



Invitation to Quote

Invitation to Quote (ITQ) on behalf of Office of Manpower and Economics (OME)

Subject UK SBS Open call for research on public sector pay and workforces 2017

Sourcing reference number BLOJEU-CR17005OME

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

Registered in England and Wales as a limited company. Company Number 6330639.
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VAT registration GB618 3673 25
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UKSBS

Shared Business Services

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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, Energy and Industrial Strategy (BEIS) 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 Customers who have access to our services and Contracts are detailed [here](#).

Section 2 – About Our Customer

Office of Manpower Economics (OME)

The Office of Manpower Economics provides an independent secretariat to eight Pay Review Bodies which make recommendations impacting 2.5 million workers – around 45% of public sector staff – and a pay bill of £100 billion:

- Armed Forces' Pay Review Body (AFPRB)
- Review Body on Doctors' and Dentists' Remuneration (DDRB)
- NHS Pay Review Body (NHSPRB)
- Prison Service Pay Review Body (PSPRB)
- School Teachers' Review Body (STRB)
- Senior Salaries Review Body (SSRB)
- Police Remuneration Review Body (PRRB)
- National Crime Agency Remuneration Review Body (NCARRB)

Further information is at: <https://www.gov.uk/government/organisations/office-of-manpower-economics/about>

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	Nicola Allison Fleetbank House 2-6 Salisbury Square London EC4Y 8JX
3.2	Buyer name	Rebecca Fish
3.3	Buyer contact details	Polaris House, North Star Avenue, Swindon, SN2 1FL
3.4	Estimated value of the Opportunity	Up to £100,000 ex VAT to fund between 1 and 5 projects
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 are 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	08/02/2017 Contracts Finder
3.7	Latest date/time ITQ clarification questions should be received through Emptoris messaging system	14/03/2017
3.8	Latest date/time ITQ clarification answers should be sent to all potential Bidders by the Buyer through Emptoris	17/03/2017
3.9	Latest date/time ITQ Bid shall be submitted through Emptoris	28/03/2017 14:00
3.11	Anticipated rejection of unsuccessful Bids date	03/05/2017
3.12	Anticipated Award date	03/05/2017

3.13	Anticipated Contract Start date	08/05/2017
3.14	Anticipated Contract End date	29/12/2017
3.15	Bid Validity Period	60 Days

Section 4 – Specification

Background

The Office of Manpower Economics (OME) provides support for the eight independent Pay Review Bodies, which make evidence-based recommendations to the Government on levels of pay for their remit groups covering 2.5 million workers – around 45 per cent of public sector staff – and a pay bill of £100 billion. In making recommendations, Review Bodies consider the need to recruit, retain and motivate suitably able and qualified people as well as affordability.

In supporting these bodies, one of OME's key functions is to provide high quality research-based technical advice drawing on economic, pay, labour market, statistical and other technical data. More information about the OME, the bodies it supports, and the research it has undertaken, may be found on its website.¹

Two projects were commissioned as part of our 2016 open call for research:

- The Changing Educational Attainment of Graduate Recruits to Major Public Sector Occupations, by the Institute for Fiscal Studies; and
- Wage Growth in Pay Review Body Occupations, by University College London

Recent research commissioned by OME is published on our website.

Objectives

OME is inviting proposals to undertake research on public sector pay and workforces that will provide objective new evidence to the Pay Review Bodies to inform their advice to Government. These research papers will be in the areas of: aspects of pay and reward; factors influencing individual-level or organisational productivity; and understanding public sector labour markets. Up to five separate projects may be commissioned under this invitation, as well as up to five potential suppliers.

The OME is looking to build the evidence base available to Review Bodies on public sector reward and workforce issues, and to encourage innovative and new research. The findings will therefore need to have relevance to at least one, preferably more, remit group occupations (see below). Projects may cover one or more of the research areas outlined below.

