



Invitation to Quote

Invitation to Quote (ITQ) on behalf of the Low Pay Commission (LPC)

Subject UK SBS Open Call for Research on the Impact of the National Living Wage on Individuals

Sourcing reference number BLOJEUCR16046LPC

UK Shared Business Services Ltd (UK SBS)
www.uksbs.co.uk

Registered in England and Wales as a limited company. Company Number 6330639.
Registered Office North Star House, North Star Avenue, Swindon, Wiltshire SN2 1FF
VAT registration GB618 3673 25
Copyright (c) UK Shared Business Services Ltd. 2014

UKSBS

Shared Business Services

Table of Contents

Section	Content
1	<u>About UK Shared Business Services Ltd.</u>
2	<u>About our Customer</u>
3	<u>Working with UK Shared Business Services Ltd.</u>
4	<u>Specification</u>
5	<u>Evaluation model</u>
6	<u>Evaluation questionnaire</u>
7	<u>General Information</u>
Appendix	N/A

Section 1 – About UK Shared Business Services

Putting the business into shared services

UK Shared Business Services Ltd (UK SBS) brings a commercial attitude to the public sector; helping our customers improve efficiency, generate savings and modernise.

It is our vision to become the leading provider for our customers of shared business services in the UK public sector, continuously reducing cost and improving quality of business services for Government and the public sector.

Our broad range of expert services is shared by our customers. This allows our customers the freedom to focus resources on core activities; innovating and transforming their own organisations.

Core services include Procurement, Finance, Grants Admissions, Human Resources, Payroll, ISS, and Property Asset Management all underpinned by our Service Delivery and Contact Centre teams.

UK SBS is a people rather than task focused business. It's what makes us different to the traditional transactional shared services centre. What is more, being a not-for-profit organisation owned by its customers, UK SBS' goals are aligned with the public sector and delivering best value for the UK taxpayer.

UK Shared Business Services Ltd changed its name from RCUK Shared Services Centre Ltd in March 2013.

Our Customers

Growing from a foundation of supporting the Research Councils, 2012/13 saw Business Innovation and Skills (BIS) transition their procurement to UK SBS and Crown Commercial Services (CCS – previously Government Procurement Service) agree a Memorandum of Understanding with UK SBS to deliver two major procurement categories (construction and research) across Government.

UK SBS currently manages £700m expenditure for its Customers.

Our Procurement ambition

Our vision is to be recognised as a centre of excellence and deliver a broad range of procurement services across the public sector; to maintain and grow a procurement service unrivalled in public sector.

Procurement is a market-shaping function. Industry derived benchmarks indicate that UK SBS is already performing at or above “best in class” in at least three key measures (percentage savings, compliant spend, spend under management) and compare well against most other measures.

Over the next five years, it is the function’s ambition to lead a cultural change in procurement in the public sector. The natural extension of category management is to bring about a fundamental change in the attitude to supplier relationship management.

Our philosophy sees the supplier as an asset to the business and the route to maximising value from supply. This is not a new concept in procurement generally, but it is not a philosophy which is widely employed in the public sector.

We are ideally positioned to “lead the charge” in the government’s initiative to reform procurement in the public sector.

UK SBS Procurement’s unique selling points are:

- Focus on the full procurement cycle
- Leaders in category management in common and specialised areas
- Expertise in the delivery of major commercial projects
- That we are leaders in procurement to support research
- Use of cutting edge technologies which are superior to those used generally used across the public sector.
- Use of market leading analytical tools to provide comprehensive Business Intelligence
- Active customer and supplier management

‘UK SBS’ contribution to the Government Procurement Agenda has been impressive. Through innovation and leadership UK SBS has built an attractive portfolio of procurement services from P2P to Strategy Category Management.’

