



Tendering revisited!

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Procurement law changes

The Public Contracts Regulations 2015



- Implements the EU Public Procurement Directive 2014/24
- UK wide applicability (except Scotland)
- In force since 26th February 2015
- Applies to all new procurements from that date

The Public Contracts Regulations 2015



- Which services are covered?
 - Parts A and B abolished
 - All services are subject to the regime unless expressly excluded in Schedule 3
 - Schedule 3 services are subject to a ‘light touch regime’
 - Reserving certain contracts to staff mutuals

The Public Contracts Regulations 2015



- Thresholds for applicability
 - £172,514 for all sub central contracting authorities unless services are in Schedule 3
 - £625,050 for Schedule 3 services
- Contract Award criteria
 - Lowest Price abandoned
 - MEAT only applies

The Public Contracts Regulations 2015



- Toolbox approach to procedures
 - Open Procedure
 - Restricted Procedure
 - Competitive Procedure with Negotiation
 - Competitive Dialogue
 - the Innovation Partnership

The Public Contracts Regulations 2015



- Better access to market for SMEs and Start-ups
 - Simplification of information obligations
 - Division into lots
 - Limitations on participation

The Public Contracts Regulations 2015



- Help for SMEs Lord Young's reforms
 - Below threshold PQQs abolished
 - Above threshold PQQs standardised
 - All public sector contracts to be advertised on Contracts Finder
 - 30 day payment terms in all public contracts and sub contracts



Threshold Band	Procedure
Up to £2,000	One oral quotation (confirmed in writing where the total value exceeds £500) Value for money could be best demonstrated by obtaining further written quotations.
£2,000 to £30,000	A minimum of 3 quotations should be sought. Orders should be placed in accordance with the normal procedures outlined in the contract and procurement rules and the Council's Financial Regulations. http://www.manchester.gov.uk/downloads/download/4030/the_constitution
£30,001 to £75,000	Invitation to tender by advertisement/list to at least three candidates – guidance should be sought from Corporate Procurement.
£75,001 to EU threshold	Invitation to tender by advertisement/list to at least three candidates – guidance should be sought from Corporate Procurement.
Above EU threshold	Must be awarded in accordance with the relevant European Directives that cover works supplies and services - guidance should be sought from Corporate Procurement.

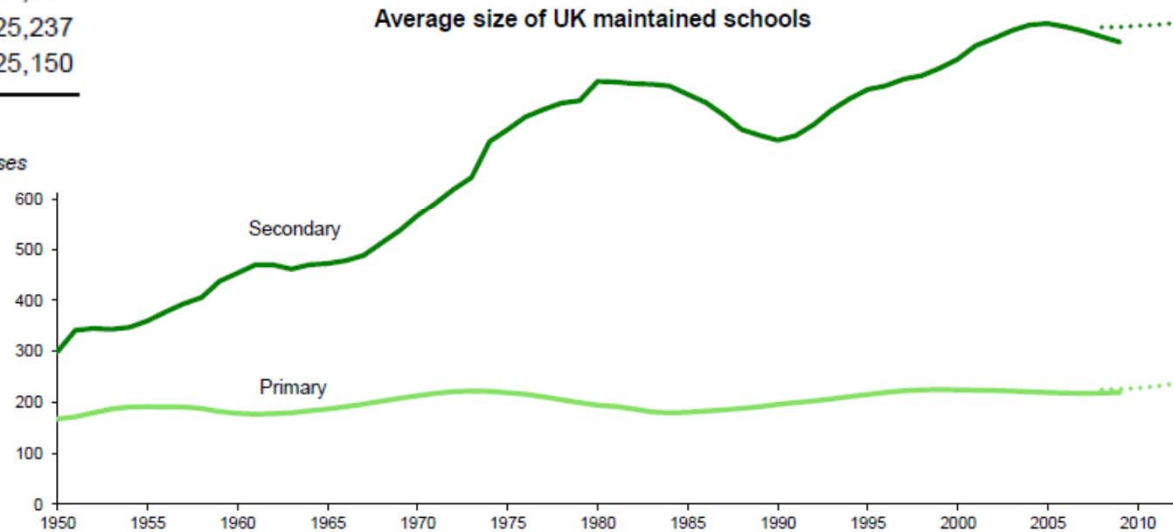


Public sector primary and secondary schools
UK, academic years

	Primary	Secondary	Total
1970/71	26,799	6,010	32,809
1980/81	26,504	5,542	32,046
1990/91	24,135	4,790	28,925
2000/01	22,902	4,337	27,239
2008/09	21,568	4,183	25,751
2009/10	21,427	4,149	25,576
2010/11	21,281	4,121	25,402
2011/12	21,165	4,072	25,237
2012/13	21,073	4,077	25,150

