Invitation to Submit Outline Solutions (ISOS)
Volume 2: ISOS Evaluation and Selection Criteria

Platinum Portfolio

TRANSPORT FOR LONDON

TfL Reference Number: TfL 95150

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Please note this document is a draft and is for information purposes only. Applicants do not need to complete this at SSQ Stage. The Response Documents referred to are not published at SSQ Stage.

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1. INTRODUCTION

1.1 This Volume 2 sets out the detailed questions, evaluation criteria and evaluation process against which the Outline Solutions will be assessed.

2. EVALUATION PANEL

2.1 The evaluation panel will evaluate Outline Solutions against the evaluation criteria adopting the scoring guidance included within this Volume 2 and Volume 1, 7. TfL 95150 ISOS Volume 1 Contract Response Template C.3. Responsible Procurement Requirement, of this ISOS.

2.2 The evaluation of Outline Solutions will be conducted in accordance with the Contracting Authority's commitment to transparency and in line with the requirements of the Public Contracts Regulations 2015 (Regulations).

2.3 The evaluation panel will comprise suitable professionals from within the Contracting Authority and, where the Contracting Authority considers appropriate, its advisors.

3. COMPLIANCE

3.1 Prior to carrying out the detailed scoring, Outline Solutions will be subject to a compliance check with reference to the ISOS requirements.

3.2 An Outline Solution shall be deemed non-compliant if it is submitted incorrectly or is incomplete or otherwise fails to meet the Contracting Authority's requirements set out in the ISOS, whether or not the ISOS expressly states that failure to meet a particular requirement will lead to an Outline Solution response being deemed non-compliant. The Contracting Authority reserves the right to reject any Outline Solution, if it has been received after the deadline.

3.3 When preparing an Outline Solution, Bidders must answer all questions and provide all the required information requested in the ISOS.

3.4 Failure to disclose all material information (i.e., facts that TfL regards as likely to affect the evaluation process), or disclosure of false information at any stage of this procurement process may result in a Bidder's disqualification from this procurement process. Bidders must provide all information requested and not assume that TfL has prior knowledge of any of their information.

3.5 The Contracting Authority reserves the right to seek clarification from Bidders in respect of any aspect of their Outline Solutions. Bidders are required to respond to any clarification questions within 3 working days (or such other reasonable period as the Contracting Authority specifies). Any such clarification responses will be taken into account to the extent permitted by the Regulations as part of the evaluation of Outline Solutions.

4. EVALUATION METHODOLOGY

4.1 Outline Solutions will first be evaluated and scored by individual evaluators. After the evaluators have completed their individual evaluation, the evaluators will meet to agree a consensus score for each of the questions.

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4.2 During the evaluation of Outline Solutions, TfL may invite Bidders to present their proposals to the evaluation panel. The presentation itself will not be evaluated, but it presents an opportunity for Bidders and the evaluation panel to clarify relevant details of the Outline Solution and clarification responses. Bidders may also be asked to respond to material points of clarification in writing after the presentation has taken place. TfL will reserve the right to revisit any scores awarded, upwards or downwards based on the clarification responses.

4.3 Weighted scores will be calculated for those Outline Solutions which have been deemed compliant, have passed all Pass / Fail and Discretionary Pass / Pass / Fail requirements and have met all the minimum threshold requirements. The relevant weightings are set out in Table 1: ISOS Evaluation Criteria – Technical Component, Table 2: ISOS Evaluation Criteria – Financial Component and Table 3: ISOS Evaluation Criteria – Legal Component. Bidders will be ranked in order based on their weighted evaluation scores.

5. ISOS EVALUATION CRITERIA

The criteria set out in 'Appendix A – Evaluation Criteria Matrix' will be used as a basis for evaluation of Outline Solutions. Further detail on each criterion is set out in the remainder of this Volume 2 and Volume 1, 7. TfL 95150 ISOS Volume 1 Contract Response Template C.3. Responsible Procurement Requirement of this ISOS.

