

**Bid Pack**

**Attachment 2 – How to Bid Including Evaluation Criteria**

Contract Reference: HMT011

**Provision of Services for HM Treasury for a Pilot Digital Gilt Instrument (DIGIT) issuance**

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# How to Make Your Bid

## If you are bidding as a Single Entity Applicant (as defined in Attachment 1), your bid must be made by the organisation that will be responsible for providing the deliverables if your bid is successful. However, if you are bidding as a Group (as defined in Attachment 3) or consortium applicant, your bid should make it clear which entities are providing which aspects of the deliverables.

## Remember to:

### Decline this Bid Pack if you do not wish to submit a response. If you decline, please provide a reason for doing so.

### Submit your bid via email to digit@hmtreasury.gov.uk. We can only accept bids that we receive via this email address.

### Make sure you answer every question.

### 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 e.g. reports located on your website.

### Submit your bid in good time and before the Bid Submission Deadline (as defined in Attachment 1). We reserve the right to reject bids received after the Bid Submission Deadline.

### Submit ONLY those attachments we have asked for in line with the requirements specified – any other supporting evidence, certificates for example, will be requested separately by us.

### If we **do not** require attachments and have specified this, please only use the text boxes provided for your answer.

### Check for messages from digit@hmtreasury.gov.uk throughout the competition.

### If you are unsure, ask questions before the Clarification Questions Deadline (as defined in Attachment 1).

### When responding to each question in the Technical Envelope, for Group bids, responses should make clear the Supplier(s) in the group delivering the work.

## This procurement and this contract are exempt from the Procurement Act 2023 in line with Schedule 2 to that Act, therefore the provisions of the Procurement Act 2023 do not apply to this procurement or contract.

## We note that references to Contract within the Bid Pack means the contracts to be entered into by the Authority with the Successful Supplier (as defined in Attachment 1) for the provision of the Services (as defined in Attachment 1), including the engagement letter which will be entered into upon the conclusion of this procurement between the Authority and the Successful Supplier for provision of the Services outlined in Attachment 3 of the Bid Pack.

# How The Evaluation Envelopes Are Structured

## A summary of all the questions in the evaluation, along with the marking scheme, and weightings for each question is set out below:

## **QUALIFICATION ENVELOPE**

You should refer to Attachment 5 – Conditions of Participation Form

## **TECHNICAL ENVELOPE – 70%**

* + Question 1 – Capability (Knowledge, Experience and Expertise) – 30%
	+ Question 2 – Approach (Relationship, Resources and Project Management) – 20%
	+ Question 3 – Approach (Account management, service delivery and quality assurance) – 10%
	+ Question 4 – Approach (Solution Implementation) – 30%
	+ Question 5 – Social Value – 10%
	+ Question 6 – Technical Approach (Information Only) – not evaluated

## **COMMERCIAL ENVELOPE – 20%**

* + Question 7 – Pricing – 100%

## **PRESENTATION – 10%**

**TECHNICAL ENVELOPE** **Weighting 70%**

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| **Q1 – TECHNICAL – CAPABILITY WEIGHTING 30%****(Knowledge, Experience and Expertise)****Response Guidance**Bidders MUST answer the following question (Question 1.1). The method of response and page limit on attachments is set out in the question and the evaluation methodology is detailed in sections 3, 4 and 6. Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. Page limits include the use of headers footers and diagrams. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us.**No costings should be included in responses to this Question 1.** |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| Q1.1 | Please provide two case studies from the last 4 years which demonstrate your ability to meet the requirements specified in Attachment 3 (Statement of Requirements – Section 5 – Requirements). It should include (i) details of any previous work that may demonstrate your organisation’s relevant knowledge, experience and expertise for this Contract; (ii) details of previous work on projects involving digital assets, including digital bonds and financial products; (iii) it should also demonstrate your experience of debt markets; (iv) where group bids are being proposed, your response should outline each of the relevant member's knowledge, experience and expertise as per above.**Page limit: 3 sides of A4** | Attachment | 50 | 100 | 100% |

