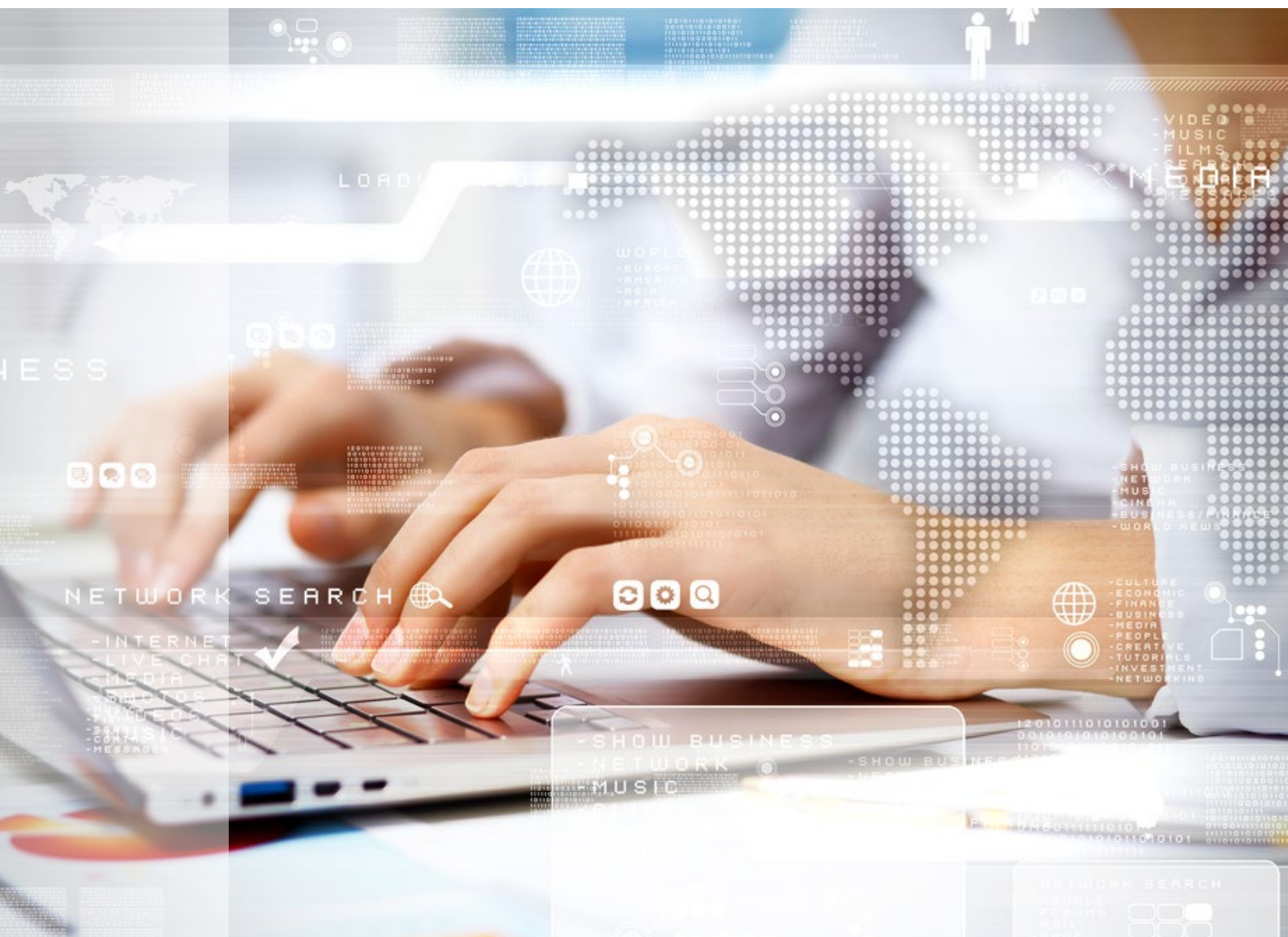


working in partnership



Technology Products 2

Buyer and Supplier guidance (RM3733)



“ To be the ‘route of choice’ that meets our customers’ commodity technology product needs.

