



Contracting and Procurement

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Strategic Lead (Commissioning)

Commissioning by Public Bodies



Clinical
Commissioning
Groups

Housing
Associations

Schools

G4S

Manchester
City Council

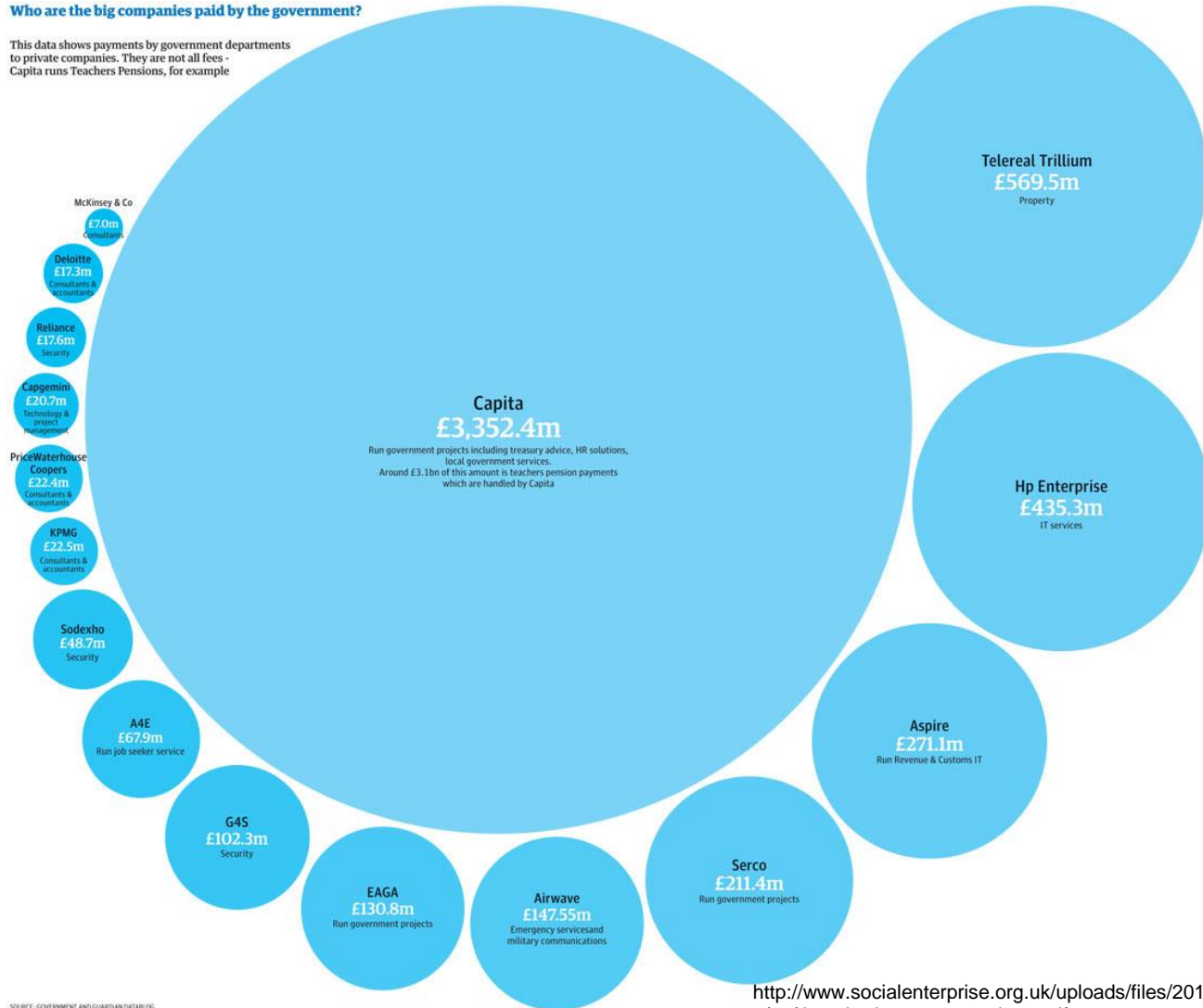
Greater Manchester
Combined Authority

Shelter

UK Outsourcing to Private Companies

Who are the big companies paid by the government?

