



Crown
Commercial
Service

Management Consultancy (RM3745)

Customer guidance document



Key information

Framework reference:	RM3745
Start date (phase 1):	4 September 2017
Start date (phase 2):	21 November 2017
End date (phase 1 and 2):	3 September 2021
Accessible to:	Central government, wider public and third sector organisations
OJEU Contract Notice:	2016/S 247-452725
OJEU Award Notice (Phase 1):	http://ted.europa.eu/TED/notice/udl?uri=TED:NOTICE:377411-2017:TEXT:EN:HTML&rearus=dQx2Ud0JngAMCZKQx764kA
OJEU Award Notice (Phase 2):	TBC
Contact details:	E: info@crowncommercial.gov.uk
	T: 0345 410 2222
	W: http://ccs-agreements.cabinetoffice.gov.uk/contracts/rm3745

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Introduction

Purpose of this document

This guidance forms part of a comprehensive suite of guidance and template documents to help customers buy consultancy through the Management Consultancy framework (RM3745). Some of these templates will need amending to reflect your specific requirements.

This document is not a legal document and is to be used as guidance only.

Background

This framework has been established by CCS to provide a simple and compliant route to market for a range of consultancy advice and audit requirements.

Who can access this framework

This framework is available for use by central government departments, devolved administrations, the wider public sector and third sector including, but not limited to, local government, health, education, police, fire and rescue, housing associations and charities. Full details can be found in the OJEU contract notice [2016/S 247-452725](#)

Features and benefits

- Customers will save time and money as they will not have to do their own OJEU procurements.
- The £2 million upper and £100,000 lower spending limits which applied to ConsultancyONE have been removed.
- Competitive market rates by consolidating public sector consultancy and audit spend.
- A wide range of suppliers from large nationals to SMEs. 53% of suppliers on the framework are SMEs.
- Lot structure is set by specialism and sector to offer customers a wide breadth and depth of knowledge and expertise.
- Structured guidance from CCS covering such areas as pre market engagement, expressions of interest, timescales and pricing models, has been designed to help customers follow best practice.
- Peace of mind as all suppliers are accredited to cyber essentials as a minimum.
- Standard terms and conditions agreed by all framework suppliers.

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Framework scope

Lot selection

You will need to select the most appropriate lot which best matches your requirement and run a further competition or do a direct award. You cannot undertake a further competition across multiple lots.

Lot structure

The lots available are detailed below. See the lot structure overview, and framework specification to select the most appropriate lot for your requirement.

Review the [OJEU contract notice](#) and framework specification to ensure your requirements are within the scope of this agreement. If your requirements fall outside the scope of this agreement you need to use an alternative route to market. Here are alternative [CCS agreements](#).

Phase	Lot name	Commencement date
Phase 1	Lot 2 - Finance	4 September 2017
	Lot 3 - Audit	
Phase 2	Lot 4 - HR	21 November 2017
	Lot 5 - Health and community	
	Lot 6 - Education	
	Lot 7 - Infrastructure	
	Lot 8 - ICT and digital	

Phase 1 and phase 2 will expire on 3 September 2021.



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Things to consider

Stakeholder engagement

When establishing requirements you should engage early with internal colleagues including procurement, finance and legal to draw on their knowledge and experience and gain their buy-in.

Business case

Before procuring external support a business case is usually required to demonstrate the need. It should be a well-structured document that supports the specific business need. A compelling business case should adequately capture the quantifiable and non-quantifiable characteristics of the proposed project.

Large, complex or high profile projects often require a comprehensive and highly structured business case. For other projects the business case may be brief and informal. Information included in a formal business case could include an overview of your organisation, project background, options considered including do nothing (risks / costs / lost opportunities of doing nothing), expected business benefits, expected costs and anticipated risks.

Spending controls and approvals

The Minister for the Cabinet Office has produced guidelines on the use of the private sector for consultancy and has introduced a range of spending controls, which apply to central government departments, their arm's length bodies and NDPBs. Details can be found at [cabinet-office-controls](#).

The NHS also has controls in place at [NHS improvement](#).

Other sectors and organisations may have similar controls processes. You are advised to check what controls (if any) apply to you and ensure you comply fully with your own procedures, before using this framework.

Project management

Developing a robust project management process may assist you in securing your management consultancy requirements on time and within budget via this framework.

Templates are available to assist in the development of a project team and process. These are available in the guidance and template document.

