



Doing business with Kingston Council A guide for suppliers





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1. Introduction

At Kingston Council, the procurement function is a core element in the way we deliver and maintain the services and products we provide for our residents. This guide is designed to help break down our procurement processes in order for local businesses to work more efficiently with us. This guide sets out some of the key policies and procedures that businesses need to be aware of when bidding for contracts with Kingston Council.

Kingston Council spends around £188m annually with third parties. Of this 74% is with SMEs and 15% (approx £29m) is with local suppliers.

The council's vision for the borough and for the council until 2024 is set out in the <u>Council Delivery Plan 23-24</u>.

2. Procurement

Contracts are awarded according to financial and contract rules laid down in the <u>council's constitution</u>. These rules exist to ensure transparency and value for money in our contracting procedures. There are also special rules that apply to public sector procurement processes for contracts valued above certain thresholds ('thresholds' – see section 3). These rules are set out in the UK under the Public Contracts Regulations which has specific procedures that all public sector organisations must follow when inviting tenders or quotes and awarding contracts.





3. How we buy

All quotations and tenders are received and invited via our e-tendering portal 'ProContract', which can be accessed at <u>www.londontenders.org</u>.

| Contract below £30,000 | Contracts over £30,000 |
|--|---|
| We will seek quotations from bidders by directly inviting a minimum number of suppliers to submit a written quotation based on requirements laid out in the 'Request for Quotation' documents, or by calling off from a suitable third party framework or DPS using the e-tendering portal. | We will seek a minimum of three quotes (including two from local suppliers where possible), call off from a suitable Framework Agreement or DPS, or advertise the opportunity on the London Tenders Portal and Contracts Finder. The details of a typical tendering process can be found in section 4. |
| The quotations that are submitted will be evaluated according to the weighting attributed to price and/or quality criteria, as set out in the Request for Quotation document. | Contract opportunities above the thresholds set out below will be advertised through the Find a Tender Service. The procurement process for a given contract is determined according to the total estimated value of that contract. |

Use of third party frameworks

The Council regularly makes use of a number of third party frameworks when sourcing contracts, including:

- <u>Crown Commercial Service</u> (multiple sectors)
- <u>ESPO</u> (multiple sectors)
- <u>Digital Marketplace (G-Cloud)</u> (software)
- Fusion 21 (construction and professional services)
- <u>London Construction Program Dynamic Purchasing System (DPS)</u> (minor works, professional services)

Please visit the framework's websites for information about becoming a framework supplier.





4. Thresholds

| Threshold | Required approach |
|---|---|
| Up to £30k | At least one written quote to be sought (from a local supplier where possible) preferably using e-tendering portal |
| £30k - £200k | Advertise opportunity inviting Quotations using the e-tendering system. Opportunity must be advertised on Contracts Finder; or Call off from suitable third party framework or DPS using the e-tendering system; or Seek a minimum of three quotes inviting at least two local suppliers where possible |
| Over £200k | Tender opportunities advertised on London Tenders Portal and Contracts Finder |
| Over £213,477 (for services and goods contracts) or over £5,336,937 (for works contracts) | Tender opportunities advertised on the London Tenders Portal, Contracts Finder and Find A Tender Service (FTS) |

5. Our tendering process

For contacts involving more complex requirements, we will aim to carry out a market engagement event so that potential tenderers can better understand the opportunity and the anticipated procurement process.

Advertising and shortlisting

When advertising a contract opportunity we will give details of the proposed contract. We may run a single stage process (Open tendering procedure) or if we expect a high volume of responses, we may carry out a two stage process (restricted tendering procedure) or multi-stage procedure (e.g. competitive dialogue).

Kingston Council will use a standard Supplier Questionnaire (also known as an SQ/Pre Qualification Questionnaire) which will be sent to all bidders who express an interest. The council will use this to evaluate and shortlist bidders based on criteria such as financial standing, technical capacity and previous experience.





