

<redacted>

Commercial Practitioner- Category Manager (EYSG)
Department for Education Commercial Team
20 Great Smith Street
London
SW1 3BT

4th June 2021

Dear <redacted>,

Updated - ESPO Proposal and Quotation for the supply of Abacus/Rekenreks to Department for Education.

We would like to thank you for offering ESPO the opportunity to submit an offer to support the DfE in the supply of Rekenreks to Primary Schools.

As a publicly owned Professional Buying Organisation, our offer is underpinned by our own Curriculum products framework agreement, and is of course fully compliant with the Public Contract Regulations 2015.


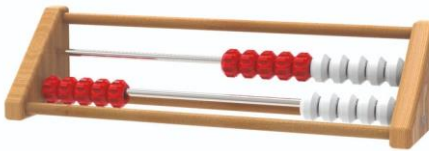
We have quoted for a standard product which meets the requirements of your specification, sample previously provided. We have provided a separate document which provides information on our product suppliers' company carbon footprint report. We also have provided details of the carbon footprint for the Rekenrek separately by email on 27th May.

We are pleased to be able to confirm details of our proposal and quotation below in the following pages.

We trust that this proposal is acceptable to you. Please do let me know if you have any questions or require any additional information.

Kind Regards

<redacted>
Head of Commercial

Spec.	Description	<redacted>
Function	It should be easy to tip back and forth so that beads easily slide across when tipped.	Confirmed
Size	25-30cm wide	25cm wide
Colours	<p>Frame colour unimportant.</p> <p>20 beads in total</p> <p>Must have two rows, each consisting of five red and five white beads (it's important that red beads come before white beads)</p>  <p>(Example photo from google, the brand is not a requirement)</p>	<p>Confirmed</p> <p>Standard stock sample provided.</p> <p>Grooves in the red beads add a sensory component to learning numbers up to 20 and make this Rekenrek accessible for visually impaired pupils</p> 
Bead width	<p>0.8-1.5cm wide.</p> <p>Ideally beads should be of the flat type rather than fully round as young children find these easier to move.</p>	<p>Beads are 1cm wide.</p> <p>They are all flat beads.</p> <p>The red beads are 'sensory' beads.</p>
Material	Wood or robust plastic with metal rod for the beads	<p>Wood with metal rod for the beads.</p> <p>The first batch of 1,260 units are as the standard Birchwood stock version, sample provided.</p> <p>In order to prevent delays with samples and certification of the FSC product, we propose that the initial 60,000 units are manufactured as standard Birchwood product, sample already approved by DfE.</p> <p>120,000 units to be made from sustainable FSC Beechwood, at no additional cost. Please note: The 3 wooden rods which join the 2 ends are Birchwood, as they cannot be made in FSC Beechwood. The 2 ends will be FSC Beechwood.</p> <p>Pre-production samples have</p>

		been ordered of the FSC product and will be forwarded to DfE for approval. ESPO will send two samples, one should be retained by DfE and the other signed and returned to ESPO.
Safety certification	<p>They must be suitable for a child of 4 years old.</p> <p>They must be accredited with the EU safety Kite Mark – CE.</p>	<p>Suitable for age 3+.</p> <p>Confirmed, meets stated accreditations. Evidence provided for stock product.</p> <p>CE certification for standard Birchwood product is here.</p> <p><Rekenrek Certificate. PDF></p> <p>CE safety certification for the FSC Beechwood product is currently being sought, estimated 23 June. Option to select standard Birchwood product if certification fails.</p>
Ordering process	<p>In approx.mid June 2021, the Department will provide details of those schools who are eligible to receive an order, along with:</p> <ul style="list-style-type: none"> - Name of person to receive abacuses at each school and a contact number for them - Address of the school - All eligible schools will be sent a default box containing 60 abacuses. <p>We will then provide data to the supplier on a monthly basis to confirm delivery addresses for the next batch of orders. This will also trigger subsequent orders.</p> <p>Provision of data will be in accordance with UK data protection legislation, and personal data will not be shared outside of the UK.</p>	<p>Agreed.</p> <p><redacted></p> <p>This is a special order for bespoke goods and cannot be cancelled once the order is placed with ESPO. Payment in full will be due to ESPO for all items ordered by DfE within this project.</p> <p>DfE to provide all school delivery information for the Pilot stage to ESPO by 4 June latest.</p> <p>We request that DfE also provide <redacted> addresses to ESPO so we can alert the schools when to expect a delivery.</p> <p>We will setup a dedicated email address of [REDACTED] to facilitate this and to manage any questions from the schools re delivery.</p>
Delivery address	<p>Each school will require an individual delivery of their abacuses. Only state primary schools are eligible to receive an abacus and each school will receive 60 abacuses.</p> <p>Each school should receive the abacuses in a delivery method that is as efficient as possible but still protects the product from damaged. Schools should receive abacuses in one delivery batch of 60 abacuses.</p>	<p>Boxed in an outer of 60 units, with 2 inners of 30 units.</p> <p>Each Rekenrek is individually polybagged (recyclable) for protection and boxed in an inner of 30 units. DfE preference for printing on polybag to state recyclable but do not wish this to add delay so option, not essential.</p> <p>All deliveries will be made Monday-Friday in school term time and school</p>

