

**His Majesty’s Revenue & Customs (HMRC)**

**Tender Instructions, Conditions of Participation, Procurement Specific Questionnaire and Evaluation Criteria**

**For a Procurement for the provision of**

**Hyperscaler Services to enable Data Centre Exit**

**(Procurement Act 2023)**

**June 2025**

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1. **ABOUT HMRC**
	1. HM Revenue & Customs (“HMRC” or, in this Condition of Participation (CoP) document “we”) is the UK’s tax, payments and customs authority. We have a vital purpose: to collect the money that pays for the UK’s public services and help families and individuals with targeted financial support.
	2. We do this by being impartial and increasingly effective and efficient in our administration. We help the honest majority to get their tax right and make it hard for the dishonest minority to cheat the system.
	3. Key responsibilities of HMRC include:
* safeguarding the flow of money to the Exchequer through our collection, compliance and enforcement activities
* ensuring money is available to fund the UK’s public services
* facilitating legitimate international trade, protecting the UK’s fiscal, economic, social and physical security before and at the border, and collecting UK trade statistics
* administering Statutory Payments such as statutory sick pay and statutory maternity pay
* helping families and individuals with targeted financial support through payment of tax credits
* administering Child Benefit
* administering the [Government Banking Service](https://www.gov.uk/government/groups/government-banking-service-gbs).
	1. To aid with the delivery of HMRC services, we engage with suppliers to deliver contracts covering a wide range of requirements. This procurement exercise is for the provision of such a contract.
	2. Any contract resulting from this procurement process will be for the use of HMRC, which includes the Valuation Office Agency (“VOA”) as an executive agency of HMRC. No guarantee is given that the services will be used by the VOA.
	3. HMRC is carrying out the procurement on behalf of itself and any third party beneficiary referred to in the tender notice. Any such beneficiaries will not have a direct contractual relationship with the supplier in respect of the services. They will be permitted to access the contract through HMRC, but HMRC gives no guarantee that they will do so.
1. **OVERVIEW**
	1. HMRC is conducting this procurement process via a Competitive Flexible Procedure, in accordance with the requirements of the Procurement Act 2023 (PA 2023). Please see Annex 1 to this document for the proposed outline tender process.
	2. The contract to be awarded as a result of this procurement exercise is for the provision of Hyperscaler Services to enable Data Centre Exit. Please see Annex 2 for a high level description of the services required.
	3. During the term of the contract HMRC may require changes to the scope of the contract, for example changes to the volumes. Any services in the Services Description (Annex 2) set out as “Optional Services” are additional services that the supplier will be required to provide if requested by HMRC during the lifetime of the contract, in accordance with the contract terms. HMRC provides no guarantee that any such changes will be required or delivered under the contract. The total value of the contract as set out in the Tender Notice includes these Optional Services.
	4. The successful supplier will be required to deliver the services in full compliance with the requirements outlined by HMRC within the entire suite of documents included as part of this tender process and as they evolve during the competition, as will be reflected in the contract that is entered into.
	5. The duration of the contract will be 7 years with option to extend a further 2 years and a further option to extend an additional 1 year (a total of 10 years), this includes, Migration, BAU and Contract Exit.
	6. The approximate annual contract value is £41.6m (excluding VAT), with an estimated total contract value (inclusive of any optional term and optional services) of £416m (excluding VAT). This is an estimate only. HMRC provides no guarantee as to the quantity or value of work that will be placed with any successful supplier. Any contract values, details of current expenditure or indications of potential future uptake provided in this document or otherwise as part of this procurement exercise are indicative only.
	7. The resulting contract will be awarded to a single supplier who will act as the prime contractor and accordingly be responsible for the provision of all of the services in accordance with the contract.
	8. HMRC provides no guarantee it will enter into any contract resulting from this procurement exercise. HMRC reserves the right to cancel and/or amend the requirements of this procurement process at any point and will not be liable to any third party should any such cancellation/amendment occur.
	9. Tenderers are required to provide their responses to the Procurement Specific Questionnaire (PSQ) published as part of this CoP document by no later than 13:00 on the 23rd July 2025.
	10. The provision of a complete PSQ response will constitute a request to participate in the procurement process.
2. **PROCUREMENT TIMETABLE**
	1. The anticipated timetable for this procurement is outlined below. This is intended as a guide only and we reserve the right to adjust this timetable, the structure and/or the content of the procurement process at any time at our discretion. Additional stages may also be added where they are deemed appropriate. We will notify all Tenderers of any changes to the timetable via the Ariba messaging function. Where we refer to any deadlines or dates in the tender timetable in this document, (e.g. the Clarification Deadline or Tender Response Deadline), we are referring to the deadline or date as may have been changed in this way.
	2. Any reference to a time of day refers to the local time in London, England.

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| **Procurement Stage** | **Date** |
| **Stage 1 – Invitation to participate and submit Procurement Specific Questionnaire (PSQ)** |
| Procurement Specific Questionnaire (PSQ) Published | **26/06/2025** |
| PSQ Clarification Deadline | **09/07/2025****@ 13:00** |
| Authority response deadline to Clarification Questions (CQs) | **16/07/2025** |
| Procurement Specific Questionnaire (PSQ) Response Deadline | **23/07/2025****@ 13:00** |
| Evaluate, Moderate & Generate Shortlist | **24/07/2025** |
| Shortlist Outcome Published | **12/08/2025** |
| **Stage 2 - Invitation To Submit Initial Tenders (ITSIT)** |
| Invitation to Submit Initial Tender (ITSIT) Published to Shortlisted Suppliers | **14/08/2025** |
| ITSIT Clarification Deadline | **27/08/2025****@ 13:00** |
| Authority response deadline to CQs | **03/09/2025** |
| Invitation to Submit Initial Tender (ITSIT) Response Deadline | **10/09/2025****@ 13:00** |
| Authority Bid Reading / Review | **11/09/2025** |
| **Stage 3 – Invitation to Negotiate** |
| Negotiation Window - Start | **25/09/2025** |
| Negotiation Window - End | **05/11/2025** |
| **Stage 4 – Invitation to Submit Final Tender (ITSFT)** |
| Invitation to Submit Final Tenders (ITSFT) Published | **12/11/2025** |
| ITSFT Clarification Deadline | **19/11/2025****@ 13:00** |
| Authority response deadline to CQs | **26/11/2025** |
| Final Tender (ITSFT) Response Deadline | **03/12/2025** |
| Evaluation & Moderation - Start | **04/12/2025** |
| Evaluation & Moderation - End | **09/01/2026** |
| Internal & External Governance - Start | **12/01/2026** |
| Internal & External Governance - End | **10/04/2026** |
| Contract Award Notification | **13/04/2026** |
| Stand Still Period – Start | **13/04/2026** |
| Standstill Period – End | **24/04/2026** |
| Contract Award | **27/04/2026** |

1. **RESPONSE SUBMISSIONS, CONTACT DETAILS AND QUERIES**
	1. **SAP Ariba eSourcing/eTrading Portal**
		1. All procurement documents will be available through the SAP Ariba eSourcing Portal (“Ariba”) only. Please ensure you review all procurement documents in their entirety prior to completing your PSQ response.
		2. Once logged onto the system, technical guidance relating to the use of the eSourcing Portal can be found in the Help Centre that can be accessed via the help tab at the top of the screen. Any technical issues identified with the Ariba system should be raised via the instructions outlined in the Help Centre. HMRC accepts no liability for any technical issues experienced with the Ariba system.
		3. HMRC has a “Purchase Order Mandatory Policy” and will process all purchase orders and all invoices using its eTrading system, provided by SAP Ariba. This will enable Tenderers to transact (Cataloguing, Purchase Orders, Invoicing etc) with HMRC through the eTrading Portal.
		4. Successful suppliers are required to register on the SAP Ariba Network in order to transact with HMRC via the e-Trading system and to ensure that they will continue to be able to receive purchase orders from and issue invoices to HMRC.
		5. Registration for HMRC’s eTrading portal is undertaken by the successful supplier following the notification of award. Instruction will be provided by HMRC. SAP Ariba will not charge suppliers to HMRC or VOA to register on the SAP Ariba Network and suppliers will not incur any fees when transacting with HMRC or VOA across HMRC’s eTrading system. However, fees may apply when transacting with suppliers’ other customers over the SAP Ariba Network.
		6. Suppliers to HMRC or VOA are not required to invest in any additional products or services from SAP Ariba or from any other supplier in order to transact with HMRC or VOA using HMRC’s eTrading system.
		7. Payment will be made by BACS within 30 days of receipt of a valid invoice.
	2. **Communications and clarifications**
		1. HMRC will ordinarily send communications or notifications to Tenderers in connection with this procurement exercise via the messaging facility in Ariba.
		2. Communications or notifications sent via the messaging system may relate to and represent material changes to information previously provided. Accordingly, until the procurement exercise has been fully concluded, Tenderers are advised to log into the eSourcing event on Ariba at regular intervals to check for messages from HMRC.
		3. Vague, ambiguous, or incomplete answers are likely to score poorly or render the response submission non-compliant under paragraph 12.4 below. HMRC reserves the right (but is not obliged) to seek clarification of all or any part of a Tenderer’s PSQ response or tender at any time during the procurement exercise. Tenderers must respond to such requests promptly and within any timescales set for responses.
		4. Tenderers must submit any queries or clarification questions (CQs) via the messaging system in Ariba prior to the Clarification Deadline. Unless there are exceptional circumstances determined by HMRC, HMRC will not accept or respond to any queries or clarification questions received via any other method and/or received after the Clarification Deadline. It is the Tenderer’s responsibility to ensure that they have all of the information they need to prepare their PSQ or tender.
		5. HMRC will publish any clarification questions received and HMRC’s response to them on Ariba. As a Tenderer, if you wish HMRC to treat a clarification as confidential and not publish the response, you must state this when submitting the clarification. If, in the opinion of HMRC, the clarification is not confidential, HMRC will inform the Tenderer who will have an opportunity to withdraw it. If the clarification is not withdrawn, the response will be issued to all Tenderers.
		6. If you consider that there is:
			1. a fundamental difference between the outline requirement in the tender notice or this document and the more detailed Services Description in the Draft Contract or other procurement documents; and/or
			2. a fundamental error or omission in the Services Description which affects your ability to provide the goods and/or services,

you must bring this to HMRC’s attention as soon as possible and no later than the ITSIT Clarification Deadline.

* + 1. During each evaluation phase, HMRC reserves the right to seek clarification and/or verification from the Tenderer of any information provided in response to any of the questions and may request further information in support of any statements made therein. The Tenderer must confirm receipt of such request, **within 24 hours** of issue and shall provide a binding response **within 72 hours** of receiving the request, with all responses from Tenderers being submitted via Ariba.

If the Tenderer does not do so within the time limit set by HMRC, HMRC may exclude the Tenderer from the competition if the circumstances are such that the Tenderer remaining in the competition would distort competition or result in Tenderers not being treated equally.

* 1. **Contract terms**
		1. HMRC proposes to use the Model Services Contract issued by the Cabinet Office (see Annex 3), with amendments to reflect the nature of the services and the proposed commercial structure. The draft contract (as amended) will be provided to Tenderers shortlisted to participate in Stage 2.
		2. Furthermore, HMRC is willing to consider and discuss with Tenderers the following categories of provisions in the draft contract that is published at Stage 2 to shortlisted Tenderers:
* Warranties
* Performance Indicators
* Limitations of Liability
* Audit
* Exit Management
* Intellectual Property Rights (IPR)
* Business Continuity and Disaster Recovery (BCDR)
* Data Protection
* Implementation and Delay Payments.
* Remedial Advisor
* Termination Rights
* Implementation and Delay Payments.
* Remedial Advisor
* Termination Rights
* Individual Authority Responsibilities
	+ 1. HMRC does not intend to include the following categories of provisions in the draft contract:
* Step-in Rights
* Requirements for Power of Attorney
* Anticipated Savings.

(d) At the outset of the procurement process for Stage 1, you must familiarise yourself with the content of the model services contract and, except as indicated otherwise above, assure yourself that you are prepared to agree to the various terms, conditions and requirements within it.

* 1. **PSQ Submission**
		1. PSQ response submissions (including any supporting documents) must be submitted via Ariba by the Tender Submission Deadline. Unless there are exceptional circumstances determined by HMRC, any response received after this deadline will not be opened or considered and will be excluded from the procurement process. Any response not received through Ariba will be excluded from the procurement process.
		2. It is the Tenderer’s responsibility to contact the Ariba helpdesk to resolve any problems with the electronic submission of the response.
		3. Each Tenderer may only submit one response. The Tenderer may modify its response after it is submitted, provided this is prior to the PSQ Response Deadline (i.e. no later than 13:00 on the 23rd July 2025) and that the Tenderer gives written notice to HMRC that a new response has been submitted.
		4. As a Tenderer, it is your responsibility to ensure that your response documents are complete and accurate prior to submission. Incomplete, inaccurate and/or misleading information or answers are likely to score poorly or render the response non-compliant and may result in HMRC rejecting the response.
		5. If any information that you supply to HMRC becomes inaccurate or significantly changes at any time during the procurement exercise, you must notify HMRC immediately together with a full explanation of, and reasons for, the changes. This could result in HMRC rejecting the response, for example if the response submission becomes non-compliant under paragraph 12.4 below.
		6. When submitting your PSQ response, you must:
			1. not provide an answer to a particular question by way of cross reference to the response for another question. HMRC will not attempt to find information within other parts of the response submission, even if it is cross referenced. If no answer is provided to a question, an auto-generated zero score will be applied;
			2. submit your responses and documents in English. Responses submitted in other languages will not be accepted. Proposed costs or prices must be in GB Pounds/Sterling and currency fluctuations will be at the Tenderer’s risk; and
			3. keep to the page limits stated. Any information provided in excess of any page or word limit, or any files provided in excess of any specified file size limit, will not be considered by the evaluators. Unless stated otherwise, any images or embedded files will be considered as part of word or page limits. Attachments must only be submitted where a question specifically requests or permits their use and only where the Tenderer has indicated in the question text field that an attachment has been submitted.
	2. **Data Protection Compliance**
		1. HMRC reserves the right to reject a Tenderer’s entire PSQ response submission that proposes the transfer of personal data outside of the UK should this be necessary for information security and/or UK GDPR compliance purposes, to be determined by HMRC at its discretion.
		2. HMRC also reserve the right to request additional information in order to complete the relevant data transfer risk assessments and associated International Data Transfer Agreement (IDTA).
	3. **Contract award**
		1. HMRC may award the contract(s) to the successful supplier(s) that it identifies pursuant to paragraph 12.7 entitled “Award Questionnaire – Stages 2-4” below.
		2. Once HMRC has reached a decision in respect of a contract award, it will notify all Tenderers of the outcome of their submission and provide for a standstill period in accordance with PA 2023 before entering into any contract(s).
		3. Contract award will also be subject to HMRC’s formal approval process and the successful completion of any relevant due diligence checks. If the relevant documentary evidence is not provided by the successful supplier upon request and without delay, HMRC reserves the right to amend the contract award decision and award to the next compliant Tenderer.
		4. In addition, where HMRC considers it appropriate on the basis of a financial assessment, award of contract will be conditional on the successful Tenderer securing a deed of guarantee in favour of HMRC from the ultimate holding company of the Tenderer (or appropriate alternative guarantor in exceptional circumstances e.g. where the proposed guarantor is a charity whose constitution prevents them from performing this role).
		5. If the Tenderer is a consortium, HMRC may require the consortium to assume a specific legal form if awarded the contract, to the extent that a specific legal form is deemed by HMRC as being necessary for the satisfactory performance of the contract.
1. **CONFIDENTIALITY**
	1. Tenderers must keep their invitation to bid, intention to submit, and the content of, any tender confidential from any third party (other than professional advisers who need to be consulted), in order to maintain the competitive element of this procurement process.
	2. All information supplied by HMRC to Tenderers, whether in writing or orally, is supplied on condition that it be kept confidential by the Tenderer. Unless the information is already in the public domain, it must not be copied, reproduced, distributed or passed to any other person at any time (except to professional advisors, consortium members or sub-contractors, on a confidential basis, for the sole purpose of enabling the Tenderer to submit or clarify a tender or attain sureties or quotations relating to the tender).
	3. Although it is unlikely that official secrets will be disclosed pursuant to this tender, please also be aware of the terms of the Official Secrets Act 1989.
	4. All information provided by a Tenderer as part of this procurement exercise will be treated as “OFFICIAL” by HMRC and (except where required by law, for example under the FOIA or EIR (see paragraph 6) or public sector transparency polices (see paragraph 5.6)) will not be disclosed to a third party outside of government, other than consultants/advisers approved by HMRC, without the written permission of the Tenderer.
	5. The intention is that those Tenderers shortlisted to proceed to Stage 2 of the procurement will be required to sign a non-disclosure agreement in order to receive confidential material which will be required at that stage of the procurement. If there is any difference between the provisions of that signed agreement and the terms in this paragraph 5, the provisions of that signed agreement will take precedence.
	6. HMRC is also subject to various public sector transparency policies and legal requirements, including, but not limited to:
		1. The publishing of KPI/contract performance data in line with PA 2023 Section 71.
		2. The publishing of contract award notices and contract details notices on “Find a Tender” (<https://www.gov.uk/find-tender>) which identify the contract value and successful supplier, and the publishing of the awarded contract documents (subject to any redactions made by HMRC).

