

# **RM6187 Management Consultancy Services**

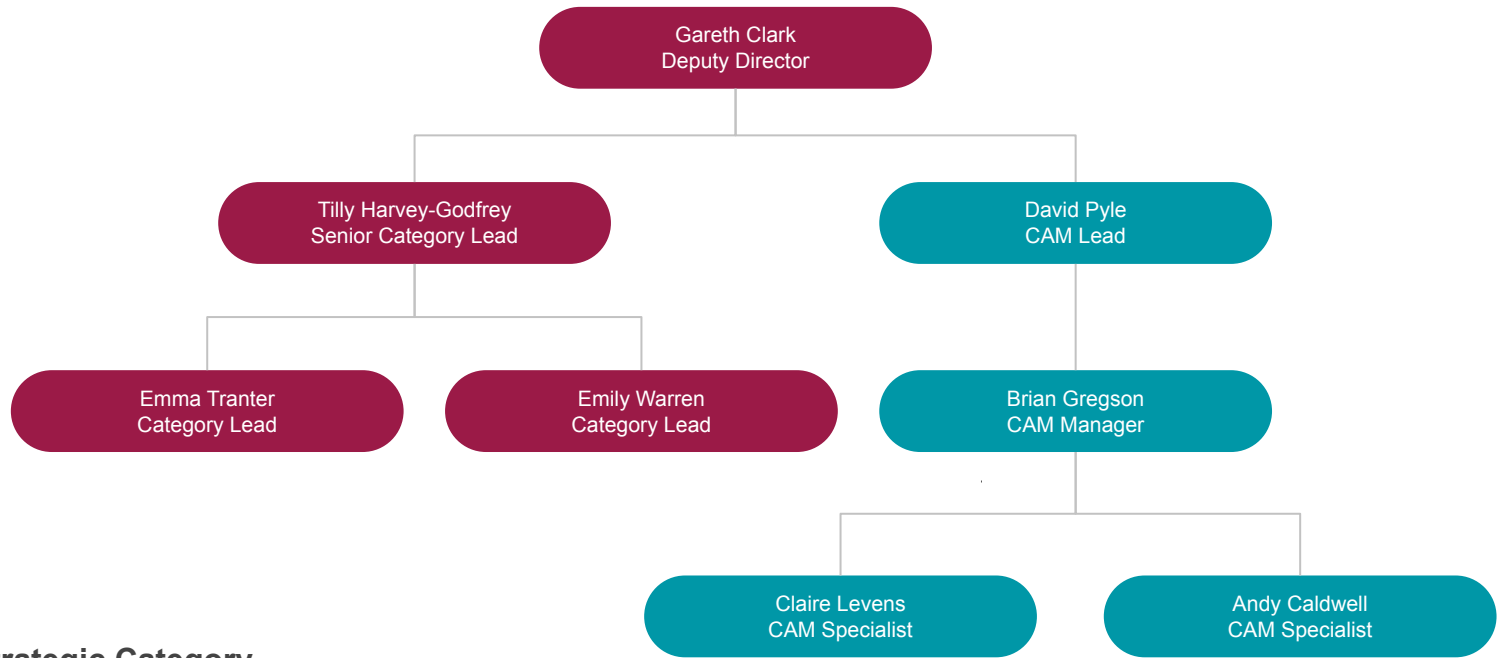
## **Supplier Engagement 3rd February 2020**

# Agenda

1. Introductions
2. Timeline
3. Feedback from initial customer & supplier sessions
4. Current lot proposal
5. Next Steps
  - Supplier numbers
  - Entry criteria
  - Service lines
6. AOB



