



Aviation, Maritime, Freight & Canals Directorate

Northern Isles Ferry Services

Competition for the Contract for the Provision of Services

**Volume 3
Issue 2.1**

**Invitation to Submit a Final Tender
Instructions to Participants**

13 February 2012

TS/FER/SER/2011/02

Vol.3 ISFT Version: Version Control		
Date identifier	Author	Change from previous
29. 11.11 to 22.01.12	JH	Issue Version to V1.5 of IPD Version released.
13.02.12	JH	V2.0 (ISFT) Version released S 1.2: Incorporation and revisions to the Timetable Schedules to the Formal Offer: Inclusion of requirements from Vol 2, subject to - 1.2.1 and 1.2.2: requirement to advise on time sensitive freight and removal of reference to Routine Variance; 1.2.5: further requirements on Accessibility reporting; 1.3.1: redefinition of pricing requirements for Other freight New questions - 1.2.3.c: advice on safeguarding provision of deckspace for car traffic; - 1.4.4: statement on Ports of Refuge
21.02.12 24.02.12	JH	V2.1 (ISFT) – 1.2.3.c changed - 1.3.1.changed

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AVIATION, MARITIME, FREIGHT & CANALS DIRECTORATE

**NORTHERN ISLES FERRY SERVICES
COMPETITION FOR THE CONTRACT
FOR THE PROVISION OF SERVICES**

VOLUME 3

**INVITATION TO SUBMIT FINAL TENDER
INSTRUCTIONS TO PARTICIPANTS**

13 FEBRUARY 2012
TS/FER/SER/2011/02

Northern Isles Ferry Services Provision of Public Services	ISFT Documents Volume 3, ISFT Instructions
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**NORTHERN ISLES FERRY SERVICES
COMPETITION FOR THE CONTRACT
FOR THE PROVISION OF SERVICES**

**VOLUME 3
INVITATION TO SUBMIT FINAL TENDER
INSTRUCTIONS TO PARTICIPANTS**

TS/FER/SER/2011/02

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1. OVERVIEW

1.1 Contents of Volume 3

1.1.1 This Volume 3 comprises:

an overview of the Final Tender Period;
instructions for submission of Final Tenders; and
the method by which Final Tenders shall be evaluated.

1.1.2 The Appendix to Volume 3 sets out the content required for Final Tenders in the “Form of Final Tender”. The Form of Final Tender is divided into Packages A, B, C and D.

1.1.3 A single submission is required in relation to Lot A and Lot B (Both Lots).

1.2 Overview of the Conclusion of the Dialogue Period and Invitation to Submit Final Tenders

The issue of the ISFT invites each Participant to submit a Final Tender containing all the elements required and necessary for the performance of the Contract on the basis of any solution presented and specified during the dialogue (including the Outline proposals, and Transport Scotland’s response to them); and

the ISFT restates the Timetable (tabulated below) and instructions for submission of Final Tenders (as described in this Volume 3).

Table 1: Timetable			
Activity	Invitation to Participate Reference	Date	Process Week Number
Response by the Scottish Ministers to the final submission of Outline Proposals	Section 3, Volume 2	13 February 2012	12
Issue of Invitation to Submit Final Tender (ISFT)	Section 1, Volume 3	13 February 2012	12
Latest date for submission of Final Tender Queries	Section 7, Volume 1	12 noon GMT 23 February 2012	13
Latest date for Scottish Ministers’ Response to Final Tender Queries	Section 7, Volume 1	28 February 2012	14
Submission of Final Tenders	Section 2, Volume 3	12 noon GMT 5 March 2012	15

Issue of notice informing Participants of the Scottish Ministers' decision on the award of the Contract and commencement of the relevant standstill period	30 March 2012
Anticipated award of the Contract	12 April 2012
Commencement of Services	6 July 2012

- 1.2.1 Following submission of the Final Tenders, the Scottish Ministers may request a Participant to clarify, specify or fine-tune a Final Tender, but such clarification, specification, fine-tuning or additional information shall not involve changes to the basic features of the Final Tender or the ISFT if such changes are likely to distort competition or have a discriminatory effect.
- 1.2.2 If good reason arises, the Scottish Ministers shall extend the date of submission of Final Tenders by a reasonable period.
- 1.2.3 The Scottish Ministers shall assess the Final Tenders received on the basis of the award criteria specified in this Volume 3 and shall, subject to the Scottish Ministers' discretion to choose not to award a contract, seek to award the Contract to the Participant who submits the most economically advantageous tender in accordance with regulation 30 of the Regulations.
- 1.2.4 The Scottish Ministers may request the Participant identified as having submitted the most economically advantageous tender to clarify aspects of its Final Tender or confirm commitments contained in the Final Tender provided that this does not have the effect of modifying substantial aspects of the Final Tender or the ISFT and does not risk distorting competition or causing discrimination.
- 1.3 Award and Debrief**
- 1.3.1 Prior to the award of contract to the Successful Participant, the Participants shall be informed in writing of the result of the procurement competition. Additionally, the unsuccessful Participants shall be entitled to request an oral debriefing from the Scottish Ministers.
- 1.3.2 The Scottish Ministers reserve absolute discretion in terms of determining the form and content of any oral debriefing.
- 1.4 Contract Award**
- 1.4.1 The Successful Participant shall be required to execute the Contract (as completed with information from the Successful Participant's Final Tender) and any other contractual

documentation which may be required. It is currently anticipated that the following contractual documentation shall be executed at the same time as the Contract:

parent company guarantee (if requested); together with

any other documents notified by the Scottish Ministers to the Successful Participant as being required.

1.5 Programme for Award of the Contract

- 1.5.1 The Scottish Ministers expect to award the contract within three months of the closing date and time for submission of the Final Tenders as indicated in the Timetable.
- 1.5.2 If the three month period appears likely to be exceeded, the Scottish Ministers shall seek to negotiate an extension of that period with each Participant.
- 1.5.3 However, if this is not possible or delay appears likely to be excessive, the Scottish Ministers may require Participants to re-tender.
- 1.5.4 Final Tenders shall, therefore, remain open for acceptance for a minimum of three months after the closing date and time for submission of each Final Tender.

2. INSTRUCTIONS FOR THE SUBMISSION OF FINAL TENDERS

2.1 General Requirements

- 2.1.1 This Section 2 sets out the requirements for the submission of Final Tenders.
- 2.1.2 Each Participant shall submit a Final Tender containing a submission for Lot A and Lot B (Both Lots) as invited in the ISFT.
- 2.1.3 Each Participant shall submit one Final Tender for consideration by the Scottish Ministers, and this shall contain only one solution in respect of Lot A and Lot B (Both Lots).
- 2.1.4 Each Participant shall submit its Final Tender in accordance with the requirements of this Volume 3, and each Participant shall ensure that its Final Tender is completed in accordance with the requirements of the Form of Final Tender.
- 2.1.5 No unauthorised alteration or addition shall be made to the Form of Final Tender and a Final Tender shall:
 - not be qualified; and
 - not be accompanied by any covering letter or any statement(s) that could be construed as rendering the Final Tender equivocal or placing it on a different footing from other Final Tenders.
- 2.1.6 Qualified Final Tenders may be excluded by the Scottish Ministers from further consideration and the Participant(s) notified in due course.
- 2.1.7 All information included within a Final Tender shall reflect the communications, discussions and dialogue entered into during the Dialogue Period between the Participant and the Scottish Ministers.
- 2.1.8 Final Tenders which contain information which the Scottish Ministers has either objected to or rejected during the Dialogue Period shall be considered as non-compliant.
- 2.1.9 Participants shall identify any developments or alterations made in the Final Tenders which have been made in agreement with the Scottish Ministers to take into account any comments or recommendations made by the Scottish Ministers, following the submission of Outline Proposals.

2.2 Instructions

- 2.2.1 All Final Tenders, and any documents or other material forming part of a Final Tender, shall be in English. Any corporate documents forming part of a Final Tender shall be certified by the local companies' registry or equivalent.
- 2.2.2 Participants shall in their Final Tenders provide the information required in the Form of Final Tender in a clear and concise manner and only material specifically required in the

Form of Final Tender shall be included. General promotional or publicity material shall not be submitted as part of any Final Tender.

- 2.2.3 All financial information or data forming part of a Final Tender shall be submitted in Sterling. Where official documents include financial data in a foreign currency, a Sterling equivalent shall be provided by the Participant. Any such Sterling equivalent shall be certified as a “true and fair” equivalent by the Participant and the relevant date of the conversion declared.
- 2.2.4 Final Tenders shall be submitted by Participants under the headings given using the tables, forms and certificates supplied by the Scottish Ministers in the Form of Final Tender, and shall follow the order and numbering contained in the Form of Final Tender. Participants shall seek to comply with the requirements identified in the Form of Final Tender in respect of any word number limits. The font of the text to be used by Participants in any Final Tender shall be Arial 11 point with single spacing.
- 2.2.5 A single submission within the Final Tenders is required in relation to Lot A and Lot B (Both Lots).
- 2.2.6 Any Participant whose Final Tender is not in accordance with the Form of Final Tender may be rejected by the Scottish Ministers.**
- 2.2.7 Participants shall submit five Sets of the Final Tender which they have been invited to submit as indicated in 2.4 below to arrive by no later than 12.00 Noon GMT on Monday 5 March 2012 (the date and time identified for the submission of Final Tenders in the Timetable), to the following addressee and address:**

**Procurement Support Manager
Tender for the Northern Isles Ferry Services:
Contract for the Provision of Services
Transport Scotland
Buchanan House
58 Port Dundas Road
Glasgow
G4 0HF
United Kingdom**

- 2.2.8 Final Tenders received after this date and time shall not be accepted for consideration and shall be returned unopened to the sender.**
- 2.2.9 Participants shall ensure that they receive a written receipt from the addressee, or their representative at Transport Scotland. Such written receipt shall acknowledge the date and time of receipt and shall be signed by the addressee or their representative. The Scottish Ministers’ own record of time and date of receipt shall be conclusive and it shall

be the Participant's responsibility to obtain valid confirmation of safe receipt by the Scottish Ministers.

2.3 Set and Package Contents

2.3.1 The Participant shall submit five Sets of the Final Tender. These sets shall comprise:

1 original paper set,

3 paper copies, and

1 CD/DVD set.

2.3.2 Each Set shall contain the Formal Offer and Packages A, B, C and D. Each Set of the Final Tender shall be separately wrapped. Each Set shall bear a marking indicating the Participant's identity. Each Set shall clearly carry a marking to define the copy set to which it belongs, e.g. "Northern Isles Ferry Services: Contract for the Provision of Services: Set 1 (original)" or "Northern Isles Ferry Services: Contract for the Provision of Services: Set 2 (first copy)" or "Northern Isles Ferry Services: Contract for the Provision of Services: Set 5 (data CD/DVD copy) ".