6. ISOS EVALUATION CRITERIA ADDITIONAL INFORMATION

6.1 ISOS Evaluation Criteria – Technical Component (60%)

6.1.1 The Technical Component makes up 60% of the overall Outline Solution evaluation scoring. Questions are either weighted or assessed on a Pass / Fail basis as indicated within 'Appendix A – Evaluation Criteria Matrix' Table 1: ISOS Evaluation Criteria – Technical Component above and will be scored in accordance with the scoring guidelines set out in Section 7 (ISOS Scoring Guidelines).

6.1.2 The Technical Component questions summarised in Table 1 above are also outlined in Volume 1, 1. TfL 95150 ISOS Volume 1 Business Plan Template; Volume 1, 2. TfL 95150 ISOS Volume 1 Sustainable Development Framework Declaration; and Volume 1, 3. TfL 95150 ISOS Volume 1 Sustainable Development Framework Commitment Matrix. In providing their Technical Component responses Bidders are required to populate these response templates.

6.1.3 The Technical Component includes a Pass / Fail question. Bidders should note that a failure to achieve a 'Pass' score will result in that Bidder being excluded from the procurement process.

6.1.4 Bidders should ensure that their submission is consistent with the information provided in other areas of their response, and consistent with the information shown in their submitted financial models.

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6.2 ISOS Evaluation Criteria – Financial Component (40%)

6.2.1 The Financial Component makes up 40% of the overall Outline Solution evaluation scoring. Bidders are required to submit all the information as set out in 'Appendix A – Evaluation Criteria Matrix' – Table 2.

6.2.2 Questions are either weighted or assessed on a for information basis as indicated within Table 2: ISOS Evaluation Criteria – Financial Component above and will be scored in accordance with the scoring guidelines set out in Section 7 (ISOS Scoring Guidelines).

6.2.3 The Financial Component questions summarised in Table 2 are also outlined in Volume 1, 1. TfL 95052 ISOS Volume 1 Business Plan Template; and Volume 1, 4. TfL 95052 ISOS Volume 1 Land Appraisal & Joint Venture Summary Template. In providing their Financial Component responses Bidders are required to populate these response templates.

6.2.4 Each part of the Financial Component will be tested on the robustness and quality of the Bidders' financial and commercial proposal as set out in Table 2 above. The responses to this section should be supported with evidence of deliverability of the financial offer and as such analysis will be undertaken in relation to the assumptions upon which the offer is based.

6.3 ISOS Evaluation Criteria – Legal – Contract Documents (Pass/Fail and Compliance)

6.3.1 Appendix C of the SSQ Instructions contains the Minimum Requirements.

6.3.2 The Minimum Requirements represent the commercial and legal requirements which TfL is not able to change. The other elements of the Key Commercial Principles are the key commercial and legal provisions which TfL contemplates will form the basis of the Contract Documents and will then be discussed during dialogue.

6.3.3 Firstly, as part of Bidders' Outline Solution response, Bidders are required to state they agree to accept the Minimum. Failure to do so will result in elimination from the procurement process.

6.3.4 Secondly, Bidders shall provide comments on the Key Commercial Principles using the contract response template set out in Volume 1, 5. TfL 95150 ISOS Volume 1 Contract Response Template C.1. Contract Documents, Table 2. No changes will be permissible, or considered by TfL, in relation to the Minimum Requirements. Where a Bidder does not raise comments on principles set out in the Key Commercial Principles, then TfL shall treat those principles as being acceptable to that Bidder and shall reflect those principles in the Contract Documents.

6.3.5 Following submission of the Outline Solutions, TfL will review the comments set out in the contract response templates submitted by Bidders as part of their Outline Solution return and will issue the Contract Documents for discussion during the dialogue stage.

Invitation to Participate in Dialogue (ITPD) Stage:
During the dialogue stage, Bidders will be given the opportunity to comment on the Contract Documents. TfL and Bidders will then discuss any Bidder comments raised

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during the dialogue stage. TfL will provide further information on the detailed dialogue process in the ITPD document issued at the commencement of the dialogue stage.