This allows us to ensure that bidders meet the minimum criteria to perform the contract requirements.

For the Open procedure, the tenders responses submitted by the suppliers who meet the set criteria will then be evaluated. For the Restricted procedure the suppliers who meet the set criteria are selected/shortlisted and sent the Invitation To Tender (ITT). The council also uses Negotiated and Competitive Dialogue procedures for tendering for complex requirements.

Invitation to Tender

The ITT will contain various documents which should be completed by respondents, and then sent back to us electronically by a date specified in the ITT.

The ITT will usually contain the documents listed below as a minimum:

- Specification a document detailing a technical description of a need or the performance outputs and outcomes of a requirement
- Invitation to Tender document including details of how to bid and the evaluation criteria
- Costing/Pricing Schedule
- Terms and Conditions

The evaluation criteria weightings will be within the ranges set out in the table below. Deviation may sometimes be required to reflect the specific needs of the project or framework requirements.

| Criteria | Weighting |
|--------------|-----------|
| Cost | 40-60% |
| Quality | 30-50% |
| Social Value | 10-20% |

Preparing your response

- The same documents will be sent to all the bidders at the same time.
- Always use the pre-set response templates provided, and do not make any further edits or format changes or content of these documents except as instructed.
- Tendering documents will be sent through our e-procurement portal. Any questions you may have can be raised through the portal.
- Read through the documentation carefully to make sure you understand what is required of you





- Please ensure you provide all the documents/ attachments requested in the ITT and supporting information to ensure your bid is fully evaluated.
- Bids received after the deadline stated in the ITT will not be accepted.
- If you are unable to provide information, please contact us for advice.
- Any conflicts of interest between council and a supplier must be notified to the council using the portal

At the evaluation stage, tenders will be evaluated against the criteria set out in the ITT that was previously sent out. If we intend to seek clarification in the response provided we will contact you via our e-tendering portal.

When submitting a quote you may be required to submit the following information:

- Organisation details
- Audited accounts or other means of demonstrating financial status
- Relevant experience and contract examples
- Modern Slavery statement for relevant commercial organisations
- Details of compliance with the General Data Protection Regulations (GDPR)
- Confirmation of insurance indemnity levels
- Responses to quality 'Method Statement' questions
- Your price (via a completed Pricing Schedule)

When submitting a tender you will be required to submit the above information, and in addition:

- Responses to Grounds for Mandatory and Discretionary Exclusion questions
- Details of Health and Safety arrangements
- Confirmation of Living Wage commitment
- Contract specific policies or accreditations as relevant to the procurement

Contract award

Once a decision has been made as to which supplier has won the contract, the contract award details will be communicated to all bidders via the e-tendering portal. For contracts that were advertised publicly, the decision will be published on the Contracts Finder. Unsuccessful suppliers will be provided with feedback on their bid.

Once the contract has been mobilised with the successful supplier, a strategic approach to managing the contract will be put in place. The council uses a contract management scorecard which allows us to assess the performance of suppliers' contracts. Regular reviews, meetings and audits will be carried out with the contract managers and the supplier.





6. Values and Culture

Kingston Council puts its ethical, social and environmental impact at the forefront of how it does business and carries out its procurement processes. We aim to continually look to improve our services in a way that will positively impact the community.

Social Value

The council has made positive commitments to drive forward ethical practices in its procurement activity, to improve behaviours in its supply chain over and above the requirements set out within the legal framework governing public procurement. In particular this includes driving socio-economic and environmental improvements for its residents and society at large.

The council expects that all its supply base ensure that the products, services and supply chains are sourced in a responsible and sustainable way, and that the workers involved in the creation of these goods are making them in a safe and fair environment.

We aim to work with suppliers who share our core values, including paying the London Living Wage, embedding equality and diversity considerations in delivery models, adopting a robust approach to Modern Slavery, and responding to the climate change emergency.

