TENDERS, BIDS & PROPOSALS

TENDERS, BIDS & PROPOSALS
# Guide to Public Sector Tendering

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## Procurement Jargon

<table>
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<tr>
<th><strong>AWARD CRITERIA</strong></th>
<th>The objective and transparent means by which buyers assess tender responses to select a winner – can use either (a) lowest tender price only or (b) most economically advantageous tender criteria.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEST VALUE</strong></td>
<td>This is planning, delivering and improving goods, works and services to ensure they are delivered in an efficient, effective and economical manner, appropriate to the needs of Customers.</td>
</tr>
<tr>
<td><strong>COMPETITIVE DIALOGUE PROCEDURE</strong></td>
<td>A three stage procurement process used in the award of particularly complex projects where an open or restricted procedure is not possible.</td>
</tr>
<tr>
<td><strong>CONTRACTING AUTHORITY</strong></td>
<td>The State, regional or local authorities and bodies governed by public law.</td>
</tr>
<tr>
<td><strong>CPV CODES</strong></td>
<td>Common Procurement Vocabulary EU classification scheme used to standardise the classification of goods and services for the benefit of purchasers and suppliers.</td>
</tr>
<tr>
<td><strong>EVALUATION CRITERIA</strong></td>
<td>The basis upon which various decisions will be taken, either at selection or award stage.</td>
</tr>
<tr>
<td><strong>EU</strong></td>
<td>European Union</td>
</tr>
<tr>
<td><strong>ECONOMIC OPERATOR</strong></td>
<td>The generic European term applied to describe suppliers, service providers and contractors.</td>
</tr>
<tr>
<td><strong>EEA Agreement</strong></td>
<td>An agreement between the EU and Norway, Iceland and Liechtenstein.</td>
</tr>
<tr>
<td><strong>EEA Countries</strong></td>
<td>Norway, Iceland, Liechtenstein in addition to all EU Member States.</td>
</tr>
<tr>
<td><strong>EXPRESSION OF INTEREST</strong></td>
<td>An invitation to the market to apply for a place on the tender list. Usually requires providing specified information to the public body regarding a firm’s financial, economic and technical capacity.</td>
</tr>
<tr>
<td><strong>EU Countries</strong></td>
<td>27 Member States – Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.</td>
</tr>
<tr>
<td><strong>FOI</strong></td>
<td>Freedom of Information – as per FOI Act 2000.</td>
</tr>
<tr>
<td><strong>FRAMEWORK AGREEMENT</strong></td>
<td>An agreement between one or more public bodies and one or more suppliers, the purpose of which is to enable contracts to be awarded over a period of time.</td>
</tr>
<tr>
<td><strong>GPA Government Procurement Agreement</strong></td>
<td>Signed by some signatories of the World Trade Organisation Agreement</td>
</tr>
<tr>
<td><strong>GPA Countries</strong></td>
<td>EEA/EU countries plus Canada, Hong Kong, Israel, Japan, South Korea, Netherlands with respect to Aruba, Singapore, Switzerland and The United States.</td>
</tr>
<tr>
<td><strong>ITT</strong></td>
<td>Invitation to Tender or Instructions to Tender.</td>
</tr>
<tr>
<td><strong>MINIMUM STANDARD</strong></td>
<td>The stated level which must be achieved for specific selection criteria or award criteria (e.g. Selection criteria – evidence of turnover; minimum level £100,000).</td>
</tr>
<tr>
<td><strong>NEGOTIATED PROCEDURE</strong></td>
<td>An advertised procedure which involves negotiating with a number of firms (usually 3 or more).</td>
</tr>
<tr>
<td><strong>OJEU</strong></td>
<td>Official Journal of the European Union, which is a website that provides a gateway for Suppliers who wish to search for new business opportunities sent directly from the OJEU and also lower value opportunities from a wide range of other sources throughout the UK and Ireland.</td>
</tr>
<tr>
<td><strong>OPEN PROCEDURE</strong></td>
<td>This is a commonly used purchasing procedure whereby all those companies who apply for tender documents will be allowed to tender.</td>
</tr>
<tr>
<td><strong>PIN</strong></td>
<td>Prior Information Notice – the means by which contracting authorities may indicate their purchases over the following 12 months at European level. Sometimes used to invite parties to a technical dialogue.</td>
</tr>
<tr>
<td><strong>PUBLIC BODY OR PUBLIC SECTOR</strong></td>
<td>A contracting authority or a contracting entity.</td>
</tr>
<tr>
<td><strong>PREQUALIFICATION</strong></td>
<td>The mechanism for determining the suitability of applicants for inclusion on tender lists. Also known as selection or eligibility or suitability.</td>
</tr>
<tr>
<td><strong>PRICING SCHEDULE</strong></td>
<td>A form which is sent out with a Request for Quote or Invitation to Tender which asks the supplier to input pricing information against pre-set goods, works or services.</td>
</tr>
<tr>
<td><strong>PQQ (PRE QUALIFICATION QUESTIONNAIRE)</strong></td>
<td>A questionnaire document frequently used to request information on financial and technical capacity from interested parties as part of the Restricted, Competitive Dialogue and Negotiated Procedures.</td>
</tr>
<tr>
<td><strong>RESTRICTED PROCEDURE</strong></td>
<td>This is a commonly used purchasing procedure which provides for the most suitable applicants to be placed on a tender list. Under this procedure normally at least 5 firms are invited to tender.</td>
</tr>
<tr>
<td><strong>RFP</strong></td>
<td>Request for Price or Request for Proposals.</td>
</tr>
<tr>
<td><strong>RFT</strong></td>
<td>Request for Tender.</td>
</tr>
<tr>
<td><strong>SELECTION CRITERIA</strong></td>
<td>The mechanism for determining the suitability of applicants for inclusion on tender lists. See also prequalification.</td>
</tr>
<tr>
<td><strong>SERVICE CONTRACT</strong></td>
<td>A contract for the provision of services as defined in the EU Directives.</td>
</tr>
<tr>
<td><strong>SERVICE CONCESSION</strong></td>
<td>A contract of the same type as a service contract except for the fact that the consideration for the provision of the services consists in the right to exploit the service or in this right together with payment.</td>
</tr>
<tr>
<td><strong>SERVICE PROVIDER</strong></td>
<td>An individual or company which provides services.</td>
</tr>
<tr>
<td><strong>SME</strong></td>
<td>Small and Medium Size Enterprise.</td>
</tr>
<tr>
<td><strong>SPECIFICATION</strong></td>
<td>A description of the product or service required in terms of functional and/or technical performance.</td>
</tr>
<tr>
<td><strong>STANDARD TERMS AND CONDITIONS</strong></td>
<td>The terms and conditions we send out with all Purchase Orders and Request for Quotes which we expect suppliers to accept and comply with during the contract.</td>
</tr>
<tr>
<td><strong>STANDSTILL PERIOD</strong></td>
<td>Also known as the Alcatel Period. The minimum period between the notification date of unsuccessful tenderers and the date of contract award.</td>
</tr>
<tr>
<td><strong>SUPPLY CONTRACT</strong></td>
<td>A contract for the purchase, lease, rental or hire purchase of products (may also include siting and installation services).</td>
</tr>
<tr>
<td><strong>TENDER</strong></td>
<td>Tender refers to a formal written submission from the supplier or service provider detailing their offer.</td>
</tr>
<tr>
<td><strong>TENDERER</strong></td>
<td>A party submitting a tender to a public body.</td>
</tr>
</tbody>
</table>
Tender Contract Procedure Rules

