



Crown
Commercial
Service

Annex 2

Further Competition Guidance Notes

Corporate Finance Services

Framework Agreement No. RM 3719

Contents

1. The basic rules on further competition
 - 1.1. Award criteria and evaluation
2. Lot Selection
 - 2.1. Using the core services listed under each lot
 - 2.2. Using one or more suppliers for cross lot work
 - 2.3. Using more than one supplier for a given lot
3. Pre market engagement
4. Non-disclosure agreements
5. Bidder self-selection pre-competition
 - 5.1. Cross lot bidder selection pre-competition
 - 5.2. Using the additional information provided under each lot
 - 5.3. Setting the performance measurement criteria
6. Setting the fees for corporate finance services
 - 6.1. Aligning the fees with the role and your requirements
 - 6.2. Setting the fee structure for your chosen lot(s)
 - 6.3. The maximum/minimum fee bid information provided at framework level
 - 6.4. Competing fees at call off
7. Call off procedures
 - 7.1. Conflict checks
 - 7.2. Finalising the call off contract
8. Good practice

Further Competition Guidance

Important note: The following information is for guidance only, it is the responsibility of the customer to ensure that any further competitions it runs are legally compliant, taking their own legal advice as appropriate. Whilst Crown Commercial Service makes every effort to ensure that its framework agreements are established in a legally-compliant fashion, Crown Commercial Service accepts no responsibility for any failure by any customer to comply with its obligations as contracting authority when calling off a contract under a Crown Commercial Service framework agreement.

1. The basic rules on further competitions

- A further competition must be undertaken “where not all of the terms governing the provision of the works, services and supplies concerned are laid down in the framework agreement” [Regulation 33(8(c))].
- Further competitions must be run on the basis of “same terms as applied for the award of the framework agreement and, where necessary, more precisely formulated terms and, where appropriate, other terms referred to in the procurement documents for the framework agreement”. This means that the terms which are included in any ITT must be those specified in the framework agreement supplemented as necessary only in the places where alternative or additional terms are specifically permitted (e.g. service schedules). No other terms should be used and no amendment should be permitted to be the terms specified in the framework agreement or in the procurement documents for that framework agreement.
- For every contract to be awarded, contracting authorities shall consult in writing the economic operators capable of performing the contract. The reference to capability does not mean that it is permissible to have a further mini-PQQ stage in a further competition. The technical capability of all bidders on a framework agreement has been carefully checked by Crown Commercial Service in setting up the framework agreement. It is, however, permissible to ask bidders whether they have the capacity to perform the contract within – that is, to ensure that they have the appropriate resources available.
- The ITT should specify a reasonable period for suppliers to respond, taking into account factors such as the complexity of the contract, but there is no prescribed minimum period that suppliers must be given to respond.
- Tenders must be kept confidential.
- The contract must be awarded to the supplier who has submitted “best tender on the basis of the award criteria set out in the procurement documents for the framework agreement”. In most cases where it is necessary to run a further competition, this will mean the most economically advantageous tender, weighing up both price and quality factors.

1.1 Award criteria and evaluation

The principles applicable to award criteria and evaluation are exactly the same under a further competition as they are in a stand-alone procurement. That is to say:

- contracts must be awarded only on the basis of criteria that have been disclosed to bidders in the ITT;
 - award criteria must be relevant to the subject matter of the contract and not have the effect of conferring an unrestricted freedom of choice on the contracting authority;
 - criteria relating to suppliers' capability (and especially the use of experience or "track record" as a criterion), capacity (subject to the point above), technical ability and personal standing (i.e., PQQ matters) are not permissible; and
 - evaluation must be carried out in a fair and non-discriminatory fashion with a proper audit trail.
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- The headline award criteria will be set out in the framework agreement itself. These are the only headline criteria that may be used in a further competition.
 - Authorities may specify sub-criteria to the headline criteria specified in the framework provided that those sub-criteria comply with the principles mentioned above and are disclosed, together with any weightings, to bidders in the ITT.
 - All criteria actually used and their weightings must be disclosed to bidders in the ITT.
 - All framework agreement suppliers (or, where applicable, all those on the relevant panel) should be notified of the award decision. Unsuccessful suppliers should be offered a de-brief in a similar manner to a stand-alone procurement.
 - The 10-day standstill waiting period does not specifically apply to the award of a contract under a framework. It is however good practice to apply a waiting period between notifying an award decision and entering into the contract.

