



GUIDE to SOURCING SUPPLIERS & MANAGING CONTRACTS

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Introduction

LUPC aims to develop its supplier base to meet our long-term strategic goals.

Optimised procurement and tender processes allow us to select those suppliers whose products or services offer best value. Suppliers should then be managed through to contract expiration or termination. During the management phase, suppliers may be developed to improve the quality of the service offering and to reduce overall costs.

This guide is recommended for those procurements which are above EU thresholds and details the steps necessary in **preparation for a tender exercise; the actual tender process itself** and sets out **the basis for implementation and ongoing management** of the successful suppliers.

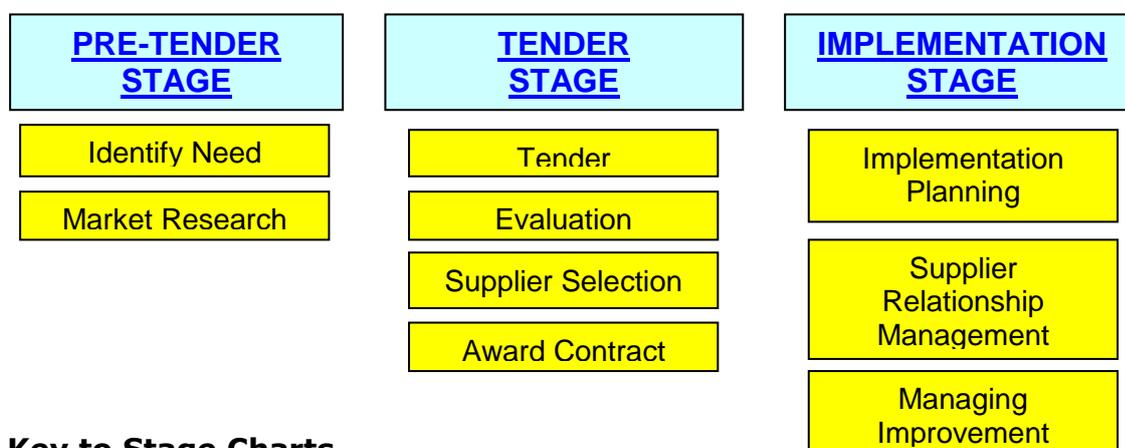
This Guide, including all policies and procedures, shall be reviewed by the LUPC Board at least once every two years, or whenever a substantial change is proposed.

To ensure that files relating to agreements can be easily accessed by all staff, all files should be stored under the relevant Commodity Groups as listed in the LUPC shared folders. All agreement documents from 2016 onwards should be stored in the '**2016 Agreements**' and each agreement folder should be structured as follows:

- 1 Research
- 2 Tendering
- 3 Contracting documents (to include OJEU notices and UniBuy/HEC information)
- 4 Contract management.

The Stages

The Guide is split into three discrete sections, each governing a stage in the procurement cycle. The three stages, shown with their high-level process steps, are:



Key to Stage Charts

L Indicates person(s) responsible for **leading** the execution of that process step.

J Indicates person(s) **jointly** responsible for executing that process step.

S Indicates person(s) responsible for **supporting** the execution of that process step.

 Meeting of Commodity Group to complete component step.

 Consensus of full group – report to and ratification by whole group.

 Inform Commodity Group that step has been completed.

Any template used during the project should be retained carefully on file. When all the stages are completed, there will be a complete package of documentation, which will enable the review, authorisation and audit of the framework agreement or contract.

1. PRE-TENDER STAGE

	COMPONENT STEPS	RESPONSIBILITY ALLOCATION (LEAD/JOINT/SUPPORT)					Tools/ Template (where applicable)		
		Lead Purchaser	Technical Representative	Senior Contracts Manager	LUPC	Other			
PRE-TENDER STAGE	Identify Need	IDENTIFY AND AGREE INITIAL TEAM MEMBERS. PREPARE PROJECT DETAILS SHEET	S		L			PROJECT DETAILS (Appendix 1) ★	
		DEFINE NEED		L	S			COMMODITY GROUP DISCUSSION ←	
		CHALLENGE NEED	L	S	S			SWOT ANALYSIS	
		AGREE SOURCING STRATEGY AND SEEK APPROVAL FROM EXECUTIVE COMMITTEE	S		L			RESPONSIBILITY ALLOCATION MATRIX SUBMISSION TO EXECUTIVE COMMITTEE (Appendix 2) →	
		PIN (PRIOR INDICATIVE NOTICE) TO OJEC	S	S	L			PIN	
		DETERMINE MINIMUM SPECIFICATION	J	J	J	J	J	SPECIFICATION ★	
		COST MINIMUM SPECIFICATION FROM ENCUMBENT SUPPLIER – TO ASSIST IN DEFINING SAVINGS							←
		DETERMINE PERFORMANCE CRITERIA/MEASURES	S	L					←
	Market Research	CHECK LUPC WEBSITE FOR SIMILAR CONTRACTS	L	S				LUPC WEBSITE	
		CHECK OTHER CONSORTIA CONTRACTS	L		S	J		CONSORTIA WEBSITE	
		CHECK INTER-REGIONAL AND NATIONAL CONTRACTS	L					JOINT CONTRACTING GROUP SPREADSHEET	
		CHECK BUYING SOLUTIONS DATABASE	L					VIA BUYING SOLUTIONS WEBSITE	
		INDUSTRY BODIES RECOMMENDATIONS	S	L	S				
		OPTIONAL RFI - SEND AND RECEIVE RESPONSES TO THOSE SUPPLIERS IDENTIFIED AND ANALYSE DATA	L	S	S			RFI DOCUMENT	

Identifying the Need

- 1.1 The pre-tender planning phase of any sourcing process begins with identifying the need. The output of this task is a specification and a series of outcome measures to validate that the specification has been met. Of course, the specification must be detailed and precise to allow the supplier to understand exactly what the customer requires. Failure to observe the steps in this first stage will mean we cannot articulate to the supplier base what we actually want.
- 1.2 The Commodity Group (or, if established solely for a tender process, the "Tender Working Party") provides the principal means by which consortium Members contribute to the procurement and contract management process. Each Commodity Group should:
 - be comprised of Members and at least one LUPC Senior Contracts Manager or Director;
 - wherever possible, be chaired by a Member, which should be someone other than the Lead Purchaser except by the explicit agreement of the Director;
 - appoint a Lead Purchaser whose role will be to lead the procurement process, this may be a Member or a LUPC Senior Contracts Manager or Director;
 - have a defined and agreed Terms of Reference setting out its role and responsibilities such that these are fully understood by its members; and
 - at its first meeting, be made aware of LUPC's requirements with respect to its policies and procedures in place to comply with the Bribery Act 2010, whereupon each member shall sign the Bribery Declaration and the Procurement Panel Member Declaration of Interests Form at Appendix 9.
- 1.3 In the initial stage of the procurement process, a Commodity Group must develop the specification and evaluate options for a sourcing strategy for submission to the Executive Committee. This will include selection of the EU procurement procedure (Open, Restricted, Competitive with Negotiation or Competitive Dialogue). Government guidance exists to support the Commodity Group in the selection of the most appropriate procedure, which are set out in the process charts at Appendix 10. To formally record the inception of the project, the Project Details form at Appendix 1 should be completed.
- 1.4 The specification is the foundation upon which the whole sourcing process is built. Each subsequent step builds up to provide a solution to fulfil the specification. Once the needs have been determined, these needs should be translated into a detailed specification. The specification should describe how the successful delivery of the product or service to be sourced should be measured.
- 1.5 Both LUPC's Sustainable Procurement Policy and Strategy require that sustainability be considered and embedded in the project at this early stage. Particular attention should be paid to the environmental, socio-

economic and diversity impact of the requirement and of the developing sourcing strategy. Products compliant with Government Buying Standards should always be considered and, wherever appropriate, specified. In connection with contracts or framework agreements for services, and in compliance with the [Public Services \(Social Value\) Act 2012](#), Senior Contracts Managers should have regard (and a written record made of decisions made) to economic, social and environmental well-being.

- 1.6 Costing the specification from the institutions incumbent supplier will assist in recording actual savings and other benefits after the project is complete. This will also help to determine the likely value of the agreement (remembering that the EU thresholds apply to the whole term of the agreement).
- 1.7 The Senior Contracts Manager should take care to avoid the use of brand names or trademarks when specifying goods or services. In exceptional cases, where avoiding such use is impractical or the items cannot be described without reference to brand names or trademarks, then the words 'or equivalent' must be entered alongside, making clear that items of demonstrably equivalent or better quality would be acceptable.
- 1.8 Once the specification has been finalised, Senior Contracts Managers shall determine accompanying performance measures, or key performance indicators (KPIs), that will help determine the degree of success achieved by the supplier in meeting the specification throughout the duration of the contract or framework agreement.