Authorities typically follow the procedures detailed below which are based on the level of risk and total value of a contract.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Value Range</th>
<th>Typical Procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOW RISK</td>
<td>&lt;£2000</td>
<td>Government Purchase Card (PCard)</td>
</tr>
<tr>
<td>LOW RISK</td>
<td>£1000 - £50,000</td>
<td>(At least) Three Quotes</td>
</tr>
<tr>
<td>MEDIUM RISK</td>
<td>£50,001 – OJEU threshold</td>
<td>Basic Tender with advertisement</td>
</tr>
<tr>
<td>HIGH RISK</td>
<td>&gt;OJEU threshold - £10 million</td>
<td>EU Procedure</td>
</tr>
<tr>
<td>VERY HIGH RISK</td>
<td>&gt;£10 million</td>
<td>EU Procedure</td>
</tr>
</tbody>
</table>

Evaluation Criteria

Evaluation criteria are standards that are used to assess how well a supplier bid meets an authority’s requirement during a procurement process. All evaluation criteria must be linked to the subject matter of the contract.

There are two types of evaluation criteria which are called ‘Selection’ criteria and ‘Award’ criteria:

- Selection criteria focus on a supplier’s past experience and track record only in order to filter out the suitably qualified and experienced suppliers capable of providing the Authority’s requirement.

- Award criteria relate to the specific contract and are forward looking. Contracts are normally awarded on the basis of the “most economically advantageous tender” which means, the tender offering best overall value for money both in terms of price and quality.

These are two distinct stages which are normally evaluated separately. For example, if the PQQ requests suppliers evidence a Risk Management Policy as a minimum standard for selection, the award criteria for the quality evaluation may request suppliers demonstrate how they will apply their risk management policy to identify and manage the risks associated with the contract.
Assessment of supplier responses to the evaluation criteria are made solely on the information that suppliers provide in either their pre-qualification questionnaire (PQQ) or Written Bids in response to an invitation to tender (ITT). No decisions should be made on previous experience or knowledge of working with a supplier in the past. All questions should have a sound purpose, help make an assessment of supplier suitability, and be underpinned by a defined method for scoring it which can be pre-published to the supplier.

