

Restricted - Commercial

INVITATION TO QUOTE (ITQ)

Provision of Postal Goods and/or Services to

[insert organisation name]

RM1063

**[GUIDANCE NOTE:**

Tool Kit 2 is a template designed to help assist you with conducting a further competition under the Postal Goods and Services Framework Agreement – RM1063.

Contracting bodies using this template should seek legal guidance from their own legal advisors to ensure compliance with EU directives and their own procurement procedures.

Paragraphs that are highlighted in green are guidance notes to help you complete this document. You should consider all the guidance. Once you have considered the guidance you can remove these prior to issuing your further competition.

Paragraphs that are highlighted in yellow require information to be populated. Once the information has been provided you can remove the highlighting.]

**STRUCTURE OF THIS INVITATION TO QUOTE**

Section 1: Introduction. This section gives an outline of the ITQ.

Section 2: Competition Process. This section sets out the timetable for the further competition; the steps for participating, and the process going forward.

Section 3: Submission of Responses. This section sets out the arrangements that will be followed for the submission of responses to this ITQ.

Section 4: [Insert Contracting Body’s Name] Requirements: This section sets out the Contracting Body’s requirements.

Appendix A: Services Required. This section specifies the requirements the Service Providers will be asked to deliver.

Appendix B: Mail Profile [Tool Kit 1 “Mail Profile Gathering”]

Appendix C: Call-Off Terms and Conditions and Order Form The attached word document(s) reflecting your requirements/obligations.

Appendix D: Important Information. This section contains important legal and administrative information relating to this quotation process and document.

Appendix E: Pricing Template

Appendix F: The Services

Appendix G: Service Provider(s) Table

Appendix H: Service Levels l

Appendix I: Service Provider(s) Response Template: This document is a template and allows the Service Provider(s) to respond to your invitation to quote. If you are using an e-Sourcing suite this document can either be uploaded or the document can be built into the e-Sourcing system.

Appendix J: Evaluation Model This document describes the evaluation criteria you will use to evaluate the Service Provider(s)’s response to your ITQ.

[Guidance Note: Please complete the table by providing your organisation’s name, whether you have included a Tool Kit 1 and your indicative spend.

This table is to be completed for either collaborative or single Contracting Body further competition.

If you are running a further competition under Lots 2, 5 or 7 you will not need to complete the second column in the table below, as Tool Kit 1 is not applicable for these lots, please insert N/A in this column.]

Contracting Bodies Participating with this ITQ:

|  |  |  |
| --- | --- | --- |
| Contracting Body name | Tool Kit 1 “Mail Profile Gathering” completed Y/N? | Indicative spend |
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1. SECTION 1: INTRODUCTION
   1. [Insert Contracting Body’s Name] is seeking a Service Provider(s) with the appropriate product range, experience and competitive pricing to supply Postal Goods and/or Services.

[Guidance Note:If you are conducting a (collaborative) further competition you may wish to consider the below wording instead]

[Insert Contracting Body’s Name] are working collaboratively to seek a Service Provider(s) with the appropriate product range, experience and competitive pricing to supply Postal Goods and/or Services. [Insert Contracting Body’s Name] is acting as the lead authority for this process. However, any call off contract to be awarded shall be between an individual Contracting Body and the successful bidder i.e. each individual organisation will be a Contracting Body and sign their own individual call off contract with the successful bidder.

* 1. The call off contract will be for a period of [confirm term] with the option to extend for a further 12 months/24months. The call off contract shall expire DD/MM/YYYY with an option to extend to DD/MM/YYYY.
  2. The purpose of this Invitation to Quote is to inform selected Service Providers about the [Insert Contracting Body’s Name] requirements for the supply of Postal Goods and/or Services. The document arms the Service Providers with the information needed to enable them to bid for the agreement to supply the goods and/or services.
  3. Crown Commercial Service (CCS), working collaboratively with ESPO and YPO during the procurement process have awarded a Framework for Postal Goods and Services (RM1063) on 17th February 2015. [Insert Contracting Body’s Name] wishes to run a ‘further-competition’ under this Framework Agreement to obtain the goods and/or services detailed in Appendix A, Section 4 ([Insert Contracting Body’s Name] Requirements) and Section 5 (Tenderers Response).
  4. The call off contract will be let on the Terms and Conditions of the Postal Goods and Services Frameworks (RM1063) Order Form and Call-Off Terms and Conditions found in Appendix C.

1. SECTION 2: COMPETITION PROCESS
   1. An outline of the services required from the successful Service Provider(s) is contained in Appendix A, Section 4 ([Insert Contracting Body’s Name] Requirements) and Section 5 (Tenderers Response).
   2. [Insert Contracting Body’s Name] may require the opportunity to run
   3. A pilot for the goods and/or service(s) within an agreed period of time. This is to ensure that the Service Provider’s goods and/or services can fully meet the Contracting Body’s requirements. Expectations/milestones are to be clearly set out prior to full implementation of any services. Timescales for the pilot/implementation will need to be discussed and agreed by [Insert Contracting Body’s Name] and with the Service Provider(s).

Timetable for competition

* 1. The timetable for the main stages of this further competition is outlined below.

|  |  |
| --- | --- |
| Target Date | Stage |
| Day / month /year | Invitation to Quote Issued |
| Day / month /year | Deadline for Clarification Questions from Service Provider(s) |
| Day / month /year | Deadline for Submissions of ITQ’s |
| Day / month /year | Evaluation |
| Day / month /year | Tender presentation: implementation plan |
| Day / month /year | Evaluation completed |
| Day / month /year | 10 Calendar days (REG 32A) Standstill period (optional) |
| Day / month /year | ITQ award / agreement signing |
| Day / month /year | Commencement of agreement and implementation |

* 1. The Contracting Body may at its own absolute discretion extend the closing date and the time for receipt of Service Provider(s) Responses. Any extension granted will apply to all Service Provider(s). All costs incurred in relation to preparing and submitting a response are to be borne by the Service Provider(s).

[Guidance Note: CCS recommend that Contracting Body’s allow eight to twelve weeks for the Service Provider(s) to tender for your opportunity, to ensure they have sufficient time to seek appropriate clarification, undertake site visits etc. if required. This is intended as a guide only and may be adjusted. However not allowing sufficient time for the Service Provider(s) to respond may; a). affect the quality of the response and b). prohibit some Service Provider(s) from responding.

The10 Calendar days (REG 32A) standstill period is optional at ITQ stage, but it is best practise to include this within your further competition. The duration is 10 calendar days

Selection of Service Provider

* 1. The following criteria and weightings shall be applied to Framework Service Provider(s) compliant tenders submitted through the Further Competition. [Contracting Body to insert their required weightings]

[Guidance Note:The Contracting Body can modify the sub-criteria /variance level to meet their requirements i.e. -/+ 10%) The breakdown below is set as a guidance for Contracting Bodies.

The Contracting Body can add to the sub-criteria provisions to meet their own internal policies and procedures if necessary, but the baseline sub-criteria cannot be removed/deleted]

|  |  |  |  |
| --- | --- | --- | --- |
| Criteria No. | Criteria | Sub-Criteria | % Weightings (variance of +/- 10%) |
| A | Quality | | 70% |
|  | A1 | Provision of Goods and/or Services: Demonstrate a good understanding of the Goods and/or Services required to meet the Contracting Body requirements. | 0-10% |
|  | A2 | Methodology: e.g. a clear demonstration of how the Goods and/or Services will be fulfilled and delivered. | 0-10% |
|  | A3 | Technical assistance: a clear demonstration of the technical assistance that will be provided during implementation | 0-5% |
|  | A4 | Implementation plan proposed for delivering the required Goods and/or Services including lead times. | 0-10% |
|  | A5 | After sales service – demonstrate a robust after sales support structure is in place. | 0-10% |
|  | A6 | Security: demonstrate that all the security requirements of the Contracting Body can be met. | 0-10% |
|  | A7 | Environmental characteristics: what support can be offered to help the Contracting Body achieve any environmental considerations? | 0-5% |
|  | A8 | Service Levels and Key Performance Indicators (KPIs): demonstrate a clear commitment to meeting the SLA’s and KPI’s. | 0-10% |
| B | Price and Charging Structure | | 30% |
|  | B1 | Cost effectiveness: do the prices demonstrate value for money for your organisation. | 0-25% |
|  | B2 | Running costs | 0-5% |

* 1. The following scoring methodology will be applied by the evaluator to each question:

[Guidance Note:Please consider which scoring methodologies model you will use to score the Service Provider(s) responses:]

|  |  |  |  |
| --- | --- | --- | --- |
| Evaluation score | | | Question Criteria |
| 4 | = | 100% | Excellent response suggesting the specification will be satisfactorily met in all relevant respects with added value. |
| 3 | = | 75% | Good response suggesting the specification will be satisfactorily met in all relevant respects. |
| 2 | = | 50% | Weak response suggesting there may be shortcomings of a less serious nature in the relevant aspect of service. |
| 1 | = | 25% | Poor or unsatisfactory response showing limited evidence of ability to meet requirement – omissions/weakness in key areas. |
| 0 | = | 0% | No response or totally inadequate. None of the evaluation points have been covered within the response. |

OR

3 = 100% fully compliant with the Requirement. All evaluation guidance points covered in detail with full supporting evidence provided

2 = 66% some reservations/constraints. The majority of the evaluation guidance points are covered in detail but with some minor shortfalls and supporting evidence lacking.

