



Department for  
Business & Trade

# AI<sup>3</sup> Delivery Partners Project

*Early Market Engagement*

10/09/2025



## House Keeping Rules

- The chat function is disabled, but you can submit your questions anonymously using the Q&A function throughout the session.
- This session will not be recorded by us, so please ensure you also do not record the contents of this session either.
- Questions can be sent in separately by 12noon on Thursday 11<sup>th</sup> September to [commercialdat@businessandtrade.gov.uk](mailto:commercialdat@businessandtrade.gov.uk)



Department for  
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## Agenda

- Welcome and introductions
- DBT Commercial talk for everyone
- Requirements
- Social Value
- Procurement Process
- Q&A

# DBT Commercial





# Why we are holding the pre-market engagement day

**The outcomes of today's pre-market engagement day and what we aim to achieve today are;**

- for both the suppliers and DBT to have received greater information for this requirement before we go to market.
- suppliers can ask questions anytime.
- suppliers can plan ahead for this requirement and the procurement process.
- DBT have better understanding and further information for this requirement from suppliers who can;
  - offer innovation / tell us previous lessons learned.
  - Help – fill in the blanks of the specification.
  - Make recommendations tell us expectations that seem unrealistic.
  - Tells us any risks that may occur and mitigations explored.

**The presentation and Q&A's for today will also be published.**

**There will be an opportunity to ask additional questions at a later stage in the tendering process, but timelines will be restricted and communications shared throughout the tendering community.**

# Requirements

# Background

## What is 'AI Cubed'?

DBT's structured model for delivering new AI solutions:

- **AI Lab** – rapid assessment and prototyping of AI use cases
- **AI Factory** – developing scalable AI products and components.
- **AI Operations** – ongoing maintenance and re-use of AI solutions

## Why is DBT pursuing this approach?

- To **unlock innovation** across DBT and wider government functions using AI
- To **de-risk delivery** by validating use cases before scaling
- To **build internal capability** and skills, learning from our partners

## Story so far:

- Since April 2025, over **20 use cases** triaged, with several progressing to prototype stage
- Successful pilots include tools for **correspondence drafting**, **due diligence**, and **HR self-service**

## Outcomes we are seeking:

- **Validated AI solutions** that meet operational needs
- **Scalable components** designed for re-use
- **Responsible AI governance** and thorough evaluation embedded from prototype to production

# Key Requirements

## Supplier role

- Provide skilled individuals and teams to work alongside DBT's internal teams across the 3 'AI Cubed' phases – AI Lab, AI Factory and AI Operations
- 3 contract lots – one for each phase

## Skills and expertise required

- **AI Lab:** data science, rapid design, prototyping, emerging AI trends – focus on rapid delivery of 2-4 week experiments
- **AI Factory:** user-centred design, data/ML engineering, architecture, delivery management – focus on product development over several months
- **AI Operations:** infrastructure engineering, scaling, live service management – focus on ongoing maintenance, enhancement and re-use
- **Across all phases:** monitoring & evaluation, horizon scanning, governance, and cross-team coordination

