Digital and IT Professional Services 2 (DIPS 2) RM6413

Neutral Vendor pre-market engagement



Government Commercial Agency

value for the nation

Housekeeping

- This is a pre-market engagement and GCA makes no commitment to the procurement of DIPS 2
- Everything discussed in this engagement is subject to change
- Treat this as an open and collaborative environment
- We will use Menti to gather feedback and engage

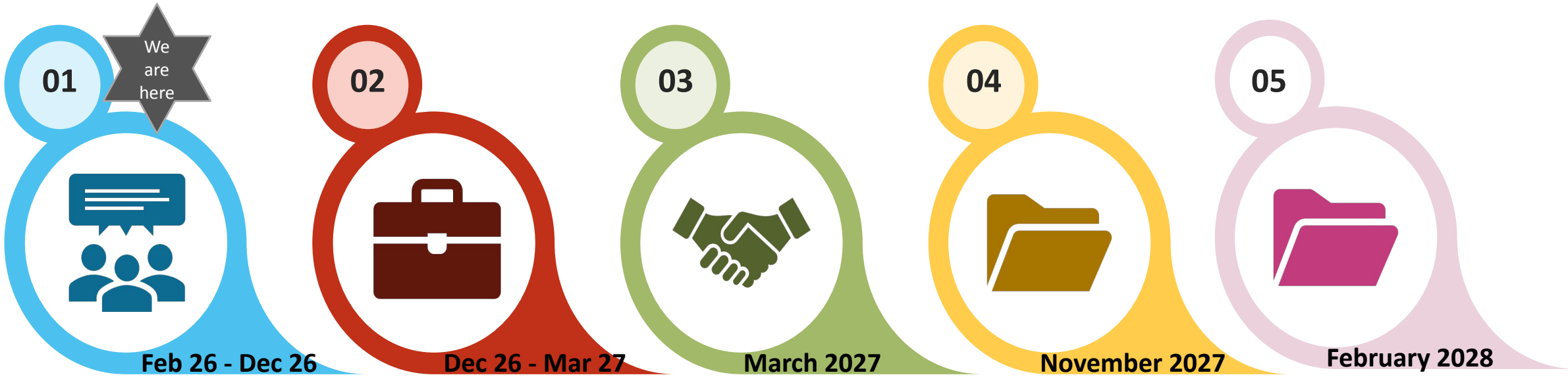
Agenda

- ❏ Housekeeping
- ❏ Welcome and introductions
- ❏ Indicative procurement timeline and structure
- ❏ DIPS 2 overview
- ❏ DIPS 2 TAC overview
- ❏ Neutral Vendor lot overview
- ❏ Pre-market feedback re NV experience
- ❏ NV process flow
- ❏ Next steps and closing remarks

Indicative procurement timeline and structure



Indicative procurement timeline: Lot 3



High level ITT process overview

01

ITT structure

- ❏ Competitive flexible procedure
- ❏ Multi stage
- ❏ Potential negotiation and / or dialogue stages for neutral vendor lot

02

ITT timeline

- ❏ Lot 1 and 2 will follow the standard approach 6 month timeline
- ❏ Potential longer timescale to be considered for the neutral vendor lot

03

ITT stages

Lot 1 and 2	**Neutral vendor lot**
Stage 1 CoP	Stage 1 CoP
Stage 2	Stage 2
	Stage 3
	Stage 4

04

Lot 1 and 2 compliance

Stage 1: FVRA, TAC, EL Insurance, Prompt Payment, CDP + PSQ (Carbon reduction plan, Modern Slavery, Social Value, certification, Cyber Essentials)

Stage 2: Quality assessment, Price assessment

05

Neutral Vendor lot compliance

Stage 1: FVRA, TAC, EL Insurance, Prompt Payment, CDP + PSQ, (Carbon reduction plan, Modern Slavery, Social Value, certification, Cyber Essentials)

Stage 2: Quality assessment, Price assessment

Recap of previous engagement



DIPS 2 Overview

KEY OBJECTIVES

- adopts competition by default
- effectively uses co-creation
- contracts for outcomes by default
- supports a transition to conflict scenario
- a one stop shop for Defence's digital and IT professional services needs