John Collington

Former Government Chief Procurement Officer

Section 2 – About Our Customer

Low Pay Commission (LPC)

The Low Pay Commission (LPC) is an independent public body (sponsored by The Department for Business, Innovation and Skills: BIS) that advises the Government about the National Minimum Wage (NMW) and the National Living Wage (NLW). There are 9 Low Pay Commissioners drawn from a range of employee, employer and academic backgrounds. All the Commissioners serve in an individual capacity. They are supported by a small Secretariat, which has 8 members of staff.

The Low Pay Commission makes evidence-based recommendations based on:

- commissioned and independent research;
- analysis of relevant data regarding the state of the economy and the impact of the minimum wage;
- consultations with employers, workers and their representatives;
- written and oral evidence from a wide range of organisations; and
- fact-finding visits across the UK to meet employers, employees and representative organisations.

<https://www.gov.uk/government/organisations/low-pay-commission>

Section 3 - Working with UK Shared Business Services Ltd.

In this section you will find details of your Procurement contact point and the timescales relating to this opportunity.

Section 3 – Contact details		
3.1	Customer Name and address	Low Pay Commission 8th Floor Fleetbank House 2-6 Salisbury Square London EC4Y 8JX
3.2	Buyer name	Kerry Hammond
3.3	Buyer contact details	Research@uksbs.co.uk
3.4	Estimated value of the Opportunity	Up to £100,000
3.5	Process for the submission of clarifications and Bids	All correspondence shall be submitted within the Emptoris e-sourcing tool. Guidance Notes to support the use of Emptoris is available here. Please note submission of a Bid to any email address including the Buyer <u>will</u> result in the Bid <u>not</u> being considered.

Section 3 - Timescales		
3.6	Date of Issue of Contract Advert and location of original Advert	12/05/2016 Location : Contracts Finder
3.7	Latest date/time ITQ clarification questions should be received through Emptoris messaging system	23/05/2016 14.00
3.8	Latest date/time ITQ clarification answers should be sent to all potential Bidders by the Buyer through Emptoris	25/05/2016
3.9	Latest date/time ITQ Bid shall be submitted through Emptoris	06/06/2016 14.00
3.10	Anticipated rejection of unsuccessful Bids date	15/06/2016
3.11	Anticipated Award date	15/06/2016
3.12	Anticipated Contract Start date	20/06/2016
3.13	Anticipated Contract End date	31/11/2017
3.14	Bid Validity Period	60 Days

Section 4 – Specification

Project Summary

The LPC is looking to gain a better understanding of how minimum wages affect individuals. With the introduction of the National Living Wage on 1 April 2016 for those aged 25 and over, and the commitment to move towards 60 per cent of median earnings by 2020, it is important that the Commission has evidence on how individuals have been affected and how they are responding.

Background

The Low Pay Commission (LPC) has an ongoing remit to monitor the operation of the National Minimum Wage, and to assess the impact of increases in the level of the minimum wage. It undertakes continuous evaluation of the impact of minimum wage upratings on the sectors and groups of workers most affected, and on the labour market more generally. The LPC draws upon a range of evidence in making its assessment, including a number of research projects commissioned specifically to inform its recommendations. As in previous years, the LPC wishes to commission a number of new research projects to inform its future work. However, this time our focus will be on the impact of the introduction of the National Living Wage.

Aims and Objectives

The aim of this study is to gain a better understanding of the impact of the minimum wages, especially the National Living Wage, on individuals.

The Low Pay Commission invites tenders for research that will provide initial evidence by September 2016 and more substantive findings by October 2017. **Up to three separate projects will be commissioned in this process.** The initial findings will inform LPC deliberations in October 2016 for the uprating of the NLW (and the other age-related minimum wage rates) in April 2017. It will then provide more substantive findings to inform decisions in October 2017 for the minimum wage upratings in April 2018. This research will contribute to our understanding of how the NLW is affecting workers.

Potential areas of investigation might include the impact of the NLW on:

- individual earnings (hourly and/or weekly);
- household and/or family income (potentially including the interaction with benefits);
- the pay and reward package (including premia pay, staff rewards and perks);
- hours and employment;
- self-employment;
- progression and labour mobility; and
- types of contract (e.g. use of variable hours or zero hours contracts).