2.3.3 Within each Set (including the CD/DVD set), the Folder containing Package C shall be contained within a sealed envelope.

2.3.4 Each paper copy Package shall be contained in a separate folder, which contains a contents list for that Package which shall be bound immediately inside the front cover. Each item in the contents list shall be cross-referenced to show the page numbers where such items are contained in the Package.

2.3.5 Each page of each Package shall be numbered clearly and sequentially.

2.3.6 The Final Tender shall not include any loose pages.

2.3.7 Drawings and charts and other similar items shall be numbered and a drawing list shall be included as part of the contents list.

2.3.8 Drawings and charts and other similar items shall be A3 size and shall be folded and inserted into clear plastic pockets within the relevant folder. All drawing titles shall be visible when inserted into the pockets.

Table 1 - Final Tender Submission Requirements	
Section of the Form of Final Tender	
Formal Offer	Formal Offer including completed: Schedule 1, Checklist (Schedule 2), and

Table 1 - Final Tender Submission Requirements	
Section of the Form of Final Tender	
	Evidence of authorised signatories (Schedule 3)
Package A Conceptual proposals and Supporting Documentation Submission	A.1 Conceptual proposals A.2 Operational Management System A.3 Schedule of Revisions to Outline Proposals
Package B	Supplier's Representative, Senior Supplier's Representative and Key Personnel
Package C Tender Price Submission	C.1 Schedule of Material Additional Transport Services
	C.1 Base Case Schedule of Price Breakdown C.2 Comparative Cost of Final Tender
Package D Certificates	D.1 Anti-Collusion Certificate D.2 Prompt Payment Certificate D.3 Insurance Requirements D.4 Commitment to Execute Parent Company Guarantee D.5 Commitment to Execute the Contract D.6 Commitment to Execute the Tripartite Agreement

2.3.9 All photocopies of signed documents shall be stamped “**first copy**”, “**second copy**”, or “**third copy**” (as appropriate) in accordance with the title of the Set in which they are lodged.

2.3.10 The information for each package for Set 5 (CD/DVD) shall be saved in both Microsoft Word 2003 format and pdf format (version 7.0).

2.3.11 Drawings for Set 5 (CD/DVD) shall be provided in PDF format.

2.4 Communications

All communications during the Final Tender Period between the Participants and the Scottish Ministers shall be carried out via EDT, as described in Section 6 of Volume One (other than any communications with the Scottish Ministers in relation to logistics, which shall be addressed to the Scottish Ministers' Contact Person).

3. FINAL TENDER EVALUATION PROCESS

3.1 Introduction

3.1.1 Final Tenders shall be evaluated to determine which is the most economically advantageous to the Scottish Ministers, pursuant to Regulation 30 of the Regulations. The contract for Lot A and Lot B (Both Lots) shall be awarded to the Participant who, at the conclusion of the evaluation process, offers the most economically advantageous tender for the Services for Lot A and Lot B (Both Lots) .

3.1.2 In determining the award of contract(s), the award criteria which shall be used to determine which Final Tender is the most economically advantageous shall be a combination of:

Quality: the Participant's approach to:

conceptual proposals for the provision of Services;

operational management system; and

staffing proposals,

Price: which shall be the Participant's Comparative Cost of Final Tender.

3.1.3 Tenders will be assessed using the criteria specified in this Section 3..

3.1.4 The above award criteria used in the assessment of tenders shall be weighted as follows:

Quality (Packages A and B): 20%; and

Price (Package C): 80%.

3.1.5 In addition to the evaluation of the quality and price submissions in Packages B and C respectively, Packages A and D will be evaluated against a number of pass/fail requirements in order to evaluate whether each Final Tender is compliant with the requirements of this Volume 3.

3.1.6 The panels identified in Section 3.2 shall carry out the evaluation of Packages A, B, D, and C on a sequential basis. Each set of paper copies will be opened, checked for general compliance and completeness and evaluated. Only once the evaluation process in respect of each Participant's submissions for Packages A, B and D has been completed, will Package C be opened in accordance with the procedure set out in Section 3.8.

3.2 Evaluation of the Final Tenders - Overview

3.2.1 Final Tenders shall be checked for general compliance and completeness and evaluated (as appropriate) by six separate panels as follows:

Panel 1: General Compliance and Completeness Check;

Panel 2: Package A - Conceptual proposals, Operational Management Systems and Supporting Documentation;

Panel 3: Package B - Supplier's Representative, Senior Supplier's Representative and Key Personnel;

Panel 4: Package C - Price;

Panel 5: Package D - Certificates; and

Panel 6: Aggregated Quality and Price Scores.

The membership of each panel will not necessarily be mutually exclusive.

- 3.2.2 The panels shall be responsible for checking and evaluating (as appropriate) the specific sections of the Final Tenders as identified in Table 2 of this Volume 3 and Table 2 identifies whether a section of the Final Tender is (a) not scored, (b) scored, (c) scored with a minimum threshold, or (d) a pass/fail section.

Table 2 - Panels and Scoring			
Section of the Final Tender		Panel	Scoring
Formal Offer	Formal Offer and accompanying schedule1, Checklist, and evidence of authorised signatories	1	Not scored but is required to be signed otherwise Final Tender shall be declared non-compliant.
Package A - Conceptual proposals, Project Management System and Supporting Documentation Submission	A.1 Conceptual proposals	1 and 2	Scored and Pass/Fail
	A.2 Project Management System	1 and 2	Scored and Pass/Fail
	A.3 Schedule of Revisions to Outline Proposals	1 and 2	Not Scored But is required as a check against completeness of A.1 and A.2
Package B -	Supplier's Representative, Senior Supplier's Representative and Key Personnel	1, 3 and 6	Scored and Pass/Fail
Package C - Tender Price Submission	C.1 Schedule of Material Additional Transport Services	4	Pass/Fail
	C.1 Base case Schedule of Price Breakdown	4 and 6	Not scored but required to complete C.2
	C.2 Comparative Cost of Final Tender	4 and 6	Scored
Package D - Certificates	D.1 Anti-Collusion Certificate	1 and 5	Pass/Fail

Table 2 - Panels and Scoring			
Section of the Final Tender		Panel	Scoring
	D.2 Prompt Payment Certificate	1 and 5	Pass/Fail
	D.3 Insurance Requirements	1 and 5	Pass/Fail
	D.4 Commitment to Execute Parent Company Guarantee	1 and 5	Pass/Fail
	D.5 Commitment to Execute the Contract	1 and 5	Pass/Fail
	D.6 Commitment to Execute the Tripartite Agreement	1 and 5	Pass/Fail

3.3 General Compliance and Completeness Check

- 3.3.1 Panel 1 shall carry out a general compliance and completeness check of the Formal offer and Packages A, B and D.
- 3.3.2 Package C shall only be opened after Packages A, B and D have been checked for general compliance and completeness and the evaluation process, including any clarifications, completed in respect of those Packages. Panel 4 shall carry out the general compliance and completeness check of Package C.
- 3.3.3 The Scottish Ministers reserves the right to seek clarification in respect of any missing, incomplete or ambiguous information in the Final Tenders. The Scottish Ministers shall treat any incomplete or ambiguous Final Tender (or errors in a Final Tender) in such manner as the Scottish Ministers shall determine in its absolute discretion.
- 3.3.4 Participants are reminded that the submission of an incomplete or non-compliant Final Tender may result in rejection of that Final Tender at the absolute discretion of the Scottish Ministers. For example, although certain information is not scored, if such information is not provided in the Final Tender, the Final Tender may be rejected and not given any further consideration.

3.4 Evaluation of Package A

- 3.4.1 Panel 2 shall evaluate the contents of Package A identified in Table 3 to this Volume 3 on the basis noted in Tables 3 and 4 and the markings shall be weighted on the basis noted in Table 5.

Table 3 - Evaluation of Package A		
Section of the Final Tender	Scoring	Pass/Fail Requirements

Formal offer	Formal Offer and accompanying schedule 1, Checklist, and evidence of authorised signatories	Not scored but is required to be signed otherwise Final Tender shall be declared non-compliant.	-
Conceptual proposals, Project Management System and Supporting Documentation Submission	A.1 Conceptual proposals	Scored and Pass/Fail	Individual scoring for: a. Services b. Fares c. Vessels and Ports d. Start up Plan e. Marketing Plan f. Health and Safety Plan g. Environmental Management Plan h. Customer Complaints process
	A.2 Project Management System	Scored and Pass/Fail	Individual scoring for: a. Operational Management Methodology b. Supplier's Quality Management Organisation of the Contract c. Operators Proposals for Training d. Operators Proposals for Employment Support e. Operators Proposals for the involvement of Supported Businesses f. KPI's
	A.3 Schedule of Revisions to Outline Proposals	Not Scored But is required as a check against completeness of A.1 and A.2	-

Table 4 - Quality Assessment of Package A		
Strength of Response	Participant's Proposals	Score
Weak	The proposal demonstrates that the Participant fails to fully understand the technical, logistical and management challenges of the Services, and/ or that its approach to mitigation and management of risk will not be adequately comprehensive, effective and robust.	1-4
Acceptable	The proposal demonstrates that the Participant has understood the technical, logistical and management challenges of the Services to an acceptable level, and that its approach to mitigation and management of risk appears to be sufficiently comprehensive, effective and robust.	5-6
Good	The proposal demonstrates that the Participant's understanding of the technical, logistical and management challenges of the Services is good, and that its approach to mitigation and management of risk appears to be comprehensive, effective and robust to a better than average or satisfactory degree.	7-8
Excellent	The proposal demonstrates that the Participant's understanding of the technical, logistical and management challenges of the Services is excellent, and that its approach to mitigation and management of risk appears to be comprehensive, effective and robust to an exemplary degree	9-10

Table 5 – weighting applied to the scoring of each item			
Package Section	Item	Weighting	Possible Attainable Weighted Score
A.1	Services	15	150
	Fares	15	150
	Vessels and Ports	15	150
	Start up Plan	5	50
	Marketing Plan	5	50
	Health and Safety Plan	5	50
	Environmental Management Plan	5	50
	Customer Complaints process	5	50
A.2	Operational Management Methodology	5	50
	Supplier's Quality Management Organisation of the Contract	5	50
	Operators Proposals for Training	5	50
	Operators Proposals for Employment Support	5	50
	Operators Proposals for the involvement of Supported Businesses	5	50
	KPI's	5	50

	Total marks for Package A		1000

- 3.4.2 A Participant's submission for Package A shall be marked as a **Pass** if it attains an unweighted score of **not less than 4 in relation to each item of individual scoring and in excess of half the possible total attainable (weighted) marks (in excess of 500)** in respect of the aggregated weighted total of the items identified in Table 5 of this Volume 3. If the submission is deemed to **Fail** the evaluation marking for the Package will not be carried forward to further assessment in Table 9 to this Volume 3 and the Tender will not be considered further.