Embedding social value in tendering and evaluations, with the overall principle of enhancing local investment, which will provide a better playing field for local businesses. One of the key focus points within the social value framework is to develop how we work more with local SME's and VCSE's and consider how larger contracts incorporate services from local businesses and people.

A minimum of 10% of the total evaluation weighting will be allocated to Social Value. Prospective tenderers will be required to consider the council's Social Value local objectives and <u>Social Value Measurement Framework</u> in the preparation of their tenders and commit to delivering Social Value benefits which will form part of contractual obligations. Social Value is about delivering additional social, economic and/or environmental benefits through a planned service. It looks at more than just the cost of a given contract and beyond the activities specified within the contract documents and pricing schedule which are considered core contract requirements to consider what further benefits can be achieved.

Social Value is one of the 11 point assessment areas of Kingston's contract management scorecards and a benefit realisation tracker will measure the social benefits achieved during the lifetime of the contract.





Kingston's Social Value Objectives are:

- **Social** Creating Healthier, Safer and More Resilient Communities. To build stronger and deeper relationships with the voluntary and social enterprise sectors whilst continuing to engage and empower citizens. Creating healthier communities by helping vulnerable people to live independently and supporting communities to deal with the COVID-19 crisis;
- **Environment**: Decarbonising and Safeguarding our World. To ensure the places where people live and work are cleaner and greener, to promote sustainable procurement and secure the long-term future of our planet. Better place to live by minimising waste and pollution, supporting carbon reduction initiatives, furthering energy efficiency and other sustainability programmes;
- **Growth:** Supporting the Growth of Responsible Regional Businesses. Maximising opportunities for Kingston organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area. Promoting fair employment practices. Ensuring workforce equality and diversity within supply chains; Ethical sourcing practices - promoting fair trade and fair pricing policies, tackling corruption, child labour and modern slavery;
- **Jobs** Promote Local Skills and Employment Improved skills for local people and increased employability for young people, more opportunities for disadvantaged people. Offering a range of apprenticeship, training and skills development opportunities as well as employment opportunities;
- **Innovation:** Promoting Social Innovation to promote new ideas and find innovative solutions.

7. London Living Wage

Kingston Council achieved London Living Wage accreditation in September 2019. Becoming an accredited employer means that everyone working for the council, regardless of whether they are permanent employees or third-party contractors and suppliers will receive the London Living Wage.

The council has also embedded London Living Wage changes within our model Terms and Conditions.

The real Living Wage, higher than the Government set National Living wage, is an independently calculated hourly rate of pay that is based on the actual cost of living. It is calculated yearly and announced by the Living Wage Foundation as part of Living Wage Week.





8. Good Business Charter

Kingston Council achieved accreditation in September 2021. <u>The Good Business</u> <u>Charter</u> focuses on 10 components that includes ethical sourcing, prompt payment and commitment to customers. The council is using its purchasing power to drive socio-economic and environmental improvements for its residents and society at large. Both Kingston and our suppliers accept that effective procurement practices are an important factor in ensuring a varied and competitive marketplace and creating opportunities for Small and Medium Enterprises (SMEs), as well as ensuring Best Value/Value for Money for the local authority.

9. Equality and Diversity

Our <u>Equality</u>, <u>Diversity and Inclusion Strategy</u> spells out our commitment to equality and diversity, and the measures we take to achieve equality.

It is the council's policy that all staff doing comparable jobs are treated equally with respect to pay, benefits and other conditions of employment, regardless of gender, marital status, sexual orientation, gender reassignment, age, race or nationality, disability, or religion or background.

The strategy states that we will deliver accessible and inclusive services by strengthening equality analysis in service planning, oversight and evaluation. Suppliers will be required to report on how they support the equalities objectives in this strategy where relevant.

10. Premier Supplier programme

The Premier Supplier Programme is an early payment programme that gives suppliers the opportunity to be paid earlier than contracted terms, while also enabling us to improve payment processes and generate savings.

