible, if the contractor strives to segment their overall findings by the segments listed below.

Table 1

Segment	Characteristics
Address*	<ul style="list-style-type: none"> • Address line 1 • Postcode
Length of lease	<ul style="list-style-type: none"> • Total length in years (not the number of years left)
Energy Consumption	<ul style="list-style-type: none"> • Consumption of the heating system (kWh)
Energy Performance Certificate (EPC)	<ul style="list-style-type: none"> • Latest available rating score. (either the EPC or DEC is required)
Display Energy Certificate (DEC)	<ul style="list-style-type: none"> • Latest available rating score. (either the EPC or DEC is required)
Operational Hours	<ul style="list-style-type: none"> • The number of hours per day the building is operational
Floor area (m ²)	<ul style="list-style-type: none"> • The size of area leased
Sector	Identify the sector the business occupying the building is part of: <ul style="list-style-type: none"> • List to be provided - as detailed in Annex A
Sub-sector	Identify the sub-sector the business occupying the building is part of:

	<ul style="list-style-type: none"> List to be provided - as detailed in Annex A
Gas Grid Connection	<ul style="list-style-type: none"> Yes No Select Yes if there is a connection, but it is unused.
Number of Employees	<ul style="list-style-type: none"> Of businesses occupying the building
Publicly or Privately Owned	Identify whether the building is; <ul style="list-style-type: none"> Public; or Private.
Occupancy type	Identify whether the lease is for use in a building that has: <ul style="list-style-type: none"> Multiple occupants; or A single occupant.
Heating Fuels	<ul style="list-style-type: none"> List to be provided - as detailed in Annex A
Building Regulation Standard	Identify the likely fabric in use for the building relating to: <ul style="list-style-type: none"> Which Building Regulation standards the building was built to – state the year
Age	<ul style="list-style-type: none"> The rough age of the building
<i>* We acknowledge that there may be some difficulties experienced when obtaining GDPR or commercially sensitive details such as address information. This can be reviewed if it limits the ability of the contractor to fulfil the requirement. Where this data is collected it will only be used internally by BEIS. This information or any information of a similar kind will not be included in the published report</i>	
4. Deliverables	
<p>In phase 1, the output will be a written report and presentation to BEIS colleagues. It should set out the different types of model form commercial leases most commonly used in non-domestic buildings, detail how they allocate costs for energy efficiency measures and heating systems, and what factors in the market (and specific segment of stock) are driving, or likely to impact in the future, the cost allocation.</p> <p>The contractor will present their findings from the initial desk research and interviews with commercial property experts within two weeks of submitting their report (the PowerPoint presentation will be made available to BEIS).</p> <p>In phase 2, the output will be a written report, accompanying data and analysis, and a presentation to BEIS colleagues. The output will be an assessment that gives an indication and identifies trends on how cost responsibilities for energy efficiency improvements and heating systems are allocated across the non-domestic building stock.</p>	

The data gathered on the non-domestic stock during the interviews will be submitted in an Excel format and segmented by the characteristics set out in Table 1. Analysis of data should be submitted in the template provided (Annex A). The template shows the mandatory fields (either the Energy Performance Certificate (EPC) or Display Energy Certificate (DEC) needs to be provided). However, we acknowledge there may be instances where it may not be possible to provide the complete data set for a specific lease. Following phase 1 additional fields may be identified, however for the purposes of this bid the contractor should price based on those included in this ITT.

We will require a draft of the final report. Within two weeks the contractor will deliver a presentation of their findings to BEIS colleagues. The final report will be submitted by the end of the 12-week period.

In phase 1 (8 weeks) the contractor will deliver:

- A written report; and
- A presentation using PowerPoint.

In phase 2 (12 weeks) the contractor will deliver:

- A written report, including a completed Annex A; and
- A presentation using PowerPoint.

During both phases of the research we expect to receive regular updates on emerging findings and project progress.

The primary data collected from this research during the interviews will be the property of BEIS.

Terms and Conditions

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

Section 5 – Evaluation model

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

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

The evaluation team may comprise staff from UK SBS and the Contracting Authority and any specific external stakeholders the Contracting Authority deems required.

