How to find, compete for, and win public contracts

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University of Leicester
Structure

- Size and nature of public procurement spend
- Benefits of public contracts
- Principles of public procurement
- Organisational procurement rules
- EU procurement rules, *including changes*
- Purchasing consortia and framework agreements
- Tendering tips
- Current contract opportunities
- Further sharing, alignment and embedding of best practice
It’s (a bit) like a line-out...
Size and nature of public procurement spend
E.g. University of Leicester Procurement Spend (£91m)
Benefits of public contracts

- Stable
- Good payers
- Local delivery
- Valuable referee
- Fair and transparent processes
Principles of public procurement

- Equal treatment, e.g. one tender deadline
- Non-discrimination, e.g. generic specification
- Mutual recognition, e.g. allow for equivalent standards
- Proportionality, e.g. tender documents as lean as possible
- Transparency, e.g. evaluation criteria stated at outset, used when evaluating, referred back to when explaining tender scores
Organisational procurement rules

• In-house procurement resource
• Based on total contract value, incl. extension options
• e- tendering systems, e.g. In-tend and Due North

University of Leicester’s Procurement Rules

• Mandatory Contract / Framework Agreement available? If No,…

<table>
<thead>
<tr>
<th>Contract Value</th>
<th>Procurement Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below £10k</td>
<td>Obtain one written quote</td>
</tr>
<tr>
<td>£10k - £24,999</td>
<td>Seek three written quotes</td>
</tr>
<tr>
<td>£25k - £49,999</td>
<td>Obtain three written quotes using RfQ template</td>
</tr>
<tr>
<td>£50k - £99,999</td>
<td>Obtain three written tenders</td>
</tr>
<tr>
<td>£100k – EU Threshold</td>
<td>Obtain five written tenders</td>
</tr>
<tr>
<td>EU Threshold</td>
<td>EU tendering exercise</td>
</tr>
</tbody>
</table>

**Emboldened = Via In-tend and (generally) managed by Procurement Unit**

• Bids and awarded contracts are based on University Ts&Cs
EU procurement rules, including changes

- ‘Local’ is a swear word!
- Good public procurement = SME-friendly procurement
- Local SME strengths – Service quality, customer focus, responsiveness, flexibility, local knowledge, logistical efficiency/carbon emissions, innovation, specialists, ‘social value’/wider community benefit
- **Reason for changes** – More efficient public spending, SME-friendly and support societal goals

**Thresholds**
- Goods and Services £172,514
- Works £4,322,012
- **Part B Services abolished** – Most of these services now fall under full regime of rules (so must be advertised), though some (Social & Health) remain under lighter regime that kicks in at €750k (£625k)

**Advertising**
- Official Journal of the European Union (OJEU)
- **Contracts Finder** (Openly advertised £25k+)
EU procurement rules, including changes

- Selection (Pre-qualification) Criteria – Financial standing and technical capability of the organisation, *annual turnover requirements limited to 2x contract value*

- Award criteria (including sub-criteria) – Price and quality of the offer

- *Must state reason for not breaking into lots*

- Procedures / Timescales – *Shortened timescales*
  - **Open** (Single stage)
  - **Restricted** (Two stage) - Not to be used below threshold, lean standard PQQ, can agree shortened timescales with bidders
  - **Competitive Procedure with Negotiation** (Not off-the-shelf, Pre-qualify…Initial tenders…Negotiate…Revised tenders…Award) - Can agree shortened timescales with bidders
  - **Competitive Dialogue** (Not off-the-shelf, Pre-qualify…Identify best solution(s) / Negotiate…Final tenders…Negotiate with best bidder…Award)
  - **Innovation Partnership** (Allow for both the development and subsequent purchase of new and innovative products, services or works)
EU procurement rules, including changes

- All procurement documents must be available when OJEU notice published

- No need to provide certificates when submitting PQQ / tender…Only required where identified as preferred bidder

- Post tender negotiation prohibited (exception of Competitive Dialogue), but can clarify. May have a presentation/interview stage

- Intention to award letter
  - Winning tenderer and their score
  - Unsuccessful tenderer’s score
  - ‘Characteristics and relative advantages’ of the winning tender
  - 10 day Standstill Period

- Fuller debrief available

- Invoices to be verified in timely fashion then paid in 30 days where undisputed…all the way down the supply chain
### EU Procurement Procedures

