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# PURPOSE

## The purpose of this Procurement is to appoint a single Supplier to deliver Price Benchmarking Services, across all Crown Commercial Service common goods and services Categories.

# BACKGROUND TO THE CONTRACTING aUTHORITY

## The Crown Commercial Service’s (CCS) role is to bring together policy, advice and direct buying; providing commercial services to the public sector and saving money for the taxpayer across a variety of Government departments.

# Background to requirement/OVERVIEW of requirement

## The aim of the Price Benchmarking Services Contract is to demonstrate Government’s commercial capability and achievements through independent evidence, which is to be provided by a suitable Supplier.

## The benchmarking exercises will also encourage suppliers to provide the best value for money for the products and/or services they offer in the marketplace, in order to win tenders/contracts.

## The list below is supplied to give an indication of the type of Category to be benchmarked. These include, but are not limited, to:

* Cloud and Digital
* Communications
* Construction
* Consulting
* Contingent Labour
* Document Storage
* Energy
* Facilities Management
* Fleet
* Health
* HR Services
* Insurance
* Legal
* Networks
* Office Supplies
* Post and Courier
* Print and Paper
* Property
* Software
* Technology Products
* Travel

# The requirement

## GENERAL REQUIREMENTS

### The Authority wishes to compare the prices paid via the Authority’s commercial procurement solutions against those prices being paid by organisations in the private sector.

### A basket of up to 200 items will be established for each Category.

### The Supplier must be able to obtain the prices paid by the private sector for the items in the basket for each category.

### The Authority will provide the Supplier with details of the quantities purchased and the prices paid by its customers across the range of its procurement portfolio.

### The Supplier must be able to ascertain the actual ‘price paid’ for the product and/or service by organisations in the private sector, in a comparable period, as those purchased via the Authority’s commercial procurement solutions, and to then provide a report detailing this comparison.

### Where appropriate, the Authority may suggest and/or agree prices derived from public sector organisations, to be included in the comparison.

### The Supplier must be able to provide a price benchmarking service for all Categories.

### Price Benchmarking surveys will be completed separately for each Category.

### The Price Benchmarking surveys will be carried out over the year of the Contract, as agreed between the Authority and the Supplier, and this will be determined on a call off basis as required by the Authority

### Before the commencement of each Price Benchmarking survey, the Supplier shall supply to, and agree with, the Authority a plan showing the completion dates of the major milestones below:

* Finalisation of items in the basket;
* Complete private sector price gathering;
* Interim Report available to the Authority; and
* Final Report available to the Authority;

### The Authority will work with the Supplier to continually improve the quality of the benchmarking process, and will require the Supplier to recommend amendments and enhancements to the process that will improve the accuracy of the results.

## ESTABLISHING AND MAINTAINING THE BASKETS

### Price benchmarking will be calculated with reference to a typical ‘basket of goods’, which may include up to 200 goods and/ or services within any given Category from the portfolio of contracts offered to the market by the Authority. For an indication as to which goods and services may be included, please see Annex A.

### The Authority may seek input from the Supplier regarding the most appropriate goods and/or services to benchmark.

### The Supplier shall work with the Authority’s Category teams via a designated person responsible, supplied by the Authority, to identify appropriate goods and/or services to include in the baskets. For some Categories, this may simply consist of a health check regarding the items put forward by the Category team to ensure their suitability. For other Categories, more work may be needed and the Supplier may be required to take more of a lead role to identify suitable items. The contents of each basket must be agreed with the Authority before the commencement of each benchmarking survey.

### The Authority and the Supplier will collectively ensure that the basket of goods and/or services identified for each Category is statistically representative of the spend within the Category, both in terms of value and volume, and representative of general market demand.

### The Supplier will be expected to review the content of the baskets with the Category team before each survey begins, to ensure that the items are still relevant.

## PRICES PAID

### The Supplier must be able to ascertain the actual ‘price paid’ for the product and/or service by organisations in the private sector, in a comparable period as those purchased via the Authority’s commercial procurement solutions, for each good and/or service in the basket.

### The price paid must be for equivalent quantities in the same units of measure as those purchased via the Authority’s commercial procurement solutions.

### The price paid must include all known discounts and rebates.

### Information relating to price paid must exclude VAT.

### Private sector prices obtained must be for the same brand, make and model as the item specified in the basket of items.

### The price paid for the item by at least three (3) separate organisations in the private sector must be obtained for an item to appear in the report. Any changes to this must be by agreement of the Authority.

### At least 85% of items in the basket must be included in the results.

## CUSTOMER BENCHMARKING SERVICES

### In addition, it is envisaged that the Authority may wish to offer customers the opportunity to check the prices they are paying against those available in the private sector or through the Authority’s commercial arrangements.

