



Department
for Transport

Rail Executive

Rail Franchising

East Anglia

Pre-Qualification Questionnaire



Department
for Transport

Rail Executive

The Department for Transport has actively considered the needs of blind and partially sighted people in accessing this document. The text will be made available in full on the Department's website. The text may be freely downloaded and translated by individuals or organisations for conversion into other accessible formats. If you have other needs in this regard please contact the Department.

Department for Transport

Great Minster House

33 Horseferry Road

London SW1P 4DR

Telephone 0300 330 3000

Website www.gov.uk/dft

General email enquiries railfranchising@dft.gsi.gov.uk

© Crown copyright 2015

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos or third-party material) free of charge in any format or medium, under the terms of the Open Government

Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence/ or write to the Information Policy Team, The National

Archives, Kew, London TW9 4DU, or e-mail: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

Foreword

Thank you for your initial interest in providing passenger rail services for the Secretary of State for Transport, acting as part of the Crown ("**Authority**").

This East Anglia Franchise Pre-Qualification Questionnaire ("**PQQ**") and the supporting Pre-Qualification Process Document ("**PPD**") (together the "**Document**") is issued by the Authority pursuant to its functions and duties under the Railways Act 1993 as amended (the "**Railways Act**").

Should you wish to pre-qualify as a Bidder, please complete this PQQ in full and before the stated response deadline. Instructions for completing the PQQ are contained in the supporting PPD.

The questionnaire is the first stage in the Authority's process of evaluating all Applicants who have expressed interest, to determine their capability and suitability to provide these services.

The information you provide in response to the questionnaire will be used for this exercise and for the purpose of cross-Government reporting. All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement including ensuring value for money and related aspects of good procurement practice.

For these purposes, the Authority may disclose within Government any of the Applicants' documentation/information (including any that an Applicant considers to be confidential and/or commercially sensitive such as specific bid information) submitted by the Applicant to the Authority during this franchise letting process. Applicants taking part in this competition consent to these terms as part of the competition process.

The information will not be shared with any competitor or any other party, subject to the requirements of the Freedom of Information Act 2000 and other applicable law.

Applicants should note that the information given at this stage will be subject to verification at later stages of the tendering process. If any error, omission or misrepresentation is discovered, the Authority reserves the right to disqualify the Applicant from participation in the tendering exercise no matter what stage in the process has been reached when the error, omission or mistake is discovered.

Applicants should note that, should they be successful in being awarded a franchise agreement with the Authority, the Authority reserves the right to terminate the contract if at any time it is discovered that an Applicant has made any material misrepresentation in this PQQ.

The Authority is not and shall not be liable for any expenses, costs or liabilities incurred by those expressing an interest or negotiating or tendering for a franchise agreement or any other agreement entered into in connection with such franchise agreement, or their associated entities or any other person. The Authority reserves the right not to award a contract, to make whatever changes it sees fit to the structure and timing of the procurement process (including issuing updates and amendments to this PQQ), to cancel the process in its entirety at any stage and, where it considers it appropriate to do so, make a direct contract award pursuant to Article 5(6) of Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70.

Introduction

This PQQ sets out the information which is required by the Authority in order to assess the suitability of Applicants, including in terms of legal, financial and economic standing and technical and professional ability, to submit a bid for the East Anglia Franchise.

This PQQ forms part of the PQQ Pack and should be read in conjunction with the PPD. Full details on the pre-qualification process, terms and definitions, instructions on how to complete this questionnaire and how to respond are contained in the PPD.

This PQQ forms part of a competitive procurement conducted in accordance with relevant legal requirements including Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70.

PART A: ORGANISATION AND CONTACT DETAILS

Where the Applicant is a joint venture or a consortium, the information requested in Part A (except Part A.2) should be provided for each of the members of that joint venture or consortium. Please note that joint ventures or consortia can be incorporated or unincorporated.

A1. APPLICANT ORGANISATION DETAILS			
A1.1	<p>The Applicant is part of a joint venture or consortium (Yes/No)</p> <p>If the answer is 'Yes' to this question, please provide the full names of each member of the joint venture or consortium and indicate whether the joint venture or consortium is incorporated or unincorporated</p>		
A1.2	Full name of Applicant		
A1.3	Registered office address		
A1.4	Company or charity registration number		
A1.5	VAT registration number		
A1.6	Country of registration		
A1.7	Year of incorporation		
A1.8	Principal place of business		
A1.9	Nature of existing business (limit to 250 words)		
A1.10	Amount of issued share capital		
A1.11	Type of organisation (tick one)	i) a public limited company	
		ii) a limited company	
		iii) a limited liability partnership	
		iv) other partnership	
		v) sole trader	
		vi) other (please specify)	