3.5 Evaluation of Package B

Panel 3 shall **evaluate** Package B, Supplier's Representative, Senior Supplier's Representative and Key Staff proposals, in accordance with the scoring system set out in Table 6 of this Volume 3 and this Section 3.5. It will also be subject to a **Pass/Fail** test, whereby if Package B fails to secure a Score of 81 or more, then the submission will be deemed to **Fail** and the evaluation marking for the Package will not be carried forward to further assessment in Table 9 to this Volume 3 and the Tender will not be considered further.

Table 6 - Quality Assessment of Supplier Representative, Supplier Senior Representative and Key Staff proposals (Package B)		
Strength of Response	Participant's Proposals	Score
Weak	The statement demonstrates that the Participant's approach is lacking and there is a reasonable expectation that the Services will be delivered poorly	1-80
Acceptable	The statement demonstrates that the Participant's approach provides a reasonable solution to the quality, range and extent of skills and resources required to deliver the Services in the Contract.	81-120
Good	The statement demonstrates that the Participant's approach provides a better than average solution to either the quality, range or extent of skills and resources required to deliver the Services in the Contract.	121-160
Excellent	The statement demonstrates that the Participant's approach provides added value to a high degree to the solution to the quality, range and extent of skills and resources required to deliver the Services in the Contract.	161-200

3.6 Combination of Evaluation of Packages A and B (Combined Quality Score)

- 3.6.1 The combined quality score for Packages A and B shall be calculated by adding the each of the weighted scores for the elements of Package A arising from the application of scorings on the basis of tables 3, 4 and 5 of this Volume 3 to the individual Package B quality scores on the basis of table 6 and reweighting the Participants aggregated weighted score by a factor to provide a possible attainable total score of 100, i.e.

(Total weighted score for package A plus score for package B) divided by 12

- 3.6.2 Participants should note that in the event of an award of the Contract, a failure by the Supplier to deliver the commitments contained in his submissions for Packages A and/ or B may result in proportionate Performance Deductions being made by the Scottish Ministers from payments due under the Contract, pursuant to Volume 5, Schedule 15 to the Contract.

3.7 Evaluation of Package D

- 3.7.1 Panel 5 shall evaluate the contents of Package D set out in Table 7 to this Volume 3 on the basis of **PASS** or **FAIL**.

Table 7 - Evaluation of Package D			
Section of the Final Tender		Scoring	Pass Requirements
Package D - Certificates	D.1 Anti-Collusion Certificate	Pass/Fail	signed and completed in accordance with Volume 3 with evidence of the requisite signing authority
	D.2 Prompt Payment Certificate	Pass/Fail	
	D.3 Insurance Requirements	Pass/Fail	
	D.4 Commitment to Execute Parent Company Guarantee	Pass/Fail	
	D.5 Commitment to Execute the Contract	Pass/Fail	
	D.6 Commitment to Execute the Tripartite Agreement	Pass/Fail	

- 3.7.2 A Participant's submission for Package D shall be marked as a **PASS** if it attains a **PASS** in respect of all of the items listed in Table 7 of this Volume 3.

3.8 Opening and Evaluation of Package C

3.8.1 Where a Participant's submissions for Packages A, B and D have been found to be compliant and complete pursuant to Section 3.3.1, and that Participant has:

gained a **PASS** in respect of the evaluation of Package A;

gained a **PASS** in respect of Package B, and

gained a **PASS** in respect of Package D,

that Participant's submissions for Package C shall be passed to Panel 4 to be opened, checked for general compliance and completeness, and to be evaluated in accordance with this Section 3.8 and with Table 8 of this Volume 3 and to Panel 6 to allow the aggregation with the Quality marking for Packages A and B

For the purpose of evaluation of each Participant's Package C submission, "Price" shall mean the Comparative Cost of Final Tender.

Table 8 - Evaluation of Package C			
Section of the Final Tender		Scoring	Pass/Fail Requirements and Scoring
Package C - Tender Price Submission	C.1 Schedule of Material Additional Transport Services	Not scored	Pass/Fail
	C.1 Base Case Schedule	Not scored but required to complete C.2	-
	C.2 Comparative Cost of Final Tender	Scored	Scored out of 100

3.8.2 Where a Participant has failed to gain a pass in respect of Package A, B or D then Package C will not be opened and the score for Package C will be deemed to be nil.

3.8.3 Part C.2 (Comparative Cost of Tender) shall be evaluated for each Participant as follows:
the product of the lowest value of Price submitted by any Participant as part of its Final Tender divided by the value of Price submitted by the evaluated Participant, and 100.

3.9 Method for Calculating the Combined Score for each Final Tender

3.9.1 The award criteria shall be weighted and the combined score shall be calculated in accordance with Table 9 of this Volume 3.

Table 9- Combined Score			
Component	Score (out of 100)	Weighting	Total Weighted Score
Quality		20%	
Price		80%	
Combined Score (out of 100)			

- 3.9.2 The scores calculated in accordance with Section 3.6 and 3.8 shall be weighted in accordance with Section 3.9.1, and the weighted scores shall be added to provide a combined weighted score for each Final Tender by the members of Panel 6.

3.10 Most Economically Advantageous Tender

- 3.10.1 The Participant who has:

gained a **PASS** in respect of the evaluation of Package A conducted pursuant to Section 3.3 of this Volume 3; and

gained a **PASS** in respect of the evaluation of Package B conducted pursuant to Section 3.5 of this Volume 3; and

gained a **PASS** in respect of the evaluation of Package D conducted pursuant to Section 3.7 of this Volume 3; and

achieved the highest combined weighted score in respect of Packages A, B and C calculated in accordance with Section 3.9;

will be selected as the Successful Participant.

3.11 Clarifications

- 3.11.1 The Scottish Ministers via any or all of the panels identified in Section 3.2.1 of this Volume 3 shall be entitled at any time to seek clarifications from the Participants in relation to the Final Tenders.

- 3.11.2 The Scottish Ministers shall be entitled at any time to invite Participants to clarification meetings with the relevant panels and their Advisers to clarify any aspect of their Final Tenders.

- 3.11.3 The relevant panels may carry out clarification meetings at the offices of Transport Scotland, Victoria Quay, Edinburgh, EH6 6QQ in the week beginning 12 March 2012. Participants will be given a minimum of three calendar days notice to attend such meetings. Participants who have made a Final Tender shall keep themselves available for any such meeting during such dates.

3.11.4 The relevant panels shall be entitled to take account of any subsequent information provided as clarification in any Participant's responses to:

written queries from the Scottish Ministers via the panels; and/or

queries from the Scottish Ministers via the panels at clarification meetings.

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FOR THE PROVISION OF SERVICES**

VOLUME 3

INVITATION TO SUBMIT FINAL TENDER

TS/FER/SER/2011/02

APPENDIX

**FORM OF FINAL TENDER, and
FORM OF PARENT COMPANY GUARANTEE/ ADJUDICATION BOND**

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FORM OF FINAL TENDER

FORMAL OFFER

SCHEDULES TO THE FORMAL OFFER

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FORMAL OFFER

[To be completed by the Participant on its headed notepaper.]

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For the attention of Judith Ainsley

Transport Scotland
Buchanan House
58 Port Dundas Road
Glasgow
G4 0HF

Dear Sirs

**NORTHERN ISLES FERRY SERVICES
COMPETITION FOR THE CONTRACT FOR THE
PROVISION OF SERVICES
FORMAL OFFER**

In response to the Competition Documentation, we hereby enclose our Final Tender to enter into a contract for Lot A and Lot B (Both Lots) which is fully complete and compliant with the requirements of the Competition Documentation and the Invitation to Submit a Final Tender.

We have made a comprehensive study of and understand all materials comprising the Competition Documentation and the procurement information.

We certify that this Final Tender is made in good faith, and that we have made only ONE Final Tender.

We certify that our Conceptual Proposals identified in Package A represent a reasonable response to and shall be capable of being developed to meet the requirements of the Contract.

We hereby offer to carry out the Services required for the Northern Isles Ferry Services in conformity with the Contract and the Grant included in our Final Tender.

We hereby offer to carry out the Services using the staff resources identified in Package B.

We hereby undertake to complete all prior requirements prior to and deliver the Services comprised in the Contract on the date stated in Schedule 1 to this Formal Offer.

Our checklist for the contents of our Final Tender is included in Schedule 2 to this Formal Offer.

We understand that you are not bound to accept the most economically advantageous offer or any Final Tender that you may receive.

We acknowledge that the Scottish Ministers required strict adherence to the Competition Documentation from each Participant and we confirm that we have and that we shall continue to adhere to all of the conditions and requirements expressed in the Competition Documentation.

We acknowledge and agree that it is a condition precedent to the execution of a Contract that if so requested by the Scottish Ministers we provide the Parent Company Guarantee in the form required. Commencement of any part of the Services by us shall not constitute a waiver of this condition precedent.

We certify that this is a *bona fide* Formal Offer which will remain open for written acceptance for 3 months from 5 March 2012, and thereafter subject to any agreement with the Scottish Ministers to extend such period. If we are not appointed as the Successful Participant, we agree that we shall keep our Formal Offer for written acceptance until execution of the Contract or expiry of the 3 month period (as may be agreed to be extended).

We confirm that we shall have no conflict of interest if we are awarded the Contract.

Unless otherwise specified, capitalised terms used in this Formal Offer shall have the same meaning as given in Volume One of the Competition Documentation and the Contract.

Signed

Name

Address

Title

For and on behalf of

Date

NB: This must be signed by an authorised signatory of the Participant, giving full name and address as well as the name and title of the signatory. Evidence of the authority of the signatory must be provided in the form of a certified Board Resolution (or equivalent probative document). Absence of said authority will result in non-compliance with the requirements for submission of Final Tenders identified in Volume 3.

SCHEDULE 1 TO FORMAL OFFER

Item	Contract Clause	Details
Date for the completion of prior requirements and the delivery of the Services	5	2 pm on 5 July 2012

Signed.....

