



Norfolk County Council

Broadband Delivery Framework

Call Off ITT Part 2:

Requirements

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1 Introduction and Context

1.1 Purpose

1.1.1 The purpose of this Part 2 is to define the Local Body Call Off Requirements. Part 2 contains the following sections:

- Introduction and Context
- Description of Call Off Requirements
- Appendix 1 – Evaluation Strategy including Call Off Award Criteria
- Appendix 2 – Bidder Response to ITT
- Appendix 3 – Speed and Coverage Table
- Appendix 4 – Compliance Matrix
- Appendix 5 – Side letter template
- Appendix 6 – Bidder Completion Check Sheet

1.2 Project Stakeholders

1.2.1 Local Body (i.e. the lead Local Body and Contracting Authority under the Call Off Contract)

Norfolk County Council

1.2.2 Other Beneficiary Local Bodies

The following Local Bodies are each anticipated as being an "Other Beneficiary" (as referred to in Clause 9 of the Template Call Off Contract) for the purposes of a Call Off Contract entered into pursuant to this ITT:

New Anglia Local Enterprise Partnership Limited

Breckland District Council

Broadland District Council

Kings Lynn and West Norfolk District Council

North Norfolk District Council

South Norfolk District Council

1.2.3 Wider Stakeholders

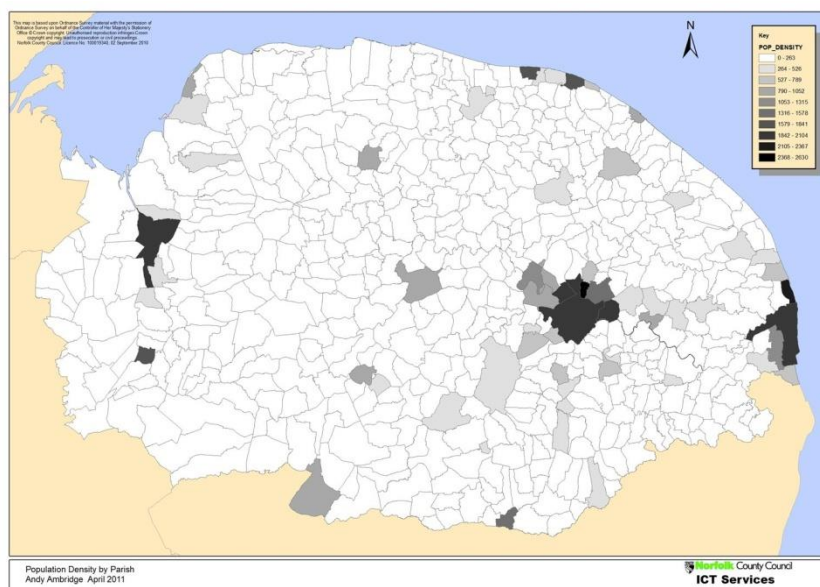
There is widespread support for this Project among its stakeholders. Details of the project's stakeholders, including MPs, MEPs, businesses, District, Town and Parish Councils and other community and public sector organizations, can be found in the Local Body's Local Broadband Plan.

1.3 Geography and Premises

The underlying data used to generate the map and premises numbers in this section can be found in the Data Room.

1.3.1 Overall Geographical Area

This map identifies the Project's overall geographical boundaries and population density, irrespective of current broadband coverage:



The Project concerns a land area of 749,751 hectares and is the sixth most rural county in England, with one of the widest spread of population.

Over 40% of the 857,900 population (census 2011) resides in 4 large urban areas; the city of Norwich and the three large towns of Great Yarmouth, King's Lynn and Thetford.

22.5% of the population is aged 65 or over (census 2011).

There are over 372,100 households (census 2011) in the Project area.

There are almost 30,000 businesses, with two thirds located in rural areas. 80% of rural businesses employ less than 5 people. Over 80% of all businesses employ less than ten people.

The overall area is relatively sparsely populated with a population density in 2012 was 1.61 persons per hectare.

The majority of premises have at least one fixed telephone line.

1.4 Other Context

In advance of the first Better Broadband for Norfolk programme, support was focused via two campaigns which the Local Body has led:

- **'Back the Bid'** which generated business support for the Local Body's Local Broadband Plan
- **'Say Yes'** which has generated evidence of significant demand for broadband services

Detail of media coverage generated via both of these campaigns is available on request, as is the anonymized output from the demand stimulation programme.

Since rollout began media coverage has continued.

1.5 Instructions for Response to the Local Body Call Off Requirements

- 1.5.1 Section 2 of this Part 2 describes the Local Body Call Off Requirements.
- 1.5.2 Appendix 1 describes how ITT responses will be evaluated.
- 1.5.3 Appendix 2 lists the questions that the Bidder must respond to.
- 1.5.4 Appendix 5 is the Side Letter template that the Bidder must sign and return as part of the response
- 1.5.5 Appendix 6 is a checklist showing everything the Bidder should provide in its response.

2 Local Body Call Off Requirements

2.1 Baseline Service Requirements

- 2.1.1 The Solution MUST meet the Framework Baseline Service Requirements as applied to the Local Body's Call Off Requirements detailed below.

2.2 Speed

- 2.2.1 The Solution MUST provide Superfast Broadband to premises by 31 December 2017 in the geographical area defined at section 1.3.1.
- 2.2.2 To qualify for investments, the project must deliver a 'material increase' or 'step change' in terms of broadband availability. The purpose of this requirement is to ensure that use of public subsidy is well justified. Step change can be achieved when three conditions are met:
- The investment represents significant new investments in the broadband network
 - The new infrastructure brings significant new capabilities to the market in terms of broadband service availability, capacity and speeds
 - The subsidized network should be pro-competitive, i.e. allow for effective access at different levels of the infrastructure (see Wholesale access provisions).

2.3 Geographical Limits of Scope

The overall geographical coverage area described in section 1.3 is divided into two types of area, being the Out of Scope Area and Intervention Area. These areas are described in sections 2.3.1 – 2.3.4 below.