# Management Consultancy Team



## Key:



**Strategic Category**

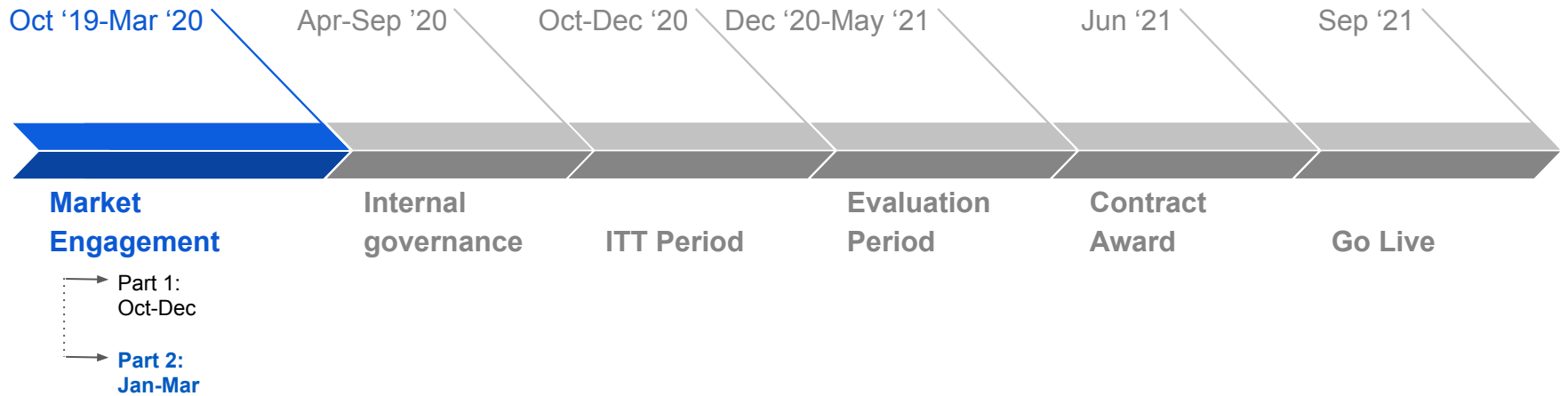


**Commercial Agreement Management**



Crown  
Commercial  
Service

# Timeline



# Market Engagement - Part 1

## Feedback



# Initial Proposed Lot Structure

Below is the Initial proposal, based on from data analysis of MCF & MCF2, which was presented to a wide range of customers and suppliers during our first round of customer engagement

## Option A: Core Lot Structure

1. Strategy
2. HR
3. Procurement, Supply Chain and Commercial
4. Transformation
5. Finance
6. Digital & Technology
7. Business



## Option B: A + New Lots

8. Policy & Advice
9. Risk & Compliance
10. Project/Programme Mgmt

## Option C: A + Sector Specific

11. Health & Social Care
12. Education
13. Infrastructure & Transport

## Option D: A + DPS

Business Consultancy



# Feedback on Lot Structure

OPTION		VERDICT	CUSTOMER FEEDBACK	SUPPLIER FEEDBACK
<b>A</b>	<b>CORE LOTS</b>	✓	<ul style="list-style-type: none"> <li>Keep 'Business' but structure differently &amp; better shortlisting</li> <li>Credible suppliers priority</li> </ul>	<ul style="list-style-type: none"> <li>'Business' helps drive lower rates but need clearer SLs</li> <li>Need shortlisting tool</li> </ul>
<b>B</b>	<b>NEW LOTS</b>	✗	<ul style="list-style-type: none"> <li>Risk shouldn't be a lot</li> <li>Policy should be with Strategy</li> <li>PPM to stay as service lines</li> </ul>	<ul style="list-style-type: none"> <li>PM blurs into contingent lab.</li> <li>Policy should be with Strategy</li> <li>Better as service lines</li> </ul>
<b>C</b>	<b>SECTOR SPECIFIC</b>	✓ ✗	<ul style="list-style-type: none"> <li>DHSC: retain Health lot</li> <li>Don't need Education lot</li> <li>No strong view on Infra/Trans.</li> </ul>	<ul style="list-style-type: none"> <li>Work best for LAs</li> <li>Mix of function/sector could be confusing - often need mix</li> </ul>
<b>D</b>	<b>DPS</b>	✗	<ul style="list-style-type: none"> <li>Not suited to market</li> <li>Already too many suppliers - lower barriers to entry an issue</li> </ul>	<ul style="list-style-type: none"> <li>No strong appetite</li> <li>More work</li> <li>Confusing</li> </ul>