SCHEDULE 2 TO FORMAL OFFER

Submission Requirements : Sets to comprise

- Original
- Three copies of the original
- Electronic copy in pdf format (version 7.0) and in Microsoft Word 2003 format of the original

Section of the Final Tender		Included
Formal Offer	Formal offer including schedule 1	
Checklist	Schedule 2 to Formal offer	
Evidence of Authorised Signatories	Schedule 3 to Formal offer	
Package A (Conceptual proposals, Project Management System and Supporting Documentation Submission)	A.1 Conceptual proposals	
	A.2 Project Management System	
	A.3 Schedule of Revisions to Outline Proposals	
Package B	Supplier's Representative, Senior Supplier's Representative and Key Personnel	
Package C Tender Price Submission	C.1 Schedule of Price Breakdown - Schedule of Material Additional Transport Services.	
	C.1 Schedule of Price Breakdown - Base Case Schedule.	
	C.2 Comparative Cost of Final Tender	
Package D Certificates	D.1 Anti-Collusion Certificate	
	D.2 Prompt Payment Certificate	
	D.3 Insurance Requirements	
	D.4 Commitment to execute Parent Company Guarantee	
	D.5 Commitment to execute the Contract	
	D.6 Commitment to execute the Tripartite Agreement	

SCHEDULE 3 TO FORMAL OFFER

Evidence of Authorised Signatories

Where it is indicated that a part of the Final Tender shall be signed, that part shall be signed by an authorised signatory, giving the full name and address of the company or organisation signing, as well as the name and title of the signatory.

Provide evidence of authorisation of each signatory to any part of the Final Tender in the form of a certified Board Resolution (or equivalent probative document).

Absence of this authority will result in non-compliance with the requirements for submission of Final Tenders identified in Volume 3.

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FORM OF FINAL TENDER

PACKAGE A **A.1 TO A.3: CONCEPTUAL PROPOSALS, etc**

Conceptual proposals, etc
The Conceptual proposals submission, forming part of the Final Tender shall be submitted in accordance with the requirements of the Competition Documentation and shall comprise the minimum requirements as described below.
Package A: Section A.1 Conceptual Proposals: Shown as tracked changes on Outline Conceptual Proposals Executive Summary Services Fares Vessels and Ports Start up Plan Marketing Plan Health and Safety Plan Environmental Management Plan Customer Complaints process
Package A: Section A.2 Operational Management System: Shown as tracked changes on Outline Operational Management System Operational Management Methodology Supplier's Quality Management Organisation of the Contract Operators Proposals for Training Operators Proposals for Employment Support Operators Proposals for the involvement of Supported Businesses KPI's
Package A: Section A.3 Schedule of Revisions to Outline Proposals: Yes/ No indication of whether changes were requested in Competitive Dialogue and Yes / No indication of if changes have been made to Outline proposals.

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PACKAGE A: SECTION A.1

CONCEPTUAL PROPOSALS

[PARTICIPANT TO INSERT OUTLINE CONCEPTUAL PROPOSALS AS ADJUSTED (IN TRACKED CHANGE FORMAT) IN RESPONSE TO COMMENTS FROM THE SCOTTISH MINISTERS OR FOR ELECTIVE REASONS.]

PLEASE NOTE THAT THE FIRST LEVEL NUMBERING IN EACH TABLE HAS CHANGED FROM THAT USED IN VOLUME 2]]

1	Conceptual Proposals
<p>The Conceptual Proposals submission, forming part of the Final Tender shall be submitted in accordance with the requirements of the Competition Documentation and shall comprise a response which includes the minimum requirements as described below. Advice has been given to the Participant where, in the consideration of the Scottish Ministers, the response to the Outline Conceptual Proposals fell below acceptable standards of presentation, technical content or technical merit. Where the Outline Conceptual Proposals have been amended in response to such advice or for elective reasons and resubmitted as the Conceptual Proposals this should be recorded in Package A: Section A3. The Conceptual Proposals will be graded in line with the marking scheme contained in this Volume 3 and the score will form part of the tender assessment evaluation. Where the Participant is successful in this competition and is awarded the Contract for the Provision of Services for the Northern Isles Ferry Services, then the contents of the Conceptual Proposals will be included in the several Schedules to the Contract as relevant.</p>	

1.1 Executive Summary

1.1.1	Volume 5 Reference: N/A
Requirement	Executive Summary: Participant should provide an executive summary that provides a useful introduction to the Outline Conceptual Proposals for evaluators, as well as key stakeholders who may not be involved in the detailed evaluation.
Response Guidance	<p>The objective of the executive summary is to provide the Scottish Ministers with a clear, concise and complete summary of the Outline Conceptual Proposals together with an insight into the reasoning and rationale behind the Outline Conceptual Proposals. The executive summary should focus on the key features of the Outline Conceptual Proposals including all key assumptions made by the Participant and should highlight the key strengths of the Outline Conceptual Proposals to demonstrate how the Outline Conceptual Proposals represents value for money to the Scottish Ministers.</p> <p>The executive summary must only contain information drawn from other areas of the Outline Conceptual Proposals and must not contain any new material. Whilst diagrams and photographs may be used, they should be high level and should not be used to support other parts of the Outline Conceptual Proposals where more detailed information is required.</p> <p>Whilst the executive summary will not be formally evaluated, it will be scrutinised for consistency with the rest of the Outline Conceptual Proposals and clarification will be sought if required.</p>
Participant to State Compliance	N/A
[A1.1.1] Response (Limited to 800 words)	

1.2 Services

1.2.1	Volume 5 Reference: Schedule 3
Requirement	<p>Peak Season Timetable: <i>The Scottish Ministers</i> have determined:</p> <p>Ropax Services:</p> <p>Lot A - Scrabster - Stromness</p> <p>We invite discussion on a pattern of sailings in summer to suit demand e.g. 3 return sailings some days and 2 return sailings others.</p> <p>We wish to provide no fewer than 2 return sailings each day in winter.</p> <p>Timetable windows: 0630 to 1900</p> <p>The maximum crossing time is 90 minutes.</p> <p>Lot B - Aberdeen –Lerwick</p> <p>At least one sailing each way, per day, every day throughout the year between Aberdeen and Lerwick with timetable windows as follows:</p> <p>Depart Aberdeen: no earlier than 1700 hrs (via Orkney) or 1900 hrs (direct)</p> <p>Depart Lerwick: no earlier than 1730 (via Orkney) or 1900 hrs (direct)</p> <p>Arrive Aberdeen: no later than 0700 hrs</p> <p>Arrive Lerwick: no later than 0730 hrs</p> <p>We invite discussion on how the link between Kirkwall and Lerwick can be retained.</p> <p>We invite discussion on how a service level no lesser than is currently provided between Aberdeen and Kirkwall can be provided.</p> <p>The latest call in at Kirkwall should be 2300.</p> <p>Freight Services</p> <p>Participants are asked to provide details of any freight services additional to those that would be provided by the Ropax Services that would be required to meet current and anticipated future demand including time sensitive freight.</p>

	<i>Participants</i> should set out their timetable proposals for the peak operating seasons
Response Guidance	<p>For each sea leg and each direction over a 24 hour day:</p> <ul style="list-style-type: none"> • Target times of departure from Port and arrival at Port. • Average speed • Measures to co-ordinate departure and arrival times with Public transport and co-operation with the establishment of a future National Timetable <p>Dates of peak operating seasons and festival periods included.</p>
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.2.2	Volume 5 Reference: Schedule 3
Requirement	<p>Off-Peak Season Timetable: <i>The Scottish Ministers</i> have determined:</p> <p>Ropax Services:</p> <p>Lot A - Scrabster - Stromness</p> <p>We invite discussion on a pattern of sailings in summer to suit demand e.g. 3 return sailings some days and 2 return sailings others.</p> <p>We wish to provide no fewer than 2 return sailings each day in winter.</p> <p>Timetable windows: 0630 to 1900</p> <p>The maximum crossing time is 90 minutes.</p> <p>Lot B - Aberdeen –Lerwick</p> <p>At least one sailing each way, per day, every day throughout the year between Aberdeen and Lerwick with timetable windows as follows:</p> <p>Depart Aberdeen: no earlier than 1700 hrs (via Orkney) or 1900 hrs (direct)</p> <p>Depart Lerwick: no earlier than 1730 (via Orkney) or 1900 hrs (direct)</p> <p>Arrive Aberdeen: no later than 0700 hrs</p> <p>Arrive Lerwick: no later than 0730 hrs</p> <p>We invite discussion on how the link between Kirkwall and Lerwick can be retained.</p> <p>We invite discussion on how a service level no lesser than is currently provided between Aberdeen and Kirkwall can be provided.</p> <p>The latest call in at Kirkwall should be 2300.</p> <p>Freight Services</p> <p>Participants are asked to provide details of any freight services additional to those that would be provided by the Ropax Services that would be required to meet current and anticipated future demand including time sensitive freight.</p>

	<i>Participants</i> should set out their timetable proposals for the off-peak operating seasons
Response Guidance	<p>For each sea leg and each direction over a 24 hour day:</p> <ul style="list-style-type: none"> • Target times of departure from Port and arrival at Port. • Average speed • Measures to co-ordinate departure and arrival times with Public transport and co-operation with the establishment of a future National Timetable
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.2.3.a	Volume 5 Reference: Schedule 3
Requirement	<p>Traffic volumes predicted: Participants to indicate the annual volume of each specified category predicted for each service year and explain the factors which are predicted to generate material changes in each category between successive years within the estimates</p> <p>[These estimates should be consistent with the volumes (to be) used to derive Revenue within the Base Case Schedule.]</p>
Response Guidance	<p>To be specified separately for each service year for each sea leg and each direction :</p> <p>by:</p> <ul style="list-style-type: none"> • Passenger Numbers • Sleeping berths booked without exclusive use of a cabin • Sleeping cabins booked inclusive of all berths • No of cars • No of coaches • Ro-ro lane length for commercial vehicles: • Bulk freight tonnage • Non Ro-ro containerised freight
Participant to State Compliance	N/A

[A] Response Please provide separate tables for:

Estimated annual traffic between Ports XXXX and YYYY North/South Bound

	YR1	YR2	YR3	YR4	YR5	YR6
Passenger Numbers						
Sleeping berths booked without exclusive use of a cabin						
Sleeping cabins booked inclusive of all berths						
No of cars						
No of coaches						
Ro-ro lane length for commercial vehicles						
Lo-lo containerised freight						

Other freight tonnage						
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Please provide below explanation of material changes anticipated between successive years in any row

1.2.3.b	Volume 5 Reference: Schedule 3
Requirement	Traffic increase resilience: Participants to indicate the maximum daily volume of traffic that could be accommodated with the proposed vessel fleet (e.g by adjusting timetables, staffing levels etc.)
Response Guidance	<p>To be specified separately for each sea leg and each direction over a 24 hour day:</p> <p>by:</p> <ul style="list-style-type: none"> • Passengers • Sleeping berths • Sleeping cabins • Ro-ro lane length • Bulk freight tonnage • Non Ro-ro containerised freight
Participant to State Compliance	N/A
[A] Response	