Area	Proposal
Commercial vehicle	Defence and Security framework, which provides for the future award of public contracts that are defence and security contracts ❏ 4+1+1 year term ❏ £2.8bn FTS inc VAT
Scope	❏ IT and digital professional services across full services lifecycle design, transition, deployment, testing, management, exit ❏ Includes programme and project management provisions ❏ Includes consultancy services, end user services, application services, cloud services, infrastructure services, networks, cyber and security services, RUN services, specialist and emerging technology services ❏ Ability to provide services across all security classifications and to deploy SC, DV, sole UK nationals ❏ Transition to conflict enablement
Framework structure	❏ Defence and security standard framework ❏ Lotting structure aligned to MoD requirements and enabling speed to market
Call-off mechanisms	❏ No minimum or maximum term for call offs and flexibility to choose appropriate extension ❏ Incorporation of competitive flexible procedure into further competition allowing POC, POV, discovery, negotiation, presentations etc to be used as part of a call off mechanism ❏ Competitive selection procedure, AWOC, rapid call off, downselection
Terms and conditions	❏ Possibility to use a 'Defence Call Off Schedule' ❏ Consideration given to flexibility in selecting appropriate terms ❏ Statements of Work

Lotting structure considerations

DIPS 2	Lot 1 Above £20m	Lot 2 £5m - £20m	Lot 3 Neutral Vendor Below £5m
No of suppliers (capped)	10	30	Uncapped for onboarding
Call off mechanism	❏ Competitive selection process ❏ AWOC ❏ Rapid call off ❏ Downselection		
Recommended max total contract value	N/A	£20m	£5m
Recommended min total contract value	£20m	£5m	No min
Max call off term	No max	No max	Recommended max 3 years
Evaluation approach	Gold FVRA	Silver FVRA	Gold FVRA (The NV)
	High barrier to entry	Medium barrier to entry	Low barrier to entry

*This is a draft and therefore GCA reserves the right to change the lotting structure

Draft DIPS 2 Neutral Vendor Service Scope

Requirements in scope:

1. Specialist Public Sector Procurement Services
2. Neutral Vendor Platform Implementation, Integration, Testing & Go-Live
3. Neutral Vendor Platform Availability, Support & Maintenance
4. Sourcing & Order Form Execution
5. Financial Management, Billing & Prompt Payment
6. Delivery Partner Onboarding & Supply Chain Enablement
7. End-User Support & Customer Service Operations
8. Reporting & Data Transfer
9. Compliance & Governance
10. Call-Off Contract Management

Draft DIPS 2 Neutral Vendor Service Scope - exclusions and restrictions

The Neutral Vendor must not under any circumstances:

- Compete with Neutral Vendor Delivery Partners for the delivery of technology services provided under DIPS 2
- Make decisions or influence the decision making about the downselection, onboarding or Call-Off Contract award process
- Draft responses to ITT clarification questions
- Be in breach of PA 2023 legislation in regards to supplier equal treatment through favouritism, lack of transparency or poor procedural and compliance evidence collation
- Onboard Neutral Vendor Delivery Partner through direct or indirect affiliation. This includes parent organisations or any organisations in which the Neutral Vendor Delivery Partner, or senior representatives of the Neutral Vendor Supplier, has a direct or indirect financial incentive.
- Charge Neutral Vendor Delivery Partners for services provided under this Framework. The Neutral Vendor shall fund the Neutral Vendor Managed Service through this Framework Agreement solely by the Neutral Vendor Charges.
- Supply any data or information obtained via the delivery of Framework Agreement to any direct or indirect affiliated organisations as detailed above for any reason other than to support the delivery of the Framework Agreement.

