

# The Procurement Process

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# Pre-Qualification Questionnaire

- Process used to manage the number of suppliers to be invited to tender where there are potentially numerous suppliers in the market.
- The PQQ process is only used to “select” the suppliers to be invited to tender. Different criteria are used to evaluate the actual tenders and to “award” the contract to the successful supplier.
- If you are successful at the PQQ stage, you will then be invited to tender.
- NB, PQQ’s may also be used for under EU threshold contracts, but are not subject to the same restrictions.
- **A PQQ can’t win you the contract, but it may lose you it!**



# PQQ Evaluation

- What are the actual areas that we'll be looking for to select suppliers to tender? We're looking at PQQ responses for evidence of:-
  - Financial Health
  - Relevant business activities
  - Technical skills, ability, relevant experience
  - Health & Safety, Environmental & Equal Opportunities policies (where relevant & proportionate to the nature of the contract)
  - Adequate insurance provision
  - Quality controls in place
  - References



# Tips for completing PQQ's

- Allow yourself enough time to complete the PQQ; late submissions will not be accepted!
- Remember this is a selection process, so ensure you thoroughly review the PQQ requirements and carefully consider your response. You will be competing with other suppliers to be selected for tendering.
- The PQQ process doesn't allow for any prior knowledge of your organisation by the contracting authority (even if you are the existing supplier).
- Ensure that you provide details on experience and references which are appropriate for the value and nature of the contract opportunity.
- **If in doubt, ask! Make use of the nominated contact.**



# Invitation to Tender (ITT)

- Issued to suppliers who are successful at the PQQ stage only.
- Tenders may be required to be submitted in paper format, but more commonly electronic tendering is now used (at no cost to the supplier).
- Your tender submission will need to be valid for the period stated in the document, so take this in to account when pricing.
- The deadline for receipt of tenders is non-negotiable!



# MEAT

- MEAT = most economically advantageous tender.
- Very few public sector contracts are let on price alone. Although price is always an important factor.
- Publication of award criteria. Weightings and sub-weightings will be published which will enable suppliers to focus on what is really important for the contracting authority in the tender.

# Pointers for responding to an ITT

- Remember this is a competitive process and there will always be other companies still bidding at this point.
- Attempt to differentiate yourself from the competition.
- Research the strategic aims of the contracting authority (use their website and tender document) and reflect this in your tender submission. Eg investigate the Sustainability agenda etc.
- **Be guided by the tender award criteria. Focus your efforts on the most important areas.**



# BAFO/The Commercials

- BAFO = best and final offer.
- Public sector tendering is unlike the private sector and in almost all cases we will not enter in to negotiations with suppliers.
- Legal restrictions on public authorities make negotiation unlikely. Therefore, submit your BAFO at the time of the tender. Don't assume there will be an opportunity to reduce your prices.
- However, public sector contracts tend to last for 3-5 years in many cases, so please ensure your pricing model is sustainable.



# Contract Award

- **Hopefully, you will be successful with your contract opportunity. However, for nearly all invitations to tender, all but one tenderer are inevitably going to be disappointed.**
- Unsuccessful suppliers have a legal right to a debrief.
- To maximise your chances of winning a public sector contract, use the opportunity for feedback/debrief to inform you on the strengths and weaknesses in your bid.
- **Tendering is a learning process and it may take you a few attempts initially to be successful.**

# Alternative Approaches

- Consider the rest of the supply chain
  - be a sub-contractor to one of our main contractors
- Consider approaching other councils
  - North Lincs, Lincolnshire or East Riding
- Consider working collaboratively
  - Can you build a consortium to reduce your overheads
  - Potential for facilitating Networking Events