1.2.3.c	Volume 5 Reference: Schedule 3
Requirement	Traffic increase resilience: Participants to indicate the proposals to ensure that adequate deckspace is allocated to anticipate meeting the demands of car traffic and time sensitive freight traffic
Response Guidance	To be specified separately for: <ul style="list-style-type: none"> • Ropax and Roro/Lolo vessels • Each sea leg and each direction • Pricing • Other volume management arrangements
Participant to State Compliance	N/A
[A] Response	

1.2.4	Volume 5 Reference: Schedule 3
Requirement	Hotel and catering services: Participants to indicate proposals for managing Hotel and catering services
Response Guidance	<p>For Lot B, provide a Plan for Hotel accommodation on each Vessel which shall, but not be restricted to, show:</p> <ul style="list-style-type: none"> • The number of sleeping cabins and number of berths that will be available for each sailing • Management proposals for each class of cabin to secure the maximum cabin occupancy, acceptable privacy, and reasonable accessible accommodation for disabled persons • Management proposals to secure an equitable allocation of cabins for individual sailing legs • Provision for sleeping outwith private cabins <p>Describe the arrangements that will be made to accommodate occupants of cabins that wish to remain in occupancy beyond the time of docking in their terminal Port. Describe the arrangements that will be made for passengers who wish to embark before the scheduled embarkation time.</p> <p>For Lots A and B, provide a Plan for catering on board to show the facilities proposed for self-service drinks and snacks not requiring site preparation, where provided, self-service hot food and, if provided, table service hot food</p>
Participant to State Compliance	N/A
[A] Response	

1.2.5	Volume 5 Reference: Schedule 3
Requirement	Accessibility: Participants to indicate proposals for optimising accessibility to the Services for disabled persons
Response Guidance	<p>To cover separately for:</p> <ul style="list-style-type: none"> • Staff training; • Information dissemination • Vessel facilities • Port facilities • Transport links <p>Plans to adopt the recommendations from the Ferries Review - Accessibility Work Package:</p> <ul style="list-style-type: none"> • Putting an Accessibility Information System in place.
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.3 Fares

1.3.1	Volume 5 Reference: Schedule 4,
Requirement	Proposed Fare structure. Participant to describe his proposals for the published Tariff to take effect from January 2013
Response Guidance	<p>(This should be presented in a similar format to the current published Tariff which is available in the Information Room and will be applied for 2012.)</p> <ul style="list-style-type: none"> To be stated separately for: <ol style="list-style-type: none"> different seasons and other proposed designated peak periods; passengers, vehicles and cabins, and differential fares within those categories; New offerings of physical facilities; Freight as Ro-ro Freight as Lo-lo containerised* freight as Quay to Quay prices; bagged bulk freight, plant and individual items that could not be carried by vehicle or container, livestock containers, hazardous cargoes and time sensitive freight as Quay to Quay prices Proportional cancellation and booking amendment fees <p>Note : *Lot B only</p> <p>Quay to Quay prices for livestock shall be the prices inclusive of all operations and handling from landward side of Lairage to landward side of Lairage.</p> <ul style="list-style-type: none"> Set out proposals to ensure and estimates undertaken to demonstrate that over the Tariff year the proposed Tariff (excepting only cancellation or booking amendment charges) for items 1,2,4 and livestock containers above will each average to the relevant current Tariff published by NorthLink Ferries Ltd for each category. (In each case the average Tariff is the Tariff for the category derived from the yield for the category divided by the number of tickets sold, and the volumes predicted to do this should be the volumes which are anticipated to materialise with those Tariffs.)
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.3.2	Volume 5 Reference: Schedule 4,
Requirement	Demand Management: Participant to describe how he would manage customer demand.
Response Guidance	<p>Estimate of the relationship between fare decrease/ increase and demand increase/decrease to be stated separately for:</p> <ul style="list-style-type: none"> • different seasons and other designated peak periods • passengers, vehicles and cabins. <p>Proposals for deployment of variable fares and measures</p> <ul style="list-style-type: none"> • to average fare receipts to base fare • to maximise market size <p>Specify other (non fare) mechanisms and their impact on demand</p>
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.3.3	Volume 5 Reference: Schedule 4,
Requirement	Mandatory classes of discounts: Participant to describe how he would optimise the rates and terms of those mandatory discount schemes specified in Schedule 4) (and financially underwritten by the Scottish Ministers) to improve customer satisfaction and balance demand against available capacity.
Response Guidance	Estimate of the relationship between discount and demand increase to be stated separately for: <ul style="list-style-type: none"> • different seasons • passengers and vehicles
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.3.4	Volume 5 Reference: Schedule 4,
Requirement	Preferential (Trade or sectoral) Discount Schemes: Participant to describe how he would introduce discounted fares or commissions (at the Participant's cost)(in addition to those mandatory discounts specified in Schedule 4) to optimise customer demand.
Response Guidance	Estimate of the relationship between discount and demand increase to be stated separately for: <ul style="list-style-type: none"> • different seasons • passengers and vehicles Proposals for deployment of discounted fares not agreed by the Scottish Ministers as a cost reimbursable variation
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.4 Vessels and Ports

1.4.1	Volume 5 Reference: Schedule 5,
Requirement	Proposed Fleet: Participant to list and describe each vessel to be used to deliver the Services during normal operations
Response Guidance	<p>Separate listing to be provided for each vessel describing, where applicable and not limited to:</p> <ul style="list-style-type: none"> • Built: Shipyard and date • Class: Lloyds Register Classification and Flag State Classification MCA or EC equivalent • Flag: • Port of Registration: • Registration Number • LoA: m • LbP: m • Beam: m • Summer draft: m • GRT: • NRT: • DWT: • Main deck: lm x m ht • Lower hold: approx cars • Bow door type, ramp length, and clear driving width: • Stern door, ramp of length and clear driving width: • Lower hold access: • Crew cabins and berths: • Passenger Certificate capacity: pax + crew • Passenger cabins and berths (specify as normal and disability adapted): • Seats (fixed rake, adjustable rake and flat-bed recliners): • Bar/cafe • Shop • Cinema • Waiter service restaurant (Number of place settings and number of meal throughput/hour) • Self Service restaurant (Number of seats and number of serving throughput/hour) • Children's play area • Gaming and video machine areas • Reception • Main engines: • Generators: • Propellers • Rudders • Bow thrusters, • Stabilizers • Service speed (kts)

	<ul style="list-style-type: none"> Fuel consumption: at Full speed and at Service speed <p>For each vessel list</p> <ul style="list-style-type: none"> Planned no of days not available per year (for maintenance, inspections, servicing, routine repairs etc)
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.4.2.a	Volume 5 Reference: Schedule 5 Part C
Requirement	Replacement vessels or fleet redeployment: Participant to describe proposals for maintaining the Services during periods of scheduled and unscheduled unavailability in line with the requirements in Schedule 5 Part C
Response Guidance	<p>Separate advice to cover planned and unplanned non availability and proposals for:</p> <ul style="list-style-type: none"> • Temporary vessel replacement • Route or timetable reconfiguration <p>(Proposals should ensure that there is not a continuous period of material service degradation caused by simultaneous or continuous withdrawal of vessels within and across Lots A and B)</p>
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.4.2.b	Volume 5 Reference: Schedule 5 Part C
Requirement	Scheduled Maintenance Programme: Participant to describe proposals for maintaining the Vessels
Response Guidance	Separate advice to cover each Vessel over the duration of the Services
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.4.3	Volume 5 Reference: Schedule 5
Requirement	Port Facilities available to customers: Participant should describe facilities that are proposed to be procured to be exclusively available to customers of the Services at each Port. (For general information on the Ports please refer to the information room.)
Response Guidance	<p>Separate listings to be provided for each Port describing:</p> <ul style="list-style-type: none"> • Passenger waiting rooms (capacity, toilets, catering and disability adaptation) • Arrangements for receiving, securing, holding and returning “left luggage” • Real time information boards • Passenger access provisions to board the Participant’s vessels • vehicle marshalling spaces (car, coach and HGV) • Longer term parking areas (car, coach and HGV along with any restrictions, charges and time constraints) • Freight handling facilities
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.4.4	Volume 5 Reference: Schedule 5
Requirement	Port Facilities available in emergencies: Participant should specify the Ports of Refuge available when the specified ports cannot be reached as a result of emergency situations arising while vessels are at sea.
Response Guidance	Separate listing of Ports of Refuge to be provided for each Lot describing: <ul style="list-style-type: none"> • Capability to disembark passengers • Capability to disembark cars and Roro freight • Capability to discharge Lolo freight.
Participant to State Compliance	N/A
[A] Response	

1.5 Start Up Plan

2.5.1	<p>Volume 4 Reference: Clause 7</p> <p>Volume 5 Reference: Schedule 6</p>
Requirement	<p>Start up Plan: The Services will need to be delivered to high levels of operational performance, security and reliability that will meet or exceed the Scottish Ministers' performance standards described in Volume 5 Schedule 15. The Start up plan must indicate the nature of measures to be undertaken during the period prior to the Start of Services to ensure that the quality of service proposed will be provided from the first day of Services and throughout the Contract period</p>
Response Guidance	<p>Provide a Start Up Plan which will, but not be limited to:</p> <ul style="list-style-type: none"> • Set out a structured list of all activities, contracts, leases, approvals, certification, consents, insurances etc that will need to be put in place to allow the start of Services on the commencement date. • include Operator's programme for taking delivery of the Fleet Vessels and any Operator Vessels and for procuring the availability of such other vessels as may be required for the provision of the Services; • identify all Port & Harbour and land-based facilities necessary for the provision by the Operator of the Services; • set out the Operator's programme for procuring such facilities and the timetable for procurement; • set out the Operator's programme for obtaining passenger certificates and any other Maritime and Coastguard Agency (MCA) authorisations; • set out Operator's arrangements for providing appropriate insurances; • identify the job specification for all key employees required for the provision by the Operator of the Services; • set out the Operator's programme for any transfer of staff (onshore and seagoing) and (where necessary) familiarisation and training including, without limitation, disability and awareness training; • set out the arrangements for taking over and honouring bookings for the Services made, and in respect of which payment, in whole or in part, may have been received by the incumbent;