Evaluators

You should nominate suitable evaluators to assess the quality questions within the award questionnaire and pricing schedule. This is key to the success of the procurement and you should give careful consideration to any specific skills that are required. You must ensure that there are no conflicts of interest and the evaluators have the relevant experience. Where a conflict of interest exists or evaluators do not have the relevant experience they will not be able to evaluate. During evaluation the evaluators need to ensure responses / comments are concise and accurately recorded for audit purposes. We would encourage evaluators to contribute to the drafting of the specification. It is also important to ensure evaluators are available within required time frame. It is advisable to have backup evaluators to avoid unnecessary delays.

Legal advice

You may wish to seek your own legal advice when selecting the most appropriate lot, deciding on the award procedure, drafting the tender documentation, call-off contract, pricing schedule and award questions. CCS is not allowed to provide any legal advice.

Supplier engagement

Early engagement with suppliers before you issue your tender documents may assist in the development of a more focused specification. A key principle of public sector procurement is that all suppliers are treated in a fair and equitable manner. Here are some hints and tips:

- Make all suppliers in the lot you will be using aware of the opportunity at the earliest convenience and include proposed timescales, if known. This could be face to face (all supplier conference), webinars or via teleconference.
- If sharing sensitive information with suppliers regarding your requirement you may wish to have the suppliers sign a non-disclosure agreement (NDA).
- If you require market intelligence or have a specific question for which you require supplier input you may wish to issue a request for information (RFI). This should be sent to all the suppliers on your selected lot. Use of an eSourcing portal will provide an audit trail. You can use the CCS eSourcing tool or your own portal, if you have one.
- Share your draft documents (including your specification) with all suppliers in the lot to receive feedback.

Whilst the feedback may be used to help shape your requirement, you need to ensure that you retain control of your requirements and that they are not dictated by suppliers or provide an unfair advantage.

Specification (statement of requirements)

A specification is a statement of the requirements to be met by the supplier. It sits at the heart of the contract between the customer and the supplier. A clearly written specification is an invaluable tool which will help you get the right result for your organisation. If you are running a further competition, any quality questions within the tender documents should be linked directly to your specification to ensure the questions you ask, and the suppliers responses, are relevant to the requirement. Establish high level requirements, e.g. what do you want to achieve from the suppliers and how will you know that the requirement has been satisfied.

Purpose of a specification

- describes the characteristics of the services required and which the supplier is expected to provide
- create a contractual tool which forms an integral part of the call-off contract
- form part of a legally binding agreement which will be binding on both parties
- inform suppliers about the services required and enables them to propose a solution
- facilitate effective contract management
- act as a reference to be referred to in the case of any disputes between you and the supplier(s)

Call-off contract

You will need to review all of the highlighted sections in the call-off contract and populate all necessary sections, paying particular attention to the following:

- **Limits of liability -**
7.1 of the call-off contract order form
- **Insurance -**
7.3 of the call-off contract order form
- **Security -**
10.3 of the call-off contract order form.

Base location

You need to specify your base location in the tender.

The base location is the place where the majority of the work will be carried out. It is important to clearly state the base location as the maximum day rates within the framework are inclusive of travel and related expenses to the base location. Only travel and related expenses incurred when attending an additional location are payable to the supplier, where any entitlement is specified in appendix 2 of framework schedule 4 (letter of appointment and call-off terms).

Award procedure

Further competition

Further competition is the default route to market, under this framework.

See schedule 5 of the framework agreement for the detailed further competition process.

The first step in a successful call-off contract is to establish exactly what service you require from a supplier, and to communicate that requirement clearly in the form of a specification, or statement of requirement.

Your responsibilities

- develop a robust specification
- identify the most appropriate lot
- invite tenders by conducting a further competition
- invite all suppliers within the lot identified
- set a time limit for the receipt of tenders which takes into account factors such as the complexity of the subject matter of the proposed call-off contract and the time needed to submit tenders
- keep each tender submitted confidential until the deadline for tender returns has expired
- evaluate the tenders against the award criteria detailed in the tender

Supplier responsibilities

The supplier will confirm that either they will respond to the tender or decline to tender for the services. If they are not submitting a tender, the supplier should inform the customer as to the reason(s) why.

Prices will be based on the charging structure as set out in framework schedule 3 (framework prices and charging structure) and as detailed in the tender.

The response from the supplier will remain valid for 90 working days unless otherwise advised.

Direct award

You should obtain your own in-house legal advice to ensure direct award is a compliant approach in your specific circumstances.

It should only be used if you can determine that:

- the supplier provides the most economically advantageous solution for your requirements (this may be difficult to establish without seeking solutions from other suppliers);

or

- your requirements can only be met by one supplier;

and

- all of the terms of the proposed contract are laid down in the framework and the call-off terms do not require amendment or any supplementary terms and conditions

In this instance, you can exceptionally place an order in accordance with the direct ordering procedure.