A2. APPLICANT CONTACT DETAILS FOR THIS PQQ		
	Provide details of the contact person who will act as the single point of contact for all queries and correspondence relating to this PQQ response and any subsequent ITT response.	
A2.1	Name	
A2.2	Position	
A2.3	Role in Bid Team	
A2.4	Full Postal Address	
A2.5	Phone	
A2.6	Mobile	
A2.7	Email	

A3. APPLICANT'S STRUCTURE		
A3.1	Please provide the following for each organisation in the Applicant's group structure (as detailed in the organisation chart submitted in response to A3.4) from the Controller(s) of the Applicant up to and including the Ultimate Controller(s).	
	CONTROLLER	
	Full registered name	
	Type of organisation	
	Country of registration	
	Year of incorporation	
	Company registration number	
	Registered address	
	Principal place of business	
	Nature of existing business	
	Amount of issued share capital	
	Relationship to the Applicant	
	Percentage shareholding and type of share (actual or proposed) in Applicant or any organisation within the Applicant's group structure	
A3.2	Please provide details of how it is intended (if applicable) that management responsibility will be shared during the Franchise bidding stage and, if successful, throughout the operation of the Franchise.	
A3.3	Where it is proposed that the Applicant will rely on another	

	person to operate the Franchise, provide details of which elements of the Franchise will be delivered by whom.	
A3.4	Please provide an organisation chart depicting the Applicant's group structure up to the Ultimate Controller(s).	

A4. MANAGEMENT AND GOVERNANCE		
	Please provide the following for the Applicant.	
A4.1	An organisation chart depicting the Applicant's management structure	
A4.2	A copy of the Applicant's memorandum and articles of association or other constitutional documents (in English)	
A4.3	A list of the Applicant's directors (identifying whether they are current or prospective), other directorships held, and legal jurisdiction of those directorships	
A4.4	Not Used	
A4.5	<p>A copy of the Applicant's shareholder agreement, or intended agreement, and any other relevant documentation, which sets out the following where applicable:</p> <ul style="list-style-type: none"> (a) shareholding proportions; (b) board representation; (c) voting arrangements at both shareholders meetings and board meetings (in particular any reserved matters, vetoes and super-majority decisions); (d) rights in respect of the transfer of shares (in particular any put/call options); (e) rights in respect of dividends and other distributions; (f) any technical service agreement or similar arrangement under which any shareholder provides services to the consortium; (g) dividend policy; and (h) financing arrangements. 	

PART B: GROUNDS FOR MANDATORY EXCLUSION

If you answer 'yes' to any question in this section B1, the Authority shall exclude the Applicant from the franchise letting process, unless the Authority determines otherwise in accordance with the PPD.

B1.	GROUNDS FOR MANDATORY EXCLUSION	
	<p>Within the past five years, has the Applicant, a person who is a member of the administrative, management or supervisory body of that Applicant or a person who has powers of representation, decision or control in respect of the Applicant (including, any director or partner of the Applicant or, where the Applicant is a joint venture or consortium, any of the members of that joint venture or consortium) been convicted of any of the following offences?</p> <p>Please state 'Yes' or 'No' to each question.</p>	
B1.1	Conspiracy within the meaning of section 1 or 1A of the Criminal Law Act 1977 or article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983 where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA on the fight against organised crime.	
B1.2	Corruption within the meaning of section 1(2) of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906.	
B1.3	The common law offence of bribery.	
B1.4	Bribery within the meaning of sections 1,2 or 6 of the Bribery Act 2010; or section 113 of the Representation of the People Act 1883;	
B1.5	Where the offence relates to fraud affecting the European Communities' financial interests as defined by Article 1 of the Convention on the protection of the financial interests of the European Communities:	
	(i) the common law offence of cheating the Revenue;	
	(ii) the common law offence of conspiracy to defraud;	
	(iii) fraud or theft within the meaning of the Theft Act 1968, the Theft Act (Northern Ireland) 1969, the Theft Act 1978 or the Theft (Northern Ireland) Order 1978;	
	(iv) fraudulent trading within the meaning of section 458 of the Companies Act 1985, article 451 of the Companies (Northern Ireland) Order 1986 or section 993 of the Companies Act 2006;	
	(v) fraudulent evasion within the meaning of section 170 of the Customs and Excise Management Act 1979 or section	