1 = 33% Major reservations/constraints. Some of the evaluation guidance points are covered but with major shortfalls, there is little or no evidence/supporting information

0 = 0% No response or totally inadequate. None of the evaluation points have been covered within the response

* 1. There may be the need to revisit some of the scores in terms of scoring consistency, with a view to producing a final agreed consolidated score amongst evaluation team members. A Consensus Meeting will be held, in which all evaluation team members will participate in order to determine the final scores for each Service Provider(s).
  2. For openness and transparency you may wish to have a panel of evaluators who will conduct an independent evaluation of the tender responses. During the independent evaluation process each evaluator will separately (i.e. without conferring with other evaluators) scrutinise the quality of answers given by the Service Provider(s) in the ITQ Response. Evaluators will apply the criteria applicable to the question as set out in the evaluation guidance to determine the overall quality of each answer. Each evaluator will then allocate a mark for the answer in accordance with the Marking Scheme applicable to that question. Each evaluator will also provide a justification for the mark he/she attributed to an answer.
  3. Unless there are compelling reasons to do otherwise, the [Insert Contracting Body’s Name] intends to award their offering to the best scoring Service Provider(s). The best score will be the overall score produced following the Qualitative evaluation and evaluation of prices submitted (MEAT – Most Economically Advantages Tender) within this further competition procedure. However, [Insert Contracting Body’s Name reserves the right not to award all or any of their offering to the best scoring Service Provider(s) or to any Service Provider under the Postal Goods & Service Framework Agreement (RM1063).

Proposed Approach

* 1. Service Providers must show their proposed approach to providing the required services for each of the lots they are tendering for. This may include proposals for changing mail products currently used by [Insert Contracting Body’s Name] whilst maintaining delivery timescales.
  2. The successful Service Provider(s) is to work in partnership with [Insert Contracting Body’s Name] to drive efficiencies and savings through innovative solutions and proposals from Service Provider(s) to fulfil their mail requirements. The Service Provider(s) will be required to work collaboratively with the [Insert Contracting Body’s Name] to assist with implementation. It should be noted that the Contracting Body, particularly those who are unable to provide visibility of their mail profile, are likely to require more assistance from the successful Service Provider(s) in terms of implementation, training etc.

**Prices**

* 1. Service Providers will be required to submit their quotations using the attached template, Appendix E, in order that a comparison between providers can be made, as part of the assessment of responses.

[Guidance Note:Please consider if the London Living Wage is applicable]

London Living Wage (LLW):

* 1. A number of Contracting Bodies within London and Greater London area are committed to paying the London Living Wage. Service Provider(s) should confirm and provide evidence to satisfy the Contracting Bodies that the Service Provider(s):
     1. ensures that none of his employees, Subcontractors' employees, Subcontractors or agents engaged in the Providing the Service is paid an hourly wage (or equivalent of an hourly wage) less than the London Living Wage (unless otherwise directed by the Employer),
     2. ensures that any increase in the London Living Wage notified to the Contractor by the Employer takes effect immediately from the date of notification,
     3. provides to the Employer such information concerning the payment of the London Living Wage to his employees or to the employees of his Subcontractors engaged in Providing the Service as the Employer may reasonably require from time to time,
     4. disseminates on behalf of the Employer to his employees engaged in Providing the Service such perception questionnaires as the Employer may reasonably require from time to time and promptly collates and returns to the Employer responses to such questionnaires and
     5. co-operates and provides all reasonable assistance to the Employer in monitoring the effect of the London Living Wage on the quality of service provided under any agreement which may be awarded as a result of this exercise.

Requests for Clarification:

[Guidance Note:Recommendation to Contracting Body is to use an e-Sourcing system to conduct your further competition to ensure a consistent approach and an audit trail.]

* 1. All enquiries in connection with this further competition should be addressed via [Insert Contracting Body’s Name] e-sourcing tool.

No other form of approach should be made to [Insert Contracting Body’s Name] in connection with this further competition or this document unless this approach is via the approved process stated in 2.16.

* 1. The Closing date for raising clarification questions through the portal is Day/ Date / Month / Year / Time (14:00) GMT/BST.
  2. [Insert Contracting Body’s Name] will endeavour to respond as quickly as possible but cannot guarantee a minimum response time. [Insert Contracting Body’s Name] undertakes to respond to any request for clarification at least 2 days before the deadline for receipt of responses.
  3. In order to ensure equality of treatment of Service Provider(s), [Insert Contracting Body’s Name] intends to publish the questions and clarifications raised by Service Provider(s) together with the [Insert Contracting Body’s Name] response to all participants on a regular basis. Service Provider(s) are therefore advised to indicate if a query is of a commercially sensitive nature i.e. where disclosure of such a query and the answer would be likely to prejudice its commercial interests.

1. SECTION 3: SUBMISSION OF RESPONSES

Response Instructions

* 1. Service Providers are requested to submit responses by no later than [Day/Month/Year/Time (14:00GMT/BST)] as detailed at [2.4].

Guidance Note:Contracting Body to select preferred method of receiving submissions – choose one of the options below]

[Option 1] Completed submissions should be enclosed in one or more sealed packages bearing the words:

* + - *Quotation Response - Postal Services Frameworks.*
    - *Not to be opened before 15.00 GMT/BST on [Day/Month/Year] as detailed at [2.4] above.*
    - *No marks, including any postal or franking devices that identify the Service Provider must appear on the envelope. They should be addressed to:[Insert Contracting Bodies Name and Address]*

No response received after the time and date specified above shall be accepted or considered

[Option 2] Completed responses should be submitted via the Contracting Bodies e-tendering tool [web address to be inserted] no later than [the time and date detailed at 2.4 above].

If you have not previously registered with us simply click on the Link shown on this page and complete/submit the form. You will then receive an email quoting your unique system username and password which will enable you to access all the relevant documentation via the opportunities link on this page and also all future advertised further competition exercises via this system.

If you need assistance with registration please contact by-phone/email (XXXXXX).

No response received after the time and date specified above shall be accepted or considered.

Submission Schedule – Requirements

* 1. Tenderers should provide a response for each of the Lot(s) that they are bidding for.
     1. Service Provider(s) responses should be submitted using the Service Provider(s) Response Form attachment named ‘Insert Contracting Bodies Name \_ITQ\_APPENDIX I Service Provider(s) Response Template’
     2. Evaluation Guidance is provided in attachment named ‘Insert Contracting Bodies Name \_ITQ \_APPENDIX J\_ Evaluation Model’ for the purpose of transparency, so that Service Provider(s) are fully aware of the criteria on which marks will be awarded.

[Guidance Note: Tenderers should refer to Appendix F – The Services contained in this ITQ prior to and during the preparation of their response and ensure that they provide Lot specific responses to the Contracting Body. Service Provider(s) must only bid for those Lots for which they have been awarded a Framework Agreement (see Appendix G) and have been invited to bid by the Contracting Body.

| Lot | Required |
| --- | --- |
| LOT 1: COLLECTION AND DELIVERY  The collection and delivery of physical mail items of up to 2kg throughout the whole of the United Kingdom. Services under lot 1 include but are not limited to: bulk mail; standard mailings; sorted & unsorted mail; unaddressed mail; secured mail and undelivered mail. | ✓ |
| LOT 2: HYBRID MAIL ON-SITE SOLUTION  The provision of a hybrid mail solution that is within the Contracting Body’s premises and utilises the existing equipment that is owned or leased by the Contracting Body together with supporting software provided by the successful Service Provider(s). | ✓ |
| LOT 3: HYBRID MAIL OFF SITE SOLUTION  A hybrid mail solution that is wholly external. Service Provider(s) will receive work electronically and will be responsible for the printing, addressing, enveloping and delivery (physical or electronic) of mail items. Service Provider(s) will offer a range of electronic and physical delivery options, such as SMS or email and will provide supporting software where necessary. | ✓ |
| LOT 4: INTERNATIONAL MAIL SERVICES  The provision of international mail services, including the collection of mail items from all areas of the United Kingdom for delivery to recipients around the globe. Services include but are not limited to: bulk international mail; standard international mail; sorted and unsorted mail; secured international mail and undelivered mail. | ✓ |
| LOT 5: FRANKING MACHINES AND MAIL ROOM EQUIPMENT (INCLUDING ASSOCIATED SERVICES AND CONSUMABLES)  The provision of franking machines and mailroom equipment (inc. associated services and consumables) either for lease or purchase in the UK. Products included within the scope of this lot are: new and remanufactured franking machines; folder inserters; letter openers and address systems. | ✓ |
| LOT 6: ON-SITE INBOUND MAIL SOLUTION  For Contracting Bodies who have a requirement for mail items to be delivered to their premises. Service Provider(s) will offer services including timed delivery, pre-sorted delivery, numbered box services, post opening, mail screening and tracked/signed for services. Service Provider(s) will also offer the capability to digitalise inbound mail using the Contracting Body’s existing equipment and to provide a supporting software package. | ✓ |
| LOT 7: OFF SITE DIGITAL INBOUND MAIL SOLUTION  Services relating to digitalisation of mail items sent to the Contracting Body. Services include but are not limited to: opening, scanning and electronic distribution of mail; archiving, destruction and indexing services; mail screening and cherished or valuable document handling. | ✓ |