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| **Q2 – TECHNICAL – APPROACH WEIGHTING 20%****(Relationship, Resources and Project Management)****Response Guidance**Bidders MUST answer ALL the following questions (Questions 2.1 and 2.2). The method of response and page limit on attachments is set out in the question and the evaluation methodology is detailed in sections 3, 4 and 6.Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. Page limits include the use of headers footers and diagrams. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us**No costings should be included in responses to this Question 2.** |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| 2.1 | Please describe your proposal for working with the Authority, and the Debt Management Office to meet the Requirements, Key Milestones and Deliverables, Service Levels and Performance as described in Attachment 3 (Statement of Requirements).Please include details of: (i) your project management approach and processes; (ii) how you will ensure that delivery meets the expectations and requirements of the Authority as efficiently and effectively as possible; and (iii) how you would work proactively and collaboratively with the Authority to understand business needs and requirements to secure the success of the DIGIT pilot issuance.**Page limit: 2 sides of A4** | Attachment | 50 | 100 | 50% |
| 2.2 | Please provide details of your resourcing plan and how this plan will meet the requirements set out in Attachment 3 (Statement of Requirements). Your response should include: (i) details of resources allocated; (ii) your project plan, including delivery timelines, milestones, dependencies; and (iii) details of who will be providing which aspect of the services to the Authority, including information on roles and responsibilities with reference to the individual entities forming part of your Group of suppliers (if relevant) as set out in Question 1.2 of Attachment 5.**Page limit: 2 sides of A4** | Attachment | 50 | 100 | 50% |

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| **Q3 – TECHNICAL – APPROACH WEIGHTING 10%****(Account management, service delivery and quality assurance)** **Response Guidance**Bidders MUST answer ALL the following questions (Questions 3.1 and 3.2). The method of response and page limit on attachments is set out in the question and the evaluation methodology is detailed in sections 3, 4 and 6.Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. Page limits include the use of headers footers and diagrams. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us.**No costings should be included in responses to this Question 3.** |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| 3.1 | Please detail your approach to Contract management including: (i) what strategy you will employ to manage the Contract; (ii) how you will monitor and respond to resourcing needs; (iii) your approach to stakeholder management; and (iv) your approach to engaging with the authority on Contract management.**Page limit: 1 side of A4** | Attachment | 50 | 100 | 50% |
| 3.2 | Please detail the processes that you would adopt to ensure the service provided under this Contract is all of appropriate quality and that Contract administration and billing, where applicable, is undertaken efficiently throughout. Your response should provide details of any quality assurance process you will put in place, including sign-offs required by relevant parties and the Authority where applicable. **Page limit: 1 side of A4** | Attachment | 50 | 100 | 50% |

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| **Q4 – TECHNICAL – APPROACH WEIGHTING 30%****(Solution implementation)****Response Guidance**Bidders MUST answer ALL the following questions (Questions 4.1 and 4.2). The method of response and page limit on attachments is set out in the question and the evaluation methodology is detailed in sections 3, 4 and 6.Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. Page limits include the use of headers footers and diagrams. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us.**No costings should be included in responses to this Question 4.** |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| 4.1 | Please provide a method statement explaining how you will deliver the service requirements as described in Attachment 3 (Statement of Requirements). Your response should provide a detailed account of: (i) your approach to delivering the Requirements, including setting out any assumptions, challenges, risks that you consider will arise in implementing the Requirements and your proposed solutions. Please ensure that you answer the question for each role set out in Attachment 3 in turn; and(ii) your plans for applying to Gate 2 of the DSS, including your intended approach to meeting the DSS Gate 2 level requirements (such as IT security processes and procedures). Where you are applying as a Group, please clarify how the Group intends to organise itself in relation to the DSS Gate 2. Where you have not yet received Gate 1 approval, please also provide evidence of your application. Please also provide a deck illustrating the technological solutions which you are proposing to deploy to meet the Requirements, mapping these to the end-to-end lifecycle of the DIGIT issuance.**Page limit: 8 sides of A4 (excluding the deck)** | Attachment | 50 | 100 | 60% |
| 4.2 | Please (i) describe the legal, regulatory and technical issues and risks that you anticipate in delivering requirements as described in Attachment 3 (Statement of Requirements), and (ii) what mitigants would you put in place to manage the issues and risks set out in 4.2(i).  **Page limit: 2 sides of A4** | Attachment | 50 | 100 | 40% |