	72 of the Value Added Tax Act 1994;	
	(vi) an offence in connection with taxation in the European Union within the meaning of section 71 of the Criminal Justice Act 1993;	
	(vii) destroying, defacing or concealing of documents or procuring the execution of a valuable security within the meaning of section 20 of the Theft Act 1968 or section 19 of the Theft Act (Northern Ireland) 1969;	
	(viii) fraud within the meaning of section 2, 3 or 4 of the Fraud Act 2006; or	
	(ix) the possession of articles for use in frauds within the meaning of section 6 of the Fraud Act 2006, or the making, adapting, supplying or offering to supply articles for use in frauds within the meaning of section 7 of that Act.	
B1.6	Any offence listed :	
	(i) in section 41 of the Counter Terrorism Act 2008; or	
	(ii) in Schedule 2 to that Act where the court has determined that there is a terrorist connection.	
B1.7	Any offence under sections 44 to 46 of the Serious Crime Act 2007 which relates to an offence covered by question B1.6.	
B1.8	Money laundering within the meaning of sections 340(11) and 415 of the Proceeds of Crime Act 2002.	
B1.9	An offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B or 93C of the Criminal Justice Act 1988 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996.	
B1.10	An offence under section 4 of the Asylum and Immigration (Treatment of Claimants etc) Act 2004.	
B1.11	An offence under section 59A of the Sexual Offences Act 2003.	
B1.12	An offence under section 71 of the Coroners and Justice Act 2009.	
B1.13	An offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994.	
B1.14	Any other offence within the meaning of Article 57(1) of Public Contracts Directive 2014/24/EU:	
	(i) as defined by the law of any jurisdiction outside England and Wales and Northern Ireland; or	
	(ii) as defined in the law of England and Wales or Northern Ireland.	

	<p>If you have answered 'yes' to any of questions B1.1 to B1.14 above, please provide details including:</p> <p>a) information about the offence or misconduct, when it occurred and who within the Applicant was involved?</p> <p>b) have you paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct? Please provide any proof.</p> <p>c) did you clarify the facts and circumstances of the criminal offence or misconduct in a comprehensive manner by actively collaborating with the investigating authorities? Please provide any proof.</p> <p>d) have you taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct? Please provide any proof.</p>	
--	--	--

B1.15	<p>Has the Applicant breached its obligations relating to the payment of taxes or social security contributions and this has been established by a judicial or administrative decision having final and binding effect in accordance with the legal provisions of the country in which it is established or with those of any of the jurisdictions of the United Kingdom. Please state "Yes" or "No".</p>	
B1.16	<p>In respect of any tax return, please state whether, from 1 April 2013 onwards, any tax return of the Applicant (including, where the Applicant is a joint venture or consortium, the members of that joint venture or consortium) submitted on or after 1 October 2012 has been found to be incorrect as a result of:</p> <ul style="list-style-type: none"> • HMRC successfully challenging it under the General Anti-Abuse Rule (GAAR) or the "Halifax" abuse principle; or • a tax authority in a jurisdiction in which the legal entity is established successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the GAAR or the "Halifax" abuse principle; or • the failure of an avoidance scheme which the Applicant was involved in and which was, or should 	

	<p>have been, notified under the Disclosure of Tax Avoidance Scheme (DOTAS) or any equivalent or similar regime in a jurisdiction in which the supplier is established.</p> <p>Please state 'Yes' or 'No'.</p>	
--	--	--

	<p>If you have answered 'yes' to either or both of the questions in B1.15 or B1.16, please provide details including:</p> <p>a) information about the breach, when it occurred and who within the Applicant was involved?</p> <p>b) the amount of taxes or social security contributions which are/were unpaid. Please provide any proof.</p> <p>c) have you paid the outstanding taxes or social security contributions or have you entered into a binding arrangement with a view to paying the taxes or social security contributions due, including, where applicable, any interest accrued or fines? Did you have the ability to do any of this prior to commencement of this prequalification process? Please provide any proof.</p> <p>Where there has been an OONC (Occasion of Non-Compliance) please provide the following additional information:</p> <ul style="list-style-type: none"> • a brief description of the occasion, the tax to which it applied, and the type of “non-compliance” e.g. whether HMRC or the foreign tax authority has challenged pursuant to the GAAR, the “Halifax” abuse principle etc. • where the OONC relates to a DOTAS, the number of the relevant scheme. • the date of the original “non-compliance” and the date of any judgement against the Applicant, or relevant entity or individual, or date when the return was amended. • the level of any penalty or criminal conviction applied. • have there been any changes in personnel or ownership since the OONC? • have there been any changes in financial, 	
--	--	--

	accounting, audit or management procedures since the OONC?	
--	--	--

PART C: GROUNDS FOR DISCRETIONARY EXCLUSION

If you:

- answer 'yes' to any question in this Part C1; or
- irrespective of the Applicant's response:
 - in respect of questions C1.1, C1.3 or C1.9, the Authority can demonstrate by any appropriate means that the relevant ground for discretionary exclusion has arisen; or
 - in respect of question C1.4, the Authority has sufficiently plausible indications that the relevant ground for discretionary exclusion has arisen;
 - in respect of question C1.5, there is a conflict of interest in respect of this franchise letting process; or
 - in respect of question C1.6, there has been a distortion of competition in respect of this franchise letting process,

the Authority may exclude the Applicant from the franchise letting process. In exercising its discretion, the Authority shall apply the principles described in the PPD.