By submitting a bid, Tenderers are confirming their agreement to HMRC publishing any information required to meet HMRC’s public sector transparency obligations and legal requirements, including but not limited to, those outlined within PA 2023.

* 1. Tenderers must read the [Government Security Classifications Policy](https://www.gov.uk/government/publications/government-security-classifications/government-security-classifications-policy-html) (GSCP) and follow the minimum baseline security requirements for OFFICIAL, OFFICIAL information marked OFFICIAL-SENSITIVE, SECRET or TOP SECRET outlined in the GSCP and within the security requirements set out by HMRC. Tenderers will handle and protect HMRC classified information entrusted to them, or produced by them under contract, in accordance with the GSCP. Unless HMRC stipulates more stringent requirements, the provisions of the GSCP are considered the baseline that all suppliers must meet.
1. **FREEDOM OF INFORMATION ACT AND ENVIRONMENTAL INFORMATION REGULATIONS**
	1. As a public body, HMRC must meet its responsibilities under the Freedom of Information Act 2000 (“FOIA”) and the Environmental Information Regulations 2004 (“EIR”) in respect of information that we hold (including third party information).
	2. Consequently, information submitted to HMRC in connection with this procurement may be disclosed to a third party in response to a request for information under the FOIA or EIR.
	3. By participating in this procurement exercise, Tenderers are deemed to understand and accept that the decision to disclose information, and the application of any exemptions under the FOIA or EIR, will be at HMRC’s sole discretion. HMRC will, however, act reasonably and proportionately in exercising this discretion.
	4. As a Tenderer, if you consider any of the information you have submitted to be commercially sensitive or confidential, then an explanation (in broad terms) of what harm may result from disclosure if a request is received, and the time period applicable to that sensitivity, should be included in the response to the relevant question in the tender questionnaire. HMRC will consider this as part of any disclosure decision but the final decision as to whether information should be disclosed will be HMRC’s.
	5. Further information about the FOIA and EIR is available on the Information Commissioner’s Office website [www.ico.org.uk](http://www.ico.org.uk)
2. **TENDERER CONDUCT AND CONFLICTS OF INTEREST**
	1. Any attempt by Tenderers or their advisors to inappropriately influence the contract award process in any way (including any of the below) or any other improper conduct by Tenderers or their advisors may result in the Tenderer being disqualified.
	2. Tenderers must not canvass any members of the Board of HMRC, any employee of HMRC or anyone acting on HMRC’s behalf with a view to obtaining more favourable consideration. Tenderers must also not attempt to obtain information from any of the employees, staff, advisers or agents of HMRC concerning another Tenderer or tender.
	3. Offering an inducement in relation to a public contract may constitute a criminal offence. Any Tenderer found offering an inducement, fee or reward of any kind in relation to obtaining a contract with HMRC or doing anything else in breach of the Bribery Act 2010, will be disqualified from the procurement process and any tender already submitted by the Tenderer will be rejected.
	4. Tenderers must not directly or indirectly at any time:
		1. devise or amend the content of their tender in accordance with any agreement or arrangement with any other person, other than in good faith with a person who is a proposed partner, supplier, consortium member or provider of finance;
		2. enter into any agreement or arrangement with any other person that has the effect of prohibiting or excluding that person from submitting a tender;
		3. fix or adjust the amount of their tender by or in accordance with any agreement or arrangement with any other Tenderer or consortium member of a Tenderer (other than a member of its own consortium or supply chain);
		4. enter into any agreement or arrangement with any other person as to the form or content of any other tender or as to the amount of any tender to be submitted, or offer to pay any sum of money or valuable consideration to any person to effect changes to the form or content or amount of any other tender;
		5. cause or induce any person to enter such agreement as is mentioned in any of paragraph (a) to (d) above or to inform the Tenderer of the amount or approximate amount of any rival tender; or
		6. communicate to any person other than HMRC the amount or approximate amount of its proposed tender (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of a tender).
	5. Such conduct by a Tenderer, sub-contractor or consortium member may also constitute a criminal offence and HMRC may have other civil remedies available, in addition to the right to disqualify under this paragraph 7.
	6. HMRC requires that all actual or potential conflicts of interest are resolved to HMRC’s satisfaction prior to the award of a contract. Tenderers should inform HMRC of any actual or potential conflicts of interest (and how these will be dealt with) within its tender responses. In the event that any actual or potential conflict of interest comes to a Tenderer’s attention following the submission of its tender, the Tenderer must notify HMRC immediately in writing.
	7. Tenderers must notify HMRC if they or their sub-contractors have or have had access to information which creates or may create a conflict of interest. HMRC will require Tenderers and/or their sub-contractors (as appropriate) who have or have had access to such information to enter into an ethical wall agreement (EWA) where HMRC deems it necessary in order to help address potential conflicts of interest. Failure to complete an EWA, when it has been required, will result in exclusion from the tender process.
	8. If HMRC identifies a conflict of interest that could place the Tenderer and/or any of its sub-contractors at an unfair advantage or disadvantage, HMRC may require the Tenderer to take reasonable steps to mitigate this. Should the Tenderer fail to take or fail to procure that its subcontractor takes the necessary mitigating steps, or if the unfair advantage cannot be avoided, HMRC reserves the right to exclude the Tenderer from the process.
	9. In carrying out this procurement HMRC is being advised by DLA Piper UK LLP and by submitting responses to HMRC at any of the stages of this procurement Tenderers shall be deemed to be waiving any commercial conflict of interest that this may pose and such responses shall be deemed to constitute consent to HMRC continuing to be advised by DLA Piper UK LLP.
3. **WARNINGS AND DISCLAIMERS**
	1. HMRC provides no commitment or guarantee that it will award or enter into a contract as a result of this procurement exercise. HMRC reserves the right to cancel, suspend, and/or amend the requirements of this procurement process at any point. Nothing in this Tender or in any other communication made between HMRC and a Tenderer constitutes a representation or agreement that a contract will be offered.
	2. HMRC will not be liable for any costs, expenditure, expenses, work or effort incurred by any Tenderer in preparing for, proceeding with or participating in this procurement exercise, including if the procurement exercise is terminated, suspended or amended by HMRC. This applies regardless of whether the Tenderer’s tender is successful and regardless of whether HMRC makes any modifications or amendments to the Services Description or other requirements in the course of the procurement exercise.
	3. If a Tenderer proposes to enter into a contract with HMRC, it must rely on its own enquiries and on the terms and conditions set out in the contract (as and when finally executed). HMRC has prepared the information in this Tender in good faith, however, HMRC and its advisors do not accept any liability for (and do not give any express or implied warranty as to) the accuracy, adequacy or completeness of that information or any subsequent communication and they shall not be liable for any loss or damage (other than in respect of fraudulent misrepresentation) arising as a result of reliance on such information or communication.
4. **TUPE REQUIREMENTS**
	1. HMRC anticipates that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (“TUPE”) will not apply to this contract. However, HMRC does not give any warranty in respect of TUPE and Tenderers should rely on their own assessment of the likelihood that TUPE might apply.
5. **SOCIAL VALUE**
	1. HMRC is committed to supporting key social outcomes as part of its commercial activity. To help achieve this goal, procurement exercises conducted by HMRC incorporate the requirements outlined under the [Government’s Social Value Model](https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources) (SVM), where in scope of Procurement Policy Note (PPN) 002.
	2. This competitive procurement exercise incorporates the requirements of PPN 002.
6. **KEY PERFORMANCE INDICATORS (“KPIs”)**
	1. PA 2023 Section 52 requires a minimum of three KPIs to be set for contracts with an estimated value greater than £5 million. These KPIs and contract performance information must be published by HMRC in line with PA 2023 Section 71. HMRC also reserves the right to set contractual KPIs and publish contract performance information for contracts that fall outside the requirements of Sections 52 and 71.
	2. The initial KPIs that will apply to this contract will be included within the Draft Contract, to be published as part of the ITSIT stage of this procurement. HMRC reserves the right to agree additional/replacement KPIs with the successful supplier over the duration of the contract, in accordance with the contract terms.
7. **EVALUATION METHODOLOGY**
	1. The responses to the PSQ will be evaluated and scored using the methodology outlined below in this paragraph 12 and in Schedule 3 of this document. Any contract(s) subsequently awarded as a result of this procurement will be awarded on the basis of the offer that is the most advantageous tender (MAT) to HMRC, based on the weighting breakdown described below under the Award Questionnaire paragraph (paragraph 12.7).
	2. Schedule 1 of this document provides a complete list of questions included in the PSQ. Tenderers are advised to review all evaluation criteria, questions and supporting documents carefully.
	3. PSQ responses will be checked for compliance with the submission requirements set out in this document. If HMRC considers a response is non-compliant, HMRC may reject the response.
	4. Unless stated otherwise within the individual questions, Tenderers must provide a response to every question included within the PSQ. HMRC reserve the right to reject the Tenderer’s response if it contains any of the following:
		1. Unanswered questions and/or incomplete question responses; and/or
		2. Erroneous and/or inaccurate information.
	5. HMRC reserves the right to conduct further due diligence checks to determine the accuracy of the information provided by Tenderers as part of their response. This may include, but is not limited to, checks of wider data sources (e.g. tax compliance checks) and requesting further evidence from Tenderers. HMRC reserves the right to reject your response submission should you fail to provide further evidence in any timescales stipulated and/or further due diligence checks identify non-compliance with the requirements outlined within this document.
	6. **Procurement Specific Questionnaire (“PSQ”) – Stage 1**
		1. The Procurement Regulations 2024 require certain sections of the PSQ (Core Supplier Information) to be completed on the Governments Central Digital Platform (CDP), with the remainder of the questions completed directly on the Ariba eProcurement system.

Core Supplier Information comprises basic information about the supplier (as listed in Regulation 9 of the Procurement Regulations 2024), economic and financial standing information about the supplier (as listed in Regulation 10), information about the supplier’s connected persons (as listed in Regulation 11) and exclusions information about the supplier and its connected persons (as listed in Regulation 12).

Tenderers are required to register an account with the CDP (<https://www.gov.uk/find-tender>) and complete responses to the Core Supplier Information questions directly on the CDP. Once complete, Tenderers must share their responses to the questions with HMRC as part of this procurement process by providing their share code allocated by the CDP. This will allow HMRC to obtain the Tenderers Core Supplier Information from the CDP. Tenderers must also generate a PDF of the required information from the CDP and attach this within the appropriate section of the questionnaire on Ariba.

* + 1. The PSQ contains questions assessing whether the Tenderer meets HMRC’s minimum requirements in order to be considered capable of delivering the contract. This will be evaluated on a pass/fail basis, according to the criteria specified in Schedule 3 of this document.
		2. HMRC will review the answers to the PSQ and if a Tenderer attains a fail on any question, the response may be rejected and the Tenderer will be excluded from further consideration in the procurement process.
		3. In addition to the questions within the CDP, HMRC requires Tenderers to also respond to the additional qualitative questions (outlined in Schedule 1; Questions 3.8 – 3.14) in order to assess the Tenderers’ experience and capabilities that are specific to this procurement. These responses must also be uploaded via the Ariba platform. Note, that responses to these questions will only be reviewed from Tenderers that meet the Pass criteria within the CDP. These responses will be evaluated and scored using the methodology captured in Table 1 and Table 2 below and used to calculate the Total Weighted PSQ Score. The consensus marking procedure for these responses shall be the same as for ITSFT and is outlined in paragraph 12.7(d) bullets (v) to (x).
		4. The three highest scoring compliant submissions that pass the PSQ stage (i.e. Tenderers with the three highest Total Weighted PSQ Scores) will be taken through to the award questionnaire evaluation process (Stages 2-4) and will be invited to submit an initial tender.
		5. In the event of a tie in the Total Weighted PSQ Score awarded to two or more Tenderers, the order of precedence will be determined by the procedure set out in paragraph (h) below. There will be deemed to be a tie for these purposes if two or more bidders have the same percentage score when each total overall score has been rounded to the nearest whole figure. Any score with a fractional score of less than 0.5 % will be rounded down and any fractional score of 0.5 % or above will be rounded up (for example 63.4 % will be rounded down to 63 % and 62.5 % will be rounded up to 63 %).
		6. In a tie break, the Tenderer with the highest weighted score for question 3.8 will be ranked first, with all other tied Tenderers ranked in descending order based upon the value of their weighted score for question 3.8. In the event that this does not resolve the tie break, the weighted score awarded for question 3.10.2 will be used to resolve the tie break, followed by question 3.11.