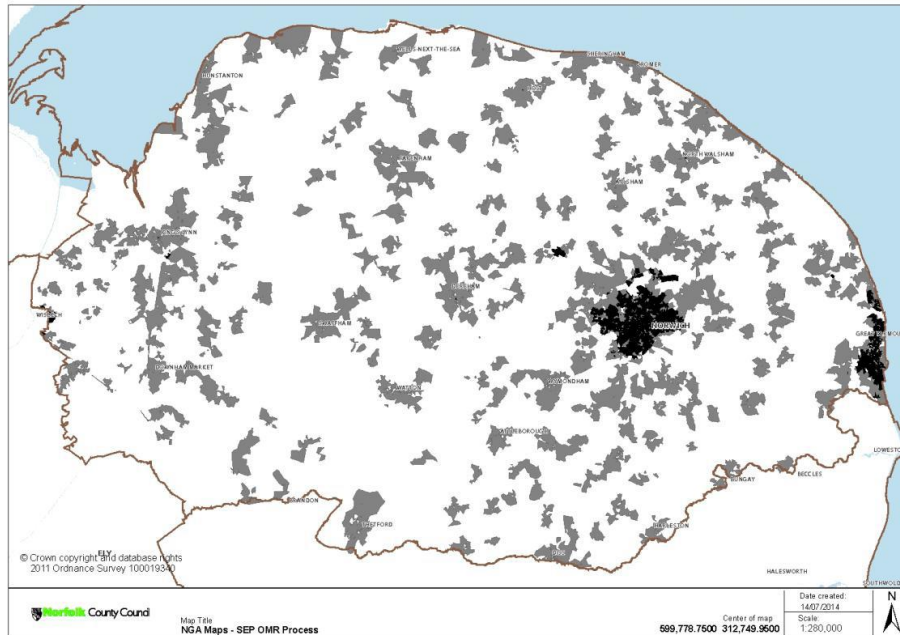
2.3.1 Out of Scope Area(s)

The black (if any) and grey areas on the map shown in section 2.3.2 within the Overall Geographical Area are out of scope for intervention as part of the Solution, as those areas already have or by the end of August 2017 will have NGA Network coverage, and based on consultation/market research have been assessed by the Project as appropriately meeting local needs.

The number of premises defined as out of scope within the identified areas is 357,377.

2.3.2 Intervention Area

The white areas on the map constitute the Intervention Area:



The number of premises defined as in scope within the identified areas is 67,223.

Only the deployment of a NGA Network utilizing appropriate qualifying technologies will be acceptable within the Intervention Area. Guidance on how these qualifying technologies can meet the required characteristics for an NGA Network can be found within the BDUK published guidance note - The role of Next Generation Access technologies in addressing superfast broadband market failure under the UK's State aid scheme.

2.3.3 Premises Coverage Requirements

The following table summarises:

- The total number of premises in the Overall Geographical Area;
- The total number of premises in the Out of Scope Area;
- The total number of premises within the Intervention Area;

| Row Ref. | Classification | Number of Premises | % of Total |
|----------|--|--------------------|------------|
| A | Total Premises In Overall Geographical Area | 424,600 | |
| B | Total Premises in Out Of Scope Area (i.e. Not Target Of Subsidy) | 357,377 | 84.2% |
| C | Total Premises In-Scope For NGA Intervention | 67,223 | 15.8% |

2.3.4 Cross-Border Area

Cross-Border Areas will be subject to BDUK Policy approach.

2.4 Funding

- 2.4.1 For the purposes of the Call Off a total public sector subsidy of up to £18.42 million is available of which £12.0 million should form the Supplier's initial solution and a further £6.42 million forming a proposed Change Request as further set out in paragraph 2.4.2.
- 2.4.2 The following two tables set out the specific break down of the public sector subsidy and relative requirements. It should be noted that the first table identifies funding for the initial solution which the supplier should model to achieve as much coverage as possible across the Intervention Area.

| Sourcing Fund | Amount | Fund status | Requirements for funding |
|-------------------------------------|-------------|-------------|---|
| Local Enterprise Partnership | £5,000,000 | Approved | As much coverage as possible for the investment whilst demonstrating vfm. This must be expended by 31 st March 2016. |
| Norfolk County Council | £1,000,000 | Approved | As much coverage as possible for the investment whilst demonstrating vfm |
| DCMS | £6,000,000 | Approved | As much coverage as possible for the investment whilst demonstrating vfm |
| Total | £12,000,000 | | |

The second table sets out funding which must be used to increase coverage in the specific District boundaries pursuant to a Change Control process as further described below.

| | | | |
|--|---|------------------------------|--|
| Breckland District Council | £950,000, with match from BDUK = £1.9 million | Approved | Within the District demonstrating vfm, and with collaboration with bordering Districts |
| Broadland District Council | £560,000 with match from BDUK = £1.12 million | Cabinet decision 12th August | Within the District demonstrating vfm, and with collaboration with bordering Districts |
| Kings Lynn and West Norfolk Borough Council | £500,000 with match from BDUK = £1 million | Awaiting confirmation | Within the District demonstrating vfm, and with collaboration with bordering Districts |
| North Norfolk District Council | £1,000,000 with match from BDUK = £2 million | Approved | Within the District demonstrating vfm, and with collaboration with bordering Districts |
| South Norfolk District Council | £200,000 with match | Approved | Business premises within the District demonstrating |

| | | | |
|--------------|-------------------------|--|---|
| | from BDUK = £400,000 | | vfm in support of economic development |
| Total | £6.42 million | | |

As it will not be possible to identify the remaining NGA 'White' areas in each District until the coverage achievable from the funding shown in the first table has been identified, the following process will be required:

- Within three months of contract signature, the Authority will map remaining NGA White areas for each District
- Within three months of contract signature, relevant members and officers from each District will sign Non-Disclosure Agreements with the Supplier
- Within three months of contract signature, the Authority and the Supplier will meet with each District Team to review NGA White areas in that district and understand that Districts priorities
- The Supplier will support this process by giving 'High, Medium and Low' cost estimates for serving priority areas.
- Within six months of contract signature, the Supplier will have developed Change Controls for consideration by Districts
- Assuming vfm is demonstrated, Change Controls will be signed within nine months of contract signature.

This funding will be deployed within the timeframe of this contract.

2.4.3 Additional Potential Funding

Not used

2.4.4 Un-allocated funding

The Authority does not guarantee to allocate any funds which are not committed to a defined solution at the time of procurement.