This data shows payments by government departments to private companies. They are not all fees - Capita runs Teachers Pensions, for example



SOURCE: GOVERNMENT AND GUARDIAN DATABASE



THE SHADOW STATE
A report about outsourcing of public services

A report by **SOCIAL ENTERPRISE UK**



MCC
Funding
Social Care
Culture
Regeneration
Public Health





COMMISSIONING AND PROCUREMENT



Key Terms

Commissioning

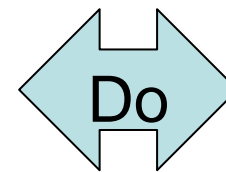
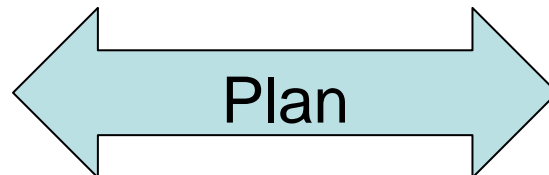
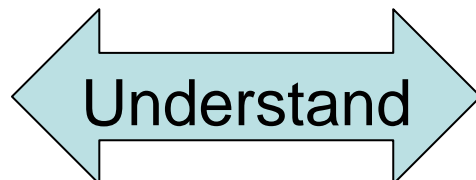
- Assessing the needs of a population
- Setting priorities and developing plans to meet those needs in line with local and national targets
- Securing services from providers to meet those needs and targets through building mature relationships
- Monitoring and evaluating outcomes and
- The above combined with an explicit requirement to consult and involve service users in the process.

Procurement

- The process of finding and deciding on a provider and buying a service

Contracting

- Negotiation and letting of a contract and monitoring.



Grant-Contract Cloud

Grant

- A gift
- Broadly specified
- Minimal conditions
- Paid up front

Contract

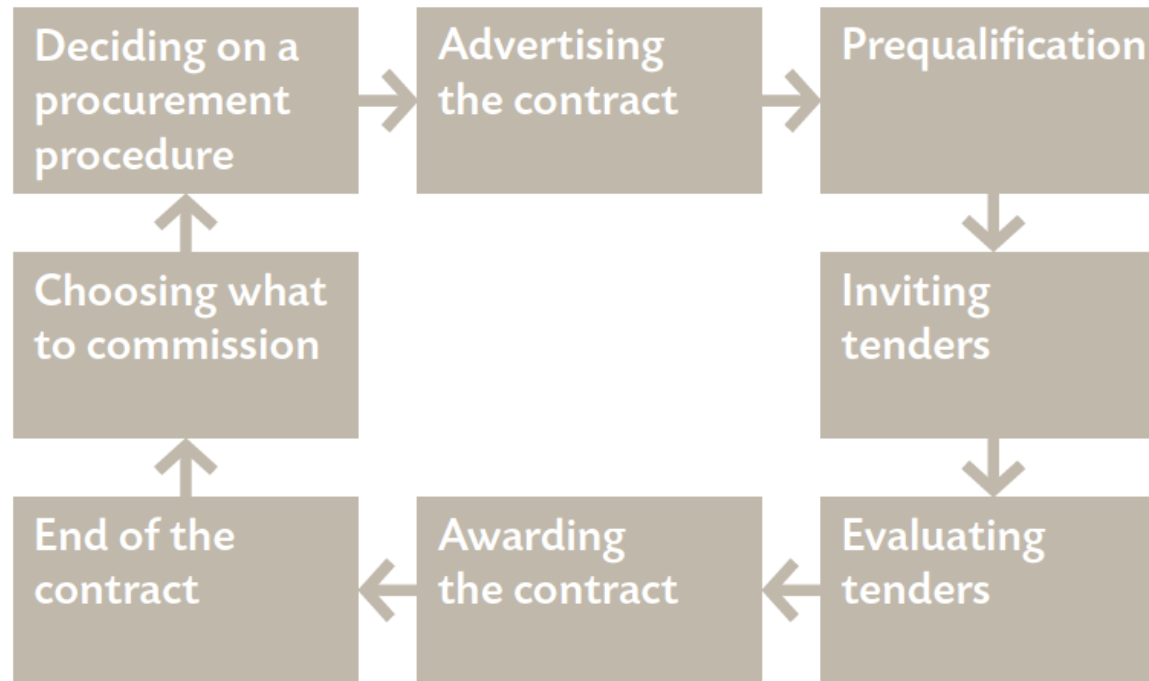
- Binding legal agreement
- Highly specified
- High conditionality
- May be subject to VAT
- Paid in arrears
- Subject to EU procurement rules
- TUPE



