

Winning Business with West Lothian Council

Howden Park Centre

12:00 - 2:00pm

5 February 2014



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AGENDA

<u>Item</u>	<u>Lead Officer</u>
1. Introduction	Douglas Niven
2. Presenting Tender Information	Douglas Niven
3. EU and Scottish Public Procurement Regulations	Tom Henderson
4. Tendering and Contracting	Steven Menzies
5. Framework Agreements, Small Lot Provision and Reserved Contract Provision	Steven Menzies
6. Evaluation Process and Criteria	Meriel Maddison
7. Community Benefits	Stuart Saunders
8. Questions and Answer Session	-

Presenting Tender Information



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Presenting Tender Info.

- **Evidence**-assessment can only be based on the evidence presented on each occasion.
- Be careful if you cut and paste.
- Answer what is asked.
- Research H&S, Environmental Mgt, Equal Opportunities, Quality Mgt, Business Continuity.

Presenting Tender Info.

- Make your proposal distinctive, differentiate from the competition and what makes your offering the best fit against the declared selection or award criteria.
- ETHOS; a progressive enterprise which has continual improvement at it's core, to culturally enhance the relationship (reflected in the evidence presented)

Presenting Tender Info.

- How much have you researched the customer and previous tenders for this requirement?

Presenting Tender Info.

References:

- [Supplier Development Programme](#)
- [Equality & Human Rights](#)
- [Health and Safety](#)
- [Quality Management](#)
- [Business Continuity](#)
- [BCM and Disaster Recovery](#)

EU and Scottish Public Procurement Regulations



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Procurement Regulations

- Public Bodies – Scottish, UK & EU legislation
- Basis for the EC : Treaties - implied obligations
- EU Directives – open markets for major contracts - awarded by transparent procedures
- Transposition into national law : The Public Contracts (Scotland) Regulations 2012
- Case Law decisions
- Community Law obligations: Equal Treatment
(ALL contracts) Non Discrimination
Transparency
Proportionality
Mutual Recognition

West Lothian Council – Standing Orders for the Regulations of Contracts

- Local Government (Scotland) Act 1973
- Purpose – transparent, objective and competitive approach to contracting
- Tender thresholds ; no of tenders ; “quick quote”
- Best value : cost/quality/sustainability
- Adhere to Community Law obligations
- Exemption not allowed for above EU threshold activity :
<http://scotland.gov.uk/Resource/0044/00440911.pdf>

Tendering and Contracting



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Tendering and Contracting

Prior Information Notice (PIN)

- A document highlighting that a contract will be advertised in the future

Contract Notice

- Used to notify everyone that a contract is being advertised for participation

Quick Quote

- A specific invite for a supplier to quote for a low value contract

Tender Documents

- A document used to obtain a formal submission of an offer of contract

Contract Portals

Public Contracts Scotland

www.publiccontractsscotland.gov.uk

- Used to advertise PIN and Contract Notices
 - Invites open to everyone
 - Responses posted on PCS-Tender (different site)
- Used for Quick Quote
 - Invites issued to suppliers directly
 - Responses posted on PCS site

Public Tenders Scotland

www.publictendersscotland.publiccontractsscotland.gov.uk

- Used to submit tender responses
 - Users register interest in tender to obtain documents

Contract Advertising

Contracts up to value of £50,000

- Issued through Quick Quote which is part of Public Contracts Scotland

Contracts over £50,000

- Advertised through Public Contracts Scotland
- Tender responses via Public Tenders Scotland

Things to remember:

- Register for both Contract and Tender sites
- Ensure you create a “Supplier Finder” profile on Public Contracts Scotland
- Complete extended profile on Public Tenders Scotland to pre-populate some answers

Framework Agreements



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Framework Agreements

A **Framework Agreement** is defined as:

“an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.”

Framework Agreements

ADVANTAGES – PURCHASING AUTHORITY

- Do not have to go through the full process every time the requirements arise reducing tendering costs.
- There is less downtime between identifying the need and fulfilling it.
- Economies of scale, which may prompt suppliers to offer more competitive prices.

ADVANTAGES - SUPPLIER

- The reduction to tendering costs.
- The chance of being awarded valuable business opportunities.