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| **Q5 – TECHNICAL – SOCIAL VALUE WEIGHTING 10%****Response Guidance**Bidders MUST answer ALL the following questions (Questions 5.1 and 5.2). The method of response and page limit on attachments is set out in the question and the evaluation methodology is detailed in sections 3, 4 and 6.Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. Page limits include the use of headers footers and diagrams. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us.The outcomes outlined below are contained in the UK Government’s Social Value Model found at the following address:[2025-02-11 PPN 002 The social value model (2).docx](https://assets.publishing.service.gov.uk/media/67ae1529e270ceae39f9e1a0/2025-02-11_PPN_002_The_social_value_model.docx.pdf)**No costings should be included in responses to this Question 5.** |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| 5.1 | Please describe how your organisation is providing social value to the UK (in conformity with the Government’s Social Value Model PPN 002 of February 2025) in relation to model award criteria 7a (remove barriers to entry for young people and under-represented groups, facilitating access to pre-work training, placements, apprenticeships and other educational and developmental opportunities) of outcome 7 (creating a pipeline of opportunities for the contract workforce, reducing barriers to entry for under-represented groups) and explain how you would take action in this respect in the staffing arrangements under this Contract. **Page limit: 1 side of A4** | Attachment | 50 | 100 | 25% |
| 5.2 | Please describe how your organisation is providing social value to the UK across model award criteria 7b (creating a pipeline of opportunities for the future contract workforce) of outcome 7 and explain how you would take action in this respect in the staffing arrangements under this Contract. **Page limit: 1 side of A4** | Attachment | 50 | 100 | 25% |
| 5.3 | The Authority has committed to [the 5 environmental principles](https://www.gov.uk/government/publications/environmental-principles-policy-statement/environmental-principles-policy-statement) set out in the section 17(5) of the Environment Act 2021. In particular, the Authority must have due regard to the Policy Statement on Environmental Principles when taking decisions in relation to the DIGIT pilot. The application of the environmental principles set out in section 17(5) of the Environment Act 2021, and further detailed in the Policy Statement on Environmental Principles, will contribute to the improvement of environmental protection and sustainable development.  Please describe:1. the environmental impact of your proposal and related technologies, specifying both the type and level of environmental harm;
2. any mitigating practices undertaken in respect of such environmental impact;
3. any measures you have in place to ensure the efficient use of energy in running your proposal; and
4. how you measure, monitor and report on the energy efficiency of your proposal.

 Please submit, if available, a copy of your (i) latest sustainability reporting and (ii) carbon reduction report. If none is available, please provide your methodology for calculating the energy efficiency of your proposal. Suitable metrics could include (but are not limited to) energy consumed (Wh), greenhouse gas emissions (gCO2-e) and/or water consumed (L or m3).  In providing your response to this question, please have regard to whether: * the environmental effects of your proposal are primary (i.e. an intended result or effect directly attributed to the operation your proposal) or secondary (i.e., indirect or induced effects);
* the environmental effects that occur as a result of your proposal are likely to occur once, repeatedly or cumulatively;
* the environmental effects that occur as a result of your proposal are permanent or temporary (and, if the latter, whether long-term, medium-term or short-term);
* there is an opportunity to prevent environmental damage in the operation of your proposal before it has occurred or, where this is not possible, to remedy damage; and
* other specific benefits offered by your proposal (financial or otherwise) are likely to outweigh environmental considerations.

**Page limit: 2 side of A4** | Attachment | 50 | 100 | 50% |
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| **Q6 – TECHNICAL – APPROACH INFORMATION ONLY****Response Guidance**Bidders should answer the following questions (Questions 6.1- 6.4). Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukIt is requested that attachments are submitted in Microsoft Word or Excel format and must be in Arial font size 11. There are no page limits for the following questions. Submit ONLY those attachments we have asked for – any other supporting evidence, certificates for example, will be requested separately by us. **This question is not evaluated.**  |
| **Question Number** | **Question** | **Your Response** |
| 6.1  | Under the current gilt issuance and lifecycle model, which is reflected in the Requirements includes: issuer services that are required to fulfil the Authorities obligations, such as the Paying Agent and Issuing Agent.Can you describe any other issuer services that would be required? | Attachment |
| 6.2  | Can you explain the end-to-end lifecycle of DIGIT under your proposal, including: * 1. How will DIGIT be created?
	2. How are digital wallets accessed and how are they be managed?
	3. How are on-chain payment events triggered within the solution?
	4. What interaction is necessary with the issuer and holders of DIGIT to enable payments to take place?
	5. Can you explain how interoperability would work between legacy and/or other DLT platforms where necessary?
 | Attachment |
| 6.3 | Please set out any considerations related to the Terms and Conditions you propose to be used for accessing the DLT Platform and DLT payment solution (particularly in relation to the onboarding process to your platform(s), the terms of participation, and the challenges and timelines for onboarding various stakeholders). Please provide copies of any terms and conditions/contractual documents (if any available) which you propose to utilise for delivery of the Requirements. | Attachment |