Selecting Suppliers
In order to select suppliers for tender stage a Pre-Qualification Questionnaire (PQQ) is often used which contains ‘Selection’ criteria covering supplier legal and organisational status, economic and financial standing and elements of technical and professional ability. Additional selection criteria may be added to cover other aspects relevant to the contract requirements, such as Risk Management, Health and Safety, Quality Assurance, Environmental Management, Diversity and Equality, Professional Capacity.

The PQQ is usually distributed through our eSourcing tool to suppliers who express an interest in response to the advertisement of the contract (known as the Contract Notice).

If you are successful at PQQ stage you will be short-listed for tender stage and will receive an ITT for the goods or services.

Contract Award
The “Invitation to Tender” (ITT) sets out the methodology that the authority will employ in evaluating a supplier’s price, written bid submissions and any presentations in response to the specification and award criteria. Following this evaluation a decision will be made on which supplier will be awarded a contract.

Price and Quality are split into two high level categories to be evaluated separately. Each will be given a maximum percentage score, which is weighted according to the relative importance placed upon it.

At the end of the evaluation process, the two percentages will be brought together in the Full Evaluation Model to result in an overall percentage score for each supplier.

Price versus Quality
All procurement activity now has a heavy focus on savings and efficiencies. It is common for procurers to start with a 60% Price, and 40% Quality split as a basis but this can be changed to any combination depending on the requirements and objectives of the particular procurement.

Evaluating Price
The evaluation of charges will be based on the supplier’s response to the requirements of a Pricing Schedule designed for the specific contract using appropriate measures and units based on industry norms.

Price should be based on the total cost of the goods or service over the duration of the entire contract, not just purchase price. Buyers consider delivery costs, any maintenance and training costs, energy consumption, down time and disposal costs among others, to form a more holistic picture of what it will actually cost to own, or run the goods or services over the life of the contract.

Price Scoring Mechanism
Typically a certain percentage or number of points are attributed to prices and the supplier bids are scored against pre-set criteria, thus allowing tenders to be ranked in line with the percentages or points attributed to them. (See example below).
Max percentage score | 40%
--- | ---
Tendered prices: | £ | % scored
Supplier A | £70,000.00 | 40.0%
Supplier B | £75,000.00 | 33.3%
Supplier C | £80,000.00 | 26.7%
Supplier D | £85,000.00 | 20.0%
Supplier E | £90,000.00 | 13.3%
Supplier F | £95,000.00 | 6.7%
Supplier G | £100,000.00 | 0.0%

Lowest tendered price | £70,000.00
Highest tendered price | £100,000.00

Evaluating Quality – Written Bids
Award criteria relating to quality depend upon the nature of the procurement. Some examples include:

- technical merit of the goods or services;
- ability to meet specification;
- compliance with contractual terms and conditions;
- innovative technology;
- project plans and methodologies;
- wider social, economic and environmental benefits offered to the community;
- staffing arrangements, training and development;
- speed of delivery, maintenance and support offered.

Quality Scoring Mechanism
Supplier responses to these award criteria will be assessed using a pre-published scoring mechanism within the tender [see general example below]. This is a set of criteria which suppliers must meet in their responses to achieve certain scores. The scores for each question are converted into maximum percentage scores for each evaluation criteria in the Full Evaluation Model.

<table>
<thead>
<tr>
<th>Range of Score</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Non-compliant, fails to satisfy specified requirements.</td>
</tr>
<tr>
<td>1</td>
<td>Marginally adequate, does not satisfy all requirements, successful completion uncertain, concerns regarding competence or capacity and ability to successfully fulfil the contract requirements.</td>
</tr>
<tr>
<td>2</td>
<td>Acceptable and mainly compliant, generally meets the requirements except for minor aspects and shortcomings, successful completion likely.</td>
</tr>
<tr>
<td>3</td>
<td>Satisfies all requirements, average, acceptable and compliant; successful completion highly probable, no shortcomings apparent.</td>
</tr>
<tr>
<td>4</td>
<td>Very good, negligible risk of failure; satisfies the selection criteria in all respects. Highly competent and above average.</td>
</tr>
<tr>
<td>5</td>
<td>Superior, beyond expectations; offers an excellent level of performance which exceeds notional requirements; represents industry best practice.</td>
</tr>
</tbody>
</table>

Evaluating Quality – Supplier Presentations
Presentations can be an important part of the quality evaluation, particularly for services intended for children and young people, or vulnerable adults where it can be essential to meet with the service provider for a number of reasons. Where an ITT states a presentation will take place it is then mandatory for all suppliers who are tendering to present, no matter what they have scored on price or quality in their written bid.
Example Evaluation Model