When running a further competition, customers should award on the basis of the most economically advantageous tender and must provide suppliers with the methodology behind the evaluation, including the evaluation criteria and the weightings that are applied to each criterion.

Under this framework, the following weighting criteria should be applied:

Criteria Number	Criteria	Percentage Weightings (or rank order of importance where applicable) - to be set by the Contracting Body conducting the further competition
A	<p>Quality (Quality <i>may</i> include: Seniority, qualification and experience of people to be deployed on the project. Recent experience relevant to the project. Ability to deploy resources and meet the required deadlines. Regulatory Body Approvals where appropriate. Environmental and/or social aspects.</p> <p>Contracting Bodies may test Quality by supplementing these tests for quality as appropriate relevant to the Requirement</p>	30 – 70%
E	Price (not to exceed the maximum prices set out in the Charging Structure unless expressly permitted in the Statement of Requirements)	30 – 70%

The Framework has been designed to provide you with considerable flexibility over the weighting of scores under a further competition. Under the terms of the Framework the scores for the qualitative assessment of bidding suppliers (for example, the mandatory or Lot specific questions) can account for between 30% and 70% of the total. The scores for the fees quoted can account for between 70% and 30% of the total. You will need to consider the appropriate split based on the specifics of your project and what you believe will help you assess the most economically advantageous tender taking into account value for money considerations and any other applicable aims of your project.

2. Lot Selection

Each of the Lots under this Framework relates to a particular area of corporate finance work. In deciding which Lot or Lots to use you should consider whether your project will involve the execution of a particular transaction.

Lots 2, 3, 4, 5 and 6 relate to corporate finance advisory and execution services in relation to specific transaction types. If you only require advisory services then you should consider Lots 1, 6 and 7 (note that Lot 6 relates to both advisory only and advisory plus execution services).

Two of the Lots relate to specific industry sectors. Lot 6 relates to the infrastructure sector (for example, public transport infrastructure) and Lot 7 relates to a particular aspect of the financial services sector. These Lots contain specific services that are relevant to those sectors and the suppliers have demonstrated that they have sufficient corporate finance experience in carrying out these services in those sectors. That does not mean that you have to use these Lots for projects related to those sectors. Nor does it mean that these are the only suppliers under the Framework who have experience or expertise in those sectors. You may therefore want to also consider Lot 1 in relation to advisory only services if you consider that appropriate in the circumstances.

There may be circumstances where your project requires services under more than one Lot, either provided by the same supplier or different suppliers. For example:

- you may want to appoint a supplier to provide advisory only services (for example, under Lot 1) for the first stage of a particular project before you can decide whether subsequently you want to appoint a supplier to provide the advisory and execution services for the second stage (for example, under Lot 2 or 3);
- you may want different Lots to be run in parallel, for example the execution of the potential sale of a company under Lot 2 and a potential initial public offering under Lot 3 being undertaken simultaneously for a period of time before you can decide which route will deliver the best outcome (often referred to as a dual track process); or
- as described above, you may need to use a different execution Lot in conjunction with Lot 6 or 7.

It is anticipated that Lot 5 will usually be used in conjunction with Lot 3 or 4.

The Framework has been designed to allow you to select more than one Lot to use for a particular project, either with the same supplier providing the services under each Lot for which they are listed or with different suppliers. You should note that using more than one Lot, and in particular using more than one supplier, can add cost and complexity to your project. You will need to take this into account when demonstrating that value for money will be achieved from using more than one Lot.

2.1 Using the core services listed under each Lot

To assist you in setting the scope of work that you require for your project, each Lot has a detailed list of the core services that every supplier under that Lot has confirmed they are able to undertake. These are set out in Annex 1 for each Lot respectively. These core services represent a wide range of the services that may be required from a supplier under each Lot, and are phrased in terms typical for corporate finance services.

It is not expected that all of the core services listed under each Lot will be required for any given project. As such you should select only those core services that you require from your supplier for your particular project.

Furthermore, the core services listed under each Lot are not intended to be exhaustive and you can consider refining the services as appropriate for your needs. Likewise, you can amend the wording of the core services if necessary to better reflect your specific requirements for your project. It should be noted, however, that in order to comply with the Public Contracts Regulations 2015 any refinements or amendments that you may make to the services you require for a particular project must always fall under the original general scope of work for that Lot and any change must not be significant enough to deem this a material change from the scope of requirements set out in the Framework.. If you are in any doubt over this you should approach your own legal advisers.