Draft DIPS 2 Delivery Partner Service Scope

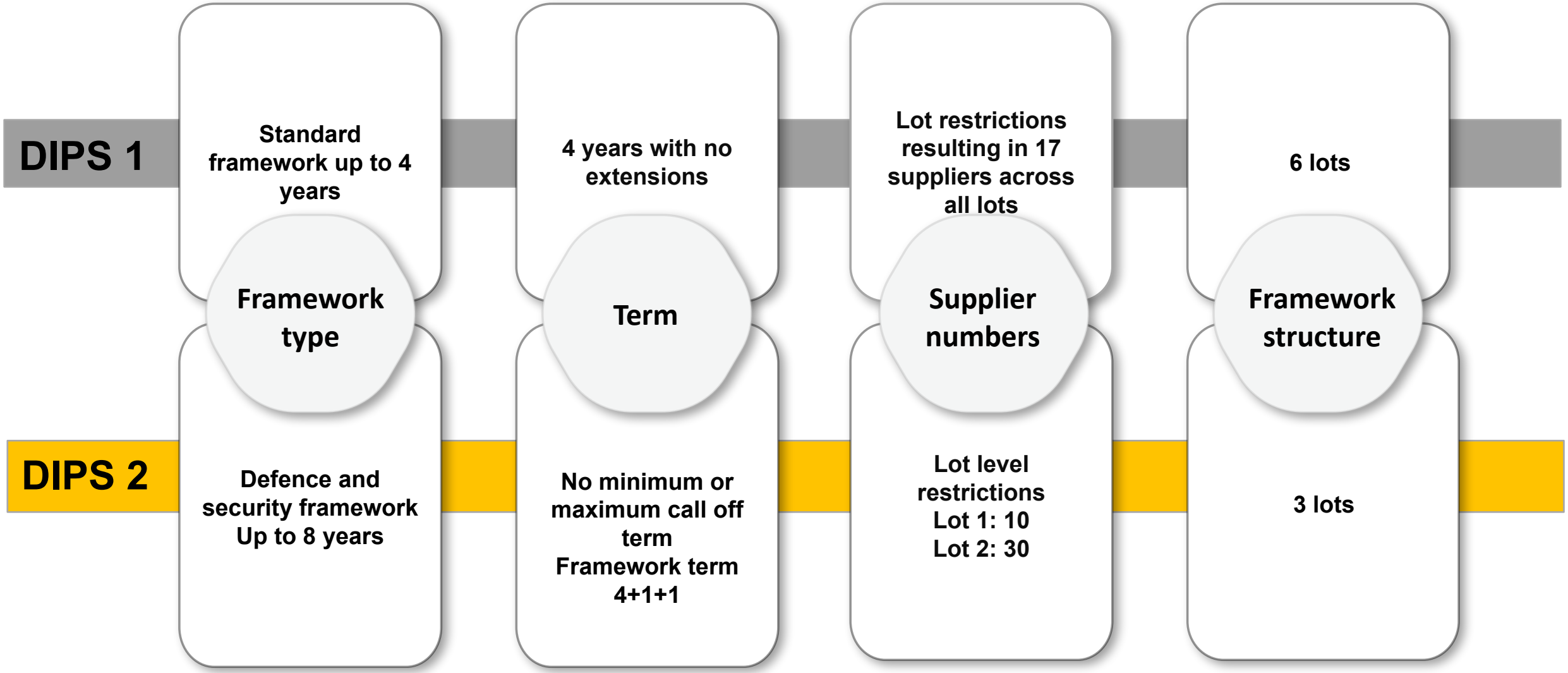
Requirements in scope:

1. Digital Delivery
2. Software Engineering & Application Development
3. Data, AI, and Analytics
4. Knowledge and Information Management
5. Cyber Security & Information Assurance
6. Cloud, Infrastructure & Network Services
7. Technical Assurance & Architecture Services
8. Project, Programme and Portfolio Management
9. IT Service Management & Operational Support
10. Business Analysis, Transformation and Change Services

The following are **excluded** from DIPS 2 scope:

- contingent labour (including resource augmentation),
- hardware or software procurement.

DIPS 2 structure



Technical Ability Certificates

Please remember that the information provided in these slides are for information purposes only and any information contained within these slides will be superseded by the published bid pack.



Technical Ability Certificates

Assessing conditions of participation

The conditions of participation relate to the legal and financial capacity and technical ability to perform the contract.

Every condition of participation, including those that apply to consortia members must be satisfied in order for you to be awarded a place on the framework.

Any tender that fails to satisfy all of the conditions will be disregarded and will not progress in the competition.

We will assess your legal and financial capacity and technical ability to perform the contract, using the tender responses to the conditions of participation questions.