Market Research

- 1.9 An effective sourcing strategy will include the results of some research into the capabilities of the supplier base, available spend data and other sources to estimate the potential value of a contract or framework agreement. Suppliers who may be interested in supplying the product or service should be identified. The Joint Contracting Group Spreadsheet and other consortium websites should also be checked to determine if there are pre-existing contract or agreement already in place that may be considered.
- 1.10 An optional Prior Information Notice (PIN) may be published in the Official Journal of the European Union (OJEU) for the requirement under consideration. This serves to advise the supplier base that a procurement exercise will be forthcoming and therefore allows pre-tender market engagement to be undertaken in a fair and equitable manner.
- 1.11 LUPC requests potential suppliers to register on the Bravo eSourcing Portal, thus building an available database over time, complete with supplier's details. These should be notified when a PIN or OJEU Notice is placed for a new procurement in their category of interest. Potential suppliers can also be sourced through specialised trade directories (paper and web-based), relevant journals, trade fairs, industry or market bodies, or the use a consultant with strong market knowledge.

1.12 Issuing an RFI (Request for Information) to those suppliers selected in the market research stage is not mandatory but may prove very useful to gather more ideas from the supplier base and can help to identify the potential solution, which in turn helps to develop the specification in more detail. RFI's are especially useful for larger procurements.

1.13 The purpose of the RFI is to:

- Determine which suppliers appear capable of delivering the project requirement;
- Provide a rough estimate of the purchase costs for the project; and
- Encourage suppliers to contribute ideas on other ways to achieve results.

Sourcing Strategy

1.14 At the conclusion of this phase, a sourcing strategy should be compiled, bringing together information from Members, from market research, from sustainability resources, from spend analysis and other sources of information. The UKUPC Sourcing Strategy Slidedeck should be used for this purpose (though not all slides require completion).

1.15 In accordance with LUPC's Sustainable Procurement Policy and Strategy, the assessment of sustainability risks and the implementation of a risk register to record sustainable risks should be well established and accepted as standard practice. A Sustainable Procurement Risk Assessment Tool (SPRAT) and sustainable risk register shall be completed for the project. Senior Contracts Managers should insert into the risk register all specification requirements and any contract terms regarding sustainability.

1.15 A sourcing strategy paper should then be drafted, for which a template is provided at Appendix 2, and submitted to the LUPC Director for onward submission to the Executive Committee. This will set out the background to the requirement and to the project and include a summary options analysis, setting out the benefits and risks associated with each option, stating the likely impact upon sustainability, equality and diversity and recommending the chosen strategy, including the selected EU procurement procedure to be used.

1.16 Minimum timescales for the EU procurement procedures as set out under the Public Contracts Regulations 2015, are set out in the table below. The Lead Purchaser should consider the principle of proportionality when setting timescales for the tender process.

Procedure	Minimum period for response to contract notice (or invitation to confirm interest where PIN used as call for competition – sub central bodies only)	Minimum period for tender submission	Comment
Open	35 days (less 5 days for electronic receipt of tenders)		Single stage procedure, therefore response to contract notice is also tender submission. Contract notice is only means of call for competition.
Accelerated Open (Where duly justified)	15 days		As above. The 15 day timescale also applies where a valid PIN has been published not as a call for competition.
Restricted Procedure & Competitive Procedure with Negotiation (for Central Government / NHS)	30 days	30 days (less 5 days for electronic receipt of tenders)	If a valid PIN has been published not as a call for competition, the tender return period becomes 10 days minimum.
Accelerated Restricted Procedure & Competitive Procedure with Negotiation (Where duly justified)	15 days	10 days	For a sub-central body using a PIN as call for competition, the 15 days will be the minimum period for response to Invitation to Confirm Interest.
Restricted – sub central bodies	30 days	10 days	A single tender return timescale may be set by mutual agreement with tenderers. 10 days is the minimum otherwise.
Competitive Dialogue & Innovation Partnership procedures	30 days	No prescribed minimum	Same minimum timescales for all contracting authorities. Contract notice is only means of call for competition.

Source: Achilles

1.17 Upon approval by the Executive Committee of the sourcing strategy, the project should proceed to the next stage.

2. TENDER STAGE

		COMPONENT STEPS	RESPONSIBILITY ALLOCATION (LEAD/JOINT/SUPPORT)					Tools/ Template (where applicable)	
			Lead Purchaser	Technical Representative	Senior Contracts Manager	LUPC	Other		
TENDER STAGE	Tender	OJEU NOTICE (RESTRICTED/ OPEN/COMP NEG/COMP DIAL PROCEDURE)			L			MODEL NOTICES	
		REVIEW & REVISE SPECIFICATION AND PERFORMANCE MEASURES	J	J				SPECIFICATION	
		DEFINE SELECTION CRITERIA AND WEIGHTINGS	J	J				ITT	←
		PREPARE ITT, T&C'S, SPECIAL T&C'S & DRAFT SLA	J	J				ITT	→
		ISSUE ITT	L	S				ITT	
	Evaluation	GATHER EVIDENCE FROM EACH CRITERIA FROM TENDER RESPONSES	J	J				SCORING METHODOLOGY	
		OBJECTIVE EVALUATION	J	J				SCORING METHODOLOGY	←
		DRAW UP SUPPLIER SHORTLIST – NO MORE THAN 6 FOR EACH LOT						SCORING METHODOLOGY	
	Supplier Selection	PRESENTATIONS, SITE AUDITS, MEETINGS, REFERENCE SITE VISITS	L	S					→
		POST TENDER DISCUSSIONS WITH SHORTLISTED SUPPLIERS	L	S					
		COMMUNICATE SELECTION DECISION TO SUPPLIERS		S				'STANDSTILL' LETTER (Appendix 6)	
	Contract Award	AWARD CONTRACT TO SUPPLIERS	J	J					★
		UPDATE LUPC WEBSITE		S		S	L	LUPC WEBSITE	
		COLLATE AND RECORD ACTUAL SAVINGS/COST BENEFITS			L	S			
		POST AWARD NOTICE TO OJEU	L					MODEL NOTICE	
COMPLETE TENDER REPORT		L					TENDER REPORT (Appendix 3)		

The Tender Process

- 2.1 It is both LUPC's legal obligation and express wish to conduct competitive tender processes that offer fair and equal treatment to bidders, that are transparent and that do not discriminate on the grounds of nationality. At all times, the Commodity Group will seek to uphold the highest standards of fairness and integrity as befits excellent public procurement.
- 2.2 Tender documentation forms the principal vehicle of communication between LUPC and the potential supplier detailing what is required, thus creating a perception of LUPC and its Members with the supplier base. Therefore, it is important that documents communicate the right messages to the bidder, that they are professional in structure, format and content, and are checked and agreed between the Commodity Group members prior to issue. Templates and models are available as a basic starting point for many tenders, while the Government's standard PQQ (Pre-Qualification Questionnaire) is mandatory for both one- and two-stage tenders valued in excess of the EU threshold.
- 2.3 Senior Contracts Managers should ensure that the PQQ, OJEU Notice, ITT document and 'standstill' letters are peer reviewed internally prior to issue and that the Peer Review pro forma at Appendix 9 is completed.

Selection and Award Criteria

- 2.4 The winning tender will be decided on the basis of criteria that will determine the "most economically advantageous tender", i.e.:

"That tender shall be identified on the basis of the price or cost, using a cost-effectiveness approach, such as life-cycle costing in accordance with regulation 68, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question." Regulation 67, *Public Contracts Regulations 2015*.
- 2.5 LUPC's Sustainable Procurement Policy and Strategy, set out at Appendices 7 and 8, require that life-cycle costing techniques be employed wherever possible when awarding contracts. The assessment of the sustainability impact over the life cycle of key categories should be established as regular practice, including consideration of, for example:
 - Environmental/social cost of raw material sourcing;
 - Environmental/social cost of manufacturing process;
 - Cost of transportation, stockholding, packaging and delivery;
 - Cost of training;
 - Cost of operation (e.g. cost of energy, consumables);
 - Cost of repairs, maintenance, down-time and spares;
 - Cost of decommissioning, removal and safe disposal.

The tender will be decided on the basis of criteria that will determine the "most economically advantageous tender" rather than simply lowest overall price.

- 2.6 The Commodity Group will need to agree the criteria by which tender submissions will be assessed and the agreement awarded (the “award criteria”), and the weighting allocated to each criterion. In a two-stage process, the Commodity Group will also need to develop and agree the criteria by which pre-qualification submissions will be assessed and bidders selected for the tender stage (the “selection criteria”), together with their weightings. These, along with the complete mechanisms for scoring submissions, must be communicated to bidders prior to the appropriate stage in the process.
- 2.7 Following case law, it is important to distinguish between selection and award criteria. The Lead Purchaser should refer to Government guidance when developing selection and award criteria.

Tender Documents

- 2.8 Under the Public Contracts Regulations 2015, all tender documentation, including the PQQ (where used) and the ITT should be made available for download simultaneously from the eTendering Portal once the OJEU notice is transmitted. A URL link shall be entered in the OJEU notice for this purpose. The Government’s standard PQQ (Pre-Qualification Questionnaire) is mandatory for both one- and two-stage tenders valued in excess of the EU threshold. No PQQ may be used for contracts valued below EU thresholds.
- 2.9 The Commodity Group should ensure that the Invitation to Tender (ITT) document includes, as a minimum:
- instructions to tenderers for completing and returning tenders;
 - a Form of Tender;
 - the finalised award criteria and sub-criteria, weightings and sub-weightings, along with a complete scoring mechanism (see below);
 - LUPC Terms and Conditions and any special terms that are unique to the particular product or service being sourced;
 - the specification and performance measures for the products/ services identified in the “identify need” step, including any additional information gathered from the RFI process step, if taken;
 - for services, the level of service required drafted in the form of a Service Level Agreement (SLA), drawn from the specification and performance measures already agreed; and
 - a Pricing Schedule.
- 2.10 Where a multi-supplier framework agreement is proposed, full details of the process required for selecting suppliers from the framework agreement must be set out, including:
- the terms that may be re-opened to competition;
 - the extent to which criteria and/or weightings may be amended (see box below);

- the criteria for making the choice between direct award or mini-competition; and
- whether an e-Auction may be employed.