Price Evaluation

\[ \text{Supplier A} = \frac{\text{Lowest Tender Price}}{\text{Supplier A Price}} \times \text{Total Price Points} \]

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Supplier A</th>
<th>Supplier B</th>
<th>Supplier C</th>
<th>Supplier D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price of this tender</td>
<td>£111,712.17</td>
<td>£121,131.90</td>
<td>£117,475.53</td>
<td>£150,085.00</td>
</tr>
<tr>
<td>Price of lowest tender</td>
<td>£111,712.17</td>
<td>£111,712.17</td>
<td>£111,712.17</td>
<td>£111,712.17</td>
</tr>
<tr>
<td>Points available</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Points awarded</td>
<td>40</td>
<td>36.9</td>
<td>38</td>
<td>29.8</td>
</tr>
</tbody>
</table>

Supplier A Quality Evaluation

<table>
<thead>
<tr>
<th>Quality Element</th>
<th>Quality Weighting</th>
<th>Points available</th>
<th>Points scored</th>
<th>Weighted Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to meet specification</td>
<td>30%</td>
<td>50</td>
<td>25</td>
<td>15%</td>
</tr>
<tr>
<td>Delivery/Timescales</td>
<td>15%</td>
<td>50</td>
<td>40</td>
<td>12%</td>
</tr>
<tr>
<td>Staffing arrangements/training</td>
<td>15%</td>
<td>50</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>Points awarded</td>
<td>60%</td>
<td>150</td>
<td>75</td>
<td>30%</td>
</tr>
</tbody>
</table>

Overall Tender Evaluation

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Supplier A</th>
<th>Supplier B</th>
<th>Supplier C</th>
<th>Supplier D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>40</td>
<td>36.9</td>
<td>38</td>
<td>29.8</td>
</tr>
<tr>
<td>Ability to meet specification</td>
<td>15%</td>
<td>18.0</td>
<td>20.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Delivery/Timescales</td>
<td>12%</td>
<td>10.5</td>
<td>14.0</td>
<td>14.5</td>
</tr>
<tr>
<td>Staffing arrangements/training</td>
<td>3%</td>
<td>11.0</td>
<td>12.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Points awarded</td>
<td>70%</td>
<td>76.4%</td>
<td>84%</td>
<td>80.3%</td>
</tr>
</tbody>
</table>

Supplier A (70%) lost out to Supplier C who scored the highest percentage (84%) overall in their total evaluation score, despite the fact that Supplier A was the cheapest and scored full marks for their Price evaluation.

This is an example of where best value, does not always mean cheapest tender. Numerous aspects of a contract are taken into account other than cost, including social, economic and environmental benefits that suppliers can offer through the contract.

Supplier Guide – “Additional” Core PQQ Questions

Supplementary to the Core PQQ Questions is a set of “additional core” PQQ questions which are used for project specific purposes. The additional questions cover Risk Management, Health and Safety, Quality Assurance, Environmental Management, Diversity and Equality, Professional Capacity.

Evaluation for additional and supplementary questions will be determined by the procurer on a case by case basis. Some may be Pass/Fail and others may be scored and weighted. If the latter is the case, the procurer must pre-publish the method by which supplier responses will be assessed.
PLEASE NOTE: For Construction related contracts the Buyer will use the British Standards Specification PAS 91:2010 PQQ (as made mandatory by the Government’s Procurement Policy Note 20/10 December 2010).

Risk Management

Purpose: The purpose of this section is to establish whether the organisation is aware of the risks to its objectives, and to find out how resilient the organisation is to withstand unexpected disruptions to its operations. They also want to know what security systems you have in place to protect information.

Key questions for the Buyer:
- Has the organisation identified all the key risks associated with its business?
- Have they taken the necessary actions to ensure the organisation can provide the services being contracted? Does the organisation know how it will respond to disruptions and is it well prepared?
- Has the organisation recognised security risks to information and implemented a system to mitigate against these?

Typical Scoring/Assessment:
Either Pass/Fail or scored based on the organisation’s progress towards achieving a recognised Risk Management approach, business continuity plan or information governance policy.

Information typically requested:
- A copy of your Risk Management approach/policy
- A copy of your Business Continuity Plan

Example supplementary questions you may also be asked:
- Business Continuity Exercise reports for the last and next 12 months
- A copy of your Information Security Policy

Handy Tips:
- Write a policy for each of these areas and keep them in your PQQ file.
- Create action plans which show how these policies will be or are implemented within your organisation.
- Make sure all employees understand your policies and have access to copies.
- Monitor your efforts and review your policies annually and whenever there are changes in your business.

Health and Safety

Purpose: A statutory requirement for all organisations employing five or more persons.

Key questions for the Buyer:
Is your organisation a safe one to do business with?

