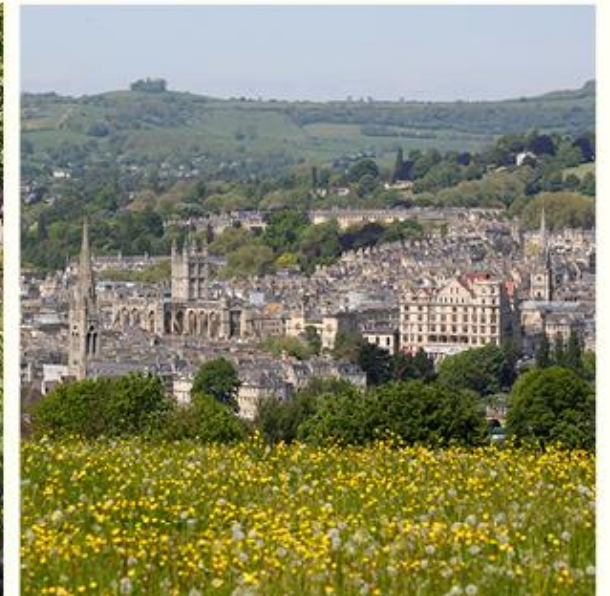

An Overview of the Procurement Process

Bath & North East
Somerset Council

Improving People's Lives



Public Sector Procurement

- When a public sector body buys any goods, works or services: that is public procurement.
- Public procurement is different from when private companies do business with each other because of the rules that apply to all public sector contracts.
- These rules exist to make sure that procurement processes are fair for all those involved and to ensure that public money is spent wisely and transparently, securing best value.
- For example:
 - Above certain financial thresholds public bodies need to advertise contracts to a wide audience, so that providers get the opportunity to submit their tenders.
 - This is an example of the core principles of equal treatment and transparency that run through all procurement activity.
- The role of a procurement process, often referred to as tendering or a tender process, is to identify the provider(s) that best meet the needs of the council/service users concerned whilst meeting value for money requirements.
- The tender process follows several steps that are set out in the slides that follow.
- The whole tender process, excluding mobilisation, can take 3-6 months depending on the complexity and value of the contract, and length of time the contract is intended to be in place.

Principle of Tendering

- Agreeing to deliver the service as described (both the published specification and bidder's responses to the tender including their method statements)
- Agreeing to deliver the service for the price submitted in the tender and in accordance with any terms and conditions regarding the price e.g. a fixed price for the duration of the contract
- Negotiation is not permitted in most procurement processes (unless specifically stated in the process type and description)
- By submitting a tender suppliers are agreeing to the published terms and conditions, which will apply if they are successful
- An e-tendering portal is used
- Tenders cannot be 'qualified' i.e. submitted on a different basis to that outlined in the tender documents – qualified bids will be rejected
- At lower values we can run a similar process but with bidders that we identify, so bidders are invited to participate in the tender, rather than picking up details from publications
- Most tendering processes will either be 1 stage or 2 stage

A 1 Stage Tender Process

- A single stage where all tender documentation is issued and completed by interested bidders at the same time
- All bids that meet any specified minimum criteria will be evaluated

Example Timeframes:

- ITT live on the e-tendering portal
- Tender submission – minimum of 4 weeks later
- Provisional award, followed by a standstill period (minimum of 8 working days)
- Formal contract award / contract mobilisation
- Contract begins



A 2 Stage Tender Process

- Stage 1 – interested bidders complete a Procurement Specific Questionnaire (PSQ)
- A shortlist is drawn up and the shortlisted bidders are invited to tender
- Stage 2 - tenders are submitted by shortlisted bidders and evaluated

Example Timeframes:

- PSQ and draft Invitation to Tender (ITT) live on the e-tendering portal
- PSQ submission – minimum of 4 weeks later
- ITT issued to shortlisted bidders following evaluation of PSQ submissions
- ITT submission – minimum of 4 weeks later
- Provisional award, followed by a standstill period (minimum of 8 working days)
- Formal contract award / contract mobilisation
- Contract begins





Tender Preparation

- During tender preparation the Council will begin creating the relevant documents required to be able to communicate the requirements of the service required.
- This is so that the providers that respond to the tender are fully aware of the Council's requirements and bid if they feel they are able to deliver the needs /meet the specified outcomes and deliver value for money.
- A range of people (may include internal users of the goods/services, residents of B&NES, Council service teams, commissioning and procurement teams) work together to ensure that the service required is effectively communicated by the tender documents.
- At this stage, prior to publication, we determine and document how tenders are to be evaluated and calculate a proposed total contract value