Providing the right structure for customers and suppliers.

Featuring the ‘right’ mix of suppliers, products and associated services and offering a flexible route to market, while ensuring unrivalled ‘value for money’ for customers and suppliers.”*



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1

Key Facts Summary information

If you are a public sector customer our Technology Products 2 framework agreement is the perfect solution for all your commodity ICT requirements. Whatever your technology needs we are confident that we have got it covered!

Here are some some reasons why:

- The framework is compliant with the Public Contracts Regulations 2015
- Great choice of products and associated services
- High quality suppliers
- 59 suppliers (52.5% SMEs)
- Flexible routes to market
- Dynamic Catalogue functionality
- Best Public Sector prices
- Capped margins - suppliers' margins are contractually capped and audited on a monthly basis by Crown Commercial Service (CCS) which ensures best value
- Reduced timescales - no further OJEU process needed
- Pre-defined Terms and Conditions
- Call Off Contracts can be up to 5 years (depending on circumstances)
- Framework developed in collaboration with our procurement partners Eastern Shires Purchasing Organisation (ESPO), Yorkshire Purchasing Organisation (YPO) & Ministry of Defence (MoD)
- The OJEU Value is set up to £2bn-£4bn

2

What is Technology Products 2 Agreement?

The Technology Products 2 framework agreement is an EU compliant and regulated route to market for public sector customers to buy commoditised technology products.

Whether you simply need to buy a memory stick or the components of an entire corporate ICT infrastructure, Technology Products 2 is the ideal route to market.

Background

In preparation for the expiry of Technology Products (on 16 November 2016) an unprecedented level of pre-market engagement was undertaken between February and April 2016. Over 80 different supplier organisations and nearly 60 buyers got involved in shaping and improving this agreement.

After 4 months of focused workshops covering: the structure of the agreement, the evaluation process, terms and conditions and the use of catalogues, Technology Products 2 was released to OJEU in May 2016.

By listening to the market, Technology Products 2 has been re-designed and restructured in line with buyer and supplier needs. Featuring the 'right' mix of quality suppliers, products and associated services whilst also offering buyers a flexible route to market. Further information on the pre-market engagement activities can be found here:

<https://www.gov.uk/government/news/technology-products-update>

<https://www.gov.uk/government/news/technology-products-2-meets-with-approval-from-buyers-and-suppliers>

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What products and associated services are available?

Technology Products 2 is for all commodity technology products and associated services which are split across 6 Lots:



Lot 1 - Hardware

This lot is for customers looking to purchase IT hardware and peripherals including but not limited to: PC's, laptops, keyboards, servers, audiovisual equipment, network infrastructure equipment and peripherals/accessories. Operating systems and utility software is included as part of a standard Original Equipment Manufacturer (OEM) product offering. Factory build are also included in this lot when purchased alongside/installed on the associated hardware. A range of close-to-the-box services are allowable, including disk image loading, asset tagging, delivery, installation, configuration, user handover, removal of packaging and disposal of old equipment.

Lot 2 - Software

This lot is for customers looking for off-the-shelf software solutions. It includes a full range of commercial and open source commodity software; software licenses and associated commoditised; close-to-the-box services including software asset management where purchased as part of an overall licence agreement (for example, a Microsoft Enterprise Agreement) and installation/configuration.

Lot 3 - Combined Hardware and software

This lot is for customers who have a combined requirement for IT hardware and software and want to purchase it from one supplier. Suppliers that appear on both Lots 1 and 2 appear on Lot 3 by default and the combined lot descriptions for Lots 1 and 2 apply in terms of scope.

Lot 4 - Information Assured Products

This Lot is aimed at Suppliers of commoditised IT products and solutions that are capable of meeting specific protective, information assurance requirements. The main provision for the product and solutions is to provide Information Assurance enforcing and/or relevant functionality.