1. SECTION 4 [INSERT CONTRACTING BODY NAME] REQUIREMENTS:
   1. [Insert Contracting Body’s Name] has reviewed the [Statement of Requirement](http://ccs-agreements.cabinetoffice.gov.uk/sites/default/files/contracts/User%20guidance_RM1063%20Statement%20of%20Requirements_.pdf) associated to the Postal Goods and Services Framework Agreement (RM1063).

The requirements defined within the Statement of Requirement in particular, A-U and the goods and/or services of Lot(s) 1, 2, 3, 4, 5, 6 and 7 are to be delivered by the Service Provider(s) in conjunction with the following Contracting Body requirements stated below:

* 1. LOT 1: COLLECTION AND DELIVERY
  2. LOT 2: HYBRID MAIL ON-SITE SOLUTION
  3. LOT 3: HYBRID MAIL OFF SITE SOLUTION
  4. LOT 4: INTERNATIONAL MAIL SERVICES
  5. LOT 5: FRANKING MACHINES AND MAIL ROOM EQUIPMENT
  6. LOT 6: ON-SITE INBOUND MAIL SOLUTION
  7. LOT 7: OFF SITE DIGITAL INBOUND MAIL SOLUTION

The Service Provider(s) shall provide a response (Appendix I) for the Goods / Services required by [Insert Contracting Body’s Name]. The response should clearly describe the type and scope of the services required as detailed in clause 4.2 to 4.8 and appendices A, B and F of this ITQ:

*The Provision of Goods and/or Services:*

* 1. Demonstrate a good understanding of the Goods and/or Services required to meet the Contracting Body’s requirements.
  2. Demonstrating a clear commitment to working with the Contracting Body to deliver the services required.

*The Methodology:*

* 1. A clear demonstration of how the Goods and/or Services will be fulfilled and delivered. The proposed day to day management structure, level and experience of the proposed account management team, level of day to day resource allocated to the call off contract, define a clear dispute resolution and escalation process. Processes for tracing and investigating late delivery of or complaints related to mail items.
  2. Acceptance of the management information requirements.
  3. Sub-contracting /franchise arrangements/agreements.
  4. Contracting Body Obligations
  5. Evidence as to how the Service Provider(s) will seek to provide innovative ideas / solutions that will create mutual benefit for both parties.

*The Technical assistance:*

* 1. A clear demonstration of the technical assistance that will be provided during implementation.

*The Implementation plan:*

* 1. A proposed plan for delivering the required Goods and/or Services including lead times

*The After sales services:*

* 1. Demonstrate a robust after sales support structure is in place.
  2. A clearly describe customised plan which includes timescales, actions and key milestones.
  3. Processes for dealing with unprocessed/undelivered mail items. Effective and accurate monitoring of postal delivery times.

*Security*

* 1. Demonstrate that all the security requirements of the Contracting Body can be met.

*Environmental characteristics:*

* 1. What support can be offered to help the Contracting Body achieve any environmental considerations?

*Service Levels and Key Performance Indicators (KPIs):*

* 1. Demonstrate a clear commitment to meeting the SLA’s and KPI’s.
  2. Collection and delivery timescales for meeting the services levels as specified at Appendix H.

[Guidance Note:Please review the above Lot requirements and details under the Award Criteria]

1. SECTION 5 TENDERERS RESPONSE:
   1. The Tenderers must use the attachment named ‘[Insert Contracting Body’s Name]\_ITQ\_APPENDIX I\_Service Provider(s) Response Template’ to present their response to the [Insert Contracting Body’s Name]
   2. .When preparing your response please ensure you have read and continually refer to the following sections which contain additional information to support and supplement the [Insert Contracting Body’s Name].
2. Section 4 – [Insert Contracting Body’s Name] Requirements
3. Appendix A – Required Services
4. Appendix F – The Services
5. Appendix J – Evaluation Model and Criteria named: ‘[Insert Contracting Body’s Name]. \_ITQ \_APPENDIX J\_ Evaluation Model’

[Guidance Note: Crown Commercial Service has not developed the ‘Evaluation Model’ toolkit – see Appendix J for further information and Contracting Body actions.]

APPENDIX A:

REQUIRED SERVICES

1. Call Off Contract

The call off contract will be let on the Terms and Conditions of the Crown Commercial Service Postal Goods and Services (RM1063) Framework’s Call-Off Terms and Conditions and Order Form.

1. Call Off Contract Duration

This call off contract shall commence on [Date to be inserted] for a duration of [Insert period]. [Guidance Note:Contracting Bodies should consider whether they let the call off contract for an initial period with an option to extend] The call off contract shall expire [Insert date] unless extended under a pre-agreed option to extend.

1. Call Off Contract Scope

Lot 1: Collection and Delivery

Lot 2: Hybrid Mail on-Site Solution

Lot 3: Hybrid Mail off Site Solution

Lot 4: International Mail Services

Lot 5: Franking Machine and Mail Room Equipment

Lot 6: On-Site Inbound Mail Solution

Lot 7: Off Site Digital Inbound Mail Solution

[Guidance Note: Delete those Lots not applicable to your requirements. Contracting Bodies can also list any specific requirements e.g. individual billing for internal cost centres, fully itemised billing, dedicated customer service provision, any restrictions or limitations which may impact service delivery (see Mail Profile Template)]

1. Management Information

[Insert Contracting Body’s Name] will be looking for, as a minimum from the Service Provider, an outline report based on the Framework Agreement KPI’s specified within Appendix H

As a minimum (but not limited to) the [Insert Contracting Body’s Name] would require the following information to be provided:

[Guidance Note:Please insert any additional management information that is required]

APPENDIX B

MAIL PROFILE

[Insert completed Mail Profile Template]

[Guidance Note: Please use the following naming convention [Contracting Body name\_MAIL PROFILE\_Appendix B]

APPENDIX C

CALL-OFF TERMS AND CONDITIONS AND ORDER FORM.

[Insert appropriate Call-Off Terms and Conditions and Order Form]

[Guidance Note: The Framework Service Provider(s) have slightly different terms in their Call-off Terms and Conditions and Order Form. It is important to send the Royal Mail model Call Off contract to Royal Mail and the UK Mail Model Call Off Contract to UK Mail, etc.]

Please email [info@crowncommercial.gov.uk](mailto:Postal.Services@crowncommercial.gov.uk) for a copies of the Call-Off Terms and Conditions and Order Form.

APPENDIX D

IMPORTANT INFORMATION

[Insert any specific legal requirements or disclaimers etc. that your Contracting Body requires when undertaking competitions.]

APPENDIX E

PRICING TEMPLATE

[Guidance Note This template is intended as a guide – delete those items that do not apply.]

Please see attachment named ‘Insert Contracting Body name\_ITQ\_APPENDIX E\_Cost Model’ for further information.