### Table 1: Scoring matrix for the quality criteria at PSQ Stage (Questions 3.9 – 3.14)

|  |  |  |
| --- | --- | --- |
| **Assessment** | **Score** | **Question Criteria** |
| Excellent | 100 | **The response must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria and most should be addressed to an excellent standard and comprehensive level of detail (one Sub Criteria can be assessed as good as long as the rest are excellent); and
2. provide strong evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description

Overall, the response provides HMRC with an excellent level of assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description. |
| Good | 80 | **The response must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria as set out in the question with most addressed to at least a good standard and level of detail (one Sub Criteria can be assessed as satisfactory as long as the rest are at least assessed as good); and
2. provide evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description

Overall, the response provides HMRC with a good level of assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description.. |
| Satisfactory | 60 | **The response must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria as set out in the question with all addressed to at least a satisfactory standard and level of detail;
2. provide evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description, with only minor omissions or concerns;

Overall, the response provides a satisfactory level of assurance and confidence (with only minor omissions or concerns), that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description. |
| Limited | 40 | **The response must:**Fail to meet the standard for a score of SatisfactoryAnd/orFail to address (i.e. provides no relevant commentary against) at least one element of the Criteria or Sub-criteria in the questionAnd/orMore than half (but not all – see score of 60) of the Sub-Criteria as set out in the question were addressed to at least a satisfactory standard and level of detail;And/orThe response contains numerous minor omissions or concerns (and/ or one major omission or concern) that fails to provide a satisfactory level of assurance and confidence, that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale to what is required under HMRC’s Services Description. |
| Very Limited | 20 | **The response must:**Fail to address (i.e. provides no relevant commentary against) at least two of the elements of the Criteria and Sub-Criteria as set out in the questionAnd/orLess than half of the Sub-Criteria as set out in the question were addressed to at least a satisfactory standard and level of detail;And/orDetails in the response contain two or more major omissions or concerns such that it provides HMRC with very limited assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale to what is required under HMRC’s Services Description.  |
| Unacceptable | 0 | Unacceptable response. Either the Tenderer fails to provide a response to the question, or there is insufficient information provided in the response such that the response is incomprehensible and/or the response is wholly inconsistent with the requirements of the question including any evaluation criteriaAnd/orThe response does not meet the threshold for a Very Limited score. |

### Table 2: Scoring matrix for the case study question (Q3.8) quality criteria at PSQ Stage

Each of the three case studies (with an equal relative PSQ weighting of 10%; 30% weighting in total) will be separately assessed against the scoring matrix in the table below:

|  |  |  |
| --- | --- | --- |
| **Assessment** | **Score** | **Question Criteria** |
| Excellent | 100 | **The case study must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria and most should be addressed to an excellent standard and comprehensive level of detail (two Sub Criteria in total can be assessed as good as long as the rest are excellent); and
2. provide strong evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description

Overall, the response provides HMRC with an excellent level of assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description. |
| Good | 80 | **The case study must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria as set out in the question with most addressed to at least a good standard and level of detail (two Criteria or Sub Criteria in total can be assessed as satisfactory as long as the rest are at least assessed as good); and
2. provide evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description

Overall, the response provides HMRC with a good level of assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description. |
| Satisfactory | 60 | **The case study must:**1. address (i.e., provide relevant commentary against) ALL of the Criteria and Sub-Criteria as set out in the question with all addressed to at least a satisfactory standard and level of detail;
2. provide evidence of past experience that was comparable to or of greater scale to what is required under HMRC’s Services Description, with only minor omissions or concerns;

Overall, the response provides a satisfactory level of assurance and confidence (with only minor omissions or concerns), that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale and complexity to what is required under HMRC’s Services Description. |
| Limited | 40 | **The case study must:**Fail to meet the standard for a score of SatisfactoryAnd/orFail to address (i.e. provides no relevant commentary against) at least one element of the Criteria or Sub-criteria in the questionAnd/orMore than half (but not all – see score of 60) of the Sub-Criteria as set out in the question were addressed to at least a satisfactory standard and level of detail;And/orThe response contains numerous minor omissions or concerns (and/ or one major omission or concern) that fails to provide a satisfactory level of assurance and confidence, that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale to what is required under HMRC’s Services Description. |
| Very Limited | 20 | **The case study must:**Fail to address (i.e. provides no relevant commentary against) at least two of the elements of the Criteria and Sub-Criteria as set out in the questionAnd/orLess than half of the Sub-Criteria as set out in the question were addressed to at least a satisfactory standard and level of detail;And/orDetails in the response contain two or more major omissions or concerns such that it provides HMRC with very limited assurance and confidence that the Tenderer has sufficient and relevant past experience of delivering a DCE solution that was comparable to or of greater scale to what is required under HMRC’s Services Description.  |
| Unacceptable | 0 | Unacceptable case study. Either the Tenderer fails to provide a response to the question, or there is insufficient information provided in the case study such that the response is incomprehensible and/or the case study is wholly inconsistent with the requirements of the question including any evaluation criteriaAnd/orThe response does not meet the threshold for a Very Limited score. |

* 1. **Award Questionnaire – Stages 2-4**
		1. The Award Questionnaire is a multi-stage process:
			1. Tenderers are to respond to an Invitation to Submit Initial Tenders (ITSIT).
			2. Submissions to the ITSIT are not evaluated for scoring purposes but will form the basis of detailed negotiation. Any submissions that are received that are non-compliant against criteria defined as Non-Negotiable, may be rejected at this stage.
			3. Any incomplete responses may be rejected at this stage.
			4. Any responses that HMRC consider to be technically or commercially incapable of resolving through negotiation may be rejected at this stage.
			5. A period of detailed negotiation will be conducted to refine technical and commercial solutions. The period of the negotiation is outlined in paragraph 3.2 - Tender Timetable but may be shortened or extended at the discretion of HMRC.
			6. Any commercial or technical aspects that HMRC is unable to resolve with any Tenderer during the period of negotiation may result in rejection of the Tenderers submission, and their removal from the process.
			7. Following conclusion of the negotiation period (which remains at HMRCs discretion), Tenderers will be requested to respond to an Invitation to Submit Final Tenders (ITSFT).
			8. Responses to the ITSFT will be evaluated in accordance with the Technical/Commercial/Social Value weightings outlined below:
				1. Technical: 70%
				2. Commercial 20%
				3. Social Value 10%,

The sub-criteria within Technical, Commercial and Social Value, will be shared with Tenderers who are shortlisted following Stage 1. HMRC reserves the right to refine and/or add to the criteria, sub-criteria and/or weightings at any subsequent stage including for ITSFT.

HMRC also reserves the right to amend the stages associated with ITSFT to include tender presentations, site visits, reference calls, additional due diligence, discover periods, and proof of concepts, as well as other potential stages to validate the submissions received from the Tenderer. Any additional stages will be clearly stated within the ITSFT. Where necessary further commercial submissions or negotiations may be requested.

* + 1. HMRC will evaluate the Tenderers’ response to the Award Questionnaire in order to identify the Most Advantageous Tender (MAT), based on the evaluation criteria, scoring matrix, weightings and methodology detailed in this document, as subsequently provided and refined in the ITSFT document.
		2. The Award Questionnaire will only be evaluated and scored at the ITSFT stage. Scoring will be out of 100, with the weighting split across the qualitative questions and commercial response.

Each question must be answered in its own right. You must not answer any of the questions by cross referencing other questions or other materials, for example reports or information located on your website.

* + 1. **Quality Assessment**
			1. The three highest scoring Tenderers that pass the PSQ stage, will proceed to Stage 2. Should the evaluation result in fewer than three shortlisted responses, HMRC may proceed with a smaller number of Tenderers, or may cancel the procurement.
			2. Responses to the Invitation to Submit Initial Tenders (ITSIT) are not evaluated for scoring purposes but will be reviewed to prepare for detailed negotiation sessions with Tenderers. Any submissions that are received that are non-compliant against criteria defined as Non-Negotiable, may be rejected at this stage.
			3. Responses to the Invitation to Submit Final Tenders (ITSFT) will be subject to formal evaluation and will be used as the basis for the final award recommendation. Note, that additional stages may be included at the point that the ITSFT is issued to Tenderers.
			4. Responses to individual quality questions (other than any pass/fail questions) will be scored in the range of 0-100 using the scoring matrix to be provided to shortlisted Tenderers. This matrix will be used by the evaluation panel to score individual questions, based on how well the response covers the evaluation criteria provided.
			5. HMRC will use a consensus marking procedure, which is a two-step process, comprising of:
				1. independent evaluation; and
				2. group consensus marking resulting in a moderation score.
			6. To help ensure the integrity of the evaluation process, HMRC will use a panel of evaluators who will score the same question independently. Each evaluator will then allocate a mark and record corresponding supporting rationale for the answer in accordance with the Evaluation Criteria applicable to that question. It is not necessary that every panel member assesses every question, as subject matter resources (SMRs) may focus on specific question groupings. All individual scores are captured in the evaluator scoring document to be discussed during the moderation phase.
			7. A moderator will review the marks allocated by the individual evaluators before facilitating a group consensus marking (moderation) meeting.

During the group consensus marking moderation meeting, the evaluators will discuss the independent marks until they reach a consensus regarding the marks that should be attributed to each Tenderer's answer to each question. The moderator will be responsible for recording consensus rationale aligned to the specific evaluation criteria for each question and separately capturing any reasoning by an evaluator where the consensus score differs from their original score.

* + - 1. Where the discussion between relevant panel members and the moderator is unable to yield a consensus score, the evaluators and moderator will re-convene at least 24 hours’ later to undertake the process again in a re-moderation session. Where a consensus is still not achieved, the moderator can take a majority consensus from the evaluators and will record the consensus rationale for that consensus from that majority.
			2. The relevant question weighting will then be applied to the moderated score to produce a final score for that question. For example, if the question had a weighed score of 10 and the response scored 50/100, the Tenderer would receive a weighted score of 5.
			3. The evaluators are not permitted to assign partial scores against any of the questions (for example giving a score of 65). However, any partial scores resulting from the weighting process will be rounded to two decimal places.
			4. The Award Questionnaire may include pass/fail questions. If a Tenderer attains a fail (in line with the evaluation criteria) in response to any of the award questionnaire pass/fail questions, the tender will be rejected (for the avoidance of doubt whenever a tender is rejected within this process, the Tenderer is excluded from the competition).
			5. The weighted scores achieved for each quality question will be added together, to give a total quality score out of 100.
			6. HMRC will reject the Tenderer’s entire tender submission where the Tenderer’s total quality score is below 50 unless the Tenderer’s total quality score is the highest or second highest total quality score out of all tenders.
		1. **Cost Submission**
			1. Tenderers must complete the cost submission question/document in full at both ITSIT and ITSFT stage. HMRC reserve the right to reject a Tenderer’s entire tender submission at either stage where the cost submission question/document is not fully completed or contains erroneous information. HMRC reserves the right to clarify any point with a Tenderer where there appears to be an obvious error such that it can be corrected.
			2. HMRC may challenge any tender that it deems to appear abnormally low and reserves the right to reject such tenders in line with Section 19 of PA 2023.
			3. Prices should be submitted excluding Value Added Tax (VAT).
			4. The total cost submitted by any Tenderer **must not exceed £416m (ex VAT)**. Any submission exceeding this amount may be deemed non-compliant and the Tenderers entire tender submission will be rejected.
			5. Detail of the sub-criteria used to be used for the commercial evaluation approach will be provided to Tenderers shortlisted to participate in Stage 2.

**ANNEX 1 – PROCESS BREAKDOWN**

**It is anticipated that this competitive flexible procedure will be conducted in four (4) stages, however HMRC may amend the number of stages (upwards or downwards) as negotiation progresses.** The four (4) stages are described in more detail below.

### Stage 1: Invitation to participate and submit Procurement Specific Questionnaire (PSQ)

* + - 1. Stage 1 commences with the issuing of a Tender Notice and the publication of this document.
			2. This document includes a Procurement Specific Questionnaire (PSQ) at Schedule 1 which all Tenderers are required to complete and return in accordance with the Procurement Timetable and instructions within this document.
			3. The PSQ will be based on a combination of Pass/Fail questions within the Government’s Central Digital Platform (CDP), questions that are for information only and qualitative questions to assess Tenderers experience and capabilities that are specific to this procurement.
			4. HMRC will use this stage to confirm that neither the Tenderer, nor any related persons within its corporate group, associated persons relied on to meet the conditions of participation, or proposed sub-contractors are listed on the Cabinet Office debarment list.
			5. In addition, HMRC will consider whether any Tenderer or related persons within its corporate group, associated persons relied on to meet the conditions of participation, or proposed sub-contractors are excluded or excludable Suppliers, and before HMRC determines that a Tenderer is potentially to be excluded as an excluded or excludable Supplier, it will provide the Tenderer reasonable opportunity to make representations and provide evidence as is proportionate in the circumstances. If the Tenderer is an excluded or excludable Supplier only by virtue of an associated person or proposed sub-contractor, HMRC will notify the Tenderer of its intention to exclude the Supplier and provide the Tenderer with reasonable opportunity to replace the associated person or sub-contractor. If as a consequence of this process HMRC excludes the Tenderer from participating in the Procurement, or is aware of an associated person or sub-contractor having been replaced, it will give notice of this fact within 30 days of its decision to the Procurement Review Unit (PRU).
			6. HMRC will also undertake a review of the completed PSQ (and as confirmed in the detail provided in paragraph 12.4, with reference to any information held on the Central Digital Platform. Responses to any conditions of participation will be assessed in accordance with the selection process and any selection criteria as set out in the Tender Notice, PSQ and described in this document. The assessment of these responses will identify a maximum of three Tenderers to be invited to participate in Stage 2. Note, that the final number of Tenderers shortlisted to proceed is at the discretion of HMRC.
			7. Stage 1 will complete with Tenderers being notified in writing of whether or not they have been successfully placed in the top three and thus, shortlisted to participate in Stage 2. Tenderers not invited to Stage 2 will be provided with a written explanation of the reasons why they have not been shortlisted to participate in Stage 2.
			8. Tenderers should note that HMRC reserves the right to re-assess any response to the PSQ, in light of any new relevant information that comes to HMRC’s attention.

### Stage 2: Invitation To Submit Initial Tenders (ITSIT)

9 Stage 2 will commence with the issuing of a letter inviting those Tenderers which have successfully been shortlisted at Stage 1 of the Procurement to submit initial tenders.

10. The letter will also provide details of the additional information made available to Tenderers at this stage of the Procurement. This will include the questions and scoring criteria for that stage of the procurement.

11. Initial tenders must be submitted in accordance with the Procurement Timetable and instructions set out in this document and any additional information provided as part of the ITSIT documentation.

12. Following the deadline for submission of initial tenders, HMRC will assess initial tenders in accordance with the assessment process and award criteria set out in the Tender Notice and described in this document. Note that although Initial Tenders are not formally evaluated for scoring purposes or moderated, any submissions that are received that are non-compliant against criteria defined as Non-Negotiable, may be rejected at this stage.

### Stage 3: Invitation to negotiation

14. Stage 3 will commence with the issuing of a letter inviting Tenderers that have successfully passed Stage 2 to attend one or more negotiation meetings. The number, sequencing, and location of these meetings will be determined by HMRC and communicated to all Tenderers proceeding to Stage 3.

15. The letter will also provide details of any new information made available to Tenderers at this stage in the Procurement.

16. This period will focus on aspects of the Tenderer’s response to the ITSIT that HMRC requires further clarification to improve the Tenderer’s solution, the commercial outcome, or ensure that the Tenderer is made aware of information that may reduce risk premiums or enable them to develop more innovative approaches to delivering the service. There will be several workstreams operating in parallel during the period of negotiation. These will be communicated but may include (but not be limited to) Technical, Commercial, Legal, and Governance workstreams.

17. During this period, the Tenderers may be asked for access to reference clients, deliver presentations on approaches, or refine solutions for review by HMRC. Any such activity will be to improve understanding, and improve the Tenderer’s final submission, but will not be evaluated.

18. Stage 3 will conclude with the issuing of letters to all participating Tenderers confirming the closure of negotiations.

### Stage 4: Invitation to Submit Final Tender (ITSFT)

Stage 4 will commence with the issuing of a letter inviting Tenderers that have been successfully shortlisted at Stage 3 and they will be invited to respond to an Invitation to Submit Final Tender (ITSFT). Stage 4 will be the basis on which the final award recommendation is made and may be subject to additional steps to satisfy HMRC that the shortlisted Tenderers are capable of delivering their proposed technical solution for the most competitive commercial offer. Further stages may be added to further reduce risk, validate quality of proposed personnel, iterate plans, or further interrogate costs. This list is non-exhaustive and may be amended. Details of any changes during Stage 4 will be outlined in the ITSFT document.

