



Selling to Ealing

Guidance for suppliers on selling to
the London Borough of Ealing

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Introduction

This guide is designed to help organisations that wish to sell their services, supply goods, or carry out work for the London Borough of Ealing. It has been produced by the Strategic Procurement team to explain the procurement process at Ealing, give practical advice and guidance to potential suppliers, and provide some background knowledge of the legislation that covers all public sector purchasing.

It's our aim to make the process of selling to Ealing easier to understand. We hope that this guide helps to achieve that ambition.

Strategic Procurement team

Ealing Council, like most other local authorities, devolves the authority to make buying decisions throughout the organisation, on the basis that managers in each service area are best placed to understand local needs and buy accordingly. At the centre, a Strategic Procurement team provides specialist advice and support to all departments of the Council. It also manages a range of corporate contracts for items such as temporary staff, stationery, paper, photocopiers, and food. These contracts can be used across all departments, including schools and other educational establishments.

Contact details for the Strategic Procurement team are:

Ealing Council
Perceval House
14-16 Uxbridge Road
Ealing
London
W5 2HL

procurement@ealing.gov.uk
020 8825 7333

Rules and regulations

All public sector procurement is governed by local, national and European regulations. It is useful to understand these laws as it provides a better understanding as to why local authorities carry out their procurement in a certain manner.

1. European rules

EU legislation governs all public sector procurement. The information below refers only to Local Authorities spend. The rules are intended to promote fair and transparent competition.

Where the estimated value of a contract is expected to exceed the relevant financial threshold it must be advertised in the *Official Journal of The European Union* (OJEU). The European Procurement Directive (2006) specifies timescales that must be followed, and these are intended to ensure that a reasonable time to respond to adverts and prepare submissions is given to interested companies.

The thresholds are set every two years, and the following are applicable from January 2008 until December 2009:

Services	Supplies	Works
£139,893	£139,893	£3,497,313
€206,000	€206,000	€5,150,000

The Procurement Directive allows a number of different tendering procedures:

- **Open procedure**

Under the 'open procedure', a notice is placed in the OJEU inviting applicants, and all those who meet the minimum criteria must be sent an Invitation to Tender (ITT).

- **Restricted procedure**

The 'restricted procedure' allows the Council to invite a limited number of suppliers to submit tenders. A notice is placed in the OJEU, inviting expressions of interest. The Council then selects tenderers from the suppliers which respond, using a shortlisting process.

- **Negotiated procedure**

Under some circumstances the 'negotiated procedure' allows the Council to consult suppliers of their choice and negotiate the terms of the contract with one or more of them.

- **Competitive dialogue**

This procedure allows a dialogue with a number of potential suppliers in order to clarify, develop and agree one or more suitable solutions. These are then used to issue tenders to the chosen candidates.

- **Framework agreements**

A framework agreement is an agreement made with a supplier as a result of a tender process, which sets out the terms and conditions under which specific purchases can be made throughout the term of the agreement.

The route most commonly used by Ealing Council is the **restricted procedure**, and the process is as follows:

- A *Prior Information Notice* (PIN) will normally be placed in the OJEU providing basic details of the contract. This is usually issued in April of each year for all contracts that are expected in the following 12 months.
- A detailed *Contract Notice* that gives information of proposed contractual arrangements, timescales etc will be published in OJEU, asking organisations to formally register their interest. Contact details including name and address will be provided at this stage. It is also usual for an advert to be published at the same time as the contract notice appearing in OJEU. The Council will usually advertise in a local newspaper and/or a relevant trade journal, and an advert will usually appear on our website.

- ❑ A *Pre-Qualification Questionnaire (PQQ)* will then normally be issued and tenderers will be shortlisted based on their responses to the PQQ.
- ❑ Contract documents in the form of an *Invitation to Tender (ITT)* will then be sent to the shortlisted organisations. This will include the specification and contract documentation and should indicate the evaluation procedure that will be used to award the contract.
- ❑ When preparing your tender submission it is generally acceptable to submit written queries regarding your submission or to ask relevant questions about any aspect of the process. It is Council policy to seek these questions in writing (e-mail being the preferred method). It should be noted that all queries and their responses are circulated to all potential tenderers
- ❑ All tenders will undergo a thorough evaluation. Tenders are usually evaluated using the principle of 'most economically advantageous tender' (or MEAT), where price and quality are taken into consideration, although occasionally a contract will be awarded on lowest price only. All competing tenders are assessed against the same criteria, which will have been established before tenders are opened. A panel of Council officers, usually three or more, will make the assessment.
- ❑ At any time during the tender process, you may be invited to give a presentation or attend an interview.
- ❑ Completed tender documents *must* be returned to the Council by the date and time stipulated. In order to be fair to all tenderers, only in exceptional circumstances (e.g. mistakes in information provided by the Council) will time extensions be allowed. Therefore tenders received after the deadline will not be considered but will be returned.
- ❑ Once the contract has been awarded, an *Award Notice* will appear in OJEU giving brief details.