Typical Scoring/Assessment:
Typically Pass/Fail as this is a legislative requirement. Responses will be rejected if they cannot meet this requirement (unless you have less than five employees in which case you are not required by law to have a documented policy). Certain questions may be given a weighted scoring, for example the RIDDOR statistics will often be compared to the national average for an organisation of a similar size and industry, and your performance may be ranked on that basis.

Information typically requested:
- Health and Safety (H&S) Policy
- Details of your organisations health and safety advisor/consultant
Details of any enforcement notices or prosecutions served on the organisation or any of its directors/managers by the HSE or Local Authority in the last 3 years.

**Example supplementary questions you may also be asked:**
- Details of the individuals with overall executive responsibility for H&S
- Details of the person responsible for carrying out risk assessments.
- RIDDOR statistics (number of fatalities, major injuries, reported cases of disease in the last three years).
- For Construction related contracts the Buyer may also include additional questions from the British Standards Specification PAS 91:2010 PQQ.

**HANDY TIPS:**
- Write a health and safety policy for your business which is signed and dated by the individual with overall executive responsibility for H&S for your organisation.
- Carry out and record findings of appropriate risk assessments.
- Record all RIDDOR incidents and details, including corrective actions taken.
- Make sure all employees understand the policy and have a copy.
- Review the policy annually and whenever there are changes in your business such as premises move or new equipment.

**WHERE TO FIND SUPPORT:** [www.hse.gov.uk](http://www.hse.gov.uk)

**Quality Assurance**

**Purpose:** To reassure the buyer that your organisation has the management systems and processes in place to consistently deliver the goods/services asked for in the contract.

**Key questions for the Buyer:**
- Can I depend on you to provide the same levels of service consistently?
- Will you satisfy customers?
- Are your staff motivated enough to provide a good service?

**Typical Scoring/Assessment:**
Either Pass/Fail or scored based on the organisation’s progress towards achieving a Quality Assurance policy. Therefore you may not be rejected for having not implementing it, but you may score zero in comparison to an organisation who is either developing it currently, or already has these systems and processes set up and fully operational.

**Information typically requested:**
- Details of any quality assurance accreditation or processes/procedures you implement, including a statement on how your organisation manages quality of the goods and services it produces.
- For Social Care contracts in particular, the Buyer may replace the QA questions with appropriate alternatives, for example CQC or Ofsted requirements.

**HANDY TIPS:**
- Write a quality policy for your business. The policy should be relevant to the nature and scale of the work to be undertaken and set out responsibilities for quality management throughout the organisation.
- List the systems and procedures that you have in place in your business which are key to your customer delivery.
- Describe all your operating processes and the checks and balances in place at each stage to ensure quality. (Draw a diagram or flow chart, or use post it notes to help you)
- Use a feedback loop to ensure continuous improvements.
Environmental Management

**Purpose:** Sustainability is now a key issue in many of our contracts, and Buyers are keen for our potential suppliers to have a commitment to sustainable environmental practices. A written policy is only required to be 1-2 pages and should always reflect your business processes.

**Key questions for the Buyer:**
Can this organisation help us reduce the impact of our operations on the environment?

**Typical Scoring/Assessment:**
Either Pass/Fail or scored based on the organisation’s progress towards achieving external accreditation. Therefore your response may not be rejected for having not implementing these, but you may score zero in comparison to an organisation who is either developing them currently, or already has these systems and processes set up and fully operational.

**Information typically requested:**
- A copy of an environmental management policy. (Meaning processes and procedures to ensure that the environmental impacts of the organisation are properly managed, including meeting legal requirements).
- Details of any accredited environmental management system.

**Example supplementary questions you may also be asked:**
- Details of any prosecutions or breaches of environmental law in the last three years.
- Details of any notices served upon your organisation by any environmental regulator in the last three years.
- Details of any remedial actions you have taken.

**HANDY TIPS:**
- Write an environmental policy.
- Create an action plan which shows how the policy will be implemented within the business.
- Make sure all employees understand the policy and have a copy.
- Monitor your efforts and review your policy annually.
- Promote your green credentials.

Diversity & Equality

**Purpose:** The Equality Act 2010 aims to eliminate unlawful discrimination, advance equality of opportunity and allows public sector organisations to foster good relations when exercising their functions. The Act establishes a new Single Equality Duty on public authorities. This consolidates the three existing public duties on race, disability and gender. Additionally, it covers age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment.

**Key questions for the Buyer:**
- Is the supplier compliant with its statutory obligations under the Equality Act 2010?
- Is the supplier committed to non-discrimination and the advancement of equal opportunity in your business processes, (not only in recruitment, but also selection and promotion and in the process of supplying your goods/services or works)?
- Does the supplier foster good relations when running their business and providing services?