APPENDIX F

**THE SERVICES:**

1. This Appendix F details all of the Lots available under the Crown Commercial Service Postal Goods and Services Framework Agreement (RM1063).
2. The Contracting Body in this ITQ is intending to award a Call-off contract only for Lots specified in Section 4 [Insert Contracting Body name] Requirements
3. Service Provider(s) must only bid for those Lots for which they have been awarded under the Framework Agreement (see Appendix G) and have been invited to bid by the Contracting Body.
4. The Services available under the Postal Goods and Services Framework Agreement (RM1063) shall be classified as:

| Lot |
| --- |
| LOT 1: COLLECTION AND DELIVERY  The collection and delivery of physical mail items of up to 2kg throughout the whole of the United Kingdom. Services under lot 1 include but are not limited to: bulk mail; standard mailings; sorted & unsorted mail; unaddressed mail; secured mail and undelivered mail. |
| LOT 2: HYBRID MAIL ON-SITE SOLUTION  The provision of a hybrid mail solution that is within the Contracting Body’s premises and utilises the existing equipment that is owned or leased by the Contracting Body together with supporting software provided by the successful Service Provider(s). |
| LOT 3: HYBRID MAIL OFF SITE SOLUTION  A hybrid mail solution that is wholly external. Service Provider(s) will receive work electronically and will be responsible for the printing, addressing, enveloping and delivery (physical or electronic) of mail items. Service Provider(s) will offer a range of electronic and physical delivery options, such as SMS or email and will provide supporting software where necessary. |
| LOT 4: INTERNATIONAL MAIL SERVICES  The provision of international mail services, including the collection of mail items from all areas of the United Kingdom for delivery to recipients around the globe. Services include but are not limited to: bulk international mail; standard international mail; sorted and unsorted mail; secured international mail and undelivered mail. |
| LOT 5: FRANKING MACHINES AND MAIL ROOM EQUIPMENT (INCLUDING ASSOCIATED SERVICES AND CONSUMABLES)  The provision of franking machines and mailroom equipment (Inc. associated services and consumables) either for lease or purchase in the UK. Products included within the scope of this lot are: new and remanufactured franking machines; folder inserters; letter openers and address systems. |
| LOT 6: ON-SITE INBOUND MAIL SOLUTION  For Contracting Bodies who have a requirement for mail items to be delivered to their premises. Service Provider(s) will offer services including timed delivery, pre-sorted delivery, numbered box services, post opening, mail screening and tracked/signed for services. Service Provider(s) will also offer the capability to digitalise inbound mail using the Contracting Body’s existing equipment and to provide a supporting software package. |
| LOT 7: OFF SITE DIGITAL INBOUND MAIL SOLUTION  Services relating to digitalisation of mail items sent to the Contracting Body. Services include but are not limited to: opening, scanning and electronic distribution of mail; archiving, destruction and indexing services; mail screening and cherished or valuable document handling. |

1. SERVICE PROVIDER(S) PROPERTY AND FREE ISSUE MATERIALS

[Guidance Note: Please feel free to add additional requirements to the following lists]

* 1. To enable the performance of the Call off Contract, the Service Provider(s) shall provide [insert Contracting Body name] with the use of the property and materials required for the Service Provider(s) to undertake the service obligations in the most efficient and cost effective manner. Such property and materials to include but not limited to:
     1. the relevant software (including installation, training and de-commissioning) to enable [insert Contracting Body name] to interface directly with suitable approved mailsort software e.g. Royal Mail Mailsort software;
     2. Label printer (including associated cables, power supply unit, installation and decommissioning);
* Printer consumables;
* Labels;
* Mail Bags/trays;
* Bag ties;
* Manifest templates;
* Mail cages.

1. Mail Integrity (Lot 1 & 4 only) – please remove if N/A.
   1. The Service Provider(s) shall ensure the physical security of all Mail Items collected from [insert Contracting Body name] from time of collection to time of delivery to addressee or, in the case of DSA, to Royal Mail access point
2. Mail Inspection (Lot 1 & 4 only) - please remove if N/A.
   1. The Service Provider(s) and, where relevant when DSA utilised, Royal Mail shall be granted reasonable rights of access to open mailing bags and inspect Mailing Items (but not their contents) in order to verify compliance with the Requirements of the Call off contract in accordance with the provisions set out in the Service Provider(s) User Guide. For the avoidance of doubt, envelopes shall remain unopened.
3. BENCHMARKING
   1. The Service Provider(s) shall assist (free of charge) [insert Contracting Body name] in benchmarking the Services every 6 months for the duration of the Call off contract in order to compare the charges offered and quality of service received against comparable quantities of comparable services provided in the UK by the Service Provider(s) to any public/private sector organisation.
4. PILOTS
   1. The Service Provider(s) shall carry out free of charge pilots/trials of the Goods and/or Services as requested by [insert Contracting Body name]. The duration of such pilots shall be agreed between [insert Contracting Body name] and the Service Provider(s). The successful conclusion of these pilots shall not guarantee the award of a longer term Call off contract by the Contracting Body.
5. OPERATIONAL CHECKS AND AUDITS
   1. The Service Provider(s) shall carry out such operational checks and audits as are required to ensure the most cost effective and efficient provision of the services. The frequency of such checks and audits to be agreed with the [insert Contracting Body name] dependent on the Services provided.
6. ACCOUNT MANAGEMENT
   1. The Service Provider(s) will provide an appropriate level of account management which shall include but not be limited to:

* sales and marketing;
* contract management and governance;
* implementation activity and planning;
* industry Best Practice; and
* opportunities for innovation.

1. IMPLEMENTATION
   1. The Service Provider(s) shall work in good faith with [insert Contracting Body name] to develop an Implementation Plan.
   2. The Implementation Plan may include, but shall not be limited to, any or all of the following subject areas. The exact scope may vary depending upon the nature of the Service to be provided and Contracting Body Requirements.
2. PRE SALES ACTIVITIES, INCLUDING:

* identifying and engaging stakeholders;
* Contracting Body meetings to ascertain Requirements, including business drivers and the case for change;
* developing and agreeing the Contracting Bodies success criteria;
* general site assessment;
* identifying and confirming Collection Locations;
* assessing Mailing Profiles, including risk, security and criticality;
* exploring Service offerings;
* determining appropriateness of pilots;
* developing opportunity assessments, including cost of change; and
* exploring synergistic opportunities, e.g. upstream, downstream and collaborative aspects.
* ensuring integration with Contracting Body’s secure network (Hybrid Mail)

1. IMPLEMENTATION ACTIVITY, INCLUDING:

* Requirements verification;
* detailed site assessment;
* IT Requirements planning and implementation;
* base stock Requirements and procurement;
* free issue materials;
* defining collection points and site access protocols;
* agreeing Indicia;
* agreeing returns handling;
* agreeing preparation, documentation and hand-over Requirements;
* developing communications plans;
* undertaking user training;
* developing User Guides; and
* carrying out test process dry runs.
* mail item templates (hybrid mail)
* Agreeing scope of Mail Audits, Mail consultancy services (where appropriate
* Agreeing milestones and targets for Mail Audits and Mail consultancy services (where appropriate)
* Agree the format, process and timescales on which data is transferred from the Contracting Body to the Service Provider(s) and vice versa

1. COMMERCIAL ACTIVITIES, INCLUDING:

* agreeing Service Levels and Service Credits where different from the baseline model;
* agreeing alternative and additional Call off contract terms, where appropriate;
* agreeing final Service scope;
* agreeing pricing;
* agreeing ‘go live’ date;
* signing the Call off contract.

1. POST-IMPLEMENTATION ACTIVITIES, INCLUDING:

* reviewing operations and Services;
* assessing benefits derived;
* providing service improvement plans, where appropriate; and
* identifying future opportunities.
* each Implementation Plan shall include a glossary of terms.
* Implementation Plans shall be provided on a free of charge basis and shall be produced electronically in an MS readable format.

1. CONTRACTING BODY USER GUIDES
   1. The Service Provider(s) shall work in good faith with [insert Contracting Body name] to develop a User Guide for each Contracting Body Call off contract as may be awarded from time to time.
   2. User Guides shall provide detailed instructions pertaining to the operation of the Service(s) and may include, but shall not be limited to, any or all of the following subject areas:

* addressing standards;
* the Service Provider(s) Mail Indicia;
* forecasting Requirements;
* Down Stream Access Requirements (where applicable);
* mail piece accreditation for Mailsort discounts;
* cost of change tools;
* mail preparation, sortation and presentation
* mail verification and revenue protection;
* return addresses and undeliverable mail;
* mail item templates (hybrid mail); and
* value added services.
  1. Each User Guide shall include a glossary of terms.
  2. User Guides shall be provided on a free of charge basis and shall be produced electronically in an MS readable format.
  3. User Guides shall be reviewed and updated as appropriate to reflect changes in routine operational practice. Any changes must be agreed in advance and in writing with the Contracting Body, such agreement not to be unreasonably withheld.

1. REPORTING AND KEY PERFORMANCE MEASURES: *Monthly Reports*
   1. The Service Provider(s) will provide weekly/monthly/quarterly/annually reports to [insert Contracting Body name] for the Goods and/or Services provided. The monthly reports shall include but shall not be limited to the following content:

* Performance against the Service Levels detailed in this Appendix H, including where appropriate to the Service Provider(s) performance, information on Mailing delivery failures by postcode area and/or postcode district ;
* Breakdown of Transaction Activity by day:
  + - Quantity of Primary Sortations ;
  + - Quantity of Default Sortations ;
* Breakdown of daily committed expenditure by Contracting Body;
* Complaints, Issues and Risks; including proposed remedial actions or actions taken
* Reports shall be submitted to the Contracting Body by the Service Provider(s) no later than the XXth/rd working day of every calendar month covering the previous month’s activities.
* The Service Provider(s) shall provide reports electronically in MS or PDF format. Where appropriate, the reports shall include statistical data (including visual representation of the statistics where relevant) as well as written summaries explaining such data.
* The parties may agree additional reporting Requirements from time to time in accordance with the Change Control Procedure.
* All reports shall be provided in the format requested by the Contracting Body.