2.2 Using one or more suppliers for cross-Lot work

For projects where you wish to use more than one Lot there are several ways of appointing the supplier(s):

2.2.1 You can call-off and run further competitions for each Lot separately and involving all of the Framework suppliers listed under each Lot. The further competitions can be carried out at the same time or you may wish to carry them out at different times, for example where different Lots may be required at different stages in your project but this is uncertain at the start.

Under this route all of the suppliers will be assessed under each Lot separately against the selection criteria you set for each Lot. This may result in different suppliers or the same supplier being selected to undertake the work under each Lot. You will need to have different call-off agreements in place for each Lot, even if the same supplier has been selected for each Lot.

2.2.2 You can chose to have different suppliers for different Lots (for example, where you want to have separate suppliers providing the advisory and execution services respectively). You would still run further competitions for each Lot separately and involving all of the Framework suppliers listed under each Lot, but as some suppliers are listed under multiple Lots you must make clear as part of the call-off for each Lot and prior to the further competitions that different suppliers will be selected for each Lot and if a supplier is successful in one Lot it will not be considered for any other Lot.

2.2.3 There may be situations where you believe it would be advantageous to ensure that you have the same supplier for multiple Lots. For example, you may wish to appoint a supplier under Lot 1 to initially provide advisory only services, where the same supplier is also appointed to provide Lot 2 or 3 services should they subsequently be required. This could be to avoid unnecessary complexity or delay to your project, or for cost reasons (i.e. having the same supplier for multiple Lots will result in lower fees than having different suppliers).

In these situations the Framework allows you to call-off each Lot separately but only involving those Framework suppliers listed under all of the relevant Lots. You must make clear at the call-off stage that the same supplier will be appointed for each Lot, and set the criteria for selecting the supplier accordingly so as to be able to assess suppliers on a combined Lot basis. It will be necessary to call-off the relevant Lots and run the further competitions simultaneously.

2.3 Using more than one supplier for a given Lot

It is not unusual in corporate finance projects for more than one adviser to be appointed to the same role, particularly for the execution of very large and complex transactions. This is typically the case where different advisers bring particular skills and experience to the project, or for example in equity and debt capital markets transactions where using multiple advisers can increase market coverage and investor competition.

Where you believe that it may be advantageous to use more than one supplier for a given Lot you must make clear at the call-off stage and prior to a further competition that multiple suppliers will be appointed for the Lot. You should also consider whether each supplier should be appointed under the same scope of work or whether different suppliers will have different scopes of work.

Where each supplier will have the same scope of work and be responsible for all of the roles that covers, from a practical point of view you may still wish to assign particular tasks to specific suppliers at any given time and have one supplier nominated as the overall project co-ordinator.

Using more than one supplier for a given Lot may result in higher total fees, particularly where the services provided by each supplier overlap. As such, you need to weigh up the potential value-add to your project that you perceive from using more than one supplier against any increase in cost when demonstrating that value for money will be achieved by going down this route.

3 Pre Market Engagement

Pre market engagement (engaging with framework supply base prior to issuing further competition documentation) is permitted under the framework. If engaging with the market prior to awarding a contract, you should ensure that the competition is conducted on a fair, open and transparent basis.

Once the requirements are confirmed and a firm understanding of the route to market is known, you should undertake to “warm-up” the relevant Potential Providers, making them aware of an impending requirement and capturing a supplier named contact and contact details (mobile phones are best). Where there is to be a rapid procurement the Procurement Lead should also make Potential Providers aware of the proposed timetable and the nature of any out-of-hours response.

Only information about the requirement approved by the Customer should be shared with suppliers, this must be discussed and agreed prior to contact. This information should provide an overview of the requirement but not give too much away such as scope of the service, type of service, timescales etc.

This is also a useful opportunity to inform the relevant suppliers if the ITT release is NDA dependent - they will then be able to notify their own legal department and be better prepared to respond quickly.

Under the terms of the Framework, suppliers who did not provide fee quotes against certain project types or sizes are excluded from providing services under the Framework for such projects. This is likely to be because some suppliers only specialise in or wish to focus on projects of a certain type or size. Suppliers who entered a £0 minimum and £0 maximum quote are considered compliant and must not be excluded on these grounds.