Lot 5 - Volume Hardware Requirements [Direct from Original Equipment Manufacturers (OEM)]

This lot is for the provision of volume hardware requirements (typically 500+ identical units). Suppliers are OEMs limited to supplying their own branded goods and/or related Services. This lot is reserved for high-volume requirements and needs to be competed on a brand-agnostic basis. Close-to-the-box services are limited to those that can be applied on the production line (e.g. image loading and asset tagging).

Top Tips:

CCS will manage this lot and will run (quarterly) aggregated procurements. Alternatively, if you are buying as a group or an individual and have a high volume requirement, please contact CCS to arrange an eAuction or for advice on how best to conduct a further competition.

Lot 6 - Catalogue

Offering an extensive range of commoditised technology hardware and software products sourced through an online catalogue via a direct award on lowest price. Based on a new catalogue platform, this lot offers a best of breed approach to product information, search, selection and purchasing.

Top Tips:

This framework excludes the following services:

- Complex or managed services
- Design and/or consultancy services
- Development (bespoke code creation or customisation) of software products
- Mobile device airtime contracts (SIM-free devices are allowable)
- Hard cabling of buildings or data centres
- Hardware as a service (leasing models) apart from hire-purchase style delayed funding arrangements where title passes at the end of the agreement.
- Close to-the-box services refers to basic, common IT services, an all in one service offering which does not require additional configuration.

Full information can be found in the OJEU contract notice

<http://ted.europa.eu/udl?uri=TED:NOTICE:177221-2016:TEXT:EN:HTML&src=>

Please contact CCS to arrange an eAuction by email eauctions@crownccommercial.gov.uk

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The 3 ways to buy:

The Technology Products 2 agreement is designed to meet our 3 key ways to buy:

1. Day to day spot purchases and ad hoc requirements - Catalogue
2. Medium value spend where some additional expertise is required to ensure value for money - Further Competition
3. Large volume hardware requirements, for example a desktop refresh - Aggregation



NB: All of the above are available, but with an additional security wrap / information assurance for the MoD and other such organisations.

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Buyer scenarios

Buyer scenarios

Scenario 1:



Mandy works for a University and needs to quickly buy a single laptop for her new starter. Mandy doesn't have a procurement department so will need to find a quick, simple and competitive route to buy.

Recommendation:

Use Lot 6 Catalogue which is direct award on price



1. Day to day spot purchases and ad hoc requirements (catalogue) Lot 6

Scenario 2:



Martin works for a police force and requires 100 end user devices, an enterprise server and off-the-shelf software licences. He only wants to compete this requirement once to reduce the procurement timescales as well as getting best value.

Recommendation:

Use Lot 3 Combined Hardware and Software requirements via a further competition



3. Medium value spend where some additional expertise is required to ensure value for money (further competition) Lot 1-4

Scenario 2a:



Sarah from a central government department has a defined set of hardware and software requirements which need to be called-off over a period of time. Sarah would prefer to run an extended procurement with a single supplier.

Recommendation:

Use Lot 3 Combined Hardware and Software requirements via a further competition for a 'One Stop Stop'.

The further competition documents must include the following 3 main criteria:

- A defined duration for the Call Off Contract term
- A defined range of specific products required during the term
- A clear indication of product volumes likely to be required during the term

Top Tip: If customers can't clearly define their requirements then a 'One Stop Shop' may not be best value. This is because a single supplier lock in will not guarantee best market price during a long Call Off Contract. If a customer's single transaction volumes are smaller than 100 units the online dynamic catalogue with 'real time pricing' may be the most competitive and time effective option.



3. Medium value spend where some additional expertise is required to ensure value for money (further competition) Lot 1-4

Scenario 3:



A county council requires a desktop hardware refresh which includes desktop PCs and hybrid notebooks at a minimum quantity of 200 devices. Due to tight budgetary constraints, they will be looking to produce significant savings.

Recommendation:

Lot 5 Volume Hardware requirements - Take advantage of a planned aggregation, collaborating with other organisations.

Top Tip:

If you have a requirement for 500+ identical units we would recommend that you run a further competition under lot 5 or alternatively wait for a similar aggregated procurement to take advantage from.