The Premier Supplier Programme gives suppliers the option to be paid as soon as the invoice is authorised, and ahead of their 30-day terms, in exchange for a small, pre-agreed rebate. The rebate is applied as the invoice is paid and is proportionate to how many days we accelerate the payment by.

Micro-businesses are exempt from the rebate and receive payment within 10 days.

Why have we chosen to introduce the Premier Supply Programme

We are working with Oxygen Finance to deliver an early payment programme that delivers multiple benefits: suppliers will benefit from improved cash flow and reduced time spent chasing payments, and the council benefits from improved operational





effectiveness and savings.

We believe that strong supplier relationships are essential in achieving our strategic goals, and the Premier Supplier Programme demonstrates our commitment. We recognise that early payment can make a significant impact on the growth and development of our businesses.

11. Environment and Sustainability

Kingston Council highly values its impact on the environment and requires all its stakeholders/ suppliers to meet stated environmental requirements. This is included within the specifications and evaluation criteria we issue with the Invitation to Tender and forms one of Kingston's Social Value objectives.

The council has declared a climate emergency and is committed to having a positive impact on the environment. The council has launched a 'Kingston Climate Conversation' around its Climate Emergency Draft Action Plan, an integral part of delivering our commitment to becoming a carbon neutral council by 2038.

The way in which we design and deliver services can significantly affect the environment; whether that's through use of vehicles, energy consumption, waste management, food security, use of harmful materials. Changing the way we commission services and influencing our supply chain are vital in achieving our environmental sustainability.

Through effective commissioning practice, there is significant opportunity to support these ambitions: we will ensure commissioning activity works towards the goal to achieve carbon neutrality, enhances biodiversity, improves air quality and ensures sustainable, ethical solutions.

We require all contracts with an anticipated contract value of £5 million per annum and above to provide a Carbon Reduction Plan (CRP) confirming commitment to their part in achieving Net Zero. All contractors agree to provide the council with their Scope 1 and 2 carbon position if requested*.

12. Support to Businesses

The council delivers a wide range of work to support business and promote a thriving business environment. This includes work to ensure future business workspace is provided; promoting the borough as a place for investment; and providing targeted support to business and high streets. This may include practical advice and guidance, or occasionally grants, depending on funding availability. Kingston also provides employment, skills and recruitment services as part of its economic recovery programme.





Working with partner organisations and networks is essential and Kingston works closely with representative organisations such as Kingston Chamber¹ of Commerce and Kingston First Business Improvement District, alongside the Federation of Small Businesses, local business networks and the borough's universities and colleges.

For more information on how Kingston Council supports local business please contact <u>business@kingston.gov.uk</u> or see <u>www.kingston.gov.uk/business</u>

13. Useful Links and contact details

Our tendering takes place through the London Tenders Portal. Advertised opportunities will be published on this website, alongside <u>Contracts Finder</u> and <u>Find</u> <u>A Tender Service</u> (FTS) for contracts of the appropriate value. You can register for an account on the London Tenders Portal <u>https://procontract.due-north.com/register</u>, after which you will be able to take part in future procurement exercises. A user guide for responding to opportunities on the portal can be accessed <u>here</u>.

You can also register with the Kingston Business Directory.

General commissioning and procurement queries can be submitted to our Commissioning Team at <u>commissioning@kingston.gov.uk</u>

Kingston Council's Corporate Plan achievements are set out in the <u>Corporate Plan</u> The council's website can be accessed at <u>www.kingston.gov.uk</u>

¹ Definitions for Scope 1, 2 and 3* taken from <u>GHG Protocol Guidance Handbook</u>

Scope 1: direct emissions occur from sources owned or controlled by the company

Scope 2: indirect emissions are from the generation of purchased energy

Scope 3: indirect emissions are a result of an organisation's operations, but are not owned or controlled by the company