Sample drafting setting out the process for selecting suppliers from the framework agreement

Members wishing to use the framework agreement have three possible options in selecting a supplier from the framework, all of which are compliant with the regulations:

- (i) To seek further competition before awarding a contract by inviting written tenders from all capable suppliers; or
- (ii) Since the terms laid down in the framework agreement are sufficiently precise to enable the award of a contract directly to a supplier without further competition, a Member may make the award to the supplier offering the “Most Economically Advantageous Tender” by means of the “cascade” method, i.e. by inviting the supplier ranked highest using the original award criteria to enter into a contract first, and if that supplier is unable to provide the services, by inviting the second-highest ranked supplier, and so on; or
- (iii) If the weightings laid down in the agreement evaluation process do not reflect the requirements of the Member, the Member is able to change the criteria weightings, as set out in our ITT document, (by up to +/- [x]%) and on this basis re-calculate the scores and award to the highest scoring supplier that best meets their requirements.

2.11 The Commodity Group may wish to consider including additional terms in the ITT, such as:

- a requirement for a [x]% productivity improvement and/or an [x]% price reduction year-on-year;
- a lowest-price guarantee (i.e. if LUPC carries out a benchmarking or market testing exercise then the current supplier will match the lowest supplier’s tender);
- a requirement to improve the quality of performance by [x]%;
- a requirement to improve delivery performance by [x]%;
- a requirement for all suppliers to record and report management information such as performance against the measures above.

2.12 All contracts and framework agreements should require suppliers to:

- comply with LUPC’s requirements with respect to the Bribery Act 2010;
- record and report all sales and savings made to all LUPC Members (including any existing customers) under the new agreement, both at the Member Institution and consortium level (note that all framework agreements which carry a marketing premium should include a Rights of Audit clause in the Terms and Conditions); and
- quote the appropriate LUPC reference on all invoices.

- 2.13 All contracts and framework agreements that carry a marketing premium shall include the following conditions:
- (i) "The Supplier shall pay to LUPC the Marketing Premium throughout the length of the Framework agreement and any resulting contract with any member institution. This shall apply irrespective of whether the contract with the member institution continues beyond the termination of the framework agreement."
 - (ii) "LUPC and other participating consortia will market all successful suppliers to obtain a greater commitment and an assurance of business , a clearer contracting authority and business focus, and to provide customers with better value for money. LUPC will generate income to fund management of its contracting and marketing activities though a Marketing Premium from Suppliers. This approach, which will require LUPC and other participating consortia to effectively market contracts and Suppliers' products, will provide benefits both for Suppliers and Customers."
- 2.14 Once the tender documents have been peer reviewed and are ready for issue, a notice must be prepared, peer reviewed and placed in the Official Journal of the European Union (OJEU). A draft should be forwarded to all other UK HE purchasing consortia for information. LUPC uses the Bravo eSourcing Portal as a registration tool for suppliers and for the tendering of agreements, from Pre-Tender to Award stage. LUPC uses both the Bravo eSourcing Portal and Achilles for the electronic publication of OJEU notices. The tender shall also be advertised on the Government's Contracts Finder website, in accordance with the Regulations.
- 2.15 Where an eAuction may be employed at any stage in the procurement process, whether in the principal procurement or as part of a 'mini'-competition under a multi-supplier framework agreement, this must be stated in the OJEU notice.

The Pre-Qualification Stage

- 2.16 In a single-stage tender process, such as the EU open procedure, tenders should be invited and evaluated in accordance with paragraph [2.21] onwards. However, the principles in this section should be adhered to where the single-stage documentation involves an initial, pre-qualification stage.
- 2.17 Analysing PQQ responses against the selection criteria should strive for efficiency, transparency and objectivity. Government guidance requires that the full scoring mechanism, complete with criteria, sub-criteria, weightings and sub-weightings shall be disclosed to all bidders. The Commodity Group should work together to define the supplier selection criteria used for assessing PQQ responses and can be weighted accordingly reflecting the importance of each criterion. These should include both hard (contractual) and soft (non-contractual) requirements.

- 2.18 Once received and opened using the Bravo eSourcing Portal, PQQ submissions should be assessed in the structured manner exactly as communicated to bidders. The responses to questions can be grouped under the appropriate selection criteria and the supplier's responses scored accordingly.
- 2.19 Using the selection criteria, each member of the Commodity Group should appraise the submissions to gather evidence to support the scoring of each response against each criterion. It is useful to group responses relevant to each selection criteria, making a judgement easier as all the required information is in the right place.
- 2.20 The Commodity Group should then meet to reach consensus as to the score attained by each bidder against each criterion, moderating material differences between individual scores as necessary.
- 2.21 Once the PQQ submissions have been scored a shortlist may be compiled and the remaining bidders will be eliminated. Each unsuccessful bidder must be informed in writing at this time that they will not advance to the next stage of the process, quoting the "*relative characteristics/advantages of the successful bidders*", in accordance with the Regulations.

Financial Assessment

- 2.22 Assessing the financial standing and capability of a supplier is a key factor in the supplier selection and procurement process.
- 2.23 LUPC uses a service offered by Creditsafe in order to monitor the financial stability and the risk of failure of all current suppliers. Credit rating may not, however, be employed in the supplier selection process as the undisclosed algorithms employed by agencies such as Creditsafe may contravene transparency requirements.
- 2.24 Instead, a combination of the following information may be used in the process (but care should be taken not to rely on no fewer than two):
- Comparative industry-specific data, such as 'acid-test' ratio figures, allowing a lower-quartile or some other cut-off to be employed;
 - The bidder's latest filed accounts for the last two years, remembering that this can give an outdated view. A satisfactory explanation shall be sought if a bidder has not yet filed accounts with Companies House more than 9 months after the accounting period;
 - The bidder's business forecast including budget planning for both the current and the following year;
 - The bidder's most recent management accounts.
- 2.25 Care should also be taken to assess and understand each agreement or contract for specific risks, e.g. where advance payments may be payable

by Members. In such cases the risks should be set out for Members clearly in the Buyers' Guide for the agreement or contract, together with measures available to Members to mitigate such risks, e.g. Parent Company Guarantee, Banker's Guarantee or escrow account.

- 2.26 It should be remembered that assessing and monitoring the financial standing and capability of a parent company may be necessary to substantiate the 'true' standing of a supplier. Care should be taken to cover risks in these instances with the use of appropriate safeguards such as a Parent Company Guarantee.
- 2.27 The credit rating for each 'successful' supplier shall be reviewed prior to the 'standstill' period to check that it is advisable to proceed with the award. This rating, at that time, should then be used as a base for future monitoring.

The Invitation to Tender Stage

- 2.28 During the tender period, the Commodity Group should be ready to receive questions from bidders for clarification or additional information. These should always be directed through a nominated person in the Commodity Group, so as to ensure that communications are controlled and that bidders have a fair and equal opportunity to obtain information. LUPC uses the Bravo eSourcing Portal system for all tenders so that a full and proper audit trail is evident.
- 2.29 The ITT document must include, in full, the mechanism used for scoring tenders against the award criteria. This means including all criteria, weightings, sub-criteria and sub-weightings, showing how scores are applied at each and every level. Members of the evaluation team must not break scores down further or apply further sub-criteria after tenders are received as this would be open to legal challenge on the grounds of non-transparency.
- 2.30 Senior Contracts Managers should ensure that all tenders receive fair and equal treatment throughout the process. Where method statements are required as part of tender submissions, then the full methodology for scoring the method statements must be disclosed in the ITT, detailing exactly what the evaluator will be looking for and exactly how marks will be allocated. It is the Senior Contracts Manager's responsibility to ensure that evaluators apply this methodology on the strictest terms.
- 2.31 Senior Contracts Managers should avoid including interviews or presentations as part of the tender evaluation process. This is because it is so very difficult to ensure absolutely equal treatment for all bidders. To illustrate:
- lines of questioning need to be identical;
 - the tender evaluation panel needs to be identical for each interview or presentation (latecomers or absentees can give rise to a challenge on the grounds of fair and equal treatment); and

- as with method statements, the full methodology for scoring the method statements must be disclosed in the ITT, detailing exactly what the evaluators will be looking for and exactly how marks will be allocated.
- 2.32 Once received and opened using the Bravo eSourcing Portal, tender submissions should be assessed in the structured manner exactly as communicated to bidders. The responses to questions can be grouped under the appropriate award criteria and the supplier's responses scored accordingly.
- 2.33 Using the award criteria, each member of the Commodity Group should appraise the submissions to gather evidence to support the scoring of each response against each criterion. Evaluators are advised to assess responses criterion-by-criterion, rather than whole bid documents in turn, as this engenders consistency in scoring. Senior Contracts Managers shall ensure that evaluation tasks are not duplicated and shall take care to avoid situations where members of the Commodity Group assess the *same bidder's response* against the *same question*, unless they plan to come together to agree a single score in each case.
- 2.34 The Commodity Group should then meet to reach consensus as to the score attained by each bidder against each criterion, moderating material differences between individual scores as necessary. Senior Contracts Managers should ensure that members of the Commodity Group fully understand how this process is best conducted.