2. Large volume hardware requirements, for example a desktop refresh Lot 5

Scenario 4:



The Ministry of Defence (MOD) require 200 encrypted laptops with a secure wrap delivered by a List X supplier and deployed onsite by security cleared supplier staff.

Recommendation:

Use Lot 4 Information Assured Products - Tvia further competition under the MOD managed service.



2. Information Assured Products Lot 4

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Catalogue

Low value and low quantity transactions can be simply procured through our new dynamic online catalogue. The process is very easy:

Step 1 - Login to the catalogue

Step 2 - Search for the products you need

Step 3 - Basket add in the products you require

Step 4 - Checkout and place your order electronically.

In order to achieve the best price the catalogue's intelligent search function has been built to meet the 'direct award on price' evaluation. Therefore although you will see a list of the supplier prices which match your search, you will only be allowed to buy at the lowest price (depending on stock availability).

'Smart Basket' functionality at checkout will further enhance this process, to ensure that the lowest price for the whole 'shopping basket' is achieved after taking into account the mix of prices, suppliers and delivery charges available.

Catalogue payment options include debit/credit card and payment on invoice.

There is no requirement to complete an Order Form for catalogue purchases - system-generated purchase orders include text to the effect that the order effectively creates a standard, unamended RM3733 Call Off Contract, i.e. standard T&C's apply. If you're

using your own purchase order (or one generated by a purchasing system) following receipt of a formal catalogue system-generated quote then similar text must be included.

The catalogue can be accessed from the link which will be made available at <http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm3733> - there's a simple online sign-up process on first use.

Top Tip: The catalogue can be integrated with many popular purchase to payment (P2P) and procurement systems. Please contact us to find out more:

TechnologyProducts@crowncommercial.gov.uk

Special Offers

We continuously have an selection of Special Offers however these will change regularly as they are limited time offers. These short-term deals (published under Lot 6 on the Catalogue platform) with manufacturers including Hewlett Packard, Dell, Lenovo and Microsoft, could help you save up to 35% for your organisation. Regardless of whether you are a school, college, local council, NHS trust, charity, police service or government department.

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Further competition (including 'One Stop Shop' provision)

If customers wish to buy products and associated services from lots 1-5 they will have to follow the further competition process. Further competition is a process which allows customers to reopen competition under the framework. Suppliers are required to provide formal quotations which align to the customer requirement or specification. This process is broken down into 6 simple steps explained below:

Step 1 Identify your needs

When establishing your product requirements you may wish to consider the following:

- Product road maps and understanding the expected life cycle of the product
- Total cost ownership, recognising the running cost
- Compatibility
- Impact on the environment
- What your budget parameters are
- Quantity required

Top Tip: You may find engaging with the suppliers on the agreement before issuing a further competition helpful. During this pre-market engagement you can ask suppliers questions to help refine your requirement and also give suppliers early insight into the opportunity. If you do decide to embark on any pre-market engagement activities it must be fair transparent and open. You can engage via a Request for Information (RFI) which can either be sent over via email using the supplier details located in 'Lot details' tab of the TP2 webpage or utilising the free CCS eSourcing Tool.

Step 2 Finalise your requirements

It is important you clearly describe your exact requirements so the suppliers can accurately bid. Therefore, please ensure that your requirements are clearly indicated within your further competition documents.

Step 3 Complete documentation

When you are ready to send your requirements to the market, you will need to complete the further competition documentation, which is made up of:

- ITT (Invitation to Tender) Inc timetable and evaluation criteria
- Requirements specification (which can be included in the above)
- Draft Order Form

Top Tip: Including a draft Order Form, completed as far as possible, will help save time in getting the order placed with the successful supplier at the end of the further competition process.

Top Tip: Document templates can all be downloaded from the agreement web page (documents tab at <http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm3733>)

Allow suppliers time to prepare and submit their bids. We recommend that the minimum time for bid windows should be 2-3 weeks. You should include precise detail of the closing time and date in the documentation so suppliers are clear on their deadlines.