	<ul style="list-style-type: none"> • set out arrangements for servicing replacement assets in the vessels e.g.sheets, uniforms, spares, systems, etc; • set out the arrangements for obtaining customer data and complying with the Data Protection Act 1998 and for registering an agreed brand or service name for use in connection with the Services; • set out consultation proposals with Local Authorities, RTP's and other key partners/stakeholders; • explain the arrangements for introducing new branding to the services (if proposed), including replacement of uniforms and changes to vessel livery • set out the Operator's programme for co-operating with the incumbent Operator and agreeing with the Scottish Ministers the measures that will be taken to secure the seamless transition of services through the incumbent Operator's Handover Assistance Plan; and • set out the Operator's project management process for delivery of the Start-Up Plan.
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.5.2	Volume 5 Reference: Schedule 6
Requirement	<ul style="list-style-type: none"> • Programme for the Start up Plan: The programme (which will form part of the Start up Plan) must provide a timetable of critical milestones to ensure that the Services can operate on the Commencement Date and ensure that the quality of service proposed will be provided from the first day of Services and throughout the Contract period
Response Guidance	<p>Provide a programme which shall contain the following features:</p> <ul style="list-style-type: none"> • all activities shall have unique activity IDs and shall be coded to a Work Based Sequence structure; • the duration of each activity shall include a risk allowance that the Participant considers appropriate. The amount of risk time shall be declared in a custom data item field or notes field assigned to each activity; • the activities shall be logic linked so that a closed logic network is formed, and critical path analysis can be carried out; • the use of constraint dates shall be kept to a minimum; and • the programme shall include all key Incumbent Operator constraints • the programme shall include all key Scottish Ministers' constraints;
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.5.3	Volume 5 Reference: Schedule 6
Requirement	Management Reporting for the Start up Plan: Management reporting will be available throughout the Start up Period.
Response Guidance	<ul style="list-style-type: none"> • Outline how you will provide user-friendly, up-to-date management reporting on all mobilisation activities. • Provide a summary of the standard reports you propose to provide with your mobilisation service
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.6 Marketing Plan

1.6.1	Volume 4 Reference: Clause 8 Volume 5 Reference: Schedule 7
Requirement	Marketing Plan: Participant to provide a detailed marketing plan (which can be developed further during the mobilisation period) and the resources required to manage the requirements of the plan.
Response Guidance	<p>Provide a Plan which should show separately in a structured format for, but not limited to:</p> <ul style="list-style-type: none"> • Arrangements to show transparently the Services and charges applicable (including the range of media to be deployed and their contribution to the whole picture); • Co-operation with complementary services provided by other service operators; • Co-ordination with route and service development by other transport operators; • Ticketing arrangements (including the potential for integrated ticketing with other transport operators including other ferry operators); • Ticketing arrangements to honour all tickets sold by the incumbent operator and the arrangements on termination to pass on to the successor operator all receipts from outstanding bookings) • Arrangements to anticipate and support local events and festivities • Promotional events to optimise traffic • Staff and resources proposed to fully develop, implement and update the plan • Reviewing and analysing market levels and potential to develop the Services (without deploying measures which are likely to be viewed as unfair competition with non supported services)
Participant to State Compliance	Yes / No. Any non-compliance to be explained

[A] Response

1.7 Health and Safety plan

1.7.1	Volume 4 Reference: Clause 8 Volume 5 Reference: Schedule 8
Requirement	Health and Safety Plan: Participants should provide an outline plan for health and safety management of risks to staff and customers and proposed mitigation measures covering the Services
Response Guidance	<p>Provide a Plan which should, but not be limited to, show separately:</p> <ul style="list-style-type: none"> • listing of the statutory requirements that the participant considers shall be met. • details of the health and safety management system to meet statutory requirements including monitoring and benchmarking activities. • Details of how compliance with the plan will be monitored. • The name of the individual responsible for all health and safety matters • Organisational structure of the management of Health and safety, including the Board Level person responsible for the conduct of health and safety performance • proposals for developing a zero accident culture during the provision of the Services including metrics to demonstrate performance against targets.
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.8 Environmental Management Plan

1.8.1	Volume 4 Reference: clause 10 Volume 5 Reference: Schedule 9
Requirement	Environmental Management Plan: Participants should provide an outline plan for environmental improvement and management.
Response Guidance	<p>Provide a Plan which should, but not be limited to, show separately:</p> <ul style="list-style-type: none"> • How operator will comply with applicable legislation • Encouragement for 'green' procurement • Encouragement for 'green' travel • Arrangements for determining, managing and mitigating the environmental impact of the services both onshore and at sea. • Proposals for minimising the generation of greenhouse gasses and carbon release at the outset of operating the Services and for ongoing assessment and reduction. • Specific proposals associated with the introduction of low sulphur fuel in 2015. • Estimated targets for peak season daily carbon release during the operation of the services • Proposals for pollution control and minimisation • Proposals for waste minimisation and waste management • Proposals to minimise the effect on marine life and to secure the health and protection of marine mammals
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.9 Customer Complaints Process

1.9.1	Volume 4 Reference: Clause 34 Volume 5 Reference: Schedule 10
Requirement	Customer Care Plan: Participant to provide a detailed customer care plan (which can be developed further during the mobilisation period) and the resources required to manage the requirements of the plan.
Response Guidance	Provide a Plan which should, but not be limited to, show separately in a structured format: <ul style="list-style-type: none"> • Proactive arrangements to provide a caring environment at the several stages of customer involvement including ticket sales, advice on sailing status, care of stranded passengers, journey experience, post journey incidents. • Staff and resources proposed to fully develop, implement and update the plan
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

1.9.2	Volume 4 Reference: Clause 34 Volume 5 Reference: Schedule 10
Requirement	Customer Complaints Process: Participant to provide a detailed customer complaints process (which can be developed further during the mobilisation period) and the resources required to manage the requirements of the process.
Response Guidance	Provide a Process which should, but not be limited to, show separately in a structured format: <ul style="list-style-type: none"> • Process for receiving and recording customer feedback • Process for assessing complaints, including quality management of process • Scheme for restitution • Process for reporting back to customer within acceptable timescales • Appeals process • Process for collection of aggregated casework records, analysis and performance reporting to Ministers and as a public annual report
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

PACKAGE A: SECTION A.2

OPERATIONAL MANAGEMENT SYSTEM

[PARTICIPANT TO INSERT OUTLINE PROJECT MANAGEMENT SYSTEM AS ADJUSTED (IN TRACKED CHANGE FORMAT) IN RESPONSE TO COMMENTS FROM THE SCOTTISH MINISTERS OR FOR ELECTIVE REASONS]

PLEASE NOTE THAT THE FIRST LEVEL NUMBERING IN EACH TABLE HAS CHANGED FROM THAT USED IN VOLUME 2]

2	Operating Management System
<p>The Operating Management System, forming part of the Final shall be submitted in accordance with the requirements of the Competition Documentation and shall comprise a response which includes the minimum requirements as described below. Advice has been given to the Participant where, in the consideration of the Scottish Ministers, the response to the Outline Operating Management System fell below acceptable standards of presentation, technical content or technical merit. Where the Outline Operating Management System has been amended in response to such advice or for elective reasons and resubmitted as the Operating Management System this should be recorded in Package A: Section A3. The Operating Management System will be graded in line with the marking scheme contained in this Volume 3 and the score will form part of the tender assessment evaluation. Where the Participant is successful in this competition and is awarded the Contract for the Services for the Northern Isles Ferry Services, then the Operating Management System will be included in Schedule14 of the Contract.</p>	

2.1	Operational Management Methodology
	Provide:
	<ul style="list-style-type: none"> (i) Description of the systematic process to be adopted to control the conduct of the management of the Services; (ii) Proposals for standard management reports and published performance reports.
Insert information below	

2.2	Supplier's Quality Management Organisation of the Contract
	Provide:
	<ul style="list-style-type: none"> (i) An annotated chart of the Operator's organisation of the Contract including the line of command and communication links between all parties including Operator, subcontracted service providers, and the Scottish Ministers and his representatives for the mobilisation and operational stages of the Contract; (ii) Proposed person who shall have defined authority for establishing, maintaining and reporting on the Quality Management System; (iii) the structure and content of typical quality control procedures to be used on the project; (iv) a list of procedures to be included in Quality Management System for mobilisation and operational phases showing their hierarchy and interface; and (v) a list and structure of procedures for monitoring of the Quality Management System.
Insert information below	

2.4	<p>Operators Proposals for Employment Support</p> <p>Provide:</p> <ul style="list-style-type: none"> (i) Details of the Operator's organisation of employment management including the line of command and communication links between all parties including Operator and employment organisations for the identification of employment needs and opportunities for long term unemployed, the identification of eligible potential employees and the generation of employment programmes to support sea going and land based operations; (ii) Outline opening employment programme; (iii) Proposed person who shall have defined authority for establishing, maintaining and reporting on the employment programme; (iv) a list and structure of procedures for monitoring the employment programme; (v) The Operators approach to constructive working with trade unions; (vi) A Plan setting out: <ul style="list-style-type: none"> • structure diagram showing lines of responsibility within a blended structure and the way in which transferring personnel would be absorbed; • details of the Participant's approach to crewing in relation to the Services; • details of training policies for the development of seagoing and shore staff on the Services. Participants should note that proposals will be required to adequately provide for the continuing and long term requirements of the Services; • details of policy on retention and how the Participant would avoid high staff turnover. • proposals to ensure that there will be sufficient numbers of appropriately trained staff available at the end of the Contract Period to ensure the continuation of the Services into the next contract. (Together with policies on training, there should be long term planning to ensure that there will be sufficient numbers of appropriately trained staff available for the continuation of the Services well into the future); • industrial relations and other related policies, for example on Fairness at Work. The Operator should be sympathetic to working in partnership with the relevant unions. • the Participant's human resource management policy which should demonstrate a commitment to foster constructive relationships and a partnership approach;
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	.
Insert information below	

2.5	Operators Proposals for the involvement of Supported Businesses
	Provide:
	<ul style="list-style-type: none"> (i) Proposed person who shall have defined authority for establishing, maintaining and reporting on the opportunities for purchasing supplies or services from Supported Businesses (ii) Outline opening proposals for engaging with Supported Businesses
Insert information below	

2.6	KPIs (Key Performance Indicators)
	Provide:
	<p>a description of proposed summary KPIs, which are intended to be used by the Participant as a basis for demonstrating effectively how the operation of the Services are:</p> <p>(i) meeting the requirements for the Services set out in the Schedules (Volume5)</p> <p>(ii) fulfilling the terms outlined in the Conceptual Proposals, and</p> <p>(iii) providing the Scottish Ministers with an economical, efficient and effective implementation of the Services</p> <p>and which can be used in Benchmarking operations in accordance with the provisions of Volume 5, Schedule 17</p>
Insert information below	

PACKAGE A: SECTION A.3

SCHEDULE OF REVISIONS TO OUTLINE PROPOSALS

Section reference from Volume 3	Change requested to Outline Proposals	Change made to Outline Proposals

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FORM OF FINAL TENDER

PACKAGE B

Supplier's Representative, Senior Supplier's Representative, and Key Personnel

<i>Name</i>	<i>Designation</i>	<i>Qualifications and experience*</i>	<i>Role</i>
Supplier Representative:			
◆	◆	◆	
Senior Supplier Representative:			
◆	◆	◆	
Key Personnel:			
◆	◆	◆	Board-level Health and Safety Manager
◆	◆	◆	Senior Shore based person
◆	◆	◆	Board Level Environmental Manager
◆	◆	◆	Board level Quality Manager
◆	◆	◆	◆
◆	◆	◆	◆
◆	◆	◆	◆

* To include - **Education and Professional Qualifications:** as relevant to specified Role. **Employment History:** Brief description outlining career history, relevant specialism, number of years experience. **Relevant experience:** Provide a description of relevant experience to date, including dates of relevant services and description of role undertaken.

