



**TRANSPORT  
SCOTLAND**  
CÒMHDHAIL ALBA

## **Clyde and Hebrides Ferry Services**

Competition for the Contract for the Provision of Ferry Services  
(With The Scottish Ministers) and Harbour Operating Agreement  
(with Caledonian Maritime Assets Ltd)

Volume 2  
Instructions to Participants



Aviation, Maritime, Freight & Canals Directorate

## **Clyde and Hebrides Ferry Services**

### **Competition for the Contract for the Provision of Ferry Services (with The Scottish Ministers) And Harbour Operating Agreement (with Caledonian Maritime Assets Ltd)**

**Volume 2  
Instructions to Participants**

**31 July 2015**

**TS/MTRIPS/SER/2015/01**

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**AVIATION, MARITIME, FREIGHT & CANALS DIRECTORATE**

**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF FERRY SERVICES  
(With The Scottish Ministers)  
AND HARBOUR OPERATING AGREEMENT  
(With Caledonian Maritime Assets Ltd)**

**VOLUME 2**

**INVITATION TO TENDER  
INSTRUCTIONS TO PARTICIPANTS**

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**INVITATION TO TENDER  
INSTRUCTIONS TO PARTICIPANTS**

**TS/MTRIPS/SER/2015/01**

**CONTENTS**

1.	OVERVIEW .....	3
2.	TENDER SUBMISSION .....	7
3.	EVALUATION CRITERIA .....	14
4.	SPECIAL REQUIREMENTS FOR BOTH COMPONENTS (BUNDLES 1 AND 2) ....	29
	APPENDIX 1: FORM OF FINAL TENDER .....	37
	APPENDIX 2: FORM OF FINAL TENDER FURTHER REQUIREMENTS FOR BUNDLE 1 (FERRY SERVICES COMPONENT) .....	67
	APPENDIX 2(A): FORM TO REQUEST AN AMENDMENT TO VOLUME 3 FOR BUNDLE 1 (FERRY SERVICES COMPONENT) .....	154
	APPENDIX 3: FORM OF FINAL TENDER FURTHER REQUIREMENTS FOR BUNDLE 2 (HARBOUR OPERATING COMPONENT) .....	159
	APPENDIX 3(A): FORM TO REQUEST AN AMENDMENT TO VOLUME 4 FOR BUNDLE 2 (HARBOUR OPERATING COMPONENT) .....	182

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**1. OVERVIEW**

**1.1 Contents of Volume 2– Instructions to Participants**

1.1.1 Volume 2 includes the following:

- an overview;
- instructions for the submission of initial and final tenders;
- the award criteria;
- the specific requirements for the Ferry Services Component (Bundle 1);
- the specific requirements for the Harbour Operating Component (Bundle 2).

1.1.2 All Participants shall be invited to and shall submit a Final Tender on the same contractual terms as specified by Transport Scotland.

1.1.3 If any Final Tender contains any qualifications in respect of the Contract, then that Final Tender shall be deemed to be non-compliant.

1.1.4 The Successful Participant shall be required to execute the Contract and the Agreement (as completed with information from the Successful Participant's Final Tender) and any other contractual documentation which may be required by the Contracting Authorities.

1.1.5 The proposed Terms of the Contract and the structure of Schedules to the Contract are set out in Volume 3 of the Competition Documents and the proposed Terms of the Agreement and the structure of Schedules to the Agreement are set out in Volume 4 of the Competition Documents.

1.1.6 The Appendices to Volume 2 comprises:

- form of final tender;
- the special requirements in relation to the Ferry Services Component (a draft for the submission of proposals to be imported into Volume 3 (the Contract Documentation) for the executed Contract);
- the special requirements in relation to the Harbour Operating Component ( a draft for the submission of proposals to be imported into Volume 4 (the Agreement Documentation) for the executed Agreement).

1.1.7 The content required for Final Tenders in the Form of Final Tender is divided into Bundles 1 and 2 (Ferry Services and Harbour Operating Components respectively) and thence Packages A, B, C and D.

1.1.8 Section 4 of this Volume 2 sets out the requirements, but in outline for Bundle 1 these include:

<b>Package A Conceptual proposals and Supporting Documentation Submission</b>	A.1 Conceptual proposals
	A.2 Operational Management System
	A.3 Schedule of Revisions to Outline Proposals

<b>Package B</b>	Supplier's Representative, Senior Supplier's Representative and Key Personnel
<b>Package C Tender Sum Submission</b>	C.1 Base Case Schedule of Price Breakdown
	C.2 Fuel Cost Reconciliation
	C.3 Final Tender Sum

1.1.9 The requirements for Bundle 2 in outline include:

<b>Package A Conceptual proposals and Supporting Documentation Submission</b>	A.1 Conceptual proposals
	A.2 Operational Management System
	A.3 Schedule of Revisions to Outline Proposals
<b>Package B</b>	Supplier's Representative, Senior Supplier's Representative and Key Personnel
<b>Package C Tender Sum Submission</b>	C.1 Harbour Operating Base Case Schedule of Price Breakdown
	C.2 Harbour Operating Proposals
	C.3 Final Tender Sum

1.1.10 The requirements for Package D include a series of certificates which are either Tender or Component specific as indicated in Appendix 1 to this Volume 2.

1.1.11 Where so specifically advised to the Participant in the Invitation to Tender or the Invitation to Submit a Final Tender, or subsequently advised prior to the execution of the Contract and the Agreement as a consequence of the financial position of the company differing materially from that disclosed in the PQQ, the Scottish Ministers and CMAL shall require the provision of an irrevocable parent company guarantee from the demonstrably appropriate associated corporate entity, possessing a net worth and long term credit rating acceptable to the Scottish Ministers and having the corporate and legal capacity to issue parent company guarantees (where the parent company guarantee shall underwrite the entirety of the Operator's financial and performance obligations undertaken pursuant to the Contract and the Agreement) and/or a performance bond from an approved guarantor in favour of the Scottish Ministers. Where so advised of either requirement, failure to provide the commitment letter for the parent company guarantee or a performance bond in the required form (included in Package D) shall be grounds for the Scottish Ministers to treat the Final Tender as non-compliant. A legal opinion will also be required to cover the validity and enforceability of the parent company guarantee.

## 1.2 The ITT

1.2.1 The ITT invites the preparation and submission of initial tenders which set out the proposals for operating the Contract, but in this call Participants are not asked to disclose prices or financial information for the delivery of the Ferry Services nor the Harbour Operating Services. Separate submissions with Outline Conceptual Proposals are required in relation to the Ferry Services Component (Bundle 1) and the Harbour Operating Component (Bundle 2), but in each case these will comprise packages A and B only.

1.2.2 Following the submission and subject to the assessment of initial tenders, Transport Scotland intends to open negotiations with the Participants, the aim of which shall be to consider and refine the Contracting Authorities requirements to secure the means best suited to satisfy their needs, excepting those which have been described in the Competition Documents as the Contracting Authorities' minimum requirements.

1.2.3 Transport Scotland may request further interim Tenders from each Participant which may modify the requirements for either or both of the Ferry Services and the Harbour Operating Services, until the Contracting Authorities are satisfied that their requirements can be satisfactorily described in a manner capable of meeting their needs and the characteristics of the services as described in the Competition Documents. In order for the Scottish Ministers to do this, Participants may be required to enter into negotiations following the submission of each Tender to explore how the proposals contained in their initial tender or subsequent interim tenders could be modified to meet such needs. The Scottish Ministers shall provide comments to each Participant in respect of the acceptability or otherwise of their Outline Conceptual Proposals.

1.2.4 After receipt of Outline Conceptual Proposals which allow Transport Scotland to prepare the needs and characteristics of the services which are satisfactory to the Contracting Authorities, Transport Scotland shall invite each Participant, by issue of the ISFT, to submit a Final Tender containing all the elements required by the Competition Documents for Both Components.

1.2.5 The Tender Period shall include Tender Meetings to inform or conduct negotiations with each of the Participants. The matters to be discussed at these Tender Meetings may include, but not be limited to:

Clarification of ITT documents;

Consideration of tender proposals for Ferry Services;

Services

Vessels

Mobilisation Plan

Marketing Plan

Health and Safety Plan

Environmental Management Plan

Customer Care and Accessibility Process

Human Resources Strategy

Key Personnel

Base Case (excluding prices)

Performance Regime

Operational Management Systems

Resilience in relation to varied capacity and usage demands

Consideration of tender proposals for Harbour Operating Services;

Health and Safety Plan

Start-up Plan

Environmental Management Plan

Key Personnel and qualifications

Harbour Operations organisation structure  
Operations and Safety Management System  
Variation to service process  
Customer care process  
Management of conflict

The requirements for the price submission and the use of the common financial spreadsheet for the Ferry Services Component.

1.2.6 Further information on the Tender Meetings and the Participant's ability to request additional Tender Meetings is contained within Section 4 of this Volume 2.

### **1.3 Final Tenders**

1.3.1 When Transport Scotland is satisfied that the responses to its requirements are satisfactory and are capable of providing good value for money it will confirm that the negotiations are closed and invite Final Tenders which will include proposals for operating the Contract and prices and financial information for the Subsidy required for the delivery of the Ferry Services, and proposals for operating the Agreement and prices for the delivery of the Harbour Operating Services.

## **2. TENDER SUBMISSION**

### **INSTRUCTIONS FOR THE SUBMISSION OF INITIAL TENDERS**

#### **2.1 General Requirements**

2.1.1. This Section sets out the requirements for the submission of initial tenders.

2.1.2. Each Participant shall submit an initial tender containing a submission for Both Components as invited in the ITT.

#### **2.2 Instructions**

2.2.1. All initial tenders, and any documents or other material forming part of an Initial tender, shall be in English. Any corporate documents forming part of an Initial tender shall be certified by the local companies' registry or equivalent.

2.2.2. Participants shall in their initial tenders provide the information required in the Form of Initial tender in a clear and concise manner and only material specifically required in the Form of Initial tender shall be included. General promotional or publicity material shall not be submitted as part of any Initial tender.

2.2.3. Initial tenders shall be submitted by Participants under the headings given using the tables, forms and certificates supplied by Transport Scotland in the Form of Initial tender, and shall follow the order and numbering contained in the Form of Initial tender. Participants shall seek to comply with the requirements identified in the Form of Initial tender in respect of any word number limits. The font of the text to be used by Participants in any Initial tender shall be Arial 11 point with single spacing.

2.2.4. A single submission within the initial tenders is required in relation each of the Ferry Services Component and the Harbour Operating Component.

2.2.5. Participants shall submit five Sets of the Initial tender which they have been invited to submit as indicated in 2.4 below to arrive by no later than 12.00 Noon on the date indicated in the ITT (the date and time identified for the submission of initial tenders in the Timetable) or such later date as may be subsequently advised in writing.

2.2.6. Submissions should be sent to the following addressee and address:

**Clare Paterson  
Tender for the Clyde and Hebrides Ferry Services:  
Contract for the Provision of Services  
Transport Scotland  
Victoria Quay  
Edinburgh EH6 6QQ  
United Kingdom**

2.2.7. 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, Bundle and Package Contents

2.3.1. The Participant shall submit five CD/DVD Sets of the Initial tender.

2.3.2. Each Set shall contain Bundles 1 and 2, each bundle comprising the relevant Packages A and B. Each Set of the Initial 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. "Clyde and Hebrides Ferry Services: Contract for the Provision of Services: Set 1 (data CD/DVD copy)". Each page of each Package shall be numbered clearly and sequentially. Drawings and charts and other similar items shall be numbered and a drawing list shall be included as part of the contents list.

<b>Table 2.1 - Initial tender Submission Requirements</b>		
<b>Section of the Form of Initial tender</b>	<b>Bundle 1</b>	<b>Bundle 2</b>
	<b>Ferry Services Component</b>	<b>Harbour Operating Component</b>
<b>Package A Outline Conceptual proposals and Supporting Documentation Submission</b>	A.1 Outline Conceptual Proposals A.2 Outline Operational Management System	A.1 Outline Conceptual Proposals A.2 Outline Operational Management System
<b>Package B</b>	Supplier's Representative, Senior Supplier's Representative and Key Personnel	Supplier's Representative, Senior Supplier's Representative and Key Personnel

2.3.3. The requirements for Outline Conceptual Proposals and Outline Operational Management System shall be as set out in Appendices 2 and 3 for Conceptual Proposals and Operational Management System.

2.3.4. The information for each package for Set 5 (CD/DVD) shall be saved in both Microsoft Word 2003 format and Adobe PDF format (version X), drawings or charts shall be provided in PDF format.

**INSTRUCTIONS FOR THE SUBMISSION OF INTERIM TENDERS**

**2.4 General Requirements**

2.4.1. The procedure for Interim tenders shall generally be as for initial tenders, however, interim tenders can be called separately for the Ferry Services Component and the Harbour Operating Component and in that case the submission will contain the invited component(s) bundle and packages as indicated in Table 2.2 below.

<b>Table 2.2 - Interim tender Submission Requirements</b>		
<b>Section of the Form of Initial tender</b>	<b>Bundle 1</b>	<b>Bundle 2</b>
	<b>Ferry Services Component</b>	<b>Harbour Operating Component</b>
<b>Package A Conceptual proposals and Supporting Documentation Submission</b>	A.1 Outline Conceptual Proposals A.2 Outline Operational Management System A.3 Schedule of Revisions to previous Outline Proposals	A.1 Outline Conceptual Proposals A.2 Outline Operational Management System A.3 Schedule of Revisions to previous Outline Proposals
<b>Package B</b>	Supplier's Representative, Senior Supplier's Representative and Key Personnel	Supplier's Representative, Senior Supplier's Representative and Key Personnel

## **INSTRUCTIONS FOR THE SUBMISSION OF FINAL TENDERS**

### **2.5 General Requirements**

2.5.1. This Section sets out the requirements for the submission of Final Tenders.

2.5.2. Each Participant shall submit a Final Tender containing a submission for Both Components as invited in the ISFT.

2.5.3. Each Participant shall submit one Final Tender for consideration by Transport Scotland, and this shall contain the requirements of the Competition Documents for Both Components.

2.5.4. No unauthorised alteration or addition shall be made to the Form of Final Tender as set out in Appendix 1 to this Volume 2 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.

2.5.5. Qualified Final Tenders may be excluded by Transport Scotland from further consideration and the Participant(s) notified in due course.

2.5.6. All information included within a Final Tender shall reflect the negotiations entered into during the Tender Period between the Participant and Transport Scotland.

2.5.7. Final Tenders which contain information which Transport Scotland has either objected to or rejected during the Tender Period shall be considered as non-compliant.

2.5.8. Participants shall identify any developments or alterations made in the Final Tenders which have been made in agreement with Transport Scotland to take into account any comments or recommendations made by Transport Scotland following the submission of initial or Interim tenders.

### **2.6 Instructions**

2.6.1. 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.

2.6.2. 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.

2.6.3. 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 and any such Sterling equivalent shall be certified as a “true and fair” equivalent by the Participant and the relevant date of the conversion declared.

2.6.4. Final Tenders shall be submitted by Participants under the headings given using the tables, forms and certificates supplied by Transport Scotland 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.

2.6.5. A single submission without alternatives or options is required in relation each of the Ferry Services Component and the Harbour Operating Component.

2.6.6. Any Participant whose Final Tender is not in accordance with the Form of Final Tender may be rejected by the Scottish Ministers.

2.6.7. Participants shall submit six Sets of the Final Tender which they have been invited to submit as indicated in 2.7 below to arrive by no later than 12.00 Noon on the date indicated in the ISFT (the date and time identified for the submission of Final Tenders in the Timetable) or such later date as may be subsequently advised in writing. Final Tenders received after this date and time shall not be accepted for consideration and shall be returned unopened to the sender.

2.6.8. Submissions should be sent to the following addressee and address:

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

2.6.9. 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.

## **2.7 Set and Package Contents**

2.7.1. The Participant shall submit six Sets of the Final Tender. These sets shall comprise:

1 original paper set,

5 CD/DVD sets (where Packages C must be on a separate CD/DVD’s from the other Packages)

2.7.2. Each Set shall contain the Formal Offer a combined Package D for Both Components and Bundles 1 and 2, each bundle comprising the relevant Packages A, B, and C. 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. “CLYDE AND HEBRIDES Ferry Services: Contract for the Provision of Services: Set 1 (original)” or “CLYDE AND HEBRIDES Ferry Services: Contract for the Provision of Services: Set 2 (data CD/DVD copy)”.

2.7.3. Within each Set (including the CD/DVD sets), the Folder containing Packages C shall be contained within a separate sealed envelope.

2.7.4. The original paper set shall be contained in a folder or set of folders, each of which contains a contents list for each Bundle and 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 Bundles and Packages.

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

2.7.6. The Final Tender shall not include any loose pages.

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

2.7.8. 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.

<b>Table 2.3 - Final Tender Submission Requirements</b>		
<b>Section of the Form of Final Tender</b>	<b>Bundle 1</b>	<b>Bundle 2</b>
	<b>Ferry Services Component</b>	<b>Harbour Operating Component</b>
<b>Formal Offer</b>	Formal Offer including completed: Schedule 1, Checklist (Schedule 2), and Evidence of authorised signatories (Schedule 3)	
<b>Package A Conceptual proposals and Supporting Documentation Submission</b>	A.1 Conceptual proposals A.2 Operational Management System A.3 Schedule of Revisions to Outline Proposals	A.1 Conceptual proposals A.2 Operational Management System A.3 Schedule of Revisions to Outline Proposals
<b>Package B</b>	Supplier’s Representative, Senior Supplier’s Representative and Key Personnel	Supplier’s Representative, Senior Supplier’s Representative and Key Personnel
<b>Package C Tender Sum Submission</b>	C.1 Base Case Schedule of Price Breakdown C.2 Fuel Cost Reconciliation C.3 Tender sum of Final Tender	C.1 Harbour Operating Base Case Schedule of Price Breakdown C.2 Harbour Operating Proposals C.3 Tender sum of Final Tender

<b>Table 2.3 - Final Tender Submission Requirements</b>		
<b>Section of the Form of Final Tender</b>	<b>Bundle 1</b>	<b>Bundle 2</b>
	<b>Ferry Services Component</b>	<b>Harbour Operating Component</b>
<b>Package D Certificates</b>	D.1 Anti-Collusion Certificate D.2 x 2: Prompt Payment Certificate for each Component D.3 x 2: Insurance Requirements for each Component D.4 x 2: Commitment to Execute Parent Company Guarantee for each Component D.5 x 2: Commitment to Execute the Contract/ the Agreement D.6 Commitment to Execute the Tripartite Agreement	

2.7.9. The information for each package for Set 5 (CD/DVD) shall be saved in both Microsoft Word 2003 format and Adobe(version X) PDF format.

2.7.10. Drawings for Set 2 (CD/DVD) shall be provided in PDF format.

## **2.8 Communications**

2.8.1. All communications during the Final Tender Period between the Participants and the Scottish Ministers shall be carried out via EDT, as described in Section 4 of this Volume 2 and Section 7 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. EVALUATION CRITERIA**

**3.1 Evaluation of Initial and Interim Tenders**

3.1.1. Interim tenders shall be evaluated only to inform Transport Scotland and the Contracting Authorities for the purposes of undertaking negotiations with Participants and/or revising the needs or the characteristics of the services.

**3.2 Final Tender Evaluation Process**

3.2.1. Final Tenders shall be evaluated to determine which is the most economically advantageous to the Contracting Authorities. The Contract and the Agreement shall be awarded to the Participant who, at the conclusion of the evaluation process, offers the overall most economically advantageous tender for the Ferry Services and the Harbour Operating Services.

3.2.2. In determining the award of the Contract and the Agreement, the award criteria which shall be used to determine which Final Tender is the most economically advantageous shall be a combination of:

Quality: for the Ferry Services Component;

Quality: for the Harbour Operating Component;

Price: which shall be derived from the sum of the Tender sums for the Ferry Services and the Harbour Operating Services as illustrated in Table 3.1 below.