Advertising the Tender

- We advertise all of our sizeable tenders online on our e-tendering system (supplyingthesouthwest) and also on the Government “Find a Tender” portal
- Tender documents are downloaded by interested bidders from the e-tendering system.
- All dialogue about a tender, when published must be via the e-tendering system.
- Tenders must be returned via the e-tendering system, not emailed or posted.
- Tenders are usually advertised for at least 4 weeks.
- Tenderers need to respond to a set of tender documents (more details on the possible documents later)
- Details on how to register on the e-tendering system, find opportunities and return a tender via the system are covered later in this presentation

Clarifications



- During the tender period interested bidders can seek clarification from the Council around the requirements and the process
- All clarifications and responses from the Council must be via the e-tendering portal, telephone/email queries are not accepted
- Responses will go to all tenderers unless there are issues of confidentiality
- A log of clarifications is issued periodically during the tender period
- Clarifications and responses can form part of the contract if key to the specification / contract basis
- Timeline set out in the Invitation to Tender will set out final dates bidders can submit clarifications and dates for final responses from the Council

Evaluation

- Once the tender has closed and all bids have been submitted, instructions along with the bids are sent to evaluation panel members who will individually score each bid – in relation to the qualitative elements.
- The evaluation panel is a group of people who have an involvement with the services (could include commissioners, social workers, various other professionals).
- Evaluation of tenders must be made on the basis of the material requested and included in the tender. The evaluation panel must not bring any outside knowledge nor any speculation or suspicion to bear when evaluating tenders.
- Each member of the evaluation panel will have reviewed and individually considered the scores for each tender response prior to the evaluation panel meeting.
- The evaluation panel will meet and come to an agreed score at the evaluation panel meeting. Final scores are collected, in order to determine the winning provider i.e. who scores the highest, when other factors like submitted prices have been considered

Contract Award

- The providers who submitted tenders will be notified, in writing, of the outcome of the tender process and whether they have been successful or unsuccessful.
- Unsuccessful tenderers will receive feedback giving details of the characteristics and relative advantages of the successful tenderer(s).
- Depending on the value of the contract, there may then be a period of minimum 8 working days to wait before the contract can be formally awarded to the successful provider.
- Once the standstill process is complete and any challenges have been resolved then the contract can be awarded to the successful tenderer