Contract Award

- 2.35 Once tender submissions have been scored, terms and conditions should be finalised and the decision as to the selection of the successful bidder or bidders can be made. It is imperative that the requirements of the legislation are met with respect to the 'standstill period' between the selection of successful bidders and the formal award of the agreement. Each remaining bidder must be informed at this time that they have not been successful.
- 2.36 At this point, the credit rating for each 'successful' supplier shall be reviewed as in [2.26] above.
- 2.37 Government guidance exists giving detailed requirements with regard to the 'standstill' period, while a template for a 'standstill' letter is given at Appendix 6. Senior Contracts Managers should note particularly that:
- all successful tenderers must be identified;
 - all scores, complete with scores against every criterion and sub-criterion must be given for all successful tenderers;
 - the reason for the decision (even if "your tender was not successful because your tender's score was lower than that of the successful tender" appears to be a somewhat obvious conclusion)

- if the standstill period ends on a non-working day, then it must be extended so that it falls on a working day; and
- all 'standstill' letters must be peer reviewed prior to issue.

Government guidance requires that a narrative be included which describes the "*relative characteristics/advantages of successful tender*".

- 2.38 Awarding the agreement is the "documenting and authorising" stage of the process. All documentation should be completed swiftly and without undue delay. A contract award letter should be issued to the successful supplier(s), listing all of the documents that form part of the agreement.
- 2.39 Once the agreement has been signed and within the timescale allowed by the Regulations, a Contract Award Notice should be placed in OJEU and an advertisement placed on the Government's Contracts Finder website.
- 2.40 Within the same timescale, a Tender Report should be prepared by the Lead Purchaser. (This may be incorporated with the Buyers' Guide – see Implementation Stage). This report should provide a complete record of the procurement process and include every step from publication of the OJEU Notice to contract award, recording all key dates, listing all participants in the process and the results of scoring. A template for this purpose is given at Appendix 3.
- 2.41 Upon approval by the Commodity Group, of the Tender Report should be signed off by the Commodity Group Chair and the Senior Contracts Manager and the project should proceed to the next stage.
- 2.42 It is LUPC's policy to maintain positive relationships with the market at all times. Senior Contracts Managers should keep themselves informed of key developments in their markets and maintain a sensible level of dialogue with suppliers, old and new. This will also mean managing relationships with unsuccessful suppliers, who will, it is hoped, be willing to participate in future competitive opportunities with LUPC.

3. IMPLEMENTATION STAGE

	COMPONENT STEPS	RESPONSIBILITY ALLOCATION MATRIX (LEAD/JOINT/SUPPORT)				Tools/ Template (where applicable)	
		Lead Purchaser	Technical Representative	Senior Contracts Manager	Other		
IMPLEMENTATION STAGE	Implementation Planning	BUYERS' GUIDE (INCLUDING DEVELOPMENT PLAN)	S	S	L		BUYERS' GUIDE
		IDENTIFY RISKS AND ACTIONS	S	S	L		
		IMPLEMENTATION PLAN	S		L		
		DEVELOP CONTROL STRATEGY	S	S	L		
		TRANSFER TO INSTITUTIONS	S	S	L		PURCHASING AGREEMENT (Appendix 4)
	Supplier Relationship Management	SERVICE LEVEL AGREEMENT MONITORING			L		SLA
		REVIEW MEETINGS	S	S	L		STANDARD AGENDA
		REPORTING/CORRECTIVE ACTION IMPLEMENTATION	S	L	S		ISSUES LOG
		INTERNAL COMMUNICATIONS - LUPC		S	L		
		EXTERNAL COMMUNICATIONS - SUPPLIERS		S	L		
		ESCALATION		S	L		SLA
		MANAGING CHANGE	S		L		
	Managing Improvement	COST REDUCTION (PROCESS/PRODUCTIVITY IMPROVEMENTS) - ADDED VALUE	S	S	L		
		INNOVATIONS	S	S	L		
		SUPPLIER RATING	S	S	L		SUPPLIER RATING SYSTEM
		BEST PRACTICE SHARING	S	S	L		
		SUPPLIER ASSESSMENTS/AUDITS	S	S	L		SUPPLIER QUALITY QUESTIONNAIRE
		ANNUAL STRATEGIC REVIEWS	S	S	L		
		DOCUMENT CURRENT PERFORMANCE AND SPECIFICATION	S	S	L		SLA
	BENCHMARKING	S	S	L		TENDER DOC	

Implementation Planning

- 3.1 Upon sign-off of the Tender Report, a Buyers' Guide should be prepared, giving Members access to all the relevant commercial documentation and detailing account management contacts, instructions on how to place business, payment terms and so on.
- 3.2 Where any advance payment options are appropriate, the risks of such an option should be clearly stated to potential users of the agreement in the Buyers' Guide, together with options available to mitigate those risks, e.g. a banker's guarantee.
- 3.3 Members wishing to access a framework agreement should enter into a Purchasing Agreement with the supplier using the pro forma at Appendix 4 below.
- 3.4 Where a framework agreement includes more than one supplier and necessitates a further (or 'mini') competition, then full instructions for both Members and suppliers should be included in the Buyers' Guide. A worked example of a 'Desktop Exercise' Strategy and a template for a multi-supplier framework agreement are given at Appendix 5. All Buyers' Guides should be made available to Members through the LUPC website.
- 3.5 The Commodity Group should develop an implementation plan in conjunction with the supplier(s). It should identify all risks and include all relevant actions to smoothly integrate the product/service into each participating Member. To ensure that sustainable procurement risks are managed for the duration of key contracts, Senior Contracts Managers should enter into the project risk register specification requirements and any contract terms regarding sustainability, add the winning bidders' responses, then complete a gap analysis, using this to create an action plan and KPI's with targets.
- 3.6 Once the implementation plan is agreed, control measures should be developed and implemented. These measures will help determine whether the integration is going to plan and should refer the user to the action necessary to address any problem that may arise.

Supplier Relationship Management

- 3.7 It is vitally important that the supplier perceives LUPC as a coherent and structured organisation. To achieve this, it is essential that there is one owner of the supplier relationship for the ongoing agreement within the LUPC. This person will normally be a Senior Contracts Manager (or, in some cases, the Assistant Director (Procurement)) and is responsible for channelling all LUPC's communications with the supplier's nominated representative.
- 3.8 When an agreement is awarded, certain measures are implemented to ensure that the supplier meets the agreed service levels. The Supplier and the Senior Contracts Manager are jointly responsible for monitoring

and reporting performance and any variation against the service levels in an agreed format.

3.9 The Senior Contracts Manager has responsibility to communicate with all product/service users such that any issues that impact the provision of that service can be resolved in a timely manner. This should be done on a structured basis using an appropriate review regime, with additional ad hoc communications to deal with impromptu issues as they arise. The planned regime should include:

- an agreed problem reporting and resolution process to identify, record and report on major supply or service problems, so that long-term corrective action can be put in place to ensure continuous improvement of supplier performance;
- a survey of Member feedback on the performance of suppliers on each framework agreement or contract, carried out at or near to the mid-point of the primary term of the agreement, such that corrective action may be taken to address any problems that may emerge; and
- a planned programme of regular review meetings involving members of the Commodity Group and senior supplier representatives, the content, frequency and attendees of which should be detailed in the framework agreement or contract. All such review meetings shall include sustainable performance improvement as a standing item.

3.10 The programme of regular review meetings should include:

- a quarterly or 6-monthly operational service review, which includes monitoring performance against service levels, communications issues, change control, etc.; and
- an annual technology / service review update which includes sharing strategic plans of both supplier and customer, recent innovations, SLA performance trend analysis, major issues, etc.

3.11 For major problems or deviations from the specification, the framework agreement or contract should include a detailed escalation process by which these may be resolved effectively and the contact details for all relevant personnel.

3.12 During the term of the agreement, the service or product specification is likely to require amendment from time to time to meet changing business requirements. Further problems may be encountered in providing the original expected service and a change may be required to ensure that Members' expectations are met. The three main aspects of managing change are:

- *Plan:* A plan should be developed involving all the people who will be impacted by the change and actions defined to mitigate any business impact that may occur as a result of the change.

- *Track:* The change programme should be tracked to allow the people involved in the change to understand whether the programme is on time, and, if problems do occur, to understand what may have caused them.
- *Communicate:* Communicating the change to all people impacted within allows them to make adjustments to accommodate the change. A cost reduction opportunity may be identified as a result of the change and the SLA should be amended to reflect that change.

Managing Improvement

3.13 Expenditure may be reduced and productivity improvements made using the following techniques:

- Market testing in conjunction with the Commodity Group;
- Re-negotiation of the current agreement;
- Changing the specification of the product or service;
- Reducing the need for the expenditure (e.g. policy change); and
- Rationalising the supplier base to reduce prices.

3.14 At review meetings, standing agenda should include developments in technology and ways of working and latest innovations by competitors.

