How to do Business with the Local Authorities of Cumbria – a Guide for Suppliers, Contractors and Service Providers

Contents

About Us
Our Purpose
Procurement – How it works in the public sector
What is the first step to offering my services?
The Tender Process
Tendering Tips
Policies and Procedures
Code of Conduct
Tender Evaluation
Why suppliers fail to win local authority tenders
Small and Medium Enterprises and the Third Sector
Sustainable Procurement
Frequently Asked Questions (FAQs)
Useful Links
Contacts
About Us

EPiC (Effective Procurement in Cumbria) is an established collaborative procurement arrangement across the Cumbrian authorities, including Allerdale District Council, Barrow Borough Council, Carlisle City Council, Copeland Borough Council, Cumbria County Council, Eden District Council, Lake District National Park Authority and South Lakeland District Council. In October 2010, Cumbria Police and NHS Cumbria will be joining EPiC for the first time in an attempt to make procurement more joined up across the County.

Through EPiC more and more Cumbrian local authority contracts are being procured collaboratively. With continuing pressure to improve efficiency and promote value for money as well as delivering improvements in our services in the public sector, the long-term goal is the establishment of a shared procurement service which provides an efficient, effective and sustainable service which meets the needs of our communities.

Collectively, the Cumbrian authorities have an annual procurement spend in excess of £300 million, over half of which is spent locally. A significant proportion of procurement activity is through joint tenders across the County, smaller contracts let by individual authorities, or channelled through national frameworks.

Obtaining value for money is an essential requirement for all local authorities and one that cannot be achieved without the support of suppliers, placing supplier engagement high on the agenda. EPiC is committed to supporting local businesses and organisations so is eager to encourage participation by Small and Medium Enterprises (SMEs), and the voluntary and community sectors. The aim is to work with suppliers to deliver community benefits in a way that is consistent with value for money and in compliance with procurement law.

Public authorities are also committed to delivering sustainable outcomes and factoring sustainability considerations into each procurement exercise, demanding a constant requirement to evaluate the impact upon community objectives including; environmental, economic, social and ethical factors.

The purpose of this guide is to provide an update for both existing and potential suppliers, sub-contractors and consultants on how procurement processes are evolving across the County. It will hopefully prove a useful induction to bidding for Council contracts by providing support and guidance on how to find opportunities, tender for contracts and work with the eight Cumbrian Authorities.

Success, of course, cannot be guaranteed; that depends on the quality, cost and availability of the products and services, as well as the standard of the appropriate policies and procedures held by the tendering organisation. However, the opportunity is there for suppliers to increase their business profile and to be part of a vibrant, sustainable, local economy, which will be beneficial not just to the organisation, but to Cumbria as a whole.
Our Purpose

Our purpose is to provide excellent procurement which secures value for money, facilitates sustainable outcomes and which reflects and meets the needs of our stakeholders, including those who live and work in the County.

By working together, the authorities across Cumbria have effectively developed a ‘one-stop shop’ to bid for work and are moving towards advertising all contract opportunities on the North West e-tendering portal – The Chest (www.thechest.nwce.gov.uk). With contracts being advertised in one place, suppliers will no longer need to hunt for tendering opportunities in Cumbrian local government, equating to a fairer and more transparent process from the start. As understanding of health and police-related procurement activity grows, that information will also form part of this suppliers’ guide.

As EPiC develops, suppliers will benefit from consistency in payments, and consistent support and guidance across the County. Meanwhile, working collaboratively will lead to higher savings amongst the Cumbrian authorities, whilst utilising a forum to share best practice and procurement-based expertise; making it a win-win for all.

Procurement – How it works in the public sector

Public sector procurement must comply with regulations at local, national and European level, with the value threshold of each advertised contract dictating the procedure and timeframe used to guide the tender exercise. If the total value of procurement is over a certain limit then the business must be tendered for in compliance with the EU Procurement Directives and be advertised throughout Europe in the Official Journal of the European Union (OJEU). http://www.ojeu.eu

The current OJEU thresholds (revised bi-annually) as of January 2010 are:

- Goods and Services £156,442
- Works £3,927,260

The EU laws are in place to ensure fair, non-discriminatory, professional procurement in the public sector, and that all arrangements are open and transparent to inspection.