		<p>working hours.</p> <p>Our carrier will attempt to deliver to the school on 3 occasions at no additional cost. In the unlikely event that the school is unable to accept delivery for the third time, the goods will be returned to ESPO. If re-delivery is required, this will be at a cost of £[REDACTED] per delivery.</p>
MI reporting	<p>To support with monitoring use in schools, we request data from the supplier which shows:</p> <ul style="list-style-type: none"> - The number of abacuses that have been delivered to each individual school - The dispatch and delivery date - The name and address of each school that they have been delivered to - The cost of each order 	<p>Agreed.</p> <p>ESPO will provide the required information on a weekly basis for deliveries made the preceding week.</p> <p>ESPO will provide regular updates on production and shipping progress.</p>
Payment	<p>Staged payments against manufacture, dispatch and receipt of goods at each school for each order.</p> <p>We are looking to make payments using a purchase order or government procurement card.</p>	<p>Purchase order and payment by Government Procurement Card received in full for £[REDACTED] + VAT for Pilot stage.</p> <p>Stage 2 – Purchase Order for 100% of order for 180,000 units to be provided to ESPO by 13:00 Friday 4 June.</p> <p>ESPO will immediately invoice for 50% of the total order value for 180,000 units against this Purchase Order. DfE to pay full balance of the correct invoice to ESPO by CHAPS, within 3 working days if possible, but within 5 working days latest. Production will not commence until payment is received.</p> <p>Balance of invoice for each school delivery will be due to ESPO within 30 days of date of invoice. ESPO will invoice DfE for the outstanding balance as orders are sent to schools. ESPO will raise a weekly consolidated invoice for the balances.</p>
Refund/ repair process	<p>All damaged goods on arrival must be replaced within 24 hours at no additional cost.</p> <p>If any items break within 30 days, these must also be replaced at no</p>	<p>Confirmed.</p> <p>Any goods damaged on arrival must be reported to ESPO within 24 hours of receipt.</p> <p>12 months manufacturers guarantee against product defects. We will</p>