3.15 Buyers' Guides should be updated at least once a year, ideally in conjunction with a supplier audit.

3.16 Following review meetings, suppliers should develop an action plan that captures all points agreed between LUPC and the supplier. This is called a Supplier Development Plan. This should be reviewed regularly to ensure that milestones and actions are being completed as agreed.

3.17 Best practice sharing is the process of communicating and disseminating experiences of the wider HE and other sectors in similar projects, activities and techniques to the betterment of everyone. Key to the process is understanding the problems encountered and solutions employed, allowing Members to develop better informed sourcing strategies.

3.18 Once all the arrangements above are demonstrably in place, the framework agreement or contract may then move into its full operational management phase. Senior Contracts Managers shall keep careful records and retain documentary evidence of significant or persistent under-performance to inform future procurement decisions.

Financial Monitoring

3.19 Monitoring the ongoing financial standing and capability of a supplier is a key factor in managing the supplier post-award. Members are reminded of their own responsibility to protect their own interests in the light of their individual sensitivity to the risk of key supplier insolvency.

- 3.20 LUPC uses a service offered by Creditsafe in order to monitor the financial stability and the risk of failure of all suppliers. In order to ensure that this service is used to its full potential, it is important that all suppliers are monitored on a regular basis.
- 3.21 It should be remembered that monitoring the ongoing financial standing and capability of a parent company may be necessary to substantiate the 'true' standing of a supplier. Care should be taken to cover risks in these instances with the use of appropriate safeguards such as a Parent Company Guarantee.
- 3.22 The Creditsafe service includes a Risk Tracker facility. This offers a facility to receive instant notifications when things change. To make full use of this facility it is important that all suppliers are included in Risk Tracker. Senior Contracts Managers shall ensure that LUPC suppliers in their categories are included in the Creditsafe Risk Tracker portfolio such that, as a minimum, email alerts are generated if any of the default criteria are triggered. They are also responsible for ensuring that similar arrangements are in place such that suppliers on agreements in their portfolios led by other consortia (including the Crown Commercial Service) are also monitored. Senior Contracts Managers should ensure that arrangements are in place to act appropriately upon alerts that are received at all times, including during their holidays or other absences.
- 3.23 As a minimum, the Creditsafe default settings for email alerts should be selected, i.e.:
- Any change in credit rating
 - Any change in credit limit
 - Changes in company status
 - Media Search
 - County Court Judgement added
 - Directors' details changed
 - Writ added.
- 3.24 In the event that a supplier:
- Suffers a drop in credit rating by 30 points or more; or
 - Suffers a drop in credit rating to below 30 ("high risk"); or
 - May be indicated as being in potential financial difficulty by substantive information received from another credible source;
- then the Senior Contracts Manager for the category should contact the supplier to identify the nature of the risk.
- 3.25 Where that risk is identified as 'short term' and supporting financial information is provided by the supplier, then monitoring should continue without further action unless matters deteriorate.
- 3.26 Where that risk is identified as 'medium term', then the Senior Contracts Manager shall inform the Director, who will decide an appropriate course of action, which may include advising Members and other consortia. The

Senior Contracts Manager shall liaise closely with the supplier to maintain communication and obtain regular updates.

- 3.27 Where that risk is identified as 'immediate' then the Senior Contracts Manager shall inform the Director, who will decide an appropriate course of action, which shall include advising Members and other consortia. The Senior Contracts Manager shall liaise closely with the supplier to maintain communication and obtain regular updates.
- 3.28 In all these cases, the Senior Contracts Manager should also use search tools such as Google News to obtain wider information available concerning any matter indicating a potential financial difficulty for a supplier. Members should also be invited to report issues and/or rumours to LUPC about suppliers, on a confidential basis.

**LONDON UNIVERSITIES PURCHASING CONSORTIUM
PROJECT DETAILS**

**Project
Name:** _____

**Service/Product
Sourcing** _____

**Current
Supplier(s):** _____

**Current Expiry
Date:** _____

**Project
Objective:** _____

Approved by Executive Committee on (meeting date): _____

**Annual Spend on
Contract:** _____

RESPONSIBILITY ALLOCATION MATRIX	
	Team Member's Name
Lead Purchaser	
Technical Representative	
Project Manager	
Contract Manager	
LUPC Representative	
Other(s)	

Appendix 2 Executive Committee Submission Template

Enclosure No. []

London Universities Purchasing Consortium Submission to Executive Committee Meeting

Submitted By: Director, LUPC
Subject: [Subject]
Date: [Date of Executive Committee Meeting]

SUMMARY

[Say in not more than three lines what decision the Executive Committee is being asked to make. Include the words "The Executive Committee is recommended to..."]

1. INTRODUCTION

[One brief introductory paragraph saying what the submission is about.]

2. PURPOSE

2.1 The purpose of this submission is to:

(i) [];

(ii) []; and

(iii) [].

2.2 The recommendation is given at [para no] below.

3. BACKGROUND

3.1 [Not more than 3 paragraphs of background.]

4. RELEVANT FACTORS

4.1 [This is the main body of the report. Should not be more than one page. If recommending a strategy for a category or framework agreement, complete the following table:]

Current Framework Details	
Product/Service	
Commence Date	
Expiry Date	
Final Extension Option Date	
Lead Organisation	
Agreement Type	[Regional/Inter-Regional/National]
Estimated Annual Value (£)	
Proposed OJEU Notice publication date	[if appropriate]

5. OPTIONS

Appendix A gives an Options Analysis setting out the benefits and risks of each option and indicates the recommended option.

6. SUSTAINABILITY, EQUALITY AND DIVERSITY IMPACT

6.1 [Briefly describe the impacts of your recommendation with reference to the Sustainability Policy.]

7. NEXT STEPS

Subject to the endorsement by the Executive Committee of the recommendation[s] made in this submission, the next steps are to:

- (i) [];
- (ii) []; and
- (iii) [].

8. RECOMMENDATION[S]

It is **recommended** that the Executive Committee:

- (i) [];
- (ii) []; and
- (iii) [].

[NB – Submissions **must not** be more than 4 pages in length (including, if appropriate, the Options Analysis), point size 11 and double spaced between each paragraph.]

Appendices: Appendix A – Options Analysis [List titles of other appendices]
 Contact: [Your name and job title]
 Tel: [Your Tel. No]
 Email: [Your email address]

Appendix A - Options Analysis

	Option	Benefits	Risks	Recommended/ Not Recommended
A				
B				
C				
D				

**London Universities Purchasing Consortium
Tender Report**

Prepared By: [Lead Purchaser]
Project: [Name of Framework Agreement or Contract]
Date: [Date]

1. INTRODUCTION

[One brief introductory paragraph briefly describing the contract or framework agreement.]

2. BACKGROUND

2.1 [Not more than 3 paragraphs of background.]

3. FRAMEWORK AGREEMENT OR CONTRACT DETAILS

3.1 Details of the [framework agreement/contract] are as follows:

Framework Agreement/Contract Details	
Product/Service	
Commencement Date	
Expiry Date	
Final Extension Option Date	
Lead Organisation	
Agreement Type	[Regional/Inter-Regional/National]
Estimated Annual Value (£)	
OJEU Notice publication date	[if appropriate]

3.2 Details of key personnel involved in the project are as follows:

Key Personnel/Institution	
Commodity Group Chair	
Lead Purchaser	
Senior Contracts Manager	
Other Participants	

4. SOURCING STRATEGY

[This should be a brief summary of the sourcing strategy submitted to and approved by Executive Committee, including the date of the meeting when approval was given. Say which procurement process (e.g. Open, Restricted).]

5. PRE-TENDER STAGE

5.1 [Not more than two paragraphs setting out how the need was identified and the market research carried out prior to the tender process.]

6. TENDER STAGE

6.1 [This should be the main body of the Report, including the following information:

- Date of OJEU Notice
- No. of expressions of interest received
- Date of receipt and opening of PQQ submissions (if appropriate)
- No. of PQQ submissions received
- Results of PQQ evaluation and short-listing (if appropriate)
- Date of Issue of ITT
- Date of return and opening of tenders
- List of bidders submitting tenders
- Brief description of evaluation process, visits, testing, presentations, etc.
- Details of any interim elimination stages
- Results of final evaluation
- Dates of Standstill Period
- Confirmation of Award and readiness for sign-off of Tender Report.]

7. SUSTAINABILITY, EQUALITY AND DIVERSITY IMPACT

7.1 [Briefly describe the impacts of your project with reference to the Sustainability Policy and briefly summarise the steps taken to address them.]

8. NEXT STEPS: IMPLEMENTATION

8.1 [Briefly set out the next steps and list planned activity to implement the new framework agreement or contract.]

PREPARED BY: _____
[Name][Lead Purchaser]

APPROVED BY: _____
[Name][Director, LUPC]

ENDORSED BY: _____
[Name][Commodity Group Chair]

Appendices: [List titles of any appendices]
Contact: [Your name and job title]
Tel: [Your Tel. No]
Email: [Your email address]

[NB – Tender Reports **should not normally** be more than 4 pages in length, point size 11 and double-spaced between each paragraph.]