You will also need to tell the suppliers how you will be evaluating their bids - so clearly describe your evaluation model, including criteria and their relative importance - please also see Section 5 below.

Top Tip: For further competitions under this agreement the price/quality mix can be varied. We would recommend that at least 10% is allocated to quality attributes as best practice. This will also assist evaluation in instances where suppliers bid identical prices.

Step 4 Issue further competition

Customers are obliged to invite all suppliers on the relevant Lot to bid against your requirement. During the further competition process you must keep an audit trail of any dialogue and communication with the potential suppliers. This can either be done via your own procurement system or utilising the free CCS eSourcing tool.

CCS eSourcing too can be accessed via this link: <https://gpsesourcing.cabinetoffice.gov.uk/sso/jsp/login.jsp>

Top Tip: The suppliers on this agreement are able to select which further competitions they participate in. If suppliers choose not to bid for your business, they should inform you of this, as part of the procurement process.

Step 5 Evaluation

During your bid evaluation, you must treat all suppliers equally and fairly using the most economically advantageous tender (MEAT) criteria. It is also vital that you evaluate the bid in the same way you stipulated in the evaluation criteria set out in step 3 and also keep an audit trail.

Example criteria and weightings are shown below as included in the Framework Agreement. The criteria are in no particular order of importance.

Criteria	Example Weightings*
Quality (including delivery time, sales service, good value, accessories, service fitness for purpose)	10-90%
Price (life cycle costs, cost effectiveness & price; price and running costs)	10-90%

* to be set by the Customer dependent upon the actual requirement - the Quality and Price weightings combined should add up to 100%

Step 6 Award

Once you have identified which bid was the most economically advantageous tender, we would recommend you apply a standstill period - usually a minimum of 10 calendar days. You must tell all the suppliers of the outcome of the further competition via email or letter.

Although providing feedback is part of the EU procurement regulations, it is also invaluable information, which may help suppliers improve their further bids.

After the standstill is complete, you can place your order with the successful supplier by finalising and placing the completed Order Form.

Top Tip: Draft outcome letters, the Order Form and the Call Off Contract (including additional and optional contract terms) can be located in the document tab at <http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm3733>

Step 6 Award

If you have requirements for hardware, software or combined hardware and software which will be bought over a limited period of time, you may choose to run a single further competition to implement a 'One Stop Shop' arrangement with a single supplier. To do this you would need:

- A defined duration for the Call Off Contract term
- A defined range of specific products required during the term
- A clear indication of product volumes likely to be required during the term

Top Tip: We recommend that the longest duration a One Stop Shop is awarded for is 12 months, which should include a benchmarking exercise at 6 months. Tied relationships for any longer may result in buyers being unable to benefit from favourable price changes.

NB: Non compliant buying will directly impact the legality and reputation of the framework and is strictly prohibited. Customers who do not follow the correct buying processes will be at risk, and the terms of the framework may be null and void in these cases.



8

Aggregation

CCS develop and run aggregated competitions (including e-Auctions) for customers on a regular basis throughout the year. By aggregating demand, standardising specifications and running eAuctions we regularly achieve double-digit percentage savings.

We provide a managed further competition service for customers who have common purchasing needs for products and services. We aggregate demand and run the Procurement Process on behalf of customers.

Benefits and results:

- Customers can achieve increased savings based on committed aggregated volumes
- Simplification of the process leads to reduced procurement costs for the customer and reduced bidding costs for the supplier
- Aggregation reduces fragmented spend
- Potential for standardisation to leverage greater savings
- Pre market engagement 'tech days' with vendors and suppliers to ultimately deliver value for money
- Adoption and consistent application of best practices including the use of standard documentation sets; mitigating risks and issues
- Support and guidance to customers throughout the process, conducting further competitions at no cost to the customer

Aggregation Activities and Timelines:

Regular Sector-focused aggregated competitions for end user devices, enterprise servers & switches and print management are taking place.