Small Lot Provision



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Small Lot Provision

- Contract opportunities for SMEs.
- Public sector contracts whose value exceeds €500,000 (approx £411,000).
- Smaller, “bite-sized” lots.

WHY?

- Would be more contestable by smaller operators.

Reserved Contract Provision



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Reserved Contract Provision

The Public Contracts (Scotland) Regulations 2012:

- A contracting authority may restrict participation in a regulated *procurement to supported businesses only*.
- Where a contracting authority restricts participation under subsection it must state that fact in the contract notice.
- “Supported Business” is an economic operator who operates a supported business, supported employment programme or supported factory.
- Procurement Reform (Scotland) Bill 2013 – provides the opportunity for Ministers to increase scope of ‘supported business’.

Evaluation Process and Criteria



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Standstill Debrief Letters:

- Award criteria
- Your score and winner's score
 - Name of winner
 - Reasons you were unsuccessful
- Characteristics/relative advantages of winner

Structured method to ascertain which tender is most economically advantageous

EVALUATION CRITERIA

As important as the specification

- Transparency
- Non Discrimination
- Proportionality

- Selection
 - Award
- Mandatory
 - Scored

CRITERIA	% OF TOTAL SCORE	MAX SCORE	Supplier A	Supplier B	SupplierC
Cost	70	700			
Mobilisation	5%	50	50	0	50
Planned Preventative Maintenance	30%	300	300	160	142
Security	10%	100	86	100	84
Reactive Maintenance 1: Lump sum for repairs up to (+incl) £500	15%	150	121	85	114
Reactive Maintenance 1: Lump sum for repairs over (+incl) £500	5%	50	17	36	16
TUPE Costs	5%	50	50	50	50
Quality	30	300			
Understanding of Project	1.50%	15	10.5	7.5	9.0
Customer Focus	1%	10	6.0	7.0	4.0
Planned Preventative Maintenance	4%	40	28.0	20.0	24.0
Reactive Maintenance	3%	30	21.0	18.0	12.0
Security	3%	30	24.0	18.0	12.0
Audio Visual	1%	10	6.0	6.0	3.0
Energy Management	2.50%	25	15.0	12.5	10.0
Management of Contract	3%	30	24.0	24.0	15.0
Help Desk and CAFM System	2%	20	16.0	16.0	16.0
Mobilisation	2%	20	14.0	12.0	8.0
Health and Safety	1%	10	8.0	7.0	9.0
TUPE Transfer and Pensions	5%	5	3.0	4.0	3.0
Human Resources	1.50%	15	10.5	9.0	9.0
Pricing Methodology	4%	40	20.0	16.0	24.0
TOTAL	100	1000	830	608	614

Community Benefits



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Community Benefits

- **Community Benefit Clauses (CBCs)**
 - contractual requirements which deliver wider benefits in addition to the core purpose of the contract.
- **West Lothian Council Commitment:**
 - aim to maximise Community Benefits by considering CBCs from the outset of each tendering process (£50,000 or greater)

Community Benefits

Examples of types of Community Benefits sought:

- **Recruitment and Training**
 - e.g. Apprenticeships, Jobs.
- **Supply Chain**
 - e.g. Opportunities to Small and Medium Enterprises, Social Enterprises, Voluntary Sector.
- **Educational Support**
 - School Event Sponsorship, Educational Presentations, School Visits, Work Experience.

CBiP Procedure

Community Benefits approaches:

- **Construction Projects:**
 - CiTB National Skills Academy for Construction Client Based Approach
 - Non-Evaluation Approach
- **Non-Construction Projects:**
 - Evaluation Approach
 - Non-Evaluation Approach

Community Benefits

Examples of Community Benefits offered:

- **Skip Hire Contract** – four additional jobs, source materials from local suppliers.
- **Storage & Removals Contract** – minimum of one apprentice opportunity
- **Fire Equipment Contract** – work experience opportunities for school pupils and unemployed
- **Organic Waste Treatment Contract** – school visits, school work experience opportunities
- **School Access Road Contract** – Building Site Safety Presentation to the school
- **New Build Council Housing Project** – jobs, apprenticeships, work placements, subcontractor training, curriculum support activities

Questions?



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Further Information

For further procurement information please visit the '**Doing Business With The Council**' page of the West Lothian Council website:

- <http://www.westlothian.gov.uk>



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