Invitation to Submit Final Tender Stage:

In the ISFT, TfL will be issuing a revised set of Contract Documents reflecting TfL's commercial and legal requirements. There will be no amendment and/or negotiation of the Contract Documents once the dialogue stage has been closed and TfL has issued the Invitation to Submit Final Tenders document, save that TfL reserves the right to clarify, specify and optimise tenders submitted by Bidders and/or to negotiate with the Preferred Bidder to confirm financial arrangements or other terms contained in its tender. Bidders will be required to accept the terms of the Contract Documents in order to 'Pass' the Contract section at Final Tender evaluation. Failure to do so will result in elimination from the procurement process.

6.4 ISOS Evaluation Criteria – Legal – Declarations (Pass/Fail)

6.4.1 Bidders must complete and sign the declarations within Volume 1, 6. TfL 95150 ISOS Volume 1 Contract Response Template C.2. Declarations. For Consortia/Joint Ventures. Lead Contractor with subcontractor arrangements, the declarations should be completed by the Lead Bidder, providing declarations on behalf of all organisations within the arrangement. Failure to provide signed declaration responses (with acceptable supporting information where required) may result in a Bidder being excluded from further involvement in the procurement and from any future evaluation stages set out within this ISOS.

6.4.2 As part of Bidders' Final Tenders, Bidders will also be required to complete and sign a set of declarations. The Final Tender declarations are anticipated to be broadly based on the declarations set out in Volume 1, 6. TfL 95150 ISOS Volume 1 Contract Response Template C.2. Declarations. Section 8 of Volume 1, ISOS Volume 1 Instructions and Response Documents, provides further details on the ITPD and ISFT stages.

6.5 ISOS Evaluation Criteria – Legal – Responsible Procurement Requirement (Pass/Fail)

6.5.1 Bidders are required to confirm acceptance of the following TfL Responsible Procurement Policies incorporated within the Contract Documents under 'Contracting Authority Policies'. These include:

- London Living Wage
- Work Related Road Risk (WRRR) and Direct Vision Standard (DVS)
- Ethical Sourcing and Modern Slavery
- Equality, Diversity and Inclusion
- Sustainable Timber
- Mayor's Good Work Standard

6.5.2 For items (ii) Work Related Road Risk (WRRR) and Direct Vision Standard (DVS), (iii) Ethical Sourcing and Modern Slavery and (iv) Equality, Diversity and Inclusion listed within Section 6.5.1 above, a specific tender response is required which will be incorporated within the relevant policy appendices.

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6.5.3 Please see Table 3: ISOS Evaluation Criteria – Legal Component above and the detailed requirements and evaluation criteria contained within Volume 1, 7. TfL 95150 ISOS Volume 1 Contract Response Template C.3. Responsible Procurement Requirement.

7. ISOS SCORING GUIDELINES

Technical Component

7.1.1 The below scoring classification will be adopted to score the following Technical Component questions:

A.1. Vision

A.2. JV Structure

A.3. JV Investment Strategy

A.4. Debt Finance

A.5. Health and Safety Strategy

A.6. Equality and Diversity Strategy

A.7. Skills and Apprentices Strategy

A.8. Summary Business Plan

A.9. Design Strategy

A.10. Programme

A.11. Procurement

A.12. Sustainable Development Framework

A.13. Organisation

A.14 Leasing Strategy

Evaluators will apply Table 4: Scoring Classifications A below in scoring the responses to each of the questions. Each question carries its own weighting as set out in Table 1: ISOS Evaluation Criteria – Technical Component.

When scoring responses against the sub-criteria evaluators will consider the extent to which a response meets the conditions in Table 4 below for the award of a particular classification and its corresponding score. In the event that a response does not meet fully the conditions for any particular classification, evaluators will award to that response the score which corresponds to the classification which in their view best aligns to the Bidder's response.