C1	GENERAL GROUNDS FOR DISCRETIONARY EXCLUSION	
	<p>Within the past three years, are any of the following true of the Applicant (including, where the Applicant is an unincorporated joint venture or consortium, any of the members of that joint venture or consortium)?</p> <p>Please state 'Yes' or 'No' to each question.</p>	
C1.1	<p>The Applicant has violated applicable obligations in the fields of environmental, social and labour law established by EU law, national law, collective agreements or by the international environmental, social and labour law provisions listed in Annex X to the Public Contracts Directive 2014/24/EU as amended from time to time.</p>	
C1.2	<p>The Applicant is bankrupt or is the subject of insolvency or winding-up proceedings, where its assets are being administered by a liquidator or by the court, where it is in an arrangement with creditors, where its business activities are suspended or it is in any analogous situation arising from a similar procedure under national laws and regulations of any State.</p>	
C1.3	<p>The Applicant is guilty of grave professional misconduct, which renders its integrity questionable.</p>	

C1.4	The Applicant has entered into agreements with other economic operators aimed at distorting competition.	
C1.5	<p>There is a conflict of interest in respect of this franchise letting process that cannot effectively be remedied by other, less intrusive, measures other than exclusion under this Part C1.</p> <p>For the purposes of C1.5, the concept of "conflict of interest" as a minimum covers any situation where relevant staff members have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.</p> <p>"relevant staff members" means staff members of the Authority, or of a procurement service provider acting on behalf of the Authority, who are involved in the conduct of this procurement procedure or may influence the outcome of this procedure.</p> <p>"procurement service provider" means a public or private body which offers ancillary purchasing activities on the market.</p> <p>Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Applicant to inform the Authority. Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Authority should not represent a conflict of interest for the Applicant.</p>	
C1.6	The prior involvement of the Applicant in the preparation of this franchise letting process has resulted in a distortion of competition, that cannot be remedied by other, less intrusive, measures other than exclusion under this Part C1.	
C1.7	The Applicant has been (i) guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria or (ii) has withheld such information or is not able to submit the supporting documents required in respect of this franchise letting process.	
C1.8	The Applicant has (i) undertaken to a) unduly influence the decision-making process of the Authority, or b) obtain confidential information that may confer upon it undue advantages in the procurement procedure, or (ii) negligently provided misleading information that may have a material influence on decisions concerning exclusion, selection or award.	

	<p>If you have answered 'yes' to any of questions C1.1 to C1.8, please provide details including:</p> <p>(a) information about the offence or misconduct, when it occurred and who within the Applicant was involved?</p> <p>(b) have you paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct? Please provide any proof.</p> <p>(c) did you clarify the facts and circumstances of the criminal offence or misconduct in a comprehensive manner by actively collaborating with the investigating authorities? Please provide any proof.</p> <p>(d) have you taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct? Please provide any proof.</p>	
--	---	--

C1.9	<p>Is the Applicant in breach of its obligations relating to the payment of taxes or social security contributions which have not been declared as part of the answer to question B1.15?</p> <p>If you have answered 'yes' to this question, please provide details including:</p> <p>a) information about the breach, when it occurred and who within the Applicant was involved?</p> <p>b) the amount of taxes or social security contributions which are/were unpaid. Please provide any proof.</p> <p>c) have you paid the outstanding taxes or social security contributions or have you entered into a binding arrangement with a view to paying the taxes or social security contributions due, including, where applicable, any interest accrued or fines? Did you have the ability to do any of this prior to commencement of this prequalification process? Please provide any proof.</p>	
------	---	--

PART D: HEALTH AND SAFETY MANAGEMENT AND CULTURE

Responses to Part D will be used to undertake an assessment of your health and safety management and culture.

The Authority will exclude you from consideration if you fail to score a minimum of 50% of the total available marks for questions D1.1 to D1.3 when aggregated together.

For Applicants which are not excluded on this basis, 10% of all the marks available in this PQQ are awarded according to the marks scored by an Applicant in Part D.

Please provide examples in relation to the following, where they are being relied on for their experience, expertise or resources in order to respond to the questions below:

- the Applicant (including, where the Applicant is a joint venture or consortium, the members of that joint venture or consortium who will be involved in operating the Franchise);
- any other person on which the Applicant will rely to operate the Franchise (whether or not an Affiliate of the Applicant);
- any person (whether or not an Affiliate of the Applicant) whose resources (including management, manpower, equipment and knowhow) the Applicant will use to operate the Franchise; and
- any person (whether or not an Affiliate of the Applicant) which uses the same resources (including management, manpower, equipment and knowhow) that will be used to operate the Franchise.