	<p>additional cost.</p> <p>What is the product guarantee period? For example, 6 months?</p>	<p>arrange replacement stock or credit. Replacement goods are normally sent by overnight carrier. Collection of damaged goods will be arranged through our nominated carrier as below. Damages must be reported to ESPO within 24 hours of delivery. POD's can be provided for up to 3 months after delivery date.</p>
ESPO Returns Process	<p>The school should contact ESPO Customer Services via a specified ESPO email address (██████████) or ██████████ with the details regarding the items needed to be returned. The contact information will be supplied on ESPO's despatch confirmation email to the school.</p> <p>ESPO will then send the school an email with a link to download and print their return labels as well as instructions how to book a collection.</p> <p>The school then needs to attach the labels to the parcels they need to return:</p> <p>The school then contacts carrier to book the collection, either:</p> <ul style="list-style-type: none"> • by phone ██████████ quoting their tracking number from the labels sent; • dropping it off at any of the <Redact> depot on this list: Locator <Redact> • or by going online and filing this form in ██████████ <p>Pickup times are between 12:00-18:00, Monday-Friday. Deviations may occur depending on the postal code. Confirmation of the collection will be sent to the email address provided when filling the form online.</p>	
Goods Missing in Transit	<p>If an order fails to arrive with the school within a specified time frame (e.g. 3 working days) following receipt of ESPO's confirmation email. This will be issued via a specified ESPO email address ██████████ the details of which will be supplied on ESPO's despatch confirmation email to the school.</p> <p>ESPO will then investigate and contact the school arranging redelivery as appropriate.</p>	
Insurance	<p>The bid is based on door-to-door delivery to schools and our supplier is responsible until the point of delivery to the ESPO warehouse thereafter ESPO assumes responsibility. We are unable to provide insurance against delivery delays due to events which are beyond our control. We and the supplier are aware of the challenging timescales and genuinely feel that we can achieve the timescales stated in our bid. We are dealing with a longstanding, trusted supplier and have agreed a production timetable with the factory and have no reason to suspect that we cannot achieve the challenging timescales provided, however we cannot be liable for events beyond ours or the suppliers control which could impact the timescales.</p> <p>We have formed a senior mobilisation team at ESPO to ensure that we take all reasonable steps to satisfy the DfE's delivery requirements.</p>	
Ethical supply	<p>We have confirmation from our supplier that they recognize and comply with the Modern Slavery Act. They require that their suppliers meet statutory minimum requirements regarding pay and conditions of employment for their employees.</p> <p>Please see link to ESPO's modern day slavery statement: https://www.espo.org/modern-slavery-statement</p>	
Terms and Conditions	<p>The terms and conditions as per the following link Terms and conditions of supply (espo.org). will apply to this order. However, the content of our bid will take precedence should there be a discrepancy regarding the terms of supply for these bespoke goods (special-order items).</p>	

	Once a Purchase Order is placed by the DfE it will not be possible for the order to be cancelled and full payment will be required for the quantity ordered.
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Pricing

ESPO is pleased to provide pricing for the DfE's requirement based on ESPO securing an order for a minimum of 181,200 Rekenreks.

Based on recent discussions, ESPO has provided pricing options for DfE consideration:

Option 1 - Sea freight only for 180,000 units (1,260 pilot phase - air freight):

ESPO Price (per single unit)
Price excludes VAT (VAT will be payable on the order)
Shipping direct to each school included in price

Option 2 - Air freight for the first 60,000 Rekenreks, 120,000 Rekenreks Sea freight (1,260 pilot phase - air freight):

Freight	Unit Qty (Singles)	ESPO Price (per single unit)
Air	60,000	
Air	1,260	
Sea	120,000	
All prices exclude VAT (VAT will be payable on the order)		
Shipping direct to each school included in price		

Please note that further orders must be for full container quantities as below.

Order and payment schedule:

Our order and payment schedule is provided below:

- By 26 May 2021, DfE to provide ESPO with purchase order for initial order commitment of 1,260 Rekenreks (1,260 for pilot) (email order confirmation provided by <redacted>). Payment made in full Wednesday 2nd June 2021 for £ + VAT.
- By 13:00 on Friday 4 June 2021, DfE to provide ESPO with Purchase Order for commitment of further 180,000 Rekenreks (180,000 for stage 2).
- 50% of the total order value (as above) for Stage 2 to be paid to ESPO by CHAPS, if possible within 3 working days of date of correct invoice for above Purchase Order, but within 5 working days latest.
- By 13:00 on Friday 4 June 2021 latest, DfE to confirm to ESPO school delivery information for 'Pilot' stage of first 21 schools (1,260 Rekenreks).
- DfE to confirm to ESPO individual school delivery information for 'Stage 2', 3,000 schools (180,000 Rekenreks). This information can be supplied in three batches, however ESPO would like to receive it as set out below:

- Delivery 1 – 60,000 units – by end July 2021
- Delivery 2 – 60,000 units – by end August 2021
- Delivery 3 – 60,000 units – by end September 2021

f) If Stage 3 is required, DfE to provide order form and purchase order to ESPO for further commitment of additional 180,000 Rekenreks. Production, shipping, costings and invoicing will be confirmed at this point. Please note that further orders must be in full container quantities.