Full details on current opportunities, future opportunities and any recent aggregation case studies can be found via the link below;

<https://www.gov.uk/government/publications/buying-technology-how-ccs-can-help/technology-aggregation-opportunities--2>



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Manufacturer Memoranda of Understanding - MoU's

With Technology Products 2 Agreements live, the strategic category team ensures the best prices are achieved under our frameworks through a combination of controls, measures and ongoing procurement activities.

One of these activities is the negotiation of pan-government discounts through MoU agreements with a range of manufacturers including Microsoft (software), Oracle, HP Inc & ES, Lenovo and Apple. With new agreements with Dell and Microsoft (hardware) under negotiation. The agreements provide for a best public sector price to the distribution channel for transactional purchases (allowing resellers to compete on resale margin) and a single point of contact for any volume discount discussions. To find out more information please contact us:

TechnologyProducts@crownccommercial.gov.uk

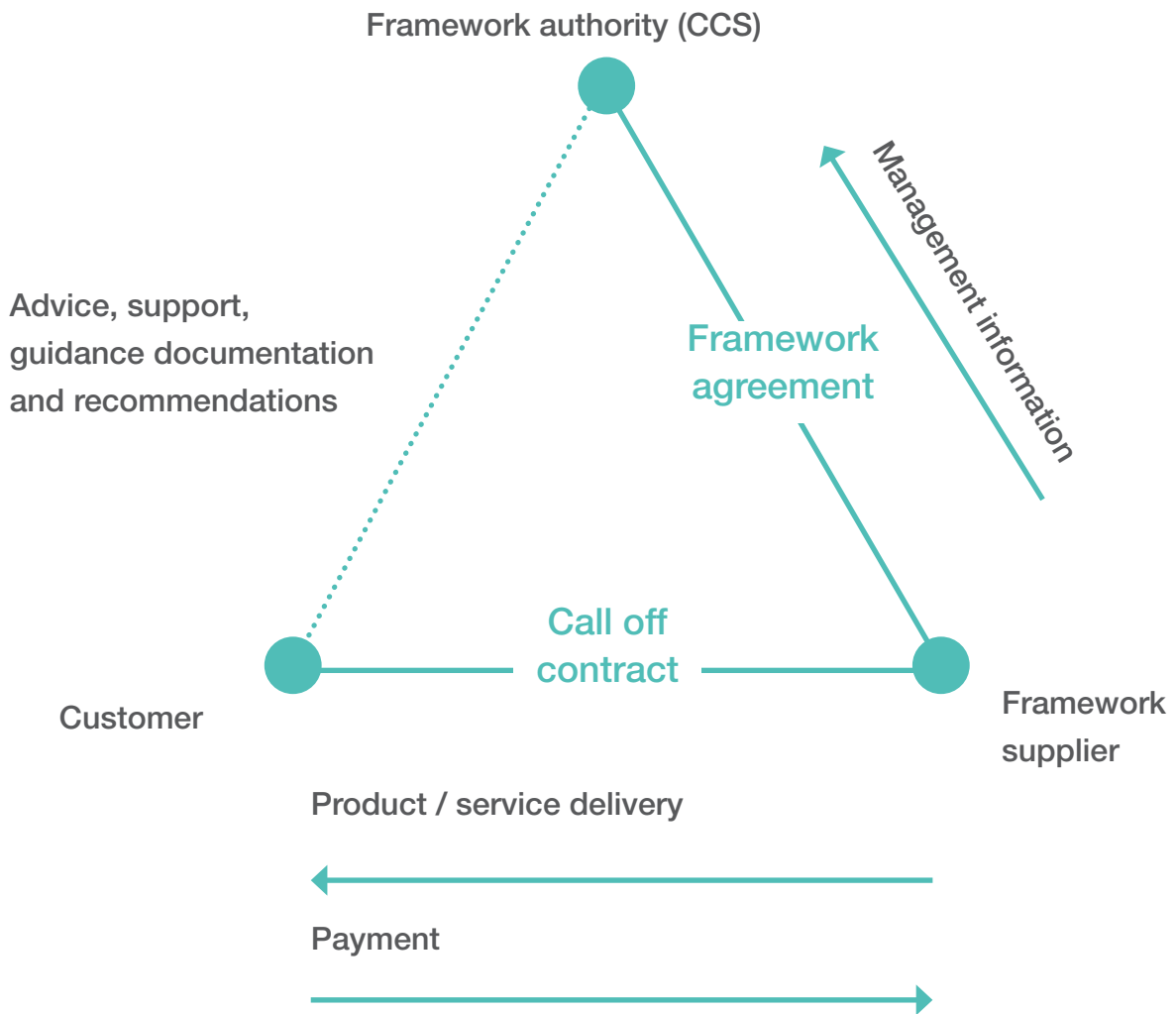
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Terms & Conditions