2. Contract procedure rules

As well as the European regulations, all departments of the Council must follow our own Contract Procedure Rules (CPRs) and Financial Procedure Rules (FPRs). Any spend must be in compliance with both of these because they form part of the Council Constitution, which is the document describing how the Council operates and the procedures we follow to ensure that decisions are clear and carried out efficiently.

Like the EU rules, the aim of the CPRs is that the Council contracts in a fair, open and transparent way and achieves value for money for both the Council and its customers, whilst ensuring spend is in line with Council strategy. Methods for ensuring value for money are specified as follows:

- ❑ When spending **less than £10,000**, the Council must demonstrate that it is receiving value for money.

- ❑ If spending **between £10,000 and £50,000**, the Council must invite quotes from at least three suppliers. These will be evaluated in terms of overall value for money, taking into consideration price, quality and delivery, and any other factors depending upon operational requirements.
- ❑ **Over £50,000**, any contract or purchase must be the subject of a formal competitive tender from a minimum of five suppliers. All contracts to be tendered are advertised in either the local newspaper and/or a trade journal. Evaluation is based on the best value to the Council, or the 'most economically advantageous tender' principle.

The complete Contract Procedure Rules are available on the Council's website - please see the Useful Links section below.

Procure to pay

In 2006, Ealing Council implemented Agresso, an electronic procure-to-pay (P2P) system, which has streamlined our transactions and improved our ability to analyse and control our expenditure. The system is driven by purchase orders: without a purchase order, we're unable to pay an invoice.

From the supplier's point of view, there are four basic rules to remember:

- ❑ Suppliers must not supply goods, deliver services or carry out work without first receiving a purchase order;
- ❑ Every invoice must state a purchase order number;
- ❑ Every invoice must be sent to our central invoicing address, not to the department which placed the order;
- ❑ Any invoice which doesn't state a purchase order number will be returned unpaid.

To avoid delayed payments, please remember that the purchase order is the starting point of our P2P process. If you haven't got one, the Council hasn't made a commitment to pay you.

Public sector consortia

A consortium is a cooperative arrangement among groups or institutions. It is common in the public sector for consortia to be established to carry out joint procurement activities.

Ealing has access to a number of these types of supply arrangements, for example the Office of Government Commerce (OGC) frameworks (such as Catalyst), which are central government arrangements, as well as the Central Buying Consortium (CBC), and the London Contracts and Supplies Group (LCSG). These consortia negotiate purchase agreements and contracts on behalf of their members, covering a wide range of products and services. For further information, please see the Useful Links section below.

Approved contractors

- **Construction**

Construction and related works (including general building, alterations and renovation, interior works, demolition, and highway works) are a major area of expenditure for Ealing Council. To avoid the need to assess contractors' financial and technical capabilities every time it wishes to commission new works, Ealing uses a list of approved (i.e. pre-qualified) contractors.

The contractors on the approved list are selected from Constructionline, the BERR-approved national register of pre-qualified contractors to the construction industry.

Although Constructionline currently does not require contractors to be compliant with CHAS (the Contractors' Health and Safety Assessment Scheme), Ealing insists on CHAS compliance. This means that only companies that are registered as members of both Constructionline and CHAS will be invited to tender for Ealing's works contracts.

Contractors which have not already done so are encouraged to register with both organisations. You should be aware that registration is not a guarantee of work.

To see a full list of the work categories for which Ealing uses Constructionline, click [here](#).

- **Legal services**

Ealing has established an approved list of legal suppliers, which is used to fulfil requirements for external legal support to complement the Council's in-house legal teams. Further information on this approved list can be obtained from Nick Senior, Business Manager, SeniorN@ealing.gov.uk.