We are interested in both the short-term and longer-term effects as the NLW is set to increase to 60 per cent of average earnings by 2020 (which is currently £9.02 based on the latest OBR wage forecasts). We are also interested in understanding how the affects vary by characteristic, such as age, gender, disability, ethnicity, educational qualifications, and migrant status.

Information about previous LPC research projects is available on our website at <https://www.gov.uk/government/publications/low-pay-commission-research-2016>

Research Methods and Data Sources

The methods and data used are at the discretion of the prospective researchers, but these should be specified in detail. It is anticipated that this study could use existing data and/or new sources of information to examine the issues mentioned above.

Bidders are also welcome to present more than one methodological approach, including any implications for the research of the different options.

The research should use up to date, respected, methods, in line with recent studies. It is essential that the methodology and analysis stands up to external scrutiny by professional academics, economists, statisticians and analysts.

Project Management

The open call will be managed by Tim Butcher, Chief Economist and head of the analytical team at the LPC. Individual projects will then be managed by the most appropriate member of the analytical team at the LPC. Project management is likely to include attendance at an inception meeting at LPC, and review meetings as required.

Outputs and Timescales

The initial primary audience for this work will be the LPC. The main output of the study will be a report, detailing the aims and objectives of the research, the methodology adopted and the main findings. The report should include a brief non-technical Executive Summary. Ten bound copies of the final report and an electronic copy (preferably Word and pdf format) for the LPC website will be required. The LPC will make the findings publicly available, and a synopsis of the report will be included in the Low Pay Commission's 2017 Report. A brief summary of the interim report will also be included in our Autumn 2016 Report.

In addition, there would be other deliverables expected. The timescale for delivery of the research is flexible according to the needs of the project, but we would be looking in the first instance for a detailed methodology paper by 1 July 2016, some initial findings for a presentation to the Fourth Annual LPC Research Symposium on 14 September 2016 and a draft report by 3 October 2016. We would then expect more detailed findings for the LPC research workshop in spring 2017 and the Fifth Annual LPC Research Symposium in September 2017. A final paper would be required by 13 October 2017.

Deliverables

Deliverables may vary according to individual projects but will include:

- A methodology paper;
- Regular updates on emerging findings and project progress;
- A draft final report;
- A final report incorporating comments from LPC;

- Up to three presentations of the key aspects of the work; and
- Key datasets as appropriate.

Project Timescales

Initial meeting	Mid-late June 2016
Methodology paper	1 August 2016
Presentation of methodology and emerging findings at the Fifth Annual LPC Research Symposium	14 September 2016
Initial findings report	3 October 2016
Agreed interim report	18 October 2016
Publication of interim report	November/December 2016
Other interim reports	Date to be agreed on an individual basis
Presentation of further findings at LPC research workshop	March/April 2017 (tbc)
Presentation of final findings at the Sixth Annual LPC Research Symposium	September 2017 (tbc)
Draft final report	29 September 2017
Agreed final report	13 October 2017
Publication	November/December 2017

Section 5 – Evaluation model

The evaluation model below shall be used for this ITQ, which will be determined to two decimal places.

Where a question is 'for information only' it will not be scored.

The evaluation team may comprise staff from UK SBS, the Customer and any specific external stakeholders UK SBS deem required. After evaluation the scores will be finalised by performing a calculation to identify (at question level) the mean average of all evaluators (Example – a question is scored by three evaluators and judged as scoring 5, 5 and 6. These scores will be added together and divided by the number of evaluators to produce the final score of 5.33 ($5+5+6=16\div3=5.33$))

Pass / fail criteria

Questionnaire	Q No.	Question subject
Commercial	FOI1.1	Freedom of Information Exemptions
Commercial	AW1.1	Form of Bid
Commercial	AW1.3	Certificate of Bona Fide Bid
Commercial	AW3.1	Validation check
Commercial	AW4.1	Contract Terms
Price	AW5.5	E Invoicing
Price	AW5.6	Implementation of E-Invoicing
Quality	AW6.1	Compliance to the Specification

Scoring criteria

Evaluation Justification Statement

In consideration of this particular requirement UK SBS has decided to evaluate Potential Providers by adopting the weightings/scoring mechanism detailed within this ITQ. UK SBS considers these weightings to be in line with existing best practice for a requirement of this type.