¹ <https://www.gov.uk/government/organisations/office-of-manpower-economics/about>

Potential areas for research

Research proposals should be in the areas of:

(i) Pay and reward:

- Setting of pay levels and total reward packages, including pensions
- The relative value to individuals of different types of reward, e.g. pensions
- Analysis of pay and reward systems and structures, including performance pay, localised pay flexibility, and pay progression
- Addressing recruitment and retention issues/skills shortages
- Pay gaps according to characteristics (e.g. age; gender; ethnicity; disability) as they relate to the public sector; and the impacts and implications of rules and requirements on equal pay
- The uses of, and limits to, pay and reward as a means for effective workforce management

(ii) Factors influencing individual-level or organisational efficiency, output and productivity:

- Factors driving recruitment, retention, motivation, morale and staff quality
- The impact of differential or uniform pay awards on individual or organisational productivity
- Potential dimensions for targeting differential pay awards (e.g. skills; location or performance)
- Working practices, including hours and working patterns
- The effect of different workforce strategies or models
- The relationships between pay levels/systems, motivation/morale/engagement, and individual productivity
- The relationships between pay and outcomes (e.g. for patients, pupils)
- The impact of key skill shortages for output, productivity, quality and efficiency
- Use of apprentices and the impact of the new apprenticeship levy on staff recruitment and training

(iii) Understanding public sector labour markets and interactions with the private sector:

- Demand for and supply of key skills
- Wage elasticity of demand and supply of skills for the public sector, in the short and long-term
- Analysis and modelling of labour markets for individual public sector occupations
- Identifying comparators for public sector jobs
- Unique or particular aspects of public sector roles e.g. danger, monopsony labour markets, public service ethos

Remit groups and Review Body coverage

The workforces covered by the pay review bodies are:

- The armed forces, including senior military
- The NHS, including Agenda for Change staff, hospital doctors and dentists, GPs and dentists in general practice, and very senior managers
- The operational prison service in England and Wales, and Northern Ireland – governors, operational managers, officers and support grades
- School teachers in the state-funded sector in England and Wales
- Senior civil servants
- The judiciary
- Police officers, including chief police officers, National Crime Agency (NCA) officers with operational powers; Police and Crime Commissioners

While all our remit groups are UK-based (and some review bodies do not cover all four UK countries), we would welcome international comparisons for key staff groups. Regional approaches and UK-wide analyses beyond remits are also of interest.

Methodology

We are open to all methodologies which offer a new contribution to the body of knowledge on public sector pay and workforces. In particular we encourage proposals which involve innovative use of new techniques or under-exploited² yet robust data (e.g. unstructured data sets or new ways of matching/linking existing data sets).

Timescales

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 **end May 2017**, for a draft final report by **end September 2017** and for a finalised report by **end October 2017**. Contractors are likely to be invited to present their work at an OME research event in autumn 2017. We are open to different timescales if these are more appropriate to deliver a project's objectives, but expect proposals to have a clear, deliverable, justifiable timescale.

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 comment from OME staff and Review Body members as appropriate
- One or more presentations of the key aspects of the work
- Key datasets as appropriate.

When finalised, all research reports will be published on the OME website.

² Analysis across Review Bodies mostly but not exclusively uses the ONS' Annual Survey of Hours and Earnings (ASHE), plus remit group-specific data is provided in evidence by the relevant Government Departments.

Project management

The open call will be managed by Nicola Allison, Remuneration Specialist at OME. Individual projects will then be managed by the most appropriate member of the analytical team at OME. Projects may also be mentored by Review Body economist members. Project management is likely to include attendance at an inception meeting at OME, and review meetings as required.

Terms and Conditions

Bidders are to note that any requested modifications to UK SBS Terms and Conditions on the grounds of statutory and legal matters only, can only be raised as a formal clarification during the permitted clarification period.

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 ($5+5+6=16 \div 3 = 5.33$))

Pass / fail criteria

Questionnaire	Q No.	Question subject
Commercial	SEL1.2	Employment breaches/ Equality
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
-	-	Invitation to Quote – received on time within e-sourcing tool

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.

Questionnaire	Q No.	Question subject	Maximum Marks
Price	AW5.2	Price	10.00%
Quality	PROJ1.1	Relevance to review body remits and terms of reference	30.00%
Quality	PROJ1.2	Methodology and ability to add to the body of knowledge	30.00%
Quality	PROJ1.3	Deliverability, project plan, quality and experience of team, and risk management	30.00%

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: 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](#)