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## CONTENTS

1.	PURPOSE.....	2
2.	BACKGROUND TO THE CONTRACTING AUTHORITY.....	2
3.	BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT .....	2
4.	DEFINITIONS.....	3
5.	SCOPE OF REQUIREMENT.....	3
6.	THE REQUIREMENT.....	4
7.	DIVERSITY AND INCLUSION.....	5
8.	CANDIDATE CARE AND DUE DILIGENCE.....	6
9.	KEY MILESTONES AND DELIVERABLES .....	6
10.	MANAGEMENT INFORMATION/REPORTING .....	7
11.	VOLUMES.....	7
12.	CONTINUOUS IMPROVEMENT .....	7
13.	SUSTAINABILITY .....	8
14.	QUALITY.....	8
15.	PRICE .....	8
16.	STAFF AND CUSTOMER SERVICE.....	9
17.	SERVICE LEVELS AND PERFORMANCE .....	9
18.	SECURITY AND CONFIDENTIALITY REQUIREMENTS.....	10
19.	PAYMENT AND INVOICING .....	11
20.	CONTRACT MANAGEMENT .....	11
21.	LOCATION.....	11

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## 1. PURPOSE

- 1.1 This document sets out the conditions and intent of UK Government Investments Limited (the “Authority”) in conducting an Invitation to Tender (“ITT”) for Executive Recruitment Services. The purpose of this ITT is to establish a contract with one Supplier.
- 1.2 Tenderers must ensure that they are familiar with the requirements of the Authority in seeking to respond to this ITT.

## 2. BACKGROUND TO THE CONTRACTING AUTHORITY

The Authority is a limited company wholly owned by HM Treasury formed on 1 April 2016. It is a cross-Whitehall resource located at 1 Victoria Street, SW1H and acts as a proactive, intelligent shareholder, working with Government departments and management teams to help Government-owned businesses perform better. It also acts as a resource for corporate finance and corporate governance advice across Whitehall which includes commercial investments, special situations and the disposal of Government assets.

## 3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 The Authority is seeking Executive Recruitment Services to support it in identifying and appointing two new non-executive directors (NED) of the Defence Equipment & Support (DE&S) Board.
- 3.2 DE&S is an arms length body of the Ministry of Defence (MOD). It is a professional defence acquisition organisation which manages a range of complex programmes that provide equipment and support to the UK’s armed forces. The organisation is responsible for the safe procurement and support of a vast range of equipment – from warships, aircraft and missiles, to armoured vehicles, body armour and field kitchens. It undertakes decommissioning and disposal when equipment reaches the end of its service life and operate a range of services, including the British Forces Post Office.
- 3.3 DE&S delivers some of the most complex projects and programmes in the world, which often involves innovative technologies, sophisticated supply chains and a mix of market sourcing strategies and outputs. It works closely with industry, in the UK and overseas, including through partnering agreements and private finance initiatives.
- 3.4 The organisation has an operating budget of £1billion per annum and employs around 11,400 people, both civilian and military. The organisation has locations around the UK and abroad, with its main headquarters in Bristol.
- 3.5 A key part of the governance of DE&S is the advisory Board and sub-committees. The Board provides the strategic leadership for DE&S in delivering its objectives, including non-executive approval of the business plans and

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oversight of the delivery of DE&S business. It is a forum for independent, non-executive support and constructive challenge to the DE&S CEO and Executive Committee.

- 3.6 MOD has responsibility for appointing NEDs to the DE&S Board. UKGI manages these appointments on behalf of MOD.
- 3.7 The Board is collectively responsible for the oversight of the operation of DE&S, with emphasis on its strategic direction, management control, and corporate governance. All NEDs are expected to contribute substantially to decisions covering the strategy for the organisation and the overall direction of the business, adding value by offering wise counsel, advice and challenge.
- 3.8 We would like the Supplier to target candidates with backgrounds and experience in corporate finance, technology, HR, and major project delivery.
- 3.9 One of the new appointees will be asked to Chair the Remuneration Committee, requiring appropriate experience of HR issues and remuneration considerations in commercially oriented industries.
- 3.10 More information on DE&S is available at <https://www.gov.uk/government/organisations/defence-equipment-and-support>