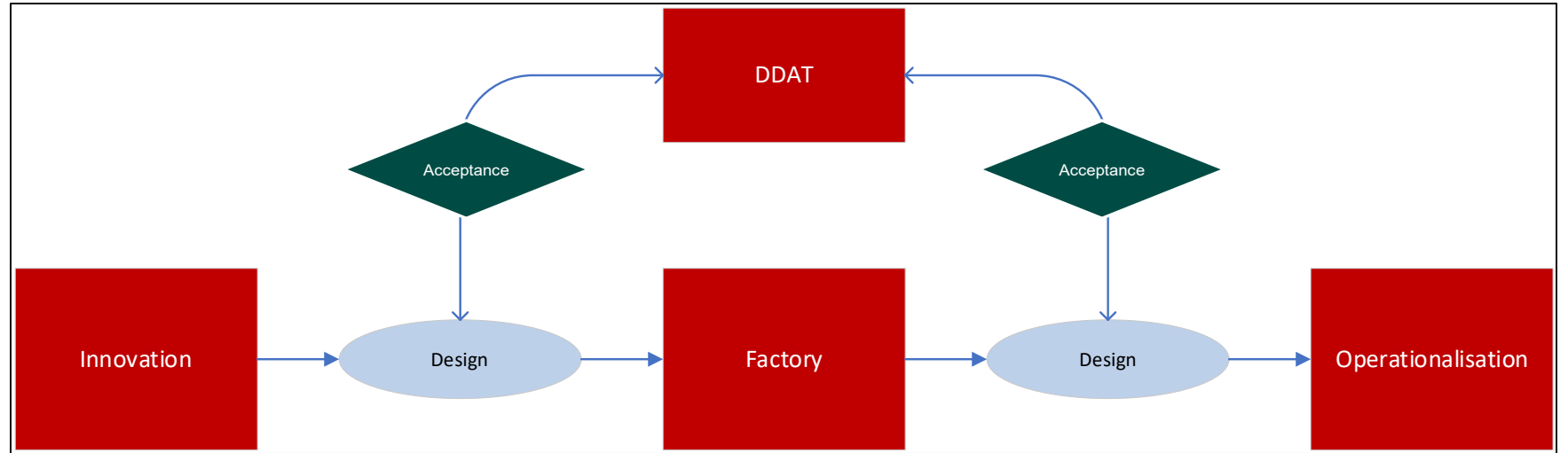
## Other key requirements

- **Collaborative working:** supplier staff will work alongside DBT civil servants and other suppliers in mixed teams, under DBT direction, contributing to both short- and long-term projects
- **Knowledge transfer:** over time we expect projects to move through a variety of teams and phases, so require in-depth knowledge transfer and handover
- **Professional standards:** supplier roles must align with the Government Digital and Data Capability Framework and delivery must meet the Government Service Standard
- **Location and security:** UK-based delivery is required, with most roles needing SC clearance. A mix of remote and in-office (DBT hubs) working is expected



# Key Requirements

## Contractual Setup



Design could be progression from supplier to supplier

## Notes

- Likely an ask to sign a collaboration agreement
- Due to the need to work with each to deliver the overall requirement

# DBT Commercial





# Procurement Process

# Procurement Process

## Route to Market:

- **Competitive Flexible Procedure (PA 2023)**

## Estimated Contract Value:

- **£3,000,000.00 (ex VAT) per individual lot**
- **£9,000,000.00 (ex VAT) in total (including 1 year extension option)**

## Contract Length:

- **2 years with an option to extend by 1 year**

## Estimated Timescales\*:

Stage	Start Date	End Date
Participation Stage	09/10/2025	03/11/2025
Stage 2 ITT	17/11/2025	05/12/2025
Stage 3 ITT	19/01/2026	06/02/2026
Contract award/contract issued	Anticipated end of May	

\*subject to change



# Stages

## Stage 1 – Participation Stage

- Tenderer's will first be invited to partake in a participation stage.
- This will include various pass/fail criteria, including technical ability criteria and financial tests.
- Participation criteria are likely to include as a minimum;
  - Qualifications
  - Location
  - Staff qualifications
  - Professional accreditations or memberships.
- The debarment list will be reviewed as and when companies express interest in being included in the process
- Following the Participation Stage Deadline, the Authority will carry out a compliance check of submitted tenders to ensure they have been completed and submitted in accordance with the ITT.