Once the score has been agreed the weighting for that question shall be applied. For example, if a Bidder scores '75 - Good' for question A.1.(i) (which has a total weighting of 10%) then the Bidder would get an overall ISOS percentage score for that question as follows:

75 x 10% = 7.50 (out of 10)

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Table 4: Scoring Classifications A

Score	Classification	Definition
0	No response / Unsatisfactory	No response or a wholly unacceptable response which fails in several significant areas to set out a solution that addresses and meets the requirements of the question: little or no detail may (and, where evidence is required or necessary, no evidence) have been provided, resulting in little to no confidence that the Bidder will be able to meet the requirements.
10	Weak	A response which contains several areas of major weakness, failing to set out a solution that fully addresses and meets the requirements of the question: the response may be minimal with little or no detail (and, where evidence is required or necessary, with insufficient evidence) provided to support the solution and demonstrate that the Bidder will be able to meet the requirements or major reservations as to the Bidder's solution.
25	Partially Satisfactory	A partially satisfactory response that sets out a solution that meets some of the requirements of the question, to a satisfactory standard and in some detail (and, where required or necessary, some relevant evidence) to support the solution; minor reservations or weakness in some areas of the solution. Provides a limited degree of confidence that the Bidder's proposals would deliver some of the stated requirements.
55	Satisfactory	A satisfactory response that sets out a solution that addresses and meets the requirements of the question to a satisfactory standard, but with limited depth (and, where required or necessary, some relevant evidence) provided to support the solution; minor / limited reservations in a few areas of the solution. Provides a degree of confidence of the Bidder's proposals to deliver the requirements.
75	Good	A good response that sets out a solution that addresses and meets the requirements of the question to a good standard (and, where required or necessary, good relevant evidence); and provides a good degree of confidence of the Bidder's proposals to deliver the requirements, with limited or no reservations identified in the response.
90	Very Good	A very good response which sets out a robust solution that comprehensively addresses and meets the requirements of the question to a very good standard (and, where evidence is required or necessary, comprehensive, relevant evidence); and provides full confidence of the Bidder's proposals to deliver the requirements.
100	Excellent	An excellent response which sets out a robust solution (as for a 90 score above) and, in addition, provides or proposes additional value and/or elements of the solution which exceed the requirements in substance and outcomes in a manner acceptable to TfL; the proposals and the evidence submitted in support of those proposals not only provides full confidence as to the tenderer's understanding of the requirements and that the proposals will deliver the requirements, but that these requirements will be exceeded.

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7.1.2 Question A.12. Sustainable Development Framework will be evaluated in accordance with the following:

- A.12.(i)

Bidders are required to accept the Sustainable Development Framework Terms and Conditions via completion of the declaration set out in Volume 1, 2. TfL 95150 ISOS Volume 1 Sustainable Development Framework Declaration, Annex 1, Table 1. Bidders who are unable to accept and provide a completed declaration will be deemed to have failed this component and will be excluded from the procurement process.

As part of your response to A.12.(i), Bidders are permitted to identify KPIs which they are unable to achieve Good Practice on and request for them to be waived or modified (whether on technical or financial grounds). For a KPIs Good Practice requirement to be waived or modified, Bidders are required to provide a robust justification for why this is unachievable and set out what they believe is achievable using the template provided at Volume 1, 2. TfL 95150 ISOS Volume 1 Sustainable Development Framework Declaration, Annex 2. TfL intends to discuss with each Bidder those KPIs identified at ISOS stage during the dialogue stage. Following the conclusion of the dialogue stage the requirement to achieve Good Practice for specific KPIs may be waived or modified at TfL's discretion. At the Invitation to Submit Final Tender (ISFT) stage, TfL intends to issue an updated version of 'Base Scheme Performance' (see Volume 3, MOI Appendices, Appendix 17) to all Bidders, which Bidders will be required to accept.

- A.12.(ii) and A.12.(iii)

As part of the response to A.12.(ii) Bidders are required to complete Volume 1, 3. TfL 95052 ISOS Volume 1 Sustainable Development Framework Commitment Matrix, confirming what improvement tier the Bidder is committing to for each KPI or that no additional commitment beyond 'minimum commitment' is being made.