**Appendix 4
Purchasing Agreement Proforma**

(Letter to be printed on LUPC Member Institution letterhead)

**London Universities Purchasing Consortium
Framework Agreement for [insert name of agreement]
Reference: LUPC/[insert reference]**

LUPC PURCHASING AGREEMENT PROFORMA

- (1) From [insert name of LUPC Member Institution] whose registered office is at [insert address of LUPC Member Institution] ('the Member').
- (2) To [insert name of Supplier] whose registered office is at [insert address of Supplier] ('the Supplier').

Dear Sirs

PURCHASING AGREEMENT DATED [insert date]

The [insert name of LUPC Member] has decided to exercise the rights given to it under Framework Agreement LUPC/[insert reference], made between London Universities Purchasing Consortium and the Supplier on [date of Framework Agreement]. The Framework Agreement Terms and Conditions shall apply, with any minor amendments or additions at LUPC Member Institution level identified in the Schedule to this Purchasing Agreement.

Yours faithfully

For and on behalf of [insert name of LUPC Member] ('the Member')	For and on behalf of [insert name of Supplier] ('the Supplier')
Signed:	Signed:
Name:	Name:
Date:	Date:
Business Title:	Business Title:

Supplier: Please countersign and return this notice to the LUPC Member and copy to LUPC.

Schedule to LUPC Purchasing Agreement

Commencement Date	
End Date	
Member Contact Name Position Telephone Email	
Member's Address	
Member's Delivery Address: <i>(If different from the above)</i>	
Member's Invoice Address: <i>(If different from the above)</i>	
Supplier Contact Name Position Telephone Email	
Supplier's Address	
Payment method	
Payment terms	
Lot Number(s) (if appropriate)	

Individual Member Requirements	
Contact Management Meetings	
Management Information Requirements	
Other minor amendments/ additions to Framework Agreement Terms and Conditions	



LUPC & NoWAL Framework Agreement for the Supply of Periodicals, Serials and Associated Services

Ref: LUPC/PER10

**Further Guidance on Undertaking a
Desktop Exercise to Choose a Supplier
from Lot 3**

Version 1.0, August 2010

Introduction

As set out in the 'Agreement Summary and Guidance Notes' for the Framework Agreement, there are three options open to LUPC Members for calling off from the Agreement: direct award; desktop exercise; and mini-competition.

This further guidance document will focus on the second option of a desktop exercise only and Members are advised to refer back to the 'Agreement Summary and Guidance Notes' for more information on direct award and mini-competition.

Explanation of the 'Desktop Exercise'

In the 'Agreement Summary and Guidance Notes' for the Framework, the second option for choosing a supplier under the Framework is the desktop exercise, whereby LUPC Members have flexibility to:

"Change the criteria weightings by up to 50% points per criterion weighting and then recalculate the total score and place your business with the highest scoring supplier: e.g. for Pricing could be changed from 6% to 3% and the other 3% added to another criterion."

This approach would be used where an individual LUPC Member wishes to use its discretion to vary the evaluation weightings applied at Framework level in line with the specific circumstances and requirements of its institution. A limited discretion is allowed as part of the desktop exercise – to increase or decrease the weighting each evaluation criteria by up to 50%.

It should be noted that if Members wish to make more substantial changes to the weightings of the evaluation criteria, they will need to undertake a mini-competition exercise (as set out in the 'Agreement Summary and Guidance Notes').

The desktop exercise option also allows for Members to do either of the following:

- Undertake a single desktop exercise for the totality of their serials and periodical requirements, to choose a single supplier from the three
- Following clear segmentation of their serials and periodical requirements, to undertake one or more desktop exercises to choose a supplier for each segment of their requirements.

Step-by-step Guide to a desktop exercise

Step 1

Review the evaluation criteria and weightings used at Framework level (provided in the table on page 4) and refer to the definitions provided for each evaluation criteria on pages 5 and 6.

If the weighting applied to each evaluation criteria at Framework level is completely aligned with your own requirements, and you do not wish to make any changes to these weightings, then you will be able to make a direct award to the 'top-ranked' supplier at Framework level, EBSCO.

If you do wish to use your discretion to vary the evaluation weightings in line with the specific requirements and circumstances of your Institution, proceed to Step 2.

Step 2

Based on your institution's requirements and circumstances, go through each evaluation criteria and decide whether you wish to vary the weighting, and, if so, by how much (up to 50% up or down). It is not essential that you vary the weighting of every criterion, and indeed you may decide to vary only two or three. However, it is important that whatever variations you make, the total weighting across all evaluation criteria must add up to 82%.

The maximum and minimum weighting ranges for each evaluation criterion are provided in the table on page 4, but will be as follows:

Framework Weighting	Weighting Range at Desktop Exercise
1%	0.5% to 1.5%
4%	2.0% to 6.0%
6%	3.0% to 9.0%

Step 3

Once you have made these decisions, complete the 'Desktop Exercise Strategy' template provided on pages 7 to 10.

Within this template, you will need to provide a brief introduction on your institution and its requirements relating to serials and periodicals. You should then fill out the table to document the weighting you have applied to each evaluation criteria as part of your desktop exercise and an explanation of your rationale for any variations you have made to the weightings.

For example, if you are increasing the weighting of the criterion "Research and Development", you would need to describe why it was particularly important to your institution that your supplier of serials and periodicals has a strong commitment to research and development. You might talk about the profile of your own institution in relation to research and development and the importance of keeping pace with market and environmental developments in the provision of serials and periodicals.

Step 4

Use the 'Desktop Exercise Calculator' provided in the Excel spreadsheet appended to this guide to work out who is top scoring Supplier based on your weightings. Once you enter your weightings for each evaluation criteria in the spreadsheet, it will automatically calculate the total scores for each Supplier. As a result, you can then engage with the top-scoring Supplier for your requirements.

Framework-level Evaluation Criteria and Weightings for Lot 3

EVALUATION CRITERIA	FRAMEWORK PERCENTAGE WEIGHTING	DESKTOP WEIGHTING RANGE
Added Value	1.0%	0.5% to 1.5%
Claims and Queries	6.0%	3.0% to 9.0%
Communication	6.0%	3.0% to 9.0%
Credit	6.0%	3.0% to 9.0%
Escalation Process	6.0%	3.0% to 9.0%
Invoicing	6.0%	3.0% to 9.0%
Management Information	6.0%	3.0% to 9.0%
Marketing	1.0%	0.5% to 1.5%
Customer Care Policy	4.0%	2.0% to 6.0%
Disaster Recovery	1.0%	0.5% to 1.5%
Orders, Cancellations and Renewals	6.0%	3.0% to 9.0%
Quality and Satisfaction Guarantee	4.0%	2.0% to 6.0%
Recruitment Policy	1.0%	0.5% to 1.5%
Research and Development	1.0%	0.5% to 1.5%
Subscription	6.0%	3.0% to 9.0%
Supervision and Management	1.0%	0.5% to 1.5%
Technology	6.0%	3.0% to 9.0%
Training Policy	1.0%	0.5% to 1.5%
Training Programme	1.0%	0.5% to 1.5%
Pricing	6.0%	3.0% to 9.0%
Scope of Content	6.0%	3.0% to 9.0%
TOTAL	82.0%	82.0%

Evaluation Criteria Definitions

Added Value	Added value that the Supplier can offer LUPC Members, including any benefits and improvements the Supplier can deliver over other suppliers
Claims and Queries	How the Supplier will measure the following targets: <ul style="list-style-type: none"> - Sending an order for a new subscription within two days or receipt - 99% correct handling of orders and renewals - Processing claims within two working days
Communication	How the Supplier will measure the target of responding to customer communications within three working days
Credit	How the Supplier will measure that customers have been credited within one week of an order cancellation
Escalation Process	Escalation procedures the Supplier has in place in the event of recurrent failure to meet internal performance measures
Invoicing	<ul style="list-style-type: none"> - How the Supplier will monitor correct handling of invoices, credits and financial statements, and establish and report on a service quality of at least 99% of these transactions without error. - How the Supplier will make provision with a third party to guarantee the security of any advance payments
Management Information	<ul style="list-style-type: none"> - Supplier ability to provide management information to individual Members, including: amount spent against each library account code per academic financial year; list of periodicals by title; ISSN; publisher. - Supplier ability to provide management information to the LUPC, including: quarterly spend by library; quarterly reports on order lines; price trend reports
Marketing	Marketing and implementation strategy for the Framework (costs to be inclusive in quoted pricing)
Customer Care Policy	Supplier Customer Care Policy and how it will affect users of its products and services
Disaster Recovery	Supplier evidence of disaster recovery plans
Orders, Cancellations and Renewals	Supplier ability to provide subscriptions on a "renew until cancelled" basis
Quality and Satisfaction Guarantee	How the Supplier will ensure work is done to the satisfaction of LUPC Members, how it will deal with staff shortages and how it will manage work not completed to Member satisfaction.
Recruitment Policy	Supplier policy regarding vetting of staff to meet LUPC requirements in relation to security and confidentiality of information
Research and Development	Supplier spend on research and development in the last two years
Subscription	Supplier approach to the following: <ul style="list-style-type: none"> - Consolidating metadata from a variety of publishers and integrating all print, electronic and institutional