2.5 Contingency

2.5.1 Not used

2.5.2 Not used

2.5.3 Not used

2.6 Milestones

2.6.1 For the purpose of Appendix 1 to Schedule 5.1 of the Call Off Contract, the percentage breakdown of public funding to milestone types for this Call Off will be as set out in the following table:

| Milestone Type | Call Off Contract Percentage of Public Funding | Additional Conditions of Payment |
|--|--|----------------------------------|
| Milestone 0: Survey & Design Completion | Maximum 10% | |
| Milestone 1: Infrastructure Build | Up to 80% | |
| Milestone 2: Wholesale Access Available | Up to 40% | |
| Milestone 3: End-user Take-up | Minimum 3% | |

2.7 Timing

2.7.1 The Solution MUST meet the following timetable:

| Deliverable | Timeline | Comment |
|-------------------------|------------------|---|
| Implementation Complete | 31 December 2017 | Final M2 Milestone to have been achieved. |

2.8 Additional Priorities

2.8.1 None outside the approach described in 2.4.2

2.9 Local Body Reusable Assets

- 2.9.1 The Local Body has no assets available for reuse by the appointed supplier as part of delivery of the Call Off.
- 2.9.2 The Bidder's re-use of other (i.e. non-Local Body) assets will also be evaluated in the context of Solution design (see B.6 in Appendix 2 to this Part 2).

2.10 Specific Community Project Requirements

- 2.10.1 There are no local community projects currently identified and which should be reflected in the Solution proposed by the Bidder.
- 2.10.2 During the term of the Call Off Contract, the Solution MUST enable the provision of local community projects in accordance with the Framework. Such local community projects would be incorporated using the change control procedure as and when the requirement arises.

2.11 Governance

2.11.1 The governance arrangements which would apply under Schedule 6.1 of the Call Off Contract are as follows:

Existing governance arrangements, including:

- Joint programme team

- Steering Group.

Norfolk County Council's Programme Director will act as single point of contact for all Other Beneficiaries.

Save as provided above, there are no additional specific governance requirements.

2.12 Alignment with existing contract

2.12.1 The Local Body has an existing network deployment contract in place under the Framework (the "First Contract"). In order to maximise efficiencies and minimise Local Body expenditure, certain measures (contractual and operational) may be required to be implemented by the Local Body and Supplier to ensure that delivery under the First Contract and the Call Off Contract envisaged in this ITT are aligned as far as possible. Alignment activity between these two Contracts might involve, for example, consolidating governance arrangements, co-coordinating project plans.

The extent, form and way in which this alignment is to be achieved will differ depending on whether or not the Supplier to this Call Off Contract is also the supplier under the First Contract. Set out below is an indicative and non-exhaustive list of measures which may be required to be implemented in each scenario.

2.12.1.1 Where the Supplier to this Call Off Contract is not a party to the First Contract:

Work with and enter into further arrangements with the Local Body and/or the supplier under the First Contract to provide for matters such as:

- a) information exchange;
- b) project plan alignment;
- c) coordinated project governance;

Work with the Local Body to make amendments to the Call Off Contract (using the change control mechanism when appropriate) should any related alignment of the two contracts impact upon the performance of the Call Off Contract;

Provide relevant input, in its capacity as a Supplier, with regard to any contractual change in respect of the First Contract arising from the procurement of the Call Off Contract pursuant to this ITT.

2.12.1.2 Where the Supplier is a party to the First Contract:

Work with and enter into further arrangements with the Local Body to provide for matters such as:

- a) project plan alignment;
- b) unified project governance;

Work with the Local Body to make amendments to the First Contract (using the change control mechanism when appropriate) with the aim of maximising efficiencies and minimising Local Body expenditure taking into account overlap and suitable alignment between the two contracts.

- 2.12.2 Acceptance of the above principles MUST be confirmed via side letter at the time of bid submission. Side letter template can be found in Appendix 5 of this Part 2.

2.13 Additional Marketing and Demand Stimulation

- 2.13.1 The Local Body has no additional requirements for marketing and demand stimulation as part of delivery of the Call Off.

2.13.2 Not used.

2.13.2.1 Not used

2.13.2.2 Not used

Appendix 1: Evaluation Strategy, including Call Off Award Criteria

A1.1 Introduction

A1.1.1 This Appendix describes the evaluation approach which will operate for the award of the Local Body's Call Off Contract. The objective of the evaluation is to identify the Bidder submitting the Most Economically Advantageous Tender (MEAT).

A1.2 Evaluation Process

A1.2.1 The main sequence of evaluation process activities is as follows:

A1.2.2 Submissions Received

A1.2.2.1 Each Bidder response will first be checked for completeness and compliance. The Local Body reserves the right to reject a response and/or disqualify a Bidder where the response is incomplete or non-compliant, including where the response is submitted late, is completed incorrectly, is materially incomplete, is submitted in any other format other than specified.

A1.2.3 Evaluation

A1.2.3.1 Responses which pass the completeness and compliance check will proceed to full evaluation.

A1.2.3.2 Evaluation will take place in two discrete elements:

- Evaluation of Value and Pricing
- Evaluation of Quality

A1.2.3.3 Evaluators will use the Scoring Methodology described in section A1.3.

A1.2.3.4 Where the evaluators reach an equivalent score for a criterion, that score will be entered directly into the master evaluation spreadsheet (being the spreadsheet, to be maintained by the Local Body, which will record evaluation scores and the summarized evaluator commentary regarding rationale for scoring).

A1.2.3.5 If the evaluators reach different scores for a criterion, a moderation meeting will be used to facilitate a discussion between evaluators in order that an agreed score can be reached (the reason for evaluator score adjustments will be documented). That agreed score will then be entered into the master evaluation spreadsheet.

A1.2.4 Decision

A1.2.4.1 The Local Body will select a Bidder based on the Most Economically Advantageous Tender. Following the completion of the evaluation process the Bidder achieving the highest weighted evaluation model score will be considered successful, subject to contract and the Local Body's governance arrangements. In order to comply with State aid conditions, two specific requirements will be applied to the evaluation:

- If one or more Bidders achieve the same score, the contract must be awarded to the Bidder requiring the least public subsidy
- The Local Body must distinguish between Bidders offering additional wholesale access products in addition to the minimum/mandatory ones. This requirement will be taken into account by reference to the Bidder's response to ITT Part 2, Appendix 2 – B.4.1 and the corresponding response to C.1.

A1.3 Scoring Methodology

A1.3.1 Up to 20 points are available for each level three criterion. One or a combination of some of the approaches described below will be used during evaluation. The scoring method or methods used depend on the criterion being evaluated. Once the criteria have been scored these scores will be weighted using the evaluation model described in A1.3.6. The weightings in this model reflect the Local Body's specific priorities.

A1.3.2 Scoring Approach 1: Risk Based Scoring

A1.3.2.1 Responses will be assessed and reservations (i.e. risks, concerns and weaknesses associated with the response) identified. These reservations will collectively form the basis for making any deduction from the maximum available score of 20 for the relevant criterion.