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FORM OF FINAL TENDER
PACKAGE C
TENDER PRICE SUBMISSION

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C.1 – BASE CASE SCHEDULE OF PRICE BREAKDOWN

This Base Case shall be completed by the Participant and returned as part of the Final Tender

THIS APPENDIX SHALL BE TAKEN INTO ACCOUNT BY THE SCOTTISH MINISTERS FOR THE PURPOSES OF COMPARING AND ASSESSING THE OFFERS MADE BY EACH PARTICIPANT AND ITS CONTENTS SHALL BE CARRIED FORWARD INTO THE CONTRACT SCHEDULES FOR ADMINISTERING THE CONTRACT.

Preamble to the Base Case Schedule and Schedule of Material Additional Transport Services

General directions

- C.1.1 A single submission of the Base Case Schedule and Schedule of Material Additional Transport Services within the Final Tenders is required in relation to Lot A and Lot B (Both Lots).
- C.1.2 The Base Case Schedule shall be completed by the Participant and will be used by the Scottish Ministers in the evaluation of Final Tenders, in particular in assessing the Comparative Cost of Final Tender.
- C.1.3 The Base Case Schedule shall be completed in the format issued such that the Scottish Ministers can readily understand the main components of cost in the rates and price. The Scottish Ministers may request further breakdowns or justification of pricing to assist in the evaluation of Final Tenders.
- C.1.4 The Base Case Schedule is an excel workbook with formulae inserted and locked to aggregate costs, revenue and operators return within and between worksheets. Each open cell shall have a price inserted, expressed in Pounds Sterling or tonnage or a percentage or such other value as indicated to provide a complete computation of the Base Case Grant proposed by the Participant .
- C.1.5 Where a cell requires the insertion of a figure, the omission of sums, the use of the term “included” or the insertion of a dash in the sum column or any other device which prevents the spreadsheet from summing shall be avoided.
- C.1.6 All prices shall be exclusive of Value Added Tax (VAT) in Scotland.
- C.1.7 All prices shall be inclusive of all relevant taxes (other than VAT), duties, charges and other fees.

Costs and Revenues

- C.1.8 The amounts stated against each item shall be a genuine pre-estimate of the full inclusive value of the several services and conditions, terms and obligations outlined in the Contract and Schedules (Volumes 4 and 5). The pre-estimates shall be prepared on the assumption that TUPE will apply (although the actual application of TUPE remains a matter of Law).
- C.1.9 The rates and prices shall represent the actual distribution of the anticipated costs. If any items appear to be priced high or low, the Participant may be requested to justify the pricing in terms of Section 18(26) of the Regulations, and if the Scottish Ministers remains of the opinion that the offer is abnormally low, he may reject that offer in terms of Section 30(6) of the Regulations).
- C.1.10 The Base Case Schedule shall be compatible with the Conceptual Proposals and Operational Management system, such that there is a clear relationship between activities and prices.
- C.1.11 The relationship between Material Additional Transport Services specified below and the Base Case Schedule shall be clearly explained.

Operators Return

- C.1.12 The Operators Return will be the aggregate of the return on investment capital, cash flow funding returns and the operating consideration and risk return.
- C.1.13 The Participant shall provide in the Base Case Schedule a genuine pre-estimate of his Capital Investment and Working Capital requirements and insert the %age of each value that he will require as a reasonable return for these aspects of the Services.
- C.1.14 The Participant shall provide in the Base Case Schedule the sums he considers reasonable in relation to the requirements to cover the operating obligations and risks within the contract.
- C.1.15 The actual cost of undertaking those activities specified in the Base Case Schedule Operators Return Spreadsheet will be compared during the Annual Reconciliation with the Base Case prices disclosed in the Schedule, and where savings have been achieved, then the risk return will be adjusted. The Participant will therefore provide a %age of the difference between the base case and outturn that he wishes to retain as reasonable return to reward his diligence, ingenuity and management skills
- C.1.16 Where costs eligible to be charged to the Scottish Ministers as Grant increase in the Annual Reconciliation, then the variation to the Operators Return shall be negative.

Material Additional Transport Services

- C.1.17 Where the Participant intends to use the vessels for providing material additional transport services to those eligible for the payment of grant (which may be either the carriage of additional classes of passenger or freight or incorporation of routes or timings not specified as those which are eligible for grant payment) but which, nevertheless impact on the financial viability of the Contract, then these should be specified below indicating their expected annual cost and revenue values and how overall operational and fixed costs have been apportioned between the Services and the material additional services.
- C.1.18 No account will be taken of the material additional transport services in the evaluation of the final Tender, but this declaration must be completed. It will be taken forward into Schedule 12 of the Contract along with the Base Case Schedule

SCHEDULE OF MATERIAL ADDITIONAL TRANSPORT SERVICES

Describe Material Additional Transport Services or indicate that there are no such services proposed (* complete/ delete below as applicable)	Expected Annual Values		Describe how operational and fixed costs are to be apportioned between the Services and the material additional services
	Costs	Revenue	
*			
*			
*			
*There are no proposed additional transport services which have been taken into account in the compilation of the Base Case Schedule and/ or are material to the viability of delivering the Services at the Costs, Revenues and Operators Return disclosed in the Base Case Schedule			

BASE CASE SCHEDULE

Participants shall complete the Base Case Financial Model

[COMPLETED BASE CASE EXCEL WORKBOOK TO BE INSERTED]

5.1	Base Case Model
Requirement	Fuel Cost reconciliation
Response Guidance	Provide : <ul style="list-style-type: none"> • detailed assumptions and working calculations to support proposed vessel/ route/ monthly projected volumes of the different grades of fuel • details of any proposals to benchmark and control fuel consumption and optimise bunker management (all grades) and any financial instruments you would contemplate to hedge the effect of price escalation over the contract period
Participant to State Compliance	Yes / No. Any non-compliance to be explained
[A] Response	

C.2 COMPARATIVE COST OF FINAL TENDER

This Comparative Cost of Final Tender shall be completed by the Participant and returned as part of the Final Tender

THIS APPENDIX SHALL BE TAKEN INTO ACCOUNT BY THE SCOTTISH MINISTERS FOR THE PURPOSES OF COMPARING AND ASSESSING THE OFFERS MADE BY EACH PARTICIPANT.

A Single submission of the Comparative cost of Final tenders within the Final Tenders is required in relation to Lot A and Lot B (Both Lots).

	Final Tender prices computed in the Base Case Schedule	Brought forward as Comparative Cost Of Final Tender
A.	Grant	
A(i)	Total Grant Cost (real costs 2012 discounted to 2012)	£.....
B	Notional addition for premature termination of leasing provisions between the Scottish Ministers and RBS Plc if use of Vessel not proposed by Participant	
B(i)	Vessel 1 Hamnavoe (enter £6,590,500 if not proposing to take forward lease for vessel)	£.....
B(ii)	Vessel 2 Hjaltland (enter £6,526,000 if not proposing to take forward lease for vessel)	£.....
B(iii)	Vessel 3 Hrossey (enter £6,380,000 if not proposing to take forward lease for vessel)	£.....
TOTAL COMPARATIVE COST OF FINAL TENDER		£.....
Date		
Signature		In the capacity of
Name (block capitals)		

Duly authorised to sign the Final Tender and	
Address	
Telephone Number	
E-mail	

FORM OF FINAL TENDER

**PACKAGE D
CERTIFICATES**

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D.1 - ANTI-COLLUSION CERTIFICATE

[To be submitted on the headed notepaper of the Participant]

[date]

Dear Sirs

NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES FINAL TENDER DATED [] 2012 D.1 - ANTI-COLLUSION CERTIFICATE

1. We certify that this Final Tender is made in good faith, and that we have not fixed or adjusted the amount of the Final Tender by or under or in accordance with any agreement or arrangement with any other person. We also certify that we have not and we undertake that we will not before the award of any contract for the work:
 - (i) (a) communicate to any person outside this Participant other than the Scottish Ministers or a person duly authorised by him in that behalf the amount or approximate amount of the Final Tender or proposed Final Tender, except where the disclosure, in confidence, of the approximate amount of the Final Tender was necessary to obtain insurance premium quotations required for the preparation of the Final Tender;
 - (b) enter into any agreement or arrangement with any person outside this Participant that they shall refrain from tendering, that they shall withdraw any Final Tender once offered or vary the amount of any Final Tender to be submitted;
 - (ii) pay, give or offer to pay or give any sum of money or other valuable consideration directly or indirectly to any person outside this Participant for doing or having done or causing or having caused to be done in relation to any other Final Tender or proposed Final Tender for the work, any act or thing of the sort described at (i)(a) or (b) above.
2. We further certify that the principles described in paragraphs 1(i) and (ii) above have been, or will be, brought to the attention of all sub-Suppliers and associated companies providing services or materials connected with the Final Tender and any contract entered into with such sub-Suppliers or associated companies will be made on the basis of compliance with the above principles by all parties.

3. In this certificate, the word 'person' includes any persons and any body or association, corporate or unincorporated; 'any agreement or arrangement' includes any transaction, formal or informal and whether legally binding or not; and 'the work' means the work in relation to which this Final Tender is made.

Date

Signature

**In the
capacity of**

**Name (block
capitals)**

**Duly authorised to
sign on behalf of**

Address

Telephone Number

E-mail Address

D.2 - PROMPT PAYMENT CERTIFICATE

[To be submitted on the headed notepaper of the Participant. In this respect each Participant shall particularly note that the Scottish Ministers reserves the right to, and shall make periodic checks to, ensure that the provisions of the Prompt Payment Certificate shall be being observed by the Operator in the event that a contract for the Services shall be awarded.]