1. REPORTING AND KEY PERFORMANCE MEASURES (*Exception Reporting):*
   1. The Service Provider(s) shall provide reports to [insert Contracting Body name] detailing any exceptions to the service level targets including but not limited to:

* Mailing delivery failures;
* Incident reports;
* Mail pipeline failure;
* IT/server failure
* Printer failure
* Exception reports shall be provided to the Contracting Body immediately when the exception occurs.
* All exception reports shall be provided in the format requested by the Contracting Body.

1. REPORTING AND KEY PERFORMANCE MEASURES: *(Key Performance Measures):*
   1. The Service Provider(s) performance will be measured against the Service Level Targets
   2. Where any of the Service Levels are not met, the Service Provider(s) shall pay to the Contracting Body (as an adjustment to Charges) the Service Credits in that Schedule. The parties specifically acknowledge that such Service Credits are a reasonable adjustment to Charges to reflect the reduced Service given and do not in any way form a penalty. Service Credits shall only apply where failure to meet the Service Levels are directly attributable to the Service Provider(s).
2. ACCOUNT MANAGEMENT
   1. The Service Provider(s) will provide an appropriate level of account management.
   2. Account management will include but not be limited to:

* Sales and marketing;
* Contract management and governance, including a complaints escalation procedure;
* Implementation activity and planning
* Training and Training Guides/User Guides
* Provision of Management Information;
* Industry Best Practice;
* Opportunities for innovation.
* Monthly invoices, broken down by cost centre, business area etc. where requested by the Contracting Body;
* Regular review meetings to discuss performance:
* Provision of a helpdesk facility

APPENDIX G

SERVICE PROVIDER TABLE

The table below details the Service Provider(s) that were successfully awarded a Lot(s) under the Postal Goods and Services Framework Agreement (RM1063):

|  |  |  |
| --- | --- | --- |
| LOT 1 | LOT 2 | LOT 3 |
| DX NETWORK SERVICES LIMITED | ACCESSPLUS MARKETING SERVICES LTD Banner BMC | ACCESSPLUS MARKETING SERVICES LTD Banner BMC |
| FINANCIAL DATA MANAGEMENT PLC | CANON (UK) LTD | CANON (UK) LTD |
| OPUS TRUST MARKETING LTD | COMPUTERSHARE INVESTOR SERVICES PLC | CAPITA BUSINESS SERVICES LTD |
| PARAGON UK LTD | FINANCIAL DATA MANAGEMENT PLC | CFH DOCMAIL LTD |
| POSTAL CHOICES SOUTH WEST LTD (ONEPOST) | FUNASSET SOFTWARE LTD | COMPUTERSHARE INVESTOR SERVICES PLC |
| POSTALSORT LIMITED | NEOPOST LIMITED | CRITIQOM LTD |
| ROYAL MAIL GROUP LTD | PITNEY BOWES LIMITED | FINANCIAL DATA MANAGEMENT PLC |
| WHISTL UK LIMITED | RICOH UK LTD | FRANCOTYP-POSTALIA LIMITED |
| UK MAIL LTD | SEFAS INNOVATION LTD | GI SOLUTIONS GROUP LTD |
|  | SERVICE LEVEL MANAGEMENT LTD | NEOPOST LIMITED |
|  | WHISTL UK LIMITED | OPUS TRUST MARKETING LTD |
|  | XEROX (UK) LTD | PITNEY BOWES LIMITED |
|  |  | PSL PRINT MANAGEMENT LTD |
|  |  | RICOH UK LTD |
|  |  | SERVICE LEVEL MANAGEMENT LTD |
|  |  | SWISS POST SOLUTIONS LTD |
|  |  | SYNERTEC LIMITED |
|  |  | WHISTL UK LIMITED |
|  |  | UK MAIL LTD |
|  |  | XEROX (UK) LTD |
| LOT 4 | LOT 5 | LOT 6 |
| DX NETWORK SERVICES LIMITED | BOWE SYSTEC LTD | RICOH UK LTD |
| G3 WORLDWIDE MAIL (UK) LIMITED | TMR EXECUTIVE AGENCY PLC | SWISS POST SOLUTIONS LTD |
| OPUS TRUST MARKETING LTD | FRANCOTYP-POSTALIA LIMITED | XEROX (UK) LTD |
| ROYAL MAIL GROUP LTD | NATIONWIDE FRANKING SENSELTD |  |
| WHISTL UK LIMITED | NEOPOST LIMITED |  |
| UK MAIL LTD | PITNEY BOWES LIMITED |  |
|  |  |  |
| LOT 7 | | |
| CANON (UK) LTD | EDM GROUP | SWISS POST SOLUTIONS LTD |
| CAPITA BUSINESS SERVICES LTD | EXELA TECHNOLOGIES LTD (formerly BANCTEC) | THE STATIONERY OFFICE LTD (TSO) |
| CIVICA UK LTD | FINANCIAL DATA MANAGEMENT PLC | WHISTL UK LIMITED |
| CLEARDATA UK LTD | NEOPOST LIMITED | TNT UK LTD |
| COMPUTERSHARE INVESTOR SERVICES PLC | PARAGON UK LTD | UK MAIL LTD |
| DDC OUTSOURCING SOLUTIONS | RICOH UK LTD | XEROX (UK) LTD |

APPENDIX H

**SERVICE LEVELS**

1. GENERAL PROVISIONS
   1. The Service Provider(s) shall provide a proactive Call Off Contract manager to ensure that all Service Levels in the Call Off Contract and Key Performance Indicators in the Framework Agreement are achieved to the highest standard throughout, respectively, the Call Off Contract Period and the Framework Period.
   2. The Service Provider(s) shall provide a managed service through the provision of a dedicated Call Off Contract manager where required on matters relating to:
      1. **[**Supply performance;
      2. Quality of Goods and/or Services;
      3. Contracting Body support;
      4. Complaints handling
      5. Points of escalation
      6. Timely and accurate provision of management information; and
      7. Accurate and timely invoices.**]**

[Guidance Note: Consider if the above list should be refined or further supplemented; and include your corresponding Service Levels in the table in Annex 1 to Part A of the Call Off Schedule]

* 1. The Service Provider(s) accepts and acknowledges that failure to meet the Service Level Performance Measures set out in the table in Annex 1 to Part A of the Call Off Schedule will result in Service Credits being issued to Contracting Bodys.

1. PRINCIPAL POINTS
   1. The objectives of the Service Levels and Service Credits are to:
      1. Ensure that the Goods and/or Services are of a consistently high quality and meet the requirements of the Contracting Body;
      2. Provide a mechanism whereby the Contracting Body can attain meaningful recognition of inconvenience and/or loss resulting from the Service Provider(s) failure to deliver the level of service for which it has contracted to deliver; and
      3. Incentivise the Service Provider(s) to comply with and to expeditiously remedy any failure to comply with the Service Levels.
2. SERVICE LEVELS
   1. Annex 1 to Part A of the Call Off Schedule sets out the Service Levels the performance of which the Parties have agreed to measure.
   2. The Service Provider(s) shall monitor its performance of the Call Off Contract by reference to the relevant performance criteria for achieving the Service Levels shown in Annex 1 to Part A of the Call Off Schedule (the “**Service Level Performance Criteria**”) and shall send the Contracting Body a Performance Monitoring Report detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of the Call Off Schedule.
   3. The Service Provider(s) shall, at all times, provide the Goods and/or Services in such a manner that the Service Levels Performance Measures are achieved.
   4. If the level of performance of the Service Provider(s) of any element of the provision by it of the Goods and/or Services during the Call Off Contract Period:
      1. is likely to or fails to meet any Service Level Performance Measure or
      2. is likely to cause or causes a Critical Service Failure to occur,
      3. the Service Provider(s) shall immediately notify the Contracting Body in writing and the Contracting Body, in its absolute discretion and without prejudice to any other of its rights howsoever arising including under Clause 13 of the Call Off Contract (Service Levels and Service Credits), may:
         1. require the Service Provider(s) to immediately take all remedial action that is reasonable to mitigate the impact on the Contracting Body and to rectify or prevent a Service Level Failure or Critical Service Level Failure from taking place or recurring; and
         2. if the action taken under paragraph (a) above has not already prevented or remedied the Service Level Failure or Critical Service Level Failure, the Contracting Body shall be entitled to instruct the Service Provider(s) to comply with the Rectification Plan Process; or
         3. if a Service Level Failure has occurred, deduct from the Call Off Contract Charges the applicable Service Level Credits payable by the Service Provider(s) to the Contracting Body in accordance with the calculation formula set out in Annex 1 of Part A of the Call Off Schedule; or
         4. if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure in accordance with Clause 14 of the Call Off Contract (Critical Service Level Failure) (including subject, for the avoidance of doubt, the proviso in Clause 14.1.2 of the Call Off Contract in relation to Material Breach).
   5. Approval and implementation by the Contracting Body of any Rectification Plan shall not relieve the Service Provider(s) of any continuing responsibility to achieve the Service Levels, or remedy any failure to do so, and no estoppels or waiver shall arise from any such Approval and/or implementation by the Contracting Body.
3. SERVICE CREDITS
   1. Annex 1 to Part A of the Call Off Schedule sets out the formula used to calculate a Service Credit payable to the Contracting Body as a result of a Service Level Failure in a given service period which, for the purpose of the Call Off Schedule, shall be a recurrent period of **one Month** during the Call Off Contract Period (the “**Service Period**”).
   2. Annex 1 to Part A of the Call Off Schedule includes details of each Service Credit available to each Service Level Performance Criterion if the applicable Service Level Performance Measure is not met by the Service Provider(s).