If any of these criteria are not met then the further competition process must be used.

Direct award under this framework cannot be longer than nine months in length.

There is no opportunity to reduce the prices under a direct award and therefore any award must be based on the framework maximum day rates.

Quality award questions

You need to develop questions which will allow you to assess a supplier's ability to meet your requirements. Whilst there is flexibility in what suppliers can be asked in terms of award questions, you should ensure they are in line with your requirements, are forward looking and within the scope of the framework agreement specification.

Pricing mechanism

Maximum day rates

The framework contains maximum day rates based on an eight hour working day (excluding breaks). These rates are fixed for the life of the framework (four years).

Suppliers are able to reduce these maximum day rates during a further competition.

Public sector bodies can view the maximum day rates following registration onto the [CCS eSourcing Suite](#).

Pricing models

You need to develop a pricing model to reflect your requirements and can select a pricing model from a number of options (below).

- Time and materials including capped
- Fixed fee
- Contingent / risk and reward
- Cost plus

If you can clearly define your requirements and have a simple pricing model you may wish to consider the use of an eAuction. For further information please speak to our eAuction team (eauctions@crownccommercial.gov.uk or **0345 410 2222**).

Quality / price weightings

You need to evaluate supplier responses using the most economically advantageous tender (MEAT) criteria. The criteria and weightings below should be applied to supplier's compliant tenders submitted through the further competition. You can define the sub-criteria, including weightings as part of the further competition process. You may wish to speak with your commercial / procurement team for further advice.

Criteria	Variable Weighting	Sub-criteria	Sub-criteria Weighting
Quality	60 - 90%	To be determined by the customer e.g. approach to solution, resourcing, mobilisation	To be determined by the customer
Price	40 - 10%	To be determined by the customer.	To be determined by the customer

eSourcing tool

We provide free access to our [eSourcing tool](#) which enables you to conduct a further competition and provides a fully auditable procurement process. If you wish to use your own internal eSourcing tool you are able to do so.

Call-off contract period

You will need to determine the length of your call-off contract and the period of any extensions you may wish to apply. Our recommendation is that a call-off contract should be no longer than four years.

Clarification period (supplier questions)

When planning the tender period you should ensure that you allow sufficient time for suppliers to ask questions and for you to respond to those questions. Set deadline for questions and answers.

Once you have issued your final response to the clarification questions allow sufficient time for suppliers to consider your responses before they submit their bid.

Remember to respond to all bidders with the same information and to anonymise the clarification log.



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Tender

Below is a list of documents you may wish to consider when formulating your tender:

- Invitation to tender
- Terms of participation
- Specification (statement of requirements)
- Call-off contract
- Response guidance (award questionnaire)
- Pricing schedule
- Non-disclosure agreement (if applicable)

Timescales

Set a time limit for the receipt of tenders which takes into account factors such as the complexity of the subject matter, time needed to submit tenders and resource availability. A minimum of 10 working days should be allowed for a simple requirement and greater for more complex requirements.

Evaluation

Once tenders have been received a compliance check should be undertaken before evaluation begins to ensure that:

- the bid submitted is from the same supplier that is awarded to the framework agreement (supplier matrix)
- suppliers have confirmed acceptance of the framework and call-off contract terms and conditions - should a supplier propose any changes to the terms and conditions please notify CCS of the non-compliance
- mandatory questions are answered
- all documentation is completed and attached as requested in the tender
- supplier/s are notified as detailed in your tender document if they have failed the compliance check and that their bid will not be further considered in the procurement
- a compliance check of the pricing matrix is undertaken to establish that there are no missing prices and it has been completed in line with the guidance
- the framework maximum pricing has not been exceeded. Should a supplier propose a rate higher than the framework maximum price please notify CCS immediately.

Price evaluation and abnormally low tenders

You should evaluate price as defined in the tender.

Where a tender appears to be abnormally low in relation to the requirement you should seek an explanation of the price / costs in the proposed tender from the supplier and then assess the information provided. If the evidence provided does not provide a satisfactory explanation then you may be able to reject the tender. Legal advice should be sought prior to rejection.

Post tender clarification / negotiation

Under the EU regulations you are not permitted to undertake post tender negotiation.

Post tender clarifications may be necessary during the evaluation of tenders where there are aspects of the bids which are unclear or contain minor errors. Where post tender clarification is undertaken this needs to be transparent and auditable.

You will need to liaise with your commercial team / legal advisors for further advice.

Quality evaluation

The quality evaluation process must be managed and conducted as detailed in the tender.