Questions we ask

Whether you are applying to join Constructionline, or completing one of Ealing's own pre-qualification questionnaires, there are basic questions that you will be asked. Our aim is to ensure that the companies we do business with are financially and technically suitable, and have in place policies and procedures covering Health and Safety and Equal Opportunities that support our own.

- **Finance information**

You will be asked for financial information relating to your company for each of the last three years. Private limited companies and public limited companies must submit fully audited accounts; other applicants may be asked for internal management accounts or a statement of turnover. We will use this information to assess the financial position of your company in relation to the size of the contract, or to calculate a 'notation' (a maximum contract value) if we are adding you to an approved list. You must also demonstrate that you are registered (if appropriate) for tax.

- **Insurance**

You will be asked for evidence of your company's levels of insurance cover. Ealing's standard requirements are:

- Employer's liability insurance with minimum cover of £10 million
- Public liability (third party) and products liability insurance with minimum cover of £5 million
- Professional indemnity insurance, if applicable, with minimum cover of £2 million

For smaller contracts (less than £50,000), we may decide to specify lower levels of cover:

- Employer's liability insurance: £5 million
- Public liability and products liability insurance: £2 million
- Professional indemnity insurance: £500,000

- **Equal opportunities**

Ealing Council strongly supports equal opportunities for all. We therefore ensure that the suppliers we use to help us deliver our services have the same standards as us. Whether applying for a specific contract, or to join an approved list, you will be asked a series of questions that will be used to assess your compliance with the Race Relations Act 1976 and your awareness of the statutory Code of Practice on Racial Equality in Employment (see the Useful Links section below). Depending on the size of your company and the nature of the contract, you may also be asked to provide a copy of your equal opportunities policy and evidence of how you include equality issues in your employment practices.

- **Health and safety**

You will be asked questions about your Health and Safety policy, and will be required to provide a signed copy. Depending on the type of contract you are applying for (works, services or supply) you may also be asked some more specific questions relating to Health and Safety. This is to ensure the safety of our staff, customers, and service users.

- **References and technical information**

You will be asked for a number of references, usually at least three. We will also normally ask technical questions tailored to the needs of the individual contract, and your responses and supporting evidence will be used to assess whether your company has the necessary skills and experience to meet our needs.

Opportunities – where to find them

A list of all the contract opportunities being handled by the Strategic Procurement team is available on the Council's website [here](#). Other departments which are carrying out procurement activity will also publish opportunities here.

Contract opportunities are usually published in local papers, usually the *Ealing Times* but also the *Ealing Gazette* and *Leader*, or in national papers such as the *Guardian*. To attract local suppliers, suitable opportunities are published in *Around*

Ealing, the Council's magazine which is distributed free to all households in the borough.

Contrax, a subscription service, provides a gateway to new business opportunities for companies, large and small, which wish to compete for public sector contracts. Information is available via a magazine (*Contrax Weekly UK*) or online:

- www.contraxonline.com

For lower value contracts (typically those under £100,000), you can also check www.supply2.gov.uk. This portal, backed by central government's Enterprise Directorate (formerly the Small Business Service), is designed to give suppliers easy access to lower value ('sub-OJEU') contract opportunities offered by the public sector. Ealing has started to use the portal and we plan to increase the number of our opportunities advertised on it.

For more specific opportunities, please contact departments directly. Contact details are given below.

Opportunities – who to contact

- **Active Ealing**

Active Ealing is responsible for the Council's sports and leisure facilities. Its requirements include indoor and outdoor sports equipment, conference equipment, music and entertainment for events, swimming pool chemicals and other cleaning materials.

Contact: Paul Hyman, HymanP@ealing.gov.uk

- **Ealing Homes**

Ealing Homes, the Council's arm's-length management organisation (ALMO), is responsible for the Council's housing stock. It commissions capital works and runs the operational side of housing (repairs, refurbishment, maintenance and caretaking).

Contact: Terry Atkins, Procurement Manager, AtkinsT@ealing.gov.uk

- **Parking Services**

The Parking Services team is responsible for car parks, street parking, pay and display machines, and the crime safety CCTV control room. Requirements in this area may also include uniforms and equipment for the school crossing patrol service and parking attendants.

Contact: Phil Burns, Head of Parking Services, BurnsP@ealing.gov.uk

- **Parks, Countryside and Events**

The department's requirements include horticultural equipment, fertilisers, plants, shrubs, trees and bark for parks and play areas. The nurseries require plastic posts, soils, peat and chemicals. There are also requirements for Ranger uniforms and cleaning equipment for Ranger bases. An animal centre requires animal feeds, equipment and veterinary services.