[**Guidance Note:** please populate the table in Annex 1 to Part A of the Call Off Schedule]

* 1. The Contracting Body shall use the Performance Monitoring Reports supplied by the Service Provider(s) under Part B (Performance Monitoring) of the Call Off Schedule to verify the calculation and accuracy of the Service Credits, if any, applicable to each relevant Service Period.
  2. Service Credits are a reduction of the amounts payable in respect of the Goods and/or Services and do not include VAT. The Service Provider(s) shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in Annex 1 of Part A of the Call Off Schedule.

1. NATURE OF SERVICE CREDITS
   1. The Service Provider(s) confirms that it has modelled the Service Credits and has taken them into account in setting the level of the Call Off Contract Charges. Both Parties agree that the Service Credits are a reasonable method of price adjustment to reflect poor performance.
2. SERVICE CREDIT cap
   1. For the purposes of the Call Off Contract the **Service Credit Cap** means:
      * 1. In the period from the Call Off Commencement Date to the end of the first Call Off Contract Year **[xxx]%** of the Estimated Year 1 Call Off Contract Charges; and
        2. During the remainder of the Call Off Contract Period, **[xxx]** % of the Call Off Contract Charges payable to the Service Provider(s) under the Call Off Contract in the period of 12 Months immediately preceding the Month in respect of which Service Credits are accrued.

[Guidance Note: please populate the yellow boxes above in this paragraph 7 with appropriate percentages. Please refer to Clause 13.5.1 of the Call Off Terms]

* 1. Service Provider(s)’s performance will be measured against the above distinct Service Elements as defined within Part A (Service Levels and Service Credits) of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring).
  2. The Service Provider(s) shall at all times during the Call Off Contract Period provide the Goods and/or Services to meet or exceed the Service Level Performance Measure for each Service Level Performance Criterion.
  3. The Service Provider(s) acknowledges that any Service Level Failure may have a material adverse impact on the business and operations of the Contracting Body and that it shall entitle the Contracting Body to the rights set out in the provisions of Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) including the right to any Service Credits.
  4. The Service Provider(s) acknowledges and agrees that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Contracting Body as a result of the Service Provider(s)’s failure to meet any Service Level Performance Measure.
  5. A Service Credit shall be the Contracting Body’s exclusive financial remedy for a Service Level Failure except where:
     1. the Service Provider(s) has over the previous (twelve) 12 Month period accrued Service Credits in excess of the Service Credit Cap;
     2. the Service Level Failure:
        1. exceeds the relevant Service Level Threshold;
        2. has arisen due to a Prohibited Act or wilful Default by the Service Provider(s) or any Service Provider(s) Personnel; and
        3. results in:
           1. the corruption or loss of any Contracting Body Data (in which case the remedies under Clause 34.2.8 (Protection of Contracting Body Data) shall also be available); and/or
           2. the Contracting Body being required to make a compensation payment to one or more third parties; and/or
     3. The Contracting Body is otherwise entitled to or does terminate the Call Off Contract pursuant to Clause 41 (Contracting Body Termination Rights) except Clause 41.6 (Termination Without Cause).
  6. Not more than once in each Contract Year the Contracting Body may, on giving the Service Provider(s) at least three (3) Months’ notice, change the weighting of Service Level Performance Measure in respect of one or more Service Level Performance Criteria and the Service Provider(s) shall not be entitled to object to, or increase the Call Off Contract Charges as a result of such changes, provided that:
     1. the total number of Service Level Performance Criteria for which the weighting is to be changed does not exceed the number set out, for the purposes of this clause, in Annex 2 to Part A of Call Off Schedule 6: Service Levels, Service Credits and Performance Monitoring;
     2. the principal purpose of the change is to reflect changes in the Contracting Body’s business requirements and/or priorities or to reflect changing industry standards; and
     3. there is no change to the Service Credit Cap.

1. CRITICAL SERVICE LEVEL FAILURE
   1. On the occurrence of a Critical Service Level Failure:
      1. any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and
      2. the Contracting Body shall (subject to the Service Credit Cap set out in Clause 36.2.1(a) (Financial Limits)) be entitled, on written notice to the Service Provider(s), to withhold and retain as compensation for the Critical Service Level Failure a sum equal to any Call Off Contract Charges which would otherwise have been due to the Service Provider(s) in respect of that Service Period (“**Compensation for Critical Service Level Failure**"),

provided that the operation of this Clause 14.1 shall be without prejudice to the right of the Contracting Body to terminate the Call Off Contract and/or to claim damages from the Service Provider(s) for material Default as a result of such Critical Service Level Failure.

* 1. The Service Provider(s):
     1. agrees that the application of Clause 14.1 is commercially justifiable where a Critical Service Level Failure occurs; and

acknowledges that it has taken legal advice on the application of Clause 14.1 and has had the opportunity to price for that risk when calculating the Call Off Contract Charges.

ANNEX 1 TO PART A: SERVICE LEVELS AND SERVICE CREDITS TABLE

The Service Credits shall be calculated on the basis of the following formula:

[Example:

|  |  |  |
| --- | --- | --- |
| Formula: x% (Service Level Performance Measure) - x% (actual Service Level performance) | = | x% of the Call Off Contract Charges payable to the Contracting Body as Service Credits to be deducted from the next Valid Invoice payable by the Contracting Body |
| Worked example: 98% (e.g. Service Level Performance Measure requirement for Service Level Performance Criterion of accurate and timely billing to Contracting Body) - 75% (e.g. actual performance achieved against this Service Level Performance Criterion in a Service Period) | = | 23% of the Call Off Contract Charges payable to the Contracting Body as Service Credits to be deducted from the next Valid Invoice payable by the Contracting Body] |

| Service Levels | | | | Service Credit for each Service Period |
| --- | --- | --- | --- | --- |
| Service Level Performance Criterion | Key Indicator | Service Level Performance Measure | Service Level Threshold |
| Generic Requirements: | | | | |
| [Accurate and timely billing of Contracting Body | Accuracy /Timelines | at least 98% at all times | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Access to Contracting Body support:  Service request logs should be placed with the helpdesk by email, telephone or fax.  Telephone support will be provided as a minimum between the normal office hours listed: Telephone Support Monday – Friday 09:00 – 17:00 | Availability | at least 98% at all times | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Complaints Handling:  a). Acknowledgement of complaint within 24 hours of receipt,  b). Resolution of mitigating action advised within 48 hours of receipt of complaint. | Availability/Timelines | At least 98% at all times | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Accurate and timely management information | Accuracy /Timelines | at least 98% at all times | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Timely provision of the Services [\*\* hours a day, \*\* days a week. | Services Availability | at least 98% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure] |