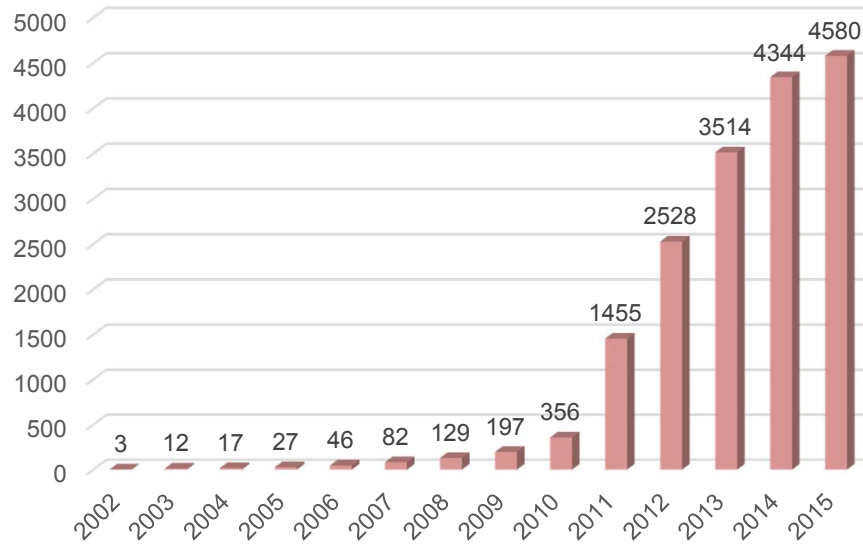
Source: ONS, *Annual Abstract of Statistics*, various

Education departments' reports of school/pupil censuses

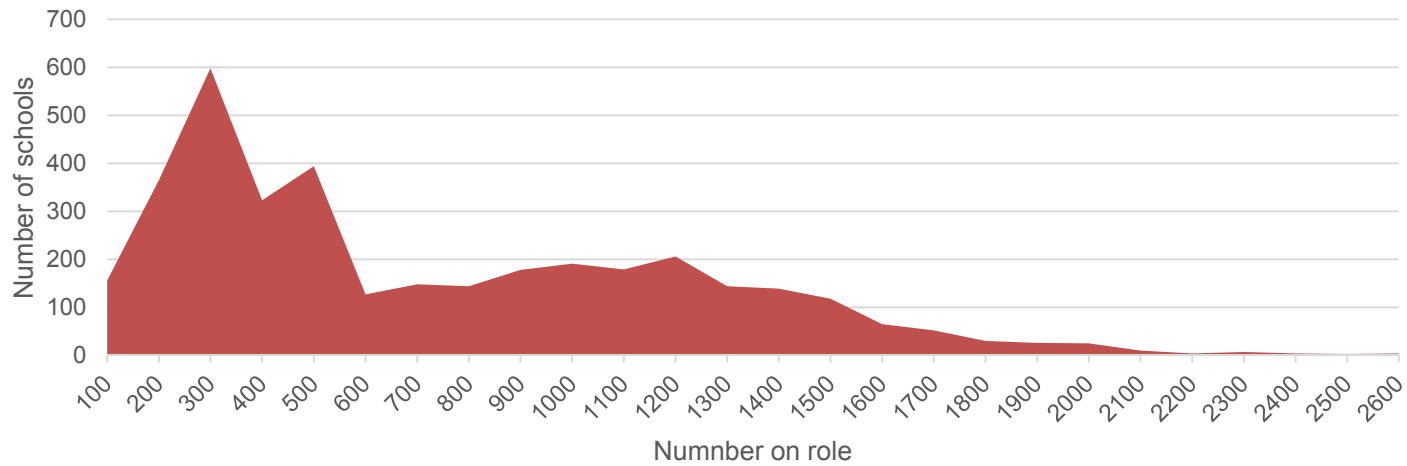


Academies

Open Academies England



Academy School profile



Cost breakdown



Cost area	% total cost
Front line staff costs	73.88%
All staff costs	85.26%
Other costs	4.78%
Cleaning materials	3.59%
Cleaning equipment	1.10%
Central establishment changes	7.24%