As part of the response to A.12.(iii) Bidders are required to submit a method statement detailing how they intend to meet the improvement tier selected for the following KPIs:

- HPB1 / HBP2: High Performance Buildings: Embodied Carbon Emissions
- HPB7 / HPB8: High Performance Buildings: Energy Efficiency

The Contracting Authority will consider the information provided by the Bidder in response to A.12.(iii) and will assess the extent the information supports and evidences the improvement tier selected, within their response to A.12.(ii), is robust and deliverable. Each method statement will be assessed in accordance with Table 5: Scoring Classifications B. Should a Bidder score a 'Fail' for a method statement, TfL will reserve the right to adjust the improvement tier level of the respective KPI to any of the lower improvement tiers based on what level of improvement the method statement is deemed likely to achieve in practice. TfL reserves the right to clarify elements of the method statement with Bidders during the evaluation period.

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Table 5: Scoring Classifications B

Classification	Definition
Pass	The response sets out a method (and where relevant, supported by evidence) that addresses and supports the delivery of the improvement tier commitment proposed. Minimal risk is identified on the achievement of the improvement tier selected. The response provides a good degree of confidence in the Bidder's ability to deliver the improvement tier committed to, with limited or no reservations identified in the response.
Fail	No response or the response sets out a method statement that does not support the delivery of the improvement tier commitment proposed. The response provides limited detail (with limited or irrelevant evidence) to support and demonstrate that the Bidder will be able to meet the requirements to deliver the improvement tier selected. Risk has been identified on the achievement of the improvement tier selected. The response provides a limited degree of confidence in the Bidder's ability to deliver the improvement tier committed to, with some reservations as to the Bidder's solution.

Following the assessment of the information provided and where required, relevant adjustments made, TfL will then proceed with the scoring of A.2.(ii) as follows:

- Points are awarded for each KPI against the improvement tier selected. For example: Minimum Commitment = 0, Tier 1 Improvement = 1 point, Tier 2 Improvement = 2 points, and Tier 3 Improvement = 4 points.

- Each KPI has a sub-weighting and points will be multiplied by the corresponding KPI weighting.

- For example, within Volume 1, 3. TfL 95052 ISOS Volume 1 Sustainable Development Framework Commitment Matrix, Ref KPI BC1 has a sub-weighting of 35%. If a Bidder commits to Tier 2 Improvement (with no adjustment, following TfL's evaluations, made), then the Bidder would get a score for that KPI only as follows:

- (2/4) * 35% = 0.175

- The sum of the weighted points will result in a weighted score for the overall question (out of 10).

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Financial Component

7.1.3 The following sub-component detailed questions will be evaluated in accordance with the risk adjustment scoring table

- B.1. Residual Land Value (RLV)

The Contracting Authority will, when evaluating the RLV, apply a risk adjustment to the figures quoted by the Bidder, as the first step of the calculation to produce a Gross Score for the question. The Net Score and Weighted Net Score will then be calculated, please see worked examples of this below.

The Contracting Authority will consider the information provided by the Bidder in response to RLV in Table 2 and the Contracting Authority will assess the extent to which this information supports and evidences that the figures provided are robust and deliverable. One risk adjustment score will be applied to the Bidder's values for B.1., based on the information provided by the Bidder to support the values. For each of the risk adjustment scores given to the values for the RLV Table 6: Scoring Classifications C below will be applied as a multiplier.

The assessment of justification associated with the Bidders response shall be evaluated using the completed template in Table 2. This should be completed in full.

Bidders should note that a Risk Adjustment score of 55 or less for any of the questions may result in a Bidder being excluded from the procurement process. A Risk Adjustment Scoring Table score of 10 or less for any of the questions shall result in a Bidder being excluded from the tender process.