Final tenders must be submitted in accordance with the timetable and instructions set out in this document and any additional information provided as part of the ITSFT documentation. Following receipt of tenders, HMRC will:

1. Conduct an assessment of all final tenders in order to identify the Tenderer which has submitted the most advantageous tender in accordance with the award criteria and the assessment methodology described in the ITSFT documentation. In carrying out this assessment, HMRC may disregard a tender:

a. from a Tenderer that is not a United Kingdom Supplier or a treaty state Supplier or that intends to sub-contract the performance of all or part of the Contract to a Supplier that is not a United Kingdom Supplier or a treaty state Supplier; or

b. if the tender breaches a procedural requirement set out in the Tender Notice or associated tender documents; or

c. if the tender offers a price that HMRC considers to be abnormally low for the performance of the Contract. Where HMRC considers that a price offered by a Tenderer in its tender is abnormally low, HMRC will notify the Tenderer and give the Tenderer reasonable opportunity to demonstrate that it will be able to perform the contract for the price offered. HMRC will only disregard the tender if the Tenderer cannot satisfactorily demonstrate that it will be able to perform the Contract for the price offered.

HMRC may disregard a tender that does not satisfy the Conditions of Participation.

1. Once the assessment has concluded, HMRC will provide an assessment summary to all Tenderer that submitted final tenders to:

a. inform them whether they have been successful in being awarded the contract

b. provide an explanation of the assessment of the Tenderer’s tender against the relevant award criteria, in accordance with the requirements of the Act

c. where different to the Tenderer concerned, provide information in respect of the most advantageous tender submitted, including details of the assessment of this tender against the relevant award criteria and the Tenderer’s name

1. Once the assessment summaries have been provided to the Tenderers that submitted final tenders, HMRC will also publish a contract award notice on the Central Digital Platform to commence the mandatory standstill period.
2. Subject to completion of the mandatory standstill period, Stage 4 will end with HMRC entering into the Contract with the preferred Supplier and publication of a Contract Details Notice on the Central Digital Platform (within 30 days of the date on which the Contract is entered into). Where appropriate, a copy of the Contract may also be published on the Central Digital Platform.

**ANNEX 2 – OUTLINE SERVICES DESCRIPTION**

**INTRODUCTION & BACKGROUND**

HMRC’s IT infrastructure has been building increasing levels of technical debt due to the age of the underlying hardware and software, making modernisation a priority for the organisation.

As part of our ongoing technology strategy, we have developed cloud capabilities and platforms to manage parts of our previously migrated estate. This has provided us with valuable insights, reaffirming that cloud capabilities, and their continued evolution, present a strong opportunity to advance our journey towards modernisation.

The Data Centre Exit (DCE) programme has identified that modern hyperscaler cloud technologies would be the preferred solution to transition to, whilst supporting HMRC's strategic objectives, without affecting business continuity or incurring an unaffordable cost of change. Furthermore, the strategy aligns with the capabilities of the market, the overall aspiration to move to the cloud, and evidence to suggest that transitioning to a cloud solution would be more scalable and cost-effective.

The objective of the programme is to exit all services from three managed data centres and decommission any remaining infrastructure within the current contract period of the incumbent data centre hosting provider (June 2028). The scope of the technical migration is currently all services supported by hardware in the three data centres. Other programmes may have plans to migrate services prior to the DCE exit date and once those programmes are confirmed, HMRC will de-scope from DCE as appropriate.

The procurement of a hyperscaler and subsequent award will provide a vehicle to deliver the technical migration to the public cloud of services within the scope of the programme, and their hosting for the remaining life of the contract. The specifics of the migration plan will be confirmed during the negotiation phase of the procurement process. The procurement of a hyperscaler will depend on meeting requirements that support an efficient, effective, and timely migration of the services within the scope, balancing cost, risk, timescale and without affecting service continuity.

**EXISTING LANDSCAPE AND KEY INFORMATION**

There are currently in excess of 200[[1]](#footnote-2) business services, supported by 10,2861 physical and virtual assets within the 3 data centres.

The following table describes the inventory of the data centres by operating system.

|  |  |
| --- | --- |
| **Operating Systems** | **Estate Coverage1** |
| Windows (Various) | 23% |
| Oracle SunOS Solaris | 18% |
| Linux (Various) | 44% |
| IBM AIX | 9% |
| HP-UX | 2% |
| Oracle Enterprise Linux | 1% |
| 3rd Party Appliances | 3% |

The following table describes a non-exhaustive list of the inventory of the data centres by software types.

|  |  |
| --- | --- |
| **Vendor** | **Products** |
| Apache Software Foundation | HTTP server |
| CA Gen | Advantage:Gen |
| CGI | Strata |
| Entrust | GetAccess |
| IBM | Tivoli Workload Scheduler |
| IBM (Was Software AG) | WebMethods |
| Informatica | PowerCenter |
| Micro Focus (now OpenText) | SOA Express |
| Microsoft | COBOL |
| Microsoft | .Net |
| OpenText (Was EMC) | Documentum |
| Oracle | WebLogic |
| Oracle | Database Management System |
| Oracle | Tuxedo |
| Oracle | Jrockit |
| Oracle | Java RunTime Environment |
| Pega | Rules Engine |
| Precisely | Trillium |
| SAP | Business Objects Suite |
| SAS | Statistical Analysis Software Suite |

The table below provides a count of different asset types in the data centres. We estimate that 3,354[[2]](#footnote-3) of the assets host services which must be migrated, and these assets can be decommissioned once the services have been migrated. The remaining 6,9372 assets will need to be decommissioned once they are no longer in use (e.g. data centre infrastructure such as racks and frames). The numbers in all of the tables in this section are approximate and will continue to be analysed and refined by HMRC throughout 2025.

|  |  |  |  |
| --- | --- | --- | --- |
| **Asset Type** | **Migration & Decommissioning Scope2** | **Decommissioning Only Scope2** | **Total Assets To Be Decommissioned2** |
| Data Centre Infrastructure | 0 | 1,129 | 1,129 |
| Network | 5 | 2,507 | 2,512 |
| Partitions (vPars, LPARs, SunOS) | 305 | 105 | 410 |
| Peripheral | 0 | 352 | 352 |
| Physical Server | 1,037 | 600 | 1,637 |
| Storage | 0 | 644 | 644 |
| Virtual Container | 27 | 214 | 241 |
| Virtual Server | 1,980 | 82 | 2,062 |
| Already on Decommissioning Pathway | 0 | 1,299 | 1,299 |
| **Totals** | 3,354 | 6,937 | 10,286 |

 **Objective**

The objective is to exit and close the legacy data centres by migrating all assets to the cloud as quickly as possible without disrupting the operational HMRC business and minimising the burden on HMRC staff.

**Key Requirements**

1. Cloud Hosting Services:
	1. Provide public cloud hosting services for the period defined in the Tender Overview section, commencing on the contract award date.
	2. In the case of hosting services post migration, data must reside within UK sovereign boundaries, and hosting must comply with applicable UK government security and data protection requirements.
2. Target Cloud Platform Readiness:
	1. Establish a target cloud platform (either uplifting an existing platform or provisioning a new platform) designed and built to hyperscaler, industry and security best practices.
	2. Ensure the platform is designed and built with operational, financial, data and security controls and guardrails aligned to HMRC policies and standards.
	3. Integrate the platform with HMRC identity provider, network and tooling (e.g. development, operational, monitoring, FinOps and security).
3. Migration Planning and Execution:
	1. Inventory analysis and migration pathway development/assignment.
	2. Dependency analysis and technical wave planning.
	3. Migration readiness and planning.
	4. Migration of all services from the legacy data centres to the cloud within 18 months commencing the contract award date.
	5. Identify services that cannot be migrated to the cloud, provide recommendations including effort and timeline to remove them from the legacy data centres, and then deliver the HMRC-approved recommendation within 18 months commencing the contract award date. Where the only viable option is to migrate to Crown Hosting, manage the migration.
	6. As many services must be migrated to the cloud as possible. Migration to Crown Hosting must be minimised.
	7. Overall programme and project management of the migration, integrating with the HMRC Data Centre Exit Programme Governance.
4. Testing and Validation:
	1. To ensure the HMRC operational business is not impacted, the supplier shall plan, prepare, execute and evidence that the migrated service and its data been migrated successfully.
	2. This includes:
		1. Functional and non-functional testing to confirm that all migrated services operate and perform as expected.
		2. Verifying that all data has been migrated accurately and completely.
		3. Working with the programme test team to coordinate stakeholders (including HMRC business owners, IT service owners, and third-party providers) to support testing activities.
		4. Managing the full testing lifecycle, including:
			1. Test planning and execution.
			2. Defect resolution.
			3. Documenting and presenting test results and evidence.
5. Decommissioning:
	1. As assets are migrated, manage and coordinate HMRC teams, the legacy data centre service providers and other suppliers to perform controlled shut-down in the legacy data centres, i.e. soft decommissioning.
	2. As physical assets become fully redundant in the legacy data centres, manage and coordinate with HMRC teams, the legacy data centre service providers and other suppliers the physical decommissioning and removal from the data centres (physical assets includes all data centre equipment).
	3. Navigate HMRC Change Management governance across the execution of steps 6a and 6b.
	4. Track and report decommissioning to ensure:
		1. All assets are removed.
		2. A full exit is achieved on time, as per the contract.
6. Run and Operate Platform:
	1. Where HMRC does not have the skills or people to run and operate the cloud platform, provide ongoing support. Support includes but is not limited to:
		1. Evergreening, upgrades and evolution of the underlying platform.
		2. Platform support; vending new cloud environments and cloud users, responding to support requests.
		3. Security and compliance monitoring of the platform
		4. Incident and problem resolution.
	2. Support must be provided until an agreed transition period, where the platform will be transitioned to HMRC.
	3. HMRC must be trained and upskilled on the cloud platform as part of the transition plan.
7. Dependencies on HMRC:
	1. Deliver subject to agreed dependencies on HMRC in order to deliver a successful data centre to cloud migration programme within the timeline constraint of the programme.
8. Guiding Principles:
	1. Minimise functional and non-functional changes to the assets when they are migrated.
	2. Minimise impact to the HMRC operational business.
	3. Limit the burden on HMRC teams.
	4. Complete the migration within the timescales specified and decommission assets in the legacy data centre, enabling termination of the legacy data centre contract.

**OPTIONAL SERVICES**

During the course of the contract duration HMRC may have a requirement to engage the hyperscaler in additional activities which do not form part of the baseline Contract. These services are deemed to be optional and are offered solely at the discretion of HMRC. The optional services required are likely to include but are not limited to:

* Business Services Transformation – analysis, redesign, reengineering of migrated services
* Migration and/or transformation of existing services hosted in locations other than the three in-scope legacy data centres
* New Business Services Development – design, develop and implement new business services and capabilities enabled by the Cloud
* Business Service roadmap development support
* Technology platform roadmap development support
* Application modernisation and optimisation – assessment and upgrade of legacy applications to take advantage of new infrastructure capabilities, including cloud native refactoring, containerisation, API integrations etc.
* Cloud network optimisation
* Data archiving and purging
* Platform / service cost optimisation
* Application and infrastructure security hardening / improvement works
* Technical debt reduction
* Security improvements
* Well-architected reviews and moderation
* Training and upskilling of Authority personnel

**ANNEX 3 – TERMS & CONDITIONS**

HMRC are proposing to contract using an amended version of the Model Services Contract. The baseline template can be found at: <https://www.gov.uk/government/collections/model-services-contract>

This standard Government Contract is made up of 3 parts:

* Front Sheet
* Core terms
* Consolidated Schedules

This template will be amended to reflect the nature of the services and the proposed commercial structure and it will be provided to Tenderers shortlisted to participate in Stage 2.

HMRC is willing to consider and discuss amendments to certain categories of provisions in the draft contract that is published at Stage 2 to shortlisted Tenderers. Those categories are set out in paragraph 4.3 (Contract Terms) of this document.

**ANNEX 4 – DEFINITIONS AND ABBREVIATIONS**

In addition to using terms defined in the Draft Contract, additional terms are used throughout the document only. The following is a list of these specific definitions:

| **Term** | **Definition** |
| --- | --- |
| Tenderer  | The organisation or group of organisations responding to the Tender Notice and this document issued by HMRC. |
| Draft Contract  | HMRC proposes to use the Model Services Contract (MSC) issued by the Cabinet Office (see Annex 2), with amendments to reflect the nature of the services and the proposed commercial structure. The draft contract (as amended) will be provided to Tenderers shortlisted to participate in Stage 2. |
| Tender Notice | A document through which HMRC provides formal notification and information to the market about an upcoming contract. |
| Services Description  | The outline service description, including optional services specified in Annex 2 of this document |
| [Social Value Model](https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources) (SVM)  | Social Value Model accompanies the latest Procurement Policy Note (PPN) 002 and has been updated to ensure that HMRC can implement the government’s new National Procurement Policy Statement (NPPS). The PPN 002 Social Value Model is a menu of options from which HMRC will select the most appropriate social value outcomes and criteria for this procurement. |
| Optional Services | Additional services that the supplier will be required to provide if requested by HMRC during the lifetime of the contract, in accordance with the contract terms. Draft (non-exhaustive) list specified in Annex 2 of this document. |
| eSourcing Portal or Ariba | HMRC’s eSourcing Portal, “SAP Ariba” (“Ariba”), through which this procurement exercise will be administered and managed. |