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

Pass / Fail criteria		
Questionnaire	Q No.	Question subject
Commercial	SEL1.2	Employment breaches/ Equality
Commercial	SEL1.3	Compliance to Section 54 of the Modern Slavery Act
Commercial	SEL2.10	Cyber Essentials
Commercial	FOI1.1	Freedom of Information
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Commercial	AW3.1	Validation check
Commercial	AW4.1	Compliance to the Contract Terms
Commercial	AW4.2	Changes to the Contract Terms
Price	AW5.1	Firm and Fixed Price
Price	AW5.4	E Invoicing
Quality	AW6.1	Compliance to the Specification
Quality	AW6.2	Variable Bids
-	-	Invitation to Quote – received on time within e-sourcing tool
In the event of a Bidder failing to meet the requirements of a Mandatory pass / fail criteria, the Contracting Authority reserves the right to disqualify the Bidder and not consider evaluation of any of the Award stage scoring methodology or Mandatory pass / fail criteria.		

Scoring criteria

Evaluation Justification Statement

In consideration of this particular requirement the Contracting Authority has decided to evaluate Potential Providers by adopting the weightings/scoring mechanism detailed within this ITQ. The Contracting Authority considers these weightings to be in line with existing best practice for a requirement of this type.

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	20.00%
	PROJ1.1	Approach / Methodology	40.00%
Add	PROJ1.2	Staff to Deliver	15.00%
Add	PROJ1.3	Understanding the Environment	10.00%
Add	PROJ1.4	Project Plan and Timescales	10.00%
Quality	PROJ1.5	Risk Management	5.00%

Evaluation of criteria

Non-Price elements

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

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

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

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

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

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

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

	in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.
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All questions will be scored based on the above mechanism. Please be aware that there may be multiple evaluators. If so, their individual scores will be averaged (mean) to determine your final score as follows:

Example

Evaluator 1 scored your bid as 60

Evaluator 2 scored your bid as 60

Evaluator 3 scored your bid as 40

Evaluator 4 scored your bid as 40

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

Price elements will be judged on the following criteria.

The lowest price for a response which meets the pass criteria shall score 100. All other bids shall be scored on a pro rata basis in relation to the lowest price. The score is then subject to a multiplier to reflect the percentage value of the price criterion.

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

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

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

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

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

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

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

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

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

Section 6 – Evaluation questionnaire

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

Guidance on how to register and use the e-sourcing portal is available at <http://www.uksbs.co.uk/services/procure/Pages/supplier.aspx>

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

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

DO:

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

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

DO NOT

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

Some additional guidance notes

- 7.25 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool must be submitted to Delta eSourcing, Telephone 0845 270 7050
- 7.26 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered as part of the evaluation process.
- 7.27 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.
- 7.28 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.
- 7.29 We do not guarantee to award any Contract as a result of this procurement
- 7.30 All documents issued or received in relation to this procurement shall be the property of the Contracting Authority / UKSBS.
- 7.31 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through the Delta eSourcing Portal.
- 7.32 If you are a Consortium you must provide details of the Consortiums structure.
- 7.33 Bidders will be expected to comply with the Freedom of Information Act 2000, or your Bid will be rejected.
- 7.34 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this ITQ Bidders are agreeing that their Bid and Contract may be made public
- 7.35 Your bid will be valid for 60 days or your Bid will be rejected.
- 7.36 Bidders may only amend the contract terms during the clarification period only, only if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract terms without such grounds and the Contracting Authority fail to accept your legal or statutory reason is reasonably justified, we may reject your Bid.
- 7.37 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.
- 7.38 If you fail mandatory pass / fail criteria we will reject your Bid.
- 7.39 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Delta eSourcing Portal.
- 7.40 Bidders should note that if they are successful with their proposal the Contracting Authority reserves the right to ask additional compliancy checks prior to the award of

any Contract. In the event of a Bidder failing to meet one of the compliancy checks the Contracting Authority may decline to proceed with the award of the Contract to the successful Bidder.

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

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

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

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

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

USEFUL INFORMATION LINKS

- [Contracts Finder](#)
- [Equalities Act introduction](#)
- [Bribery Act introduction](#)
- [Freedom of information Act](#)