<table>
<thead>
<tr>
<th>Type</th>
<th>OJEU Notice (Docs available online)</th>
<th>Tender Return</th>
<th>Evaluate Tenders</th>
<th>Issue Standstill Letters</th>
<th>Standstill</th>
<th>Conclude Contract</th>
<th>Contract Award Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Open</strong></td>
<td></td>
<td>35 days*</td>
<td></td>
<td>10 days</td>
<td>30 days max</td>
<td>2-3 Months</td>
<td>(excl. spec drafting)</td>
</tr>
<tr>
<td><strong>Restricted</strong></td>
<td></td>
<td>30 days (15 where accelerated)</td>
<td>Mutually agreed or 10 days</td>
<td>10 days</td>
<td>30 days max</td>
<td>3-4 Months (excl. spec drafting)</td>
<td></td>
</tr>
<tr>
<td><strong>Competitive Procedure with Negotiation</strong></td>
<td></td>
<td>30 days (15 where accelerated)</td>
<td>Mutually agreed or 10 days</td>
<td>10 days</td>
<td>30 days max</td>
<td>5-6 Months (excl. spec drafting)</td>
<td></td>
</tr>
<tr>
<td><strong>Competitive Dialogue</strong></td>
<td></td>
<td>30 days</td>
<td></td>
<td>Not prescribed</td>
<td>10 days</td>
<td>30 days max</td>
<td>6-12 Months (excl. spec drafting)</td>
</tr>
</tbody>
</table>

* Less 5 days if electronic receipt of tenders, 15 days where accelerated, or where PIN published (min. of 35 days and max. of 12 months ahead of OJEU Notice)

** PIN can be used as ‘call for competition’ where published min. of 35 days and max. of 12 months ahead of invitation to confirm interest
Purchasing consortia and framework agreements

- **Crown Commercial Service** (Central government)
- **Pro5 / Eastern Shires Purchasing Organisation** (Local government)
- HE sector consortia – **LUPC** (London), **SUPC** (South), **NEUPC** (North East), **NWUPC** (North West), **APUC** (Scotland), **HEPCW** (Wales), **TUCO** (catering), and **TEC** (energy)

- Aggregate public sector requirements
- Established by way of one of the EU procedures
- Maximum of four years
- One or more suppliers (often lotted)
- Call off by way of direct award and/or further competition (only including suppliers on the framework)…*If procuring organisation named in the OJEU*

- Benefits of economies of scale, pre-agreed terms and conditions cover common risks, swift route to market
- Often default route for public procurer
Tendering tips

• Be realist about chances – read specification, terms and conditions and evaluation criteria

• Have a ‘war chest’ of standard documents – Audited accounts, insurance certificates, policy documents (H&S, Environmental and Equality), key staff CVs, referee details

• Ensure that enough time and resource to bid

• Answer all questions, noting any word counts

• Don’t copy/paste

• Be specific, providing examples as evidence

• Put in a realistic price

• Proof read, get another set of eyes on it

• Warm up referees

• Follow instructions when submitting
Current contract opportunities

• **Contracts Finder** (ALL openly advertised £25k+ contracts)

  University of Leicester
  – [e-tendering system (In-tend) registration](#)
  – [How to do business with the University](#)

  De Montfort University
  – [e-tendering system (In-tend) registration](#)

  Loughborough University
  – [e-tendering system (In-tend) registration](#)

• Leicester City Council
  – [Do business with us](#)

• Leicestershire County Council
  – [How to do business with Leicestershire County Council](#)
Current contract opportunities

• University Hospitals Leicester
  – Doing business with us
  – e-tendering system (ProContract) registration

• Leicestershire Police
  – e-tendering for Leicestershire Police contracts
  – e-tendering system (Bluelight) registration

• ESPO
  – How to become an ESPO supplier
Further sharing, alignment and embedding of best practice

- Role of LLEP Procurement Taskforce
- Openly advertise, wherever possible (Contracts Finder)
- Publish list of current contracts (sub-contracting opportunities)
- Proportionate financial and insurance levels
- Greater consultation on specifications (pre-procurement)
- Outcome specifications, wherever possible
- SME-friendly lotting, where appropriate
- Allow for variant bids
Further sharing, alignment and embedding of best practice

- Hold bidders conferences, where helpful
- Leaner and harmonised tender templates
- Allow for consortia bids
- Provide as comprehensive debriefs as possible
- Aligned payment terms down the supply chain
- Training to make buyers aware of SMEs’ strengths and the potential barriers to them bidding
- Training to build local SMEs’ tendering capability
- Monitor spend with SMEs, and report to leadership
Upcoming Tender Readiness Workshops

• Run by Leicester City Council

• Held at City Hall, Charles Street, on:
  – Wednesday 18 November, 3pm - 4.30pm
  – Thursday 3 December, 9am - 10.30am

• E-mail procurement@leicester.gov.uk to book and / or gain further details
Summary

- Public contracts are desirable
- Public procurement legislation changed to be more SME-friendly
- Make yourself aware of opportunities and the way public/HE sector organisations procure
- Leicestershire’s public procurement organisations are working together to make competing for their contracts easier
Any Questions?
Post-it note feedback

- Issues with public procurement

- How to improve public procurement