**ANNEX 5 – SECURITY QUESTIONNAIRE**

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**ANNEX 6 – FINANCIAL CAPACITY METRIC DEFINITIONS**

| **Metric Definition (as per EFS Guidance)** | **Private Limited Company/Public Listed Company** | **Risk Ratings** |
| --- | --- | --- |
| Metric 1 - Turnover Ratio*Turnover Ratio = Supplier Annual Revenue / Expected Annual Contract Value* | Turnover Ratio = Turnover / Annual Contract Value | * (Low Risk): Greater than 4
* (High Risk): Less than 3
 |
| Metric 2 - Operating Margin*Operating Margin = Operating Profit / Revenue* | Operating Margin = (Operating profit + Exceptional and non-underlying items\*) / Turnover **Operating profit** is the sum of: Other operating income/expense, Administrative income/expense, Grant income (e.g. Government income), Impairment losses/gains and Restructuring costs.\*Exceptional and non-underlying items are only included if value is negative. | * (Low Risk): Greater than 10%
* (High Risk): Less than 5%
 |
| Metric 3 (A) – Free Cash Flow to Net Debt Ratio(Metrics 3(A) and 3(B) are alternative measures. Metric 3(A) is more relevant to capital intensive sectors and Metric 3(B) to less capital intensive sectors.)*Free Cash Flow to Net Debt Ratio = Free Cash Flow / Net Debt***Definition***Free Cash Flow = Net cash flow from operating activities – Capital expenditureCapital expenditure = Purchase of property, plant & equipment + Purchase of intangible AssetsNet Debt = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalents* | Free Cash Flow to Net Debt Ratio = Free Cash Flow / Net DebtWhere **Free Cash Flow** is the sum of: Net cash flow from operating activities (After working capital and tax) and Capital expenditure (Tangible and intangible).Where **Net Debt** is the sum of:1. Current Liabilities: Loans and overdrafts, Deferred consideration, Lease liabilities, Amounts owed to group undertakings, Amounts owed to joint ventures and associates and Derivative financial instruments.2. Non-current liabilities: Lease liabilities, Loans and borrowings, Amounts owed to group undertakings, Amounts owed to joint ventures and associates, Deferred consideration and Derivative financial instruments.Less:1.Current Assets: Derivative financial instruments, Other current financial assets (i.e. MMFs, secured loan notes), Cash and cash equivalents (Incl marketable securities) and Investments. | * (Low Risk): Greater than 15%
* (High Risk): Less than 5%
 |
| Metric 3(B) – Net Debt to EBITDA Ratio(Metrics 3(A) and 3(B) are alternative measures. Metric 3(A) is more relevant to capitalintensive sectors and Metric 3(B) to less capital intensive sectors.)*Net Debt to EBITDA ratio = Net Debt / EBITDA***Definition***Net Debt = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalentsEBITDA = Operating profit + Depreciation charge + Amortisation charge* | Net Debt to EBITDA Ratio = Net Debt / EBITDAWhere **Net Debt** is the sum of:1. Current Liabilities: Loans and overdrafts, Deferred consideration, Lease liabilities, Amounts owed to group undertakings, Amounts owed to joint ventures and associates and Derivative financial instruments.2. Non-current liabilities: Lease liabilities, Loans and borrowings, Amounts owed to group undertakings, Amounts owed to joint ventures and associates, Deferred consideration and Derivative financial instruments.Less:1.Current Assets: Derivative financial instruments, Other current financial assets (i.e. MMFs, secured loan notes), Cash and cash equivalents (Incl marketable securities) and Investments.Where **EBITDA** is: Operating profit plus Exceptional and non-underlying items\* less Depreciation and Amortisation.**Operating profit** is the sum of: Gross profit, Other operating income/expense, Administrative income/expense, Grant income (e.g. Government income), Impairment losses/gains and Restructuring costs.\*Exceptional and non-underlying items are included in the calculation where the value is negative. | * (Low Risk): Less than 4.0
* (High Risk): Greater than 15
 |
| Metric 4 – Net Interest Paid Cover*Net Interest Paid Cover = Earnings Before Interest and Tax / Net Interest Paid***Definition***Earnings Before Interest and Tax = Operating profitNet Interest Paid = Interest paid – Interest received* | Net Interest Paid Cover = (Operating profit + Exceptional and non-underlying items\* + Share of results of associates and joint ventures) / - (Interest Received + Interest Paid)**Operating profit** is the sum of: Gross profit, Other operating income/expense, Administrative income/expense, Grant income (e.g. Government income), Impairment losses/gains and Restructuring costs.\*Exceptional and non-underlying items are only included if value is negative. | * (Low Risk): Greater than 4.5
* (High Risk): Less than 2.5
 |
| Metric 5 – Acid Ratio / Quick Ratio*Acid Ratio = (Current Assets – Inventories)/ Current Liabilities* | Acid Ratio = (Current Assets - Stock and WIP) / Current liabilities | * (Low Risk): Greater than 1
* (High Risk): Less than 0.8
 |
| Metric 6 – Group Exposure Ratio*Group Exposure Ratio = Group Exposure / Gross Assets***Definition***Group Exposure = Balances owed by Group Undertakings + Contingent liabilities assumed insupport of Group UndertakingsGross Assets = Fixed Assets + Current Assets* | Group Exposure Ratio = Group Exposure / Gross AssetsWhere **Group Exposure** is the sum of:1. Other non-current assets: Amounts owed by group undertakings and Amounts owed by joint ventures and associates2. Current assets: Amounts owed by group undertakings and Amounts owed by joint ventures and associates3. Contingent liabilities in support of group undertakings (£'000s)Where **Gross Assets** is the sum of: 1. Fixed Assets: Other intangible fixed assets, Tangible fixed assets, Other fixed assets (Fixed asset investments, investment properties etc.) and Right of use assets2. Current AssetsWe note that Goodwill has been excluded in the calculation of gross assets. | * (Low Risk): Less than 25%
* (High Risk): More than 65%
 |

**SCHEDULE 1: PROCUREMENT SPECIFIC QUESTIONNAIRE (PSQ) GUIDANCE AND SELECTION CRITERIA**

1. **Procurement Specific Questionnaire (“PSQ”)**
	1. The table at the end of this Schedule sets out the questions and guidance for the PSQ. Schedule 3 contains the detailed evaluation guidance and criteria for all questions in the PSQ.
	2. The PSQ has been designed to help HMRC ensure that Tenderers share the information necessary to allow HMRC to determine whether suppliers possess the legal, financial and technical capability to perform the contract and enable shortlisting for progression to the ITSIT stage. The PSQ consists of three main parts:
	3. **Part 1 - Core Supplier Information**: suppliers participating in procurements are required to register on the Government’s central digital platform (CDP). Suppliers can submit their core supplier information and, where a procurement opportunity arises, share this information with HMRC via the CDP. It is free to use and will mean suppliers should no longer have to re-enter this information for each public procurement but simply ensure it is up to date and subsequently shared. The CDP is available at <https://www.gov.uk/find-tender>. Part 1 provides confirmation that suppliers have taken these steps. Please note specific guidance notes within the PSQ that require a Tenderer to upload a PDF output from the CDP in response to certain questions.
	4. **Part 2 - Additional Exclusions Information**: procurement legislation provides for an ‘exclusion regime’ and a published ‘debarment’ list to safeguard procurement from suppliers who may pose a risk (for example, due to misconduct or poor performance). Suppliers must submit their own (and their connected persons\*) exclusions information via the CDP. This includes self-declarations as to whether any exclusion grounds apply to them and, if so, details about the event or conviction and what steps have been taken to prevent such circumstances from occurring again.

*\*Connected persons are persons who exercise (or have a right to exercise) significant influence or control over the supplier and those over which the supplier exercises (or has the right to exercise) significant influence or control. This includes majority shareholders, directors and shadow directors, parent and subsidiary companies and predecessor companies. The majority of the exclusion grounds state that they apply to the supplier or a connected person of the supplier.*

* 1. As part of the procurement, a Tenderer will need to also share additional exclusions information for any suppliers that they are relying on to meet the procurement’s conditions of participation. These could either be consortium members or key sub-contractors (but excludes any guarantors). These suppliers are ‘associated persons’ and their exclusions information must be shared with HMRC by ensuring that associated persons register, submit and share their information via the CDP (like the prime/main supplier).
	2. In addition to the sub-contractors who are being relied on to meet the Conditions of Participation (who are associated persons), suppliers will need to share an exhaustive list of all their intended sub-contractors, which will be checked against the debarment list.
	3. If a sub-contractor is unknown at the start of the procurement (or brought in during it), this should be made clear by the supplier and relevant details of the sub-contractor should be provided once their identity and role is confirmed. This information should be shared with HMRC as soon as possible and at least by final tenders.
	4. **Part 3 - Conditions of Participation (CoP)**: Conditions of Participation set by HMRC which a Supplier must satisfy in order to be awarded the contract. These conditions relate to the Supplier’s legal, financial and technical capacity and and/or ability.
	5. The questions contained within this Schedule 1, in tandem with the information provided in Schedules 2 and 3, make clear whether a question is:
* for information only;
* to be evaluated as a pass/fail; or
* to be evaluated by a scored evaluation

These questions will be assessed by HMRC in line with the published criteria and on completion of the assessment, Tenderers will be ranked with the top three progressing.

* 1. Tenderers should note that HMRC have legislative duties to publish certain information which relate to the supplier in their contract award notices. This information includes, but is not limited to:
* details of the winning supplier’s associated persons
* details of the winning supplier’s connected person information
* for certain procurements over £5 million, details of unsuccessful Tenderers
	1. Where a Tenderer is unsure or requires any clarification, they should check with HMRC.
	2. Please ensure that all questions are completed in full, and in the format requested. If the question does not apply to you, please state ‘N/A’.
	3. The Core Supplier Information must be completed on the CDP, with the remaining PSQ questions submitted via the Ariba eProcurement system. PDF outputs from the CDP must be provided where requested within the PSQ.
	4. If a Tenderer, including their connected persons or associated persons do meet any of the grounds for exclusion, there is an opportunity for the Tenderer to explain the background and any measures taken to rectify the situation (we call this self-cleaning). HMRC reserves the right to request any evidence HMRC deems appropriate to confirm the accuracy of the self-declarations made by Tenderers, at any point during the procurement process. HMRC may reject any tender where the Tenderer fails to provide such evidence in accordance with any timescales stipulated by HMRC and/or the evidence shows, in the opinion of HMRC, that there is a ground for exclusion.
	5. HMRC will require that the Tenderer replaces an entity (e.g. associated persons or sub-contractors) who do not meet a relevant condition of participation, or in respect of which there are compulsory grounds for exclusion and may require that the Tenderer substitutes an entity in respect of which there are discretionary grounds for exclusion.
	6. HMRC may decline to consider bids (or otherwise exclude from participating in the procurement) from suppliers who are constituted or organised under the law of Russia or Belarus, or whose ‘Persons of Significant Control’ information states Russia or Belarus as the place of residency, unless the supplier (or any member of their supply chain they rely on to deliver the contract):
* is registered in the UK or in a country the UK has a relevant international agreement with reciprocal rights of access to public procurement; and/or
* has significant business operations in the UK or in a country the UK has a relevant international agreement with reciprocal rights of access to public procurement.
	1. HMRC reserves the right to request any evidence that HMRC deems appropriate, proportionate and relevant to the procurement to confirm the accuracy of the Tenderers’ responses, at any point during the procurement process if necessary to ensure the proper conduct of the procedure. Failure to provide such evidence in any timescales stipulated by HMRC may result in the rejection of the Tenderer’s tender.
	2. If a Tenderer seriously misrepresents any factual information in filling in the PSQ, and so induce HMRC to enter into a contract, there may be significant consequences. The Tenderer may be excluded from the procurement procedure, and from bidding for other contracts for three years. If a contract has been entered into the Tenderer may be sued for damages and the contract may be rescinded. If fraud, or fraudulent intent, can be proved, the Tenderer or its responsible officers may be prosecuted and convicted of the offence of fraud by false representation, and the Tenderer must be excluded from further procurements for five years.
1. **Procurement Specific Questionnaire Evaluation Criteria**
	1. The tables within this section set out the PSQ questions that must be responded to by Tenderers in line with the guidance provided.
	2. Tables 1 & 2 in paragraph 12 provide the scoring matrix and Schedule 2 provides the response guidance for PSQ qualitative questions 3.8 – 3.14.
	3. Schedule 3 contains the detailed evaluation guidance and criteria for all questions in the PSQ, which should be read in conjunction with the below questions.
	4. Tenderers must ensure that every organisation on which they will rely to meet the selection criteria completes and submits their own answers and declaration for the preliminary questions, Part 1 and 2.
	5. Note that at the point of publication, the ‘share code’ functionality of the CDP may not be operational in such a way to allow HMRC to view the information directly. Therefore, when responding to questions within the PSQ that request information be completed on the CDP, Tenderers must generate a PDF of the required information from the CDP and attach this within the appropriate section of the questionnaire on Ariba. Tenderers are accordingly advised to ensure they have completed responses on the CDP in good time in advance of the response deadline.

**Preliminary Questions**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **1.1** | What is your name? | [Insert Supplier name] |
| **1.2** | What is your central digital platform unique identifier? | [Insert unique identifier] |
| **1.3** | Please indicate if you are bidding as a single supplier (with or without sub-contractors) or as part of a group or consortium? | Single Supplier [ ] Group [ ] Consortium [ ]  |
| **1.4** | If you are bidding as part of a group or consortium (including where you intend to establish a legal entity to deliver the contract, or you are a subcontractor), please provide: 1. The name of the group/consortium
2. The proposed structure of the group/consortium, including the legal structure where applicable
3. The name of the prime/lead member in the group/consortium
4. Your role in the group/consortium (e.g. prime/lead member, consortium member, subcontractor)
5. Confirmation (if you are the prime/lead member in the group/consortium) whether you are relying on other consortium members to meet the selection criteria (i.e. are you relying on other consortium members for economic and technical standing and/or technical and professional ability?). If so, please confirm to which criteria this applies.
 |  |
| **1.5** | Are you on the debarment list?If ‘Yes’, please provide details | Yes [ ] No [ ]  |
| [Insert details here] |

**Part 1: Confirmation of core supplier information**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **1.6** | Regulation 6 of the Procurement Regulations 2024 (PR 2024) requires that suppliers must provide confirmation of the following:1. You have registered on the CDP
2. You have submitted up-to-date core supplier information on the CDP, which includes your:
	* basic information (Reg 9 of PR 2024)
	* economic and financial standing (Reg 10 of PR 2024) information
	* connected person information (Reg 11 of PA 2024)
	* exclusion grounds information (this includes exclusion information about the supplier and its connected persons; Reg 12 of PA 2024); and
3. You have provided that information to the contracting authority.

Please provide a link to your information on the CDP in response to this question and your unique identifier that has been accepted or allocated by the CDP.Please note that providing a ‘No’ response or failing to provide a relevant link may result in disqualification**.** Where a supplier is disqualified, any further quality and price submissions will not be assessed. **Please note, if the CDP is not working properly during the tendering period, please indicate this within your response. As long as the information required has been provided directly to HMRC in the required PDF, any issues with CDP will not lead to the disqualification of a Tenderer. HMRC will request confirmation during the evaluation period that the information requested within this question is compliant.** | Yes [ ] No [ ]  |
| [Link to your information on the CDP] |

**Part 2: Additional Exclusions Information**

**Part 2A – Associated Persons**

Please answer the following questions in full. Note that every organisation that forms part of your bidding group/consortium, as well as every organisation that is being relied on (including subcontractors) to meet the selection criteria must complete and submit responses to Part 1 and Part 2.

Associated persons are sub-contractors or consortium members who are being relied on by the prime/lead supplier to satisfy the conditions of participation in the particular procurement. This does not include guarantors, even if they are relied on to meet conditions of participation.

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **2.1** | Please confirm whether you will rely on any associated persons in the procurement to satisfy the conditions of participation.If you have answered “No” to this question, you are confirming you will not be relying on any other entity to satisfy the conditions of participation. If this is the case, questions 2.2 – 2.4 are not applicable and do not require a response. Otherwise, you must comply with the requirements of 2.2 – 2.4 in respect of all associated persons. | Yes [ ] No [ ]  |
| **2.2** | For each associated person, please confirm which condition(s) of participation you are relying on them to satisfy | [Insert name of associated person(s) and brief description for each relevant condition of participation] |
| **2.3** | Please confirm the following in respect of all associated persons:1. They have registered on the CDP
2. They have submitted up-to-date core supplier information on the CDP, which includes your:
	* basic information
	* economic and financial standing information
	* connected person information
	* exclusion grounds information (this includes exclusion information about the supplier and its connected persons); and
3. You have provided that information to the contracting Authority.

Please provide a link to information concerning all associated persons on the CDP in response to this question, and unique identifiers that have been accepted or allocated by the CDP.Please note that if you will be relying on associated persons to meet conditions of participation and provide a ‘No’ response or fail to provide a relevant link, this may result in disqualification. Where a supplier is disqualified, any further quality and price submissions will not be assessed.  **Please note, if the CDP is not working properly during the tendering period, please indicate this within your response. As long as the information required has been provided directly to HMRC, any issues with CDP will not lead to the disqualification of a Tenderer. HMRC will request confirmation during the evaluation period that the information requested within this question is compliant.** | Yes [ ] No [ ] N/A [ ]  |
| [Links for all associated persons information on the CDP] |
| [List of each associated persons’ CDP unique identifier] |
| **2.4** | Please confirm if any of your associated persons are on the debarment list?If ‘Yes’, please provide details | Yes [ ] No [ ]  |
| [Insert details if applicable] |

**Part 2B – List of all intended sub-contractors**

Under The Procurement Act 2023, HMRC must ask for details of all sub-contractors in the supply chain that a supplier intends to use to deliver the contract. This is not restricted to sub-contractors that the supplier is relying on to meet conditions of participation (who will also be associated persons) but ***applies to all sub-contractors*** to whom the supplier intends to sub-contract the performance of all or part of the contract.