If procurement is below the EU limits then it is subject to the leading authority’s Contract Procedure Rules, which again, as with the EU directives, are there to ensure an even playing field for all. As a public body it must be shown that the successful tender was chosen in an objective manner and evidence to support this must be available.

Competition cannot be limited to Cumbrian or British organisations. In practice, local companies have won over half of contracts advertised by local authorities in Cumbria, though generally, the larger the contract the greater the competition from further afield. However, the local authorities in Cumbria recognise the impact our procurement has on the local economy and will work within the procurement rules to encourage investment in the County.

Cumbrian Authorities in no way bind themselves to accepting the lowest quotation, as tender submissions will be evaluated on both cost and quality. The evaluation and award criteria will be specified in the tender documentation.
**What is the first step to offering my services?**

The EPiC authorities encourage competition and welcome bids from new and established suppliers. If an organisation is interested in pursuing business with any of the Cumbrian Authorities they should:

**Register on The Chest**

EPIC is rolling out the North West e-tendering portal, **The Chest**, across the County as a key means of advertising contract opportunities. At present four authorities (Barrow, Copeland, the County Council and Lake District National Park) are advertising through the portal regularly, with the other authorities committed to following suit. The result is improved efficiency and reduced cost associated with the procurement process, for both the Council and the suppliers.

For suppliers to open up their supplies and services to a wider market, and also to make sure they are alerted to all relevant opportunities, it is vital they register on The Chest:

[www.thechest.nwce.gov.uk](http://www.thechest.nwce.gov.uk)

Currently, the site is hosted by the North West Improvement and Efficiency Partnership (NWIEP). Registration is a simple five stage process which should take no longer than 10-15 minutes and is completely **free**.

Before registration it is possible to search for opportunities, but suppliers must register in order to take part in the tendering process. Once registered, suppliers will automatically be notified when new relevant tender opportunities are posted. Emails will alert suppliers of opportunities that match their categories of interest, from 22 authorities in the North West currently advertising on The Chest (the majority of the remaining North West authorities are committed to using the system in the future).

**Please note:** where contracts are advertised on The Chest, the only acceptable way of bidding for them will be through The Chest.

If in doubt when using the system, support is provided via the help guides and manuals on the site and/or by the service provider, Due North (0845 2930459).

**Access the Official Journal of the European Union**

As mentioned above, for contracts over the EU threshold, a contract notice must also be placed in the Official Journal of the European Union (OJEU). Certain social care and specialist contracts are excluded from being advertised in OJEU, but will still appear on The Chest.

OJEU contracts and information can be viewed at [http://www.ojeu.eu/](http://www.ojeu.eu/)

**Search for Opportunities**

Councils not yet using The Chest will continue advertising on their individual websites (details at end of document), local and national press, trade journals, OGC Buying Solutions and Supply2Gov [http://www.buyingsolutions.gov.uk/aboutus/Supplierzone/](http://www.buyingsolutions.gov.uk/aboutus/Supplierzone/) [www.supply2gov.co.uk](http://www.supply2gov.co.uk)
The Vault

This is the North West Contracts Register which, similarly to The Chest, is hosted by NWIEP. All current Cumbrian authority contracts are visible on this site, meaning suppliers can check when contracts are due for renewal by consulting the Vault. It can be accessed through the NWIEP website – http://thevault.nwce.gov.uk

Apply to Join Select Lists (where applicable)

Select lists are also used by some of the Cumbrian authorities for certain contracts. Contractors requesting to be included on a select list will only be considered when the lists are advertised for renewal – this must be done every four years. Those wishing to apply to be placed on a particular list should respond to the advertisement which will state the requirements and request expressions of interest.