The Procurement Lead may also wish to inform the relevant Potential Providers at this stage of any specific requirements of the Customer that will form a key part of the assessment of tenders. For example, if the Customer requires knowledge of a certain industry sector or experience in a particular project type. This will allow Potential Providers to self-select whether they want to participate in the procurement or not, and may help reduce the workload of running the procurement.

Similarly, the Procurement Lead may also wish to ask Potential Providers at this stage to carry out their internal conflict of interest checks and provide confirmation of such prior to participating in the procurement. For this they will need to be provided with information on the nature of the project under consideration and the parties involved. This may avoid the need to send full ITT information to Potential Providers who are conflicted, as well as helping to reduce the workload of running the procurement.

Note that procurement must be open to all of the relevant Potential Providers, hence it is important to receive confirmation in writing if a Potential Provider does not wish to participate in a particular procurement. Doing so will not exclude them from any subsequent procurements.

4 Non-Disclosure Agreements

The NDA should only be used in those instances where the Customer wishes the release of the ITT to Potential Providers to be subject to sensitive and / or restricted handling. If there is not a need for this as part of the tender process, then the contractual terms and conditions should suffice during the term of the contract.

Where using an NDA as part of the process, it is necessary to agree at the outset who will be responsible for:

- Receiving and responding to queries received from Potential Providers, including legal sign-off of any amendments to the standard drafting;
- Collating signed NDAs and countersigning these on behalf of the Customer; and
- Storing signed NDAs during and post procurement activity.

The use of an NDA can add to the timetable for a procurement and its necessity should be weighed up against the balance of an appropriate timetable overall for the procurement.

A typical Non-Disclosure Agreement can be found at Annex 4

5. Bidder self-selection pre-competition

Should you wish to follow this route then upon announcing a call-off you must make clear to all suppliers under the relevant Lot(s) the particular requirements you will be looking for from the supplier chosen to work on the project. You can then ask suppliers to confirm whether on the basis of this they wish to proceed with the further competition or not. Only those suppliers that agree to proceed will then have access to all of the further competition documentation.

5.1. Cross Lot bidder selection pre-competition

The Framework allows you to run a further competition across several Lots where only those suppliers who are on all of the Lots can participate. This is for when you wish to appoint the same supplier to provide the services under more than one Lot (see above on using the same supplier for cross-Lot work), and avoids you having to involve suppliers who are unable to do so.

Should you wish to follow this route then upon announcing a call-off you must make clear to all suppliers under the relevant Lots that the further competition is only open to suppliers who are listed under all of these Lots. You can then only grant access to all of the further competition documentation to those suppliers who meet this criteria.

5.2. Using the additional information provided under each Lot

In addition to the core services listed under each Lot, suppliers have also provided additional information on other related corporate finance services they believe they can provide, the industry sectors they believe they have particular experience in and the geographies and legal jurisdictions they believe they can cover. You may find this information useful when setting the scope of work for your project, anticipating the likely number of bids you will receive and deciding upon the selection criteria to use in a further competition at call-off. For example, where your project falls under a particular industry sector in a particular country and you believe that particular knowledge and expertise from your supplier in these areas will be important.

It should be noted that all of the additional information has been provided by the suppliers at their discretion and has not formed part of the Framework selection criteria. As such it may not be exhaustive and has not been tested in any way. Should you wish to make use of the additional information in your scope of work it is therefore

important that the relevant aspects form part of the selection criteria and are assessed for each supplier as part of the further competition under the call-off.

You should also note that while the services referred to in the additional information are intended to fall under the original general scope of work for the respective Lot, in order to comply with the Public Contracts Regulations 2015 you need to consider this carefully on a case by case basis. Particularly if you make any additions or amendments to these services when setting the scope of work. If you are in any doubt over this you should approach your own legal advisers.

5.3. Setting the performance measurement criteria

The Framework contains a number of performance criteria, and key performance indicators, by which you can assess the performance of your supplier, and ultimately impose financial penalties on a supplier or terminate their appointment if the services they provide do not meet the required standard. These are set out in the call-off contract and you should familiarise yourself with this document.

Some of the performance criteria and key performance indicators will need to be completed when you finalise the call-off contract prior to running a further competition. When completing these sections you should consider the particular requirements of your project, the specific services you are requesting from suppliers and any value-add you expect your supplier to bring to the project.