A1.3.2.2 Using reasonable professional judgment each evaluator will determine a score for its assigned criteria, using the scoring principles in the following scoring adjustment table.

| Evaluation Result | Deduction | Description |
|-----------------------|---------------------------------|---|
| Acceptable | No deduction (0 marks deducted) | Response is clear and comprehensive, is supported by evidence and presents no more than immaterial concerns in relation to deliverability and/or Supplier performance and/or transfer of risk to the Local Body. |
| Minor Reservations | Deduction of between 1-7 marks | Response is clear and comprehensive, but there are minor deficiencies in the evidence provided and/or minor but evident concerns in relation to deliverability and/or Supplier performance and/or transfer of risk to the Local Body. |
| Moderate Reservations | Deduction of between 8-12 marks | Response has moderate deficiencies and/or gives rise to moderate concerns in relation to deliverability and/or Supplier performance and/or transfer of risk to the Local Body. |

| Evaluation Result | Deduction | Description |
|--------------------|----------------------------------|---|
| Major Reservations | Deduction of between 13-19 marks | Lacks a deliverable response which would meet the Call Off requirements and/or the Bidder's proposed solution would transfer significant risk to the Local Body. |
| Immediate Score | Zero Deduction of 20 marks | No response is provided or an insufficient response is provided to perform evaluation: Sections requiring responses are not completed, or there are significant gaps in the requested response. |

A1.3.2.3 For the level three Criterion 2.1.1 Solution design only, this will be assessed by evaluating the Bidder's response to question B.4.1 in Appendix 2 to Part 2 of this ITT first. Up to 7 marks will be subtracted from the maximum potential score of 20 dependent on the level of additional access products proposed, the more additional products the less the deduction. Subsequently any deduction for additional reservations will then be made to the remaining score of between 13 and 20.

A1.3.3 Scoring Approach 2: Calculated scores

A1.3.3.1 Certain criteria scores are calculated on the basis of specified mathematical equations, using information from the Bidder response. These are identified below.

A1.3.3.2 Leverage Criteria Call Off Bid Financial Model

- The Leverage criteria score will be calculated using specific outputs from the Bidder's Call Off Bid Financial Model.
- Evaluation under this criterion will test the additional investment offered by a Bidder within the Call Off Bid Financial Model response. This will be calculated as:

$$\mathbf{Bidder\ Leverage} = \frac{\begin{matrix} (\text{Public Subsidy Requested}) + \\ (\text{Additional Supplier Expenditure}) + \\ (\text{Committed Opex}) \end{matrix}}{(\text{Public Subsidy Requested})}$$

$$\mathbf{Evaluation\ Score} = \frac{20}{(\text{Highest Bidder Leverage})} \times (\text{Bidder Leverage})$$

- The Bidder should note that for public subsidy derived from BDUK/DCMS and the Local Body sources, this subsidy will only be provided for Permitted Expenditure. Committed Opex includes infrastructure lease costs or equivalent expenditure committed by the Bidder over the life of the contract. The Committed Opex is included for the calculation of Leverage for evaluation purposes only.
- Public Subsidy Requested is the sum of all Subsidy Payments forecasted in the Bidder's Call Off Bid Financial Model.
- Permitted Expenditure, Subsidy Payments and Additional Supplier Expenditure are defined in the Call Off Contract, Schedule 1 (Definitions).

- Only expenditure which is fully and demonstrably funded (e.g. through a combination of the Bidder's own investment, a third party investment or public subsidy) will be applicable in the performance of the calculation of the Leverage criterion

A1.3.3.3 Extent of Coverage / Superfast Rollout criteria - Speed and Coverage Template

- The Local Body has defined weightings within the Speed and Coverage Template for different speed ranges to reflect its priorities. Each Bidder will complete the Speed and Coverage Template in respect of each speed range, identifying the number of premises that its proposed Solution will support. Each Bidder's response to Appendix 2 B.3.1 will be used to evaluate any reservations that exist in respect of the modelling that the Bidder has used when completing the Speed and Coverage Template. A risk based adjustment shall then be applied based on any such reservations (this adjustment can be between 0 and the output score from the Speed and Coverage Template, noting that 0 deduction represents no reservations while a deduction of the entire output score would require a conclusion that the figures in the proposed Speed and Coverage Template were wholly unreliable).
- A full explanation of the calculation of scores for Extent of Coverage and Superfast Rollout criteria is contained within the Speed and Coverage Template itself.

A1.3.4 Scoring Approach 3: Thresholds

A1.3.4.1 Thresholds are not applicable to this ITT.

A1.3.5 Scoring Approach 4: Pass/Fail

A1.3.5.1 The Bidder's response to Part 3 of this ITT, being the Call Off Contract terms, and Appendix 5 of Part 2, being the side letter, are evaluated on a pass/fail basis.

For Part 3 to 'pass', the Bidder must: (i) confirm acceptance of the Template Call Off Contract terms as amended by the table set out in Part 3 of the ITT; and (ii) not propose any change to those terms, in its ITT submission (whether directly or by the inclusion of materials in its proposed solution or other bid submission materials which would have the effect of substantively amending the terms themselves, rather than populating sections of the Call Off Contract). This is subject to the processing of any remaining Bidder Notes as part of contract finalisation. Any deviation from the foregoing shall represent a 'fail' by the Bidder of the applicable threshold and the Bidder will be disqualified from the procurement.

For Appendix 5, the Bidder must: (i) confirm acceptance of the Side Letter terms ; and (ii) not propose any change to those terms, in its ITT submission. This is subject to the processing of any remaining Bidder Notes as part of contract finalisation. Any deviation from the foregoing shall represent a 'fail' by the Bidder of the applicable threshold and the Bidder will be disqualified from the procurement.

A1.3.5.2 Should a Bidder identify any:

- cross-reference or typographical errors
- Part 3 drafting requiring clarification (although it is important to note that any such clarification points must only relate to an ambiguity or apparent error in the text) applicable CQs may be submitted in accordance with section 4.4 of Part 1.

A1.3.5.3 However, only where changes to Part 3 are expressly confirmed to Bidders in a CQ response by the Local Body can they be considered part of the content against which the Bidder provides its confirmation in accordance with this A1.3.5.