Office block



Productivity	m2/hour
Offices	372
Washrooms -toilets	93
Corridors/stairs	279
Dining areas	232
Reception/prestige area	232

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Offices	
Task	Frequency per week
Removal of waste	
Remove Waste	5
Damp wipe/wash waste receptacles	1
Soft floors	
Spot suction clean	4
Full suction clean	1
Hard floors	
Dust mop /spot mop	4
Full mop	1
Vertical surfaces	
Spot clean	5
Furniture /Fixtures/ Fittings/Work Surfaces	
Dust/damp wipe	4
Damp wipe/polish	1
Other furniture / Fittings	
Spot clean	4
Dust / damp wipe	1

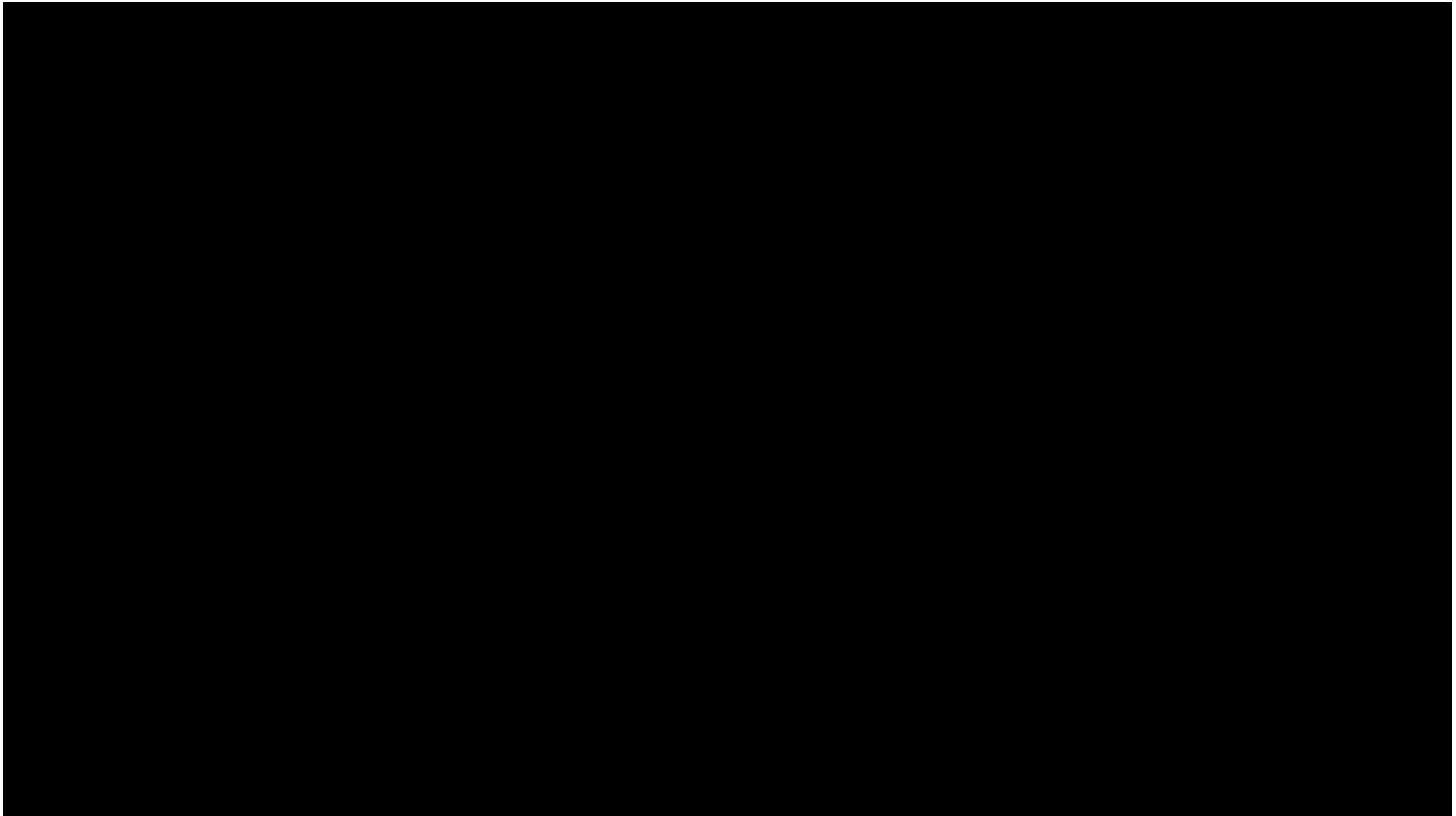
Primary School



Productivity	m2/hour
Primary school	166
Secondary school	199
Classrooms	167
Halls	279
Reception/prestige area	232