Please note that while the performance criteria are an important aspect of the call-off contract and your relationship with your supplier, setting overly prescriptive, complex or inappropriate criteria can lead to you having to deal with numerous unintended breaches. It may also increase the ability of your supplier to argue that it has not breached the criteria as set out in the call-off contract.

If you are in any doubt over completing these sections in the call-off contract you should approach your own legal advisers.

6. Setting the fees for corporate finance services

Having the right fee structure for your project and making sure you are obtaining the services you require at the best price are important factors in achieving value for money from using a corporate finance adviser. Whilst the level of fees are only one consideration to be taken into account when assessing value for money and selecting your supplier, the corporate finance market is a competitive one and you should aim to obtain competitive pricing and keep total fee costs down through your use of the further competition at call-off.

6.1. Aligning the fees with the role and your requirements

The level and structure of the fees will vary substantially from project to project depending on the nature of the project and the specific scope of work undertaken by the supplier. It is important that the fees not only reflect the tasks undertaken by the supplier, but also the value-add that you expect the supplier to bring to the project.

There are typically two types of fees for corporate finance services: time-based work fees and completion/commission fees. The fees structure for a project can comprise of one or both of these elements as appropriate.

Time-based work fees reflect the amount of work, skills and resources needed from a supplier to undertake the services you require for a project. They are typically set as a fixed fee for the supplier charged on a monthly basis, although naturally the time period can be shorter if appropriate. They are charged for the duration of the project irrespective of the project outcome, and you can seek to set caps on the total work fee payable to protect you against the project running over time.

Completion or commission fees are a single fee paid only when a project completes irrespective of the length of time the project takes. They are often used to reflect the value-add that a supplier brings to a project over and above the amount of time and resources the supplier spends delivering the services required. For example, in the sale or initial public offering (often referred to as an IPO) of a business where you believe that the supplier will be helping you achieve a higher valuation and proceeds from the project. Completion or commission fees can therefore sometimes be high relative to time-based work fees, although this will not be the case for every project.

Completion/commission fees can be used to help more closely align the interests of a supplier with your interests in relation to a given project. By defining what is meant by completion in relation to your specific project you can determine the point at which a completion/commission fee is paid and align this with your own interests. This also means that if a project never reaches completion you do not have to pay any completion/commission fees. For example, where a project relates to the potential sale of a business, completion of the project may be set as the point at which the sale itself completes. Or for a capital markets transaction completion of the project may be set as the point at which the proceeds from a sale of shares or bonds are received by you. Similarly you can set the level of the completion/commission fee with reference to your desired outcome of the project. For example where the size of the fee paid varies with the amount of proceeds you receive from a sale or IPO of a business.

You may believe it appropriate for some projects to include both a time-based work fee and a completion/commission fee. Under such a fee structure, the supplier still receives a fee if the project does not complete, although this would typically be considerably less than the completion/commission fee that the supplier would have received had the project completed. It is usual for the time-based work fee to be offset against any completion/commission fee that may be paid, so that the latter represents the maximum fee that could be payable. With such a fee structure it is important that you consider the relative size of the work fees compared to the completion/commission fee, as well as the total amount of the fee that may ultimately be paid. Some suppliers may be willing to take a higher risk over their fees by accepting a smaller or no work fee, although they may expect to receive a relatively higher completion/commission fee in return. That may or may not be preferable to you, and you will need to consider the relative merits and risks around this from your perspective based on the specifics of the project.

6.2. Setting the fee structure for your chosen Lot(s)

Set out under each Lot in Annex 7 is a fee structure or structure(s) that is indicative of the type of fee structures often used for that Lot. This should be used as guidance for setting your own fee structure for a specific project, and you can amend or vary the fee structure as appropriate to best meet your requirements. This must be done at the call-off stage and prior to running a further competition to select your supplier(s).

In setting the fee structure for a specific project you may want to consider the following points:

- whether there should be a time-based work fee, and the appropriate unit of time for this (for example, monthly);
- whether to seek a cap on time-based work fees from suppliers;
- if there will be both a time-based work fee and a completion fee, whether the aggregate time-based work fees paid during the course of a project will be offset against any completion fee paid;
- whether there should be a completion fee, in addition to or instead of a time-based work fee element;
- what will trigger the payment of a completion fee (for example, when a transaction completes or when a final project report is accepted by you);
- how the level of the completion fee will be set, for example as a fixed monetary amount or linked to your proceeds from a transaction;
- where the completion fee is variable (for example, based on a formula) whether to seek to cap the maximum completion fee payable;
- whether to incorporate any form of incentive mechanism in the completion fee, and if so the basis for this (for example, where the completion fee increases the higher the proceeds you receive from a transaction); and

- if there will be both a time-based fee and a completion fee, the relative importance you will place on each when assessing bids under a further competition.