A1.3.6 **Evaluation Model**

A1.3.6.1 The Framework Agreement establishes the evaluation criteria to be used for Call Off evaluation. The weightings for each level of these criteria have been selected by the Local Body from within the permitted ranges and are shown in the table below.

| Call Off Award and Evaluation Criteria | | | | | |
|--|--|---------------------------------|-------------|---|-------------|
| Level 1 | | Level 2 | | Level 3 | |
| Award criteria | Weighting % (Summation of Level 2 criteria) | Award criteria | Weighting % | Award criteria | Weighting % |
| 1. Value and pricing | 40% | 1.1 Affordability and leverage | 40% | 1.1.1 Financial model and wholesale/ user pricing | 21% |
| | | | | 1.1.2 Commercial sustainability | 22% |
| | | | | 1.1.3 Affordability | 22% |
| | | | | 1.1.4 Leverage | 35% |
| | | 1.2 Contract and commercial fit | 0% | 1.2.1 Transfer of risk in Call Off contract | 0% |
| 2. Quality | 60% | 2.1 Local solution design | 14% | 2.1.1 Solution design | 40% |
| | | | | 2.1.2 Retail proposition and delivery | 15% |
| | | | | 2.1.3 Community proposition | 5% |
| | | | | 2.1.4 Environment (and social) sustainability | 10% |
| | | | | 2.1.5 Risk from non-framework solution components | 30% |
| | | 2.2 Solution outcomes | 40% | 2.2.1 Extent of coverage | 30% |
| | | | | 2.2.2 Superfast roll-out | 70% |
| | | 2.3 Delivery | 6% | 2.3.1 Implementation plan | 100% |

A1.4 Call Off Requirements against Evaluation Criteria

A1.4.1 Section 2 of this Part 2 describes the Local Body Call Off Requirements. Appendix 2 to this Part 2 asks a set of specific questions which Bidders must answer in their bid responses. This table:

- Maps Appendix 2 questions to the evaluation criteria – this mapping serves as a primary reference point, but note that evaluators may take into account any other relevant information provided in respect of other Appendix 2 questions
- Defines the Scoring Approach that will be used for each criterion

| Level One Criteria | Level Two Criteria | Level Three Criteria | Appendix 2 Qu. Ref | Scoring Approach |
|-----------------------|---------------------------------|--|---|--|
| 1 - Value and Pricing | 1.1 Affordability and Leverage | 1.1.1 Financial model and wholesale / user pricing | B.11.1 B.12.1 B.12.4 C.1.1 C.10.1 | Risk Based Scoring (see Appendix 1, A1.3.2) by comparing Call Off Bid Financial Models to Reference Financial Models, primarily using the following: <ul style="list-style-type: none"> - Reference Financial Model - Call Off Bid Financial Model (including the Cost Book and Wholesale Price Book) - Financial Memoranda |
| | | 1.1.2 Commercial sustainability | B.11.1 B.11.2 B.12.3 C.10.1 | Risk Based Scoring (see Appendix 1, A1.3.2), primarily using the following: <ul style="list-style-type: none"> - Call Off Bid Financial Model - Financial Memoranda |
| | | 1.1.3 Affordability | B.10.1 B.11.1 B.11.3 B.12.2 C.8.1 C.10.1 | Risk Based Scoring (see Appendix 1, A1.3.2), primarily using the following: <ul style="list-style-type: none"> - Call Off Bid Financial Model - Financial Memoranda |
| | | 1.1.4 Leverage | B.11.4 C.10.1 | Calculated score, see Appendix 1, A1.3.3.2 |
| | 1.2 Contract and Commercial Fit | 1.2.1 Transfer of risk in Call Off Contract | A.1.6 A.1.8 | Acceptance of Call-off Contract terms, as provided under Part 3, in accordance with section A1.3.5 of this Part 2. Acceptance of terms set in the Side Letter to achieve synergies during deployment Supplier proposal materials used to populate the Call Off Contract for signature are |

| Level One Criteria | Level Two Criteria | Level Three Criteria | Appendix 2 Qu. Ref | Scoring Approach |
|--------------------|------------------------------|--------------------------|---|--|
| | | | C.2.1 | <p>evaluated under the corresponding technical or financial criteria.</p> <p>The populated copy of Schedule 3.2 of the Call-Off Contract provided by a Supplier shall be agreed as part of contract finalisation (this must be limited to information that is genuinely commercially sensitive).</p> |
| 2 - Quality | 2.1 Local solution design | 2.1.1 Solution design | B.1.1 B.1.2 B.1.3 B.2.1 B.2.2 B.2.3 B.4.1 B.5.1 B.6.1 B.7.1 C.3.1 C.4.1 C.6.1 C.9.1 E.2.1 | Risk Based Scoring (see Appendix 1, A1.3.2.3) including assessment of Local Solution Compliance Matrix. |

| Level One Criteria | Level Two Criteria | Level Three Criteria | Appendix 2 Qu. Ref | Scoring Approach |
|--------------------|--------------------------|--|--------------------------------------|---|
| | | 2.1.2 Retail proposition and delivery | B.16.1 B.16.2 B.15.1 B.15.2 | Risk Based Scoring (See Appendix 1, A1.3.2) |
| | | 2.1.3 Community proposition | B.14.1 B.14.2 B.14.3 | Risk Based Scoring (see Appendix 1, A1.3.2) |
| | | 2.1.4 Environment (and social) sustainability | B.13.1 | Risk Based Scoring (see Appendix 1, A1.3.2) |
| | | 2.1.5 Risk from non-framework Solution Components | B.2.4 B.17.1 | Risk Based Scoring (see Appendix 1, A1.3.2) |
| | 2.2 Solution outcomes | 2.2.1 Extent of coverage | B.3.1 E.1.1 | Calculated score using Speed and Coverage Template followed by Risk Based Scoring of B.3.1 resulting in a potential adjustment to the Speed and Coverage Template score (See Appendix 1, A1.3.3.3) |
| | | 2.2.2 Superfast roll-out | B.3.1 E.1.1 | Calculated score using Speed and Coverage Template followed by Risk Based Scoring of B.3.1 resulting in a potential adjustment to the Speed and Coverage Template score (See Appendix 1, A1.3.3.3) |
| | 2.3 Delivery | 2.3.1 Implementation plan | C.5.1 C.7.1 B.8.1 | Risk Based Scoring (See Appendix 1, A1.3.2) |

| Level One Criteria | Level Two Criteria | Level Three Criteria | Appendix 2 Qu. Ref | Scoring Approach |
|--------------------|--------------------|----------------------|----------------------------------|------------------|
| | | | B.8.2 B.8.3 B.9.1 B.9.2 | |