- EU Principles
 - Open
 - Fair
 - Transparent
 - Proportionate
- EU Procurement Law
 - Open, restricted, negotiated, competitive dialogue
 - New light touch regime for health, social, education and certain other service contracts

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/469057/LTR_guidance_v28_updated_October_2015_to_publish_1_.pdf
- Best Value and other English Laws
- Social Value Act

Procurement of Contracts





Home

Opportunity Search

Results

Manchester City Council Opportunities

Start Date	Contract Title	End Date
14/04/2014	UK-North West Construction Hub: High Value (over 9,000,000 GBP) design and construct/constr...	13/03/2017
01/12/2013	TC012/CB The Supply of Dense Bituminous Macadam (DBM) & Associated Products	30/11/2015
01/12/2013	TC745/LC Delivery of the mimicking tax incentives pilot in the Manchester Enterprise Zone ...	30/09/2015
18/09/2013	Citywide Advice Services Soft Market Testing Event 2	18/09/2013
01/07/2011	TC626/LC Provision of Social Transport	30/06/2013

Options

[New Search](#)

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- PQQ – Pre Qualification Questionnaire
 - Mandatory grounds for rejection
 - Financial Standing
 - Technical and professional capacity



- ITT – Invitation to Tender
 - Specification and Lots
 - Contract terms and conditions
 - Payment mechanism
 - Which documents have to be provided
 - Scoring criteria

Payment Mechanisms



- Bulk Purchase
- Spot Purchasing
- Framework Agreement/Preferred Providers
- PbR – payment by results

Social Value



Social Value is defined as the overall impact of all the activities of an organisation on the common good.

The “common good” is used as shorthand for increasing social, economic and environmental well-being.

Evaluating Tenders



- Panel
- Score for each question
- Quality – 50%
- Value for money - 50%
 - Multiplier
- Social Value 10-20%

Signing Contracts and Negotiation



Tender Ready



1. Legal and financial status
2. Governance
3. Strategy and planning
4. Risk assessment and management
5. Marketing
6. Financial management
7. Organisational management



INFLUENCING PROCUREMENT

Funding Distribution



Length of contract/grant

Size of pot

Size of individual contracts/grants
(numbers of orgs)

Area distribution

Theme distribution

Cohort Distribution

Specification and Conditionality



Outcomes	To reduce the level of domestic violence in Gorton
Outputs	To have 24hr helpline
Conditions	All helpline staff must have level 2 counselling training
Contract	Must have safeguarding policy

What is valued



Social Value

Assets and track record

Expertise



TYPES OF COLLECTIVE APPROACHES IN PROCUREMENT

Consortium



A group of organisations who have an agreement to work together particularly in applying for funding. Usually have some kind of memorandum of agreement and some conditions about who can join.

Can take part in any of the following forms of partnership.

Lead Provider



Larger organisation sub-contracts/makes grants to to a number of smaller organisations.

Special Purpose Vehicle



A number of organisations set up a new organisations that then bids on their behalf for grants or contracts

Alliance



A small number of organisations are jointly contracted under a single contract and have to work together to meet the outcomes of the contract.



Questions

- 1. Who are you/your organisation?**
- 2. What do you do/what is your gift to young people/children?**
- 3. What community do you work with?**
- 4. Who is missing from this room and needs to be involved?**
- 5. Who is going to collect the information and organise another meeting?**

Other things to consider

- a) What would you like to be delivering in 3 years time? (Less, the same, more?)
- b) Who do you already work with and who do you envisage working with?
- c) What are the benefits and dangers for your org about contracting?
- d) What will it take to be running a partnership?
- e) How does this fit with contracting?
- f) Is your organisation a lead, a partner, a micro-partner?