Delivery schedule - Firm order for 181,200 Rekenreks – Stage 1+2

Our delivery schedule is provided below and is based on ESPO receiving a Purchase Order by 13:00 on Friday 4th June 2021. The delivery schedule may be subject to change depending on when purchase order received by ESPO.

Delivery of the initial 1,260 Rekenreks to 21 schools will be completed by Mid-June. We have ordered this stock with our supplier which will be air freighted to the UK.

For 'Stage 2' (180,000 Rekenreks) we have provided estimated timescales below:

Air freight for the first 60,000 Rekenreks, 120,000 Rekenreks Sea freight (1,260 pilot phase - air freight):

Order Qty	Order Date	Freight	*Estimated Manufacturing Days	*Estimated Manufacturing Complete Date	*Estimated Delivery to ESPO by	*Estimated Delivery to schools by
1,260	26-May	Air	N/A	N/A	9/10 June	Mid-June
60,000	4-June	Air	52	End July	End Aug	Early Sept**
60,000	4-June	Sea	71	Mid-August	Early/Mid Nov	Mid/Late-Nov
60,000	4-June	Sea	90	Early September	Late Nov	Early Dec
181,200						

*Estimated dates are based on purchase order being provided to ESPO 4 June.

** For Sea freight, **estimated** date for delivery to schools by end October/1st week November.

Please note: If DfE wish to switch any Sea freight container to Air freight, we will require at least four weeks notice prior to manufacturing being completed.

We have tentatively secured a production slot with the factory which needs to be confirmed by PO and part payment before production commences. The slot is currently held until end of business on 4th June. If we were to receive an order past this date, this may add further delay to the timescales.

Once the order is placed, and production slots and specification confirmed, ESPO will provide production schedule to the DfE. As far as reasonably possible, ESPO will manage the production and shipping schedule with the supplier on a weekly basis and will provide an update to the DfE, highlighting any delays and mitigations as soon as possible.

All delivery dates are provided in good faith but unfortunately cannot be guaranteed. We will take all reasonable steps to achieve all delivery dates quoted, however as I am sure that you are aware the shipping industry is currently very volatile and can be subject to

delays in shipping and customs clearance, which are beyond our control.

ESPO will provide DfE with a manufacturing timetable once the order is placed with the factory. For each part order (of 3x60,000 units) if manufacture of rekenreks is not completed within 30 days of the manufacturing production timetable completion date (yet to be provided and will be confirmed after order placement), then ESPO will seek confirmation from DfE that manufacturing is required for that part of the order of 60,000 units. For any goods not manufactured or shipped, ESPO will issue a credit for sums paid for in advance by DfE when ESPO is credited by the supplier. ESPO will provide shipping updates and share plans developed to mitigate shipping risks with DfE.

The project timescales provided by the DfE are extremely tight but not impossible to achieve. The project requires production to scale up at extremely short notice, and ESPO and our partners have all formed senior project teams in order to manage the project to the timescales provided above. ESPO will provide DfE with relevant information as soon as they become aware of any risk of delay to the above timeframes.

Our bid is based on a firm commitment to the supplier for 181,260 units therefore, the order cannot be cancelled by the DfE once placed with ESPO and full payment will be required. If the goods are delayed they will be delivered to schools by ESPO as soon as reasonably possible upon arrival in the UK. If the goods arrive earlier than envisaged, ESPO will deliver them to schools as soon as reasonably possible.

We do understand the time pressures and challenges faced by the DfE to roll out this project and will take all reasonable endeavours to support this project.

All Autumn deliveries are automatically based on sea freight. However, DfE may decide to switch to air freight delivery at a date no later than 4 weeks before the goods are completed and ready to be shipped. Indicative costings and timeframes for this option are provided in the table above, but may be subject to change depending on freight costs at the time and which elements of the order require air freighting. This will be confirmed at the time.

If Stage 3 is required, updated timescales will be confirmed separately.