	<p>holdings into one user-friendly search environment</p> <ul style="list-style-type: none"> - Enabling seamless linking throughout the search environment to all resources to which the library subscribes - Integrating a federated search tool to seamlessly link to content not indexed in the metadata - Providing a comprehensive subscription management platform to manage the workflow for each step of the print and e-subscription lifecycle
Supervision and Management	How the provision of service to LUPC Members, including staff performance, will be supervised and managed to deliver service excellence
Technology	<ul style="list-style-type: none"> - Supplier ability to provide EDI interface and the Library Management Systems with which they interface - Supplier examples of innovative technology and statement of commitment to development and innovation over the Framework period (with evidence of plans for next four years) - Features of Supplier electronic journals service and how customers can search electronic journals database (search criteria) - Ability to provide an e-resource management system for all e-resources, a central reporting interface for usage statistics and a comprehensive source of MARC cataloguing - Ability to provide a complete web-based tool for organising and providing links to all of a library's e-resources - Ability to provide an open URL linking solution that helps maximise usage of a library's full-text content - Ability to provide an e-journal packages renewals service that manages the process within the institution's licence agreement
Training Policy	Supplier training policy, including training policy for relief staff
Training Programme	Supplier training programme relevant to the staff that will be working for the LUPC and/or services provided and whether these training programmes are validated by any professional body
Pricing	Supplier pricing, including discounts list price and other pricing options (please refer to CUPID records form more information on pricing)
Scope of Content	Supplier coverage of LUPC Member content requirements for serials and periodicals, including publishers, subjects and languages

Desktop Exercise Strategy Template

Framework Reference: LUPC/PER10 LUPC & NoWAL Framework Agreement for the Supply of Periodicals, Serials and Associated Services

Desktop Exercise Strategy

This is an internal document, to be completed by the Institution and retained on file in case of query by one or more Supplier.

1. Background Details

LUPC Member Institution:	
Prepared by: Name Position:	
Date:	

2. Member Requirements

Annual spend on serials and periodicals:	
Brief description of institution and its requirements relating to serials and periodicals:	
Statement of any segmentation of serials and periodical requirements and description of each segment:	

3. Evaluation Criteria Weighting

EVALUATION CRITERIA	WEIGHTING RANGE ALLOWED AT DESKTOP EXERCISE	MEMBER WEIGHTING
Added Value	0.5% to 1.5%	[Enter Weighting]%
Claims and Queries	3.0% to 9.0%	%
Communication	3.0% to 9.0%	%
Credit	3.0% to 9.0%	%
Escalation Process	3.0% to 9.0%	%
Invoicing	3.0% to 9.0%	%
Management Information	3.0% to 9.0%	%
Marketing	0.5% to 1.5%	%
Customer Care Policy	2.0% to 6.0%	%
Disaster Recovery	0.5% to 1.5%	%
Orders, Cancellations and Renewals	3.0% to 9.0%	%
Quality and Satisfaction Guarantee	2.0% to 6.0%	%
Recruitment Policy	0.5% to 1.5%	%
Research and Development	0.5% to 1.5%	%
Subscription	3.0% to 9.0%	%
Supervision and Management	0.5% to 1.5%	%
Technology	3.0% to 9.0%	%
Training Policy	0.5% to 1.5%	%
Training Programme	0.5% to 1.5%	%
Pricing	3.0% to 9.0%	%
Scope of Content	3.0% to 9.0%	%
TOTAL	82.0%	82.0%

4. Rationale for Variation of Criteria Weighting

EVALUATION CRITERIA	RATIONALE FOR VARIATION OF WEIGHTING
Added Value	[Insert two to three sentences to explain rationale for each weighting variation that is made]
Claims and Queries	
Communication	
Credit	
Escalation Process	
Invoicing	
Management Information	
Marketing	
Customer Care Policy	
Disaster Recovery	
Orders, Cancellations and Renewals	
Quality and Satisfaction Guarantee	
Recruitment Policy	
Research and Development	
Subscription	
Supervision and Management	
Technology	
Training Policy	
Training Programme	
Pricing	
Scope of Content	

5. Successful Supplier as a Result of Desktop Exercise

Successful Supplier: Name: Percentage Score (out of 82%):	
Unsuccessful Supplier 1: Name: Percentage Score:	
Unsuccessful Supplier 2: Name: Percentage Score:	

Appendix 6
'Standstill' Letter Template

[ON LUPC HEADED NOTEPAPER]

[ADDRESSEE]
[ADDRESS LINE 1]
[ADDRESS LINE 2]
[POSTCODE]

[DATE]

Dear Sirs,

[INSERT NAME OF PROCUREMENT] - OJEU CONTRACT REFERENCE NUMBER [INSERT NUMBER] - NOTIFICATION OF CONTRACT AWARD DECISION

Thank you for taking part in the above procurement. LUPC has now evaluated all of the [final] tenders it received.

[Unfortunately, on this occasion, the Authority has not chosen to award a contract to [INSERT NAME OF SUPPLIER].]

The successful tenderer[s] [is][are] [INSERT DETAILS]. The Authority will now be observing a [ten][fifteen] day standstill period before entering into any contract, in accordance with the requirements of the Public Contracts Regulations 2015. This period will conclude on [insert date].

The Evaluation Process

Please find enclosed a report detailing the scores obtained by [INSERT NAME OF SUPPLIER] and [INSERT NAME OF SUCCESSFUL SUPPLIER(S)], against LUPC's evaluation criteria [together with the reasons for the award of these scores*].

[Your tender was not successful because your tender's score was lower than that of the successful tender.]

Thank you for your interest in this procurement and we hope that you will not be deterred from bidding for future contracts let by LUPC.

Yours faithfully,

FOR AND ON BEHALF OF LUPC

Annex Evaluation report

Criteria/Sub-Criteria	Score obtained by [INSERT NAME OF SUPPLIER]	Reasons for award of score	Score obtained by successful tenderer	Reasons for award of score
<i>[insert details of criteria]</i>	<i>[insert scores]</i>	<i>[insert reasons]</i>	<i>[insert scores]</i>	<i>[insert reasons which show relative characteristics /advantages of successful tenderer]</i>

Note: *A narrative shall be included which describes the “*relative characteristics/ advantages of the successful tender*”.

Statement by the LUPC Board: This policy has been adopted by LUPC in addition to the requirement for compliance with all relevant statutory obligations, regulations and relevant legislation and forms part of LUPC's commitment to good practice.

PROCUREMENT ENGLAND LIMITED
SUSTAINABLE PROCUREMENT POLICY

Background

Procurement England Limited (PEL), comprising LUPC, NEUPC, NWUPC and SUPC, provides a collaborative procurement and contract management service for the higher and further education institutions in England. It has a significant influencing role within the education sector and is committed to encouraging and promoting sustainability in all their activities. Sustainability is also high on the agenda of the Government and the education funding councils.

Procurement of goods, services and works has a significant impact on the environment, society and the economy. PEL recognises that its procurement activities will also affect how our member institutions can manage their sustainability impacts as well as supporting members' sustainable development policies.

Aims

PEL aims to support member institutions to achieve value for money on a whole life cost basis by generating benefits to society and the economy whilst minimising impacts on the environment. We aim to do this by:

- Increasing awareness of sustainable procurement principles within the PEL teams;
- Embedding good practice in sustainable procurement in day to day working and as part of the PEL staff development and appraisal process;
- Undertaking sustainability risk/impact assessments of products and services and their supply chains;
- Ensuring that environmental, social and whole life cost impacts are appropriately considered in the assessment of value for money when setting up framework agreements;
- Managing procurement of goods and services to support members in achieving supply chain carbon emission reduction targets;
- Engaging our suppliers to improve supply chain management, by working with key vendors, educating them on sustainable procurement and our policies, as appropriate, persuading them to offer more sustainable products, utilise more sustainable working practices, and encouraging

them to propose innovations which improve the sustainability of their tender responses;

- Promoting the sustainable purchasing policy, strategy, objectives and activities to members, suppliers and students;
- Managing tendering and lotting strategies that ensure fair access to contracting opportunities for businesses of all sizes and types in relation to the scope of the PEL frameworks;
- Collaborating with other organisations, such as APUC and HEPCW and other authorities to improve knowledge and understanding of sustainable procurement and to seek shared opportunities and benefits;
- Measuring our progress against clear and transparent performance indicators to chart how PEL has used our spending power to deliver outcomes that support sustainable development; and
- Adopting mechanisms and indicators to monitor and review the performance of vendors and achieve continuous improvement in our supply chain.

Governance

PEL will communicate and promote this policy to all staff and members. Communication of this policy and the PEL sustainable procurement strategy will be included as part of the induction process for the organisation.

PEL will review this policy and the sustainable procurement strategy biennially. Any legislative or good practice changes which may require this policy to be updated will be discussed with staff and members. Key suppliers' views will also be sought as part of the biennial policy review.

This policy will be signed off and agreed by the PEL Board and the latest version will be embedded in day-to-day activities of PEL.

London Universities Purchasing Consortium **Sustainable Procurement Strategy**

Version 1.0

Introduction

London Universities Purchasing Consortium (LUPC) is a non-profit professional buying organisation owned by its Members, for its Members. LUPC exists to generate savings and better value for our Members through the collaborative procurement of goods and services.

LUPC is committed to acquiring goods and services for its Members in the higher and further education, arts, sciences, health and cultural sectors without causing harm to others and with the minimum possible negative impact upon the environment. As such LUPC is committed to continuously improving sustainable performance of its supply chains.