#### 4. DEFINITIONS

Expression or Acronym	Definition
MOD	means the Ministry of Defence
DE&S	means Defence Equipment and Support
GDPR	means the General Data Protection Regulations
HMG	means Her Majesty's Government
HMT	means Her Majesty's Treasury
IPR	means Intellectual Property Rights
ITT	means Invitation to Tender
OCPA	means the Office of the Commissioner for Public Appointments
UKGI	means UK Government Investments Limited

#### 5. SCOPE OF REQUIREMENT

- 5.1 The Supplier will be responsible for the full range of executive search and selection activity from advising on advert placement, thoroughly researching the market place, identifying, approaching and engaging with candidates in relation to the role, "candidate care" of active candidates in the process,



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providing candidate packs to the interview panel, long and short listing candidates, and providing feedback to candidates.

5.2 This requirement should comply with the principles set out in the Governance Code for Public Appointment (<https://www.gov.uk/government/publications/governance-code-for-public-appointments>). This role is not regulated by the Commissioner for Public Appointments.

5.3 The Authority is seeking candidates with the following attributes:

- Background and senior level experience in HR including workforce transformation (one candidate)
- Knowledge of strategic supply chain management;
- Experience of major project delivery;
- Experience in driving innovation in managing complex projects
- A background in /understanding of digital and technology (desirable)

## 6. THE REQUIREMENT

6.1 The Authority requires the following services for this executive search:

6.1.1 Advice on advert design and media placement;

6.1.2 Microsite development;

6.1.3 Market place research and use of networks to source candidates;

6.1.4 Weekly updates on progress;

6.1.5 Receipt, administration and processing of applications (including provision of diversity and equality information), including applications submitted via the Cabinet Office Public Appointments website;

6.1.6 Sifting of applications to produce a longlist of recommendations to the Authority, interviews of longlisted candidates to provide the recommended shortlist;

6.1.7 Conduct due diligence checks of shortlisted candidates based on the requirements of the Code of Conduct for Board Members of Public Sector Bodies (<https://www.gov.uk/government/publications/code-of-conduct-for-board-members-of-public-bodies>);

6.1.8 Assistance with preparation for final interviews (which will be conducted by the Authority) including preparing candidate packs and response handling;

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- 6.1.9 Have ad hoc discussions with the Authority on candidates;
  - 6.1.10 Attend longlisting and shortlisting meetings with the appointment panel and any meetings with Ministers if required;
  - 6.1.11 Undertake relevant searches on Candidates, including obtaining references as required; and
  - 6.1.12 Inform Candidates of outcome, provide feedback to unsuccessful Candidates.
- 6.2 The Authority will be responsible for providing the role specification, undertaking the interviews and provision of a due diligence template.
- 6.3 The Authority will retain the shortlist, subject to General Data Protection Regulations (GDPR) compliance, with discretion to make appointments from this list for up to a period of 12 months post completion of the recruitment exercise.

## 7. DIVERSITY AND INCLUSION

- 7.1 The Authority values a diverse workforce and inclusive culture where all employees feel included, empowered and able to bring their full selves to work. Employing people from different backgrounds and with unique and different experiences and perspectives helps the Authority develop better ideas and to be a stronger and more successful business. It also supports and strengthens the Authority's culture and reinforces the company as a great place to work. The Authority's goal is to be a company which is open and accessible, recruiting unique, diverse and talented people.
- 7.2 This includes signing up to the Women in Finance Charter - <https://www.ukgi.org.uk/who-we-are/women-in-finance-charter/>, and inclusion efforts focus on:
- 7.2.1 Leading and managing inclusively;
  - 7.2.2 Creating opportunities that enable development and learning; and
  - 7.2.3 Creating a work environment where all staff feel involved and valued.
- 7.3 The Supplier will ensure an understanding of and fully support DE&S' diversity and inclusion strategies and requirements for each role or campaign. This should include developing innovative strategies which succeed in contributing towards the Civil Service's diversity targets which underpin the Govt's aim to increase diversity across the public sector. In particular the Government's ambitions for 50% of all public appointees to be female and 14% of all public appointments to come from ethnic minority backgrounds by 2022 as set out in the Public Appointments Diversity Action Plan (<https://www.gov.uk/government/publications/public-appointments-diversity-action-plan>).