## Stage 2 – Weighted VfM assessment

- Tenderers that pass Stage 1 – Participation Stage, shall be invited to a Stage 2 – Weighted VfM assessment.
- Here, Tenders shall be evaluated using the Weighted Value for Money (VfM) methodology.
- Weighted VfM Index builds on the basic VfM Index Price Evaluation Methodology by applying a weighting to the quality score of the tender to emphasise either a focus on quality or cost.
- Price will be based on the indicative used rate card. This will contain both bucket and tier discount weightings.
- Quality will be the detailed look towards the requirement as well as the overall project delivery and contract management approaches, questions on how the company delivers projects.
- To calculate Weighted VfM Index Score we apply a factor to the Quality Score
- Formula:

The overall tender score is calculated as follows:

$$\frac{Non - cost score \times \frac{wQ}{wC}}{cost}$$

Where:

$wQ$  = weighting of non-cost criteria

$wC$  = weighting applied to cost

## Stage 3 – PQP+

- The top 5 scoring Tenderer's from each lot in Stage 2 – Weighted VfM assessment, will be invited to the final, Stage 3 PQP+ Assessment.
- Here, Tenders shall be evaluated using the Price per Quality Point (+) methodology.
- This is where the Authority assesses tenders based on a combination of quality, social value and price award criteria.
- Price and quality will be based on a scenario applying the rates submitted via phase 2.
- Please note, final scores awarded to Tenderer's will be based on solely the award criteria set out in Stage 3 (previous scores awarded during Stage 2 will not be carried forward).
- The formula used for this methodology will be as follows:

$$\frac{\text{Price}}{\text{Quality score}}$$

- Following that calculation the range %age stated within the tender document will be applied to the lowest PQP score. If other suppliers initial PQP results falls within the PQP score with the % range applied, then the lowest stage 3 price e will be awarded the contract.
- Social Value will be evaluated in this stage