The Call Off Contract

The Call Off Contract sits between the buyer and supplier and governs the purchase and delivery of the goods (and services). It is entered into once the order has been placed (i.e. at the end of a Further Competition) or in the case of the catalogue, when the purchase is confirmed - as illustrated in the diagram below.

The Framework Agreement



How does 'The Call Off Contract' work?

The Call Off Contract is applied by default to all simple product purchases, including orders via the catalogue. It can also be built upon to cater for more complex requirements, including products called-off over a defined period of time (i.e. One Stop Shop) and those which include related services. The blocks of applicable contract terms are selected using the Order Form and can also include specific optional provisions:

- Basic Call Off Contract: applies to simple product transactions, including catalogue purchases.
- A - Termed Delivery: applies to product purchases made over a duration (i.e. not a simple spot transaction).
- B - Complex Delivery: includes 'A - Termed Delivery' and applies where services are also included within the requirement.

The documents are available from the TP2 web page () and also feature in Schedule 4 of the Framework Agreement.

As part of tendering, each supplier has accepted the terms and conditions which make up the Call Off Contract. The suppliers cannot propose additional terms nor insert any of their standard terms of business.

Technology Products 2 allows for the inclusion of limited third party contract terms in only three situations:

1. Where third party software is being supplied and the vendor's license terms must apply to users. These must be referenced in the Order Form and the terms themselves, or a link to these terms should be included within Schedule 3 of the Call Off Contract.
2. Where buying maintenance for products to be delivered by a third party (i.e. a company other than the supplier - typically the manufacturer or software vendor) the relevant third party maintenance agreement must be referenced in the Order Form. As above, the terms themselves, or a link to these terms should be included within Schedule 3 of the Call Off Contract.
3. Where buying products and paying over a pre-agreed period, the Financed Purchase Agreement* can be entered into with a third party (including the supplier). Where used, this should be stated in the Order Form and the terms included within Schedule 2 of the Call Off Contract.

*Goods cannot be leased under Technology Products 2 - it is fundamental that title must pass. However, the agreement allows for payments to be 'smoothed' over a period of up to five years (the maximum duration for a Call Off Contract).

Suppliers' maximum profit margins for Lots 1-5 are restricted under Technology Products 2 as shown below - as the catalogue (Lot 6) is primarily price driven there is no restriction applied. These were determined through analysis of the costs involved in supply, including manufacture, distribution and re-sale.

- Hardware - 3.5% (Lots 1, 3 and 4)
- Software - 2.5% (Lots 2, 3 and 4)
- Hardware (direct from the manufacturer)* - 16% (Lot 5)

*on true manufacture/plant costs, including materials in, components and labour

Changes to the Terms and Conditions under Technology Products 2 against previous agreements all serve to make it a simpler experience and more user friendly for customers and suppliers alike. As well as the Call Off Contract structure, the limits on liability have been rationalised down, to better reflect the level of risk. In addition to this the required insurance policies have been aligned with the relevant Lot.

Top Tip: Under no circumstances can the default liability limits be reduced, however there may be situations where the requirements dictate that the limit should be higher. Where higher limits of liability and/or insurance cover are required customers should draw attention to this in their further competitions and ensure that it is detailed in the Order Form - section entitled "Specific Standards or compliance requirements".