[Guidance Note: Lot Specific: Please delete the SLA’s below which are not relevant to your requirement]

| Service Level Performance Criterion | Key Indicator | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- |
| Lot 1: Collection and Delivery | | | | |
| On time and accurate mailing collection | Accuracy and Timeliness | At least 98% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| (DSA): On time mailing delivery:  Service Provider(s) offering DSA services shall deliver to Royal Mail IMC within delivery window. | Timeliness | At least 98% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| (DSA) Accuracy of delivery (including loss or damage) to the Royal Mail Access point (IMC) | Accuracy | 100% accuracy per calendar month | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| (Secure Mail): On time delivery to addressee. | Measured by Service Provider(s) track and trace facility | 100% of secure delivery items to be delivered on time | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| On time delivery of mailing materials and equipment | Measured by timely and accurate delivery | 100% of order delivered within 7 working days | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Service Level Performance Criterion | Key Indicator | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| Lot 2: Hybrid Mail On Site Solutions: | | | | |
| Software Up-Time  High up-time of software is critical and represents the amount of time the software and Hybrid Mail solution is fully functional within the maintenance support hours of this Service Level  Software and the Hybrid Mail solution up-time must maintain an average of 98% and a minimum of 97% | Monitored and reported by the Contracting Body | Solution up-time must maintain an average of 97%. | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Engineer Maintenance Support:  Engineer support will be provided as a minimum of 7 working hours between the normal service hours listed:  Engineers Support Monday - Friday  Standard 09:00 – 17:00 | Monitored by the Service Provider(s) and the Contracting Body | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Notification of software updates must be provided 48 hours prior to the update taking place. | Notification email should be sent by Service Provider(s) to Contracting Body nominated representative. | At least 98% of the time. | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |

| Service Level Performance Criterion | Key Indicator | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- |
| Lot 3: Hybrid Mail Off Site Solution | | | | |
| Service Provider(s) Property Up Time:  Printing and finishing equipment to be available 99% of the time. | Data provision confirming printing and output/ | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Relevant routing/data transfer medium (web, software etc) availability. | Service Provider(s) to provide data confirming routing availability | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| On time delivery to addressee. | Measured by timely and accurate delivery | 98% of items to be delivered on time | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |

| Service Level Performance Criterion | Key Indicator | | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- | --- |
| Lot 4: International Mail Services | | | | | |
| On-time Mailing collection | | Mailing collected from Mailing Location within +/- 30 minutes of agreed collection time | At least 98% of collections made in a calendar month; | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| On-time Mailing delivery | | Mailing delivered to Overseas Postal Authority within allocated delivery window. | At least 98% of deliveries in a calendar month; | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Accuracy of delivery (including loss or damage) to Overseas Postal Authority access point.  Zero delivery errors to Overseas Postal Authority for deliveries made in a calendar Month | | Zero delivery errors to Overseas Postal Authority for deliveries made in a calendar Month | 100% accuracy | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |

| Service Level Performance Criterion | Key Indicator | | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- | --- |
| Lot 5: Franking Machines and Mail Room Equipment (including Associated Services and Consumables) | | | | | |
| Equipment Up-Time  High up-time of equipment is critical and represents the amount of time the equipment is fully functional within the maintenance support hours of this Service Level  Equipment up-time must maintain an average of 98% and a minimum of 97% for all individual equipment. | | Monitored and reported by the Contracting Body | Equipment up-time must maintain an average of 97% for all individual equipment. | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Engineer Maintenance Support:  Engineer support will be provided as a minimum of 7 working hours between the normal service hours listed:  Engineers Support Monday - Friday  Standard 09:00 – 17:00 | | Monitored by the Service Provider(s) and the Contracting Body | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| On time delivery of equipment and consumables. | | Measured by timely and accurate delivery | 100% of order delivered within [7] working days | [ ] | 0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure |

| Service Level Performance Criterion | Key Indicator | | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- | --- |
| Lot 6: On Site Inbound Mail Solutions (including On Site Digital Enablement Software Solutions) | | | | | |
| On time and accurate delivery of mail in the format agreed between the Contracting Body and Service Provider(s). | | Accuracy and Timeliness | At least 98% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Accurate and secure screening of mail items | | All items to be screened & defined in a daily report | 100% of items screened at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Software Up-Time  High up-time of software is critical and represents the amount of time the software and Hybrid Mail solution is fully functional within the maintenance support hours of this Service Level  Software and the Hybrid Mail solution up-time must maintain an average of 98% and a minimum of 97% | | Monitored and reported by the Contracting Body | Solution up-time must maintain an average of 97%. | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Engineer Maintenance Support:  Engineer support will be provided as a minimum of 7 working hours between the normal service hours listed:  Engineers Support Monday - Friday  Standard 09:00 – 17:00 | | Monitored by the Service Provider(s) and the Contracting Body | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Notification of software updates must be provided 48 hours prior to the update taking place. | | Notification email should be sent by Service Provider(s) to Contracting Body nominated representative. | At least 98% of the time. | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |

| Service Level Performance Criterion | Key Indicator | | Service Level Performance Measure | Service Level Threshold | Service Credit for each Service Period |
| --- | --- | --- | --- | --- | --- |
| Lot 7: Off Site Digital Inbound Mail Solutions | | | | | |
| Service Provider(s) Property Up Time:  All scanning, digital imaging and equipment to be available 99% of the time. | | Data provision confirming scanning and up time availability | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| Relevant routing/data transfer medium (web, software etc) availability. | | Service Provider(s) to provide data confirming routing availability | At least 99% at all times | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |
| On time delivery of digital inbound mail items to Contracting Body. | | Measured by Service Provider(s)s MI provision | 98% of items to be delivered on time | [ ] | 2% Service Credit gained for each percentage under the specified Service Level Performance Measure |

ANNEX 2 TO PART A: CRITICAL SERVICE LEVEL FAILURE

[In relation to [     ] a Critical Service Level Failure shall include a delay in producing [     ] ordered by the Contracting Body in excess of twenty four (24) hours more than once in any [three (3) Month] period or more than three (3) times in any rolling twelve (12) Month period.]

[In relation to [ ] a Critical Service Level Failure shall include a loss of [    ] during core hours (08:00 – 18:00 Mon – Fri excluding bank holidays) to the [ ] for more than twenty four (24) hours accumulated in any [three (3) Month] period, or forty eight (48) hours in any rolling twelve (12) Month period.]

[*other* ]

[Guidance Note: Clause 14 of the Call Off Terms provides the Contracting Body with a right to retain and deduct Call Off Contract Charges as compensation or terminate this Call Off Contract for Material Breach in the event of a Critical Service Level Failure. See also the definition of Critical Service Level Failure. The intention is to provide certainty over what level of performance by the Service Provider(s) in relation to Service Levels would trigger the aforementioned rights. See the above examples and include any specific events that would constitute Critical Service Level Failure]

[The number of Service Level Performance Criteria for the purpose of Clause 13.6.1 shall be [ ]]

[Guidance Note: Clause 13.6 gives the Contracting Body the ability to change the weighting of Service Level Performance Measures provided that, among other things, the number of Service Level Performance Criteria does not exceed a number designated in this Call Off Contract for that purpose. Where indicated above, please an appropriate number of Service Level Performance Criteria e.g. 10. If this number is exceeded then the Service Provider(s) cannot unilaterally change the Service Level Performance Measures]

PART B: PERFORMANCE MONITORING

1. PRINCIPAL POINTS
   1. Part B to the Call Off Schedule provides the methodology for monitoring the provision of the Goods and/or Services:
      1. to ensure that the Service Provider(s) is complying with the Service Levels; and
      2. for identifying any failures to achieve Service Levels in the performance of the Service Provider(s) and/or provision of the Goods and/or Services ("Performance Monitoring System").
   2. Within twenty (20) Working Days of the Call Off Commencement Date the Service Provider(s) shall provide the Contracting Body with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
2. REPORTING OF SERVICE FAILURES
   1. The Service Provider(s) shall report all failures to achieve Service Levels and any Critical Service Level Failure to the Contracting Body in accordance with the processes agreed in paragraph 9.2 of Part B of the Call Off Schedule.
3. PERFORMANCE MONITORING AND PERFORMANCE REVIEW
   1. The Service Provider(s) shall provide the Contracting Body with performance monitoring reports (“**Performance Monitoring Reports**”) in accordance with the process and timescales agreed pursuant to paragraph 9.2 of Part B of the Call Off Schedule, which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
      1. for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
      2. a summary of all failures to achieve Service Levels that occurred during that Service Period;
      3. any Critical Service Level Failures and details in relation thereto;
      4. for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
      5. the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and
      6. such other details as the Contracting Body may reasonably require from time to time.
   2. The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a monthly basis (unless otherwise agreed). The Performance Review Meetings will be the forum for the review by the Service Provider(s) and the Contracting Body of the Performance Monitoring Reports. The Performance Review Meetings shall (unless otherwise agreed):
      1. take place within one (1) week of the Performance Monitoring Reports being issued by the Service Provider(s);
      2. take place at such location and time (within normal business hours) as the Contracting Body shall reasonably require unless otherwise agreed in advance;
      3. be attended by the Service Provider(s) Representative and the Contracting Body's Representative; and
      4. Be fully minuted by the Service Provider(s). The prepared minutes will be circulated by the Service Provider(s) to all attendees at the relevant meeting and also to the Contracting Body's Representative and any other recipients agreed at the relevant meeting. The minutes of the preceding month's Performance Review Meeting will be agreed and signed by both the Service Provider(s) Representative and the Contracting Body's Representative at each meeting.
   3. The Contracting Body shall be entitled to raise any additional questions and/or request any further information regarding any failure to achieve Service Levels.
   4. The Service Provider(s) shall provide to the Contracting Body such supporting documentation as the Contracting Body may reasonably require in order to verify the level of the performance by the Service Provider(s) and the calculations of the amount of Service Credits for any specified Service Period.
4. SATISFACTION SURVEYS
   1. In order to assess the level of performance of the Service Provider(s), the Contracting Body may undertake satisfaction surveys in respect of the Service Provider(s) provision of the Goods and/or Services.
   2. The Contracting Body shall be entitled to notify the Service Provider(s) of any aspects of their performance of the provision of the Goods and/or Services which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with the Call Off Contract.
   3. All other suggestions for improvements to the provision of Goods and/or Services shall be dealt with as part of the continuous improvement programme pursuant to Clause 18 of the Call Off Contract (**Continuous Improvement**).