During the selection stage, the intention is to arrive at a shortlist of Bidders who passed all Mandatory and Discretionary requirements and scored at least 65% to be considered for award of a contract. Contracts will be awarded to the highest scoring suppliers up to a maximum of 3.

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	10.00%
Quality	PROJ1.1	Understanding the	30.00%

		Requirements	
Quality	PROJ1.2	Proposed Methodology and Data Sources	40.00%
Quality	PROJ1.3	Project Plan, Resource and Deliverables	20.00%

Evaluation of criteria

Non-Price elements

Each question will be judged on a score from 0 to 100, which shall be subjected to a multiplier to reflect the percentage of the evaluation criteria allocated to that question.

Where an evaluation criterion is worth 20% then the 0-100 score achieved will be multiplied by 20.

Example if a Bidder scores 60 from the available 100 points this will equate to 12% by using the following calculation: Score/Total Points available multiplied by 20 ($60/100 \times 20 = 12$)

Where an evaluation criterion is worth 10% then the 0-100 score achieved will be multiplied by 10.

Example if a Bidder scores 60 from the available 100 points this will equate to 6% by using the following calculation: Score/Total Points available multiplied by 10 ($60/100 \times 10 = 6$)

The same logic will be applied to groups of questions which equate to a single evaluation criterion.

The 0-100 score shall be based on (unless otherwise stated within the question):

0	The Question is not answered or the response is completely unacceptable.
10	Extremely poor response – they have completely missed the point of the question.
20	Very poor response and not wholly acceptable. Requires major revision to the response to make it acceptable. Only partially answers the requirement, with major deficiencies and little relevant detail proposed.
40	Poor response only partially satisfying the selection question requirements with deficiencies apparent. Some useful evidence provided but response falls well short of expectations. Low probability of being a capable supplier.
60	Response is acceptable but remains basic and could have been expanded upon. Response is sufficient but does not inspire.
80	Good response which describes their capabilities in detail which provides high levels of assurance consistent with a quality provider. The response includes a full description of techniques and measurements currently employed.
100	Response is exceptional and clearly demonstrates they are capable of meeting the requirement. No significant weaknesses noted. The response is compelling in its description of techniques and measurements currently employed, providing full assurance consistent with a quality provider.

All questions will be scored based on the above mechanism. Please be aware that the final score returned may be different as there may be multiple evaluators and their individual scores will be averaged (mean) to determine your final score.

Example

Evaluator 1 scored your bid as 60

Evaluator 2 scored your bid as 60

Evaluator 3 scored your bid as 40

Evaluator 4 scored your bid as 40

Your final score will $(60+60+40+40) \div 4 = 50$

Price elements will be judged on the following criteria.

The lowest price for a response which meets the pass criteria shall score 100. All other bids shall be scored on a pro rata basis in relation to the lowest price. The score is then subject to a multiplier to reflect the percentage value of the price criterion.

For example - Bid 1 £100,000 scores 100.

Bid 2 £120,000 differential of £20,000 or 20% remove 20% from price scores 80

Bid 3 £150,000 differential £50,000 remove 50% from price scores 50.

Bid 4 £175,000 differential £75,000 remove 75% from price scores 25.

Bid 5 £200,000 differential £100,000 remove 100% from price scores 0.

Bid 6 £300,000 differential £200,000 remove 100% from price scores 0.

Where the scoring criterion is worth 50% then the 0-100 score achieved will be multiplied by 50.

In the example if a supplier scores 80 from the available 100 points this will equate to 40% by using the following calculation: $\text{Score/Total Points multiplied by 50}$ ($80/100 \times 50 = 40$)

The lowest score possible is 0 even if the price submitted is more than 100% greater than the lowest price.