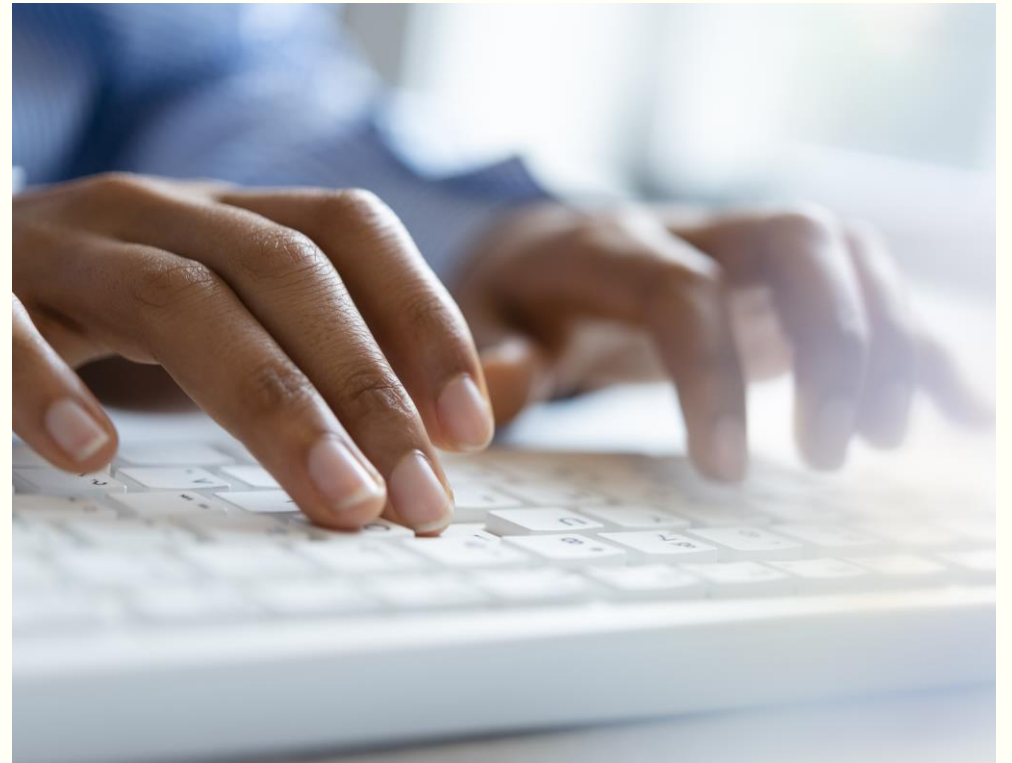


Mobilisation of the Contract

- Following the award of contract the mobilisation period takes place, this is also sometimes known as the transition period.
- The length of the mobilisation period is dependent on the contract. For example, if the contract is for a new requirement the provider might need a longer period of time to ensure the staff, buildings and supplies are in place for delivery of the service.
- The mobilisation period may not require as much time if the provider already has staff, buildings and supplies in place.
- Mobilisation may involve things like consulting existing staff, introducing new staff to service users, or gradually building up service delivery on an incremental basis.
- Once the mobilisation period is complete the service will formally commence and would continue for the duration of the contract.

Applying via the e-tendering System (Proactis)

- Invitation to Tender (ITT) available on our e-tendering system
www.supplyingthesouthwest.org.uk
- Free registration, takes no longer than 24 hours to process the application
- Providers will be required to select categories during the registration process
- All correspondence/questions through Proactis messaging function
- The Council is not an administrator of Proactis
- Technical issues with the system e.g. password and log in issues, need to be directed to Proactis - servicedesk@proactisservicedesk.com



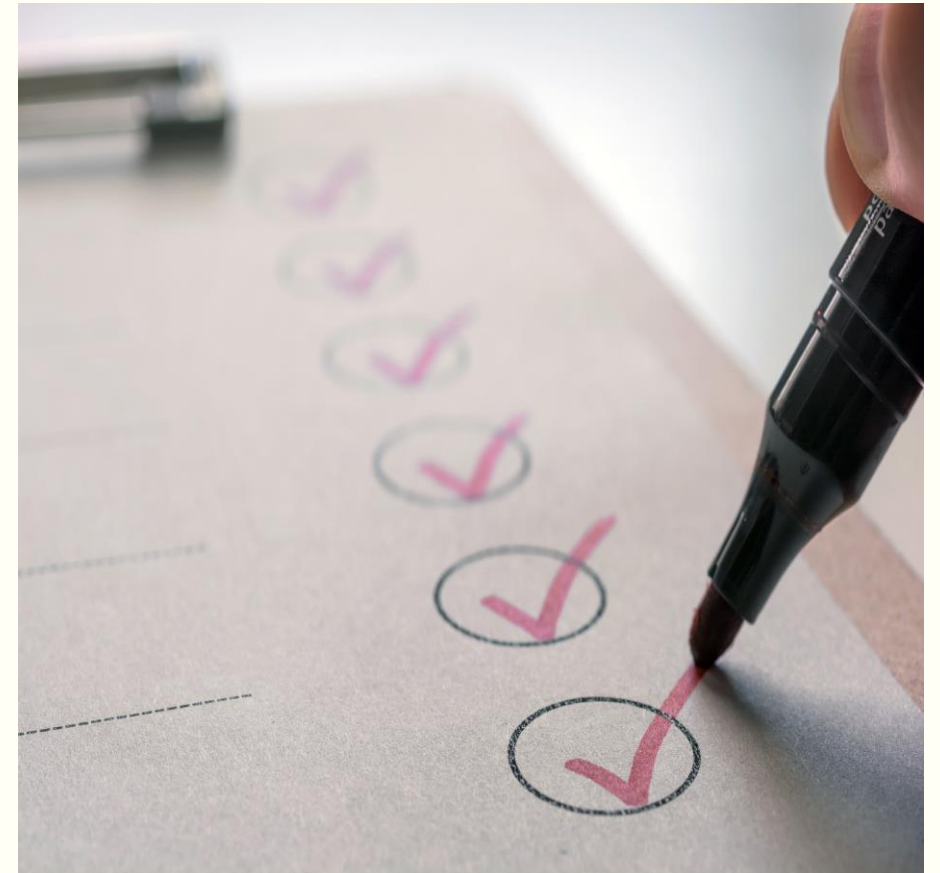


TUPE

- TUPE may apply for some contracts – some staff currently delivering the service could have a right to transfer to any new provider (and maintain their conditions of employment)
- It is for bidders to decide whether TUPE Legislation applies to any procurement and to seek your own legal advice
- You should fully understand your liabilities and responsibilities if TUPE applies
- The Council will provide TUPE (staff) data as part of the tender documentation, where TUPE is believed to apply
- Any pricing submitted by a bidder must take account of costs and liabilities in relation to the current staff who deliver the service, where TUPE applies
- Obligations of legislation – the TUPE process is between the incumbent provider and incoming provider
- Council can provide only very limited clarifications in respect of the data
- Clarifications on data provided – via Council not directly to incumbent provider(s)