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **2.5** | Please provide: 1. a list of all suppliers who you intend to sub-contract the performance of all or part of the contract to (either directly or in your wider supply chain);
2. their unique identifier (if they are registered on the CDP), or otherwise, a Companies House number, charity number, VAT registration number, or equivalent;
3. a brief description of their intended role in the performance of the contract, including any known deliverables;
4. The approximate % of contractual obligations assigned to each subcontractor, if known; and
5. Their SME status (Yes/No).

If a sub-contractor is unknown at the start of the procurement (or brought in during it), this should be made clear by the supplier and relevant details of the sub-contractor should be provided once their identity and role is confirmed. This information should be shared with the contracting authority as soon as possible and at least by final tenders.Please note that if you are not intending to sub-contract the performance of all or part of the contract, then this question and Q2.6 are not applicable. | N/A [ ] Or[provide the information as requested in the question] |
| **2.6** | Please confirm if any intended sub-contractor is on the debarment list?If ‘Yes’, please provide details | Yes [ ] No [ ] N/A [ ]  |
| [Insert details if applicable] |

**Part 3: Questions Relating to the Conditions of Participation**

**Part 3A – Standard Questions**

**Financial Capacity**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.1** | Suppliers must provide at least one of the following:* A copy of your detailed accounts (audited if required by law) for the last two years (or most recent financial year if trading for less than 2 years); or
* A statement of your annual turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading and a bank letter outlining the current cash and credit facility position; or
* Alternative information to evidence economic and financial standing (e.g. forecast financial statements and a statement of funding provided by the owners and/or the bank, charity accruals accounts or an alternative means of demonstrating financial status).

Note: At any point during the procurement process, HMRC may request that the Supplier and if applicable, organisations in their supply chain and / or consortium, provides further information to verify their financial capacity. | [Attach information requested] |
| **3.2** | Are you relying on another supplier to act as a guarantor?If so, please provide their name and one of the following:* A copy of their detailed accounts (audited if required by law) for the last two years (or most recent financial year if trading for less than 2 years); or
* A statement of their annual turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading and a bank letter outlining the current cash and credit facility position; or
* Alternative information to evidence economic and financial standing (e.g. forecast financial statements and a statement of funding provided by the owners and/or the bank, charity accruals accounts or an alternative means of demonstrating financial status).
 | Yes [ ] No [ ]  |
| [Attach information requested if ‘Yes’] |
| **3.3** | Please confirm whether you already have, or can commit to obtain, prior to the commencement of the contract, the minimum levels of insurance cover indicated below:* Employer’s (Compulsory) Liability Insurance - £10 million
* Professional Indemnity Insurance - £10 million
* Cyber Liability Insurance - £20 million

Note that the above insurance levels are subject to confirmation and the full insurance requirements will be confirmed within the ITSIT and/or ITSFT documentation.Note that the above insurance levels are subject to confirmation and the full insurance requirements will be confirmed within the ITSIT and/or ITSFT documentation. | Yes [ ] No [ ]  |

**Legal Capacity**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.4** | Please confirm that you have in place, or that you will have in place by the award of the contract, the human and technical resources to perform the contract to ensure compliance with the UK General Data Protection Regulation and to ensure the protection of the rights of data subjectsPlease provide details of the technical facilities and measures (including systems and processes) you have in place, or will have in place by contract award, to ensure compliance with UK data protection law and to ensure the protection of the rights of data subjects. Your response should include, but should not be limited to facilities and measures:* to ensure ongoing confidentiality, integrity, availability and resilience of processing systems and services
* to comply with the rights of data subjects in respect of receiving privacy information, and access, rectification, deletion and portability of personal data
* to ensure that any consent-based processing meets standards of active, informed consent, and that such consents are recorded and auditable
* to ensure legal safeguards are in place to legitimise transfers of personal data outside the UK (if such transfers will take place)
* to maintain records of personal data processing activities
* to regularly test, assess and evaluate the effectiveness of the above measures
 | Yes [ ] No [ ]  |
| [Insert details] |

**Technical Ability**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.5** | Does your organisation *own*, *operate*, and *have full control and accountability* for a hyperscale cloud infrastructure platform that offers IaaS (Infrastructure-as-a-Service) capabilities?Please confirm that:a. You are the legal and operational entity responsible for the infrastructure platform’s development, roadmap, and service delivery.b. You do not primarily resell, broker, or act as an intermediary for another organisation’s cloud services.c. You operate globally-distributed hyperscale data centres under your own brand and authority.d. Your platform provides native compute, storage, and networking services as part of your IaaS offering.e. You hold all relevant certifications and regulatory compliance responsibilities directly (including but not limited to: ISO, SOC, GDPR, Cyber Essentials).**Clarification:***For the purposes of this question, "hyperscaler" refers to an organisation that directly owns and operates large-scale public cloud infrastructure, including data centres, service orchestration, network fabric, and the associate software stack. Resellers, managed service providers, or entities offering white-labelled cloud services sourced from third-party hyperscalers do not meet this definition and will not be considered further.*To achieve a Pass the Tenderer must satisfy all elements listed. | Yes [ ] No [ ]  |
| [If you have entered a ‘no’ response, include further details here] |
| **3.6** | HMRC requires that the Tenderer holds accreditation to the following standards. * ISO 27001
* Cyber Essentials Plus standards.

Please confirm that your Organisation will hold the above standards at the time of contract signature.Where you have responded ‘no’, please confirm which of the above standards you do not hold along with an explanation detailing mitigations as to why this is the case including whether the Tenderer believes it holds equivalent standards which will be considered in assessing any mitigations proposed. | Yes [ ] No [ ]  |
| [If you have entered a ‘no’ response, include further details here] |
| **3.7** | In the case of hosting services post migration, data must reside within UK sovereign boundaries, and hosting must comply with applicable UK government security and data protection requirements.Please confirm that your organisation, and your proposed sub-contractors, can fulfil the above requirements, utilising resource, who, where necessary at HMRC’s request, can achieve SC level clearance. | Yes [ ] No [ ]  |
| **3.8** | **Relevant Case Studies – Data Centre Exit to Public Cloud****Criteria** Please provide THREE [3] case studies of migrations to a public cloud that your organisation has successfully delivered as the lead / prime contractor. All three of your case studies must have concluded the migration element within the past three years and specifically focused on the exit from a data centre environment to a public cloud infrastructure.**Sub-Criteria**Your response must address the following sub-criteria **FOR EACH CASE STUDY**:1. Provide a project summary, including sector, geography and the scale of migration.
2. Demonstrate relevance to HMRC (completion of a similar migration of a similar size and scale within less than 2 years)
3. Articulate your scope & your responsibilities
4. Describe the legacy technology landscape
5. Provide the timeframe including the original ambition vs what was achieved, along with any circumstances that led to a variation in the timeline.
6. Articulate the challenges encountered by your organisation and the client organisation during the contract term and how these were overcome
7. Summarise how long-term hosting was delivered post-migration, including SLAs, support coverage, and service continuity.
8. Describe how cloud spend was managed and optimised over time, including governance, forecasting, and cost-saving measures.
9. Outline how hosting services evolved, including performance tuning, automation, and adoption of new cloud capabilities.

Please also provide the name and contact details of a senior representative from the client organisation. HMRC will provide advance notice to Tenderers prior to making contact with any referenced organisation. Please note that the 9 sub-criteria listed will be considered for each of the submitted case studies. Each case study has a relative weighting of 33.3% towards the question total of 30% (10 % of the total overall PSQ weighting per case study)**Response requirement(s)** 1. Each case study should be no more than seven [7] PowerPoint slides. Subject to point (ii) below, any material provided in excess of seven [7] PowerPoint slides will not be evaluated. Font style Arial, with font size no smaller than 10
2. Please note the contact details can be provided separately and do not contribute to the page count
 | **30% Weighting****Maximum** **7 Slides of PowerPoint per Case Study**  |
| Named Contact Information: Full name and email address |
| **3.9** | **Criteria**Based on Annex 2 – Services Description, please describe the legacy technology stacks and OS versions you have previously been able to rehost in your public cloud. HMRC expects all of these technology stacks and OS versions to be migrated and managed. **Sub-Criteria**Your response must address the following sub-criteria:1. Provide a clear description of the legacy technology stacks and OS versions which you’re able to rehost in your public cloud
2. Articulate, based on past experience, where you may have gaps in your ability to successfully migrate
3. Where any gaps have been identified, provide an explanation, based on past experience, of how you propose to address any gaps in capabilities

**Response requirement(s):** 1. The total response must be within three [3] sides of A4, Arial, size 10. Any material provided in excess of this page count will not be evaluated.
 | **20% Weighting****Maximum 3 sides of A4 size 10 font, Arial** |
|  |
| **3.10.1** | **Disaster Recovery [1/2]**Please confirm whether you have and will have at the point of entry into a contract, formal Disaster Recovery, Business Continuity, and Resilience Plans for locations and services specific to this opportunity. - Yes/No | For 3.10.1:Yes [ ] No [ ]  |
| **3.10.2** | **Disaster Recovery [2/2]**Given the business-critical nature of the services that are being delivered as part of this contract, HMRC requires that the appointed supplier is able to demonstrate that sufficient processes are in place to prevent disruptions to service delivery.**Criteria**Please outline in no more than two [2] A4 pages, the processes that your organisation has previously undertaken to ensure that your services (being those relevant to the scope and scale required under Annex 2 - Services Description) were delivered in the event of a disruption affecting your business. **Sub-Criteria**Your response must:1. Outline the key processes that are incorporated in your Business Continuity Plan (BCP)
2. Articulate the key risks that exist to your business continuity and which are relevant to the services being provided here and how your organisation has mitigated those risks in the past
3. Describe, in the event of a disruption, based on past experience, what the trigger point is for you to contact impacted client(s) and keep them updated
4. Include reference to any relevant certifications or adopted codes of practice

**Response Requirement(s)**1. The total response must be within two [2] sides of A4, Arial, size 10. Any material provided in excess of this page count will not be evaluated.
 | For 3.10.2:**10% Weighting****Maximum 2 sides of A4, size 10 font, Arial** |
| **3.11** | **Criteria** 1. Please describe, by reference to experience of services of the same scale/ extent as required under Annex 2 - Services Description, either:
2. your organisation’s past experience in managing an ecosystem of subcontractors in a lead/prime capacity.  Within your response, please provide details of the supply chain and the challenges that you faced and how these were overcome together with the outcomes delivered.

**OR** 1. if you do not act as a lead/ prime with one or more subcontractors please address the challenges and benefits of your past experiences of a self-delivery approach.

**Sub-Criteria**1. Your response should be based on examples where your organisation was the lead delivery entity

If answering (i) where sub-contractors are being relied on, you must specifically provide details of:1. where you have worked with the sub-contract partners you are intending to use for this opportunity. Please indicate if you are proposing using a new sub-contracting partner with whom you haven’t previously worked;
2. how will any risks be addressed, especially if you are proposing using any new subcontractors for the first time;
3. how you managed flow-downs of service and contract obligations;
4. how you managed any delays caused by supply chain partners; and
5. how you managed remediated any possible delays;

**OR** If you are not planning on utilising any subcontractors and are answering (ii) please articulate:1. the previous experience and capabilities that your organisation possess to self-deliver equivalent services in their entirety;
2. the challenges faced including any risks and associated mitigations;
3. how you managed and remediated any delays; and
4. the qualitative and quantitative benefits of a self-delivery approach

**Response Requirement(s)**1. The total response must be within three [3] sides of A4, Arial, size 10. Any material provided in excess of this page count will not be evaluated.
 | **20% Weighting****Maximum 3 sides of A4 size 10 font, Arial** |
| **3.12** | **Criteria**Please describe the specific methodologies, frameworks, tools, and/or approaches that you have previously adopted, to plan and deliver cloud migration programmes at a comparable scale within compressed timelines and the resultant impact that they had on the migration. Furthermore, please describe the frameworks, tools, and approaches that you have used to ensure ongoing hosting services are managed in accordance with Annex 2 - Service Description, resilience requirements, and other service enhancements. **Sub-Criteria**Your response must address the following sub-criteria:1. Provide a clear description of the approaches / methodologies you have previously relied on that you will bring to this programme and how they will achieve the aim of migration within compressed timelines.
2. Identify what tools you have relied on and would intend to deploy to aid migration and where possible indicate any acceleration advantage they may have.
3. Please confirm whether the tools you propose are proprietary, open-source, or third-party, and whether HMRC will retain access post-migration or require separate licensing.

**Response requirement(s)**: 1. The total response must be within two [2] sides of A4, Arial, size 10. Any material provided in excess of this page count will not be evaluated.
 | **10% Weighting****Maximum 2 sides of A4 size 10 font, Arial** |
| **3.13** | **Criteria** Please describe how your organisation has worked alongside clients to create opportunities for involvement of Small Medium Enterprise (SME) suppliers. **Sub-Criteria**Your response must address the following sub-criteria:1. Any existing commitments or policies that your organisation has to expand the use of SME suppliers in the delivery of similar projects to this requirement
2. Examples of where you have developed specific SME eco-systems to support contracts of a similar size and nature to this requirement
3. In these examples, you must provide details of previous quantifiable metrics, tools and governance processes for demonstrating and reporting the achievement of your commitments to your client

**Response requirement(s)**: 1. The total response must be within one [1] side of A4, Arial, size 10. Any material provided in excess of this page count will not be evaluated.
 | **5% Weighting****Maximum 1 side of A4 size 10 font, Arial** |
| **3.14** | **Criteria**Please detail, based on past experience, your approach taken to identifying, engaging, and managing:1. Incumbent providers,
2. Transformation partners or supply chain partners
3. Stakeholders at various levels, including both technical and non-technical audiences.

**Sub-Criteria**Your response must address the following sub-criteria:1. Outline of the overall approach, specific to the categories outlined above.
2. Details of any support required from the client to achieve successful delivery.

**Response requirement(s)**: 1. The total response must be within one [1] side of A4, Arial, size 10 Any material provided in excess of this page count will not be evaluated.
 | **5% Weighting****Maximum 1 side of A4 size 10 font, Arial** |
| **3.15** | **Security Questionnaire**Please respond to each question in the supporting document see Annex 5 entitled “Security Questionnaire” and attach your completed copy, along with any supporting documents requested, as part of your response submission.Please respond “Yes” to confirm you have attached a completed version of the security questionnaire. | Yes [ ] No [ ]  |

**Part 3B – Requirements for Central Government Departments, their Executive Agencies and Non-Departmental Public Bodies**

**Payments in Contracts**

Please see [PPN015: Taking account of a supplier’s approach to payment in the procurement of major contracts - GOV.UK](https://www.gov.uk/government/publications/ppn-015-how-to-take-account-of-a-suppliers-approach-to-payment-in-the-procurement-of-major-contracts/ppn-015-taking-account-of-a-suppliers-approach-to-payment-in-the-procurement-of-major-contracts-html) for further information.