# Social Value





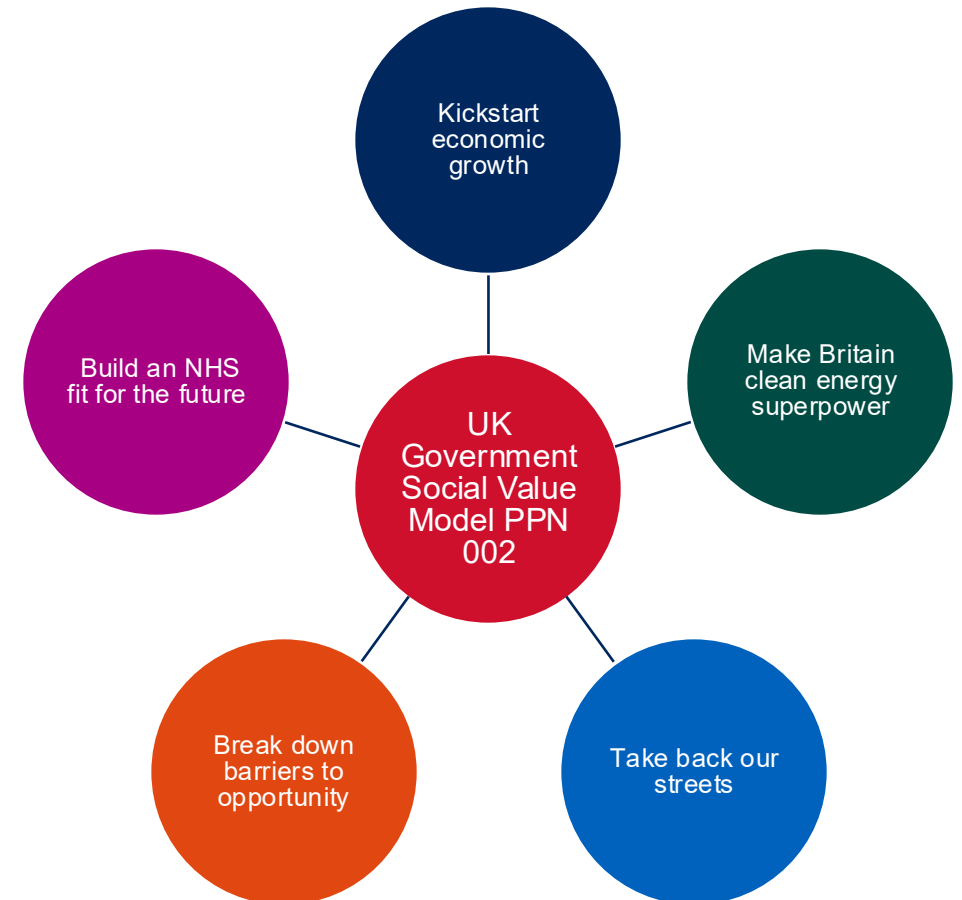
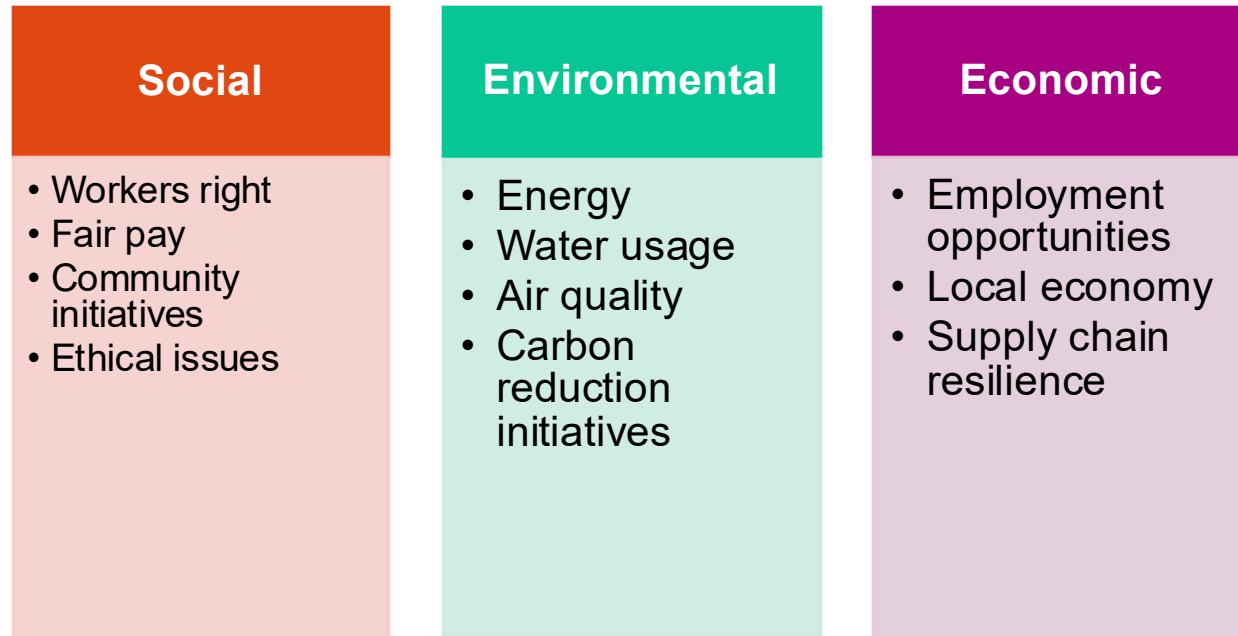


# Social Value PA 23: Policy Background

Social Value Act requires public authorities to consider economic, social and environmental well-being in connection with public services contracts.

## SOCIAL VALUE MODEL

The new Social Value Model introduced in February 2025 applies to “above threshold” contracts for in-scope organisation, which the Procurement Act 2023 defines as £139,688 including VAT.



## READ MORE

- [PPN 002: Taking account of social value in the award of contracts](#)
- [The Social Value Model from PPN 06/20 to PPN 002: Your complete guide](#)

# Social Value Model: Keys to a Winning Bid

Show Understanding	Articulate impact on Outcome	Give confidence
1. Address the buyer's questions	1. Include qualitative method statement	1. Demonstrate past experience
2. Align to buyer's industry priorities	2. Ensure offer is genuine, relevant and proportionate	2. Identify potential delivery partners
3. Showcase research into local needs and capability to deliver	3. Offer and accurately attribute additional value	3. Explain how you will track and report

Your bid should include the following:

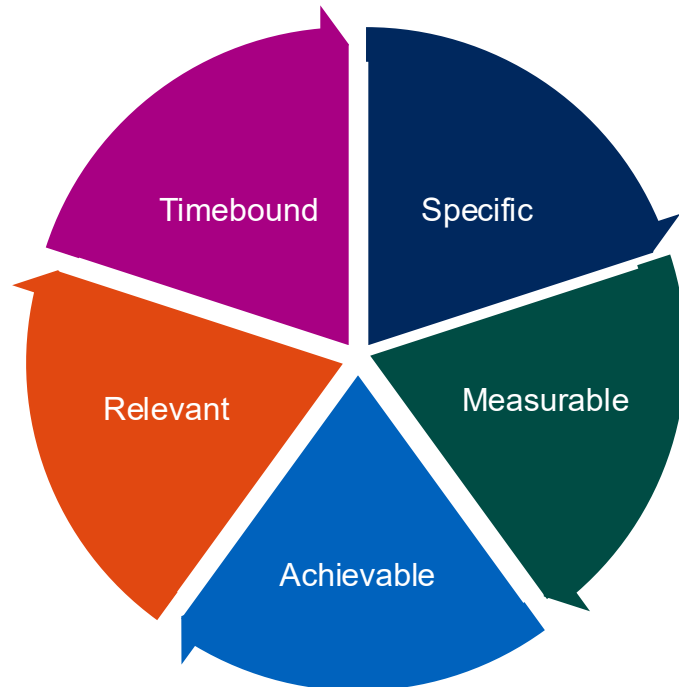
- Be **specific, measurable, and timebound**, describing how the commitment meets the award criteria.
- Nominate (or explain how you will nominate) how you will nominate) the **relevant cohort** and include a plan to engage them with a tailored offer.
- Describe how you will **influence relevant stakeholders** (staff, suppliers, etc) to deliver the Outcome.
- Feature a **timed project plan** (including timescales, proposed metrics, and processes) with plans to publish commitments and performance.



# Social Value : Key Principles

## SMART Commitments

Social Value commitments should be SMART (specific, measurable, achievable, relevant and timebound)



The commitments must be **over and above the core deliverable/s of the tender or the contract** and should represent benefits that will be delivered as a direct result of being awarded the contract.



Commitments based on the tenderer's **general corporate policies must not be used.**



A minimum overall **weighting of 10%** will be applied to the Social Value question.



Any Social Value deliverables that the supplier commits to provide in the tender response, will be incorporated as contractual commitments within the contract and delivery of these commitments will be **monitored.**



# Social Value: Policy Outcomes Selected for this Tender

Mission	Outcome	Model Award Criteria	Standard Reporting Metrics
1. Kickstart economic growth	2. Skills for growth: supporting growth sectors and addressing skills gaps	MAC 2a. Learning and skills development opportunities relevant to the contract to address skills gaps	2aii. Number of people-hours of learning interventions delivered under the contract, by UK region.
4. Break down barriers to opportunity	6. Employment and training for those who face barriers to employment	MAC 6a. Create employment and training opportunities, particularly for those who face barriers to employment and/or who are located in deprived areas, and for people in industries with known skills shortages or in high growth sectors.	6ai. Number of employment opportunities created under the contract for people from groups underrepresented in the workforce.  6aii. Number of apprenticeship opportunities (Level 2, 3, and 4+) created or retained under the contract for people from groups underrepresented in the workforce



## What makes a good bid? The Do's and Don'ts

Do	Do not
Comply with Procurement document instructions. Failure to do so may lead to disqualification.	Cut and paste from a previous document and forget to change the previous details such as the previous buyer's name
Provide the Bid on time, and in the required format. Remember that the date/time given for a response is the last date that it can be accepted; we are legally bound to disqualify late submissions.	Attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them.
Ensure you utilise the Jaggaer eSourcing messaging system to raise any clarifications during the tendering process.	Share the Procurement documents, they may be confidential and should not be shared with anyone without the Buyers written permission.
Complete all questions in the questionnaire or we may reject your Bid.	Exceed word counts, the additional words will not be considered.



# Q&A



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