D1	HEALTH AND SAFETY MANAGEMENT AND CULTURE	
D1.1	Please explain the existing arrangements in place for planning and managing health and safety, including protecting the public and workforce, and for continued improvement of health and safety performance.	
D1.2	Please explain the existing arrangements in place for the active promotion and improvement of health and safety management and culture by senior management, including: <ul style="list-style-type: none"> a) How you have communicated health and safety issues; b) How you have ensured staff competence and compliance with legal requirements; and c) Details of any achievements and awards for recognition of health and safety management and performance. 	

D1.3	<p>Please explain the existing arrangements in place for tracking health and safety performance, reporting safety statistics, and monitoring and responding to trends including:</p> <ul style="list-style-type: none">a) How statistics have been calculated and measured, accompanied by examples;b) How statistics have been continually monitored and reviewed using root cause analysis, and how that analysis has been used to inform corrective actions and to manage risk;c) How statistics have been reported and communicated; andd) The top 5 health and safety statistics that have been used to demonstrate continuous health and safety improvement (i.e. those you have considered most important to the management of health and safety), accompanied by examples.	
------	---	--

PART E: ECONOMIC AND FINANCIAL STANDING

Responses to Part E will be used to undertake an assessment of your economic and financial standing.

E.1	FINANCIAL INFORMATION	
	<p>The Authority will require a Guarantee to be provided by one or more Guarantors. This information must be provided for the Guarantor(s), which will sign the undertaking in this PQQ to provide the Guarantee under the Funding Deed. The Guarantor(s) must be a Controller of the Applicant.</p> <p>The Applicant should satisfy itself that the Guarantor(s) meets the financial requirements of this PQQ.</p> <p>The Authority reserves the right to contact Fitch, Moody's or Standard & Poor as appropriate to confirm any credit rating of the Guarantor(s) and/or the bond provider(s).</p>	
E1.1	<p>Please confirm that you have provided the Guarantor(s)' audited accounts for the most recent year.</p> <p>The Guarantor(s)' consolidated accounts should be provided. Where these are not available, the Guarantor(s)' accounts should be provided.</p> <p>Note: If the relevant audited accounts are subject to qualification, the Authority reserves the right to reject these where, in the opinion of the Authority, the qualification is material.</p>	
E1.2	<p>Please provide calculations for the financial tests described in Section 5.3 Part E Financial and Economic Standing of the Pre-Qualification Process Document. A template is provided at Appendix A of this PQQ. Each number used in the calculations must be reconciled and/or referenced to audited financial statements. Where the number is based on a post balance sheet event, the Applicant must provide evidence to justify any adjustments and the adjustment must be reconcilable to published documentation.</p> <p>Note: Calculations prepared by Applicants will be for information only. The Authority is not bound to use the calculations provided by the Applicant. It will calculate the results of the financial tests independently.</p>	
E1.3	<p>Please provide details of any material event subsequent to the issue of the most recent audited accounts that would require adjustment (where accounts are not yet re-issued) or disclosure in accordance with the provisions of International Accounting Standards or UK GAAP</p>	

	(depending on the Guarantor's accounting convention).	
E1.4	Where the Guarantor(s) has a credit rating(s), please confirm that you have provided the most recent credit rating or confirmation of credit rating (in either case, issued within the last year) provided by either Fitch, Moody's or Standard & Poor.	
E1.5	<p>Where the Guarantor(s) cannot meet three out of the four financial tests set out in the PPD, the Applicant must instead provide a letter of intent from a bond provider to secure 100% bonding. A template letter of intent is provided at Appendix B of this PQQ.</p> <p>The template letter of intent sets out the minimum details that the bond provider must provide. The bond provider can provide further details in its letter of intent which are in excess of the minimum criteria.</p> <p>Where the Applicant cannot provide such a letter, the Applicant will be excluded from further consideration. The Authority reserves the right not to accept such a letter from a bond provider where, in the Authority's view and taking into account the information the Authority has obtained under sections E1.1, E1.2, E1.3 and E1.4, it is unlikely that the bond provider will enter into a formal and binding commitment to provide the relevant bond. Where the Authority does not accept such a letter, the Applicant will be excluded from further consideration.</p> <p>The Authority reserves the right either to communicate with the bond provider in writing, or to meet with the bond provider, to clarify any of the matters set out in Part E of this PQQ. The Applicant will take all reasonable steps, as required by the Authority, to facilitate such correspondence and discussions. In particular, at any time prior to contract award, the Authority may require the bond provider to confirm or re-confirm the matters set out in, or the credit rating enclosed with, its letter of intent, and may require the bond provider to provide an update on the due diligence it has carried out on the Applicant and the Guarantor(s).</p>	
E1.6	<p>Where the Guarantor(s) can meet three or four out of the four financial tests set out in the PPD (and the Applicant does not propose to secure 100% bonding in accordance with E1.5), the Applicant must nevertheless still provide a letter of intent from a bond provider to secure 50% bonding. A template letter of intent is provided at Appendix B of this PQQ.</p> <p>The template letter of intent sets out the minimum details</p>	