The Tender Process

All EPiC authorities strive to ensure that procurement activities are characterised by equality, integrity and transparency, with the prime objective of delivering value for money.

Expressing an Interest

Advertisements and contract notices will invite suppliers to submit an expression of interest for a contract. Once expressions of interest have been received, suppliers may be required to provide supporting information, either via a Pre-Qualification Questionnaire, or within the Tender pack.

The amount of documentation to be completed will depend on the process used by the authority, the value and complexity of the tender/service being procured and the potential size of the market:

- **Open Procedure** – This allows suppliers to tender without prior selection. Open Procedures can result in a high volume of responses, meaning it is not as commonly used as the Restricted Procedure

- **Restricted Procedure** – This procedure is a two stage process, where the first stage is usually in the form of a Pre-Qualification Questionnaire (PQQ). Suppliers will be shortlisted to receive tenders once they have passed the pre-selection criteria. Suppliers are selected against the scoring of questions asked within the PQQ.

Pre-Qualification Questionnaires

During a two stage process, the responses from the completed questionnaire will be used to assess whether the supplier can meet the requirements for that particular contract. If they can, they will be shortlisted and sent the tender documentation.
Invitation to Tender

If you receive an invitation to tender, you are being invited to make an offer. Within the tender pack there will be as a minimum:

- a Letter of Invitation outlining details of all the documents in the pack and the closing date for return of tenders
- Standard Terms and Conditions
- Specification
- Pricing Schedule
- Evaluation Criteria used to judge the responses

Specific requirements will apply to individual procurements. as will the level of detail and information to be supplied.

The authorities involved in EPiC are keen to keep the information requested to the minimum required to formally evaluate suppliers equitably and fairly. The type of information requested may include the following:

- Company details
- Financial information
- Management and business structure
- Resources and staff training
- Quality assurance
- Environmental matters
- Insurance cover
- Equality and Diversity policies
- Health and Safety practices
- References

Supporting evidence may be requested where applicable. For certain requirements, suppliers could be asked to undertake a presentation/interview with members of the evaluation panel.

Should there ever be any doubts or queries during the tendering process, suppliers should contact the relevant officer and ask the question. A written copy of the responses will also be sent to any potential suppliers participating in the tender process. This allows two way communication for clarification while protecting parties involved from accusations of collusion.

Tendering Tips:

- Read the tender specification and any background contract information carefully and ensure requirements are fully understood before completing the documents

- Confirm deadlines and map out a timetable for yourself taking account of potential impact on your business
- Ensure your tender is submitted on time, as late ones are usually disqualified
- Provide all the information requested and enclose copies of any Policies/Accreditation applicable
- Tailor your reply to the specification
- Emphasise the most relevant experience
- Respond in the required format and follow the layout requested
- Stick to word limits
- Answer all the questions in full, be concise, but remember that your answers need to stand out from the rest
- Take the evaluation criteria into account
- Should there be any queries, contact the relevant officer and request clarification where appropriate
- Where a contract is procured via The Chest, a simple question and answer function allows you to raise questions, with the answer then being copied to all interested parties

**Policies and Procedures**

As part of the public sector, the EPiC authorities have to comply with a number of their own policies and expect their suppliers to set similar standards. There are several elements likely to be taken into account during evaluation that suppliers ought to consider:

**Health and Safety**

The Cumbrian Authorities are committed to ensuring the health, safety and welfare of its employees and that of all others affected by its undertakings. Contracts to supply goods or services will only be awarded to contractors who can satisfy the Council requirements in terms of resources required and their health and safety competence. Depending upon the nature of the goods or services, organisations may be required to submit a Health and Safety Policy which refers to current Health and Safety legislation.