6.3. The maximum/minimum fee bid information provided at Framework level

As part of the process to get onto the Framework each supplier was required to provide maximum and minimum fees based on the fee structure set out under each Lot and assuming certain project parameters. The maximum fees quoted formed part of the assessment of bidders to get onto the Framework. The maximum and minimum fees quoted are available on request for each lot.

The maximum fee bids provided by each supplier under each Lot are binding under the terms of the Framework and as such any supplier tendering under a further competition at call off should not submit any fee bids in excess of these maximums. Please note, however, that under the terms of the Framework you have the ability to waive this requirement if the circumstances are such that you believe it would be inappropriate to enforce these maximums. For example, in relation to projects where the complexity and level of work required is exceptionally high, the time periods very short or the project values considerably out of line with those set out in the fee tables under each Lot. In every case, such variances should be material when considered against the project parameters set out for the maximum fee bids under each Lot. The details for waiving the maximum fees provided by suppliers at call-off can be found in schedule 5, paragraph 2.1.1(f) of the Framework Agreement. Any decision to waive the maximum fee bid limit is entirely for you to take, and cannot be taken by a supplier. Any such decision must be taken and made clear to suppliers at the call-off stage, and prior to running a further competition to select your supplier.

The minimum fee bids, along with some of the other fee information, were provided by bidders for information only. They are not in any way binding on suppliers and in some cases may not represent the absolute minimum fee possible.

6.4 Competing fees at call-off

It is expected that once you have decided upon the appropriate fee structure for your particular project, the level of fees will set by the further competition at call-off. It is important therefore that you make clear to bidding suppliers the full details of the fee structure at the call-off stage and prior to running the further competition, as well as setting out in detail the scope of work required under the respective Lot(s) and, if there is to be more than one adviser, for the respective roles as appropriate.

As part of the further competition you will need to decide on the relative importance of the fees to be paid to a supplier compared to the other selection criteria you may set, and hence how bidding suppliers will be assessed on the fees they bid. See below on the evaluation model that was used at the Framework level, and how the fees quoted were assessed. This may or may not be appropriate for your particular project. Note that where there will be both a time-based work fee and a completion fee you will also need to make clear how each element will be assessed and whether you want to weight one element in favour of the other (for example, you may believe it appropriate in the circumstances to give a higher weighting to the completion fee quoted than the time-based work fee quoted).

7. Call-off procedures

7.1. Conflict checks

It is important when appointing a supplier to check that they do not have a conflict of interest in relation to the work that they are undertaking for you on a particular project. Conflicts of interest may include, for example, a supplier already working for a counterparty to a proposed transaction, or for a competing interest in relation to a particular project.

Conflicts of interest can have a serious detrimental impact on a project and the work carried out by a supplier, as well as creating potential reputational risk for you. They can lead to the supplier's work and advice to you being called into question over whether it is being given in your best interests. They can also lead to an arrangement with a supplier having to be terminated during the course of a project. All corporate finance advisers should be very aware of and used to addressing concerns over conflicts of interest.

You will need to consider what possible conflicts of interest may exist and based on the specifics of each project whether they are material enough to lead to the exclusion of a supplier or whether they can be managed to your satisfaction. In doing so you will need to consider the materiality of any potential conflict, its relevance to the project, what impact it may have on the supplier's ability to meet your requirements and any potential reputational risks.

Where a supplier is part of a large organisation it may be that other parts of the same organisation are potentially in conflict on a particular project. In such circumstances you will need to consider whether those parts of that organisation are suitably separate from the supplier, how significant the potential conflict is and what appropriate arrangements (often referred to as Chinese walls) exist to prevent the supplier from being put in a position where it may itself become conflicted. You can then decide whether a conflict of interest exists or may exist during the course of the project and hence whether or not to exclude that supplier.

Furthermore, some suppliers, particularly larger ones, who are potentially conflicted may propose the internal separation of teams and the creation of Chinese walls so as to in effect ring fence the team working for you from any conflict of interest. In such situations it is particularly important that you consider in detail whether such arrangement will be acceptable to you.