## Summary

**Core Lots:** 'Strategy' to become 'Strategy & Policy'

**Sector Specific:** Further analysis & engagement to take place

**New Lots & DPS:** Low interest so will not be included in new framework

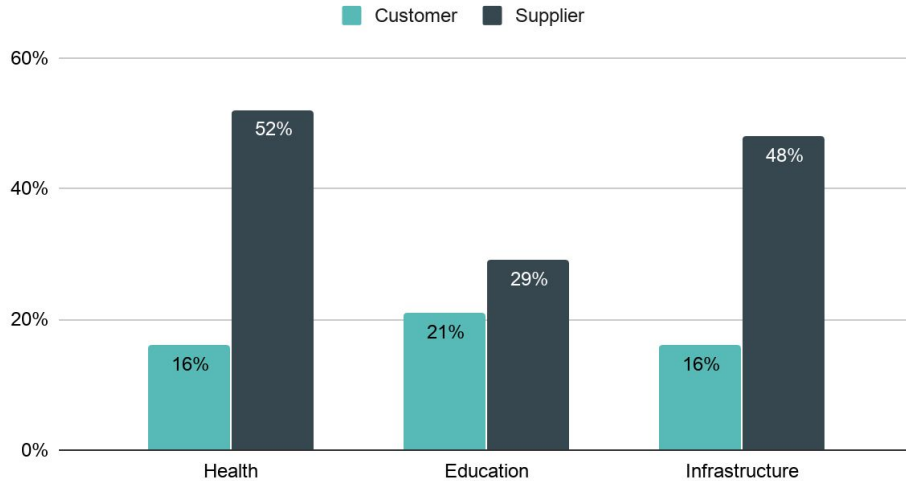


# Feedback Analysis

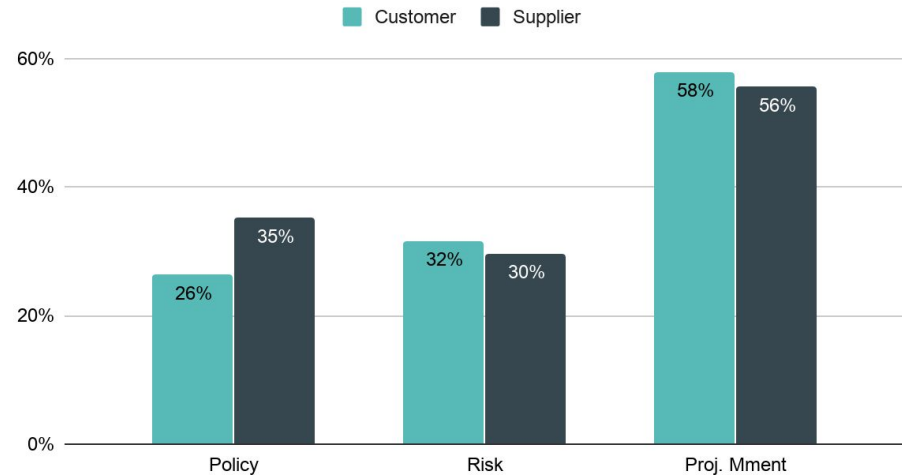
Customers: 19  
Suppliers: 54

Data collected from Round 1 of Market Engagement Sessions. The percentages show the number of suppliers & customers who were in favour of the lots

## Sector Specific Lots



## Potential New Lots



### Summary

**Sector Specific:** Market engagement shows a low interest in Education so we propose removing this lot. Infrastructure & Health are a divided opinion so we will further engage with our customers

**New Lots:** Low interest in risk so we will not pursue. We will include 'policy' within the strategy lot. Split opinion on project management but we support the comments from the initial engagement sessions that there would be overlap with business & transformation so we do not intend to include as a lot





# Sector Specific Lots - Further Analysis

01

Infrastructure & Transport  
(Existing)

- Spend on existing framework ~£19m from April 18 to October 19
  - Engagement with DfT on STAR Framework - little overlap as this is used for both expert & niche consultancy
  - Internal engagement with buildings pillar: initial review highlights different suppliers between pillar frameworks
- Outcome: High interest - further engagement required**