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.16** | Please confirm if you intend to use a supply chain\* for this contract. If you answer “No” you do not need to complete the rest of this section (questions 3.17 – 3.19)*\*References to supply chain means suppliers or sub-contractors of any tier that execute any works, supply any products or provide any services that are used wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the contract.* | Yes [ ] No [ ]  |
| **3.17** | Please confirm that you have systems in place to pay those in your supply chain promptly and effectively, i.e. within your agreed contractual terms. | Yes [ ] No [ ]  |
| **3.18** | Please confirm that for public sector contracts awarded under the Procurement Act 2023 you have systems in place to include (as a minimum) 30-day payment terms in all of your supply chain contracts and require that such terms are passed down through your supply chain. | Yes [ ] No [ ]  |
| **For Information only - Evidence for self-declarations (questions 3.17, 3.18 and 3.19):** Prior to contract award, the following evidence will be required from the successful supplier (where the supplier has answered ‘Yes’ to question 3.16 above) to verify the supplier's responses:* 3.18a - A copy of your standard payment terms for all of your supply chain contracts.
* 3.18b - A copy of your procedures for resolving disputed invoices promptly and effectively.
* 3.18c - Details of any payments of interest for late payments you have paid in the past 12 months or which became due during the past 12 months and remain payable (contractually or under late payment legislation) and, if any such payment has been made (or arose), an explanation as to why this occurred and an outline of what remedial steps have been taken to ensure this does not occur again.
* 3.18d - A copy of your standard payment terms used with sub-contractors on public sector contracts subject to the Procurement Act 2023
* 3.18e - A link to your data published online under the Reporting on Payment Practices and Performance Regulations 2017 if you are required to publish under these regulations.
 |
| **3.19** | A) Please provide in percentages, the timing of invoices paid by you to those in your immediate supply chain\* on all contracts for each of the two previous six-month reporting periods.\*\* This should include the percentage of invoices paid within each of the following categories:1. within 30 days
2. in 31 to 60 days
3. in 61 days or more
4. due but not paid by the last date for payment under agreed contractual terms

B) Please provide the average number of days taken by you to pay an invoice to those in your immediate supply chain on all contracts for each of the two previous six-month reporting periods. It is acceptable to cross refer to information that has previously been submitted to government or other bodies or is publicly available (provided it covers the required reporting periods), including data published in accordance with the Reporting on Payment Practices and Performance Regulations 2017. If you do wish to cross-refer, please provide details and/or insert link(s). C) If you are unable to demonstrate that all invoices have been paid within the agreed contractual terms, please explain why. Note: if you are required to submit an action plan under question 3.19(D), this action plan must also set out steps to address your payment obligations within agreed terms, to achieve a pass for question 3.19.D) If you are unable to demonstrate that at least 95% of invoices payable to your supply chain on all contracts have been paid within 60 days of the receipt of the invoice in at least one of the last two six-month reporting periods, please provide an action plan for improvement which includes (as a minimum) the following:1. Identification of the primary causes of failure to pay:
	1. 95% of all supply chain invoices within 60 days; and
	2. if relevant under question 3.19(C), all invoices within agreed terms
2. Actions to address each of these causes.
3. A mechanism for and commitment to regular reporting on progress to the supplier's audit committee (or equivalent).
4. Plan signed off by director.
5. Plan published on its website (this can be a shorter summary plan).

If you have an existing action plan prepared for a different purpose, it is acceptable to attach this but it should contain the above features.*\*References to supply chain means suppliers or sub-contractors of any tier that execute any works, supply any products or provide any services that are used wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the contract.**\*\*You should explain in the tender documents what a reporting period is by referring to the DBT Guidance:* [*www.gov.uk/government/publications/business-payment-practices-and-performance-reporting-requirements*](http://www.gov.uk/government/publications/business-payment-practices-and-performance-reporting-requirements) | A1 – [Insert %]A2 – [Insert %]A3 – [Insert %]A4 – [Insert %]B – [Insert response]C – N/A [ ] [Insert response]D – N/A [ ] [Insert response] |

**Carbon Reduction Plan**

Please see [PPN 006: Taking account of Carbon Reduction Plans (HTML) - GOV.UK](https://www.gov.uk/government/publications/ppn-006-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts/ppn-006-taking-account-of-carbon-reduction-plans-html) for further information.

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.20** | Please confirm that you have detailed your environmental management measures by completing and publishing a Carbon Reduction Plan which meets the required reporting standard.Provide a link to your most recently published Carbon Reduction Plan. | Yes [ ] No [ ]  |
| [Insert Link] |
| **3.21** | Please confirm that your organisation is taking steps to reduce your GHG emissions over time and is publicly committed to achieving net zero by 2050. | Yes [ ] No [ ]  |
| **3.22** | Please confirm your Net Zero Target Date (e.g. 2050) | [Insert Date] |
| **3.23** | Please complete the following Supplier Emissions Declaration:Baseline Year: **[Insert Year]**Scope 1: **[Insert emissions (tCO2e)]**Scope 2: **[Insert emissions (tCO2e)]**Scope 3: **[Insert emissions (tCO2e)]**Current/Most Recent Reporting Year: **[Insert Year]**Scope 1: **[Insert emissions (tCO2e)]**Scope 2: **[Insert emissions (tCO2e)]**Scope 3: **[Insert emissions (tCO2e)]** |  |

**Tackling Modern Slavery in Supply Chains**

Please see [PPN 009: Tackling Modern Slavery in Supply Chains (HTML) - GOV.UK](https://www.gov.uk/government/publications/ppn-009-tackling-modern-slavery-in-government-supply-chains/ppn-009-tackling-modern-slavery-in-government-supply-chains-html) for further information.

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.24** | Please confirm that your organisation is ‘a relevant commercial organisation’\* and is compliant with the requirements contained within section 54 of the Modern Slavery Act 2015 and associated guidance and their statement includes information relating to: 1. the organisation’s structure, its business and its supply chains
2. its policies in relation to slavery and human trafficking;
3. its due diligence processes in relation to slavery and human trafficking in its business and supply chains;
4. the parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;
5. its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate; and
6. the training and capacity building about slavery and human trafficking available to its staff.

*\*‘Relevant commercial organisations’ are defined as commercial organisations that carry on a business or part of business in the UK, supply goods or services and have an annual turnover of £36 million or more.*Or if you answer “No” to this question, please answer Question **3.25** | Yes [ ] No [ ] [Insert link to Modern Slavery Statement] |
| **3.25** | If you have responded ‘no’ to question 3.24, please confirm whether your organisation is not ‘a relevant commercial organisation’ but has a turnover of more than £36 million and is able to provide a link to an equivalent statement or document which demonstrates information relating to a to f as specified in question 3.24 above.If you have answered “Yes” to question 3.24, please respond “N/A” to this question 3.25.If your organisation’s turnover is less than £36m, please respond ‘N/A’. | Yes [ ] No [ ] N/A [ ]  |
| [Insert link to Modern Slavery Statement] |

**Conflict of Interest**

|  |  |  |
| --- | --- | --- |
| **Question Number** | **Question** | **Response** |
| **3.26** | Please confirm that you have not identified any conflict(s) of interest or potential conflict(s) of interest (COI) in submitting your tender response to this procurement. For the avoidance of doubt, please respond Yes to confirm you have identified no COI.Where a COI has been identified, please respond ‘No’ and provide further details.Where a Supplier identifies a potential conflict of interest, HMRC will look to remedy any COI without excluding the Supplier from the procurement process wherever possible. HMRC does however reserve the right to exclude the Supplier from this procurement process where such a COI cannot be remedied by other means, to the satisfaction of HMRC.Withholding knowledge of a COI may result in disqualification from the tender exercise. Once a contract is awarded, the supplier still has a continuing obligation to make HMRC aware of any new conflicts and to maintain where necessary any mitigating actions. | Yes [ ] No [ ]  |
| [If a conflict of interest has been identified, provide further detail here] |

**Declaration and Contact Details**

|  |
| --- |
| **3.27 Declaration** |
| I declare that:* to the best of my knowledge the answers submitted and information contained in this document are complete, accurate and not misleading
* upon request and without delay I will provide the certificates and/or documentary evidence referred to in this document except where this documentation can be accessed by the contracting authority via a national database free of charge or the contracting authority already possesses the documentation
* I understand that the response to this questionnaire will be used to assess whether our organisation is entitled to participate in, or continue to participate in, this procurement
* I understand that our organisation may be excluded from the procurement if requested information has not been provided, if any of this response or any follow up responses are incomplete, inaccurate or misleading, if confidential information has been accessed or if we have unduly influenced your decision-making in this procurement
* I am aware of the consequences of serious misrepresentation
 |
| Signature (electronic is acceptable) |  |
| Date |  |
| Name |  |
| Role |  |
| Phone Number |  |
| Email |  |
| Postal Address |  |

**SCHEDULE 2: PSQ RESPONSE GUIDANCE**

* 1. Tenderers must provide a written response for each qualitative question referenced in the table below.
	2. For any question where these is no response, the Tenderer will receive a score of 0 for that question (with the exception of question 3.10.1 which is evaluated on a pass/fail basis as per Schedule 3 guidance).
	3. The page and/or word limits for each qualitative question are as per the below table.

|  |  |
| --- | --- |
| **Question** | **Page and/or Word Limit** |
| 3.8 | 7x PowerPoint (PPT) Slides page per case study (21x PPT Slides total), no larger than size 10 font, Arial |
| 3.9 | 3x sides (pages) of A4, size 10 font, Arial |
| 3.10.2 | 2x sides (pages) of A4, size 10 font, Arial |
| 3.11 | 3x sides (pages) of A4, size 10 font, Arial |
| 3.12 | 2x sides (pages) of A4, size 10 font, Arial |
| 3.13 | 1x side (page) of A4, size 10 font, Arial |
| 3.14 | 1x side (page) of A4, size 10 font, Arial |

* 1. Your response to question 3.8 must be in a Microsoft PowerPoint slide format, font style Arial, with font size no smaller than 10.
	2. Your response to questions 3.9 – 3.14 must be in font size 10, font style Arial, with margins no smaller than 1.27cm (across top, bottom, left and right) in Microsoft Word.
	3. You may include up to 2 diagrams to support your response for questions 3.9 – 3.14. A maximum of 100 words for each diagram (in addition to the word limit set out in the above table) will be accepted.

**SCHEDULE 3: PSQ EVALUATION GUIDANCE AND CRITERIA**

* 1. The tables below provide evaluation guidance for each of the questions in the PSQ.
	2. The evaluation guidance contains, for each question:
		1. The assessment method (e.g. pass/fail);
		2. Where applicable, what constitutes a pass;
		3. Where applicable, what constitutes a fail; and
		4. Any further evaluation guidance.
	3. If any part of your response is left incomplete, the section may be marked as a fail. If the question is not applicable, please mark your response as ‘N/A’.
	4. Tenderers should ensure they read this Schedule 3 in conjunction with the PSQ questions.

**Preliminary Questions**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 1.1 – 1.4 | Pass/Fail | **Pass**All information provided.**Fail**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC |
| 1.5 | Pass/Fail | **Pass**Supplier is not on the debarment list.**OR**Grounds for discretionary exclusion apply, but the Supplier has provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question, such that the issue is not continuing and is not likely to occur again in the future. The Supplier has to demonstrate it has taken such remedial action to the satisfaction of HMRC in each case.**Fail** The Supplier is on the debarment list in relation to a mandatory exclusion ground (as detailed under Schedule 6 of the Act) **OR**The Supplier is on the debarment list in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) but has not provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question, such that the issue is not continuing and is not likely to occur again in the future.**OR**The Supplier is on the debarment list in relation in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) and the Suppliers’ summary of the circumstances and any remedial action that has taken place subsequently is deemed unsatisfactory by HMRCWhere a Supplier is disqualified, the remainder of its response will not be evaluated. |

**Part 1: Confirmation of core supplier information**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 1.6 | Pass/Fail | **Pass**All information provided and there are no grounds for exclusion. **OR**Grounds for discretionary exclusion apply, but the Supplier has provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question, such that the issue is not continuing and is not likely to occur again in the future. The Supplier has to demonstrate it has taken such remedial action to the satisfaction of HMRC in each case.**Fail** The Supplier answers ‘No’, without an explanation that is deemed satisfactory by HMRC**OR**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC**OR**A mandatory exclusion ground applies, which remains relevant**OR**A discretionary exclusion ground applies, but Supplier has not included details and/or provided an explanation of remedial steps, which is to the satisfaction of HMRCHMRC reserves the right to fail Suppliers that:* Are not part registered on the CDP
* Have not provided up-to-date core supplier information as requested
* Have not provided one or more of the pieces of information requested
 |

**Part 2: Additional Exclusions Information**

**Part 2A – Associated Persons**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 2.1 – 2.2 | Pass/Fail | **Pass**All information provided.**Fail**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC. |
| 2.3 | Pass/Fail/N/A | **N/A –** if Supplier will not be relying on any associated persons to satisfy the conditions of participation.**If Supplier IS relying on associated persons to satisfy the conditions of participation:****Pass**All information provided and there are no grounds for exclusion. **OR**Grounds for discretionary exclusion apply, but the Supplier has provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question. The Supplier has to demonstrate it has taken such remedial action to the satisfaction of HMRC in each case such that the issue is not continuing and is not likely to occur again in the future**Fail** Response is incomplete and any missing information is not provided in the timeframes requested by HMRC.**OR**A mandatory exclusion ground applies.**OR**A discretionary exclusion ground applies, but Supplier has not included details and/or provided an explanation which is to the satisfaction of HMRC.**OR**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC.HMRC reserves the right to fail Suppliers whose associated persons:* Are not part registered on the CDP
* Have not provided up-to-date core supplier information as requested
* Have not provided one or more of the pieces of information requested

Where a Supplier is disqualified, the remainder of its response will not be evaluated. |
| 2.4 | Pass/Fail/N/A | **N/A –** if Supplier will not be relying on any associated persons to satisfy the conditions of participation.**If Supplier IS relying on associated persons to satisfy the conditions of participation:****Pass**All information provided and there are no grounds for exclusion. **OR**Grounds for discretionary exclusion apply, but the Supplier has provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question. The Supplier has to demonstrate that it’s associated person(s) have taken such remedial action to the satisfaction of HMRC in each case such that the issue is not continuing and is not likely to occur again in the future.**Fail** The associated person(s) are on the debarment list in relation to a mandatory exclusion ground (as detailed under Schedule 6 of the Act). **OR**The associated person(s) are on the debarment list in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) but has not provided a summary of the circumstances and any remedial action that has taken place subsequently.**OR**The associated person(s) are on the debarment list in relation in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) and the Suppliers’ summary of the circumstances and any remedial action that has taken place subsequently is deemed unsatisfactory by HMRC.Where a Supplier’s associated person(s) are disqualified, the remainder of its response will not be evaluated. |

**Part 2B – List of all intended sub-contractors**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 2.5 | Pass/Fail/N/A | **N/A** – if Supplier will not be using any sub-contractors**If Supplier IS using sub-contractors:****Pass**All information provided.**Fail**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC. |
| 2.6 | Pass/Fail/N/A | **N/A – if Supplier will not** **be using any sub-contractors****If Supplier IS using sub-contractors:****Pass**The subcontractor(s) are not on the debarment list. **OR**Grounds for discretionary exclusion apply, but the subcontractor(s) have provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question. The Supplier has to demonstrate that it’s sub-contractor(s) have taken such remedial action to the satisfaction of HMRC in each case such that the issue is not continuing and is not likely to occur again in the future. In such circumstances no replacement of the sub-contractor’s is necessary.**OR**The sub-contractor(s) are on the debarment list in relation in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) and the Suppliers’ summary of the circumstances and any remedial action that has taken place subsequently is either not provided or deemed unsatisfactory by HMRC. The Supplier is subsequently given an opportunity to replace the subcontractor with one not on the debarment list and does so within a proposed time limit.**OR**The sub-contractor(s) are on the debarment list in relation in relation to a mandatory exclusion ground (as detailed under Schedule 6 of the Act) and the Supplier is given an opportunity to replace the subcontractor with one not on the debarment list and does so within a proposed time limit.  **Fail** The subcontractor(s) are on the debarment list for a mandatory exclusion ground and the Supplier is given an opportunity to replace the subcontractor(s) with a supplier(s) not on the debarment list and fails to do so within the proposed time limit.  **OR**Grounds for discretionary exclusion apply, and the subcontractor(s) have provided a summary of the circumstances and any remedial action that has taken place subsequently, for the exclusion ground(s) in question but the Supplier has failed to demonstrate that it’s sub-contractor(s) have taken such remedial action to the satisfaction of HMRC in each case such that the issue is continuing or is likely to occur again in the future. **OR**The sub-contractor(s) are on the debarment list in relation in relation to a discretionary exclusion ground (as detailed under Schedule 7 of the Act) and the Suppliers’ summary of the circumstances and any remedial action that has taken place subsequently is either not provided or deemed unsatisfactory by HMRC. The Supplier is subsequently given an opportunity to replace the subcontractor with one not on the debarment list and does not do so within a proposed time limit. Note that HMRC will verify the Supplier’s response against the debarment list. Providing erroneous information or failing to provide a relevant link may result in disqualification.  Where a Supplier is disqualified, the remainder of its response will not be evaluated. HMRC reserve the right to reject the Supplier’s tender submission where this information is not provided. Where a sub-contractor is on the debarment list (HMRC will check the debarment list to verify whether any sub-contractor is listed), at the request of HMRC, if required, the Supplier must replace the sub-contractor with another supplier who is not on the debarment list. Refusal to replace such a sub-contractor will result in the rejection of the Supplier’s tender submission. |