	<p>that the bond provider must provide. The bond provider can provide further details in its letter of intent which are in excess of the minimum criteria.</p> <p>Where the Applicant cannot provide such a letter, the Applicant will be excluded from further consideration. The Authority reserves the right not to accept such a letter from a bond provider where, in the Authority's view and taking into account the information the Authority has obtained under sections E1.1, E1.2, E1.3 and E1.4, it is unlikely that the bond provider will enter into a formal and binding commitment to provide the relevant bond. Where the Authority does not accept such a letter, the Applicant will be excluded from further consideration.</p> <p>The Authority reserves the right either to communicate with the bond provider in writing, or to meet with the bond provider, to clarify any of the matters set out in Part E of this PQQ. The Applicant will take all reasonable steps, as required by the Authority, to facilitate such correspondence and discussions. In particular, at any time prior to contract award, the Authority may require the bond provider to confirm or re-confirm the matters set out in, or the credit rating enclosed with, its letter of intent, and may require the bond provider to provide an update on the due diligence it has carried out on the Applicant and the Guarantor(s).</p>	
--	---	--

PART F: TECHNICAL AND PROFESSIONAL ABILITY

Responses to Part F will be used to undertake an assessment of the Applicant's technical and professional ability to provide the Franchise.

Please provide examples in relation to the following, where they are being relied on for their experience, expertise or resources in order to respond to the questions below:

- the Applicant (including, where the Applicant is a joint venture or consortium, the members of that joint venture or consortium who will be involved in operating the Franchise);
- any other person on which the Applicant will rely to operate the Franchise (whether or not an Affiliate of the Applicant);
- any person (whether or not an Affiliate of the Applicant) whose resources (including management, manpower, equipment and knowhow) the Applicant will use to operate the Franchise; and
- any person (whether or not an Affiliate of the Applicant) which uses the same resources (including management, manpower, equipment and knowhow) that will be used to operate the Franchise.

The Authority will exclude you from consideration if you fail to score a minimum of 40% of the available marks in Part F after any Part G adjustment has been made. For Applicants which score 40% or more of the available marks in Part F after any such adjustment, 90% of all the marks available in this PQQ are awarded according to the marks scored by an Applicant in Part F.

The Authority will consider your response to this Part F together with any relevant information provided in your response to Part G.

F1	SERVICE DELIVERY AND CAPABILITY	
F1.1	Service Delivery - Using examples going back no more than five (5) years, demonstrate your experience and approach to planning and delivering transport services, including what factors you have taken into account when planning the services and your approach to business continuity, what measures you have used to demonstrate outcomes and what actions you have taken to review the process and make any necessary adjustments.	
F1.2	Organisational Capability - Using examples going back no more than three (3) years, demonstrate your experience and approach to planning and managing resources, assets and staff, including an analysis of the success of your approach and whether or not your approach delivered the intended outcomes.	

F1.3	<p>Managing Change - Using examples going back no more than fifteen (15) years, demonstrate your experience of managing major changes. This can include introducing new services, new train fleets, implementing an organisational change programme and/or undertaking major investment, improving business performance and infrastructure projects. Examples used should clearly demonstrate your approach, planning, stakeholder management, communications and review processes.</p>	
------	--	--

F2	CUSTOMER EXPERIENCE	
F2.1	<p>Approach to delivering excellent Customer Service - Using examples going back no more than three (3) years, please demonstrate your ability to deliver excellent customer services, including:</p> <ul style="list-style-type: none"> a) How you approach and plan the delivery of customer service including what elements are important in delivering customer service excellence; b) How you prioritise and balance the differing needs and requirements of different customer segments; c) How you identify what is important to customers when making investment decisions; d) How you communicate with customers who are making journey decisions, including when journeys are disrupted (whether planned or unplanned); and e) How your approach has improved customer service and how these improvements have been sustained, including any measures that you have used to benchmark improvements. 	