02

Health & Social Care  
(Existing)

- Spend on existing framework ~£15m from April 18 to October 19
  - Engagement with DHSC: High interest - further review required with NHS
- Outcome: Medium interest - further engagement required**

03

Education  
(Existing)

- Spend on existing framework ~£5m from April 18 to October 19
  - Engagement with DfE: Low interest
- Outcome: Low interest - will not include on new framework**

04

Blue Light/Justice  
(New)

- Suggested by suppliers in first round of customer engagement
  - CCS engagement with MoJ & HO on this proposal
  - Outcome: Low appetite from both customers as niche specialist suppliers are not required for consultancy - they can access what is required through the existing lots
  - If a specialist was required they would procure through contingent labour
- Outcome: Low interest - will not include on new framework**

05

Environmental/Sustainability  
(New)

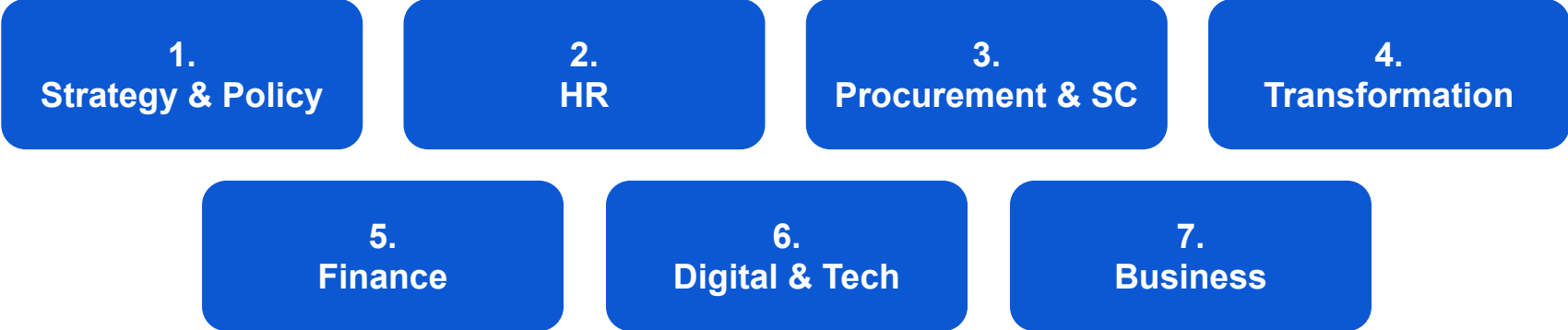
- Legacy CCS Framework 'Environmental Services' ran from 2012-16 with ~£34m spend through it
  - Internal engagement with buildings pillar to understand overlap: initial review highlights that suppliers are different
  - Engagement with DEFRA - potential interest but further review required on spend data and cross over with research team
  - Further engagement scheduled with MHCLG & TfL
  - MCA Member survey: 62% of firms estimate a slight and greatly increase growth in energy consultancy. 25% highlighted sustainability trends as key focus for the industry
- Outcome: Unclear - further engagement required**

# Outcome

<b>A</b>	Core Lots	High interest: Keep
<b>B</b>	New Lots	Low interest: Remove
<b>C</b>	Sector Specific Lots	Medium interest: Further review
<b>D</b>	DPS	Low interest: Remove

# Proposed Lot Structure

## Functional



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## Sector Specific



# Individual Lot Detail

# Proposed Lot: Strategy & Policy

## MCF2 (Lot 4)

## MCSF Proposal

01

### Supplier Numbers

- 31 suppliers
- 16 used

- **Customer Feedback:  
10-20 suppliers**

02

### Entry Criteria

- £1m and last 18 months - case study
- All service lines met
- Customer reference for each service line

- **Case Study x3**
  - **Financial threshold**
  - **At least 2 customers**
  - **3 different projects**
  - **Within past 2 years**
  - **Incorporate service line evidence with case studies**