Where you have elected to undertake individual scoring by evaluators it is advised that you should undertake a consensus meeting, which will provide a consensus following a robust conversation on the bids which will include discussion on any anomalies and resolution of any opposing views. This will also ensure that the appropriate response guidance and evaluation rationale has been used. Detailed records should be maintained.

Evaluation report

Once the evaluation has been completed and the successful supplier identified, you should create an evaluation report and obtain appropriate approval and sign-off before the award of the contract.



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Contract award

Intention to award

If you elected to include a standstill period (10 calendar days) when you develop your tender then you need to issue intention to award letters to all suppliers. For further advice please speak to your commercial team / legal advisors.

Award letters (letters to the successful and unsuccessful suppliers)

After the standstill period expires (if one was used) or at time of award, you need to issue letters to all suppliers informing them of the procurement outcome. You should provide feedback to all suppliers on their bids, which includes the scores and commentary against the evaluation criteria.

Call-off contract

You should populate the schedule 4 letter of appointment call-off terms and conditions document with information taken from the successful supplier(s) tender (further competition) or response to the statement of requirements (direct award) which shall include (as a minimum):

- Lot name
- Call-off start date
- Call-off end date
- Potential extension period
- Pricing (maximum day rates apply for direct award)
- Benefits (measurement and approval of benefits if risk and reward pricing)

All parties to the call-off contract should sign the letter of appointment call-off terms and conditions document.

Contracts Finder

Where a public contract (in excess of £10,000) is awarded, within a reasonable time, you will need to publish on [Contracts Finder](#), at least the following information:

- name of the supplier
- date on which the contract was entered into
- value of the contract
- whether the contractor is a SME or VCSE
- Redacted contract documents

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Contract management and exit

Following award of a contract it is important that you have in place a robust contract management process in line with your requirements as detailed in your tender. This should be used to ensure that suppliers work to the original brief.

Central government departments should follow the principles of strategic supplier relationship management issued by the Government Commercial Organisation. Public sector organisations should follow their own contract management process.

Throughout the duration of your contract, you need to ensure you are invoiced correctly. This should include checking the number of days worked by supplier personnel and that the agreed prices have not been exceeded; to be in line with your agreed contract.

Ensure the right resource mix of personnel i.e. you do not have too many partners or junior staff.

For fixed and contingent pricing models you will need to ensure that payment is not released until the agreed milestones have been achieved.

Review supplier performance

It is important to hold regular contract management meetings where appropriate with the supplier to ensure both parties understand their responsibilities and that they are fulfilled in accordance with the contract.

Progress against required delivery should be monitored and any issues preventing the requirements from being delivered should be identified to the appropriate person (e.g. contracts manager) in a prompt manner.

Once the contract is live, you should schedule the contract management meetings and set a standard meeting agenda. In the meetings, you should discuss the following, as appropriate:

- progress against the contract requirements including the implementation plan
- adherence to the specification, the service-level agreement (the standards of service you have agreed with your supplier) and any key performance indicators (how you measure the performance of that service)
- acknowledging where the supplier has performed to the required standard
- identifying areas of concern as early as possible and what the supplier will do about them
- reviewing joint risks and issues logs
- review management information
- benchmarking and continuous improvement
- new service / product developments

You should minute the meeting and include any agreed actions and timescales. The minutes should be circulated promptly after the meeting.

Contract variation

You may need to vary the contract; to do this you will need to follow the variation process as detailed in the call-off contract. You may wish to speak with your commercial or procurement team for further advice.

Sharing best practice

You should provide details of best practice with CCS so that it can be shared across the public sector.

Knowledge transfer

Knowledge transfer should be built into any consultancy contract to ensure that future reliance on consultants is minimised and the building of internal capability is maximised.

Exiting the contract

You should start preparing for the end of the contract in advance of the expiry date. You may need to consider how you will:

- ensure the transfer of any data from the supplier to your organisation
- end any joint arrangements with suppliers
- collect passes from suppliers (if applicable)
- return suppliers' equipment (if applicable)
- remove or dispose of any unwanted items

You may wish to consider holding a lessons learned meeting to explore what went well and what did not go so well so learning can be incorporated into future contracts.

If you need to end the contract early, you should follow the exit process detailed in the call off contract.



Further information

If you require any help with this guidance please contact

 info@crowcommercial.gov.uk

 0345 410 2222

You can also learn more about what we offer online:

 www.gov.uk/ccs

 [@gov_procurement](https://twitter.com/gov_procurement)

 [Crown Commercial Service](https://www.linkedin.com/company/crown-commercial-service)

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