F3	BUSINESS AND MARKET GROWTH	
F3.1	<p>Developing Markets - Using examples going back no more than five (5) years, please demonstrate your ability to maintain and grow a transport business which comprises mixed business service groups, including by attracting new business and managing demand. Please identify the different approaches to managing:</p> <ul style="list-style-type: none"> a) Pricing strategy and managing capacity; b) Market growth; c) Product development and innovative marketing; and d) Enhancement of retail and distribution channels e.g. smartcards and off station retailing. 	
F3.2	<p>Business Transformation - Using examples going back no more than five (5) years, please demonstrate your ability to work with stakeholders' groups to deliver improvements. In respect of each example, describe:</p> <ul style="list-style-type: none"> a) the situation that required improvement; b) how you transformed the situation and maximised the opportunity; c) the timescales you identified for delivering the improvement and how these were benchmarked; and d) what benefits were derived. 	
F3.3	<p>Innovation - Using examples going back no more than three (3) years, please demonstrate your ability to develop and implement innovative solutions to business issues, providing details of the outcomes of these solutions and the impact on the overall business, whether positive or negative. In respect of each example, describe:</p> <ul style="list-style-type: none"> a) the situation that required improvement; b) how you transformed the situation and maximised the opportunity; c) the timescales you identified for delivering the improvement and how these were benchmarked; and d) what benefits were derived. 	

F4	SUSTAINABILITY	
F4.1	<p>Sustainability - Using examples going back no more than three (3) years, please demonstrate your ability to manage and improve the impact of passenger transport services on sustainable development, including:</p> <ul style="list-style-type: none"> a) Details of certification or accreditation to recognised sustainability, environmental and energy standards; b) Specific initiatives you have undertaken for minimising negative sustainability impacts and maximising sustainability benefits, including details of resources and results achieved; c) Achievements resulting in reductions in carbon and energy impacts; and d) Details of how sustainable development has been embedded in governance and decision-making. 	

PART G: PAST PERFORMANCE

The Applicant's response to Part G of the PQQ will be used when considering the scoring of any relevant evidence submitted under Part F, and subsequently any relevant scoring of Part F may be marked down to take into account the information provided. The Applicant's response to Part G will not be scored in its own right.

Please provide, in relation to the following:

- the Applicant (including, where the Applicant is a joint venture or consortium, the members of that joint venture or consortium who will be involved in operating the Franchise);
- any other person on which the Applicant will rely to operate the Franchise (whether or not an Affiliate of the Applicant);
- any person (whether or not an Affiliate of the Applicant) whose resources (including management, manpower, equipment and knowhow) the Applicant will use to operate the Franchise; and
- any person (whether or not an Affiliate of the Applicant) which uses the same resources (including management, manpower, equipment and knowhow) that will be used to operate the Franchise,

the information requested in this Part G for:

- any passenger transport contract or operation in which the relevant entity has been engaged within the last five years, and which has an annual revenue of at least £40 million; and
- any other contract or operation which has been referenced in your response to Part F.

Please provide details of:

- a) any instances of material contractual non-compliance or breach (whether or not an entitlement to damages arose);
- b) any failure to meet the performance requirements of a contract or operation;
- c) any suspension or termination (other than through expiry of the term);
- d) any failure to receive a contract renewal on grounds of unsatisfactory performance; or
- e) any material pending or threatened litigation or other legal proceedings related to performance,

and any measures taken by the relevant entity both to mitigate the adverse consequences of any such issue(s), and to prevent such issues from recurring in the performance of the Franchise.

For each contract or operation, please provide the name of a person within the customer organisation (or equivalent) whom the Authority may contact. The Authority reserves the right to contact any such organisation to ask them for further information, to verify the information provided by the Applicant, or to request further information as part of this PQQ process or at any subsequent stage of the procurement.

Applicants must indicate below whether a particular contract or operation has been referenced in response to Part F.

Name of contract or operation and brief description	
Start and end date	
Details of customer organisation (or equivalent), name of contact and contact details	
Annual revenue of contract or operation	
Is the contract or operation referenced in response to Part F? If so, please state where.	

DECLARATIONS AND AUTHORISATIONS

Please ensure that:

You have ticked the appropriate boxes to confirm that you have completed, and returned, all applicable questions in the following sections:

Part A	
Part B	
Part C	
Part D	
Part E	
Part E (Appendix A: Economic and Financial Standing)	
Part E (Appendix B: Bond Template Letter)	
Part F	
Part G	
Declaration	

- You have attached all documents requested, identifying appendices by section number;
- Any additional sheets clearly identify the section and questions being answered; and
- You have read and signed the declaration below.

APPLICANT'S DECLARATION

(Where the Applicant is an unincorporated joint venture or consortium, this declaration should be given by each of the members of that joint venture or consortium)

I make the following declaration without prejudice to the generality of my obligations under the FLPA.

I certify that the information supplied is accurate to the best of my knowledge and I accept the conditions and give the undertakings requested in the PQQ. I understand and accept that false information, or the omission of relevant information, could result in exclusion from the tendering process or rejection of our tender and that the Authority may consult any public register, authority, any other person or its own records to verify the information or answers given. If requested by the Authority, I undertake to provide the Authority with any evidence it may reasonably request to verify the information or answers provided.