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- 7.4 The Supplier shall have an equality and diversity policy which addresses the prevention of unlawful discrimination and promotes equality and diversity within their own workforce and candidate pool.
- 7.5 The Supplier shall commit to the highest ethical and professional standards in all of its activities and maintain high standards in relation to compliance with all current equality legislation.
- 7.6 The Supplier shall commit to focusing its employment procedures and practices on maximising the potential of each of its employees.

## 8. CANDIDATE CARE AND DUE DILIGENCE

- 8.1 By their nature, public sector appointments are subject to a high degree of oversight by officials and ministers at all stages of the process and this can result in a longer appointment timescale than might be expected in the private sector. The Authority will aim to minimise any delays but suppliers will be expected to manage candidates during the appointment process and avoid wherever possible candidates withdrawing. It is vital that candidates are not informed of the outcomes of sift or interview stages until ministers have agreed to appointment recommendations.
- 8.2 Additionally, it is important that public appointments do not lead to embarrassment for the Government and departments need to be confident that potential candidates meet the requirement of the public role they apply for including any potential issue with respect to the seven principles of public life. Candidates must be aware of the importance of declaring and actual or potential conflicts and they should be given opportunities to do so e.g. in the declaration form, ahead of interview and at interview.
- 8.3 In addition to declarations by candidates, suppliers will be expected to conduct appropriate candidate due diligence during the appointment process including prior to interview. This is to give confidence to the Authority that candidates are likely to comply with the requirements of the Code of Conduct for Board Members of Public Sector Bodies. The Authority will provide a template to support this process and the diligence activity will only comprise accessing publicly available data (social media, internet searches and information collated by some specialist information providers (e.g. Boardex, Reuters)).

## 9. KEY MILESTONES AND DELIVERABLES

- 9.1 The following Contract milestones / deliverables shall apply:

Milestone / Deliverable	Description	Timeframe or Delivery Date
1	Contract Award	15 September



2	Placing of advert and begin search	21 September 2020
3	Closing date for applications	21 October 2020
4	Longlisting report (covering all applicants)	By 28 October 2020
5	Shortlisting report (following interviews of selected candidates as agreed with the appointment panel) including candidate due diligence	11 November 2020
6	Agree shortlist	w/c 16 November 2020
7	Prepare interview guidance, suggested questions, and provide candidate profiles	Within 5 working days of scheduled interviews
8	Panel interviews undertaken	w/c 23 and 30 November 2020
9	Final searches on successful candidates including references	By mid December 2020

## 10. MANAGEMENT INFORMATION/REPORTING

10.1 During the delivery of the Services, the Supplier will provide regular (weekly, or as agreed with the Authority) updates on the recruitment exercise. The Supplier will also provide all cost updates in advance for sign-off, prior to submitting an invoice for payment.

## 11. VOLUMES

11.1 The Authority is seeking to make at least two appointment from this exercise, with the option for potentially multiple appointments from the retained short list during the contract term. This is not a guarantee of volumes during the contract term.

## 12. CONTINUOUS IMPROVEMENT

12.1 The Supplier is encouraged to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

12.2 The Supplier is encouraged to present new and/or innovative ways of working to the Authority during regular project review meetings.

12.3 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

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## 13. SUSTAINABILITY

13.1 N/A

## 14. QUALITY

14.1 The Supplier will be expected to undertake robust quality assurance while delivering the Services, especially before sharing content with the Customer or publishing content publicly to deliver the Contract services. In turn, the Customer will provide regular feedback on the Supplier outputs, which are expected to be incorporated into further revisions of the Services.

## 15. PRICE

15.1 The payment model for this campaign will follow a percentage based schedule of 25% phase 1, 25% phase 2, 50% phase 3. Phases will broadly include (but are not limited to):

**Phase 1:** Design of the recruitment exercise / strategy, identification of appropriate advertising channels and placement of advert in agreed medium

**Phase 2:** Production of longlist, production of shortlist, provision of candidate packs for interviews and support arranging interviews

**Phase 3:** Commencement of employment with Authority of candidate(s) appointed from Supplier identified shortlist

15.2 For separate appointments from the subsequent short list, a separate placement fee may be charged, subject to successful appointment of the Supplier identified candidate.

15.3 Expenses incurred by the Supplier will not be met by the Authority. Additional costs incurred for placement of adverts in agreed media will be reimbursed separately to the recruitment exercise cap agreed, where such agreement for costs is confirmed in writing with the Authority prior to their being incurred.