Contacts:

Miriam Cocchi, Rangers, Cemeteries and Animal Centre, CocchiM@ealing.gov.uk
Allan Masih, Landscape and Development, MasihA@ealing.gov.uk

- **Printing and Reprographics**

This team buys all the Council's print and printing materials, and commissions design work.

Contact: printout@ealing.gov.uk

- **Property Services**

This team deals with property maintenance, including the cleaning of the Council's central sites complex on the Uxbridge Road in Ealing.

Contact: Dave Allen, facilitiesmanagement@ealing.gov.uk

- **Schools Service**

This team buys catering equipment and cleaning materials for schools as well as providing an advisory service on purchasing activity to Ealing schools.

Contact: David Shailes, Schools Procurement Manager, dshailes@ealing.gov.uk

Useful links

1. Tendering under European rules

All public tenders exceeding the thresholds listed on Page 4 must be published in the Supplement to the Official Journal of the European Union ('OJ S') and published throughout the EU. Tenders Electronic Daily (TED) is updated every day:

- <http://ted.publications.eu.int>

OJEU tenders can also be accessed through the myTenders portal:

- www.mytenders.org

Background information about European public procurement rules and procedures is available from the European Commission's SIMAP website:

- <http://simap.europa.eu>

2. Contract procedure rules

Ealing Council's standing orders can be found on our website:

- [Constitution](#) – see under 'Part 4 – Rules of procedure'

3. Consortia

The London Contracts and Supplies Group, the pan-London buying consortium, invites suppliers to register to use its website resources:

- www.lcsg.org

OGCbuying.solutions, part of the Treasury's Office of Government Commerce, provides procurement information and services (including a range of pre-tendered framework agreements) to the public sector:

- www.ogcbuyingsolutions.gov.uk

4. Pre-qualification

Applications to join Constructionline can be made online:

- www.constructionline.co.uk

SOPO Accredited is a database of pre-qualified suppliers which runs alongside Constructionline, using the same software. It is now recruiting suppliers from outside the construction sector, which can choose between self-certifying (free of charge), or third-party pre-qualification (for a fee).

- www.bipselect.com

CHAS (the Contractors' Health and Safety Assessment Scheme) is a nationwide pre-qualification scheme for the public sector setting standards in health and safety:

- www.chas.gov.uk

5. Advice and guidance

The Equality and Human Rights Commission was set up in 2007 when the Equal Opportunities Commission, the Disability Rights Commission and the Commission for Racial Equality were merged. It publishes a series of guides for employers, including the former CRE's statutory Code of Practice on Racial Equality in Employment:

- www.equalityhumanrights.com
- [employer's guides](#)

The Institute of Occupational Safety & Health (IOSH) provides information, training materials and an interactive website to help start-up companies and small businesses comply with health and safety and environmental regulations:

- [main website](#)
- [website for small businesses](#)

Business Link London, part of the national Business Link network, describes itself as 'the gateway to all business support available across the capital, both public and private', and offers practical advice to London's small and medium-sized businesses:

- www.blondon.co.uk

Appendix: Tips on tendering

1. You'll have to invest time and effort in preparing a tender, so don't decide to do it unless you're sure that you can demonstrate your ability to meet the requirement.
2. Don't be put off by the tender documentation – you can always ask for help.
3. Read the documentation carefully and understand what is required of you.
4. Answer the questions accurately, providing all of the information requested. If you cannot provide some of the information, for whatever reason, ask for advice.
5. Make sure that it's clear which question in the Invitation to Tender each of your answers or responses refers to. This will make it easier to evaluate.
6. Don't assume that the evaluators know anything about your company – they probably don't. Treat the tender as your only chance to shine.
7. Bear in the mind the audience that you're writing for. The evaluators, who may have to read and assess a large number of detailed tenders, will appreciate clarity, brevity and relevance. Don't include publicity material in your submission unless you're specifically asked to.
8. Be clear on your pricing model and state any assumptions you have made when pricing (for example, resources required by you and/or the Council, timescales, etc).
9. You must complete and return the documents by the given time and date, and make sure you sign anything that should be signed.
10. If you're unsuccessful, don't be discouraged. Ask for a debrief - you're entitled to one and it will help you to understand how to improve your approach next time.