**COMMERCIAL ENVELOPE Weighting 20%**

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| **Q7 – COMMERCIAL – Price WEIGHTING 100%****Response Guidance** Bidders MUST answer ALL the following questions (Questions 7.1).Unless otherwise specified, you must submit your response as attachments via email to digit@hmtreasury.gov.ukPrices should be submitted in pounds sterling inclusive of any expenses but exclusive of VAT. |
| **Question Number** | **Question** | **Your Response** | **Minimum Acceptable Score** | **Maximum Available Score** | **Weighting**  |
| 7.1 | Please attach a completed Attachment 4 - Price Schedule in response to this question. In so doing, you are also confirming that prices offered are inclusive of any expenses, exclusive of VAT and firm for the period following the Bid Submission Deadline as stated in Attachment 1 – About the Procurement. | Attachment | NA | 100 | 100% |

# Award Criteria

## The award stage consists of a Qualification (see Attachment 5 – Conditions of Participation), Technical, Presentation and Commercial evaluation.

## The award of the resultant Contract will be on the basis of best value in accordance with the evaluation methodology set out in this Bid Pack.

## **Award process – What you need to do**

### Answer the questions in section ‎2 above.

### Complete the Attachment 4 – Price Schedule.

### You must complete the Conditions of Participation Form and submit together with your tender response via email to digit@hmtreasury.gov.uk.

### Where you are bidding as a Group, please also submit the applicable MoU as set out in section 6.6 of Attachment 1 – About the Procurement

## **What we will do**

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| **Qualification Evaluation (Compliance Check)**First, we will complete a preliminary evaluation to make sure that you have answered all questions and have completed the Attachment 4 - Price Schedule and Attachment 5 – Conditions of Participation in line with our instructions. In addition, we will assess Attachment 5 – Conditions of Participation to ensure bidders meet the conditions. For the avoidance of doubt, Attachment 4 will be evaluated as part of the Commercial Evaluation. All bids passing the mandatory preliminary evaluation will be progressed to the Technical Evaluation. **Please note that the responses to the Qualification Envelope, the Technical Envelope and Commercial Envelope must all be submitted by the Bid Submission Deadline.** |
| **Technical Evaluation**We will give your responses to the technical questionsto the Authority’s evaluation panel. Each evaluator will independently assess your responses to the technical questions using the evaluation methodology.They will give a score and a reason for their score for each question they are assessing. If the evaluation panel wishes to clarify any areas of your bid, bid clarification questions will be issued via the email. |
| **Consensus – Technical Evaluation**Once the evaluators have independently assessed your answers to the technical questions, we will arrange for the evaluators to meet. At this meeting, the evaluators will discuss the technical responses and review their scores and reasons for that score. The discussion will continue until they reach a consensus regarding the score, and reason for that score, for each question.These final scores will be used to calculate your technical score.If the evaluation panel wishes to clarify any areas of your bid, bid clarification questions will be issued via email. |
| **Technical Threshold**If you have not met the minimum acceptable score for each question, you will be excluded from the competition and you will not receive a Commercial score. We will tell you that you have been excluded from the procurement and why at the award stage. |
| **Presentation**Upon submission of your bid, all bidders scoring within 10% of the score obtained by the top bidder shall be invited to make a presentation to the Authority.A weighting of 10% will be applied to your score for the presentation and added to your total score.Further guidance will be provided to bidders invited to the presentation. |
| **Commercial Evaluation**We will consider your commercial response and conduct preliminary compliance evaluation, review for abnormally low bids and conduct any clarifications required to formally evaluate your submission. This will be conducted in tandem with the technical evaluations and completed by a commercial evaluation panel.We will only calculate your commercial score using the scoring mechanism outlined within this Bid Pack. However, if you failed to meet the minimum acceptable score during the technical evaluation you will not receive a score for the Commercial Envelope.If we wish to clarify any areas of your bid, bid clarification questions will be issued via the email. |
| **Final Score**Your technical score will be added to your commercial score and presentation score to create your final score.  |
| **Award**An award will be made to the successful bidder, subject to the letter of engagement. We will notify successful and unsuccessful bidders providing feedback via the email.  |

# Marking Scheme

## The scoring scale set out below will be used during the Technical Evaluation:

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| **Marking Scheme** | **Description** |
| **100**  | An excellent comprehensive response that fully meets the requirements. Indicates an excellent response with detailed supporting evidence and no weaknesses, resulting in a high level of confidence in the standard of delivery with no concerns. |
| **75** | A good response that meets the requirements with good supporting evidence. The response demonstrates good understanding but includes some areas where more detail could have been provided. The response results in confidence in the bidders’ standard of delivery. |
| **50** | The response generally meets the Requirements, but lacks sufficient detail to warrant a higher mark or there are some areas where the response is incomplete. The response results in reasonable levels of confidence in the bidders’ standard of delivery, but there are some concerns. |
| **25** | A poor response with reservations. The response lacks convincing detail with risk that the proposal will not be successful in meeting all the requirements. |
| **0** | Failed to provide confidence that the proposal will meet the requirements. An unacceptable response with serious reservations. |