LUPC is a member of Procurement England Limited (PEL), the shared vehicle by which English HE purchasing consortia manage joint developmental and improvement projects for collaborative procurement in our sector. Together we have published our shared [Sustainable Procurement Policy](#), to which all PEL member consortia are committed.

This Strategy is designed to set out our general approach to the sustainable procurement of goods and services on behalf of Members, in order to inform our Members, students, staff, campaigners and the public about LUPC and its policy with respect to the identification and management of socio-economic and environmental risks in its supply chains.

Our approach

PEL's Sustainable Procurement Policy requires that sustainability be considered and embedded in the project at the earliest stage. Particular attention should be paid to the environmental, socio-economic and diversity impact of the requirement and of the developing sourcing strategy.

Products compliant with Government Buying Standards should always be considered and, wherever appropriate, specified. In connection with contracts or framework agreements for services, and in compliance with the [Public Services \(Social Value\) Act 2012](#), LUPC will have regard to socio-economic and environmental well-being. In compliance with the [Modern Slavery Act 2015](#), LUPC will publish an annual Statement on Slavery and Human Trafficking.

During each procurement process, the assessment of sustainability risks and the implementation of a risk register to record sustainable risks will be well established and accepted as standard practice. A Sustainable Procurement Risk

Assessment Tool (SPRAT) and sustainable risk register will be completed for each project.

PEL's Sustainable Procurement Policy also requires that life-cycle costing techniques be employed wherever possible when awarding contracts. The assessment of the sustainability impact over the life-cycle of key categories will be established as regular practice, including consideration of, for example:

- Environmental/social cost of raw material sourcing;
- Environmental/social cost of manufacturing process;
- Cost of transportation, stockholding, packaging and delivery;
- Cost of training;
- Cost of operation (e.g. cost of energy, consumables);
- Cost of repairs, maintenance, down-time and spares;
- Cost of decommissioning, removal and safe disposal.

To promote continuous supplier improvement post-award and ensure that sustainable procurement risks are managed for the duration of key contracts, LUPC will require suppliers to maintain a sustainability risk register for each agreement, develop a sustainability action plan and KPI's with targets. All contract review meetings shall include sustainable performance improvement as a standing item.

Our categories

LUPC's supply chains mainly fall under five 'super-categories', which are:

- Laboratory Consumables and Equipment
- Library Resources
- Professional Services
- ICT Equipment and Services
- Estates Goods and Services

The principal categories which carry material socio-economic and environmental risks are office supplies, laboratory consumables, ICT equipment and some estates services, such as cleaning and security services.

Office supplies and laboratory consumables

LUPC leads in the procurement of office supplies for UK higher education institutions and other Members. A wide range of products are supplied, many of which are sourced by our distributors from producers in low-cost countries in south and south-east Asia, Africa and South America, countries where the risks of environmental damage and modern forms of slavery are prevalent. The UK agreement for laboratory consumables is led by our sister consortium, Southern Universities Purchasing Consortium (SUPC).

Many of our suppliers in these higher-risk categories have committed to the [Base Code](#) of the [Ethical Trading Initiative](#) (ETI) and we are working to persuade our remaining suppliers in these categories to join them. The ETI Base Code is

founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice, requiring that:

1. Employment is freely chosen;
2. Freedom of association and the right to collective bargaining are respected;
3. Working conditions are safe and hygienic;
4. Child labour shall not be used;
5. Living wages are paid;
6. Working hours are not excessive;
7. No discrimination is practised;
8. Regular employment is provided; and
9. No harsh or inhumane treatment is allowed.

ICT Equipment

LUPC leads in the procurement of desktop and notebook personal computers for UK higher education institutions and other Members. We also play an active part in the management of supply agreements led by our sister consortia for Apple products, servers, storage and other ICT equipment.

In 2014, LUPC became a founding member of [Electronics Watch](#), an independent monitoring organisation working to achieve respect for labour rights in the global electronics industry through socially responsible public purchasing in Europe.

Public sector buyers like LUPC with a will to act on labour rights issues do not have an effective way to do so as they have insufficient leverage over brands, companies and manufacturers. With Electronics Watch, LUPC is seeking to work with suppliers of ICT equipment to commit to new monitoring regimes where corporate codes of conduct and social auditing policies and practices are failing in their transparency and effectiveness. Currently there is no **comprehensive, credible and independent monitoring system for the electronics industry** that involves workers and local civil society organisations.

LUPC is pressing for the inclusion of new monitoring clauses in new supply agreements for Apple products to be awarded in 2016, and will include them in the next iteration of the National Desktop and Notebook Agreement, to be tendered in 2017.

Cleaning and Security Services

LUPC offers a supply agreement for cleaning and security services to its Members in London and south-east England. These are recognised as spend categories where operatives are traditionally among the lower paid and LUPC perceives a medium-level risk to workers in these supply chains.

Our supply agreement is due to be re-tendered in 2016 and, under new clauses to be introduced into our contracts, suppliers will be required to demonstrate their ongoing commitment to the [ETI Base Code](#), the [International Code of Conduct for Private Security Service Providers \(ICOC\)](#) and to ensuring that they take steps on our behalf to guard against modern slavery, human trafficking, forced and bonded labour and labour rights violations in this supply chain.

Our partnership with the BHRE

LUPC has partnered with academics at the [Business, Human Rights and the Environment Research Group \(BHRE\)](#) in the School of Law at the University of Greenwich, led by Dr Olga Martin-Ortega, who was elected to the LUPC Board in 2015. Together we are organising stakeholder events, initially to sensitise and promote awareness of human rights risks in the global electronics supply chain among public procurement professionals.

Our plans for the future

LUPC is committed to better understanding its supply chains and working towards greater transparency and responsibility.

As part of our approach to promoting continuous improvement, we will work with our suppliers in our product supply chains (such as office supplies and laboratory consumables) to encourage more of them to commit to higher environmental performance standards and to the ETI Base Code. Working with our suppliers and with groups like Electronics Watch and People and Planet, we plan to map out all those supply chains which represent medium-to high-risk of labour rights violations.

**LONDON UNIVERSITIES PURCHASING CONSORTIUM
TENDER PEER REVIEW OF TENDER SCORING**

Name of Tender:
Tender Code:
Project Manager:
Reviewer Name:
Reviewer Job Title:
Date of peer review:

REVIEW	METHOD	Tick when completed
<i>Example: Scoring of Pre-Qualification Questionnaires</i>	<i>Check all scores and formulae and correct any errors.</i>	✓

Comments	
Signature (sign when review complete)	

Procurement Panel Member Declaration of Interests Form



Tender for Insurance Brokerage Services
Reference: LUPC_____

Procurement Panel Member
Declaration of Interests

The text below has been taken from the Public Contracts Regulations 2015:

24. - (1) Contracting authorities shall take appropriate measures to effectively prevent, identify and remedy conflicts of interest arising in the conduct of procurement procedures so as to avoid any distortion of competition and to ensure equal treatment of all economic operators.

(2) For the purposes of paragraph (1), the concept of conflicts of interest shall at least cover 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.

*(3) In paragraph (2) -
"relevant staff members" means staff members of the contracting authority, or of a procurement service provider acting on behalf of the contracting authority, who are involved in the conduct of the procurement procedure or may influence the outcome of that procedure; and
"procurement service provider" means a public or private body which offers ancillary purchasing activities on the market.*

Please complete and return this form by [date] via email to [contact], London Universities Purchasing Consortium (LUPC) who will be managing this tender process. All information will be held securely on a non-disclosure basis.

Email:

Telephone:

Name of TWP member:

Position:

Institution/Organisation:

- Do you have (either indirectly or directly) have a financial, economic or other personal interest which may be perceived to compromise your impartiality and independence within this procurement process?

YES/NO (Please delete as appropriate)

- Are you or a member of your close family/your partner a shareholder, holding an appointment with or have directly invested financially (excluding portfolios e.g. pension funds) with any company acting in the business of insurance?

YES/NO (Please delete as appropriate)

- Are you or a member of your close family/your partner in current, previous (last three years) or have been offered employment with any company acting in the business of insurance?

YES/NO (Please delete as appropriate)

- Have you/or a member of your close family/your partner in the last three years received inducements from any company acting in the business of insurance including but not limited to hospitality, paid-for overnight stays and dinners, corporate entertaining etc.?

YES/NO (Please delete as appropriate)

- Is your institution/organisation engaged in partnership or profit sharing collaboration with any company acting in the business of insurance?

YES/NO (Please delete as appropriate)

If you have responded YES to any of the the above questions please detail the nature of your interest below:

Declaration

I confirm that as a Procurement Panel member, my response is true and accurate to the best of my knowledge and that if I become aware of a potential conflict of interest during the tender process which may be perceived to compromise my impartiality and independence within this procurement process I will notify LUPC as soon as reasonably possible. I further confirm that aside from other Panel members I will not, without written authority from LUPC, divulge or communicate to any person, company or organisation any of the information made available to me in my role on the Procurement Panel. I understand that any unauthorised disclosure may result in being obliged to stand down from the Procurement Panel.

As a Procurement Panel member I confirm that I will take reasonable steps to ensure that any information that I have about the procurement will be kept secure at all times.

Name:

Signature:

Date:

Evaluation Panel Members

	Panel Member	Telephone (office)	Telephone (mobile)	Email address
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				