Section 6 – Evaluation questionnaire

Bidders should note that the evaluation questionnaire is located within the **e-sourcing questionnaire**.

Guidance on completion of the questionnaire is available at
<http://www.uksbs.co.uk/services/procure/Pages/supplier.aspx>

PLEASE NOTE THE QUESTIONS ARE NOT NUMBERED SEQUENTIALLY

Section 7 – General Information

What makes a good bid – some simple do's ☺

DO:

- 7.1 Do comply with Procurement document instructions. Failure to do so may lead to disqualification.
- 7.2 Do provide the Bid on time, and in the required format. Remember that the date/time given for a response is the last date that it can be accepted; we are legally bound to disqualify late submissions.
- 7.3 Do ensure you have read all the training materials to utilise e-sourcing tool prior to responding to this Bid. If you send your Bid by email or post it will be rejected.
- 7.4 Do use Microsoft Word, PowerPoint Excel 97-03 or compatible formats, or PDF unless agreed in writing by the Buyer. If you use another file format without our written permission we may reject your Bid.
- 7.5 Do ensure you utilise the Emptoris messaging system to raise any clarifications to our ITQ. You should note that typically we will release the answer to the question to all bidders and where we suspect the question contains confidential information we may modify the content of the question to protect the anonymity of the Bidder or their proposed solution
- 7.6 Do answer the question, it is not enough simply to cross-reference to a 'policy', web page or another part of your Bid, the evaluation team have limited time to assess bids and if they can't find the answer, they can't score it.
- 7.7 Do consider who your customer is and what they want – a generic answer does not necessarily meet every customer's needs.
- 7.8 Do reference your documents correctly, specifically where supporting documentation is requested e.g. referencing the question/s they apply to.
- 7.9 Do provide clear and concise contact details; telephone numbers, e-mails and fax details.
- 7.10 Do complete all questions in the questionnaire or we may reject your Bid.
- 7.11 Do check and recheck your Bid before dispatch.

What makes a good bid – some simple do not's ☹

DO NOT

- 7.12 Do not cut and paste from a previous document and forget to change the previous details such as the previous buyer's name.
- 7.13 Do not attach 'glossy' brochures that have not been requested, they will not be read unless we have asked for them. Only send what has been requested and only send supplementary information if we have offered the opportunity so to do.
- 7.14 Do not share the Procurement documents, they are confidential and should not be shared with anyone without the Buyers written permission.
- 7.15 Do not seek to influence the procurement process by requesting meetings or contacting UK SBS or the Customer to discuss your Bid. If your Bid requires clarification the Buyer will contact you.
- 7.16 Do not contact any UK SBS staff or Customer staff without the Buyers written permission or we may reject your Bid.
- 7.17 Do not collude to fix or adjust the price or withdraw your Bid with another Party as we will reject your Bid.
- 7.18 Do not offer UK SBS or Customer staff any inducement or we will reject your Bid.
- 7.19 Do not seek changes to the Bid after responses have been submitted and the deadline for Bids to be submitted has passed.
- 7.20 Do not cross reference answers to external websites or other parts of your Bid, the cross references and website links will not be considered.
- 7.21 Do not exceed word counts, the additional words will not be considered.
- 7.22 Do not make your Bid conditional on acceptance of your own Terms of Contract, as your Bid will be rejected.