03

### Service Lines

- 22 service lines
- 13 used

- **8 service lines**



# Service Lines: Strategy

## Current

- Appraising business structures
- Benefit studies
- Business case
- Business intelligence
- Business process reengineering
- Change management
- Competition policy
- Data and analytics
- Environmental strategy & policy
- Joint ventures
- Market studies & analysis
- Mergers, acquisitions & disposals
- Regulatory advice
- Skills analysis
- Strategic advice
- Sustainability

## Proposed

- Appraising business structures
- Business case development
- Business process reengineering
- Change management
- Policy
- Strategic advice
- Regulatory advice
- Environment and sustainability



# Proposed Lot: HR

## MCF (Lot 4)

## MCSF Proposal

01

### Supplier Numbers

- 25 suppliers
- 14 used

- **Customer Feedback:**  
**10-20 suppliers**

02

### Entry Criteria

- Minimum of 4 service lines
- Customer Reference: 2200 days over 3 years - previous experience £5m - public liability, employers and professional insurance
- 51 Dun & Bradstreet

- **Case Study x1**
  - **Financial threshold**
  - **Within past 2 years**
- **No minimum service lines**

03

### Service Lines

- 11 service lines
- 9 used

- **9 service lines**



# Service Lines: HR

## Current

- Advice on managing agency and temporary staff and review of IR35 governance
- Cultural transformation
- Dispute management
- Employee relations and communications
- Human resource functions, process and design
- Human resource terms and conditions and policies including health and safety, employment contracts and company handbook
- Organisational training and development
- Performance management (including pay, reward and benchmarking)
- Recruitment policy (internal and external) and strategy (not delivery of staffing and recruitment services)
- Staffing
- Talent management

## Proposed

- Capability Development
- Cultural transformation
- Dispute management
- Diversity & Inclusion
- Employee relations
- HR functions, process and design
- HR Policy
- Training and development
- Performance management





# Proposed Lot: Finance

## MCF (Lot 2)

## MCSF Proposal

01

### Supplier Numbers

- 22 suppliers
- 13 used

- **Customer Feedback:  
15-20 suppliers**

02

### Entry Criteria

- Minimum of 4 service lines
- 2200 days over 3 years - previous experience (customer reference)
- £5m - public liability, employers and professional insurance
- 51 Dun & Bradstreet

- **Case Study x2**
  - **Financial threshold**
  - **2 customers**
  - **Within past 2 years**

03

### Service Lines

- 33 service lines

- **27 service lines**



# Service Lines: Finance

## Current

- Accounting advice and risk
- Acquisition finance solutions
- Asset financial management including valuation, sales and disposals
- Business analysis
- Capital fund raising, derivatives and hedging
- Cash management
- Commercial benefits
- Competition policy
- Complex cost benefit studies and analysis
- Corporate restructuring and flotation
- Costing review and evaluation
- Creditor management
- Debt restructuring and management
- Developing and assessing project proposals
- Due diligence
- Economic analysis
- Financial accounting and/or reporting
- Financial performance review and viability studies
- Financing public infrastructure projects and negotiations
- Forecasting and budgeting
- Foreign exchange
- Funding management
- Investment, financial advice and market services
- Mergers, acquisitions and divestment
- Payment structure advice and risk
- Pensions and actuarial consultancy services
- Policy impact assessments
- Private finance structures and financial products
- Regulation benchmarking and statistical analysis
- Risk management
- Statutory reporting
- Taxation including, but not limited to corporation tax and value added tax
- Treasury and risk management



# Service Lines: Finance

## Proposed

- Accounting advice and risk
- Asset financial management including valuation, sales and disposals
- Business analysis
- Capital fund raising, derivatives and hedging
- Cash management
- Cost benefit studies and analysis
- Corporate restructuring and flotation
- Costing review and evaluation
- Debt restructuring and management
- Developing and assessing project proposals
- Due diligence
- Economic analysis
- Financial accounting and/or reporting
- Financial performance review and viability studies
- Financing public infrastructure projects and negotiations
- Forecasting and budgeting
- Foreign exchange
- Investment, financial advice and market services
- Mergers, acquisitions and divestment
- Payment structure advice and risk
- Pensions services
- Actuarial services
- Policy impact assessments
- Private finance structures and financial products
- Regulation & statutory requirements and/or reporting
- Risk management
- Tax (inc VAT)