These several parameters shall be composited as illustrated in Table 3.1 using weightings as indicated below:

Table 3.1: Weightings for combining scores		
Quality (total score potential 100)	Price (£)	Composite
Quality for Ferry Services (Qf)		Quality = Wa.Qf + Wb.Qh
Quality for Harbour Operating Services (Qh)		
	Tender sum for Ferry service (Sf)	Price (Pc) =100 times { 1- [(Sf+Sh) assessed bid-(Sf+Sh) lowest bid] / (Sf+Sh) lowest bid}
	Tender Sum for Harbour Operating Services (Sh)	

Table 3.1: Weightings for combining scores		
Quality (total score potential 100)	Price (£)	Composite
Price and Quality combined		<b>MEAT = Wc(Wa.Qf + Wb.Qh) + Wd.Pc.</b>
Where Wa and Wb are weightings for relative significance of Ferry Services and Harbour Operating Services (0.96 and 0.04) and Wc and Wd are quality / price weightings (0.35 and 0.65 for 35/65 split)		

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

3.2.4. The above award criteria used in the assessment of tenders shall be weighted as indicated in Table 3.9.

3.2.5. In addition to the comparative evaluation of the quality and price submissions in Packages A and B, and C respectively, Packages A to 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 the Competition Documents

3.2.6. The panels identified in this Section shall carry out the evaluation of Packages A, B and D for each of Bundles 1 and 2 prior to opening the separate sealed envelopes containing Package C for Both Components.

### 3.3 Evaluation of the Final Tenders by Panels

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

Panel 1: General Compliance and Completeness Check (excluding Package C, both bundles;

Panel 2: Package A - Conceptual proposals, Operational Management Systems and Supporting Documentation, bundle 1;

Panel 3: Package A - Conceptual proposals, Operational Management Systems and Supporting Documentation, bundle 2;

Panel 4: Package B - Supplier's Representative, Senior Supplier's Representative and Key Personnel, bundle 1;

Panel 5: Package B - Supplier's Representative, Senior Supplier's Representative and Key Personnel, bundle 2;

Panel 6: Package C – Tender Sums, both bundles;

Panel 7: Package D – Certificates, both bundles; and

Panel 8: Aggregated Quality and Price Scores for both bundles.

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

3.3.2. The panels shall be responsible for checking and evaluating (as appropriate) the specific sections of the Final Tenders as identified in Table 3.2 of this Volume 2 and Table 3.2 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.

<b>Table 3.2 - Panels and Scoring</b>			
<b>Section of the Final Tender</b>		<b>Panel</b>	<b>Scoring</b>
Formal Offer	Formal Offer and accompanying schedule 1, 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, Operational Management System and Supporting Documentation Submission	A.1 Conceptual proposals	1 and 2/3	Scored
	A.2 Operational Management System	1 and 2/3	Scored
	A.3 Schedule of Revisions to Outline Proposals	1 and 2/3	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 and 4/5	Scored
Package C - Tender Sum Submission	C.1 Base case Schedule of Price Breakdown	6	Not scored but required to complete C.3 for Bundles 1 and 2.
	C.2 Fuel Cost Reconciliation (Bundle 1) /Harbour Operating Proposals (Bundle 2)	6	Not scored but required to complete C.3 for Bundles 1 and 2.
	C.3 Final Tender Sum	6	Scored as the aggregate from Bundles 1 and 2
Package D - Certificates	D.1 Anti-Collusion Certificate	1 and 7	Pass/Fail
	D.2 Prompt Payment Certificate	1 and 7	Pass/Fail
	D.3 Insurance Requirements	1 and 7	Pass/Fail

<b>Table 3.2 - Panels and Scoring</b>			
<b>Section of the Final Tender</b>		<b>Panel</b>	<b>Scoring</b>
	D.4 Commitment to Execute Parent Company Guarantee	1 and 7	Pass/Fail
	D.5 Commitment to Execute the Contract and Agreement	1 and 7	Pass/Fail
	D.6 Commitment to Execute the Tripartite Agreement	1 and 7	Pass/Fail

**3.4 General Compliance and Completeness Check**

3.4.1. Panel 1 shall carry out a general compliance and completeness check of the Formal offer and Packages A, B and D.

3.4.2. 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. Accordingly Panel 6 shall carry out the general compliance and completeness check of Package C.

3.4.3. Transport Scotland and the Contracting Authorities reserve the right to seek clarification in respect of any missing, incomplete or ambiguous information in the Final Tenders. Transport Scotland shall treat any incomplete or ambiguous Final Tender (or errors in a Final Tender) in such manner as it shall determine in its absolute discretion.

3.4.4. 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 Transport Scotland and the Contracting Authorities. 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.

**3.5 Evaluation of Bundle 1, Package A**

3.5.1. Panel 2 shall evaluate the contents of Package A identified in Table 3.3 on the basis noted in Table 3.3 and Tables 3.4.1A, 3.4.1.B and 3.4.2, (referred to collectively as 3.4.x) and the markings shall be weighted on the basis noted in Tables 3.5.1 and 3.5.2, (referred to collectively as 3.5.x).

<b>Table 3.3 - Evaluation of Package A</b>			
<b>Section of the Final Tender</b>		<b>Scoring</b>	<b>Pass/Fail Requirements</b>
<b>Formal offer</b>	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	-
<b>Conceptual proposals, Operational Management System and Supporting Documentation Submission</b>	A.1 Conceptual proposals	Scored and Pass/Fail	Individual scoring for: Services Fares Vessels and Ports Mobilisation plan Marketing Plan Health and Safety Plan Environmental Management Plan Customer Complaints process
	A.2 Operational Management System	Scored and Pass/Fail	Individual scoring for: 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
	A.3 Schedule of Revisions to Outline Proposals	Not Scored, but is required as a check against completeness of A.1 and A.2	-

3.5.2. **Package A.1 (Conceptual Proposals):** Separate consideration shall be given to the analysis and to the service offerings and contractual undertakings within Package A.1 (Conceptual Proposals) as indicated in Tables 3.4.1A, 3.4.1B and 3.5.1 below.

<b>Table 3.4.1A - Quality Assessment of Package A.1 Analysis</b>		
Strength of Response	Participant's Proposals	Score
Weak	The proposal demonstrates that the Participant appreciates the technical, logistical and management challenges of the Services, and/or that its approach to mitigation and management of risk appears to be sufficiently 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 a more than 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

<b>Table 3.4.1B - Quality Assessment of Package A.1 Service offerings and contractual undertakings</b>		
Strength of Response	Participant's Proposals	Score
Weak	The proposal meets the mandatory requirements of the services, but does not add to further value to users or communities served.	1-4
Acceptable	The proposal meets the mandatory requirements of the services, but does not add significantly to their value to users or communities served	5-6
Good	The proposal adds substantially to the value of the Services to users and/ or the communities served	7-8
Excellent	The proposal demonstrates a premium service of very considerable additional value to users and the communities	9-10

<b>Table 3.5.1 – weighting applied to the scoring of each item</b>					
Package Section	Item	Analysis		Service offerings and contractual undertakings	
		Weighting	Possible Attainable Weighted Score	Weighting	Possible Attainable Weighted Score
A.1	Services	5	50	10	100
	Vessels and Ports	2	20	5	50
	Mobilisation plan	2	20	5	50
	Marketing Plan	5	50	10	100
	Health and Safety Plan	2	20	5	50
	Environmental Management Plan	2	20	5	50
	Customer Care process	2	20	5	50
	Human Resources Plan	6	60	14	140
<b>Total marks for Package A.1</b>			260		590

3.5.3. **Package A.2 (Operational Management System):** Consideration shall be given to the proposals within Package A.2 (Operational Management Systems) as indicated in Tables 3.4.2, and 3.5.2 below.

<b>Table 3.4.2 - Quality Assessment of Package A.2</b>		
<b>Strength of Response</b>	<b>Participant's Proposals</b>	<b>Score</b>
Weak	The proposal demonstrates that the Participant appreciates the technical, logistical and management challenges of the Services, and/or that its approach to mitigation and management of risk appears to be sufficiently 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

<b>Table 3.5.2 – weighting applied to the scoring of each item</b>			
Package Section	Item	Weighting	Possible Attainable Weighted Score
A.2	Operational Management Methodology	4	40
	Operator’s Quality Management Organisation of the Contract	4	40
	Operator’s Proposals for the involvement of Supported Businesses	4	40
	Operator’s Proposals for the involvement of SME’s	4	40
	KPI’s	4	40
<b>Total marks for Package A.2</b>			200

### 3.6 Evaluation of Bundle 1, Package B

3.6.1. Panel 4 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 3.6 of this Volume and this Section 3.

<b>Table 3.6 - Quality Assessment of Supplier Representative, Supplier Senior Representative and Key Staff proposals (Bundle 1, Package B)</b>		
Strength of Response	Participant’s Proposals	Score
Weak	The statement demonstrates that the Participant’s approach is acceptable.	1-60
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.	61-90
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.	91-120
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.	121-150

### 3.7 Combination of Evaluation of Bundle 1, Packages A and B (Combined Quality Score)

3.7.1. 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 3.3, 3.4.x and 3.5.x of this Volume to the individual Package B quality scores on the basis of Table 3.6 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

3.7.2. Participants should note that in the event of an award of the Contract, a failure by the Operator 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 3, Schedule 15 to the Contract.

### 3.8 Evaluation of Bundle 2, Package A

3.8.1. Panel 3 shall evaluate the contents of Package A identified in Table 3/2.3 on the basis noted in Table 3/2.3 and Tables 3.4.x, and the markings shall be weighted on the basis noted in Tables 3/2.5.1 and 3/2.5.2 (also referred to as 3/2.5.x).

<b>Table 3/2.3 - Evaluation of Package A, Bundle 2</b>			
<b>Section of the Final Tender</b>		<b>Scoring</b>	<b>Pass/Fail Requirements</b>
<b>Formal offer</b>	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.	-
<b>Conceptual proposals, Operational Management System and Supporting Documentation Submission</b>	A.1 Conceptual proposals	Scored and Pass/Fail	Individual scoring for: Start-up Plan Health and Safety Plan Environmental Management Plan Customer care process Management of Conflict
	A.2 Operational Management System	Scored and Pass/Fail	Individual scoring for: Operational Management Methodology Operator's Quality Management Organisation of the Contract Harbour Operations

			organisation structure Operations and Safety Management System 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	-

3.8.2. **Package A.1 (Conceptual Proposals):** Separate consideration shall be given to the analysis and to the service offerings and contractual undertakings within Package A.1 (Conceptual Proposals) as indicated in Tables 3.4.1A, 3.4.1B above and 3/2.5.1 below.

<b>Table 3/2.5.1 – Weighting applied to the scoring of each item</b>					
Package Section	Item	Analysis		Service offerings and contractual undertakings	
		Weighting	Possible Attainable Weighted Score	Weighting	Possible Attainable Weighted Score
A.1	Start-up Plan	5	50	10	100
	Health and Safety Plan	5	50	10	100
	Environmental Management Plan	2	20	5	50
	Customer care process	2	20	5	50
	Management of Conflict	2	20	5	50
	<b>Total marks for Package A.1</b>				
		160			350

3.8.3. **Package A.2 (Operational Management System):** Consideration shall be given to the proposals within Package A.2 (Operational Management Systems) as indicated in Tables 3.4.2, above and 3/2.5.2 below.

<b>Table 3/2.5.2 – Weighting applied to the scoring of each item</b>			
Package Section	Item	Weighting	Possible Attainable Weighted Score
A.2	Operational Management Methodology	5	50
	Supplier’s Quality Management	5	50
	Organisation of the Contract	5	50
	Harbour Operations organisation structure	5	50
	Operations and Safety Management System	5	50
	KPI’s	5	50
<b>Total marks for Package A.2</b>			300

**3.9 Evaluation of Bundle 2, Package B**

3.9.1. Panel 5 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 3/2.6 of this Volume and this Section 3.

<b>Table 3/2.6 - Quality Assessment of Supplier Representative, Supplier Senior Representative and Key Staff proposals (Bundle 2, Package B)</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

**3.10 Combination of Evaluation of Bundle 2, Packages A and B (Combined Quality Score)**

3.10.1. 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 3/2.3, 3.4.x and 3/2.5x of this Volume to the individual Package B quality scores on the basis of Table 3.6 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 10.1

3.10.2. 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 retention being deducted by CMAL from payments due under the Agreement (Clause 15 Volume 4).

**3.11 Evaluation of Package D**

3.11.1. Panel 5 shall evaluate the contents of Package D set out in Table 3.7 of this Volume on the basis of PASS or FAIL.

<b>Table 3.7 - Evaluation of Package D</b>			
<b>Section of the Final Tender</b>		<b>Scoring</b>	<b>Pass Requirements</b>
<b>Package D - Certificates</b>	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	

3.11.2. 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 3.7 of this Volume.

**3.12 Opening and Evaluation of Package C**

3.12.1. Where a Participant’s submissions for Bundles 1 and 2, Packages A, B and D have been found to be compliant and complete pursuant to this Section 3, and that Participant has:

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

gained a **PASS** in respect of Packages B; and

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

that Participant’s submissions for Bundles 1 and 2 Package C shall be passed to Panel 6 to be opened, checked for general compliance and completeness, and to be evaluated in accordance with this Section and with Table 3.8 of this Volume and to Panel 8 to allow the aggregation with the Quality marking for Packages A and B.

<b>Table 3.8 - Evaluation of Package C</b>			
<b>Section of the Final Tender</b>		<b>Scoring</b>	<b>Pass/Fail Requirements and Scoring</b>
Package C - Tender Sum Submission	C.1 Base Case Schedule (Bundle 1 & Bundle 2)	Not scored but required to complete C.3	-
	C.2 Fuel Cost Reconciliation (Bundle 1) /Harbour Operating Proposals (Bundle 2)	Not scored but required to complete C.3	-
	C.3 Tender Sum	Scored	Scored out of 100

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

3.12.3. For the purpose of evaluation of each Participant’s Bundle 1 and 2 Package C submissions, “Price” shall mean the value derived from the sum of the Tender sums for the Ferry Services and the Harbour Operating Services as indicated in Table 3.1.

3.12.4. Accordingly for each Participant, Part C.3 (Tender Sum) for each Bundle shall be jointly evaluated as follows:

the product of 100 and [1 minus the difference between the sums of the Tender Sums submitted by the assessed Participant for the Ferry services and the Harbour Operating Services as part of its Final Tender and that for the Participant submitting the lowest sum divided by the value of sum of the Tender sums for the Ferry services and the Harbour Operating Services submitted by the Participant submitting the lowest sum], stated to two decimal places (i.e. the participant submitting the lowest sum will receive 100.00 and the other participant will receive vw.xy).

### 3.13 Method for Calculating the Combined Score for each Final Tender

3.13.1. The scores severally calculated in accordance with this Section 3 for quality and price shall be weighted in accordance with this Section 3.13, and the weighted scores shall be added to provide a combined weighted score for each Final Tender by the members of Panel 6.

3.13.2. The award criteria shall be weighted and the combined score shall be calculated in accordance with Table 3.9 of this Volume.

Table 3.9- Combined Score			
Component	Score (out of 100)	Weighting	Total Weighted Score
Quality, Bundle 1	a	(Wa)=96%	a(Wa)
Quality, Bundle 2	b	(Wb)=4%	b(Wb)
Quality, combined	$c=a(Wa)+b(Wb)$	(Wc)=35%	c(Wc)
Price	d	(Wd)=65%	d(Wd)
Combined Score (out of 100)			$=c(Wc)+d(Wd)$

### 3.14 Most Economically Advantageous Tender

3.14.1. The Participant who has in relation to the joint assessment of Bundles 1 and 2:

gained a **PASS** in respect of the evaluation of Packages A conducted pursuant to Sections 3.5 and 3.8 of this Volume; and

gained a **PASS** in respect of the evaluation of Packages B conducted pursuant to Sections 3.6 and 3.9 of this Volume; and

gained a **PASS** in respect of the evaluation of Package D conducted pursuant to Section 3.11 of this Volume; and

achieved the highest combined weighted score in respect of Packages A, B and C calculated in accordance with Section 3.13,

will be selected as the Successful Participant.

### 3.15 Clarifications

3.15.1. Transport Scotland via any or all of the panels identified in Section 3.3 of this Volume shall be entitled at any time to seek clarifications from the Participants in relation to the Final Tenders.

3.15.2. Transport Scotland 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.

3.15.3. The relevant panels may carry out clarification meetings at the offices of Transport Scotland, Victoria Quay, Edinburgh, EH6 6QQ. Participants will be given a minimum of 7 calendar days' notice to attend such meetings. Participants who have made a Final Tender shall keep themselves available for any such meeting.

3.15.4. 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 Transport Scotland via the panels; and/or

queries from Transport Scotland via the panels at clarification meetings.

#### **4. SPECIAL REQUIREMENTS FOR BOTH COMPONENTS (BUNDLES 1 AND 2)**

##### **4.1 The Tender Period and Tender Period Meetings**

4.1.1. During the Tender Period, Transport Scotland and the Contracting Authorities shall hold Tender Meetings with the Participants, the aim of which shall be to identify and define the means best suited to satisfying the Contracting Authorities' needs as described in the Competition Documentation.

4.1.2. Each Participant has been required to sign and submit a Letter of Confidentiality and Non-Collusion. Participants are reminded of the importance of compliance with the terms of the Letter of Confidentiality and Non-Collusion.

4.1.3. The Tender Period shall include Tender Period Meetings with each of the Participants. The Participant shall provide his proposals for the quality aspects of the Ferry Services Component within Packages A and B of Bundle 1 and of the Harbour Operating Component within Packages A and B of Bundle 2, each of which shall be submitted within the Initial Tender Submission as indicated within this Volume 2, and thereafter as further interim tenders as invited. At this stage of the competition, Package A comprises the Outline Conceptual Proposals and the Outline Operational Management System (the Outline Proposals).

4.1.4. Transport Scotland and the Contracting Authorities may hold Tender Period meetings which may include negotiations with each Participant following the submission of each initial or further interim tender until the Contracting Authorities can define their requirements as fully capable of meeting their needs as described in the Competition Documentation in particular as amended as a consequence of the negotiation process. At each round of negotiation the Contracting Authorities will assess whether or not these Outline Proposals are capable of development to meet such needs. Transport Scotland and the Contracting Authorities may provide comments to each Participant in respect of the acceptability or otherwise of the Outline Proposals by re-issuing their requirements for the Conceptual Proposals and Operational Management Proposals along with the invitation for further tenders. The requirements for these Outline Proposals for the initial tenders are described in Appendix 2 to this Volume 2.

4.1.5. When the Contracting Authorities are satisfied that their needs for the Ferry Services Component and the Harbour Operating Component can be fully met, Transport Scotland shall:

- inform each Participant that negotiations are concluded;
- invite each Participant by issue of the ISFT to submit a Final Tender containing all the elements required and necessary for the performance of the Contract on the basis of final requirements; and

- in the ISFT, confirm the instructions for submission of Final Tenders (as described in this Volume 2).

#### 4.2. Timetable for the Procedure

4.2.1. A preliminary schedule of Tender Period Meetings (shaded in yellow) together with other key milestones and activities during the Tender Period is provided in the Timetable set out in Table 4.1 below, where:

"A" means Calmac Ferries Ltd;

"B" means Serco Caledonian Ferries Ltd;

<b>Table 4.1: Timetable for the Ferry Services and Harbour Operating Components</b>			
<b>Activity</b>	<b>Instructions to Participants (Volume 2) Reference</b>	<b>Date</b>	<b>Process Week Number</b>
<b>Invitation to Tender issued (Both Components)</b>		31 July 2015	1
<b>Commencement of Tender Period (issue of Volumes 1 to 4 inclusive)</b>	Section 2, Volume 2	31 July 2015	1
<b>Submission of initial tenders (Both Components)</b>	Section 2, Volume 2; Appendix 1, Volume 2.	21 September 2015	9
<b>Tender Period Meeting Number 1 - negotiation (Ferry Services Component)</b>		<b>A: 25 Aug 2015</b> <b>B: 26 Aug 2015</b>	5 5
<b>Invitation to Submit further Interim Tender with revised requirement for Outline Proposals (Ferry Services Component)</b>		2 November 2015	15
<b>Submission of first further interim tender (Ferry Services Component)</b>		23 November 2015	18
<b>Tender Period Meeting Number 2 – negotiation (Ferry Services Component)</b>		<b>A:</b> <b>B:</b>	

<b>Table 4.1: Timetable for the Ferry Services and Harbour Operating Components</b>			
<b>Activity</b>	<b>Instructions to Participants (Volume 2) Reference</b>	<b>Date</b>	<b>Process Week Number</b>
<b>Tender Period Meeting Number 1 - negotiation (Harbour Operating Component)</b>		<b>A: 25 Aug 2015 B: 26 Aug 2015</b>	
<b>Invitation to Submit further Interim Tender with revised requirement for Outline Proposals (Harbour Operating Component)</b>			
<b>Submission of first further interim tender (Harbour Operating Component)</b>			
<b>Tender Period Meeting Number 2 – negotiation (Harbour Operating Component)</b>		<b>A: B:</b>	
<b>Response by Transport Scotland and the Contracting Authorities to the final submission of Outline Proposals</b>		11 December 2015	20
<b>Issue of Invitation to Submit Final Tender (ISFT)</b>		14 December 2015	21
<b>Latest date for submission of Final Tender Queries</b>			
<b>Latest date for Scottish Ministers' Response to Final Tender Queries</b>			
<b>Submission of Final Tenders</b>		9 February 2016	29

4.2.2. Participants shall note and comply as relevant with the dates identified in the Timetable, but shall be aware that these dates and the Procurement Process may be changed at the absolute discretion of Transport Scotland.