Appendix 2: Bidder Response to ITT

Part A: Instructions

A.1 Call Off Response

- A.1.1 The Bidder's Solution response MUST reflect the requirements described in section 2 of Part 2. To the extent the Solution response varies from its Reference Supplier Solution and/or Reference Financial Model, such variation MUST be identified in the response to question B.17.
- A.1.2 The Bidder MUST provide its response to this Appendix by answering all the questions within it.
- A.1.3 The Bidder MUST also provide a completed Bidder Completion Check Sheet, using the template provided at Appendix 5.
- A.1.4 Bidders shall not submit any further information other than that specifically requested under this ITT.
- A.1.5 The evaluation criteria for this ITT are set out in the Call Off Evaluation Strategy (ITT Part 2 Appendix 1).
- A.1.6 The Bidder MUST confirm full acceptance of the Call Off Contract set out in Part 3 in accordance with section A1.3.5 of this Part 2.
- A.1.7 The Bidder MUST provide its response to the Local Body, using the communication channel identified in section 4.2 of Part 1, by noon on 31 October 2014.
- A.1.8 The Bidder MUST confirm full acceptance of the relevant side letter attached in Appendix 5 in accordance with the section A.1.3.5 of this Part 2.

Part B: Main Supplier Solution Response

B.1 Organisational Information

- B.1.1 The Bidder MUST document its proposed organisation structure identifying:
- Bidder.
 - Supply chain structure.
- B.1.2 The Bidder MUST provide a statement on:
- Currently identified Subcontractors intended to be used within the Local Body area.
 - Typical work-package(s) to be allocated to Subcontractors.
 - An expected value of the total public sector fund that will be used with local Subcontractors based on current best estimates.
- B.1.3 The Bidder MUST provide a statement on:
- Its approach to maintaining the Key Personnel, as set out in Bidder's proposed Schedule 3.4, during the life of the contract.

B.2 Technical Solution

- B.2.1 The Bidder MUST document the proposed overall Solution design for the entire intervention area, specifically describing the rationale for the proposed deployment of each Framework Solution Component.
- B.2.2 The Bidder MUST explain how its Solution design meets the requirements specified in sections 2.2, 2.3 and 2.9 of this Part 2. For the requirements in sections 2.3.1-2.3.3 of this Part 2 demonstrate that the Solution design complies with the requirements for areas that are Out of Scope and eligible for intervention with NGA Networks.
- B.2.3 The Bidder MUST provide sufficient information to enable Local Bodies to create maps which illustrate the deployment of its proposed Solution design within the entire intervention area, including:
- Location of key infrastructure.
 - Geographical coverage of each Solution Component.
 - Phasing of deployment.
 - Network diagrams.
- All maps MUST be consistent with the Bidder's Reference Supplier Solution (as detailed in the Framework).
- B.2.4 The Bidder MUST identify any Solution Components or variations to Solution Components proposed for this Call Off that do not appear within the Bidder's Reference Supplier Solution and detail:
- The rationale for their inclusion.
 - The risks that are associated with their inclusion.
 - The impact on cost of their inclusion.

B.3 Speed and Coverage

B.3.1 The Bidder MUST provide a written explanation of its Speed and Coverage Template modelling, the model proposed in response to question E.1 of this Appendix 2 which MUST include:

- The methods and approaches the Bidder has used to model their solution coverage and speed performance.
- Detailed modelling assumptions used and the Bidder's explanation of these assumptions, including deriving Access Line Speed and Busy Hour Committed Rates.

B.4 Wholesale Access Products and Services

B.4.1 The Bidder MUST describe the Wholesale Access Products that it will make available including an explanation and structure of project wholesale pricing and the applicable proposed benchmarking reference data. Note State aid conditions require the Local Body to distinguish between Bidders offering additional wholesale access products.

B.5 Future Solution Components

B.5.1 The Bidder MUST describe, at a Solution Component level, how the proposed Solution will evolve to release the opportunities that advances in technology will offer during the term of the Call Off Contract.

B.6 Local Body Assets

B.6.1 No Local Body assets have been identified as available for reuse as part of Solution delivery. The Bidder MUST provide a statement of how it will re-use other (i.e. non-Local Body) assets or, where it will not re-use such assets, the specific reasons why not.

B.7 Operating Model

B.7.1 Building on the Framework Reference Supplier Solution, the Bidder MUST describe its approach in respect of the Project to:

- Technical operations and maintenance (including Retail Online Platform).
- Customer service and care.
- Key IT support systems.
- Business continuity including Major Incident Management.

B.8 Programme/Project Governance

B.8.1 The Bidder MUST provide an overview, building on its Reference Supplier Solution, of how it will tailor its approach to delivering projects to the Local Body including how this approach delivers value to the Local Body.

B.8.2 The Bidder MUST provide details of its proposals in respect of the governance requirements identified in section 2.11 of this Part 2.

B.9 Implementation Planning

B.9.1 Building on the Framework Reference Supplier Solution, the Bidder MUST describe its implementation approach including:

- Its approach to liaison with local planning authorities, including ensuring compliance with their requirements and co-ordinating street works to avoid unnecessary local disruption.
- How its planning approach will mitigate against issues such as delays to achieving planning permission.

B.9.2 The Bidder MUST provide an implementation plan and project plan which illustrates the phasing and rollout of the entire Project from Call Off Contract award to post implementation review, clearly stating when Local Body priorities including requirements in section 2.7 of this Part 2 and milestones will be achieved and:

- How this provides Superfast Broadband to the highest possible number of premises in the specified intervention area.
- How this provides the quickest possible deployment.
- When and how the Local Body's specified priorities will be met and whether these priorities have lessened the level of Superfast infrastructure deployed or the speed of deployment.

B.10 Surveys and Due Diligence

B.10.1 The Bidder MUST describe:

- The due diligence it has undertaken in developing its proposal
- The Post-Effective Date Surveys it will undertake prior to achieving a detailed Solution design and how long this activity will take

B.11 Call Off Bid Financial Model (Including the response to Part 4 of this ITT)

B.11.1 The Bidder MUST provide a separate written response for its Financial Memoranda which is tailored to the Local Body project in addition to its Call Off Bid Financial Model and in accordance with the instructions in Call Off ITT Part 4, section 3.3.3.

Commercial Sustainability

B.11.2 The Bidder MUST:

- Define the key assumptions that will detrimentally affect the financial viability of the business case if they are not met, and the likelihood and impact of the assumption not being met. The Bidder MUST also describe the mitigation they will take if each specific assumption is not met.

Affordability

B.11.3 The Bidder MUST:

- Describe milestones and public subsidy use over the Call Off Contract term and explain how this achieves 'affordability'.
- Document the controls and governance it will implement to ensure financial management and accountability is achieved.
- Define all assumptions used to calculate the level of public sector subsidy required and the sensitivity of these assumptions.