# Proposed Lot: Procurement & Supply Chain

		MCF2 (Lot 2)	MCSF Proposal
01	Supplier Numbers	<ul style="list-style-type: none"><li>• 88 suppliers</li><li>• 15 used</li></ul>	<ul style="list-style-type: none"><li>• <b>Customer Feedback:</b> <b>10-20 suppliers</b></li></ul>
02	Entry Criteria	<ul style="list-style-type: none"><li>• Minimum of 1 service lines</li><li>• £500k and last 18 months - case study</li><li>• Customer reference for each service line</li><li>• £5m - public liability, employers and professional insurance</li><li>• 45 Dun &amp; Bradstreet</li></ul>	<ul style="list-style-type: none"><li>• <b>Case Study x2</b><ul style="list-style-type: none"><li>○ <b>Financial threshold</b></li><li>○ <b>2 different customers</b></li><li>○ <b>Within past 2 years</b></li></ul></li><li>• <b>50% service lines met</b><ul style="list-style-type: none"><li>○ <b>Incorporate service line evidence with case studies</b></li></ul></li></ul>
03	Service Lines	<ul style="list-style-type: none"><li>• 9 service lines</li><li>• 7 used</li></ul>	<ul style="list-style-type: none"><li>• <b>12 service lines</b></li></ul>



# Service Lines: Procurement & Supply Chain

## Current

- Category management
- Commercials
- Ecommerce
- Financial advice
- Market analysis
- Outsourcing
- Procurement methodologies
- Procurement process
- Risk mitigation
- Risk/payment profiles
- Sourcing strategy
- Stakeholder management
- Supplier performance management
- Supplier relationship
- Supply chain & logistics
- Tender analysis
- Transactional procurement

## Proposed

- Category management
- Commercial Review
- Contract management
- Cost Reduction
- Digitalisation
- Procure to Pay
- Outsourcing and insourcing
- Procurement process
- Sourcing
- Supplier management
- Supply chain & logistics
- Tender development and analysis



# Proposed Lot: Complex/Transformation

		MCF2 (Lot 3)	MCSF Proposal
01	Supplier Numbers	<ul style="list-style-type: none"><li>• 32 suppliers</li><li>• 13 used</li></ul>	<ul style="list-style-type: none"><li>• <b>Customer Feedback:</b> <b>10-15 suppliers</b></li></ul>
02	Entry Criteria	<ul style="list-style-type: none"><li>• £5m and last 18 months - case study</li><li>• Customer reference for each service line</li><li>• £5m - public liability, employers and professional insurance</li><li>• 51 Dun &amp; Bradstreet</li></ul>	<ul style="list-style-type: none"><li>• <b>Case Study x2</b><ul style="list-style-type: none"><li>○ <b>Financial threshold</b></li><li>○ <b>Within past 2 years</b></li></ul></li><li>• <b>All service lines met</b><ul style="list-style-type: none"><li>○ <b>Incorporate service line evidence with case studies</b></li></ul></li><li>• <b>Demonstration of capacity</b></li></ul>
03	Service Lines	<ul style="list-style-type: none"><li>• 13 service lines</li><li>• 11 used</li></ul>	<ul style="list-style-type: none"><li>• <b>14 service lines</b></li></ul>



# Service Lines: Complex/Transformation

## Current

- Asset management
- Change management
- Complex programmes
- Organisation design
- Performance improvement
- Portfolio management advice
- Programme management
- Risk & compliance
- Stakeholder management
- Structural reviews
- Supplier side advisory services
- Supplier side programme deliver
- Transformation management

## Proposed

- Change management
- Complex programmes
- Organisation & operating model
- Performance improvement
- Project & Programme management
- Supplier side services and delivery
- Transformation management
- HR transformation
- Strategy and/or Policy transformation
- Digital and technology transformation
- Procurement transformation
- Business transformation
- Finance transformation