4.2.3. Any changes to the Timetable shall be made by way of a Tender Period Bulletin or a Final Tender Bulletin.

### **4.3. Overview of Tender Period Meetings**

4.3.1. During the Tender Period there will be sufficient Tender Period Meetings between Transport Scotland and the Participant to meet the requirements of the competition in regard to the Ferry services Component, the Harbour Operating Component and Both Components. The number and programme for these meetings is identified in the Timetable.

4.3.2. Each Participant shall attend each Tender Period Meeting on the date identified in the Timetable and at the time and location identified in Sections 4.3.6 of this Volume 2 unless, at the sole discretion of Transport Scotland and subject to the availability of Transport Scotland to attend at such proposed revised dates and times, alternative dates and times are otherwise agreed in writing.

4.3.3. If Transport Scotland changes the date of these meetings or any additional meetings are added to the Timetable, then the Participant shall be informed via a Tender Period Bulletin.

4.3.4. Transport Scotland may, subject to the availability of its team, having regard to the overriding requirement for non-discrimination and at its sole discretion, agree to meet with any Participant on other additional occasions prior to the end of the Tender Period and Transport Scotland shall endeavour, but shall not be obliged, to accommodate any requests from Participants.

4.3.5. Any Participant wishing to arrange any such additional meetings shall propose their agenda and meeting date for Transport Scotland's agreement at least 7 days in advance of any proposed additional meeting.

4.3.6. Unless otherwise notified by Transport Scotland, meetings shall be held at the Scottish Government's offices at Victoria Quay, Edinburgh EH6 6QQ.

4.3.7. Meetings identified in the Timetable as 'am' shall generally commence at 9:30 am and conclude at 12:30 pm. Meetings identified in the Timetable as 'pm' shall generally commence at 1:30 pm and conclude at 4:30 pm. Any meetings which may be identified in the timetable as "evening" shall generally commence at 5:30 pm and conclude at 8:30 pm.

4.3.8. Tender Period Meetings shall be un-minuted and non-contractual allowing consultation between the parties where the agenda, as provided for in the Timetable, shall mainly focus on Tender Period meeting submissions or the Tender submissions provided by Participants prior to such meetings and comment on each Participant's developing Outline Proposals. An action list will be compiled by Transport Scotland and the Contracting Authorities following each Tender Period meeting.

4.3.9. The Participant shall be represented by **no more than four individuals** at each meeting, unless agreed otherwise in writing by Transport Scotland. A minimum of 2 days' prior notice shall be required where the Participant intends to be represented by more than four individuals at any meeting.

4.3.10. Notwithstanding any comments or otherwise made by Transport Scotland or its Advisers and the Contracting Authorities, Participants shall note that any such comments made during the negotiation process may not be exhaustive and shall be issued or given without any liability conferred or inferred on Transport Scotland or its Advisers or the Contracting Authorities.

4.3.11. If no comments are made by Transport Scotland or its Advisers or the Contracting Authorities during the Tender Period this shall not be construed as an acceptance of the Participant's developing or final Outline Proposals.

4.3.12. All negotiations or correspondence between Transport Scotland and each Participant during the Tender Period in respect of each Participant's Outline Proposals shall be with each Participant individually.

4.3.13. Appendix 2 of this Volume 2 sets out the information which each Participant shall submit for the Final tender, and of those elements, Packages A and B will be required as submissions for initial or further interim tenders. The requirements for Tender Period meetings for each Participant shall be submitted to each Participant by Transport Scotland via the mailbox established under EDT.

4.3.14. Participants shall ensure that Tenders shall provide sufficient information to enable Transport Scotland and the Contracting Authorities to undertake an initial review of the Tender submissions and participate in subsequent negotiation at the relevant Tender Period meeting.

4.3.15. Before the call for each further interim tender or Final Tender, Participants shall use their best endeavours to satisfy themselves that Transport Scotland and the Contracting Authorities has been given sufficient opportunity to review the Participants' relevant developing proposals which will inform the submission of Conceptual Proposals and Operational Management Proposals for the Ferry Services Component.

4.3.16. Objections to any of the Participant's initial or further interim tender submissions shall be notified in writing by Transport Scotland to the Participant concerned.

4.3.17. Participants shall note that any communication at any of the Tender Period Meetings shall not be binding on either party unless subsequently confirmed in writing by Transport Scotland, with the exception of action lists compiled by Transport Scotland and referred to in Section 4.3.8, which shall not be binding on any party.

#### **4.4. Communications Procedure**

4.4.1. All communications during the Tender Period between the Participants and Transport Scotland shall be carried out via EDT, as described in Section 7 of Volume 1 (other than any communications with Transport Scotland in relation to logistics, which shall be addressed to Transport Scotland's Contact Person).

4.4.2. Transport Scotland shall acknowledge receipt of the electronic submission.

4.4.3. Transport Scotland will respond to the Participant by e-mail to the Participants notified point(s) of contact. When Transport Scotland submits a Tender Bulletin, Final Tender Bulletin or other confidential information to the Participant, that will be sent using the encryption process.

#### **4.5. Requirements within Tenders for Conceptual and Operational Management Proposal**

4.5.1. Appendix 2 of this Volume 2 identifies the information which each Participant shall submit in its Tenders respect of its proposals and Outline Proposals.

4.5.2. The Outline Proposals referred to in Appendix 2 of this Volume 2 shall be submitted in accordance with the requirements of this Volume 2.

#### **4.6. Amendments to Volumes 3 or 4**

4.6.1. Transport Scotland and the Contracting Authorities may consider requests by Participants to amend a section or sections of Volume 3 or Volume 4 where such amendments would permit, if adopted:

earlier completion of particular tasks, improved efficiency and/or reduced price to the Contracting Authorities in respect of the mobilisation;

improved efficiency and/or reduced price to the Contracting Authorities in respect of the operation of the Services; or

benefit otherwise to the users of the Services.

4.6.2. Where a Participant believes that an amendment to Volume 3 or 4 would achieve one or more of the objectives stated in Section 4.6.1 then the Participant may submit a request for a proposed amendment to Volume 3 or 4 by completing the form contained in Appendix 2(a) or 3(a) of this Volume 2, as a Submission (a Confidential Tender Period Query) via EDT, on or before the date stated in the Timetable.

4.6.3. A decision on the acceptability of a proposed amendment to Volume 3 or Volume 4 shall be given by Transport Scotland as soon as reasonably practicable based on the evidence provided by the Participant in the submitted form.

4.6.4. Transport Scotland's response to a proposed amendment to Volume 3 or 4 will be communicated to the Participant via a Confidential Tender Period Bulletin through EDT.

4.6.5. Where Transport Scotland agrees to incorporate a proposed amendment to Volume 3 or 4, such amendment will be communicated to all Participants through a Tender Period Bulletin and through an amended Volume 3 or Volume 4 as appropriate issued via EDT, although the reason for the amendment will not be disclosed as part of these communications.

4.6.6. No request for an amendment to Volume 3 or 4 shall be submitted by any Participant during the Procurement Process after the latest date identified in the Timetable.

4.6.7. Any request for an amendment to Volume 3 or 4 which is not submitted in accordance with the requirements of this Volume 2 will not be considered by Transport Scotland.

4.6.8. No proposed amendment to Volume 3 or 4 shall be considered to form part of the Competition Documentation until such time as the amendment has been issued via a Tender Period Bulletin and amended Competition Documentation issued via EDT. Participants are reminded that they are required to develop their proposals in accordance with the requirements of the Competition Documentation.

4.6.9. Nothing in this Section 4.6 shall prejudice Transport Scotland and the Contracting Authorities' right pursuant to Section 5.3 of Volume 1 to make revisions to the Procurement Process and/or the Procurement Information at any time, including making further clarifications or issuing additional information.

#### **4.7. Transport Scotland's Response**

4.7.1. Transport Scotland shall review the Outline Proposals and may respond to the Participant with comments or observations.

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**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF SERVICES**

**VOLUME 1**

**TS/MTRIPS/SER/2015/01**

**APPENDIX 1: FORM OF FINAL TENDER**

## FORMAL OFFER

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

[ ] 2016

For the attention of Graham Porteous

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

Dear Sirs

**CLYDE AND HEBRIDES 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 The Ferry Services Component and The Harbour Operations Component (Both Components) 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 Bundles 1 and 2 Packages 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 CLYDE AND HEBRIDES FERRY SERVICES in conformity with the Contract and the Agreement included in our Final Tender.

We hereby offer to carry out the Services using the staff resources identified in Bundles 1 and 2 Packages B.

We hereby undertake to complete all prior requirements prior to and deliver the Services comprised in the Contract and the Agreement 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 Transport Scotland 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 Contracting Authorities 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 6 (six) months from XX YYYY 2016, and thereafter subject to any agreement with Transport Scotland 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 6 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 the Contract and the Agreement.

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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.*

**SCHEDULE 1 TO FORMAL OFFER**

<b>Item</b>	<b>Contract Clause / Agreement Clause</b>	<b>Details</b>
Date for the completion of prior requirements and the delivery of the Services	5 /3.3	12.01 am on 1 October 2016

**Signed.....**

## SCHEDULE 2 TO FORMAL OFFER

**Submission Requirements** : Sets to comprise

- Original
- 5 Electronic copies in pdf format (version X) and in Microsoft Word 2003 or later compatible format of the original

Section of the Final Tender		Included
	Bundle 1	
<b>Formal Offer</b>	Formal offer including schedule 1	
<b>Checklist</b>	Schedule 2 to Formal offer	
<b>Evidence of Authorised Signatories</b>	Schedule 3 to Formal offer	
<b>Package A</b> (Conceptual proposals, Operational Management System and Supporting Documentation Submission)	A.1 Conceptual proposals	A.1 Conceptual proposals
	A.2 Operational Management System	A.2 Operational Management System
	A.3 Schedule of Revisions to Outline Proposals	A.3 Schedule of Revisions to Outline Proposals
<b>Package B</b>	Supplier's Representative, Senior Supplier's Representative and Key Personnel	Supplier's Representative, Senior Supplier's Representative and Key Personnel
<b>Package C</b> <b>Tender Sum Submission</b>	C.1 Schedule of Price Breakdown - Base Case Schedule	C.1 Harbour Operating Base Case Schedule
	C.2 Fuel Cost Reconciliation	C.2 Harbour Operating Proposals
	C.3 Final Tender Sum	C.3 Final Tender Sum
<b>Package D</b> <b>Certificates</b>	D.1 Anti-Collusion Certificate	
	D.2 Prompt Payment Certificate	D.2 Prompt Payment Certificate

**SCHEDULE 2 TO FORMAL OFFER**

**Submission Requirements** : Sets to comprise

- Original
- 5 Electronic copies in pdf format (version X) and in Microsoft Word 2003 or later compatible format of the original

<b>Section of the Final Tender</b>		<b>Included</b>
	D.3 Insurance Requirements	D.3 Insurance Requirements
	D.4 Supply and Commitment to execute Parent Company Guarantee	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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.

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**FORM OF FINAL TENDER**

**[THE REQUIREMENTS FOR PACKAGES A, B AND C FOR BUNDLE 1 AND BUNDLE 2  
RESPECTIVELY TO BE INCLUDED HERE ARE CONTAINED IN THE APPENDICES 2  
AND 3 WITHIN THIS VOLUME 2 OF THE COMPETITION DOCUMENTS]**

<b>BUNDLE 1</b>	<b>PACKAGE A</b>
	<b>PACKAGE B</b>
	<b>PACKAGE C</b>
<b>BUNDLE 2</b>	<b>PACKAGE A</b>
	<b>PACKAGE B</b>
	<b>PACKAGE C</b>

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**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

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF SERVICES  
FINAL TENDER DATED [ ] 2016  
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 Transport Scotland 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**

[Each Certificate To be submitted on the headed notepaper of the Participant. In this respect each Participant shall particularly note that the Contracting Authorities reserve 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 and an Agreement for the Services shall be awarded.]

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF FERRY SERVICES  
FINAL TENDER DATED [ ] 2016  
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**

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF HARBOUR OPERATING  
SERVICES  
FINAL TENDER DATED [ ] 2016  
D.2 - PROMPT PAYMENT CERTIFICATE**

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

[Each 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

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF FERRY SERVICES  
FINAL TENDER DATED [ ] 2016  
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**

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF HARBOUR OPERATING  
SERVICES  
FINAL TENDER DATED [ ] 2016  
D.3 INSURANCE REQUIREMENTS CERTIFICATE**

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

**Date**

**Signature**

**Name (block  
capitals)**

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

**Address**

**Telephone Number**

**E-Mail Address**

**D.4 – SUPPLY AND COMMITMENT TO EXECUTE PARENT COMPANY GUARANTEE**

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

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF FERRY SERVICES  
FINAL TENDER DATED [ ] 2016  
PROVISION OF PARENT COMPANY GUARANTEE**

Having been so advised of the requirement in the Invitation to Submit a Final Tender we enclose a Parent Company Guarantee which will take effect on the execution of the Contract, together with a legal opinion in a form acceptable to you confirming the PCG's validity and enforceability.

[OR, WHERE A PARENT COMPANY GUARANTEE HAS NOT BEEN REQUESTED IN THE ISFT BUT SUBSEQUENT FINANCIAL CHECK PROVIDES REASONABLE CAUSE FOR THE JUSTIFICATION OF THE REQUIREMENT]

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 2 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 Transport Scotland. 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 Transport Scotland 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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.*

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF HARBOUR OPERATING SERVICES  
FINAL TENDER DATED [ ] 2016  
PROVISION OF PARENT COMPANY GUARANTEE**

In the event of [*Participant name*] being awarded the Agreement, this letter is our confirmation that if so requested we shall provide a Parent Company Guarantee (“PCG”) to CMAL in the form contained in this Volume 2 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 CMAL as being the date of execution of the Agreement, 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 Transport Scotland. 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 Agreement in the event [*Participant name*] is the Successful Participant or (ii) execution of the Agreement.

We acknowledge that a failure to provide the PCG to you in the agreed form on the date intimated to the Participant by Transport Scotland as being the date for execution of the Agreement 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 Agreement.

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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.*

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## D.5 - COMMITMENT TO EXECUTE THE CONTRACT AND THE AGREEMENT

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

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF SERVICES  
FINAL TENDER DATED [ ] 2016  
CONTRACT AND AGREEMENT EXECUTION COMMITMENT LETTER**

In the event that we, [*Participant name*], are awarded the Contract and the Agreement, this letter is our commitment to enter into the Contract with the Scottish Ministers in the form contained in Volume 3 of the Competition Documentation and to enter into the Agreement with CMAL in the form contained in Volume 4 of the Competition Documentation without any qualification or amendment to the terms thereof. We shall execute the Contract and the Agreement on the date intimated to us by Transport Scotland 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 Transport Scotland. We hereby undertake to maintain this commitment unchanged until either (i) the actual execution of the Contract and the Agreement by us at contract signature in the event that we, [*Participant name*] are the Successful Participant or (ii) the execution of the Contract and Agreement.

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

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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.*

## D.6 - COMMITMENT TO EXECUTE THE TRIPARTITE AGREEMENT

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

[date]

Dear Sirs

**CLYDE AND HEBRIDES FERRY SERVICES: PROVISION OF SERVICES  
FINAL TENDER DATED [ ] 2016  
TRIPARTITE AGREEMENT COMMITMENT LETTER**

In the event that we, [*Participant name*], are awarded the Contract and the Agreement, this letter is our commitment to enter for each of the Fleet Vessels into the Tripartite Agreement with the Scottish Ministers and CMAL 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 Transport Scotland. 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 Transport Scotland 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]

## FORM OF PARENT COMPANY GUARANTEE

**Note. Separate Parent Company Guarantees are required to be made out in respect of the Scottish Ministers for the Contract and Caledonian Maritime Assets Ltd in respect of the Agreement. The Style has been drafted in respect of a guarantee to the Scottish Ministers for the Ferry services Contract and is to be amended as appropriate for application also to CMAL in respect of the Harbour Operating Agreement.**

*They 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 be deemed as non-compliance with the requirements for submission of Final Tenders identified in Volume 2.*

### 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]/[CMAL] 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]/[Harbour Operating Agreement] 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:
  - a. if delivered by hand; or
  - b. if sent by facsimile; or

- c. if sent by prepaid recorded or special delivery post; or
- d. 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,
- b. if delivered by hand, on the date of delivery;
  - c. 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;
  - d. if sent by pre-paid recorded or special delivery post, on the date of delivery; or
  - e. 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,
  - f. 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
<b>Signatures:</b>		
<b>Names (BLOCK CAPS)</b>		
<b>Date</b>		

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

<b>Company</b>	
<b>Address</b>	
<b>Postcode</b>	

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**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF SERVICES**

**VOLUME 1**

**TS/MTRIPS/SER/2015/01**

**APPENDIX 2: FORM OF FINAL TENDER FURTHER REQUIREMENTS FOR BUNDLE 1  
(FERRY SERVICES COMPONENT)**

FORM OF FINAL TENDER

**PACKAGE A**

**A.1 TO A.3: CONCEPTUAL PROPOSALS, ETC.**

<b>Conceptual proposals, etc.</b>
The Conceptual and Operational Management Systems 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.
<b>Package A: Section A.1</b>  <b>Conceptual Proposals: Shown as tracked changes on Outline Conceptual Proposals</b>  <b>Executive Summary</b> <b>Services</b> <b>Vessels and Ports</b> <b>Mobilisation plan</b> <b>Marketing Plan</b> <b>Health and Safety Plan</b> <b>Environmental Management Plan</b> <b>Customer Care and Accessibility Process</b> <b>Human Resources Strategy</b>
<b>Package A: Section A.2</b>  <b>Operational Management System: Shown as tracked changes on Outline Operational Management System</b>  <b>Operational Management Methodology</b> <b>Supplier's Quality Management Organisation of the Contract</b> <b>Operators Proposals for the involvement of Supported Businesses</b> <b>Operators Proposals for the involvement of Small and Medium Enterprises (SME's)</b> <b>KPI's</b>
<b>Package A: Section A.3</b>  <b>Schedule of Revisions to Outline Proposals:</b>  <b>Yes/ No indication of whether changes were requested and Yes / No indication of if changes have been made to Outline proposals.</b>

**PACKAGE A: SECTION A.1**

**CONCEPTUAL PROPOSALS**

**PARTICIPANT TO INSERT OUTLINE CONCEPTUAL PROPOSALS AS ADJUSTED FROM THE LATEST INITIAL OR INTERIM TENDER (IN TRACKED CHANGE FORMAT) IN RESPONSE TO NOTIFICATION BY THE SCOTTISH MINISTERS OR FOR ELECTIVE REASONS.**

<b>1</b>	<b>Conceptual Proposals</b>
<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. The Participant has been notified 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 notice or for elective reasons and resubmitted as the Conceptual Proposals this should be recorded in Package A: Section A.3. The Conceptual Proposals will be graded in line with the marking scheme contained in this Volume 2 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 Clyde and Hebrides 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

<b>1.1.1</b>	<b>Volume 3 Reference: N/A</b>
<b>Requirement</b>	<p><b>Executive Summary:</b> Participant should provide an Executive Summary that provides a useful introduction to the Outline Conceptual Proposals for evaluators, and may be used to advise parties who are not involved in the competition, but who nevertheless have an interest in the provision of the ferry services.</p>
<b>Response Guidance</b>	<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 those 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 those Proposals to demonstrate how they represent 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> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>