Dry Leisure centre





Costing options



- Productivity improvement
- Team Cleaning
- Output Specification
- Technology

Combatting low price



- Like for like
 - Equipment
 - Staff Cover
 - Holiday Cleaning
 - Hour based contract
 - Zero hours contracts
 - Minimum wage

Local authority offer

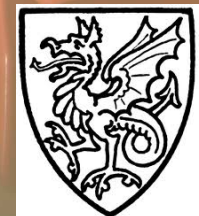
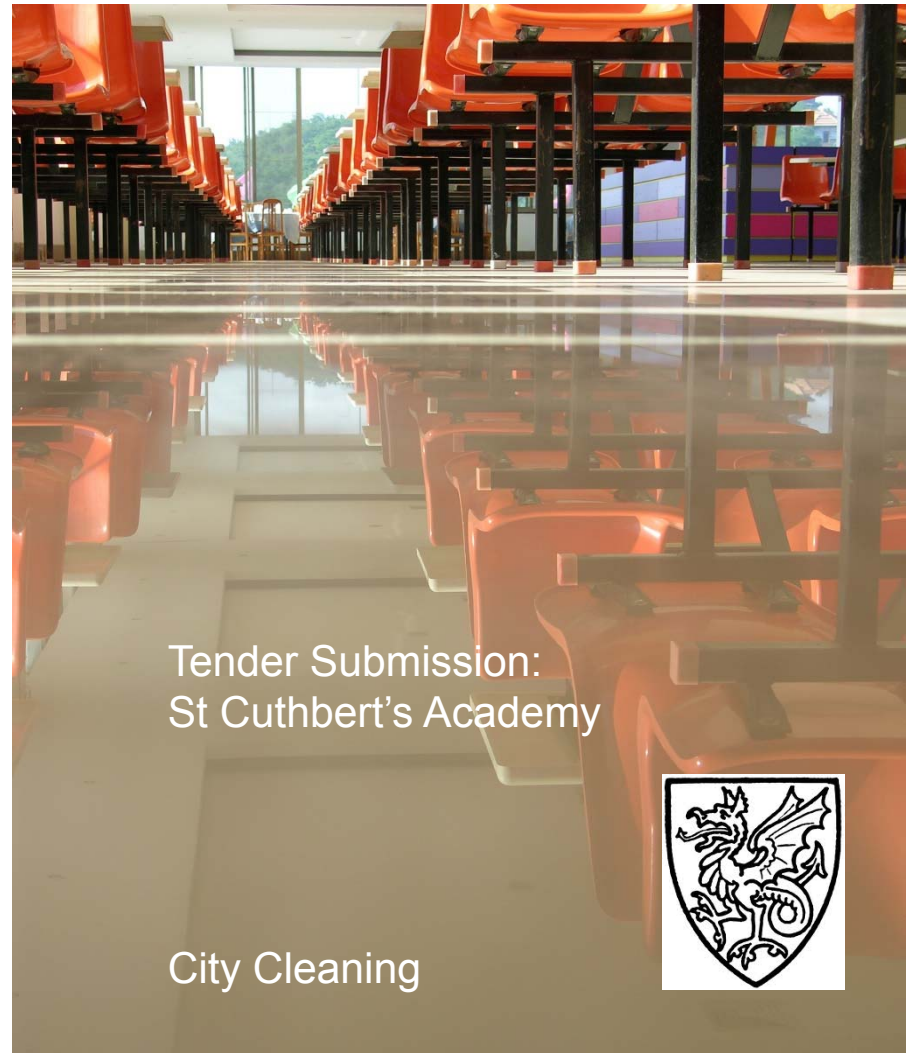


- Community owned via the Council
- Living wage employer
- Financially secure
- Fully compliant with hygiene & H&S legislation
- Full staff cover for absence
- Investment for longer commitment
- Legally able to procure directly for the LA
- Profit share

Managing the Tangibles



- Tender documentation
- Literature
- Area managers
- Promotions



LOCAL SERVICES

LOCAL SOLUTIONS



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