Leverage

B.11.4 The Bidder MUST

- Summarise the following elements from the Call Off Bid Financial Model:
 - o The total amount of Bidder contribution, including any contingency amount in accordance with section 2.5 of this Part 2.
 - o Total public sector subsidy, consistent with the ITT requirements as set out in section 2.4 of this Part 2.
- Confirm that it will treat the investment made by the Local Body as capital and will not apply VAT.

B.12 Project Investment Information

B.12.1 The Bidder MUST provide the following using its Call Off Bid Financial Model:

- The portion of its total CapEx cost to deliver NGA Network infrastructure (independent of speed).
- The assumptions under which any apportionment between the above figures has occurred.

B.12.2 The Bidder MUST describe how it will meet the requirements of each funding stream identified in the Local Body Call Off Requirements:

- LEP/Norfolk County Council
- Breckland, Broadland, North Norfolk District Councils and Kings Lynn & West Norfolk
- South Norfolk District Council

B.12.3 The Bidder MUST describe its approach and key considerations if deployment areas should change as a result of emerging third party rollout plans. Specifically the Bidder MUST describe how it would manage impact on the Call Off Bid Financial Model and overall projects funds.

B.12.4 The Bidder MUST:

- Describe any variation of pricing proposed in the Call Off Bid Financial Model as against the Framework and explain the reasons for any such deviation.
- Confirm that such variations remain compliant with the State aid requirements and other applicable laws and regulation.

B.13 Approach to Environment and Social Sustainability

B.13.1 The Bidder MUST describe the environmental impact of its proposed Solution. In particular, the Bidder MUST describe what steps the Bidder will take to minimize the environmental impact of infrastructure.

B.14 Community Networks Approach

B.14.1 No local community projects have been included at this time.

B.14.2 The Bidder MUST provide details of its approach for future local community projects as set out in section 2.11 of this Part 2 to ensure the following is achieved:

- Engagement with specific communities to help them to understand the options available to them with associated benefits and risks.
- Governance arrangements with the Local Body and local community at all stages of a community project.
- The use of change control to facilitate community projects by the Local Body where additional funding has been secured after contract signature.
- How the Bidder would provide a point of presence, connecting a community run network and how this will be integrated into the Bidder's Solution for the Local Body.
- List the dependencies that are critical in order to achieve the solution outcomes for each community project.
- Provide financial information including design, survey, solution and support costs (showing approach to calculation of applicable costs).

B.14.3 Not applicable.

B.15 Marketing and Selling the Network

B.15.1 The Bidder MUST describe its approach to both marketing and demand stimulation for this Project, including:

- Strategy.
- Detailed approach including activities and resources.
- Expected outcomes.
- Role of Public Body.
- Committed investment.
- Updated evidence such as case studies of previous activities and level of take-up generated.

B.15.2 The Bidder MUST explain what evidence (in particular that noted in Paragraph B.15.1) has been used to inform its take-up and deployment phasing assumptions in its Call Off Bid Financial Model and implementation planning.

B.16 Retail Service Provider Integration

B.16.1 Building upon the Reference Supplier Solution, the Bidder MUST describe the Retail Service Providers approach it will adopt, including:

- Listing the RSPs who currently use infrastructure provided by the Bidder, including the number of premises passed by the infrastructure and the speeds available.
- The Bidder MUST describe how it works with RSPs to ensure that its wholesale products evolve to meet changing end user requirements.
- The Bidder MUST provide a breakdown by geographical area of the range of RSPs that will offer services immediately following implementation of wholesale infrastructure.
- The Bidder MUST describe how they will monitor and manage the relationship with RSPs and the service received by end user customers.

B.16.2 The Bidder MUST state how long it will take for a RSP to mobilise to deliver services using the wholesale infrastructure (showing any variations within the intervention area), from the point that infrastructure is available.

B.17 Deviations from the Reference Supplier Solution

B.17.1 Using the table structure below, the Bidder MUST list all variations of the Solution from its Reference Supplier Solution. Variations MUST be due to the specific local requirements and conditions.

| Applicable ITT Part 2 Appendix 2 Section | Variation | Rationale for variation | Risks associated with variation | Impact on cost of the variation |
|--|-----------|-------------------------|---------------------------------|---------------------------------|
| B.1 | | | | |
| B.2 | | | | |
| B.3 | | | | |
| B.4 | | | | |
| B.5 | | | | |
| B.6 | | | | |
| B.7 | | | | |
| B.8 | | | | |
| B.9 | | | | |
| B.10 | | | | |
| B.11 | | | | |

| | | | | |
|--|--|--|--|--|
| B.12 | | | | |
| B.13 | | | | |
| B.14 | | | | |
| B.15 | | | | |
| B.16 | | | | |
| To the extent that the Bidder's Appendix 2, Part B response does not specifically consider it, any further variations between the Bidder's RSS and the proposed supplier solution. | | | | |

Part C: Contract Schedules

C.1 Wholesale Products and Services Template

- C.1.1 The Bidder MUST complete the Wholesale Products and Services Template to be annexed to Schedule 2 of the Call Off Contract. Note State aid conditions require the Local Body to distinguish between Bidders offering additional wholesale access products.

C.2 Commercially Sensitive Information

- C.2.1 The Bidder MUST provide a populated copy of Schedule 3.2 of the Call Off Contract. This MUST be limited to information that is genuinely commercially sensitive. It should not include references to whole Call Off Contract Schedules – rather, it should particularise what information within the schedule is commercially sensitive.

C.3 Key Sub-contractors

- C.3.1 The Bidder MUST include a completed Schedule 3.3 of the Call Off Contract and for all Key Subcontractors the Bidder MUST specify:
- The Deployed Service(s) that each will be responsible for
 - The planned value and level of the resources allocated to each Deployed Service
 - Details of previous work undertaken by that Key Subcontractor for the Bidder, when it occurred and its value

C.4 Key Personnel

- C.4.1 The Bidder MUST include a completed Schedule 3.4 of the Call Off Contract for all Key Personnel identified.

C.5 Implementation Planning

The Bidder MUST use the implementation plan and project plan provided as the response to B.9.2 to populate an Implementation Plan and Project Plan in accordance with Schedule 4.1, Appendix 2 of the Call Off Contract.

C.6 Acceptance/Commissioning and Testing

- C.6.1 The Bidder MUST provide the draft Test Strategy. This will be used to populate Part 3 Schedule 4.2 Appendix 4 of the Call Off Contract.