There are limited circumstances where a customer may require additional contractual terms over and above those contained within the Call Off Contract (and/or the Alternative and Additional Call Off Contract provisions). These can be incorporated via the Order Form section titled 'Specific Standards or compliance requirements'. However, they must only be used where absolutely necessary to enhance the base terms for the specific requirement. They must not be used to remove or replace existing provisions (ie: they should be supplementary) and cannot be used to substantially alter the Call Off Contract terms which were competed under the framework procurement.

We have also included measures to ensure that:

- (1) Goods should be brand new.
- (2) All products purchased must be capable of being supported by the original equipment manufacturer as required by the customer.

This incorporation protects customers, manufacturers and suppliers from the dangers and impact of counterfeit goods.

When a Call Off Contract does not apply

There is no requirement to complete an Order Form for catalogue purchases - system-generated purchase orders include text to the effect that the order effectively creates a standard, unamended RM3733 Call Off Contract, i.e. standard T&C's apply. If you're using your own purchase order (or one generated by a purchasing system) following receipt of a formal catalogue system-generated quote then similar text must be included.

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Case Studies

For more complex requirements or where a customer has a good news story, we encourage and urge customers to share their experience. One way to do this is via a case study. There is a simple case study template which can be found under the “Documents” tab within the TP2 webpage.

<https://www.gov.uk/government/case-studies/customers-save-over-400000-on-mobile-voice-and-data-services>

A recent eAuction for Local Authorities (EA16) saved £8.8m against a basket value of £24m.



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Calendar events (Aggregations, Special Offers, Tech Reference Groups, Webinars)

The TP2 team are committed to continued engagement to bring the TP2 community, buyers and suppliers together through regular events like Technical Reference Groups, along with newsletters offering market insight, spend league tables providing data transparency, plus details of the latest deals, including ongoing Special Offers and Aggregated eAuctions.

Tech Reference Group

January 2017

April 2017

August 2017

October 2017

Customer Engagement Webinars

7th June 2017 onwards - One per month.

See the website for details and how to [register](#)

Ongoing Special Offers - with a minimum discount of 15% off the standard price

In addition, great value can be achieved through aggregating demand via quarterly eAuctions and therefore we are fully committed in promoting and working with the market to ensure the success of these opportunities.

Aggregations (anticipated dates)

June 2017

October 2017

December 2017

Please see the below link for further information and the current aggregation pipeline.

<https://www.gov.uk/government/publications/buying-technology-how-ccs-can-help/technology-aggregation-opportunities--2>

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Savings

We have developed a benefits methodology to capture and measure savings.

With a good selection of suppliers in each lot, you will also achieve best value for money and demonstrable savings through the further competition or catalogue processes.

Suppliers are required to provide transparency in invoicing to allow you to see clearly the cost of products and the cost of logistics. All prices given are exclusive of VAT. This data will allow you to directly compare the price of products and understand the price implications of your buying practices.

In order to achieve the best price through the catalogue, a smart basket function has been built to meet the “direct award on price” evaluation. Although you will see a list of the supplier prices which match your search, you will only be allowed to buy each product at the lowest price (depending on stock availability).

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Templates and documentation


All templates and documentation can be located within the TP2 webpage, located under the ‘documents’ tab which can be found via the following link: <http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm3733>

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Contact details

Crown Commercial Service (CCS)

 TechnologyProducts@crowcommercial.gov.uk

 0345 410 2222


Aggregation Team (CCS)

 aggregation@crowcommercial.gov.uk

 Technology Aggregation Opportunities


Yorkshire Purchasing Organisation (YPO)

 IT.Services@ypo.co.uk

 01924 885907 / 01924 836986


Eastern Shires Purchasing Organisation (ESPO)

 ICT@espo.org

 0116 2657899

North East Procurement Organisation (NEPO)

 enquiries@nepoportal.org

 01912613915

You can also learn more about what we offer online:

 www.gov.uk/ccs

 @gov_procurement

 Crown Commercial Service