Some additional guidance notes

- 7.23 All enquiries with respect to access to the e-sourcing tool and problems with functionality within the tool may be submitted to Crown Commercial Service (previously Government Procurement Service), Telephone 0345 010 3503.
- 7.24 Bidders will be specifically advised where attachments are permissible to support a question response within the e-sourcing tool. Where they are not permissible any attachments submitted will not be considered.
- 7.25 Question numbering is not sequential and all questions which require submission are included in the Section 6 Evaluation Questionnaire.
- 7.26 Any Contract offered may not guarantee any volume of work or any exclusivity of supply.
- 7.27 We do not guarantee to award any Contract as a result of this procurement
- 7.28 All documents issued or received in relation to this procurement shall be the property of UK SBS.
- 7.29 We can amend any part of the procurement documents at any time prior to the latest date / time Bids shall be submitted through Emptoris.
- 7.30 If you are a Consortium you must provide details of the Consortiums structure.
- 7.31 Bidders will be expected to comply with the Freedom of Information Act 2000 or your Bid will be rejected.
- 7.32 Bidders should note the Government's transparency agenda requires your Bid and any Contract entered into to be published on a designated, publicly searchable web site. By submitting a response to this ITQ Bidders are agreeing that their Bid and Contract may be made public
- 7.33 Your bid will be valid for 60 days or your Bid will be rejected.
- 7.34 Bidders may only amend the Contract terms if you can demonstrate there is a legal or statutory reason why you cannot accept them. If you request changes to the Contract and UK SBS fail to accept your legal or statutory reason is reasonably justified we may reject your Bid.
- 7.35 We will let you know the outcome of your Bid evaluation and where requested will provide a written debrief of the relative strengths and weaknesses of your Bid.
- 7.36 If you fail mandatory pass / fail criteria we will reject your Bid.
- 7.37 Bidders are required to use IE8, IE9, Chrome or Firefox in order to access the functionality of the Emptoris e-sourcing tool.
- 7.38 Bidders should note that if they are successful with their proposal UK SBS reserves the right to ask additional compliancy checks prior to the award of any Contract. In

the event of a Bidder failing to meet one of the compliancy checks UK SBS may decline to proceed with the award of the Contract to the successful Bidder.

- 7.39 All timescales are set using a 24 hour clock and are based on British Summer Time or Greenwich Mean Time, depending on which applies at the point when Date and Time Bids shall be submitted through Emptoris.
- 7.40 All Central Government Departments and their Executive Agencies and Non Departmental Public Bodies are subject to control and reporting within Government. In particular, they report to the Cabinet Office and HM Treasury for all expenditure. Further, the Cabinet Office has a cross-Government role delivering overall Government policy on public procurement - including ensuring value for money and related aspects of good procurement practice.

For these purposes, UK SBS may disclose within Government any of the Bidders documentation/information (including any that the Bidder considers to be confidential and/or commercially sensitive such as specific bid information) submitted by the Bidder to UK SBS during this Procurement. The information will not be disclosed outside Government. Bidders taking part in this ITQ consent to these terms as part of the competition process.

- 7.41 From 2nd April 2014 the Government is introducing its new Government Security Classifications (GSC) classification scheme to replace the current Government Protective Marking System (GPMS). A key aspect of this is the reduction in the number of security classifications used. All Bidders are encouraged to make themselves aware of the changes and identify any potential impacts in their Bid, as the protective marking and applicable protection of any material passed to, or generated by, you during the procurement process or pursuant to any Contract awarded to you as a result of this tender process will be subject to the new GSC from 2nd April 2014. The link below to the Gov.uk website provides information on the new GSC:

<https://www.gov.uk/government/publications/government-security-classifications>

UK SBS reserves the right to amend any security related term or condition of the draft contract accompanying this ITQ to reflect any changes introduced by the GSC. In particular where this ITQ is accompanied by any instructions on safeguarding classified information (e.g. a Security Aspects Letter) as a result of any changes stemming from the new GSC, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies or otherwise. This may relate to the instructions on safeguarding classified information (e.g. a Security Aspects Letter) as they apply to the procurement as they apply to the procurement process and/or any contracts awarded to you as a result of the procurement process.

USEFUL INFORMATION LINKS

- [Emptoris Training Guide](#)
- [Emptoris e-sourcing tool](#)
- [Contracts Finder](#)
- [Tenders Electronic Daily](#)
- [Equalities Act introduction](#)
- [Bribery Act introduction](#)
- [Freedom of information Act](#)