# Proposed Lot: Digital & Technology

	MCF (Lot 8)	MCSF Proposal
01	<b>Supplier Numbers</b> <ul style="list-style-type: none"><li>• 43 suppliers</li><li>• 16 used</li></ul>	<ul style="list-style-type: none"><li>• <b>Customer Feedback</b> 25-40 suppliers</li></ul>
02	<b>Entry Criteria</b> <ul style="list-style-type: none"><li>• Minimum of 4 service lines</li><li>• Customer references: 2200 days over 3 years - previous experience</li><li>• £5m - public liability, employers and professional insurance</li><li>• 51 Dun &amp; Bradstreet</li></ul>	<ul style="list-style-type: none"><li>• <b>Case study</b><ul style="list-style-type: none"><li>○ <b>Financial threshold</b></li><li>○ <b>Within past 2 years</b></li></ul></li><li>• <b>50% service lines met as minimum</b><ul style="list-style-type: none"><li>○ <b>Incorporate service line evidence with case studies</b></li></ul></li></ul>
03	<b>Service Lines</b> <ul style="list-style-type: none"><li>• 19 service lines</li><li>• 9 used</li></ul>	<ul style="list-style-type: none"><li>• <b>10 service lines</b></li></ul>





# Service Lines: Digital & Technology

## Current

- Business case development
- Capability development
- Commissioning services
- Conceptualisation / inception and viability studies
- Continuity and disaster recovery planning
- Current systems appraisal and opportunity definition
- Digital services strategy
- Economics, analysis and research
- Forecasting, planning and strategy
- HR and organisational strategy
- Information and document structure, management and strategy
- Operational modelling
- Policy advice and review
- Procurement and supply
- Programme and project management
- Risk and opportunity management
- Security and risk management planning
- System roadmap development
- Transformation, change and assurance

## Proposed

- Capability development
- Commissioning models and/or services
- Concept and/or viability planning
- Continuity and disaster recovery planning
- Current systems appraisal and opportunity definition
- Digital & technology strategy
- Programme and project management
- Security and risk management
- System roadmap development
- Transformation, change and assurance



# Proposed Lot: Business

		MCF2 (Lot 1)	MCSF Proposal
01	Supplier Numbers	<ul style="list-style-type: none"><li>• 268 suppliers</li><li>• 78 used</li></ul>	<ul style="list-style-type: none"><li>• <b>Customer Feedback:</b> 50-100 suppliers</li></ul>
02	Entry Criteria	<ul style="list-style-type: none"><li>• Customer reference for each service line</li><li>• £5m - public liability, employers and professional insurance</li><li>• 45 Dun &amp; Bradstreet</li></ul>	<ul style="list-style-type: none"><li>• <b>Case study</b><ul style="list-style-type: none"><li>• <b>Billable days</b></li></ul></li><li>• <b>Customer References</b><ul style="list-style-type: none"><li>• <b>Minimum no. of days worked per year</b></li></ul></li><li>• <b>50% service lines met as minimum</b></li></ul>
03	Service Lines	<ul style="list-style-type: none"><li>• 36 service lines</li><li>• 31 used</li></ul>	<ul style="list-style-type: none"><li>• <b>13 service lines</b></li></ul>



# Service Lines: Business

## Current

- Business case
- Business consultancy
- Business policy strategy
- Business sourcing
- Capability development
- Change management
- GDPR
- HR
- ICT
- New service development
- Options appraisal
- Policy review
- Project management
- Risk & opportunity management
- Risk and compliance
- Sales & marketing
- Sustainability
- Value for Money reviews

## Proposed

- Business case development
- Business consultancy
- Business continuity and disaster recovery planning
- Business policy strategy and/or appraisal
- Business processes
- Change management
- Development and/or review of policy
- Forecasting and planning
- Risk, compliance and opportunity management
- Operational planning and/or improvement
- Organisational review
- Project & programme management
- Value for Money reviews

# Next Steps



# Next Steps

1. Review feedback from supplier & customer engagement sessions
2. Further customer engagement on sector specific lots
3. Finalise the lot structure & details
4. Further engagement on T&Cs
5. Internal approvals & governance
6. OJEU notice