C.7 Relief Events

- C.7.1 The Bidder MUST detail any Relief Events it wishes to propose for the purposes of Schedule 4.3 of the Call Off Contract.

C.8 Milestones

- C.8.1 The Bidder MUST provide a completed version of the Milestone payments, to populate Schedule 5.1 (Milestone Payments and Claims Procedure) Appendix 1, and describe how it's approach meets the requirements of section 2.6 of this Part 2.

C.9 Surveys and Due Diligence

- C.9.1 The Bidder MUST provide the proposed Survey Assumptions data to populate Part 3, Schedule 5.1, Appendix 3 of the Call Off Contract.

C.10 Call Off Bid Financial Model

- C.10.1 The Bidder MUST complete *the Call Off Bid Financial Model* in accordance with Part 4, populated with details of its proposed Solution. For the successful Bidder the Call Off Bid Financial Model will become the Project Model and be used to populate Appendix 1 of Schedule 5.3 of the Call Off Contract.

Part D: Non-evaluated Questions

Note: The questions in Part D will not form part of the evaluation.

D.1 Speed and Coverage Template

D.1.1 The Bidder should complete the following table to summarise the proposed speeds across the entire intervention area (NB this is similar to the SCT but is for information only):

| Summary of Access Line Speeds across the Intervention Area | Intervention area premises |
|--|----------------------------|
| No coverage, or ALS < 2Mbps* | |
| ALS greater than or equal to 2Mbps, and less than or equal to 5Mbps | |
| ALS greater than 5Mbps, and less than or equal to 12Mbps | |
| ALS greater than 12 Mbps and less than or equal to 24 Mbps | |
| ALS greater than 24 Mbps and less than 30 Mbps* | |
| ALS greater than or equal to 30 Mbps, and less than or equal to 50 Mbps* | |
| ALS greater than 50 Mbps and less than or equal to 100 Mbps* | |
| ALS > 100 Mbps* | |

* These premise numbers should match to the SCT response

Part E: Annexes to the Supplier Solution

E.1 Speed and Coverage Template

E.1.1 The Bidder MUST complete the Speed and Coverage Template (provided at Appendix 3 to this Part 2) in accordance with the instructions provided in that template.

E.2 Solution Compliance Matrix

E.2.1 The Bidder MUST complete the local Solution Compliance Matrix (contained in Appendix 4). This response should differ from the Framework response only where, in exceptional circumstances, local circumstances specifically prohibit compliance with requirements. The response MUST include the Bidder's response to Section 8 "Further Service Requirements"

Appendix 3: Speed and Coverage Template

The Speed and Coverage Template is provided as a separate excel spreadsheet titled Call Off ITT Part 2 App 3 Norfolk Speed and Coverage Norfolk FINAL.xlsx

Appendix 4: Compliance Matrix

The compliance matrix is provided as a separate document titled Call Off ITT Part 2 App 4 Compliance Matrix Norfolk FINAL.docx

Appendix 5: Side Letter

A5.1 Side Letter for Subsequent Contract

The side letter for a subsequent contract is provided as a separate document titled (to be provided to Bidders during the procurement process) as the side letter is still to be agreed and can be issued during procurement as a CQ.

Appendix 6: Bidder Completion Check Sheet

| Question / Response | Complete? |
|--|-----------|
| Part 1, Appendix 3: Certificate of Non-Collusion | |
| Part 2, Appendix 2: A.1 Call Off Response | |
| Part 2, Appendix 2: B.1 Organisational Information | |
| Part 2, Appendix 2: B.2 Technical Solution | |
| Part 2, Appendix 2: B.3 Speed and Coverage | |
| Part 2, Appendix 2: B.4 Wholesale Access Products and Services | |
| Part 2, Appendix 2: B.5 Future Solution Components | |
| Part 2, Appendix 2: B.6 Local Body Assets | |
| Part 2, Appendix 2: B.7 Operating Model | |
| Part 2, Appendix 2: B.8 Programme/Project Governance | |
| Part 2, Appendix 2: B.9 Implementation Planning | |
| Part 2, Appendix 2: B.10 Surveys and Due Diligence | |
| Part 2, Appendix 2: B.11 Call Off Bid Financial Model (Including the response to Part 4 of this ITT) | |
| Part 2, Appendix 2: B.12 Project Investment Information | |
| Part 2, Appendix 2: B.13 Approach to Environment and Social Sustainability | |
| Part 2, Appendix 2: B.14 Community Networks Approach | |
| Part 2, Appendix 2: B.15 Marketing and Selling the Network | |
| Part 2, Appendix 2: B.16 Retail Service Provider Integration | |
| Part 2, Appendix 2: B.17 Deviations from the Reference Supplier Solution | |
| Part 2, Appendix 2: C.1 Wholesale Products and Services Template | |
| Part 2, Appendix 2: C.2 Commercially Sensitive Information | |
| Part 2, Appendix 2: C.3 Key Sub-contractors | |
| Part 2, Appendix 2: C.4 Key Personnel | |
| Part 2, Appendix 2: C.5 Implementation Planning | |
| Part 2, Appendix 2: C.6 Acceptance/Commissioning and Testing | |
| Part 2, Appendix 2: C.7 Relief Events | |
| Part 2, Appendix 2: C.8 Milestones | |
| Part 2, Appendix 2: C.9 Surveys and Due Diligence | |
| Part 2, Appendix 2: C.10 Call Off Bid Financial Model | |
| Part 2, Appendix 2: D.1 Speed and Coverage Template | |
| Part 4 Call Off Bid Financial Model (Incorporated in response to B.11 and C.10) | |
| Part 4, Section 3.3.3 Financial Memoranda (Incorporated in response to B.11) | |
| Part 4, Section 3.4 Differences to the Reference Financial Model (Incorporated in response to B.11) | |
| Part 4, Section 3.5 Assumptions (Incorporated in response to B.11) | |
| Part 4, Section 3.6 Sensitivity Analysis (Incorporated in response to B.11) | |
| Part 2, Appendix 3 – Speed and Coverage Template - Completion of the Speed and Coverage Template (Incorporated in response to E.1) | |
| Part 2, Appendix 4 – Compliance Matrix (Incorporated in response to E.2) | |

| Question / Response | Complete? |
|--|-----------|
| Part 2, Appendix 5 – Side Letter (Incorporated in response to A.1.8) | |
| Part 2, Appendix 6 – Bidder Completion Check Sheet (this table) | |