**Equality and Diversity**

EPiC is committed to working positively to promote the values of equality and diversity and reduce inequality for all customers and employees, eliminating all forms of discrimination; promoting equality of opportunity, good community relations and community cohesion. All forms of discrimination, on the grounds of disability, gender, age, ethnic origin, religion, belief, culture, nationality, or sexual orientation, are unacceptable within existing legislation.
EPiC supports the principles of Equal Opportunities Employment and will ensure that no employee or job applicant receives less favourable treatment on grounds which are unlawful, or which are not relevant to the requirements of the particular job. EPiC will support the creation, maintenance and promotion of a working environment and community where every opportunity to receive quality services which meet the needs of all including disability, gender, race, colour, ethnic origin, religion, belief, culture, nationality, national origin, age and sexual orientation, or any other area identified by the European Convention of Human Rights, is taken.

We expect our employees, visitors, contractors and suppliers to respect and comply with Government legislation and policies, and all organisations or individuals working on our behalf, or any other organisation or authority in Cumbria, to demonstrate that all reasonable practicable steps have been taken to promote and allow equal access and treatment in employment and services for all.

Environmental Responsibility

EPiC is committed to principles of sustainability and protection of the environment. So far as reasonably practicable, this will be achieved by including environmental considerations in all procurement processes and contracts. Environmental selection criteria appropriate to the nature of the contract will be used to further our environmental objectives. The Cumbrian Authorities expect their contractors and suppliers to meet a similar level of commitment to looking after the environment. As the Government creates new sustainability targets for Local Authorities to reach, this is becoming increasingly important.

Quality

It is very important that suppliers can demonstrate recognised quality procedures to be able to ensure that high quality goods and services will be delivered and maintained. This does not mean that you must hold the quality management system ISO 9001, but we do need to know how quality is embedded across your organisation and how you expect to maintain or improve against such pre-determined standards.

Freedom of Information Act 2000

If a supplier or contractor considers that any information supplied to any public body is either commercially sensitive or confidential in nature, this must be highlighted in their tender submission and the reasons for its sensitivity given.

Fairtrade

The Cumbrian authorities advocate ethical and sustainable procurement practices. Fairtrade products are encouraged, where possible, in delivering the Councils’ services.

Dependant on the type and/or scale of work, you may be required to provide your own policy document, or to provide supporting evidence. For example, any external venues we procure need to provide Fairtrade tea, coffee etc.
Code of Conduct

Each local authority has expected codes of conduct for both elected members and employees. In relation to procurement, this is designed to maintain a fair and transparent process resulting in unbiased decisions:

- Councillors and employees must declare any relationships with potential or existing suppliers as soon as they are aware of them. Suppliers must similarly declare any such relationships.
- Any financial or non-financial interests that could bring about a potential conflict with the Council must be declared.
- The offering or receipt of gifts and hospitality during any tender/procurement process is prohibited and will automatically disqualify you from the individual exercise and future exercises.

Tender Evaluation

Returned tenders will be opened at the same time and evaluated against pre-determined criteria.

In an occurrence where suppliers don’t provide all the information requested, or fail to submit the documentation with plenty of room to meet the date and time specified, they will be excluded from the process at the lead authority’s discretion. Only where there is sufficient evidence that the tender has been dispatched in time to have arrived before the deadline, or where exceptional circumstances apply, and subject to other tenders not being opened, will a late tender be accepted. Make sure your tender is submitted before the deadline!

The contract award decision is based on criteria laid down prior to the tender process. All procurement by Local Authorities must be based on Value for Money meaning that, during the evaluation, focus will be on how the tendering organisation proposes to deliver goods and services (quality) and the whole-life cost (price).

Please note: contracts are not awarded on price alone, but will reflect a range of factors including deliverability, sustainability and whole life costing. The MEAT acronym is often used Most Economically Advantageous Tender.

The need to assess whole-life cost enables the Council to look beyond the contract price, and to consider longer term costs and benefits; including the quality of service provided, ongoing costs, the extent to which services deliver the outcomes required and sustainability impacts. The weighting between quality and price will depend on the service requirement.