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Table 6: Scoring Classifications C

Risk Adjustment Score (%)	Classification
100	• The RLV proposed by the Bidder is underpinned by competitive, market aligned value and cost inputs and shows robust target returns which align with TfL's expected returns. •
90	• The RLV proposed by the Bidder is underpinned by market aligned value and cost inputs and shows robust target returns which align with TfL's expected returns. •
75	• The RLV proposed by the Bidder is underpinned by value and cost inputs which are generally market aligned but where some inputs raise minor reservations as to deliverability. The target returns are generally aligned with TfL's expected returns and market expectations but may show minor variation from TfL expectations. •
55	• The RLV demonstrated by the Bidder is underpinned by value and cost inputs which are not aligned with market expectation and raise concerns around deliverability of assumptions. The target returns are not aligned with TfL's or typical market expected returns. • Submission may fail to provide all requested information. • **Should a Bidder score 55 or less in the RLV criteria this will classify the Bidder's response as non-compliant and the Contracting Authority reserves the right to eliminate the Bidder in question from the tender process.**
10	• The RLV demonstrated by the Bidder is underpinned by value and cost inputs which present significant reservations and risk for deliverability of assumptions. The target returns proposed are not aligned with TfL's expected returns. • Submission shows significant omissions of requested information. • **Should a Bidder score 0 in the RLV criteria this will classify the Bidder's response as non-compliant and the Contracting Authority shall eliminate the Bidder in question from the tender process.**

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Worked example for RLV (Question B.1)

The Contracting Authority will evaluate the response to Question B.1 using the below three step methodology.

Please note that all values used in the illustrated example do not relate to the project and are for guidance purposes only.

Step 1: Risk Adjusted Residual Land Value Score (Gross Score) = Bidder's proposed combined RLV x Risk Adjustment Score (%)

The proposed RLV will be risk adjusted in accordance with section 7.1.3 and Table 6: Scoring Classifications C to produce a Risk Adjusted Land Value Score.

Bidder A: Proposed RLV = £75,000,000; Risk Adjustment Score = 100%

Bidder B: Proposed RLV = £100,000,000; Risk Adjustment Score = 90%

Bidder A Risk Adjusted Land Value Score = £75,000,000 x 100% = £75,000,000

Bidder B Risk Adjusted Land Value Score = £100,000,000 x 90% = £90,000,000

Step 2: Net Score (out of 100) = (Bidder Risk Adjusted Land Value / Highest Bidder Risk Adjusted Land Value) x 100

To calculate the Net Score, the highest Risk Adjusted Land Value will be given full marks (100 marks). All other Risk Adjusted Land Value proposals will be scored relative to highest Risk Adjusted Land Value.

Bidder A Risk Adjusted Land Value = £75,000,000

Bidder B Risk Adjusted Land Value = £90,000,000

Bidder A Net Score (out of 100) = (£75,000,000 / £90,000,000) x 100 = 83.3

Bidder B Net Score (out of 100) = (£90,000,000 / £90,000,000) x 100 = 100

Step 3: Weighted Net Score = Net Score x Question Weighting (%)

The RLV Question Weighting (30%) will be applied to the Net Score to generate the Weighted Net Score.

Bidder A Weighted Net Score = 83.3 x 30% = 24.99

Bidder B Weighted Net Score = 100 x 30% = 30.00

7.1.4 Question B.2. and B.3. Asset Management Fee and Development Management Fee will be evaluated in accordance with the following two step methodology

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Please note that all values used in the illustrated example do not relate to the project and are for guidance purposes only.

Step 1: The Contracting Authority will apply the following formula to calculate the Score:

$$\left(\frac{\mathbf{3}\ \% - (\boldsymbol{x}\ \%)}{\mathbf{3}\%}\right) * \mathbf{100}$$

Scores for AM fee will be awarded relative to the lowest possible AM fee percentage.

Bidder A AM fee proposal = 2%

Bidder B AM fee proposal = 1%

Bidder A Score (out of 100) = $\left(\frac{3\ \% - (2\ \%)}{3\%}\right) * 100$ = 33%.

Bidder B Score (out of 100) = $\left(\frac{3\% - (1\ \%)}{3\ \%}\right) * 100$ = 67%.

Step 2: Weighted Score = Score x Question Weighting (%)

The AM Question Weighting (12%) will be applied to the Score to generate the Weighted Score.

Bidder A Weighted Score = 33 x 12% = 3.96

Bidder B Weighted Score = 67 x12% = 8.04

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