Typical Contents of a Tender

- Instructions for Bidders
- Specification (including monitoring and payment information)
- Procurement Specific Questionnaire
- Tender/Quality Questionnaire
- Evaluation Criteria and Weightings including Quality/Price Ratio for award
- Terms and Conditions
- Pricing Schedule / Price Breakdown





Procurement Specific Questionnaire

- Preliminary Questions : Supplier information, bidding model and exclusion information
- Part 1: Core Supplier Information
- Part 2: Additional Exclusion Information
 - Part 2A: Associated Persons
 - Part 2B: Intended Sub-Contractors
- Part 3: Conditions of Participation
 - Part 3A: Financial Capacity
 - Part 3B: Legal Capacity
 - Part 3C: Technical and Professional Ability and Project Specific Requirements

Standard template issued by the Cabinet Office

Standard questions about the organisation – their professional capacity and capacity and their legal and financial capacity



Tender / Quality Questionnaire

- Questions about your proposals to deliver this contract in B&NES
- Series of forward-looking method statements, to assess “how will you.....” – specific to the requirements outlined in B&NES specification
- Each question’s relative weighting will be given
- Word counts or other information will be given
- Only provide additional information on top of the narrative response if requested – otherwise it will not be scored
- Do not exceed specified word count limits
- Scoring regime will be published with the ITT

Evaluation Criteria & Weightings



- Award based on MAT – Most Advantageous Tender (most commonly a combination of Price and Quality)
- Each question has a weighting
- Evaluation criteria will be detailed in the ITT, along with their associated weightings
- Important for bidders to understand and read the evaluation criteria alongside the questions
- The criteria and weightings will be used by the evaluation panel in evaluating tenders

Pricing Schedule / Price Breakdown

- Forms part of the Award Criteria
- Price either scored on a lump sum/total cost basis or different elements of the price may be scored independently
- Price submissions must be in the format laid down in the ITT, using the template provided – no changes can be made to the template provided
- Prices must include TUPE commitments if TUPE applies
- Prices must include all costs the bidder would incur in delivering the service
- In some cases a Maximum Price will be advised, which cannot be exceeded – any tenders which exceed this stated price would be discounted and not evaluated
- Take note of the conditions around pricing e.g. is the price fixed for the duration of the contract





Tendering Reminders

- Take note of deadlines – 2 dates: one for submission of clarification questions and one for the tender submission
- Take account of the criteria for evaluation which are provided
- Ensure you don't exceed word counts – words in excess will be discounted
- Read all documents issued
- Answer all questions, in isolation from each other and do not cross-refer to other responses,
- Address the stated requirements, do not add things that have not been asked for
- Only attach appendices/additional information if they are specifically requested
- Make no assumptions around prior knowledge; the panel evaluate what is in the submission
- The tender submission deadline is a 'hard' deadline – the system will close and will not accept anything beyond the stated deadline
- Do not leaving uploading your tender submission until the last minute in case of system issues

Collaborative Delivery

In some cases you might consider collaborating with others in order to bid for a tender

Possible collaborative models:

- Sub-contracting
 - Lead provider whom the Council contracts with
 - The lead provider puts in place sub-contractor agreements
 - Detail proposed sub-contractors in tender and be clear of their contributions to service delivery in tender responses
- Joint & several liability consortium
 - All consortia members sign contract and are legally liable for delivery
 - Need to identify an administrative lead for tendering purposes
 - The consortium would be required to enter into a legal consortium agreement
- Tenderers responsibility to advise of any changes throughout the tender process and beyond award of contract
- Can I be in more than one consortium? You should check and confirm this on a bid-by-bid basis
- Some tender details need to be provided by lead provider only, some by all members of the collaborative arrangement – see instructions to bidders

Social Value

- We have a duty to comply with The Public Services (Social Value) Act 2012
- Duty to consider, prior to undertaking the procurement/commissioning process, how any services procured might improve economic, social and environmental well-being.... and how to secure that improvement
- An element of the qualitative evaluation model will relate to social value
- Social value = achieving additional outcomes from our procurement activity, at no extra cost i.e. your price submission must not include costs of your social commitments
- Economic, social, environmental well-being outcomes



Social Value cont...



- Over and above the delivery of the specified services
- To be provided at no extra cost to the Council
- Something that you can deliver as a result of being awarded this particular contract
- **Commitments** to deliver in B&NES – not things the organisation is already commissioned to deliver for B&NES
- We will set out desired Social Value requirements / outcomes in the tender documents
- Example – B&NES recognise Care Leavers as a protected characteristic; how might you offer opportunities and/or benefits to care leavers
- Respond to B&NES specified Social Value requirements / outcomes
- Do not provide a generic response around issues such as recycled paper, cycling to work etc