### It is envisaged that the process for Customer Benchmarking Services will be:

* The Customer, Authority and the Supplier agree a baskets of up to 200 items;
* The Customer will provide details of the prices they are paying for the items to the Authority;
* If the prices are to be compared against the Authority’s commercial arrangements, the Authority will provide details of the prices paid via the Authority’s commercial procurement solutions;
* The Supplier will then obtain prices paid by the private sector; and
* The Supplier will produce a report to the Authority giving details of how the prices compared.

### The cost of each survey of this service will be agreed between the Supplier and the Authority.

# key milestones and performance measures

## The Supplier should note the following project milestones that the Authority will measure the quality of delivery against:

### Table 1 – Project Milestone and Performance Measures

|  |  |  |  |
| --- | --- | --- | --- |
| **Milestone**  | **Description**  | **Timeframe**  | **Performance Measure**  |
| **Commencement of the Contract** |
| 1  | Attendance at Contract Commencement Meeting (can be held by telephone or videoconference) | Within week 1 of Contract Award  | Completion of Milestone 1 to the satisfaction of the Authority within week 1 of Contract Award  |
| 2  | Agree the Authority’s data format  | Within week 2 of Contract Award  | Completion of Milestone 2 to the satisfaction of the Authority within week 2 of Contract Award  |
| **Completion of Benchmarks**  |
| 3  | Attendance at the Authority’s location to agree the basket of goods/services for each Benchmarking survey (can be held by telephone or videoconference) | Within 2 weeks of benchmarking request | Completion of Milestone 3 to the satisfaction of the Authority within week 2 of Benchmark activity  |
| 4  | Obtain private sector pricing information for the goods/services that are contained within the basket (the Authority to provide data related to prices paid by their customers)  | Within 4 weeks of completion of milestone three  | Completion of Milestone 4 to the satisfaction of the Authority within 4 weeks of completion of milestone three   |
| 5 | Production and presentation of an Interim Report providing a summary of information of the findings related to the basket of goods/services that have been benchmarked (e.g. Overall prices paid were 5% lower than those paid by the private sector, 30% of prices in the lower quartile)  | Within 2 weeks of completion of milestone four  | Completion of Milestone 5 to the satisfaction of the Authority within 2 weeks of completion of milestone four    |
| 6 | Production and presentation of a detailed report providing price comparison information for the individual goods/services in the basket.  | Within 1 week of completion of milestone five  | Completion of Milestone 6 to the satisfaction of the Authority within 1 week of completion of milestone five, including meeting the following Service Level of: Price Comparison information to be provided for at least eighty-five percent (85%) of the goods/services within the basket  |

#

# authority’s responsibilities

## The Authority is responsible for identifying the category to be benchmarked (alongside any specific sub-categories or individual areas of analysis), and for providing data related to prices paid by its customers for integration into the benchmarking exercises and reports.

## The Authority is also responsible for approving each Price Benchmarking report at their appropriate stages of development and presentation, as stated in the Performance Measure column of Table 1 in Section 5.1.

# reporting

## The Potential Provider will be required to provide the Authority with reports showing how the unit price paid for items in each of the basket of goods and/or services compared against the unit price paid by organisations in the private sector.

## Reports shall indicate the competiveness of the Authority prices against a stratified benchmark, indicating the quartile of the Authority’s price.

## The Authority must be able to use the Price Benchmarking reports as they wish and to make them available to customers at no additional cost to either the Authority or Customer.

## The Supplier must provide the Authority with all of the data (in granular detail) used to produce the reports for use and storage by the Authority. The Supplier shall supply the data inComma-Separated Values (CSV) format.

## The information will be subject to the appropriate statutory provisions included within the Data Protection Act 1998.

## In order to derive greater commercial outcomes with the supply base, Price Benchmarking reports will be used as a resource when conducting informed negotiations with suppliers of goods and/or services offered to the market by the Authority.

# volumes

## Volumes of work cannot be guaranteed. The level of work and number of exercises that are required to be conducted by the Supplier are based on a call off basis, as requested by the Authority.

# continuous improvement

## The Supplier will be expected to continually improve the way in which the required Services are delivered, throughout the duration of the Contract.

## The Authority and the Supplier will discuss alternative ways of working during quarterly Contract review meetings (may be held by telephone or videoconference).

## The Supplier must bring to the Authority’s attention any changes or improvements it identifies to the way in which the Services are delivered. Such changes must be expressly agreed by the Authority prior to any changes being implemented.