**[A1.1.1] Response [Please insert here - Limited to 2500 words]**

## 1.2 Services

1.2.1	<b>Volume 3 Reference: Schedule 3</b>
<b>Requirement</b>	<p><b>Summer Timetables:</b> Scheduled Ferry Services are set by the Scottish Ministers and specified in the Summer Timetables published by the ferry operator to reflect the Scottish Ministers’ intentions on the delivery of the Ferries Plan 2013-22. The Scottish Ministers are mindful of the need to match the services supplied to the needs of the communities, agriculture, industry and tourism and seek the Participant’s insight into future timetable options.</p>
<b>Response Guidance</b>	<p>For the summer timetables for each ferry route provide an analysis of:</p> <ul style="list-style-type: none"> <li>• potential changes in the future pattern of demand and consequences for the Timetable;</li> <li>• strategy for engaging with communities on changes to the timetables and engagement with Transport Scotland for Ministerial approval;</li> <li>• arrangements for opening of booking systems and publication of timetables;</li> <li>• levels and spread of anticipated loading;</li> <li>• identification of periods where demand may exceed capacity;</li> <li>• opportunities for adjustments to the timetables to provide higher VFM benefits including perceived value to local communities (for example the provision of a late evening sailings) and, including to integrated transport.</li> </ul> <p>Participants should note that their proposals must not result in a diminution of services.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>[A1.2.1] Response</b>	

**Analysis: [Please insert here]**

**Service offerings and contractual undertakings: [not required for this item]**

<b>1.2.2</b>	<b>Volume 3 Reference: Schedule 3</b>
<b>Requirement</b>	<p><b>Demand Management:</b> Tariffs are set by the Scottish Ministers and specified in the Summer Timetables published by the ferry operator to reflect the Scottish Ministers intentions on the delivery of the Ferries Plan 2013-22. <i>(The first Summer Timetable under full RET (2016/17) will be available around Dec 2015.)</i> The provision of RET is expected to increase demand in passenger/vehicle travel.</p> <p>The Scottish Ministers require to be mindful of the need to match the services supplied to the needs of the communities, agriculture, industry and tourism and seek the Participant's insight into future timetable options. The Ferries Plan 2013-22 states that the ferry operator has the opportunity to bring forward proposals on how to manage demand where there is excess demand. The operator will consult with the community and agree the level of demand management to be introduced. The Ferries Plan is clear that no distinction will be made between islanders and visitors for the purpose of Demand Management.</p>
<b>Response Guidance</b>	<p>Participant to describe potential effective and efficient measures for demand or service management, including differentiation between passenger and car, coach and freight traffic provision.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>[A 1.2.2] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [not required for this item]</b>	

<b>1.2.3</b>	<b>Volume 3 Reference: Schedule 3</b>
<b>Requirement</b>	<p><b>Winter Timetables:</b> Scheduled Ferry Services are set by the Scottish Ministers and specified in the Winter Timetables published by the ferry operator to reflect the Scottish Ministers intentions on the delivery of the Ferries Plan 2013-22. The Scottish Ministers are mindful of the need to match the services supplied to the needs of the communities, agriculture, industry and tourism and seek the Participant’s insight into future timetable options.</p>
<b>Response Guidance</b>	<p>For the winter timetables for each ferry route provide an analysis of:</p> <ul style="list-style-type: none"> <li>• potential changes in the future pattern of demand and consequences for the Timetable;</li> <li>• strategy for engaging with communities on changes to the timetables and engagement with Transport Scotland for Ministerial approval;</li> <li>• arrangements for opening of booking systems and publication of timetables;</li> <li>• levels and spread of anticipated demand;</li> <li>• arrangements for scheduled non availability.</li> </ul> <p>Participants should note that their proposals must not result in a diminution of services.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>[A1.2.3] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [not required for this item]</b>	

<b>1.2.4</b>	<b>Volume 3 Reference: Schedule 3</b>
<b>Requirement</b>	<b>Catering services:</b> Participants to indicate proposals for managing Catering services
<b>Response Guidance</b>	<p>For each route, provide a Plan for catering at the port or harbour and/or on board the Fleet Vessels to show (if and where applicable or proposed):</p> <ul style="list-style-type: none"> <li>• the facilities proposed for self-service drinks and snacks not requiring site preparation;</li> <li>• self-service hot food;</li> <li>• table service hot food;</li> <li>• the source of produce from small and medium enterprises, in particular fresh produce.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>[A 1.2.4] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

Participants should note that the identification of vessels which have dedicated facilities for the preparation, sale and consumption of food is included in the Information Room:

The following minimum provisions must be included in the participant's proposals (except during periods of scheduled unavailability of the vessel deployed on the route by the Operator and where the replacement vessel to provide self-relief is not capable of providing the required facilities:

Route	Requirement	
	Restaurant service (providing table service)	Food and hot and cold drinks
Ardrossan - Brodict **	x	x
Mallaig - Armadale		x
Mallaig - Eigg/Rum/ Muck/Canna		x
Wemyss Bay - Rothesay		x
Kennacraig - Port Ellen/ Port Askaig	x	x
Oban - Craignure	x	x
Ullapool - Stornoway	x	x
Oban - Tiree/Coll/ Colonsay	x	x
Uig - Lochmaddy	x	x
Uig - Tarbert	x	x
Oban - Castlebay/ Lochboisdale	x	x

<b>1.2.5</b>	<b>Volume 3 Reference: Schedule 3</b>
<b>Requirement</b>	<b>Retail services:</b> Participants to indicate proposals for generating and managing retail and gaming/entertainment services
<b>Response Guidance</b>	<p>For each route, provide a Plan for retail services at the port or harbour and/or on board the Fleet Vessels to show:</p> <ul style="list-style-type: none"> <li>• range of products to be retailed and/or services to be provided;</li> <li>• the original source of products, in particular craft products;</li> <li>• use of products to be sourced from small and medium enterprises.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>[A 1.2.5] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

### 1.3 Vessels and Ports

<b>1.3.1</b>	<b>Volume 3 Reference: Schedule 5 Part A,</b>
<b>Requirement</b>	<b>Fleet Vessels:</b> Participant to list proposed deployment for each Fleet Vessel.
<b>Response Guidance</b>	<p>Separate listing to be provided for each vessel describing, where applicable:</p> <ul style="list-style-type: none"> <li>• service route for Summer and Winter timetables;</li> <li>• scheduled maintenance programmes;</li> <li>• proposals for use as a substitute vessel to cover for other service routes as a result of scheduled and unscheduled maintenance of other Fleet Vessels.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A1.3.1] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

<b>1.3.2</b>	<b>Volume 3 Reference: Schedule 5 Part A,</b>
<b>Requirement</b>	<b>Fleet Vessels:</b> Participant to list for each Fleet Vessel proposed investment in facilities to be funded by Participant.
<b>Response Guidance</b>	<p>Separate listing to be provided for each vessel describing, where applicable:</p> <ul style="list-style-type: none"> <li>• value of investment;</li> <li>• timing of investment;</li> <li>• purpose of investment;</li> <li>• availability consequences of implementing investment.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.3.2] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

Information about the current configuration of the Fleet Vessels is provided in the Information Room

<b>1.3.3</b>	<b>Volume 3 Reference: Schedule 5 Part C</b>
<b>Requirement</b>	<b>Scheduled Maintenance Programme:</b> Participant to describe proposals for maintaining the Vessels
<b>Response Guidance</b>	Separate proposals to be provided for each Fleet Vessel over the duration of the Services.  Responses that do not include all the elements within the response guidance may be considered non-compliant.
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.3.3] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

<b>1.3.4</b>	<b>Volume 3 Reference: Schedule 5 Part D</b>
<b>Requirement</b>	<b>Port and harbour facilities to be undertaken by the Operator:</b> Participant should describe operations that he proposes to undertake at each Port which he is not operating under the Harbour Operating Agreement. (General information on the Ports is listed in the information room.)
<b>Response Guidance</b>	Separate listings to be provided for each Port or Harbour as set out in the tables below. Responses that do not include all the elements within the response guidance may be considered non-compliant.
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.3.4] Response</b>	
<b>Analysis: [Please insert here]</b>	

**Service offerings and contractual undertakings: [Please insert an “x” in each appropriate cell to indicate the intent to provide services directly]**

Harbour Authority	Argyll and Bute Council									
	Harbour	Campbeltown	Rothesay	Port Askaig	Craignure	Fionphort	Iona	Gigha	Tayinloan	Lismore
<b>Harbour Operations Undertaken by Ferry Operator (normally undertaken by Harbour Operator and charged through harbour dues)</b>										
Mooring (Fleet Vessels)										
Mooring (Non Fleet Vessels)										
Operating waiting room / terminal building										
Provide Ticket Office										
Operate PAS										
Operate Linkspan										
Waste Disposal - Oil										
Waste Disposal - Other										
provide and maintain CCTV										
<b>Port Services provided by the Ferry Operator</b>										
Gangways										
Foul water disposal										
Supply Fresh Water										
Supply and Storage of Lub Oil										
Bunkering										
Storage of Fuel										
Operating Ticket Office										
Inform HA when slipway cleaning req'd										
Car Marshalling										
Receiving stores										

Nightwatchman									
Staff parking									
Loose Freight Services									

<b>Harbour Authority</b>	<b>PeelPorts - Clydeport</b>	<b>MHA</b>	<b>NTS</b>	<b>T(LF)HA</b>	<b>UHT</b>	<b>SPA</b>
<b>Harbour</b>	<b>Ardrossan</b>	<b>Mallaig</b>	<b>Canna</b>	<b>TLF</b>	<b>Ullapool</b>	<b>Stornoway</b>
<b>Harbour Operations Undertaken by Ferry Operator (normally undertaken by Harbour Operator and charged through harbour dues)</b>						
Mooring (Fleet Vessels)						
Mooring (Non Fleet Vessels)						
Operating waiting room / terminal building						
Provide Ticket Office						
Operate PAS						
Operate Linkspan						
Waste Disposal - Oil						
Waste Disposal - Other						
provide and maintain CCTV						
<b>Port Services provided by the Ferry Operator</b>						
Gangways						
Foul water disposal						
Supply Fresh Water						
Supply and Storage of Lub Oil						
Bunkering						
Storage of Fuel						
Operating Ticket Office						
Inform HA when slipway cleaning req'd						

Car Marshalling						
Receiving stores						
Nightwatchman						
Staff parking						
Loose Freight Services						

<b>Harbour Authority</b>	<b>Western Isles Council</b>					
<b>Harbour</b>	<b>Airdmhor</b>	<b>Berneray</b>	<b>Eriskay</b>	<b>Leverburgh</b>	<b>Lochmaddy</b>	<b>Otternish</b>
<b>Harbour Operations Undertaken by Ferry Operator (normally undertaken by Harbour Operator and charged through harbour dues)</b>						
Mooring (Fleet Vessels)						
Mooring (Non Fleet Vessels)						
Operating waiting room / terminal building						
Provide Ticket Office						
Operate PAS						
Operate Linkspan						
Waste Disposal - Oil						
Waste Disposal - Other						
provide and maintain CCTV						
<b>Port Services provided by the Ferry Operator</b>						
Gangways						
Foul water disposal						
Supply Fresh Water						
Supply and Storage of Lub Oil						
Bunkering						
Storage of Fuel						

Operating Ticket Office						
Inform HA when slipway cleaning req'd						
Car Marshalling						
Receiving stores						
Nightwatchman						
Staff parking						
Loose Freight Services						

<b>Harbour Authority</b>						
<b>Harbour</b>	<b>Highland Council</b>					
<b>Harbour Operations Undertaken by Ferry Operator (normally undertaken by Harbour Operator and charged through harbour dues)</b>	<b>Eigg</b>	<b>Muck</b>	<b>Raasay</b>	<b>Sconser</b>	<b>Uig</b>	<b>Rum</b>
Mooring (Fleet Vessels)						
Mooring (Non Fleet Vessels)						
Operating waiting room / terminal building						
Provide Ticket Office						
Operate PAS						
Operate Linkspan						
Waste Disposal - Oil						
Waste Disposal - Other						
provide and maintain CCTV						
<b>Port Services provided by the Ferry Operator</b>						
Gangways						
Foul water disposal						

Supply Fresh Water						
Supply and Storage of Lub Oil						
Bunkering						
Storage of Fuel						
Operating Ticket Office						
Inform HA when slipway cleaning req'd						
Car Marshalling						
Receiving stores						
Nightwatchman						
Staff parking						
Loose Freight Services						

<b>1.3.5</b>	<b>Volume 3 Reference: Schedule 5 Part D</b>
<b>Requirement</b>	<b>Port facilities available to customers:</b> Participant must describe facilities that are proposed to be procured to be made exclusively available to customers of the services at each Port. (General information on the Ports is listed in the information room.)
<b>Response Guidance</b>	<p>Separate listings to be provided for each Port grouped as CMAL Harbours and other Harbours describing:</p> <ul style="list-style-type: none"> <li>• passenger waiting rooms (capacity, toilets, catering and disability adaptation);</li> <li>• any catering facilities;</li> <li>• arrangements for receiving, securing, holding and returning “left luggage”;</li> <li>• real time information boards;</li> <li>• passenger access provisions to board the Participant’s vessels;</li> <li>• vehicle marshalling spaces (car, coach and HGV);</li> <li>• longer term parking areas (car, coach and HGV along with any restrictions, charges and time constraints);</li> <li>• freight handling facilities.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.3.5] Response</b>	
<b>Analysis: [Please insert here]</b>	

**Service offerings and contractual undertakings: [Please insert here]**

<b>1.3.6</b>	<b>Volume 3 Reference: Schedule 5</b>
<b>Requirement</b>	<b>Port Facilities available in emergencies:</b> Participant must 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.
<b>Response Guidance</b>	<p>Separate listing of Ports of Refuge to be provided for each service route describing:</p> <ul style="list-style-type: none"> <li>• capability to disembark passengers;</li> <li>• capability to disembark cars and Ropax freight;</li> <li>• capability to discharge loose freight.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A1.3.6] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

## 1.4 Mobilisation plan

1.4.1	<b>Volume 3 Reference: Clause 7 and Schedule 6</b>
<b>Requirement</b>	<b>Mobilisation Plan:</b> 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 3 Schedule 15. The Mobilisation 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
<b>Response Guidance</b>	<p>Provide a Mobilisation Plan which will include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• The Operator's programme for taking delivery of the Fleet Vessels;</li> <li>• identification of all Port &amp; Harbour and land-based facilities necessary for the provision by the Operator of the Services;</li> <li>• the Operator's programme for procuring such facilities and the timetable for procurement;</li> <li>• the Operator's programme for obtaining passenger certificates and any other Maritime and Coastguard Agency (MCA) authorisations;</li> <li>• the Operator's arrangements for providing appropriate insurances;</li> <li>• job specification for all key employees required for the provision by the Operator of the Services;</li> <li>• the Operator's programme for any transfer of staff</li> </ul>

	<p>(onshore and seagoing)and (where necessary) familiarisation and training including, without limitation, disability and awareness training;</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• arrangements for servicing replacement assets in the vessels e.g. uniforms, spares, systems, etc.;</li> <li>• 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;</li> <li>• consultation proposals with Local Authorities, RTP's and other key partners/stakeholders;</li> <li>• arrangements for introducing new branding to the services (if proposed), including replacement of uniforms and changes to vessel livery;</li> <li>• 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;</li> <li>• the Operator's project management process for delivery of the Start-up Plan.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.4.1] Response</b>	

**Analysis: [Please insert here]**

**Service offerings and contractual undertakings: [Please insert here]**

<b>1.4.2</b>	<b>Volume 3 Reference: Schedule 6</b>
<b>Requirement</b>	<p><b>Programme for the Mobilisation Plan:</b> The programme (which will form part of the Mobilisation 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.</p>
<b>Response Guidance</b>	<p>Provide a programme which must contain, but need not be limited to, the following features:</p> <ul style="list-style-type: none"> <li>• all activities shall have unique activity IDs and shall be coded to a Work Based Sequence structure;</li> <li>• 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;</li> <li>• activities shall be logic linked so that a closed logic network is formed, and critical path analysis can be carried out;</li> <li>• the use of constraint dates which shall be kept to a minimum;</li> <li>• all key Incumbent Operator constraints;</li> <li>• all key Scottish Ministers' constraints.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>

**[A 1.4.2] Response**

**Analysis: [Please insert here]**

**Service offerings and contractual undertakings: [Please insert here]**

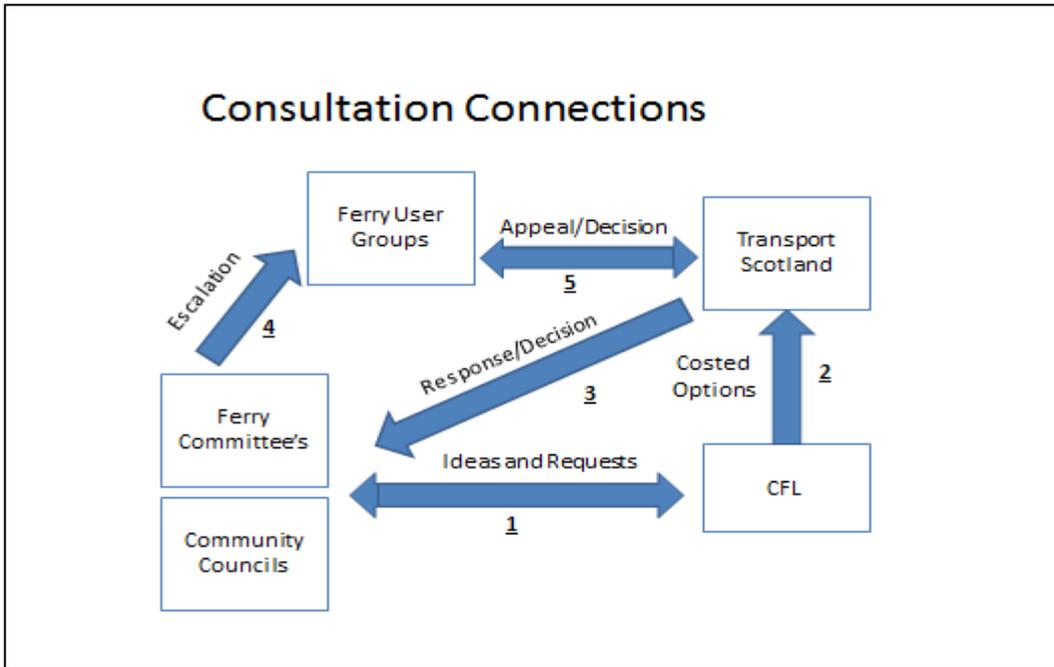
<b>1.4.3</b>	<b>Volume 3 Reference: Schedule 6</b>
<b>Requirement</b>	<b>Management Reporting for the Mobilisation Plan:</b> Management reporting will be available throughout the Mobilisation Period.
<b>Response Guidance</b>	The Participant must: <ul style="list-style-type: none"> <li>• outline how he will provide user-friendly, up-to-date management reporting on all mobilisation activities;</li> <li>• Provide a summary of the standard reports he proposes to provide with his mobilisation service.</li> </ul> Responses that do not include all the elements within the response guidance may be considered non-compliant.
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A1.4.3] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

## 1.5 Marketing Plan

1.5.1	<b>Volume 3 Reference: Clauses 8, 35 and 38 and Schedule 7</b>
<b>Requirement</b>	<b>Marketing Plan:</b> Participant to provide a full and detailed Marketing Plan (which should draw on the analysis set out in response to other questions in this Volume 2 Appendix 2) and the resources required to manage the requirements of the Plan.
<b>Response Guidance</b>	<p>Provide a Marketing Plan which should show separately in a structured format for, but not limited to:</p> <ul style="list-style-type: none"> <li>• arrangements to show transparently the Services and charges applicable (including the range of media to be deployed and their contribution to the whole picture);</li> <li>• co-operation with complementary tourism and economic services provided by local businesses;</li> <li>• community engagement strategy, including:             <ul style="list-style-type: none"> <li>○ sipping services consultation with representatives of Councils and Regional Transport Partnerships;</li> <li>○ local community liaison with representatives of users and the public,</li> </ul> </li> <li>• 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);</li> <li>• ticketing arrangements under RET including length of validity and providing books of RET tickets for customer convenience;</li> <li>• marketing targeted at managing demand;</li> <li>• arrangements to anticipate and support local events and festivities;</li> <li>• promotional events to optimise traffic;</li> <li>• 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</li> </ul>

	<p>supported services);</p> <ul style="list-style-type: none"> <li>• staff and resources proposed to fully develop, implement and update the plan;</li> <li>• anticipated cost effectiveness for each strand of marketing expenditure.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>
<b>[A 1.5.1] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

Local community liaison arrangements currently include the present Public Services Operator (CFL), local Ferry Committees (or such other group which is in place at community level representing ferry issues), and four Ferry Users Groups (FUGs) across the network.