12/08/2013

ANNEX 1 TO PART B: ADDITIONAL PERFORMANCE MONITORING REQUIREMENTS

[Guidance Note: Please see the Guidance Note on Performance Monitoring in the Order Form, Clause 19 of the Call Off Terms, and the provisions of the Call Off Schedule (Service Levels, Service Credits and Performance Monitoring). The Contracting Body to insert any further details of Performance Monitoring as stipulated during a Further Competition Procedure.

APPENDIX I:

SERVICE PROVIDER(S) RESPONSE TEMPLATE:

This document allows the Service Provider(s) to respond to your invitation to quote. If you are using an e-Sourcing suite this document can either be uploaded or the document can be built into the e-Sourcing system.

[Guidance Note: If you have built the questions within the eSourcing system, you do not need to populate and attached the Service Provider template.]



APPENDIX J:

EVALUATION MODEL

[Guidance Note: Contracting Bodies will need to create their own Evaluation model in a word format and attach the document within the Toolkit 2 at Appendix J.

The evaluation model document is to provide visibility to the Service Provider(s) on each the relevant questions under the quality criteria and what the evaluator will be considering as part of their evaluation of the Service Provider(s) response.

An example of the evaluation model has been provided below for your consideration.

APPENDIX J

EXAMPLE ONLY



Restricted - Commercial

EVALUATION MODEL

Provision of Postal Goods and/or Services to

[insert organisation name]

RM1063

General Notes:

All questions must be answered. Failure to complete any part of the Invitation to Quote (ITQ) or to submit any documents requested may result in disqualification.

The evaluation team requires sufficient information to give confidence that the proposed provider(s) can deliver effective goods and/or services to [insert organisation name]

Scoring Method and Definition:

The evaluation will cover all areas of the ITQ.

An important element of the evaluation criteria is the percentage weightings applied to each section, where the higher the percentage in relation to the section, the higher the importance of that particular section.

The evaluation of ITQ’s for this ‘further-competition’ focuses on the following two weighted aspects; Quality and Cost Effectiveness.

The following criteria and weightings shall be applied to Framework Supplier’s compliant tenders submitted through the Further Competition:

|  |  |  |  |
| --- | --- | --- | --- |
| Criteria No. | Criteria | Sub-Criteria | % Weightings (variance of +/- 10%) |
| A | Quality | | 70% |
|  | A1 | Provision of Goods and/or Services: Demonstrate a good understanding of the Goods and/or Services required to meet the Contracting Body requirements. | 0-10% |
|  | A2 | Methodology: e.g. a clear demonstration of how the Goods and/or Services will be fulfilled and delivered. | 0-10% |
|  | A3 | Technical assistance: a clear demonstration of the technical assistance that will be provided during implementation | 0-5% |
|  | A4 | Implementation plan proposed for delivering the required Goods and/or Services including lead times. | 0-10% |
|  | A5 | After sales service – demonstrate a robust after sales support structure is in place. | 0-10% |
|  | A6 | Security: demonstrate that all the security requirements of the Contracting Body can be met. | 0-10% |
|  | A7 | Environmental characteristics: what support can be offered to help the Contracting Body achieve any environmental considerations? | 0-5% |
|  | A8 | Service Levels and Key Performance Indicators (KPIs): demonstrate a clear commitment to meeting the SLA’s and KPI’s. | 0-10% |
| B | Price and Charging Structure | | 30% |
|  | B1 | Cost effectiveness: do the prices demonstrate value for money for your organisation. | 0-25% |
|  | B2 | Running costs | 0-5% |

The following scoring will be applied by the evaluator to each question:

|  |  |  |  |
| --- | --- | --- | --- |
| Evaluation score | | | Question Criteria |
| 4 | = | 100% | Excellent response suggesting the specification will be satisfactorily met in all relevant respects with added value. |
| 3 | = | 75% | Good response suggesting the specification will be satisfactorily met in all relevant respects. |
| 2 | = | 50% | Weak response suggesting there may be shortcomings of a less serious nature in the relevant aspect of service. |
| 1 | = | 25% | Poor or unsatisfactory response showing limited evidence of ability to meet requirement – omissions/weakness in key areas. |
| 0 | = | 0% | No response or totally inadequate. None of the evaluation points have been covered within the response. |

OR

3 = 100% fully compliant with the Requirement. All evaluation guidance points covered in detail with full supporting evidence provided

2 = 66% some reservations/constraints. The majority of the evaluation guidance points are covered in detail but with some minor shortfalls and supporting evidence lacking.

1 = 33% Major reservations/constraints. Some of the evaluation guidance points are covered but with major shortfalls, there is little or no evidence/supporting information

0 = 0% No response or totally inadequate. None of the evaluation points have been covered within the response

There may be the need to revisit some of the scores in terms of scoring consistency, with a view to producing a final agreed consolidated score amongst evaluation team members.

Unless there are any compelling reasons to do otherwise [insert organisation name] intends to award the business to the highest scoring service provider based on the responses received and evaluated as part of this ITQ process. However the [insert organisation name] reserve the right not to award all or any part of the business to the highest scoring service provider or to any service provider.

|  |
| --- |
| LOT X – INSERT LOT NAME DESCRIPTION: PART A: QUALITY |
| [A4] Implementation plan proposed for delivering the required Goods and/or Services including lead times.  The Service Provider shall detail its implementation plan for providing the goods and/or services required for each Lot(s) for which they are bidding.  The response should include, but is not limited to:  [GUIDANCE NOTE: The Contracting Body is to clearly articulate their requirements in bullet point format.]   1. Insert here 2. Insert here 3. Insert here   [A4] How has the Service Provider detailed their implementation plan proposed for delivering the required Goods and/or Services (including lead times) to meet the Contracting Body requirements?  EVALUATION GUIDANCE NOTES:  [GUIDANCE NOTE: The Contracting Body is to clearly articulate what requirements the evaluator is to take into consideration; please see an example below of what requirements could be listed. This list is not exhausted and provided as an example only:  Evaluators should take into consideration the following points when evaluating the suppliers response;  The Service Provider should make reference to an implementation plan which including milestones. The following IMPLEMENTATION ACTIVITY are to be included within the proposed plan:   1. Requirements verification; 2. detailed site assessment; 3. IT Requirements planning and implementation; 4. base stock Requirements and procurement; 5. free issue materials; 6. defining collection points and site access protocols; 7. agreeing Indicia; 8. agreeing returns handling; 9. agreeing preparation, documentation and hand-over Requirements; 10. developing communications plans; 11. undertaking user training; 12. developing User Guides; and 13. carry out test process dry runs. 14. mail item templates (hybrid mail) 15. Agreeing scope of Mail Audits, Mail consultancy services (where appropriate 16. Agreeing milestones and targets for Mail Audits and Mail consultancy services (where appropriate) 17. Agree the format, process and timescales on which data is transferred from the Contracting Body to the Service Provider(s) and vice versa   Judging on the level of the response, evaluators should award a score based on the following:  4 = 100% Excellent response suggesting the specification will be satisfactorily met in all relevant respects with added value.  3 = 75% Good response suggesting the specification will be satisfactorily met in all relevant respects.  2 = 50% Weak response suggesting there may be shortcomings of a less serious nature in the relevant aspect of service.  1 = 25% Poor or unsatisfactory response showing limited evidence of ability to meet requirement – omissions/weakness in key areas.  OR …  3 = 100% fully compliant with the Requirement. All evaluation guidance points covered in detail with full supporting evidence provided  2 = 66% some reservations/constraints. The majority of the evaluation guidance points are covered in detail but with some minor shortfalls and supporting evidence lacking.  1 = 33% Major reservations/constraints. Some of the evaluation guidance points are covered but with major shortfalls, there is little or no evidence/supporting information  0 = 0% No response or totally inadequate. None of the evaluation points have been covered within the response |