**Part 3: Questions Relating to the Conditions of Participation**

**Part 3A – Standard Questions**

**Financial Capacity**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 3.1 | Pass/Fail | **Pass**All required information has been provided and none of the financial metrics, as described in Annex 6, are deemed to be high risk. Therefore, HMRC is satisfied that the Supplier, and if applicable, organisations in the Supplier’s supply chain and / or consortia demonstrate adequate financial capacity to deliver the contract. Where relevant, any supporting information requested by HMRC is provided in the timeframes requested. **OR**All required information has been provided but one or more of the financial metrics, as described in Annex 6, are deemed to be high risk. Within the timeframes requested by HMRC, the Supplier is able to provide the appropriate assurances that the Supplier and/or organisations in their supply chain and/or consortia demonstrate adequate financial capacity to deliver the contract.**Fail** Response is incomplete and any missing information is not provided in the timeframes requested by HMRC.**OR**Following HMRC's review of the information provided by the Supplier, one or more of the financial metrics, as described in Annex 6, is deemed to be high risk and the Supplier is unable to provide HMRC with the appropriate assurances that the Supplier and/or organisations in their supply chain and/or consortia demonstrate adequate financial capacity to deliver the contract.Note: In the event that HMRC deems it necessary to seek additional assurances from the Supplier with regards to its financial capacity (including any supply chain and/consortia members), these assurances may include a request to provide some form of financial guarantee/bond.HMRC reserves the right to conduct further financial due diligence checks on Suppliers and organisations in their supply chain and/or consortia at any point during the procurement process. This due diligence may include analysis of the documents provided in response to this question, analysis of any other financial information deemed relevant by HMRC and/or credit checks. Suppliers and organisations in their supply chain and/or consortia must provide any documentation requested in order to assist with the due diligence process. It will be at HMRC’s discretion to determine whether the Supplier demonstrates suitable financial standing to deliver the contract based on the due diligence checks undertaken. |
| 3.2 | Pass/Fail | **Pass**A response of ‘No’.**OR**All information with respect to the Supplier’s guarantor is provided and HMRC is satisfied that the guarantor demonstrates suitable financial standing to undertake the role of guarantor. **Fail**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC.**OR*** Following review of the information provided and any further due diligence undertaken, HMRC deems the due diligence checks fail to demonstrate a suitable level of financial standing to deliver the contract; and/or
* the Supplier fails to provide any of the information requested to undertake such checks, without a reasonable explanation as to why the information is unavailable.

HMRC reserves the right to conduct further financial due diligence checks on Suppliers and their guarantor at any point during the procurement process, in order to assess the financial standing of a Supplier / guarantor. This due diligence may include analysis of the documents provided in response to this question, analysis of any other financial information deemed relevant by HMRC and/or credit checks. Suppliers must provide any documentation requested in order to assist with the due diligence process. lt will be at HMRC’s discretion to determine whether the Supplier and/or guarantor demonstrates suitable financial standing to deliver the contract based on the due diligence checks undertaken. |
| 3.3 | Pass/Fail | **Pass**A response of ‘Yes’.**Fail**A response of ‘No’. |

**Legal Capacity**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 3.4 | Pass/Fail | **Pass**A response of ‘Yes’ and HMRC is satisfied that the supporting information provided supports the Supplier’s response.**Fail**A response of ‘No’.**OR**A response of ‘Yes’ but following further due diligence on the supporting information provided in the Supplier’s response, HMRC deems that this information does not support the response of ‘Yes’.**OR**Response is incomplete and any missing information is not provided in the timeframes requested by HMRC. |

**Technical Ability**

|  |  |  |
| --- | --- | --- |
| **Question / Questions** | **Assessment** | **Evaluation Guidance** |
| 3.5 | Pass/Fail | **Pass**A response of ‘Yes’ to all elements (a to e)**OR**A response of ‘No’ to any one of the elements (a to e), with mitigations provided that are acceptable to HMRC. Whether a mitigation is considered acceptable or otherwise shall be at the sole discretion of HMRC.**Fail**A response of ‘No’ to any one of the elements (a to e) without any supporting mitigations**OR** A response of ‘No’ to any one of the elements (a to e) with at least one mitigation provided that is not acceptable to HMRC. Whether a mitigation is considered acceptable or otherwise shall be at the sole discretion of HMRC. |
| 3.6 | Pass/Fail | **Pass**A response of ‘Yes’.**OR**A response of ‘No’, with mitigations provided that are acceptable to HMRC. Whether a mitigation is considered acceptable or otherwise shall be at the sole discretion of HMRC.**Fail**A response of ‘No’, without any supporting mitigations**OR**A response of ‘No’ with at least one mitigation provided that is not acceptable to HMRC. Whether a mitigation is considered acceptable or otherwise shall be at the sole discretion of HMRC. |
| 3.7 | Pass/Fail  | **Pass**A response of ‘Yes’.**Fail**A response of ‘No’ |
| 3.8 | Scored | See Table 2: Scoring Matrix For the Case Study Question (Q3.8) Quality Criteria at PSQ Stage |
| 3.9 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.10.1 | Pass/Fail | **Pass**A response of ‘Yes’.**Fail**A response of ‘No’ |
| 3.10.2 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.11 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.12 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.13 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.14 | Scored | See Table 1: Scoring Matrix For the Quality Criteria at PSQ Stage (Questions 3.9 – 3.14) |
| 3.15 | Not assessed | Response provided for information only. |
| 3.16 | Pass/Fail | **Pass**A response of ‘Yes’ or ‘No’ is provided**Fail**A response is not provided |
| 3.17 | Pass/Fail/N/A | **N/A** – if Supplier will not be using a supply chain**If Supplier IS using a supply chain:****Pass**A response of ‘Yes’**Fail** A response of ‘No’**OR**A response of ‘Yes’, with qualifications or conditions that are deemed unacceptable by HMRC |
| 3.18 | Pass/Fail/N/A | **N/A** – if Supplier will not be using a supply chain**If Supplier IS using a supply chain:****Pass**A response of ‘Yes’**Fail** A response of ‘No’**OR**A response of ‘Yes’, with qualifications or conditions that are deemed unacceptable by HMRC |
| 3.19 | Pass/Fail/N/A | **N/A** – if Supplier will not be using a supply chain**If Supplier IS using a supply chain:****Pass*** Supplier pays ≥95% of all supply chain invoices in 60 days and the Supplier’s average payment days are also ≤55. Both metrics are hit concurrently in at least one of the previous two six month reporting periods (Both metrics may be calculated either with or without intercompany payments removed) AND the Supplier is able to demonstrate that all invoices have been paid within the agreed contractual terms

**OR*** Supplier pays ≥90% < 95% of all supply chain invoices in 60 days and the Supplier’s average payment days are also ≤55. Both metrics are hit concurrently in at least one of the previous two six month reporting periods after removing intercompany payments (if relevant) AND the Supplier provides an action plan that includes (as a minimum) the following:
* **1.** Identification of the primary causes of failure to pay:
* (a) 95% of all supply chain invoices within 60 days; and
* (b) (if relevant) all supply chain invoices within agreed terms.
* **2.** Actions to address each of these causes.
* **3.** Regular reporting on progress to the Supplier’s audit committee (or equivalent).
* **4.** Plan signed off by a director.
* **5.** Plan published on its website. (This can be a shorter, summary plan)

**Fail** * Supplier pays ≥90% < 95% of all supply chain invoices in 60 days and the Supplier's average payment days are also ≥55. Both metrics are hit concurrently in at least one of the previous two six month reporting periods after removing intercompany payments (if relevant) AND cannot demonstrate that all invoices have been paid within the agreed contractual terms, but does not provide an action plan

**OR** * Supplier pays ≥90% < 95% of all supply chain invoices in 60 days and the Supplier's average payment days are also ≥55. Both metrics are hit concurrently in at least one of the previous two six month reporting periods after removing intercompany payments (if relevant) AND cannot demonstrate that all invoices have been paid within the agreed contractual terms, but the action provided does not cover all of the below features in full:
* **1.** Identification of the primary causes of failure to pay:
* (a) 95% of all supply chain invoices within 60 days; and
* (b) (if relevant) all supply chain invoices within agreed terms.
* **2.** Actions to address each of these causes.
* **3.** Regular reporting on progress to the Supplier’s audit committee (or equivalent).
* **4.** Plan signed off by a director.
* **5.** Plan published on its website. (This can be a shorter, summary plan)

**OR*** Supplier pays < 90% of all supply chain invoices in 60 days in at least one of the two previous six-month reporting periods after removing intercompany payments (if relevant).

**OR*** Supplier’s average payment days are >55 in both of the previous six-month reporting periods after removing intercompany payments (if relevant).
 |
| 3.20 | Pass/Fail | **Pass**A response of ‘Yes’.**AND*** A link is provided to a complete Carbon Reduction Plan (CRP) that is published on the Supplier’s company website (or equivalent)

**AND*** The CRP has been completed using the template titled “Carbon Reduction Plan Template”, available from the following webpage: <https://www.gov.uk/government/publications/ppn-006-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>

**AND*** The CRP meets the assessment criteria outlined Table 1 of: [2025-02-05 PPN 006 Guidance on taking account of carbon reduction plans - adopting and applying conditions of participation.docx](https://assets.publishing.service.gov.uk/media/67b716f078dd6cacb71c6a87/2025-02-05_PPN_006_Guidance_on_taking_account_of_carbon_reduction_plans_-_adopting_and_applying_conditions_of_participation.docx.pdf)

**Fail** A response of ‘No’.**OR*** A link has not been provided to a complete CRP that is published on the Supplier’s company website (or equivalent).

**OR*** The CRP has not been completed using the template titled “Carbon Reduction Plan Template”, available from the following webpage: <https://www.gov.uk/government/publications/ppn-006-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>

**OR**A response is not provided.**Notes*** HMRC reserve the right to reject the Supplier’s entire tender submission should the CRP be incomplete.
* Suppliers will not be disadvantaged where they are a new entrant to the market (trading for less than 12 months). In order to pass, Suppliers in these circumstances should complete all of the following in their published CRP:
	+ confirm their commitment to achieving Net Zero by 2050
	+ complete as much of the CRP as possible with the data available and provide an acceptable explanation as to why missing information isn’t available
	+ confirm within their partly completed CRP that they commit to publish a full CRP as soon as possible
* Where the response is being completed on behalf of a consortium of suppliers, a CRP should be completed by each consortium member
 |
| 3.21 | Pass/Fail | **Pass**A response of ‘Yes’.**Fail** A response of ‘No’.**OR**A response of ‘Yes’, with qualifications or conditions that are deemed unacceptable by HMRC |
| 3.22 | Pass/Fail | **Pass**The Supplier confirms that its Net Zero Target Date is 2050 or earlier**Fail**The Suppliers confirm that its Net Zero Target Date is later than 2050**OR**The Supplier does not provide a response |
| 3.23 | Not assessed | Response provided for information only. |
| 3.24 | Pass/Fail | **Pass**A response of ‘Yes or ‘No’**Fail**A response is not provided |
| 3.25 | Pass/Fail/N/A | **N.A** – If the Supplier has answered ‘No’ to question 3.24**Pass**A response of ‘Yes’ and a link is provided to a relevant Modern Slavery Statement that contains information which meets the criteria outlined in paragraphs a) to f)**OR** A response of ‘No’ and the Supplier is able to provide an explanation that is deemed acceptable to HMRC, including future assurances of compliance with the Modern Slavery Act prior to contract award**Fail**A response of ‘Yes’, but the link provided does not provide access to a relevant Modern Slavery Statement meeting the criteria outlined in paragraphs a) to f)**OR**A response of ‘Yes’, but the Supplier does not provide a link to their Modern Slavery Statement**OR**A response of ‘No’, but the Supplier does not provide an explanation that is deemed acceptable by HMRC**OR**A response of ‘No’, but the Supplier does not provide a supporting explanation**N/A**N/A is an acceptable response where the Supplier has answered ‘No’ to question 3.24. If a response of N/A is used where the Supplier has responded ‘Yes’ to question 3.24, this will constitute a fail for this question. |
| 3.25 | Pass/Fail | **N.A** – If the Supplier has answered ‘Yes’ to question 3.24**Pass**A response of ‘Yes and a link is provided to a relevant statement or document that contains information which meets the criteria outlined in paragraphs a) to f) of question 3.24**OR** A response of ‘No’ and the Supplier is able to provide an explanation that is deemed acceptable to HMRC, including future assurances of compliance with the Modern Slavery Act prior to contract award**Fail**A response of ‘Yes’, but the link provided does not provide access to a relevant statement or document which meets the criteria outlined in paragraphs a) to f) of question 3.24**OR**A response of ‘Yes’, but the Supplier does not provide a link to their Modern Slavery Statement**OR**A response of ‘No’, but the Supplier does not provide an explanation that is deemed acceptable by HMRC**OR**A response of ‘No’, but the Supplier does not provide a supporting explanation**N/A**N/A is an acceptable response where the Supplier has answered ‘Yes’ to question 3.24. If a response of N/A is used where the Supplier has responded ‘No’ to question 3.24, this will constitute a fail for this question. |
| 3.26 | Pass/Fail | **Pass**A response of ‘No’.**OR**A response of ‘Yes’, where the following information is provided in full for each conflict and HMRC is confident that all conflicts can be suitably mitigated:* The nature of the conflict
* The duration of the conflict
* The parties involved and
* The Supplier’s proposed mitigations

**Fail**A response of ‘Yes’, where the following information is not provided in full for each conflict:* The nature of the conflict
* The duration of the conflict
* The parties involved and
* The Supplier’s proposed mitigations

**OR**A response of ‘Yes’, where, having reviewed the information provided, HMRC cannot be satisfied that the COI can be suitably mitigated. |
| 3.27 | Pass/Fail | **Pass**Supplier has signed declaration and provided all details requested.**Fail**Supplier has not signed declaration.**AND/OR**Supplier has not provided all detailed requested. |

**END**

1. All service, server and hardware asset numbers are approximate and will continue to be analysed and refined by HMRC throughout 2025. [↑](#footnote-ref-2)
2. All service, server and hardware asset numbers are approximate and will continue to be analysed and refined by HMRC throughout 2025. [↑](#footnote-ref-3)