Both successful and unsuccessful suppliers will be notified in writing via official electronic communication. When a contract award decision has been made for contracts over the OJEU threshold, the EU regulations require a 10 day standstill period (known as the ‘Alcatel’ period) during which time feedback can be requested and potential awards challenged.
Whatever the outcome of the individual exercise, suppliers are recommended to seek feedback on the strengths and/or weaknesses of their submission. This enables them to consider improvements and strengthen their responses in the future. Being unsuccessful in one contract bid does not mean being unsuccessful in the future.

Please note: each contract is dealt with on an individual basis. Both successful and unsuccessful suppliers are not automatically considered for any other contract.

Why Suppliers Fail to Win Local Authority Contracts

- Tender is received after the closing date and time for submission
- Submission doesn’t comply with the instructions to tender
- Incomplete documentation
- Submission has little relevance to the specification
- History of poor quality performance
- Failing to provide samples when requested
- Unable to demonstrate sufficient resources
- Failing to submit the solution which provides the best value for money against the evaluation criteria
- Insufficient experience in relation to the goods or services required
- Submission does not demonstrate the necessary financial stability, technical capability, quality in performance etc
- Suppliers do not accept the attached Terms and Conditions

Small and Medium Enterprises and the Third Sector

For Small and Medium Enterprises (SMEs) and Third Sector organisations to compete in the market place they must prepare themselves like any other organisation wishing to compete for business. This will require having clear business plans, sound finances, good controls over their activities (such as Health and Safety and other legal compliance) as well as the capacity to deliver services for which they wish to tender.

It is important that an organisation is realistic about the size of contract they are capable of taking on. The Council will not award individual contracts exceeding a percentage of the organisation’s annual turnover, as this can cause cash flow difficulties where the business has insufficient working capital to finance the project. However, there are still plenty of opportunities and, with more joint contracts arising; collaboration between suppliers to access such contracts is welcomed and encouraged.

Local organisations often have a vested interest in the success of Council contracts, since they, themselves, are rate-payers, council tax payers, and are likely to be residents in the district. As they will therefore seek to be innovative in trying to deliver the services the Council requires for its residents, contracts with these organisations tend to be valued highly by local authorities.
Cumbria County Council, the Health Authorities and other local authorities in Cumbria have had a local Third Sector Compact for four years. This is a relationship framework which sets out expectations, understanding and commitments between the council and the third sector. There are a number of detailed codes of practice – funding and procurement, planning and consultation, equality and diversity, volunteering and dispute resolution. They can be viewed at via the following link Cumbria Compact - 2006: Cumbria County Council

During 2010, a County-wide stakeholder group has been working on a Compact refresh and this is expected to conclude at the end of this year following in line with major revisions that have emerged nationally following new policy implementation.

**Sustainable Procurement**

Sustainability is now a major driver for the public sector and the enormity of the part procurement plays in this cannot be underestimated.

The Cumbrian Authorities are working together to incorporate sustainability considerations into their current procurement practices. Amongst other criteria, tenders will now be evaluated on sustainability impacts which include environmental, social and economic factors.

EPIC is committed to protection of the environment and strengthening the local community, socially and economically. We encourage the same commitment from all organisations and individuals who work on behalf of the Council.

Organisations looking to improve their ‘green’ credentials should look to the Cumbrian Business Environment Network (CBEN) for a free environmental audit and the opportunity to work towards achieving bronze, silver and gold awards. By demonstrating a reduction in their impact on the local environment, suppliers would strengthen their bid against the sustainability criteria during evaluation. Involvement in programmes such as this are encouraged by the EPiC authorities.

www.cumbriaben.com

**Frequently Asked Questions (FAQs)**

**What types of goods and services might Cumbrian Authorities procure?**

To deliver an effective service to the people of Cumbria, the needs vary widely among the authorities, resulting in diverse opportunities; from office furniture to waste collection, to gifts and books, to landscaping works. With this in mind, so do the value/type of contracts let keeping opportunities open to suppliers of all shapes and sizes.