Conflict checks should be carried out prior to any call-off award. They can be carried out as part of the further competition to select a supplier(s), or you may wish to ask bidding suppliers to confirm the absence of any conflict prior to them participating in the further competition (see below on bidder self-selection pre-competition). Naturally the existence of conflicts of interest can reduce the number of potential suppliers for a particular call-off. It is important that you bear this in mind when assessing potential conflicts of interest and deciding whether to exclude certain suppliers or not. Particularly where the potential conflict is with an Associate of the supplier rather than the supplier itself.

When carrying out a conflict check it is typical to just ask bidding suppliers to confirm that no conflicts exist, and to contact you directly if they need to discuss this further with you. Naturally you will have to disclose certain information on your project to suppliers for them to be able to carry out the proper checks for potential conflicts of interest. Providing insufficient information may result in potential conflicts of interest only coming to light after a supplier has been appointed. You will need to consider the level of information you will disclose to bidding suppliers taking into account the level of confidentiality you wish or need to maintain with respect to your project. You should be aware, however, that suppliers may be unable to disclose to you the exact nature of any potential conflict of interest due to confidentiality undertakings they have with other parties.

If you are in any doubt as to potential conflicts of interest and what action you should take you should contact your own legal adviser.

7.2. Finalising the call-off contract

The procedure for the award of a call-off is set out in paragraph 6 of schedule 5 of the Framework Agreement.

You can access the draft call-off contract through Annex 3

This may be updated from time to time, so please ensure that you always use the latest version.

The call-off contract consists of the following elements:

- the order form;
- the contract terms and conditions; and
- the contract schedules.

The call-off contract should be completed prior to the further competition. In particular, the final scope of work and fee structure should be added for your particular project. The terms and conditions are mainly standard government provisions that will be applicable to all call-off agreements. However, you should give due consideration to those sections of the draft call-off contract that are in square brackets. These sections can be amended or deleted by you as appropriate. All other sections of the call-off contract should remain unchanged, except for completing necessary project details.

When you have selected your supplier through the further competition you must finalise the order form and issue it to your chosen supplier. The order form captures essential details relating to the specific contract, in effect providing a summary, as well as being the document for putting the contract in place. The parties enter into the call-off agreement by signing the order form.

If you are in any doubt as to how to complete the call-off contract or have any queries over its content you should contact your own legal advisers.

8 Good Practice

When assessing the available information and first engaging with the Customer, the Procurement Lead should consider:

The full scope of the requirement:

- Is there just one or are there multiple procurement requirements? The full suite of services usually include a corporate finance advisor, legal services, accounting services and potentially interim resource at various stages. In this regard it is important to recognise what corporate finance services does and does not relate to, particularly in the context of the CFS framework.
- Is the Procurement Lead the right person to lead on all of these requirements or will it require several procurement leads?
- If multiple procurement leads, who will take responsibility for coordinating the CCS response?

The corporate finance services required:

- Is the nature of the project clear? Certain types of project are naturally aligned to certain types of corporate finance work.
- Has the Customer specified the type of corporate finance work they require and provided a scope of work, and is this sufficiently detailed and clear enough? If not the Customer may require assistance in producing this. Is the Procurement Lead the right person to do this, or do they need assistance from the Category Strategy and / or Category Services team?

Timing of requirement:

- What is the urgency for this particular requirement?
- Is there a time dependency?

Sensitivity:

- Is this requirement subject to any embargo and / or political sensitivities?
- Is there a need to restrict access to the material internally? In some situations it may be appropriate to ring fence people working on a procurement, or for work to be undertaken off site (for example, at the Customer's location). In certain cases the Customer may require that individuals involved in the procurement enter into specific Nondisclosure Agreements or similar.
- Will the procurement require potential providers to sign a Nondisclosure Agreement (and at what stage of the procurement)?

Approvals:

- Is the requirement subject to any spending controls or department specific controls which need to be accounted for in the procurement timetable?

- Does the Customer have legal counsel engaged for this requirement? Who are they and what is their remit for this project e.g. “do they need to sign off on the procurement strategy”?

Contact

- Are there preferred suppliers that should receive targeted communications for the procurement (dependent on the procurement strategy employed)?
- Always contact suppliers by telephone initially to ensure you have up to date contact details, this will avoid delay for both parties.