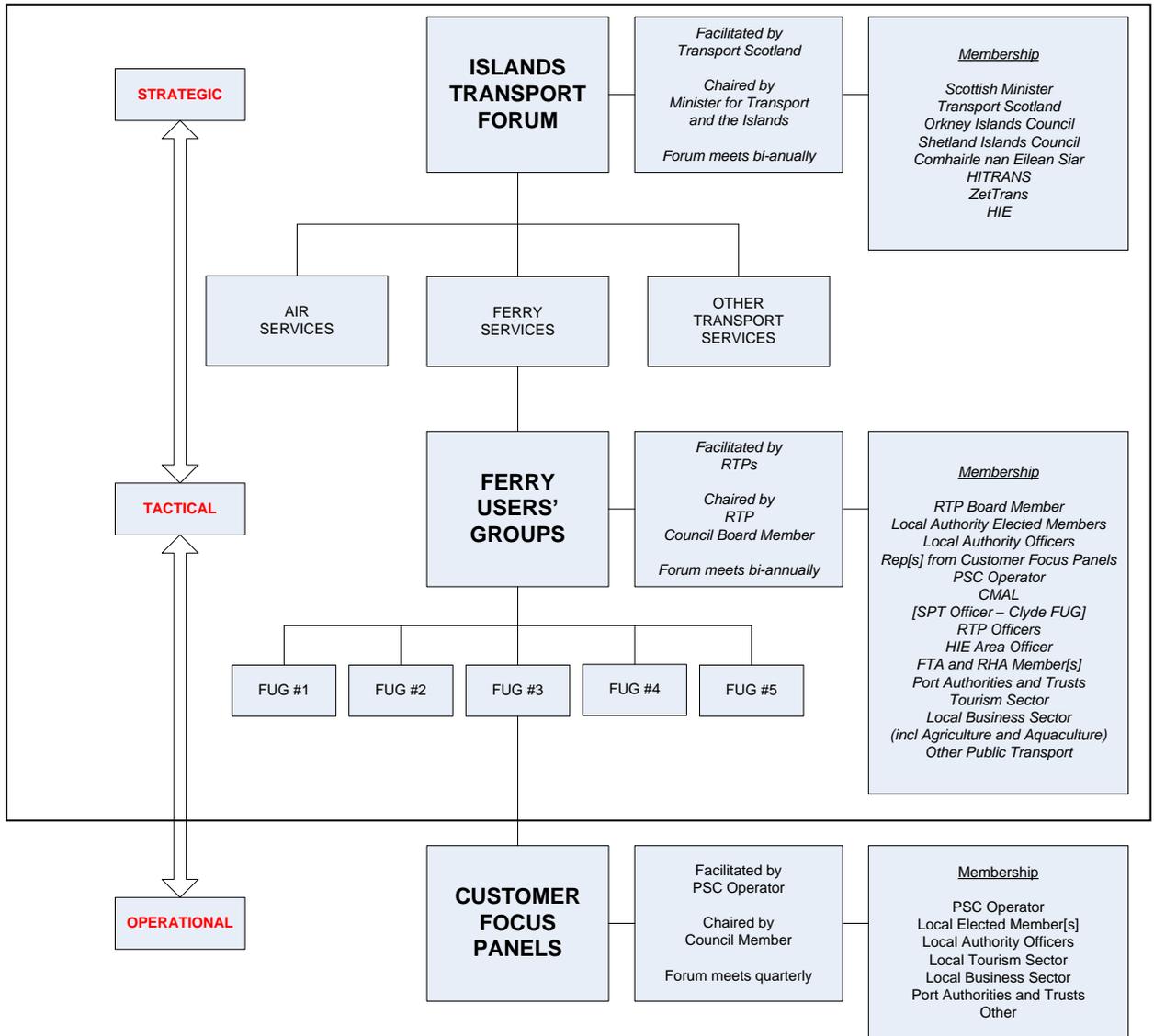


The FUGs are chaired by the Chair of the appropriate Regional Transport Partnership and are:

- a) The Argyll Group is concerned with services operated in the Islay, Kintyre, Jura, Gigha, Colonsay, Oban, Mull, Iona, Lismore, Coll, Tiree, Barra, South Uist area.
- b) The Small Isles, Skye, Raasay, Kilchoan, Lochaline Group is concerned with services within this area.
- c) The Clyde Group is concerned with services operated within the Arran, Bute, Cumbrae, Cowal area.
- d) The Hebrides Group is concerned with services operated within the Barra, South and North Uist, Harris, Lewis area.

Additionally, The Scottish Government proposes to establish a new Islands Transport Forum to include the Scottish Ministers, the Island and Highland, Argyle and Bute and North Ayrshire councils and the relevant Regional Transport Partnerships.

A potential structure of the Islands Transport Forum and the FUG's is included in the diagram below;



<b>1.5.2</b>	<b>Volume 3 Reference: Clause 9 and Schedule 7</b>
<b>Requirement</b>	<b>Marketing Plan Supplement - Smart and integrated ticketing:</b> Participant to provide a full and detailed marketing plan supplement (which should draw on the analysis set out in response to other questions in this Volume 2 Appendix 2) and the resources required to manage the requirements of the plan.
<b>Response Guidance</b>	Provide a Marketing Plan Supplement which must show in a structured format, but need not be limited to proposed development of ticketing arrangements, including proposals for smart ticketing and integrated ticketing with other transport operators including other ferry operators in accordance with the further and detailed requirements and response guidance below in relation to smart and <b>integrated ticketing</b> .  Responses that do not include all the elements within the response guidance may be considered non-compliant.
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.6.2] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

## SMART AND INTEGRATED TICKETING

### Background

Participants should note that a key part of the ticket provision for the next CHFS Contract will revolve around smart and integrated ticketing and payment, and a prioritised implementation plan for an ITSO smart ticketing scheme. The Scottish Ministers' vision is:

**“That all journeys on Scotland’s bus, rail, ferry, subway and tram networks can be accessed using some form of smart ticketing or payment”**

The Scottish Ministers are already implementing a Delivery Strategy for the deployment of smart and integrated ticketing across Scotland.

There are currently a series of proposals outlining the potential creation and delivery of a customer orientated national fulfilment service which under takes the key functions required to operate such an environment (“Fulfilment Service”). The Fulfilment Service will most likely be implemented in phases, with each of the functions being under taken by public transport operator being migrated to the Fulfilment Service as capability comes on line. When fully operational, the key functions of the Fulfilment Service will include:

- The creation and management of customer accounts;
- The management of a national e-purse;
- The provision of the smart and integrated ticketing infrastructure which supplements that provided by operators. This will include the facilitation of the transfer of smart products purchased by customers from the point of product purchase to the customer’s smart media wherever it is offered for update;
- The provision of core ITSO infrastructure including a HOPS;
- The provision of a smartcard which will operate on all operators’ equipment and carry multiple products such as e-purse, concessionary travel products and commercial ticketing products for rail, bus, ferry, subway and tram. This card will be made available to all operators, with branding and business rules being agreed in due course;
- The redistribution of funds, initially from the e-purse between operators. This will expand to distribution between operators where a commercial arrangement exists between them based on an area wide or season ticket;
- A customer service function and on-line portal dealing with account maintenance, new and replacement cards, travel planning and advice, retail of commercial products, refunds etc.;
- Fraud prevention including hotlisting management; and
- A management information (data) and customer survey service.

It is envisaged that the initial phases of operation will be focused around providing the functions required to deliver and operate the generic multi modal, multi operator smartcard media and the redistribution of funds to operators.

The Operator will be required to participate in the formation of the Fulfilment Service to be introduced by The Scottish Ministers and to support and facilitate the creation and the delivery of the Fulfilment Service, including through appropriate and timely engagement with and participation in its development.

### The Scottish Ministers requirements:

Participants are expected to set out their approach for the implementation of a comprehensive ITSO compliant smart and integrated ticketing scheme for the CHFS Contract to be delivered within the first 4 years. Such a scheme is required as a minimum to be able to retail, issue, accept and validate all valid ticketing products on any valid ITSO certified customer media in accordance with the ITSO Operating Licence and, if applicable, ITSO in National Rail – Specification Rail Settlement Plan Document reference RSPS3002 version 2.0 standards (“RSpS3002”).

In line with The Scottish Ministers’ ambition to deliver smart and integrated ticketing across Scotland, the minimum requirements for the implementation of the scheme are as follows:

- Stage 1: The Operator is required to introduce ITSO compliant ticketing throughout the Grant Period for the following ticket types and any ticket types proposed by the Participant to enhance Smartcard journey uptake by no later than October 2017 and ensure ITSO compliant ticketing is operational throughout the Grant Period. The Operator must ensure that smart ticketing (e.g. ITSO compliant smartcards) is used for the majority of foot passenger journeys that make use of these ticket types by October 2019:
  - ANY Tickets where the fares are based on RET
  - Any ticket types proposed by the Participant to enhance Smartcard uptake;
  - National and Local Concessionary and Discounted Travel Schemes as required and as applicable. The Operator will be required to read and validate ITSO smart media holding applicable concessionary and discounted rail travel products and pass transaction data to The Scottish Ministers and/ or relevant local authorities as required for the purpose of reimbursement;
  - All ticket types for multi-modal rail, bus and ferry travel via CHFS, Northern Isles Ferry Services and Gourock - Dunoon ferries (for example, Rail and Sail products).
  
- Stage 2: The Operator must ensure that the majority of foot passenger journeys are made using Smart ticket types introduced in Stage 1. In addition to the requirements of Stage 1 the Operator will be required to introduce ITSO compliant ticketing throughout the Grant Period for all ticket types by no later than October 2019 and ensure ITSO compliant ticketing is operational throughout the Grant Period.
  
- Stage 3: The Operator must ensure that the majority of foot passenger journeys across all ticket types are made using smart media by October 2021.

Participants may propose innovative incentives, products and media to achieve the targets set out above.

In summary:

<b>Stage 1 2017</b>	Smartcard availability of a range of specified ticket types plus any ticket types committed to by the Participant to enhance smartcard journey uptake
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<b>Stage 2 2019</b>	Stage 1 plus Smartcard availability of all ticket types plus 50+% uptake level for the total journeys made across the ticket types specified or committed to by the Participant for Stage 1.
<b>Stage 3 2021</b>	Stage 2 plus 50+% uptake level for journeys made on ticket types specified for Stage 2 i.e. introduced in Stage 2.

Participants shall provide in their Tender a prioritised implementation plan for their ITSO ticketing scheme, demonstrating its phasing and how full implementation will be achieved within the timeframes highlighted above.

The Scottish Ministers are currently working to deliver smart and integrated ticketing and payment across Scotland and, as part of that work, is assessing the scope for the provision of a national ticketing Fulfilment Service, covering a minimum of rail, bus and ferry services. The CHFS Contract and services would be considered an intrinsic part of such a scheme, and a key driver for its implementation and development. Participants' proposals should anticipate (but not rely on) the possible implementation of a national Fulfilment Service during the term of the CHFS Contract and include measures and capabilities that could facilitate its implementation and on-going operation. Within this Delivery Plan, Participants should also outline their approach to engagement with The Scottish Ministers and other stakeholders to support, proactively, the development and delivery of the Scotland wide smart and integrated ticketing and payment environment and a future national Fulfilment Service. Proposals for the creation of a national Fulfilment Service will include its operation and will be dealt with as a separate requirement and therefore not part of this ITT.

The Operator will be required to operate a current valid ITSO approved smart and integrated ticketing scheme. Smartcards used by the Operator will also be expected to accept at least four products –

- TYP 2 - Stored Travel Right (“STR”);
- TYP 14 - Entitlement;
- TYP 16 - ID – personal data;
- TYP 22-1 - Season Ticket; and
- TYP 23 – national and local concessions and commercial carnets.

The smartcards should also have capacity to load other products (including, for example, Scottish concessionary travel scheme products and Scottish bus, ferry or rail products), where those products are also ITSO compliant) along with the appropriate anti-tear software.

The Operator should note that, as part of the infrastructure required for smart ticketing, there already exists a nationally available card (the Saltire Card) which is available to all Scottish residents free of charge. This is administered by Dundee City Council on behalf of the Scottish public sector. Similarly, Transport Scotland operates a HOPS which has sufficient capacity to process all smart ferry transactions, and again is available free of charge to operators. The Operator is encouraged to consider using this existing national infrastructure as part of their proposal.

Where the Operator owns or leases such infrastructure, they will be required, at their own expense, to maintain their smart ticketing equipment. This equipment will include all elements of hardware and software including back office systems in line with the latest ITSO specification, whenever changes in the ITSO Specification are required to maintain the security of its operation.

The Operator will be required to work with stakeholders to promote the inter-availability of tickets and to join all relevant Transport Scotland approved smart-related ticketing schemes including, where appropriate, adopting ATOC/ Transport Scotland supported generic ticketing products (either currently implemented or developed over the life of the CHFS Contract). The Operator will also be required to work with Regional Transport Partnerships, local authorities and operators of other ITSO certified schemes within the CHFS Contract area who may wish to implement smart multi-modal ticketing schemes as part of the national Delivery Strategy set out by Transport Scotland. The Operator shall not unreasonably withhold consent to such propositions, and will refer participation in any such Scheme to Transport Scotland so that Transport Scotland can ensure that any systems, products or requirements introduced as part of participation in such scheme will not jeopardise the integrity of the national Concessionary travel Scheme of the successful operation of the Fulfilment Service.

The Operator should promote demand management and passenger benefits by making proposals for the development and implementation of new smart/flexible products.

Participants should also note that reservations, warrants, supplements and concessionary travel form fundamental aspects of ticketing. The Operator will work with the broader industry to co-ordinate their approach to addressing these issues.

Participants shall also provide in their Tender an analysis of the costs and benefits of the Participant's chosen smart and integrated ticketing solution taking into account, inter alia and not limited to, the effects on capital and operational costs, implications for CHFS Contract revenue and the predicted effects on passenger experience, behaviour and patronage.

As a minimum, the Operator shall ensure there is appropriate provision for an ITSO compliant ticketing system comprising ticket issuing equipment, readers and validators (and, if appropriate, gating) throughout the CHFS Contract. This infrastructure shall be supported with ITSO back-office functionality and business rules as appropriate. It is important that the smart ticketing infrastructure deployed is compliant with ITSO v2.1.4 and ITSO OAG (Operations Advisory Group) good practice guide, and is fully compliant with the latest ITSO specification within 12 months of it being announced. This requirement may also require negotiations with other operators or infrastructure providers. The Scottish Ministers reserve the right to request and use data stored in the ITSO back-office for policy purposes.

The Operator will be able to propose variations to these requirements during the Grant Period if these are justified by future developments of innovative ticketing and payment technology.

Participants shall propose targets of uptake in smart ticketing across all ticket types over the Grant Period on an annual basis, and present the evidence on which these are based. These targets shall at least match the stipulation above in this Section, which requires the Operator to ensure that the majority of foot passenger journeys across the CHFS Network

are made using smart technology for certain ticket types by certain dates. An interim target should therefore be set for October 2019 on that basis, with a minimum of 51% of passenger journeys on the required ticket types, and reported as a percentage of total sales. A target should also be set for October 2021 with a minimum of 51% of foot passenger journeys on all residual ticket types, also reported as a percentage of total sales. The proposed targets will then form part of the contractual provision as a KPI for the assessment of the performance of the CHFS Contract.

Participants shall provide in their Tender initiatives targeting existing passengers and initiatives designed to attract new users and retain them as repeat customers. Any proposals must be accompanied by a robust implementation plan detailing key deliverables, critical path and milestones for delivery.

Following the implementation of each stage of the roll-out of ITSO compliant ticketing, the Operator should use the levers available to them to influence passenger behaviour, to ensure a steady growth in passenger journeys under taken using smart and integrated ticketing, in line with the targets set and the Scottish Ministers' aim to ensure a successful roll-out of smart and integrated ticketing and payment across transport modes in Scotland.

Participants should identify and set out any barriers, actual or perceived, to smart uptake, their proposed response and the likely impact.

Participants should note that contracts related to smart ticketing will be designated as Key Contracts to secure the continued provision of the smart ticketing through a Direct Agreement beyond the end of the CHFS Contract in the event of the CHFS Contract being terminated early for whatever reason.

If the Operator develops new IPR in connection with smart ticketing which is approved by Transport Scotland, the Operator will be required to transfer ownership of such IPR to Transport Scotland. The Operator will also be required to deliver to Transport Scotland a copy of the source code of any software comprised in such IPR and all documentation necessary to enable the operation, maintenance and development of the software in the event of the CHFS Contract being terminated.

All smart ticketing equipment, software, back office systems and related contracts shall become franchise assets.

### **Additional outcomes**

In relation to the proposed implementation timetable, Participants are free to propose a more ambitious implementation plan that sees the earlier introduction of smart and integrated ticketing across the CHFS Contract area and/or across all ticket types. Participants may also propose the introduction of multi-modal, multi-operator tickets with the condition that individual schemes or agreements must not prejudice the future development of the national scheme, and only if they are able to be incorporated into the national scheme when the Fulfilment Service is established. Any proposals must be accompanied by a robust implementation plan detailing key deliverables, critical path and milestones for delivery.

Participants are also free to put forward additional proposals for smart and integrated ticketing that will provide better functionality, integration with other systems and/or greater extent and depth and breadth of coverage (including, for example, e-purse and pay-as-you-go type functions) or the ability to pay for parking or other such facilities. Transport Scotland is also looking for better integration with other modes of travel than anticipated by the minimum requirements stated above, including engagement with promoters of other smart and/or integrated products, such as SPT's Zonocard and the OneTicket where they are in line with Transport Scotland's national ticketing strategy.

Participants will be given additional credit for proposing more challenging targets of uptake of passenger journeys under taken on ITSO compliant ticketing than the minimum specified (51% of foot passenger journeys by 2019). Robust evidence on which these more challenging targets are based should be presented.

Participants should identify and set out any potential levers that will result in a greater level of smart uptake, alongside any supporting evidence of the impact of such levers. Levers may include offering smart ticketing solutions as the primary ticket method, marketing effectively, adapting ticket vending machines or introducing new equipment to allow smartcard users to check the card contents at ports and terminals and/or ensuring ticket office staff are well trained in communicating ticket conditions (particularly as ticket conditions may not be displayed on the smart ticket in the same way as they are shown on paper tickets). Participants are invited to include more innovative methods in their Delivery Plan, including initiatives targeting existing passengers and those designed to attract new users and retain them as repeat passengers.

Participants shall provide in their Tender proposals for any passenger reward scheme that they intend to implement as part of their smart ticketing scheme, as well as innovative systems solutions to ensure the passenger pays the lowest available fare for their journey or series of journeys. The proposals for such schemes will be contracted.

Participants may also provide details in their Tender proposals of how they will promote demand management and passenger benefits by making proposals for the development and implementation of new smart/ flexible products.

<b>1.5.3</b>	<b>Volume 3 Reference: Clause 9 and Schedule 7</b>
<b>Requirement</b>	<b>Marketing Plan Supplement – Improving access and interchange:</b> Participant to provide a full and detailed marketing plan (which should draw on the analysis set out in response to other questions in this Volume 2 Appendix 2) and the resources required to manage the requirements of the plan.
<b>Response Guidance</b>	<p>Provide a Marketing Plan Supplement which must show as required by the further and detailed requirements below in relation to <b>improving access and interchange and integrated travel</b>, and separately in a structured format proposals for, but not limited to:</p> <ul style="list-style-type: none"> <li>• co-operation with complementary services provided by other service operators;</li> <li>• the support and promotion of Integrated transport including co-ordination with route and service development by other transport operators;</li> <li>• the development of connectivity between ferry ports and local communities and settlements.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.5.3] Response</b>	
<b>Analysis: [Please insert here]</b>	

**Service offerings and contractual undertakings: [Please insert here]**

## **IMPROVING ACCESS AND INTERCHANGE AND INTEGRATED TRAVEL**

### **Background**

The Scottish Government has stated a commitment to improve transport integration in Scotland, to contribute to this Government's purpose of achieving sustainable economic growth (SG, Government Economic Strategy, 2011). A smart, integrated rail network in Scotland will contribute to the aims set out in the National Transport Strategy (SG, 2007), by improving connectivity and offering a greener alternative to the private car, thereby reducing overall transport emissions.