**Typical Scoring/Assessment:**
The Additional Core questions for the PQQ are government approved and are all Pass/Fail, so if the supplier cannot answer ‘Yes’ to them or supply comprehensive evidence where required their response may be rejected.
In order to PASS the supplier’s Equal Opportunities Policy must meet the minimum standards below which correspond with the size of their organisation:

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Minimum Standards expected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 employees</td>
<td>If the supplier has less than 5 employees they are not obliged to have an Equal Opportunities Policy. Should the supplier be awarded the contract, a declaration that the supplier will endeavour to reach our minimum standards below is required, should the number of staff they employ increase during the life of the contract.</td>
</tr>
</tbody>
</table>
| 5 - 49 employees | i). An Equal opportunities policy must be attached which will be assessed in respect of race, gender and disability, and additionally, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment. The policy must take into account service delivery and employment and must cover at least:  
- Recruitment, selection, training, promotion, discipline and dismissal.  
- Discrimination, harassment, and victimisation, making it clear that these are disciplinary offences within the firm.  
- Identification of the senior position with responsibility for policy and its effective implementation.  
- How you communicate the policy to your employees and customers.  
ii). Effective implementation of policy in firm’s customer service and recruitment practices, to include open recruitment methods such as the use of job centres, careers service or press adverts.  
iii). Regular reviews of policy.  
iv). Regular monitoring of numbers of job applicants from different gender, disability and ethnic groups and systems in place to monitor, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment. |
| 50 + employees | Must achieve (i-iv) above and the following additional criteria:  
v). Provide written instructions to managers and supervisors on equality in recruitment, selection, training, promotion, discipline and dismissal of employees.  
vii). In addition to criteria iv carry out monitoring on the number of employees from different gender, disability and ethnic groups, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment by grade when:  
- in post  
- applying for posts  
- taking up training and development opportunities  
- promotion  
- transferred  
- disciplined and dismissed  
- leaving employment  
viii). If monitoring reveals under-representation of groups listed in ‘vii’ above, evidence what steps including positive action to address any imbalances are taken.  
ix). Evidence of regular reporting and consultation on equality issues within the workforce and with customers.  
x). Evidence that mentions in the organisation’s recruitment advertisements and publicity literature that equal opportunities |

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practices are in place. 

xi). Evidence that the organisation has actions in place to advance supplier diversity.

Information typically requested:
- Equal Opportunities and Diversity Policy
- Details of any unlawful discrimination or breach of equality law, or any formal investigations carried out on your organisation in the last three years.
- Copies of recruitment, training and promotion instructions, documents available to employees and trade union, and recruitment advertisements or other literature, which demonstrate how your policy is communicated to staff and recruits.

Example supplementary questions you may also be asked:
- Monitoring data on recruitment, training, promotions and customer satisfaction.
- Do you have any evidence of how your policy on equal opportunities has affected the employment of people with a disability?
- Would you be willing to assist an authority in increasing employment opportunities for people with a learning disability, and if so how?

For all OJEU threshold tenders you will be asked - If you are not currently subject to UK legislation please supply details of your experience in complying with equivalent legislation that is designed to eliminate discrimination and to promote equality of opportunity. If this is not applicable please state so.

HANDY TIPS:
- Write an Equal Opportunities and Diversity policy statement which meets all the criteria above and includes all current legislation below, and integrate it within your business.
- Create an action plan which shows how the policy will be implemented within the business.
- Make sure all employees understand the policy and have a copy.
- Collect evidence to show how your policy works in practice, for example, recruitment adverts, employee handbook, application forms.

WHERE TO FIND SUPPORT: www.equalityhumanrights.com

APPLICABLE LEGISLATION:
Equality Act 2010 (now supersedes all other equality legislation)
Human Rights Act 1998

Professional Capacity

Purpose: To enable the Buyer to understand the organisational structure, key personnel/managers assigned to the project, their qualifications and seniority. It is also an opportunity to see what other resources you intend to draw on, including any intent to sub-contract, or employ apprentices in order to help deliver the contract.

Key questions for the Buyer:
- Are the staff qualified and competent?
- Does the account manager have staff senior enough to make quick decisions?
- Can this organisation offer any added value for the Council through employing local apprentices or implementing work placement initiatives?

Typical Scoring/Assessment:
The Buyer will develop a suitable scoring mechanism depending on the information they are requesting. They may give a score to each question which assesses the extent to which the level
of seniority, qualifications and experience of the staff is relevant to the nature of the work we are tendering for.

**Apprenticeships**
Due to the current push to increase the number of apprentices Buyers will be looking to score more highly those suppliers offering work placements, because it offers added value to the authority and benefits the community.

**Volunteers**
Volunteering is an important expression of citizenship and a powerful force for change. Volunteers can make a unique contribution to society and must be valued, supported and well managed during delivery of services.