Technical Ability Certificates are one part of the Procurement Specific Questionnaire (PSQ) which will fulfil a similar role to the Standard Selection Questionnaire used under PCR 2015. PSQs ensure Contracting Authorities receive the necessary supplier information regarding conditions of participation, as well as exclusion and debarment information. TACs are backwards looking, considering the experience bidders have of delivering services within the scope of the contract or Lot(s) they are bidding for. By verifying technical ability upfront, procurement teams can minimise the chance of selecting a supplier who lacks the necessary expertise to deliver the required quality. TACs are used to confirm suppliers have completed certain work, and met certain requirements, to the satisfaction of the buyer. This gives confidence in their ability.

More information can be found here: What suppliers need to know about Technical Ability Certificates (TAC)

Technical Ability Certificates* Lot 3 Neutral Vendor Lot

DIPS 2	Minimum technical requirements	Min total contract transacted value	Minimum number of call offs /SoWs delivered per annum	Number of TACs permitted	Work conducted within the last 'X' Years	Cumulative value applied?
Lot 3 Neutral Vendor	7/8	£150m (transacted spend, excluding charges)	Circa 70*	2	4	No, if more than one TAC is provided, all TACs need to evidence the minimum contract value required per lot

If more than 1 TAC will be provided, Suppliers will need to demonstrate 7 service lines across ALL submitted TACs

Suppliers <u>will be required</u> to demonstrate Public Sector procurement / PA 2023 legislation expertise

Suppliers <u>will NOT be able</u> to use private sector contracts for TACs

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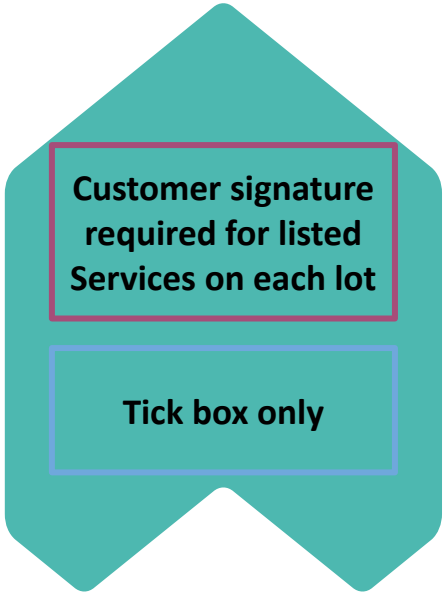
TAC approach* Lot 3 Neutral Vendor Lot

We require you to demonstrate that you have delivered the services within the scope of this requirement.

1. On time and on budget Neutral Vendor service and platform Implementation, Integration, Testing & Go-Live	☐
2. Sourcing Management & Order Form Execution	☐
3. Financial Management, Billing & Prompt Payment	☐
4. Delivery Partner Onboarding & Supply Chain Management	☐
5. Neutral Vendor Reporting and MI	☐
6. Call-Off Contract Management	☐
7. Specialist Public Sector Procurement Services	☐



Section B - To be completed by the customer	
Technical Ability Certificate - Customer contact details	
Customer contact name:	[name of customer contact]
Customer address:	[customer address]
Customer direct line:	[customer telephone number]
Customer email:	[customer email]
Customer confirmation:	
We hereby certify that, to the best of our knowledge and belief, the supplier has satisfactorily supplied the services and delivered the deliverables and the outcomes described above at Section A in accordance with the contract.	Authorised signature (either double-click on signature box below to digitally sign or copy & paste in an image file of your signature):

*This is a draft and therefore CCS reserves the right to change the TACs

Technical Ability Certificates* Customer liability

Liability for customer certifying Technical Ability Certificate:
In signing this Technical Ability Certificate, I confirm that I have the necessary authority to do so on behalf of the organisation for which the works and services were provided and I am aware that my personal data will be processed for the purposes of evaluation. Whilst the information in this certificate has been provided in good faith in the belief that it is truthful and accurate, the customer does not assume any responsibility or any liability nor make any guarantee, representation or warranty as to the contents of this certificate. The customer shall not be liable for and hereby excludes liability for any loss, damage (including any special, exemplary, indirect, incidental, consequential damages, costs or associated legal fees) that may be suffered as a result of use of the certificate and its content, to the fullest extent permitted by law. Nothing in this certificate shall affect, or constitute a waiver of, the customer's rights or remedies in relation to the contract.