An integrated transport system makes it easier for people to travel using a variety of connecting modes. A better integrated public transport network will allow passengers to travel using multiple modes: it will facilitate travel patterns that are intra-modal (between services) and/or intermodal (between different modes, also known as multi-modal).

By improving integration between modes of transport, we can offer a world-class service to passengers, helping to meet the needs of those travelling for work and for leisure within Scotland and across the border.

In summary, The Scottish Ministers consider that improvements to public transport integration in Scotland should aim to address the following:

- Policy: e.g. partnership working between transport authorities, influencing behaviours and attitudes and the integration of transport policies with land-use, economic, environmental and social policies;
- Information: e.g. ease of access to cross-modal public transport information;
- Ticketing: e.g. smart and integrated ticketing and payment;
- Technology: e.g. best use of new and emerging technologies to deliver improved, integrated smart ticketing products and payment options;
- Timetables: e.g. alignment between rail, ferry and bus services; and
- Infrastructure: e.g. the physical integration of public transport infrastructure.

### **The Scottish Ministers requirements:**

#### **Transport Integration Manager**

The Operator will be required to appoint a Transport Integration Manager, who will operate at a senior level in the business. Participants shall identify the named individual to be appointed Transport integration manager and provide details of their position in the business, responsibilities and reporting lines.

The Transport Integration Manager will have a leading role in taking forward timetabling, information, and infrastructure activities to improve integration, in line with smart ticketing initiatives. The Transport Integration Manager will be expected to draw on evidence relating to passenger views concerning integration and to work with partners, particularly other transport service providers, Councils and Regional Transport Partnerships, to implement measures to meet ferry passenger needs (whether independently or working in partnership with others). The Transport Integration Manager will be required to prepare annual plans, identifying how they will measure improvements in integration and monthly reports on progress against these targets.

The Transport Integration Manager must also make use of data held by the Operator on passenger flows (including information on passenger origins and destinations) to identify gaps and opportunities to improve integration and to ascertain demand for sustainable transport connections to and from ferry ports. The Transport Integration Manager must then work with Transport Scotland and partners to make improvements to integration. The Operator must also consult with affected transport operators regarding timetable changes and new services to improve connections between transport modes.

### **Provision of journey planning information**

The Operator will be required to work proactively with other transport operators to provide cross-modal information, to sit alongside ferry services information. The Operator will be required to display information at ferry terminals concerning other transport modes and services. Examples include: information on local bus services and rail services from Glasgow Central and Queen Street and other connecting stations as well as cycle routes and walking routes to destinations used by passengers within walking distance of ferry terminals. At ports not covered by the HOA, the Operator will be required to work in partnership with the port operator to ensure the availability of relevant cross-modal journey planning information.

The Operator will be required to provide, and actively promote for ferry passengers, cross-modal onward journey information that meets their needs, by making use of both existing and emerging technology where appropriate.

The Operator will be required to, through membership of Traveline Scotland, fully support Transport Scotland in its work to ensure provision of impartial travel information across all technology platforms including Traveline Scotland's website, mobile applications, social media etc. It is particularly important that the Operator makes available to Traveline Scotland real-time service data including disruption and delay updates.

Participants shall provide a plan setting out their commitments which will deliver the requirements set out above.

### **Integration with other public transport modes – timetabling**

Participants will be required to demonstrate that they have identified opportunities to maximise service timetable, ticket integration and connectivity to Scotland's bus services through dialogue with bus operators and other relevant organisations and to make commitments to secure this integration. Particularly in rural areas, and/or where services are less frequent, timetables should

be developed in alliance with other transport operators, to ensure synergies that offer travellers efficient journey options.

Participants will be required to demonstrate that they have identified opportunities to maximise co-ordination of service timetables, ticket integration and connectivity to Scotland's ferry services through dialogue with other ferry operators and other relevant organisations and to make commitments to secure this integration. Participants should propose how passengers could benefit from partnership working if services cannot achieve timetabled connectivity e.g. weather conditions delaying either ferry or train services.

### **Provision for cycling facilities and accessibility**

Participants shall provide a plan and proposals on actions they will take to maintain and improve cycling facilities to encourage active travel. Plans should be innovative and balance the needs of passengers both with and without bicycles. Plans are expected to outline the engagement strategy with cycling organisations. This work should be developed and implemented by the Transport Integration Manager as part of the wider efforts to improve integration.

Participants must set out their proposed strategy on how they will help to support the Scottish Government's vision, contained in the 'Cycling Action Plan for Scotland', that by 2020 10% of all journeys taken in Scotland will be by bicycle.

Participants must propose methods, as part of an overall marketing strategy, to promote the benefits of cycling and ensure information provision is prominent, easy to locate, visible and targeted at the appropriate audience.

The Operator should ensure, liaising with others where necessary, that easily identifiable and accessible cycle routes are identified at or close to ferry terminals. The Operator must use all reasonable endeavours to work with local businesses and cycle event organisers to promote and facilitate greater use of cycling facilities at ports, including co-operation with cycle hire schemes and promotional schemes for ferry users.

The Operator will be required to put in place plans and proposals to report, record, monitor and communicate to Transport Scotland the number of bicycles using ferries. This information may be shared by the Operator or Transport Scotland with interested parties.

### **Good pedestrian accessibility**

The Operator should ensure, liaising with others where necessary, that easily identifiable, signposted and accessible walking routes are identified at or close to ferry terminals and seek feedback from passengers on the effectiveness of these. The Operator must use all reasonable endeavours to work with local authorities, local businesses and walking event organisers to promote and facilitate greater walking facilities and promotional schemes for ferry users.

### **Additional Outcomes**

In relation to integration generally, Participants are encouraged to propose additional innovative solutions to improve integration between ferry and other modes, over and above those stated in the minimum requirements, particularly in relation to bus connections.

In relation to passenger information, Participants are encouraged to define a more widespread or ambitious programme to work with other public and active transport providers / stakeholders for the roll-out of cross-modal passenger information at all relevant ports.

In relation to cycling and walking, Participants are encouraged to propose additional initiatives over and above those stated in the minimum requirements, ensuring that any such initiatives are aimed at promoting modal shift and maximising public transport or cycling and walking.

## 1.6 Health and Safety plan

<b>1.6.1</b>	<b>Volume 3 Reference: Clause 8 and Schedule 8</b>
<b>Requirement</b>	<b>Health and Safety Plan:</b> Participants should provide an outline plan for health and safety management of risks to staff and customers and proposed mitigation measures covering the Services.
<b>Response Guidance</b>	<p>Provide a Plan which should, but not be limited to, show separately:</p> <ul style="list-style-type: none"> <li>• listing of the statutory requirements that the participant considers shall be met;</li> <li>• details of the health and safety management system to meet statutory requirements including monitoring and benchmarking activities;</li> <li>• details of how compliance with the plan will be monitored;</li> <li>• the name of the individual responsible for all health and safety matters;</li> <li>• organisational structure of the management of health and safety, including the Board Level person responsible for the conduct of health and safety performance;</li> <li>• proposals for consulting with employees and the trade unions on the development, implementation and performance of the plan;</li> <li>• proposals for developing a zero accident culture during the provision of the Services including metrics to demonstrate performance against targets.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any

proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.

**[A 1.6.1] Response**

**Analysis: [Please insert here]**

**Service offerings and contractual undertakings: [Please insert here]**

## 1.7 Environmental Management Plan

1.7.1	<b>Volume 3 Reference: clause 10 and Schedule 9</b>
<b>Requirement</b>	<b>Environmental Management Plan:</b> Participants should provide an outline plan for environmental improvement and management.
<b>Response Guidance</b>	<p>Provide a Plan which should, but not be limited to, show separately:</p> <ul style="list-style-type: none"> <li>• how operator will comply with applicable environmental legislation;</li> <li>• arrangements for determining, managing and mitigating the environmental impact of the services both onshore and at sea;</li> <li>• proposals for pollution control and minimisation including pollution incident response;</li> <li>• proposals for waste minimisation and waste management;</li> <li>• encouragement for 'green' procurement;</li> <li>• encouragement for 'green' travel;</li> <li>• proposals for minimising the generation of greenhouse gasses and carbon release at the outset of operating the Services and for ongoing assessment and reduction;</li> <li>• estimated targets for peak season daily carbon release during the operation of the services;</li> <li>• specific proposals associated with the introduction of low sulphur fuel in 2020;</li> <li>• proposals to minimise the effect on marine life and to secure the health and protection of marine mammals;</li> <li>• proposals for reviewing and reporting on environmental performance.</li> </ul> <p>Responses that do not include all the elements within the</p>

	response guidance may be considered non-compliant.
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.7.1] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

**1.8 Customer Care and Accessibility Process**

<b>1.8.1</b>	<b>Volume 3 Reference: Clause 34 and Schedule 10</b>
<b>Requirement</b>	<b>Customer Care Plan:</b> 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.
<b>Response Guidance</b>	<p>Provide a Plan which should, but not be limited to, show separately in a structured format:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• staff and resources proposed to develop fully, implement and update the plan.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.8.1] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

<b>1.8.2</b>	<b>Volume 3 Reference: Schedule 10</b>
<b>Requirement</b>	<b>Accessibility:</b> Participants to indicate proposals for optimising accessibility to the Services for disabled persons, elderly passengers and those travelling with young children.
<b>Response Guidance</b>	<p>To cover separately for:</p> <ul style="list-style-type: none"> <li>• staff training;</li> <li>• information dissemination timetable and booking reservation systems;</li> <li>• putting an Accessibility Information System in place.</li> <li>• vessel facilities;</li> <li>• port facilities;</li> <li>• intermodal transport links.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.8.2] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [please insert here]</b>	

<b>1.8.3</b>	<b>Volume 3 Reference: Schedule 10</b>
<b>Requirement</b>	<b>Accessibility:</b> Participants to indicate proposals for an Equalities Impact Assessment.
<b>Response Guidance</b>	<p>To cover separately for:</p> <ul style="list-style-type: none"> <li>• forward looking assessment;</li> <li>• backward look review and remediation.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.8.3] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [please insert here]</b>	

<b>1.8.4</b>	<b>Volume 3 Reference: Clause 34 and Schedule 10</b>
<b>Requirement</b>	<b>Customer Complaints Process:</b> 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.
<b>Response Guidance</b>	<p>Provide a Process which should, but not be limited to, show separately in a structured format:</p> <ul style="list-style-type: none"> <li>• receipt and recording of customer feedback;</li> <li>• assessment of complaints, including quality management of process;</li> <li>• scheme for restitution;</li> <li>• reports back to customer within acceptable timescales;</li> <li>• review of decisions;</li> <li>• collection of aggregated casework records, analysis and performance reporting to Ministers and as a public annual report.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.8.4] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

## 1.9 Human Resources and Key Personnel

<p><b>1.9.1</b></p>	<p><b>Volume 3 Reference: Clause 9 and Schedule 11</b></p>
<p><b>Requirement</b></p>	<p><b>Human Resource Strategy</b> – The Scottish Government values the delivery of high quality services and recognises that service levels are often critically dependent on the quality and engagement of the workforce delivering public contracts. We expect those who deliver public contracts to adopt fair employment practices for all workers engaged on delivering the contract. This includes not only workers they directly employ but workers who they will engage with through, for example, employment agencies and/or “umbrella” companies. We believe that workers who are treated fairly, who are well-rewarded, well-motivated, well-led and who have appropriate opportunities for training and skills development are likely to deliver a higher quality of service.</p> <p>Mindful of the Scottish Government’s approach to workforce policies, and as a socially responsible employer, Participants must provide an initial Human Resources Strategy to describe how they propose to commit to being a best practice employer in the delivery of this contract.</p>
<p><b>Response Guidance</b></p>	<p>The Scottish Government is persuaded by evidence which shows that the delivery of high quality public services is critically dependent on a workforce that is well-motivated, well led and has appropriate opportunities for training and skills development. These factors are also important for workforce recruitment and retention, and thus continuity of service.</p> <p>The Scottish Government itself has adopted workforce policies to meet these requirements, including:</p> <ul style="list-style-type: none"> <li>• a pay policy that includes a commitment to supporting the living wage for the duration of this parliament;</li> <li>• a guarantee of no compulsory redundancies until 31 July 2016;</li> </ul>

- fair employment practices;
- clear managerial responsibility to nurture talent and help individuals fulfil their potential;
- a strong commitment to Modern Apprenticeships and to the development of Scotland's young workforce;
- support for learning and development;
- no inappropriate use of zero hours contracts;
- no inappropriate use of "umbrella" companies;
- flexible working;
- 50/50 gender balance on the Boards of Scottish public bodies by 2020;
- flexi-time; and
- career breaks.

The Scottish Government also attaches importance to ensuring effective consultation and involvement of staff and Scottish Government management work in partnership with the trade union movement. The Scottish Government encourages its staff to join an appropriate Union and to play an active part within it, making sure their views are represented.

In order to ensure the highest standards of service quality in this contract, we expect Participants to take a similarly positive approach to workforce-related matters, as part of a fair and equitable employment and reward package.

As a minimum, the Human Resource Strategy should address separately for seagoing and shore-based staff:

### **Staffing**

The numbers and levels of staff required to provide the CHFS ferry services and harbour operations is, in general, a commercial matter for the operator. Details of historic staffing levels are included in the Information Room. Participants should refer to this to obtain indicative levels of staffing that may be required. It is recognised that staff may

perform functions at more than one harbour. Where this is the case, this must be clearly identified.

The successful Participant should note that they will be required to review the activities of staff to ensure that the level of resources and duties of staff reflect the needs of passengers and potential passengers.

The Human Resource Strategy should include:

- a 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, including the proposed employment arrangements;
- crew configurations and numbers per sailing, noting seasonal variations;
- crew/passenger ratios and passenger certificate numbers throughout the year;
- shift patterns to be adopted;
- what (if any) changes to staffing arrangements the Participant proposes; including:
  - numbers and grades of existing staff who will remain in current posts;
  - numbers and grades of existing staff who will be moved to other posts.

All current staff should be accounted for.

Participants should set out how they would achieve any changes to staffing arrangements whilst providing satisfactory evidence that this will not adversely affect safety and service delivery.

### **Pay and Conditions**

The pay and conditions of staff will be a commercial matter for the operator. Pay and employment deals which would impact on the future of the ferry services within the last 12

months of the Contract will be subject to the approval of the Scottish Ministers.

The Successful Participant, as a socially responsible employer, will recognise the importance of appropriate pay and conditions in recruiting and retaining fully engaged employees.

Participants shall set out typical wage rates for a representative sample of employees which must include those receiving pay at the lower end of the Participant's pay scale. Participants may also wish to include copies of HR policies to demonstrate their commitment to the recruitment, development and retention of a motivated workforce.

In compliance with legal obligations under TUPE, any collective agreements in place in relation to transferring staff will continue to have affect as if those agreements had been made with the new employer; but it will be for the new employer to reach a view on what this means in practice for transferring staff in consultation with the employees' unions. Details of existing collective bargaining arrangements are included in the Information Room.

**Industrial Relations**

The Successful Participant will be expected to work constructively with the relevant unions. The Human Resource Strategy should set out and demonstrate a commitment to foster constructive relationships with the trades unions. Participants will be expected to demonstrate how they will engage with, and understand the attitudes of, their employees. Participants should put forward mechanisms for ensuring that through engagement with the trade unions employees are consulted and engaged on company developments.

**Equalities**

Participants will have due regard to the general public sector duties under the Equalities Act 2010. These are specifically to eliminate unlawful discrimination, victimisation and harassment; advance equality of opportunity and foster good relations. As the legal liability for the duties in relation to that function remains with the Scottish Ministers (being the party that contracts out the function), Participants will be required to demonstrate proactive steps to eliminate discrimination and to promote equality. Participants will be required to set out a draft Equalities Plan which includes details of how they will monitor its effectiveness. The Operator will be required to submit this plan on an annual basis, providing evidence of the activities carried out in accordance with the plan.

### **Employment Programme**

There should be long-term planning to ensure that there will be sufficient numbers of appropriately trained staff available for the continuation of the CHFS Services well into the future.

Participants should provide:

- details of their organisation of employment management including the line of command and communication links between all parties including the Operator and organisations engaged in running active labour market programmes in order that young, mature and long-term unemployed people may benefit from employment opportunities, the identification of eligible potential employees and the generation of employment programmes to support sea going and land based operations;
- outline opening employment programme;
- proposed person who shall have defined authority for establishing, maintaining and reporting on the employment programme;
- a list and structure of procedures for monitoring the employment programme.

### **Training**

Investment in the Clyde and Hebrides Ferry Services workforce will be an investment for Scotland and its island communities. As a result, Participants will be required to develop the recruitment and training facilities provided under the current contract

Participants will provide details of training policies for the development of seagoing and shore staff on the CHFS Services. Participants should note that proposals will be required to adequately provide for the continuing and long term requirements of the CHFS Services and meet or exceed the following minimum requirements:

- commitment to becoming 'Investors in People' (IIP) accredited (if not already) and continue throughout the life of the Contract Period to work towards the highest level of IIP;
- provision of apprenticeship schemes for both young people and mature workers covering all aspects of business operations, including, but not limited to, administration and customer services;
- support trade union learning activity;
- annual sponsorship arrangements for Officer Cadets;
- arrangements for Maritime trainees and apprenticeships each year of the contract;
- provision of an induction programme for all staff;
- provision of a rolling refresher programme of training in dealing with the diverse needs of customers / passengers for all customer-facing staff; and
- assistance to staff to obtain nationally accredited qualifications.

Participants shall state how much they intend to spend annually on the programme of training and development, and explain why the planned level is sufficient, appropriate and provides good value in their contribution to the delivery of the ferry services. Participants will be required to provide an annual report on their training and staff development, including apprenticeships and staff qualifications

Participants should provide details on how they would avoid high staff turnover - noting that proposals must ensure there will be sufficient numbers of appropriately trained staff available at the end of the Contract Period to ensure the continuation of the CHFS Services into the next contract.

#### **Training programme**

Participants should provide;

- details of the Operator's organisation of training including the line of command and communication links between all parties including Operator, training providers and local training organisations for the identification of training opportunities and needs, the identification of eligible employees or potential employees and the generation of training programmes to improve sea going and land based skills;
- outline opening training programme;
- proposed person who shall have defined authority for establishing, maintaining and reporting on the training programme;
- a list and structure of procedures for monitoring the training programme.

Responses that do not include all the elements within the response guidance may be considered non-compliant.

<b>[A 1.9.1] Response</b>
<b>Analysis: [Please insert here]</b>
<b>Service offerings and contractual undertakings: [Please insert here]</b>

**TUPE**

Participants’ attention is drawn to TUPE. The application of TUPE to any situation is a matter of law and can only be conclusively determined by an Employment Tribunal or court of law. Whether or not TUPE is likely to apply to a situation will depend on the facts and circumstances of the particular case.

It is the responsibility of the Participant to consider whether or not TUPE is likely to apply in the particular circumstances of this tender exercise and to act accordingly. Participants should therefore take their own advice regarding the likelihood of TUPE applying.

Transport Scotland’s view is that TUPE is likely to apply to the transfer of responsibility for operating the CHFS Services and Participants will wish to note recent case law where similar circumstances have been considered by an Employment Tribunal. Participants should also note that following the introduction of TUPE, it is more likely that TUPE will apply to situations where there is a change in service provider, than had been the case under the Transfer of Undertakings (Protection of Employment) Regulations 1981. Participants may also wish to note that, immediately prior to the commencement of the Contract, the on-shore human resource employees engaged in relation to the CHFS Services will be employed by Caledonian MacBrayne HR UK Limited, all other shore staff will be employed by Calmac Ferries Limited, and the sea farers will be employed by Caledonian MacBrayne Guernsey Limited and Calmac Ferries Limited.