**Local Business**
It is important to contracting authorities that suppliers show an awareness of how they can support the local economy through the contract, for example recruiting local labour and sub contracting to local SME's.

**Employment of People with a Disability**
Authorities are committed to improving quality of life, reducing the demand upon public services and supporting the local economy by increasing employment opportunities for people with a disability. People with learning disabilities in particular are under-represented in the workforce. If the contract you are tendering for is within an industry which is likely to support roles which provide an entry to the job market, this should be considered as you develop your PQQ response.

**Information typically requested:**
- Outline of the organisation’s management structure
- Details of staff responsibilities/job titles/relevant qualifications and experience/length of service
- CVs
- Details of any apprenticeship schemes, work placement opportunities, volunteer placements, local recruitment initiatives, and local subcontracting being proposed.

**HANDY TIPS:**
- Make sure staff assigned and staff CVs provided are relevant to the contract. Use your formal job descriptions as a guide to entering staff responsibilities.

**WHERE TO FIND SUPPORT:** [www.apprenticeships.org.uk](http://www.apprenticeships.org.uk)

**eProcurement**

**Purpose:** To identify your organisation’s current eProcurement capabilities to ensure that your organisation can meet with eProcurement requirements. eProcurement refers to electronic methods used to purchase goods, works and services in order to maximise the benefits to both the authority and suppliers through efficient processes and prompt payment.

**Please Note:** If an alternative approved system is utilised for a contract, for example for Social Care, and Construction related contracts, the Buyer will amend these standard questions as applicable with the appropriate requirements for that contract. Information on particular P2P processes for specific sectors such as Social Care can be requested from Purchase to Pay (P2P).
Key questions for the Buyer:
- Is the organisation able to accept email orders (which have been sent via IDeA:marketplace) to a single email account?
- Does the organisation have a web browser facility capable of accessing IDeA:marketplace?
- Can the organisation submit electronic invoices via IDeA:marketplace?
- Can the organisation accept purchase cards (PCards)?

Typical Scoring/Assessment
Pass/Fail. If you cannot meet the minimum standards but your organisation is currently developing its IT capabilities which will enable your organisation to meet with the requirements from the date of commencement of the contract then explain this and detail what action you are taking. That way, your PQQ response will not necessarily be rejected as a fail to meet minimum standards because you can show you are working towards it.

Information typically requested:
- These are straight forward Yes/No questions about your current eProcurement capabilities.

HANDY TIPS:
- Ensure you have reliable access to the internet, and a web browser.
- Set up a single email account for your organisation if you do not have one. Please note that one single email account must be provided for the organisation. For example multiple email addresses for different depots within/ across an organisation are not accepted.
- Familiarise yourself with IDeA:marketplace, information on which can be found on our website and/or within the draft eProcurement specification which accompanies the PQQ.
- Ensure that you read the questions fully and that you are aware of the eProcurement requirements of the contract.
- Take appropriate actions to meet these requirements before you respond to a PQQ.

Requirement Specific Questions

Purpose: These questions will be added by the Buyer and will be specific to the contract which you are bidding for.

Key questions for the Buyer:
This will depend completely on the questions being asked by the Buyer, but it is a chance for the Buyer to ask for some pertinent information from you which may be crucial to the good, works or services being delivered. Therefore they will be looking to see how highly you score against these questions in terms of meeting the requirements of the contract.

Typical Scoring/Assessment:
This is down to the Buyer to decide and will be stated within the question text. The questions will typically be given a weighted scoring, but the Buyer may set a minimum level which you must score out of the total to Pass.

Information typically requested:
This list is not exhaustive but gives you some examples of additional information which may be requested over and above the standard pre qualification questions:
- Criminal Record Bureau (CRB) checks for members of staff – particularly if the contract involves children or vulnerable adults.
As a minimum standard for most care contracts, evidence of your organisation’s registration with the Care Quality Commission (for contracts relating to Adult’s services) or Ofsted (for contracts relating to Children’s services).

- Copies of your policies on Safeguarding Vulnerable Adults.
- Evidence of Partnership working.
- Evidence of any products/services your organisation offers which are covered by Eco-Labelling Schemes.
- Membership of Constructionline, or Contractors Health and Safety Assessment Scheme (CHAS)
- Food Safety Management policy (Hazard Analysis and Critical Control Points (HACCP))
- Policies regarding Genetically Modified food, approach to allergies and special diets, food additives, flavourings and colourings, Organic and Fair-Trade products.
- Policy relating to Control of Substances Hazardous to Health (COSHH).
- Further information on recruitment and selection, training and development and evidence of continued professional development.
- Identification of any potential conflicts of interest that may arise in the light of other current or previous projects.