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Mandatory requirements



Certification

Certification	Description	Lot	When to be provided by
ISO 14001 2015 - "Environmental Management System"	Provides a framework for organisations to design and implement an EMS, and continually improve their environmental performance.	1, 2, 3	Prior to framework award **Buyers will be able to request additional certification/standards compliance at call off**
ISO/IEC 20000-1 2018	ISO/IEC 20000 is the international ITSM (IT service management) standard. It enables IT departments to ensure that their ITSM processes are aligned with the business's needs and international best practices.	1 only	
ISO/IEC 27001	The ISO/IEC 27001 standard provides companies of any size and from all sectors of activity with guidance for establishing, implementing, maintaining and continually improving an information security management system.	1, 2, 3	
ISO 9001	Helps organizations of all sizes and sectors to improve their performance, meet customer expectations and demonstrate their commitment to quality.	1, 2, 3	
Cyber Essentials	Will help you to protect your organisation, whatever its size, against a whole range of the most common cyber attacks.	2	
Cyber Essentials Plus	Cyber Essentials Plus is the highest level of certification offered under the Cyber Essentials scheme.It is a more rigorous test of an organisation's cyber security systems where cyber security experts carry out vulnerability tests.	1 and 3	
Defence Cyber Certification	IASME Defence Cyber Certification	1, 2, 3	**Buyers will be able to request additional certification/standards compliance at call off**

*GCA reserves the right to change the certifications and standards as required

Mandatory requirements - Neutral Vendor Delivery Partner Onboarding

	Description	When to be provided by
	Will help you to protect your organisation, whatever its size, against a whole range of the most common cyber attacks.	Onboarding
Central Digital Platform		Onboarding
Insurance EL	**UK Employers' Liability (** All lots - £5m prior to framework award as th UK businesses	Onboarding

WIP

*GCA reserves the right to change the certifications and standards as required

Mandatory requirements

Standard	Description	Lot	Adherence to legislation/ regulations required by
Carbon Reduction Plan	Suppliers shall provide and maintain a Carbon Reduction Plan in accordance with Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts - GOV.UK	1,2,3	ITT submission
Modern Slavery	The Supplier shall at all times be compliant with the provisions of the Modern Slavery Act 2015. Modern Slavery Act 2015 - Legislation.gov.uk The Supplier shall annually complete the modern slavery assessment tool as directed by the Authority. Modern Slavery Assessment Tool - Supplier Registration Service	1,2,3	ITT submission
Insurance EL	**UK Employers' Liability (**aggregate per annum) All lots - £5m prior to framework award as this is legally required for all UK businesses	1,2,3	Prior to framework award
Insurance TPPL	**Third Party Public Liability** (aggregate per annum) Lot 2 - £1m Lot 1,3 - £3m	N/A	Prior to first call off go live or within 12 months from the framework award date

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Neutral vendor overview



MoD requirement overview - neutral vendor

01 100% supplier neutrality

02 End to end auditability

03 Easy to use and accessible digital tools

04 Demonstrable ability to deliver against the framework SLAs

05 Robust transparency reporting

06 Public sector procurement and supply chain management experience

01 Technology forms part of business offering (now or in the future)

02 No digital platform / inflexible platform offering

03 Acting as a prime contractor

Delivering compliance and transparency - neutral vendor



End user (supplier) requirements gathering for Neutral Vendor platform



Neutral Vendor KPIs publication UK9 PA 2023 notice



GCA set Neutral Vendor Key-subcontractor onboarding process



Robust Neutral Vendor management provisions

SME feedback re Neutral Vendor experience

- Suppliers not seeing all relevant information and having visibility of all opportunities
- Unrealistic bidding timescales
- Lack of feedback given regarding unsuccessful bids
- Favouritism of certain suppliers
- Where does the NV add the value?
- Poor communication with potential bidders
- Onboarding delays, 6+ months for approvals
- NV not understanding or having procurement expertise
- Can the NV support with SC clearances?

Next steps



Closing remarks and next steps

- Next pre-market event is planned for November with the objective to review DIPS 2 ITT design and timescales, mandatory requirements, certification and neutral vendor lot
- Neutral Vendor supplier 1-2-1 pre-market engagement is under way
- 121 supplier engagement to continue throughout the pre-market engagement period

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