<p><b>1.9.2</b></p>	<p><b>Volume 3 Reference: Clause 9 and Schedule 11</b></p>
<p><b>Requirement</b></p>	<p><b>Pensions</b> - Participants should develop proposals, both in respect of past service and future service, to provide as appropriate for Transferring Employees and Assigned Employees the CalMac Pension Fund, the Merchant Navy Officers' Pension Fund, the Merchant Navy Officer's Pension Plan and the Merchant Navy Ratings Pension Plan.</p>
<p><b>Response Guidance</b></p>	<p>The Scottish Ministers' intention is to make the provision of the CalMac Pension Fund for relevant transferring and eligible employees, and the provision of the Merchant Navy Officers' Pension Fund, the Merchant Navy Officer's Pension Plan and the Merchant Navy Ratings Pension Plan (the Industry Schemes) for relevant transferring employees, a contractual obligation of the Contract.</p> <p>The Scottish Ministers shall indemnify the Operator if and to the extent that the Operator is required to make a contribution(s) to that Fund in respect of any Pension Liability arising during the Grant Period, or as a consequence of the expiry or earlier termination of the Contract.</p> <p>Participants must submit tenders which, in respect of any staff who may transfer by virtue of TUPE or otherwise (<b>Transferring Employees</b>) comply with the principles set out in respect of Transferring Employees in:</p> <ul style="list-style-type: none"> <li>• Cabinet Office Statement of Practice of January 2000 on Staff Transfers in the Public Sector (Revised December 2013</li> <li>• HM Treasury guidance : A fair deal for staff pensions (October 2013); and</li> <li>• The statement of practice by the Government Actuary on the assessment of broad comparability of pension rights.</li> </ul> <p>Tenders will be regarded as compliant which (as</p>

appropriate) envisage the provision of such benefits under the CalMac Pension Fund, the Merchant Navy Officers Pension Fund, the Merchant Navy Officer's Pension Plan, the Merchant Navy Ratings Pension Plan.

**[A 1.9.2] Response**

**Analysis: [Please insert here]**

**Service offerings and contractual undertakings: [Please insert here]**

<p><b>1.9.3</b></p>	<p><b>Volume 3 Reference: Clause 9 and Schedule 11</b></p>
<p><b>Requirement</b></p>	<p><b>Key Staff</b> Participants must provide assurance that the team who actually manage the Contract will fully understand and ‘own’ the obligations that flow from the Tender and which will be written into the Contract.</p> <p>Participants should provide an organisation chart detailing responsibilities and reporting lines of key staff and a supporting schedule covering:</p> <ul style="list-style-type: none"> <li>• Managing Director/Chief Executive;</li> <li>• Operations Manager/Director;</li> <li>• Finance Director;</li> <li>• Technical Manager/Director;</li> <li>• The Designated Person Ashore;</li> <li>• H.R. Manager/Director;</li> <li>• Health and Safety Manager/Director;</li> <li>• Any person responsible for Company response in the event of accidents, etc. if not listed above; and</li> <li>• Transport Integration Manager.</li> </ul> <p>The powers and responsibility can be delegated to others in the Management Structure provided that those individuals are competent. These delegations must be clearly identified in the Tender.</p>
<p><b>Response Guidance</b></p>	<p>Where Participants intend to recruit new senior staff to fill key roles, this should be made clear.</p> <p>For all roles a detailed job description and person specification (including required experience and qualifications) should be provided.</p> <p>Participants should note that the job descriptions and detailed person specifications for each role will form part of the Contract requirements. Failure to appoint suitable</p>

	<p>individuals to key roles may result in termination of the Contract.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>
<b>[A 1.9.3] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

**PACKAGE A: SECTION A.2**

**OPERATIONAL MANAGEMENT SYSTEM**

**PARTICIPANT TO INSERT OUTLINE OPERATIONAL MANAGEMENT SYSTEM (AS ADJUSTED FROM THE LATEST INITIAL OR INTERIM TENDER IN TRACKED CHANGE FORMAT IN RESPONSE TO NOTIFICATION BY THE SCOTTISH MINISTERS OR FOR ELECTIVE REASONS).**

<b>2</b>	<b>Operating Management System</b>
	<p>The Operating Management System, 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. The Participant has been notified 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 notice 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 2 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 Clyde and Hebrides Ferry Services, then the Operating Management System will be included in Schedule 14 of the Contract.</p>

2.1	<b>Operational Management Methodology</b>
	Provide:
	<p>(i) description of the systematic process to be adopted to control the conduct of the management of the Services; and</p> <p>(ii) proposals for standard management reports and published performance reports.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.2</b>	<b>Operator’s Quality Management Organisation of the Contract</b>
	<p>Provide:</p> <ul style="list-style-type: none"> <li>(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;</li> <li>(ii) proposed person who shall have defined authority for establishing, maintaining and reporting on the Quality Management System;</li> <li>(iii) the structure and content of typical quality control procedures to be used on the project;</li> <li>(iv) a list of procedures to be included in Quality Management System for mobilisation and operational phases showing their hierarchy and interface; and</li> <li>(v) a list and structure of procedures for monitoring of the Quality Management System.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.3</b>	<b>Operators Proposals for the involvement of Supported Businesses</b>
	Provide:
	<p>(i) proposed person who shall have defined authority for establishing, maintaining and reporting on the opportunities for purchasing supplies or services from Supported Businesses; and</p> <p>(ii) outline opening proposals for engaging with Supported Businesses.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.4</b>	<b>Operators Proposals for the involvement of Small and Medium Enterprises (SME's)</b>
	Provide:
	<p>(i) proposed person who shall have defined authority for establishing, maintaining and reporting on the opportunities for purchasing supplies or services from SME's; and</p> <p>(ii) outline opening proposals for engaging with SME's, including a description of the areas of Service provision where the involvement of SME's may provide the opportunity to improve the efficiency, economy and quality of the Services.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.5</b>	<b>KPIs (Key Performance Indicators)</b>
	<p>Provide:</p> <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> <ul style="list-style-type: none"><li>(i) meeting the requirements for the Services set out in the Schedules (Volume 3);</li><li>(ii) fulfilling the terms outlined in the Conceptual Proposals; and</li><li>(iii) providing the Scottish Ministers with an economical, efficient and effective implementation of the Services, and which can be used in Benchmarking operations in accordance with the provisions of Volume 3, Schedule 17.</li></ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	



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>
<b>Supplier Representative:</b>			
◆	◆	◆	
<b>Senior Supplier Representative:</b>			
◆	◆	◆	
<b>Key Personnel:</b>			
◆	◆	◆	Board-level Health and Safety Manager
◆	◆	◆	Senior Shore based person
◆	◆	◆	Board Level Environmental Manager
◆	◆	◆	Board level Quality Manager
◆	◆	◆	Operations Manager
◆	◆	◆	Technical Manager
◆	◆	◆	HR Manager
◆	◆	◆	Marketing Manager
◆	◆	◆	Responsible Person for

			Operator response in the event of accidents, significant incidents or emergencies
◆	◆	◆	Transport Integration 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.

FORM OF FINAL TENDER

**PACKAGE C**

TENDER SUM SUBMISSION

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## C.1 – BASE CASE SCHEDULE OF PRICE BREAKDOWN

**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.**

### Introduction

- C.1.1 This Appendix C (*Financial Elements of the Tender*) describes the requirement for Participants to submit a Financial Model (the “**Model**”), to be supported by a comprehensive Record of Assumptions and an Operating Manual. The requirement to provide other financial information is also described.
- C.1.2 The Model will be used during the Final Tender evaluation to compare overall pricing, review detailed projections of costs and to test the financial resilience of Participant proposals. The successful Participant’s Model will be subject to an independent Model Audit. It is expected that subsequent Changes will be priced by processing revised assumptions through the Models and in accordance with the Contract.
- C.1.3 The evaluation of the Final Tender will include a pass/fail assessment of the fitness for purpose of the Models, Record of Assumptions and Operating Manual to price Changes.
- C.1.4 The output schedules of the Financial Model should be in the format of the Templates provided in *C1 – Templates* (the “**Templates**”). Participants are required to follow modelling best practice requirements and other constraints that have been made clear in this Appendix C (*Financial Elements of the Bid*), for example, in relation to model size.

### Model Requirements & Constraints

#### General

- C.1.5 Each Participant is required to submit and include as part of their Final Tender a Model to demonstrate the financial consequences of the Participant’s business and operational plans over the contract term. All Models will be Placed on Deposit as provided for in Schedule 12 of the Contract.
- C.1.6 The Model should be presented in Microsoft Excel format, with workings and formulae intact (i.e. non input cells should not be ‘hard-coded’ with values), and be capable of running on Microsoft Office 2007 version software.
- C.1.7 No rows, columns, cells or worksheets of the Model should be hidden or password protected. Protecting worksheets without passwords to avoid accidental changes to inputs or calculations is allowed, provided it does not reduce the transparency or usability of the Model. Grouping rows or columns is permissible, but hiding rows, columns or worksheets is not permissible.
- C.1.8 Transport Scotland wishes to receive models that are efficient in their operation and use of memory. A maximum file size of 25MB is permitted, albeit a smaller Excel workbook is encouraged. Any workbook taking up more than 25MB of disk space will be deemed to be non-compliant.
- C.1.9 The Templates that directly interface with the Model should also be submitted in PDF format.
- C.1.10 The Models submitted by Participants must be in line with best practice in accordance with the requirements set out in paragraphs C.1.32 – C.1.39 (*Modelling Best Practice Confirmation*) and employ the accepted principles of Separation, Consistency, Integrity and Linearity.

C.1.11 Although best practice would dictate that a consistent formula is used in each column, there are a number of circumstances where a model can be made more transparent by changing the formulae across an array. Provided it is made clear (even when printed out and the formulae cannot be seen) that the calculation method is different, the following two cases have been identified when the formulae can differ:

- to allow a different approach to the treatment of forecasts before the Contract commences (i.e. 1 October 2016) and part years as laid out in the Templates; and
- to allow units, indices and other useful modelling 'flags' to be included in the columns to the left of the first modelled year.

### *The Model*

C.1.12 Transport Scotland will specify and conduct sensitivity tests on the Model as part of its evaluation process to aid understanding of the model. Transport Scotland requires Participants to include within their modelling suite user-friendly functionality which allows basic sensitivities to be run.

C.1.13 Sensitivities should be capable of being applied at the output level so that their effect on the P&L can be understood. Transport Scotland does not require Models to have the capability to run input level sensitivities.

C.1.14 Transport Scotland, in requiring this, is seeking to understand the way in which changes to costs flow through the financial model and impact profit levels, subsidy calculations, and dividend distributions.

C.1.15 Participants should adopt an absolute sign convention in constructing their Financial Model, such that all revenues and assets are positive and all costs and liabilities are negative.

C.1.16 The Model should be self-contained within a single Excel Workbook presented in semi-annual terms, with year-ends coinciding with Transport Scotland's 31 March accounting year-end as demonstrated in the Templates.

### **Model Templates**

C.1.17 Transport Scotland requires that the output from the Model follows the Templates included in the ITT documents and made available in the Information Room. Transport Scotland realises that Participants may wish to expand the level of detail provided within the Models beyond these minimum requirements and requires that this is done in such a way as to remain consistent with the format of the Templates.

C.1.18 The level of detail provided should be sufficient to give full transparency of all components of costs and revenues but the spare rows provided can be used to accommodate additional detail. Deleting or inserting rows or columns to the Templates or overwriting line items currently defined in the Templates is not permitted and will be deemed to be non-compliant.

C.1.19 The outputs in the Templates should be linked to the input / calculation cells where appropriate and in such a manner as to facilitate both the understanding of the Model and tracing of core assumptions used in the Model. Participants can either add worksheets to the Templates or copy the Templates into their own models. Participants are required to ensure that the named ranges defined in the Templates are preserved.

C.1.20 The format of the profit and loss account, cash flow statement and balance sheet are required to be set out in the manner stipulated by the Templates.

C.1.21 Participants should note that any types of revenues or costs that it wishes to include under a catch-all heading of 'Other' should not exceed £50,000 (in real terms) in any year. Where a Participant anticipates that such revenues or costs will exceed this amount, they should each be separately identified in a separate spare row and not listed under the heading 'Other'.

C.1.22 The Templates shall be populated in full, with outputs from the Model specified in half years that are consistent with the CHFS contract year. To this end relevant worksheets in the Templates are structured with columns that are headed with periods that represent the half years to 31 March and 30 September in each year.

C.1.23 The following table sets out the worksheets contained in the Model Template and a brief summary of each worksheet's content and status:

**Table C1 – Summary of Model Template**

Sheet	Content	Status
Template Cover	Properties, legend	Participant free to use/update
Template Control	Contains model scenario flag and summary of Template checks.	Participant to link cell G28 to model control sheet. Use functionality but do not alter structure.
Version Control	Version control record	Populate but do not alter structure
Templated Inputs	None	Divider Tab
Timeline	Defines CHFS timeline	Do not alter structure
Rates	Repository of indices and rates	Do not alter structure
Fuel	Repository of Fuel price assumptions	Do not alter structure
Line Items	Master definition of line items	Participant may populate spare line items denoted by square brackets but must not alter pre-defined line items
Templated Outputs	None	Divider tab
Revenue	Contains fares, passenger volumes and other assumptions	Contains formulae – Participants to populate designated sections but not to alter structure
Other Revenue	Template for forecasts	Populate but do not alter structure
Vessel	Template for forecasts	Populate but do not alter structure
Fuel Costs	Template for forecasts	Populate but do not alter structure
Harbour	Template for forecasts	Populate but do not alter structure
Central Costs	Template for forecasts	Populate but do not alter structure
Capex	Template for forecasts	Populate but do not alter structure
Operator's Return	Template for forecasts	Populate but do not alter structure
Semi Annual Calculations	None	Divider tab
P&L1	Template for forecasts	Populate but do not alter structure

Sheet	Content	Status
P&L2	Template for forecasts	Contains formulae, do not alter
P&L3	Template for forecasts	Contains formulae, do not alter
CF	Template for forecasts	Populate but do not alter structure
BS	Template for forecasts	Populate but do not alter structure
Financial Year (Ann)	None	Divider tab
Fin P&L	Template for forecasts	Contains formulae, do not alter
Fin CF	Template for forecasts	Contains formulae, do not alter
Fin BS	Template for forecasts	Contains formulae, do not alter
Public Service Contract (Ann)	None	Divider tab
PSC P&L	Template for forecasts	Contains formulae, do not alter
PSC CF	Template for forecasts	Contains formulae, do not alter
PSC BS	Template for forecasts	Contains formulae, do not alter
NPV Outputs	None	Divider tab
NPV	NPV of Subsidy calculation (feed from Financial Statements)	Contains formulae, do not alter
Non-Contractual - For Info Only	Subsidy calculation on a financial year basis – for internal purposes only	Contains formulae, do not alter

## Bidding Assumptions

C.1.24 Participants are to use the following assumptions in preparing their Bids:

- The CHFS contract will commence on 1 October 2016 for a period of 8 years;
- The Transport Scotland financial year commences on 1 April of each year;
- Financial forecasts are to include calculations of the tax liabilities of the subject company in accordance with any applicable tax law. Complete integrated tax computations should be included in the Financial Model to the extent that any group, consortium or other form of relief or sale of losses is clearly stated within such model;
- Participants are free to adopt either UK GAAP or IFRS but the accounting basis chosen must be disclosed, consistent and once selected cannot be changed;
- [The definition of those amounts to be excluded from profit relating to: (1) non-cash pension adjustments in the statutory accounts; and (2) amounts disallowed relating to intra-group trading, are to be applied regardless of the accounting procedures followed.]
- The units to be used in each Bid submission are clearly set out in the Templates provided;
- The default prices stated in the Financial Model should be in real terms, based on 2016/17 prices;
- The real discount rate to be applied is 3.5 per cent per annum;
- The prices for each fuel category to be applied are to be based on the [spot] rates as at [xx xxx 20xx] as outlined within the Template;

- Volumes to be applied in respect of passengers, cars and coaches for certain routes where RET first came into effect from either October 2014 or October 2015 only are to be based on the figures and calculations within the Template;
- Fares to be applied in respect of passengers, cars, coaches and commercial vehicles and other related activities are to be based on the figures and calculations as outlined within the Template;
- Net Present Values of subsidy payments will be discounted back to the start of the CHFS contract (1 October 2016);
- For the purposes of calculating Net Present Values, the templated calculation assumes a mid-period timing of semi-annual cash flows (i.e. 31 May and 31 December) for all future periods; and
- For calculating Operator's Return the methodology should be applied consistently with return metrics input on an annual basis, in accordance with the Contract. The Participant shall provide:
  - a genuine pre-estimate of the Capital Investment and Working Capital requirements and insert the percentage of each value required as a reasonable return for these aspects of the contract; and
  - the sums considered reasonable in relation to the requirements to cover the operating obligations and risks within the contract.

## Record of Assumptions and Operating Manual

- C.1.25 The Record of Assumptions and Operating Manual are required to accompany the Model and should be submitted as Microsoft Word documents.
- C.1.26 The Record of Assumptions should contain all financial and operational assumptions used and shall explain and discuss the Model inputs, including the base unit cost for each input. 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 3). 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.1.27 The rates and prices shall represent the actual distribution of the anticipated costs, being exclusive of Value Added Tax (VAT) and inclusive of all other relevant taxes, duties, charges and fees. 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.1.28 Where contracted variable unit costs have the potential to change as a result of Change, Participants shall include the full range of potential unit costs of their anticipated contracted agreements within the Record of Assumptions.
- C.1.29 The Record of Assumptions should include a description of accounting policies, especially in relation to capital investment, as well as taxation assumptions.
- C.1.30 The Operating Manual should provide detailed instructions for operating the Model and include the following:
- a description of the Model, its structure and capability;
  - an explanation of the flow of data through the Model. This may be presented diagrammatically with supporting narrative as appropriate;
  - a description of the purpose and operational characteristics of each worksheet and how it interacts with the Model;
  - instructions on how to input data, select assumptions and calculate the financial outputs;
  - where macros (or other Visual Basic functions) have had to be used, a description of any macros used in the operation of the Models, the reason for their use and how they impact the results.

## Modelling Best Practice Confirmation

C.1.31 Each Participant must provide an independent Modelling Best Practice Confirmation report on all sections of the Model, co-addressed to Transport Scotland and that Participant, as part of their Bid submission. The Best Practice Confirmation is not considered to be an audit of the Model.

C.1.32 All costs associated with the preparation of the Modelling Best Practice Confirmation are for the Participant's account only.

C.1.33 The Modelling Best Practice Confirmation must provide confirmation in adequate detail that the Model has or provides for:

#### C.1.34 **Separation**

- Data inputs, calculations and output areas should be completely separate and clearly labelled.
  - Inputs: should include data and assumptions but no calculations;
  - Calculations: should include individual calculations that support each line of all outputs and reports. There should be no duplication of calculations nor should input cells be hard-coded in the calculation sheets; and
  - Outputs: should not include any hard-coded input cells or calculations except for sums and check totals.
- The Modelling Best Practice Confirmation must document the high level patterns of data flow within the Models and include a flow chart of the main data flows between worksheets and workbooks.

#### C.1.35 **Consistency**

- Formulae should be consistently coded across rows and down columns, as well as across worksheets. The Models should have time periods across the columns and calculations down the rows. This should be consistent in all worksheets. There are two areas where consistency is most important:
  - Columns: the same column should be used for the same period in each worksheet; and
  - Rows: a row will contain only one formula, copied across all columns.
- The Modelling Best Practice Confirmation must provide a review of the Models' structures by means of spreadsheet maps, which give a visual representation of the worksheet structure and layout, highlighting elements of the worksheet layout that warrant further investigation (however, as this is not as detailed as a Model Audit, each individual formula is not checked).

#### C.1.36 **Integrity**

- Financial statements (should not use any balancing figures). The Modelling Best Practice Confirmation must provide an assessment of the extent and effectiveness of internal and/or error checks contained within the Models and detail any internal control checks that indicate errors.

#### C.1.37 **Linearity**

- The Models should not include any circular references.

#### C.1.38 **Macros**

- Participants are to avoid the use of macros in order to aid model transparency. The use of macros should be limited to areas where their use adds to the user friendliness of the Models (e.g. print macro) or aids the achievement of other requirements of the Models (e.g. avoid circularity or to transfer data between Models). Where macros are required, their function should be clearly explained within the Operating Manual.
- In order to aid transparency, use of the INDIRECT and OFFSET functions is prohibited.

## **Other Information Required**

*Pensions*

C.1.39 Participants should show separately the costs involved and assumptions made in relation to pension contribution rates, both employer and employees.

*Trading with Affiliate Companies*

C.1.40 Trading with affiliated companies should be detailed where greater than £100,000 (real prices) per annum in the relevant plan(s) and Operating Manual and Record of Assumptions.

## **C1 – Templates**

### C1: BASE CASE SCHEDULE

Participants shall complete the Templates based on the outputs from the Model.