Entitlement to Feedback


Another clarification of the existing rules lies in what must be said in the notice to be given to losing bidders when a decision to award is taken and the fact of this decision is communicated to losing bidders in order to start the standstill period running (i.e. before the contract is entered into). The new regulation 32(2) requires that in such communications it must be stated:

(i) what were the award criteria (and any sub-division thereof)
(ii) what were the reasons for the decision, including the characteristics and relative advantages of the winning bid and the scores obtained (if any) of the individual party receiving the notice and the winner of the contract or the party being awarded the framework;

This follows the principles of being, open, fair and transparent. You need to know you have been treated fairly in the process and in order to judge that you need a reasonable level of feedback.

The impact of the cuts

The headlines state budget cuts of 20% with the ‘procurement budget reduced by as much as 10%’.

The response from Buyers will undoubtedly be to improve their procurement practices in order to make savings, seemingly putting pressure on those bidding on tenders to submit lower cost solutions. We have seen an increase in the number of tenders coming out but this still seems to be within the old procurement style, which simply does not seem to drive the most competitive costs. It is also important to note that the majority of tenders coming through are for existing requirements, which simply need re-tendering. From our experience making real savings through effective procurement does still not seem to be urgent.

It could be said that procurement is at the start of a strategic process. Scotland is a good example of how things could be moving for England – this is the development of ‘real’
collaborative procurement with standard prices being established across the sector. This co-procurement approach should reduce the amount of tenders available in the long term – however it will have to have a ‘back stream’ of smaller suppliers running these large agreements. This means more collaborative procurement from the public sector but also more partnerships/consortium bids required from SME’s.

This is what will need to take place over the long term (5-7 years) but will not be the case in the short term. The initial stage of cuts seems to be coming from reducing services and staff numbers. And then second to this, through a slight increase on the number of tenders being advertised with the aim of establishing more competitive prices/new ways of working. This will put more emphasis on pricing and not just the price when signing the contract but also how the contract is managed throughout to ensure sustainable value for money. However, from seeing the extent of the savings to be made/the amount the sector is overpaying for different services we believe this will only start to move them more in line with what has already been achieved by many private corporate organisations.

We believe that the construction sector by the end of the year will be hit harder and tenders will drop – but of course there will still be a requirement – this is likely to mean increased competition for fewer contracts. Public housing is going to fall sharply over the next five years due to lack of funding and the government’s change in focus from ‘social housing’, which is publicly funded, to ‘affordable housing’ to be primarily funded privately.

Infrastructure is likely to be boosted by work increasing twofold in rail and in energy. Rail work is going to be boosted by main works starting on Crossrail but also over 100 station refurbs around the country. For energy, nuclear and renewable energy will see a boost. We currently know of 9 power stations due to be taken out of service by 2023 and they will need to be replaced.

In summary, public sector housing, education and health are going to lead to falls but there are sectors due to enjoy considerable growth over the next 5 years and companies need to be ready to take advantage of these. There will of course still be a huge requirement across nearly all sectors – but competition will be increased. So tendering efficiently and effectively is key.

**Useful Websites**

Intro to EU rules - what the public sector has to do:

Thresholds & contracts value and when EU rules apply:

How suppliers should be assessed in relation to finances:

What's new in procurement rules:
New Remedies Directive (2009) - the bidder has more rights:

Some useful websites to search for tenders:

http://www.contractsfinder.co.uk/

http://www.mytenders.org/

All high value Part A Service public sector tenders are advertised here:
https://www.thechest.nwce.gov.uk/procontract/supplier.nsf/frm_opportunity_search?openForm

Lancashire County Council tenders:
http://www.lancashire.gov.uk/corporate/web/?siteid=5761&pageid=32240&e=e#anchor153894

North Eastern Purchasing Organisation tenders:

https://www.qtegov.com/procontract/supplier.nsf/frm_planner_search_results?openForm&search_id=PLAN-SCHQTLE-82YN56

University of Leeds tenders:
https://in-tendhost.co.uk/universityofleeds/asp/tenders.asp

EDF Hinkley Point tenders:
http://www.hinkleysupplychain.co.uk/

Sell to Wales tenders:
https://www.sell2wales.co.uk/

Public tenders:
http://www.publictenders.net/

Tenders in the South West:

Emergency Service tenders:

NHS Part B clinical service tenders:
http://www.supply2health.nhs.uk/default.aspx

Met Office tenders:
http://www.metoffice.gov.uk/about-us/contracts

Public & private tenders:
http://www.tenderalerts.co.uk/

UK public service tenders:
http://www.buyingsolutions.gov.uk/

Department for Business, Innovation and Skills tenders:
http://www.bis.gov.uk/about/procurement
OJEC tenders:
http://www.ojec.com/

Further Advice and Support

For any advice from improving the quality of submission, increasing the chances of success, final checks, the responsibilities of the public sector and your rights, contact:

Thornton & Lowe
0845 862 0154
hello@thorntonandlowe.com