# PRICE

## The Supplier is requested to complete Appendix E – Pricing Matrix.

## Prices are to be submitted via the e-Sourcing Suite excluding VAT.

# STAFF AND CUSTOMER SERVICE

## The Supplier shall provide a team that has relevant qualifications skills and experience to successfully deliver the Price Benchmarking Services Contract that is able to engage on a professional level with the Authority when required to do so

## The Supplier shall ensure that a consistent level of customer service is delivered to the Authority, by ensuring it will provide excellent customer service to the Authority throughout the duration of the Contract.

# Security requirements

## A Non-Disclosure Agreement is included at Annex B

## The successful Supplier shall sign a Non-Disclosure Agreement in the event of an award of the Contract.

## The Supplier shall ensure that all the Authority’s data and information remains stored in a safe, secure environment. Access is to be permitted only to those personnel who are an assigned member of the Suppliers Price Benchmarking Services project team.

## The Supplier must have sufficient IT systems, firewalls and back-up systems in place to ensure the protection of the Authority’s information and data throughout the duration of the Contract.

## Data cannot be held off shore, outside of the United Kingdom, without the prior written agreement from the Authority.

## The Supplier shall afford any appointed auditor from the Authority, access to the records at the Supplier premises. They will provide copies of such records as may be required, and from time to time agree with any of the auditors that the auditor may carry out an inspection to review the integrity, confidentiality and security of the Data held or used by the Supplier.

## A copy of the Non-Disclosure Agreement has been provided at Annex B of this document for information purposes only.

# payment

## The Supplier will invoice the Authority based on the prices provided for the appropriate volume range. It is the responsibility of the Supplier to ensure that the volume range prices are used when the Price Benchmarking Surveys are completed and invoiced.

## Payment can only be made following satisfactory delivery of pre-agreed certified products and deliverables.

## Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.

# Location

## The Supplier will be expected to attend meetings at any of the Authority’s offices in Liverpool, Norwich, London, Newport, Bristol and Leeds.

# ANNEX A – OVERVIEW OF CCS CATEGORIES AND THEIR GOODS AND/OR SERVICES

The list below is supplied to give an indication of the type of items in each Category to be benchmarked. Items include, but are not limited, to:

**Cloud and Digital**

* IT services
* Agile development
* Infrastructure as a Service (IaaS)
* Platforms as a Service (PaaS)
* Specialist cloud services

**Communications**

* Events
* Media Monitoring
* Media Buying
* PR

**Construction**

* Building materials
* Construction management
* Building project management

### **Consulting**

* Audit and assurance
* Consulting services
* Corporate strategy
* Organisational design

**Contingent Labour**

* Agency workers
* Casual workers
* Fixed-term temporary workers

**Document Storage**

* Document storage
* Digitisation and scanning
* Document destruction

**Energy**

* Electricity
* Gas
* Heating Oils
* Automotive Fuels
* Marine Fuels
* Aviation Fuels
* Energy Demand Management

**Facilities Management**

* Cleaning
* Security
* Catering services
* Waste management
* Reception services
* Pest control
* Repairs and maintenance

**Fleet**

* Motor vehicles
* Tyres
* Vehicle rental

**Health**

* Clinical staffing
* Agency nursing and social care
* Health professionals

**HR Services**

* HR support
* HR consultancy
* Education and training services

**Insurance**

* Insurance services
* Property insurance
* Re-insurance
* Insurance brokerage

**Legal**

* Legal services

**Networks**

* Wired telecoms
* Wireless telecoms
* Networks
* Installation and maintenance
* Managed services
* WAN/LAN

**Office Supplies**

* Stationery
* Multifunction devices
* Electronic office supplies
* Ink and toner
* Personal protective equipment

**Post and Courier**

* Letter delivery
* Parcel delivery
* Courier services

**Print and Paper**

* Paper including closed loop
* Brochures and leaflets
* Bulk mail
* Security printing

**Property**

* Office furniture
* Modular buildings
* Catering equipment
* Laundry and linen services

**Software**

* Packaged
* Commercial Off The Shelf (COTS)
* Open Source
* Licences
* Operating systems
* Desktop applications
* Software as a Service (SaaS)

**Technology Products**

* Desktop computers
* Laptop and notebook computers
* Tablets
* Displays and monitors
* Peripherals
* Vendor neutral hardware

**Travel**

* Hotel rooms
* Passenger air transportation
* Meeting facilities
* Events
* Vehicle rental
* Visa document services

# ANNEX B – NON-DISCLOSURE AGREEMENT (FOR INFORMATION PURPOSES ONLY

## The Non-Disclosure Agreement has been included as an embedded document, please see below:

##