# Qualification Envelope Evaluation

## You must respond to the questions set out in Attachment 5 – Conditions of Participation Form. Further guidance is provided in the document. If you fail to respond to any of the Pass/Fail questions and scored questions, you will be excluded from the competition. We will tell you that your bid has been excluded. Please make sure you submit the Conditions of Participation Form with your responses via email to digit@hmtreasury.gov.uk.

# Technical Envelope Evaluation

## When the consensus meeting has taken place and the final score for each question has been agreed by the evaluators, your final score for each question will be multiplied by that question’s weighting to calculate your weighted score for that question.

## Each weighted score for each question will then be added together to calculate your technical score.

## Please see table A below for an example of how your technical score will be calculated, please note that this table is for illustrative purposes only and does not necessarily reflect the questions and weightings being used to run this procurement.

**Table A – EXAMPLE ONLY**



# Commercial Envelope Evaluation

## This section contains information on how to complete Attachment 4 – Price Schedule and the commercial evaluation process.

## **How to complete your Attachment 4 – Price Schedule**

### Read and understand the instructions in the Attachment 4 – Price Schedule, and in this section before submitting your prices.

### Your prices should be consistent with your Technical submission.

### Your prices must be sustainable and inclusive of all costs for example your operating costs and profit.

### Your prices are to exclude VAT.

### Pricing is to be inclusive of expenses.

### The currency is British pounds sterling, up to two decimal places.

### Any percentages submitted shall be up to two decimal places.

### Pricing will be based on eight (8) hour working day (excluding breaks).

### Submitting bids with the total cost of zero is not permitted. We will investigate where we consider your bid to be abnormal.

### You must download and complete the Attachment 4 – Price Schedule you are submitting a bid for. Further detail may be provided within the Attachment 4 – Price Schedule.

### When you have completed your Attachment 4 – Price Schedule, you must submit it via email to digit@hmtreasury.gov.uk. If you do not submit your Attachment 4 – Price Schedule, we reserve the right to reject your bid as part of the qualification compliance check.

### Do not alter, amend or change the format or layout of the Attachment 4 – Price Schedule. You may add rows to include new line items and update formulas as appropriate.

## **Commercial Evaluation Process**

### Commercial scores shall be calculated using pricing submitted as part of a compliant bid only and using the following process:

### We will check you have completed the Attachment 4 – Price Schedule as instructed.

### If you fail to complete the Attachment 4 – Price Schedule as instructed, we reserve the right to reject your bid as part of the qualification compliance check.

### The commercial evaluation will be undertaken separately to the technical evaluation process.

### The commercial evaluation will be undertaken against the pricing information detailed within Attachment 4 – Price Schedule.

### The bidder with the lowest price for each question will be awarded the maximum score available for that question.

### All other bidders will get a score relative to the lowest total price for that question, calculated using the formula below.

### The calculation we will use to evaluate your total price per element, is as follows:

Commercial Score = Lowest total price \* maximum score available bidder’s total price

### Once all question scores have been calculated, they will be added together and multiplied by the Commercial Envelope weighting to identify your Total Commercial Weighted Score.

### Please see table B below for an example of how your commercial score will be calculated, please note that this table is for illustrative purposes only and does not necessarily reflect the questions and weightings being used to run this procurement.

**Table B – EXAMPLE ONLY**

### Where we consider any of the total price(s) you have submitted to be abnormally low, we will ask you to explain the price(s) you have submitted.

# Final Decision to Award

## We will add your technical score to your commercial score to calculate your final score.

## Where the final score achieved by multiple bidders ranks them in equal position and all such bidders have achieved the Minimum Acceptable Score or higher in all questions, the bidder with the highest score for question Q4.1 followed by Q1.1, will be deemed the winner and awarded the Contract.

## Please see table C below for an example of how your technical score and commercial score will be added together to identify your final score. Please note that this table is for illustrative purposes only and does not necessarily reflect the questions and weightings being used to run this procurement.

**Table C – EXAMPLE ONLY**:

## The bidder with the highest final score, where the bid is deemed compliant, will be awarded the contract, where approved by the Contracting Authority.

# Further Information

## All communications will be conducted via email through digit@hmtreasury.gov.uk, including notification of outcome.