[date]

Dear Sirs

**NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES
FINAL TENDER DATED [] 2012
D.2 - PROMPT PAYMENT CERTIFICATE**

Throughout the whole of the period of the Contract, having examined the provisions of the Conditions of Contract designed to ensure the prompt payment of Sub-suppliers we confirm that we shall comply with the provisions in the Contract in respect of prompt payment.

Date

Signature

In the capacity of

Name (block capitals)

**Duly authorised to sign for
and on behalf of**

Address

Telephone Number

E-Mail Address

D.3 INSURANCE REQUIREMENTS CERTIFICATE

[To be submitted on the headed notepaper of the Participant. In this respect each Participant shall particularly note that the Scottish Ministers reserves the right to, and shall make periodic checks to, ensure that the provisions of the Insurance Requirements Certificate shall be being observed by the Operator in the event that a contract for the Services shall be awarded.]

[date]

Dear Sirs

**NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES
FINAL TENDER DATED [] 2012
D.3 INSURANCE REQUIREMENTS CERTIFICATE**

Throughout the whole of the period of the Contract, having examined the requirements of the Conditions of Contract designed to ensure the provision of insurance cover we confirm that we shall comply with the provisions in the Contract.

Date

Signature

In the capacity of

Name (block capitals)

**Duly authorised to sign for
and on behalf of**

Address

Telephone Number

E-Mail Address

D.4 - COMMITMENT TO EXECUTE PARENT COMPANY GUARANTEE

[To be submitted on headed notepaper of each Parent Company Guarantor]

[date]

Dear Sirs

NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES FINAL TENDER DATED [] 2011 PROVISION OF PARENT COMPANY GUARANTEE

In the event of [*Participant name*] being awarded the Contract, this letter is our confirmation that if so requested we shall provide a Parent Company Guarantee ("PCG") to the Scottish Ministers in the form contained in this Volume 3 of the Competition Documentation without any qualification or amendment to the terms thereof.

We shall deliver the executed PCG on the date intimated to the Participant by the Scottish Ministers as being the date of execution of the Contract, together with a legal opinion in a form acceptable to you confirming the PCG's validity and enforceability.

We understand that our submission of this commitment letter is a requirement for a compliant Final Tender pursuant to the Competition Documentation issued by the Scottish Ministers. We hereby undertake to maintain this commitment unchanged until either (i) the actual issue of the PCG by us on the date of execution of the Contract in the event [*Participant name*] is the Successful Participant or (ii) execution of the Contract.

We acknowledge that a failure to provide the PCG to you in the agreed form on the date intimated to the Participant by the Scottish Ministers as being the date for execution of the Contract may result in the loss of [*Participant's name*] status as Successful Participant and summary disqualification from further participation in the procurement competition for the Contract.

Yours faithfully

Director

for and on behalf of Parent Company Guarantor

Note. This must be signed by an authorised signatory of the Parent Company, giving full name and address as well as the name and title of the signatory. Evidence of the authority of the signatory must be provided in the form of a certified Board Resolution (or equivalent probative document). Absence of said authority will result in non-compliance with the requirements for submission of Final Tenders identified in Volume 3.

D.5 - COMMITMENT TO EXECUTE THE CONTRACT

[To be submitted on the headed notepaper of the Participant]

[date]

Dear Sirs

NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES FINAL TENDER DATED [] 2012 CONTRACT EXECUTION COMMITMENT LETTER

In the event that we, [*Participant name*], are awarded the Contract, this letter is our commitment to enter into the Contract with the Scottish Ministers in the form contained in Volume Four of the Competition Documentation without any qualification or amendment to the terms thereof. We shall execute the Contract on the date intimated to us by the Scottish Ministers as being the date for execution of the Contract.

We understand that our submission of this commitment letter is a requirement for a compliant Final Tender pursuant to the Competition Documentation issued by the Scottish Ministers. We hereby undertake to maintain this commitment unchanged until either (i) the actual execution of the Contract by us at contract signature in the event that we, [*Participant name*] are the Successful Participant or (ii) the execution of the Contract.

We acknowledge that a failure to execute the Contract in the agreed form on the date intimated to us by the Scottish Ministers as being the date for execution of the Contract may result in the loss of our status as Successful Participant and summary disqualification from further participation in the procurement competition for the Contract.

Yours faithfully

Director

for and on behalf of [insert name of Participant]

Note. This must be signed by an authorised signatory of the Participant, giving full name and address as well as the name and title of the signatory. Evidence of the authority of the signatory must be provided in the form of a certified Board Resolution (or equivalent probative document). Absence of said authority will result in non-compliance with the requirements for submission of Final Tenders identified in Volume 3.

D.6 - COMMITMENT TO EXECUTE THE TRIPARTITE AGREEMENT

[To be submitted on the headed notepaper of the Participant]

[date]

Dear Sirs

NORTHERN ISLES FERRY SERVICES: PROVISION OF SERVICES FINAL TENDER DATED [] 2012 TRIPARTITE AGREEMENT COMMITMENT LETTER

In the event that we, [*Participant name*], are awarded the Contract, this letter is our commitment to enter for each of the [three] Fleet Vessels into the Tripartite Agreement with the Scottish Ministers and the Royal Bank Leasing Ltd or their successors and all associated agreements each in the form contained in the Information Room as revised to relate to this Contract without any material qualification or amendment to the terms thereof. We shall execute the Tripartite Agreement on or before the date intimated to us by the Scottish Ministers as being the date for the start of the provision of the Services.

We understand that our submission of this commitment letter is a requirement for a compliant Final Tender pursuant to the Competition Documentation issued by the Scottish Ministers. We hereby undertake to maintain this commitment unchanged until either the date for the completion of Prior requirements and the delivery of the Services in the event that we [*Participant name*] are the Successful Participant or otherwise (ii) the execution of the Contract.

We acknowledge that a failure to execute the Tripartite Agreement in the agreed form on the date intimated to us by the Scottish Ministers as being the date for the completion of Prior requirements and the delivery of the Services may result in the loss of our status as Operator and summary disqualification from further participation in the Contract.

Yours faithfully

Director

for and on behalf of [insert name of Participant]

Note. This must be signed by an authorised signatory of the Participant, giving full name and address as well as the name and title of the signatory. Evidence of the authority of the signatory must be provided in the form of a certified Board Resolution (or equivalent probative document). Absence of said authority will result in non-compliance with the requirements for submission of Final Tenders identified in Volume 3.

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FORM OF PARENT COMPANY GUARANTEE

PARENT COMPANY GUARANTEE

1. We [*here insert the full name of the parent company*], a company incorporated under the Companies Acts (Company number []) and having our Registered Office at [] refer to the Contract concluded between the Scottish Ministers and [*insert name of contractor*], a company incorporated under the Companies Acts (Company number []) and having its Registered Office at [] ("the Company") of which we are the ultimate holding company, for the provision [*specify nature of services*], which terms and conditions are contained within the Public Service Contract last subscribed on [*insert date of last subscription*], ("the Contract") and in security of the Company's obligations thereunder guarantee the same in the following manner:-
 - 1.1 We guarantee that the Company shall perform all its obligations contained in the Contract.
 - 1.2 If the Company shall in any respect fail to perform its obligations under the Contract or shall commit any breach thereof, we undertake, on simple demand by the Scottish Ministers, to perform or to take whatever steps may be necessary to achieve performance of said obligations under the Contract and shall indemnify and keep indemnified the Scottish Ministers against any loss, damages, claims, costs and expenses which may be incurred by him by reason of any such failure or breach on the part of the Company.
 - 1.3 Our guarantee and undertakings hereunder shall be unconditional and irrevocable, and without prejudice to the foregoing generality we shall not be released or discharged from our liability hereunder by:
 - 1.3.1 any waiver or forbearance by the Scottish Ministers of or in respect of any of the Company's obligations under the Contract whether as to payment, time, performance or otherwise howsoever, or by any failure by the Scottish Ministers to enforce the Contract or this instrument, or
 - 1.3.2 any alteration to, addition to or deletion from the Contract or the scope of the work to be performed under the Contract, or

1.3.3 any change in the relationship between ourselves and the Company; or

1.3.4 the bankruptcy, insolvency, liquidation, amalgamation, reconstruction, reorganisation, administrative or other receivership or dissolution of the Company, and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction,

and our guarantee and undertakings shall continue in force until all the Company's obligations under the Contract and all our obligations hereunder have been duly performed.

2. This Guarantee shall be construed and take effect in accordance with Scots Law.
3. Our obligations under this Guarantee may be enforced by the Scottish Ministers at their discretion without first having taken any steps or proceedings against the Company or any other person.
4. We shall, on demand by the Scottish Ministers, execute such documents or take such action as the Scottish Ministers may require, for protecting our obligations under this Guarantee.
5. If at any time the provision of this Guarantee is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability of any other provision of this Guarantee shall not be affected or impaired.
6. No single or partial exercise by the Scottish Ministers of any right, power or remedy provided by law or under this Guarantee shall preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
7. The rights, powers and remedies provided in this Guarantee are cumulative with, and not exclusive of, any rights, powers and remedies provided by law.
8. All notices and other communications required or permitted to be given in terms of this Contract, or any proceedings relating to it, shall be in writing and will be sufficiently served:

8.1 if delivered by hand; or

8.2 if sent by facsimile; or

8.3 if sent by prepaid recorded or special delivery post; or

8.4 if sent by electronic mail

to the address specified below or to such other address as is from time to time notified to the other party in accordance with the provisions of this Clause 8:

Scottish Ministers:

[to be completed]

And copied to:

[to be completed]

[Guarantor]:

[to be completed]

And copied to:

[to be completed]

9. Any such notice or communication shall be deemed to have been served,
 - 9.1 if delivered by hand, on the date of delivery;
 - 9.2 if sent by facsimile, on the date the sender receives a valid facsimile transmission receipt or when the recipient confirms receipt of the facsimile, whichever is the earlier;
 - 9.3 if sent by pre-paid recorded or special delivery post, on the date of delivery; or
 - 9.4 if sent by electronic mail, on the date when receipt of the communication has been acknowledged by the recipient (by electronic mail or otherwise) or such receipt has otherwise been confirmed,
 - 9.5 provided that, if in accordance with the above provisions, any such notice or communication is delivered or received outside working hours on any business day, such notice or communications shall be deemed to have been served at the start of the working hour on the next business day thereafter.
10. Each person giving a notice or making a communication hereunder by facsimile or electronic mail shall promptly confirm such notice or communication by post to the person to whom such notice or communication was addressed but the absence of any such confirmation shall not affect the validity of any such notice or communication or time upon which it is deemed to have been served.

	Director	Director
Signatures:		
Names (BLOCK CAPS)		
Date		

Signed for and on behalf of **(2 Directors)**

Company Address		
Postcode		