## C2 – Fuel Cost Reconciliation

<b>5.1</b>	<b>Base Case Model</b>
<b>Requirement</b>	<b>Fuel Cost reconciliation</b>
<b>Response Guidance</b>	<p>Provide :</p> <ul style="list-style-type: none"> <li>• detailed assumptions and working calculations to support proposed vessel/ route/ monthly projected volumes of the different types or grades of fuel;</li> <li>• 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.</li> </ul>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>
<b>[A] Response</b>	

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C.3 FINAL TENDER SUM

**This Final Tender Sum 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.**

Final Tender price computed in the Base Case Schedule			
FINAL TENDER SUM: Total Grant Cost (real costs 2016 discounted to 2016)		£.....	
<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>			
<b>Duly authorised to sign the Final Tender and</b>			
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail</b>			

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**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF SERVICES**

**VOLUME 2**

**TS/MTRIPS/SER/2015/01**

**APPENDIX 2(A): FORM TO REQUEST AN AMENDMENT TO VOLUME 3 FOR BUNDLE 1  
(FERRY SERVICES COMPONENT)**

**FORM TO REQUEST AMENDMENT(S) TO VOLUME 3**  
**To be submitted in accordance with Section 4.6 of Volume 2**

**Participant Name**

**Proposed Amendment(s) to Volume 3**

Existing Schedule/ Paragraph Number or Clause Number	[Insert 'N/A' if new Schedule/Paragraph/Clause proposed]
Existing Schedule/Clause Text	[Insert 'N/A' if new Schedule/Paragraph/Clause proposed]
Amended / New Schedule/ Clause Text	[Insert 'Delete Schedule/Paragraph/Clause' if deletion Schedule/Section is proposed]
If Amendment to the Schedules, provide details of any affect this amendment will have to the Contract Conditions or to any other documents	[Insert information and reference to any affected document and location within that document here]

[Participant to repeat for each Schedule/Paragraph/Clause affected]

**Justification of Amendment(s)**

[Provide reasons and justification of proposed amendment(s).]

**Benefits of Proposed Amendment(s)**

**Include quantification of benefits**

Earlier completion, improved efficiency and/or reduced price to the Scottish Ministers in respect of the mobilisation:

Improved efficiency and/or reduced price to the Scottish Ministers in respect of the operation of the Services:

Would otherwise be of benefit to the users of the Services:

Are there any negative consequences/risks of the amendment in respect of the price to the Scottish Ministers and/or quality of operations?

<b>Attachments</b>
[List attached documents]

<b>To be completed by the Participant</b>			
<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>			
<b>Duly authorised to sign for and on behalf of</b>	[insert name of Participant]		
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail Address</b>			

<b>To be completed by the Scottish Ministers</b>			
<b>Scottish Ministers' Recommendation</b>			
The above proposed amendment(s) to Volume 3 is:			
Accepted <input type="checkbox"/>		Rejected <input type="checkbox"/>	
Accepted in principle with the following amendments <input type="checkbox"/>			
<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>	(Duly authorised to sign for and on behalf of the Scottish Ministers)		
<b>Duly authorised to sign for and on behalf of the Scottish Ministers</b>			
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail Address</b>			

**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF SERVICES**

**VOLUME 2**

**TS/MTRIPS/SER/2015/01**

**APPENDIX 3: FORM OF FINAL TENDER FURTHER REQUIREMENTS FOR BUNDLE 2  
(HARBOUR OPERATING COMPONENT)**

<b>Conceptual proposals, etc.</b>
The Conceptual and Operational Management Systems 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.
<b>Package A: Section A.1</b>
<b>Conceptual Proposals: Shown as tracked changes on Outline Conceptual Proposals</b>
<b>Executive Summary</b>
<b>Start-up Plan</b>
<b>Health and Safety Plan</b>
<b>Environmental Management Plan</b>
<b>Customer care process</b>
<b>Management of Conflict</b>
<b>Package A: Section A.2</b>
<b>Operations Management System: Shown as tracked changes on Outline Operational Management System</b>
<b>Operational Management Methodology</b>
<b>Operator's Quality Management</b>
<b>Organisation of the Contract</b>
<b>Harbour Operations organisation structure</b>

<p><b>Operations and Safety Management System</b></p> <p><b>KPI's</b></p>
<p><b>Package A: Section A.3</b></p> <p><b>Schedule of Revisions to Outline Proposals:</b></p> <p><b>Yes/ No indication of whether changes were requested and Yes / No indication of if changes have been made to Outline proposals.</b></p>

**CONCEPTUAL PROPOSALS**

**PARTICIPANT TO INSERT OUTLINE CONCEPTUAL PROPOSALS AS ADJUSTED FROM THE LATEST INITIAL OR INTERIM TENDER (IN TRACKED CHANGE FORMAT) IN RESPONSE TO NOTIFICATION BY THE SCOTTISH MINISTERS OR FOR ELECTIVE REASONS.**

<b>1</b>	<b>Conceptual Proposals</b>
<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. The Participant has been notified where, in the consideration of CMAL, 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 notice 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 2 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 Clyde and Hebrides Ferry Services, then the contents of the Conceptual Proposals will be included in the several Schedules to the Contract as relevant.</p>	

**1.10 Executive Summary**

<b>1.10</b>	<b>Volume 4 Reference: N/A</b>
<b>Requirement</b>	<b>Executive Summary:</b> 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.
<b>Response Guidance</b>	<p>The objective of the executive summary is to provide CMAL 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 CMAL.</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>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A1.10] Response [Please insert here - Limited to 2,000 words]</b>	

### 1.11 Start-up Plan

<b>1.11</b>	<b>Volume 4 Reference: Schedule Part 8</b>
<b>Requirement</b>	<p><b>Start-up Plan:</b> The Services will need to be delivered to high levels of operational performance, security and reliability. The Start-up plan must indicate the nature of measures to be undertaken during the period prior to the Commencement Date to ensure that the quality of service proposed will be provided from the first day of Services and throughout the Contract period</p>
<b>Response Guidance</b>	<p>Provide a Start-up Plan which will, but not be limited to:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• set out Operator’s arrangements for providing appropriate insurances;</li> <li>• identify the job specification for all key employees required for the provision by the Operator of the Services;</li> <li>• set out the Operator's programme for familiarisation and training including, without limitation, disability and awareness training;</li> <li>• set out the Operator's programme for co-operating with the incumbent Operator and agreeing with the CMAL the measures that will be taken to secure the seamless transition of services through the incumbent Operator’s handover assistance plan; and</li> <li>• set out the Operator's project management process for delivery of the Start-up Plan;</li> <li>• following inspection of the harbours identify any improvements that may be required to allow for delivery of the contract.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>

<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.11] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

### 1.12 Health and Safety plan

<b>1.12</b>	<b>Volume 4 Reference: Schedule Part 7</b>
<b>Requirement</b>	<b>Health and Safety Plan:</b> Participants should provide an outline plan for health and safety management of risks to staff and customers and proposed mitigation measures covering the Services
<b>Response Guidance</b>	Provide a Plan which should, but not be limited to, show separately: <ul style="list-style-type: none"> <li>• listing of the statutory requirements that the participant considers shall be met;</li> <li>• details of the health and safety management system to meet statutory requirements including monitoring and benchmarking activities;</li> <li>• details of how compliance with the plan will be monitored;</li> <li>• the name of the individual responsible for all health and safety matters;</li> <li>• Organisational structure of the management of Health and safety, including the Board Level person responsible for the conduct of health and safety performance;</li> <li>• proposals for developing a zero accident culture during</li> </ul>

	<p>the provision of the Services including metrics to demonstrate performance against targets..</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>
<b>[A 1.12] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

### 1.13 Environmental Management Plan

<b>1.13</b>	<b>Volume 4 Reference: Schedule Part 9</b>
<b>Requirement</b>	<b>Environmental Management Plan:</b> Participants should provide an outline plan for environmental improvement and management.
<b>Response Guidance</b>	<p>Provide a Plan which should, but not be limited to, show separately:</p> <ul style="list-style-type: none"> <li>• How operator will comply with applicable legislation;</li> <li>• Encouragement for 'green' procurement;</li> <li>• Encouragement for 'green' travel;</li> <li>• Arrangements for determining, managing and mitigating the environmental impact of the services in each harbor;</li> <li>• Proposals for minimising the generation of greenhouse gasses and carbon release at the outset of operating the Services and for ongoing assessment and reduction;</li> <li>• Proposals for pollution control and minimisation including pollution incident response;</li> <li>• Proposals for waste minimisation and waste management;</li> <li>• Proposals to minimise the effect on marine life and to secure the health and protection of marine mammals;</li> <li>• Proposals for reviewing and reporting on environmental performance.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.13] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

#### 1.14 Customer Care Process

<b>1.14</b>	<b>Volume 4 Reference: Schedule Part 6</b>
<b>Requirement</b>	<b>Customer Care Process:</b> Participant to provide a detailed customer care process (which can be developed further during the Start-up period) and the resources required to manage the requirements of the process.
<b>Response Guidance</b>	<p>Provide a Process which should, but not be limited to, show separately in a structured format:</p> <ul style="list-style-type: none"> <li>• proactive arrangements to provide a caring environment for port customers;</li> <li>• proactive arrangements to provide a caring environment for port tenants (where appropriate);</li> <li>• staff and resources proposed to fully develop, implement and update the plan; and</li> <li>• a consultation environment that meets the requirements of the PMSC.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.
<b>[A 1.14] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

#### 1.15 Management of Conflict

<b>1.15</b>	<b>Volume 4 Reference: Schedule Part 5</b>
<b>Requirement</b>	<b>Management of Conflict plan:</b> Participant to provide a detailed Management of Conflict plan (which can be developed further during the Start-up period) and the resources required to manage the requirements of the plan.
<b>Response Guidance</b>	<p>Provide a Plan which should, but not be limited to, show separately in a structured format:</p> <ul style="list-style-type: none"> <li>• arrangements to manage conflict between ferry operator and</li> </ul>

	<p>harbour operator;</p> <ul style="list-style-type: none"> <li>• arrangements to manage conflict between ferry operations and harbour operations;</li> <li>• arrangements to manage conflict between ferry use and non-ferry use of the harbour;</li> <li>• arrangements to manage conflict between harbour tenants and operations.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Comments</b>	<p>Participants are invited (but not required) to provide any comments and observations that they may have in relation to the Requirements set out above and in particular any proposals they may have for improving and/or refining the Requirements. This may be used to inform subsequent negotiations. This will not be scored.</p>
<b>[A 1.15] Response</b>	
<b>Analysis: [Please insert here]</b>	
<b>Service offerings and contractual undertakings: [Please insert here]</b>	

**PACKAGE A: SECTION A.2**

**OPERATIONAL MANAGEMENT SYSTEM**

**PARTICIPANT TO INSERT OUTLINE OPERATIONAL MANAGEMENT SYSTEM (AS ADJUSTED FROM THE LATEST INITIAL OR INTERIM TENDER IN TRACKED CHANGE FORMAT IN RESPONSE TO NOTIFICATION BY CMAL OR FOR ELECTIVE REASONS).**

<b>2</b>	<b>Operating Management System (Operations and Safety Management System ref Schedule Part 12</b>
<p>The Operating Management System, 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. The Participant has been notified where, in the consideration of CMAL, 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 notice 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 2 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 Harbour Operation Services for the Clyde and Hebrides Ferry Services, then the Operating Management System will be included in the Schedule Part 12 of the Contract.</p>	

<b>2.1</b>	<b>Operational Management Methodology</b>
	Provide:
	(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.  Responses that do not include all the elements within the response guidance may be considered non-compliant.
<b>Insert information below</b>	

<b>2.2</b>	<b>Operator’s Quality Management</b>
	<p>Provide:</p> <ul style="list-style-type: none"> <li>(i) An annotated chart of the Operator’s organisation of the Contract including the line of command and communication links between all parties for the mobilisation and operational stages of the Contract;</li> <li>(ii) Proposed person who shall have defined authority for establishing, maintaining and reporting on the Quality Management System;</li> <li>(iii) the structure and content of typical quality control procedures to be used on the project;</li> <li>(iv) a list of procedures to be included in Quality Management System for mobilisation and operational phases showing their hierarchy and interface; and</li> <li>(v) a list and structure of procedures for monitoring of the Quality Management System.</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.3</b>	<b>Organisation of the Contract</b>
	<p>Provide:</p> <ul style="list-style-type: none"> <li>(i) An annotated chart of the Operator’s organisation of the Contract including the line of command and communication links between all parties for the mobilisation and operational stages of the Contract;</li> </ul> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

--

<b>2.4</b>	<b>Harbour Operations organisation structure</b>
	Provide:
	<p>(i) An organisation structure that provides for clarity between ferry operator and harbour operator roles and clear responsibilities</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.5</b>	<b>Operations and Safety Management System (OSMS)</b>
	Provide:
	<p>(i) An outline of the OSMS that will be employed in delivery of the services and in line with the Division of Responsibilities and Scope of Operations;</p> <p>(ii) Proposals for performance management of the OSMS;</p> <p>(iii) Identify key personnel responsible for delivery of the OSMS through appropriate line management.</p> <p>Responses that do not include all the elements within the response guidance may be considered non-compliant.</p>
<b>Insert information below</b>	

<b>2.6</b>	<b>KPIs (Key Performance Indicators)</b>
	Provide:
	<p>A description of proposed summary KPIs, which are intended to be used by the Participant as a basis for demonstrating</p>

effectively how the operation of the Services are:

(i) meeting the requirements for the Services set out in the Schedules;

(ii) fulfilling the terms outlined in the Conceptual Proposals; and

(iii) providing CMAL with an economical, efficient and effective implementation of the Services

and which can be used in Benchmarking operations in accordance with the provisions of the contract.

Responses that do not include all the elements within the response guidance may be considered non-compliant.

**Insert information below**



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>
<b>Supplier Representative:</b>			
.	.	.	
<b>Senior Supplier Representative:</b>			
.	.	.	
<b>Key Personnel:</b>			
.	.	.	Board-level Health and Safety Manager
.	.	.	Senior Shore based person
.	.	.	Board Level Environmental Manager
.	.	.	Board level Quality Manager
.	.	.	Operations Manager
.	.	.	Technical Manager
.	.	.	HR Manager
.	.	.	Marketing Manager
.	.	.	Responsible Person for Operator response in the event

			of accidents, significant incidents or emergencies
▪	▪	▪	▪
▪	▪	▪	▪
▪	▪	▪	▪
▪	▪	▪	▪

\* 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.

FORM OF FINAL TENDER

**PACKAGE C**

TENDER SUM SUBMISSION

**This Harbour Operations 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**

**General directions**

C.1.1 The Harbour Operations 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.1.2 The Base Case Schedule is a series of tables (Tables C.2.1 to C.2.6) located in Section C.1 and C.2 of this Package 2 instructions. Each blank cell shall have a price inserted, expressed in Pounds Sterling or a percentage or such other value as indicated to provide a complete computation of the Total Harbour Operations Costs proposed by the Participant .

C.1.4 All prices shall be exclusive of Value Added Tax (VAT) in Scotland.

C.1.5 All prices shall be inclusive of all relevant taxes (other than VAT), duties, charges and other fees.

**Costs and Revenues**

C.1.6 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).

C.1. HARBOUR OPERATING BASE CASE COSTS SCHEDULE

**Table C.2.1 - Manning Costs – per annum (Year 1)**

Manning Costs based on proposed FTE (Table C.2.5 and C.2.6)		£
NI & Pens contribution allowed for (%)		%
Overheads (%)		%
Preliminaries additional allowances (%) (details to be provided)		%
<b>Total Manning Costs (A)</b>		£

**Table C.2.2 - Total Harbour Operations Costs – per annum (Year 1)**

Total Manning costs (A -from above)		£
Operating costs (to include rates/ utilities / insurances)		£
Waste Management (direct costs)		£
Overheads (additional overhead costs for delivery of the contract)		£
<b>Initial Harbour Operating Fee (B)</b>		£

(for each subsequent year the Initial Harbour Operating fee is Index Linked - refer to Vol. 4 definitions)

**Table C.2.3 - Start-up Costs**

<b>Start Up Costs (C)</b> (costs associated with delivery of the start-up plan)		£
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**Table C.2.4 – Total Harbour Operations Costs (Refer to Section 11 of Vol 4)**

Total Harbour Operations Costs over full contract term <b>C + B x 8 years</b> (real costs 2016 discounted to 2016)		£
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## C.2. HARBOUR OPERATING PROPOSALS

**Table C.2.5 - Manning Proposal**

	Port	Facility	Management Activities	Operational/ Maintenance Activities
			(Full Time Equivalents)	(Full Time Equivalents)
1.	Gourock	Linkspan		
2.	Oban	Linkspan (2)		
3.	Wemyss Bay (WB)	Linkspan		
4.	Brodick	Linkspan		
5.	Tarbert (H)	Linkspan		
6.	Lochboisdale	Linkspan		
7.	Castlebay	Linkspan		
8.	Kennacraig	Linkspan		
9.	Port Ellen	Linkspan		
10.	Armadale	Linkspan		
11.	Coll	Linkspan		
12.	Tiree	Linkspan		
13.	Colonsay	Linkspan		
14.	Colintraive	Slipway		
15.	Tobermory	Slipway (with pier)		
16.	Largs	Slipway (with pier)		
17.	Lochaline	Slipway		
18.	Kilchoan	Slipway (with pier)		
19.	Rhubodach	Slipway		
20.	Cumbræ	Slipway		
21.	Fishnish	Slipway		
22.	Claonaig	Slipway		
23.	Portavadie	Slipway		
24.	Lochranza	Slipway (with pier)		
Total				

**Table C.2.6 - Manning Assumptions**

Hours per week (Basis of hours per week worked by employees)		hrs
Holiday Cover (% cover for staff holidays)		%
Sickness Cover (% cover for Sickness and Absence)		%

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C.3. FINAL TENDER SUM

**This Final Tender Sum 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.**

FINAL TENDER SUM: Total Harbour Operating Fee for the duration of the Agreement (real costs 2016 discounted to 2016)		£.....	
<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>			
<b>Duly authorised to sign the Final Tender and</b>			
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail</b>			

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**CLYDE AND HEBRIDES FERRY SERVICES  
COMPETITION FOR THE CONTRACT  
FOR THE PROVISION OF SERVICES**

**VOLUME 2**

**TS/MTRIPS/SER/2015/01**

**APPENDIX 3(A): FORM TO REQUEST AN AMENDMENT TO VOLUME 4 FOR BUNDLE 2  
(HARBOUR OPERATING COMPONENT)**

**FORM TO REQUEST AMENDMENT(S) TO VOLUME 4**

**To be submitted in accordance with Section 4.6 of Volume 2**

**Participant Name**

--

**Proposed Amendment(s) to Volume 3**

Existing Schedule/ Paragraph Number or Clause Number	[Insert 'N/A' if new Schedule/Paragraph/Clause proposed]
Existing Schedule/Clause Text	[Insert 'N/A' if new Schedule/Paragraph/Clause proposed]
Amended / New Schedule/ Clause Text	[Insert 'Delete Schedule/Paragraph/Clause' if deletion Schedule/Section is proposed]
If Amendment to the Schedules, provide details of any affect this amendment will have to the Agreement Conditions or to any other documents	[Insert information and reference to any affected document and location within that document here]

[Participant to repeat for each Schedule/Paragraph/Clause affected]

**Justification of Amendment(s)**

[Provide reasons and justification of proposed amendment(s).]

**Benefits of Proposed Amendment(s)**

**Include quantification of benefits**

Earlier completion, improved efficiency and/or reduced price to CMAL in respect of the mobilisation:

Improved efficiency and/or reduced price to CMAL in respect of the operation of the Services:

Would otherwise be of benefit to the users of the Services:

Are there any negative consequences/risks of the amendment in respect of the price to CMAL and/or quality of operations?

**Attachments**

[List attached documents]

**To be completed by the Participant**

<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>			
<b>Duly authorised to sign for and on behalf of</b>	[insert name of Participant]		
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail Address</b>			

<b>To be completed by the CMAL</b>			
<b>CMAL Recommendation</b>			
The above proposed amendment(s) to Volume 3 is:			
Accepted <input type="checkbox"/>		Rejected <input type="checkbox"/>	
Accepted in principle with the following amendments <input type="checkbox"/>			
<b>Date</b>			
<b>Signature</b>		<b>In the capacity of</b>	
<b>Name (block capitals)</b>	(Duly authorised to sign for and on behalf of CMAL)		
<b>Duly authorised to sign for and on behalf of the Scottish Ministers</b>			
<b>Address</b>			
<b>Telephone Number</b>			
<b>E-mail Address</b>			