**How do I know what opportunities might be coming up?**

All members have a contract register which shows what contracts they have, with whom and when they expire. Most of them show the current value. These are available via The Vault, or on the individual members’ websites. Occasionally, they may not be comprehensive lists, so please do not hesitate to contact the public sector bodies and ask questions.
Additionally, publically funded and accountable organisations always have a strategic plan which is often then broken down into more specialists areas, for example, Cumbria County Council has a council plan, the Adult Social Care Service plan and under that the Learning Disability Partnership Commissioning Intentions Plan 2010 – 2013. Check websites and, if in doubt, ask.

Where can I obtain further information/advice outside the Council?

There are several business support agencies around Cumbria which will be able to provide impartial advice tailored to individual needs. Please see links to some useful sites on page 13.

Where can I find out about new opportunities?

The Cumbrian Authorities are working towards advertising all contracts on the North West e-tendering portal – The Chest www.thechest.nwce.gov.uk. Opportunities may also still be found in the Official Journal of the European Union, local and national press, specialist trade journals and others listed above.

Would I need any special licenses to provide works for the Council?

All procurement decisions must comply with the Council’s own policies and procedures (listed above). Health and Safety, Equal Opportunities and Sustainability are all particularly important factors to be considered. Depending on the contract, specific policies, licenses and qualifications may be required, but this will be stated in the evaluation criteria.

Will my company’s tender submission be seen by/passed on to other suppliers?

Not during the procurement process, as details of each submission are treated as confidential. Committee and other reports regarding an award recommendation normally keep the names of suppliers anonymous. However, the successful supplier will be identified and become known to others in the normal course of events.

If I seek clarification during the tender process what happens?

You will receive a written response of which copies will be sent to all other participating suppliers. This ensures a fair and transparent process so all suppliers can base their submission on the same level of information.

Why is there so much ‘red tape’ in tendering for public sector contracts?

Local authorities must comply with local, national and European regulations during procurement exercises. The public sector is there to serve the local community and strict procedures are in place to protect them and ensure tendering organisations are treated with fair conduct at all times.

Useful Links

A number of websites provide practical information on everything from EU procurement, to public sector tendering information. The list below is by no means comprehensive, or exhaustive, but contacts links you may find useful:
**www.thechest.nwce.gov.uk**  
The Northwest e-tendering portal

**http://thevault.nwce.gov.uk**  
The Northwest Contracts Register

**www.ojeu.eu**  
The Official Journal of the European Union

**www.ogc.gov.uk**  
The Government’s procurement website provided by the Office for Government Commerce

**www.businesslink.org/northwest**  
Business Link provide independent and impartial advice and support for both new and existing businesses

**www.cumbriachamber.co.uk**  
Cumbria Chamber of Commerce give free business information and advice, provide business products and services, networking and business development opportunities and advocates on behalf of local businesses

**www.socialenterpriseincumbria.org**  
Cumbria Social Enterprise brings Partnership provides free specialist business support and mentoring, training and networking events and advocates on behalf of the social enterprise and cooperative sector in Cumbria

**http://www.thirdsectorcumbria.org.uk**  
Cumbria Third Sector Network brings together the Third Sector in Cumbria providing generic and specialist support, advice and networking and advocates on behalf of the sector

**www.furnessenterprise.co.uk**  
Furness Enterprise provide a total business support service to new and existing businesses within the Barrow in Furness travel to work area

**www.crea.co.uk**  
Cumbria Rural Enterprise Agency gives business and farm support services for start up and existing businesses and farms in Eden and South Lakeland.

**www.wcda.co.uk**  
West Cumbria Development Agency’s role is to help create jobs in the West Cumbria by helping new businesses start and grow, by assisting local companies to expand and by facilitating inward investment into the area
Contacts

If you would like any further information then please contact either:

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or write to:

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EPiC Procurement Contacts

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*New contacts – NHS Cumbria and Cumbria Constabulary to be added following the EPiC October 2010 meeting.*