15.4 Prices are to be submitted via the e-Sourcing Suite using the pricing tables within Attachment 4, excluding VAT.

15.5 In the event that the Authority cancels a recruitment requirement, the Authority will be responsible for the payment of the fee up to the point in the process at which that recruitment campaign has been cancelled.

15.6 In the event that the Supplier cancels a recruitment campaign at any point after the placement of advert, the Authority will make only the first phase payments (25%) for that recruitment campaign.

15.7 If the appointed candidate leaves for any reason within 6 months of their appointment, the Supplier shall refund 50% of the total fee for that recruitment campaign, or provide a free of charge replacement search (the latter subject to the Authority's sole discretion).

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## 16. STAFF AND CUSTOMER SERVICE

- 16.1 The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.
- 16.2 The Supplier’s staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.
- 16.3 The Supplier shall ensure that staff understand the Authority’s vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

## 17. SERVICE LEVELS AND PERFORMANCE

- 17.1 The Authority will measure the quality of the Supplier’s delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Delivery timescales	Provide project plan and deliver services to timescales specified within.	90%. Failure would require an improvement plan setting out preventative measures to avoid future slippage.
2	Handling of candidates	Unsuccessful candidates to be handled sensitively and promptly at each stage of the process	Absence of any complaints. Any complaints that could not be explained to the satisfaction of the Authority would result in a Service Credit 10% reduction in fees against the relevant phase of the recruitment in which the complaint took place.
3	Diversity of long- and short-list	Long-listed candidates recommended for short list plus border line candidates (i.e. excl, fishing and irrelevant applications responding to advert) will include at least 10% BAME candidates and at least 40% of candidates that identify as female	100% of long- list provided. If the contractor is unable to deliver a diverse long list they will be asked to go back to the market and generate more

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		<i>In meeting these targets, the Supplier is required to provide a comprehensive plan to achieve the target and identify possible channels with regular reporting against progress ahead of lists being finalised.</i>	candidates (noting the impact on KPI 1)
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17.2 In the event of the Supplier not meeting the SLA or contractual milestones, the Authority will have the discretion to seek a performance improvement plan from the Supplier, to seek to remedy the issues. This does not replace or prevent the Authority from using any contractual rights as per the Contract.

**17.3 Service Credit**

17.3.1 Service Level 2 – Handling of candidates, is subject to a Service Credit for performance below the specified Performance Measure Target. For the purposes of Service Level 2, the Service Credit is set at a 5% reduction in fees payable against the relevant phase of the recruitment in which the failure against Service Level 2 occurred.

17.3.2 A Service Credit is a reduction of the amount payable in respect of the Services and does not include VAT. The Supplier shall off-set the value of the Service Credit against the appropriate invoice.

17.3.3 The Supplier acknowledges and agrees that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Authority as a result of the Supplier’s failure to meet the Service Level Performance Measure.

17.4 The Supplier confirms that it has taken this Service Credit into account when setting the Contract Charges. Both Parties agree that the Service Credit is a reasonable method of price adjustment to reflect poor performance.

**18. SECURITY AND CONFIDENTIALITY REQUIREMENTS**

18.1 On occasions that the Supplier visits the premises of the Authority they will abide by the security provisions in place and agree to being escorted at all times whilst on the Authority’s premises.

18.2 In respect to data security, the Supplier will need to demonstrate annual compliance with the Cyber Essentials framework (<https://www.cyberessentials.ncsc.gov.uk/>) as a minimum. The successful Supplier will be expected to comply with all necessary aspects of the Information Commissioner’s Office guidance on GDPR and Data Protection Act



2018. See Attachment 2 for information on how this will be assessed in this procurement.

## **19. PAYMENT AND INVOICING**

- 19.1 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.
- 19.2 Payment will be made on receipt of invoices which should be sent electronically to [UKGIFinance@ukgi.org.uk](mailto:UKGIFinance@ukgi.org.uk).

## **20. CONTRACT MANAGEMENT**

- 20.1 Attendance at contract review meetings shall be at the Supplier's own expense.

## **21. LOCATION**

- 21.1 The location of the Services will be carried out at the Supplier's premises. Meetings with the Authority on individual recruitment exercises and / or contract management meetings may take place at the Authority's premises as directed by the Authority.



**Annex A – role description**

REDACTED TEXT