I confirm that, where the Applicant has provided any details of a customer organisation (or equivalent) under Part G of this PQQ, the Applicant will take all reasonable steps to assist the Authority to obtain the information it reasonably requires from the customer organisation (or equivalent), and will authorise the customer organisation (or equivalent) to disclose to the Authority the information the Authority reasonably requires.

I confirm that the Applicant is or will be a single purpose entity formed solely to undertake the operation of the Franchise.

I confirm the Applicant's ability to meet, and intention to make available, the Funding Requirement of the Franchise applied for.

I also undertake that if at any point following the signing of this declaration there is a change in circumstances such that this declaration may no longer be deemed to be true and accurate in its entirety I shall inform the Authority accordingly without delay.

I agree that the Authority may disclose the Applicant's information/documentation (submitted to the Authority during this franchise letting process) more widely within Government for the purpose of ensuring effecting cross-Government procurement processes, including value for money and related purposes.

THIS UNDERTAKING IS TO BE SIGNED BY AN AUTHORISED REPRESENTATIVE ON BEHALF OF THE APPLICANT.

Name of Applicant: _____

Signed on behalf of Applicant: _____

Position/status in Applicant's organisation: _____

Date: _____

GUARANTOR'S DECLARATION

(Where the Applicant is seeking to use multiple Guarantors, this declaration should be given by each Guarantor)

I make the following declaration without prejudice to the generality of my obligations under the FLPA.

I certify that the information supplied is accurate to the best of my knowledge and I accept the conditions and give the undertakings requested in the PQQ. I understand and accept that false information, or the omission of relevant information, could result in the Applicant's exclusion from the tendering process or rejection of its tender and that the Authority may consult any public register, authority, any other person or its own records to verify the information or answers given. If requested by the Authority, I undertake to provide the Authority with any evidence it may reasonably request to verify the information or answers provided.

I confirm that the Applicant named above is authorised to act as the principal contact on behalf of the Guarantor in dealings with the Authority.

I confirm the Guarantor's ability to meet, and intention to make available, the Funding Requirement of the Franchise applied for.

If at any point following the signing of this declaration there is a change in circumstances such that this declaration may no longer be deemed to be true and accurate in its entirety I shall inform the Authority accordingly without delay.

In particular, I shall provide any audited annual accounts or credit rating updates issued in relation to the Guarantor following submission of this PQQ to the Authority without delay.

I agree that the Authority may disclose the Guarantor's information/documentation (submitted to the Authority during this franchise letting process) more widely within Government for the purpose of ensuring effecting cross-Government procurement processes, including value for money and related purposes.

THIS UNDERTAKING IS TO BE SIGNED BY AN AUTHORISED REPRESENTATIVE ON BEHALF OF THE GUARANTOR.

Name of Guarantor: _____

Signed on behalf of Guarantor: _____

Position/status in Guarantor's organisation: _____

Date: _____

Appendix A - Economic and Financial Standing Spreadsheet



DfT EA - PQQ
Templates - Final.xls

Appendix B - Bond Template Letter

Director East Anglia Franchise
Department for Transport
Great Minster House
33 Horseferry Road
London SW1P 4DR

[DATE]

East Anglia Franchise PQQ submission by [Applicant]

We are writing in respect of the submission by [XXXX] (the "Applicant") of a response to the Department for Transport ("the Authority") Pre-Qualification Questionnaire dated [XXXX] (the "PQQ") for the East Anglia franchise. This letter [of intent] confirms our support as required by section [E1.5 / E1.6] of the PQQ and provides the information required by the PQQ and the Pre-Qualification Process Document PPD.

Statement

[State that, the bond provider intends to provide a bond which is consistent with the requirements of the PPD and for [the whole [E1.5] / half the [E1.6]] value of the Guarantor's portion of the Guarantee representing [£xm], to take effect from the start of the franchise agreement for a period of not less than three years].

Experience of providing similar bonds

[Describe experience of providing similar bonds / experience of providing similar bonds to the Applicant].

Other Matters

[Set out any other matters that the bond provider would like to bring to the Authority's attention to give the Authority confidence that the bond will be provided when required].

Credit Rating¹

[We provide at Annex [X] a copy of our most recent credit rating by either [Fitch] / [Moody's] / [Standard & Poor] which shows a credit rating of [A- or A3 or above]] or

[Confirmation of credit rating provided by either Fitch, Moody's or Standard & Poor which shows a credit rating of A- or A3 or above].

Summary

[Bond providers standard wording re: status of the letter of intent – e.g. not binding and subject to credit committee approval];

[Confidentiality provisions].

[Explain the authority of the person signing the letter to make representations on behalf of the bond provider].

¹ Note – credit rating needs to have been issued in the last 12 months.

Yours faithfully,
[Bond providers standard sign off – For and behalf of XXX plc]

[Signature]

[Print Name]

[Job Title]