Procurement 101: Frameworks and preferred suppliers

Tim Young and Tom Twitchett
Meet the team - Category Managers and areas of spend they support.

**Laboratory**
Karen – Manages team and the Laboratory and Veterinary Category’s with Emma’s support

**Business Administration**
Furniture
Print
Stationary
Travel

**IT & Audio Visual**
Audio Visual
Hardware
Software
Professional Services
Telephony

**Professional Services**
Advertising, Recruitment, Temporary Workers, Library, Books and Publications, Couriers, Other Professional Services

**Facilities**
Catering Supplies and Services
Safety & Security
Cleaning Materials, Equipment, Janitorial supplies
Summary of the Presentation

- How do we classify our suppliers?
- What are framework agreements?
- When are they used?
- What are they used for?
- Where are they advertised?
- Who can use them?
Managing the spend and controlling the Risk

- Now more than ever there is a need to spend University money wisely. University non-pay managed spend is **Circa £400m** which represents about 80% of the expenditure.

- External bodies such as HEFCE, the Research Councils, and the National Audit Office are all taking a much closer interest in university procurement.

- Spending the University funds, regardless of source, but particularly if they are provided by charities, research councils, or the Higher Education Funding Council is a considerable responsibility.

- Procurement Policies and procedures ensure that we comply with Financial Regulation.
Cross Functional Support

Done For You

- Specifications
- Financial Regulation

Done With You

- Market intelligence
- Supplier Sourcing
- Market Place analysis

Done By You

- Scope of works
- Forecasting
- Innovation
- Technical Support & Quality
- Funding
- Order Raising
- Initial Requirement
- Supplier Feedback
- Supplier Performance Management

- Reduced operating expenses look at Whole Life Costings
- EU Compliance
- External Governance

External Governance

- Financial Checks
- Supplier Relationship Management
- T&C’s

- Sustainability
- Reporting
- Compliance
- Funding

- Financial Regulation Compliance
- Risk Management

- Going Green

Reduced operating expenses look at Whole Life Costings
## Threshold Table

<table>
<thead>
<tr>
<th>Total Value (before VAT)</th>
<th>Procedure for inviting offers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Framework Contracts</td>
</tr>
<tr>
<td>&lt; £1,000</td>
<td>follow procedures recommended by Procurement Services for the contract</td>
</tr>
<tr>
<td>£1,000–£25,000</td>
<td></td>
</tr>
<tr>
<td>&gt; £25,000–£50,000</td>
<td>Three Written Quotes or three Written Proposals, depending on complexity, risk, and value of the purchase (see the guidance in Procurement Procedures)</td>
</tr>
<tr>
<td>&gt; £50,000</td>
<td>Procurement services must be consulted/involved and agree the most appropriate procurement method</td>
</tr>
<tr>
<td>&gt; £100,000</td>
<td>EU Tenders managed through Procurement Services</td>
</tr>
<tr>
<td>EU Thresholds (updated biennially) as at January 2014</td>
<td></td>
</tr>
<tr>
<td>£172,514 (goods and services)</td>
<td>EU Tenders managed through Procurement Services</td>
</tr>
<tr>
<td>&gt; £4,322,012 (works)</td>
<td>EU Tenders managed through Procurement Services</td>
</tr>
</tbody>
</table>
Supplier Classification

- **Preferred** – A supplier who is either on a national framework or has been awarded a contract following a competitive process and managed by Procurement Services.

- **Approved** – A supplier who provides University wide goods/services which has a contract/terms agreed by Procurement Services and which may be on the Marketplace but was not competitively tendered.

- **Preferred Catering Provider** – A catering supplier who has passed the registration process with the Head of Operations, Business Services, Estate Management.

- **Unclassified** – A supplier who has not been given any other status.
## Coding Structure

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Audio-visual and Multimedia</td>
</tr>
<tr>
<td>B</td>
<td>Library and Publications</td>
</tr>
<tr>
<td>C</td>
<td>Catering Supplies and Services</td>
</tr>
<tr>
<td>D</td>
<td>Medical, Surgical and Nursing Supplies and Services</td>
</tr>
<tr>
<td>E</td>
<td>Agricultural/Fisheries/Forestry/Horticultural Supplies and Services</td>
</tr>
<tr>
<td>F</td>
<td>Furniture, Furnishing &amp; Textiles</td>
</tr>
<tr>
<td>H</td>
<td>Cleaning Materials &amp; Equipment, Janitorial supplies</td>
</tr>
<tr>
<td>J</td>
<td>Utilities</td>
</tr>
<tr>
<td>K</td>
<td>Computer</td>
</tr>
<tr>
<td>L</td>
<td>Laboratory &amp; Animal House Supplies and Services</td>
</tr>
<tr>
<td>M</td>
<td>Workshop &amp; Maintenance Supplies (Lab and Estates)</td>
</tr>
<tr>
<td>P</td>
<td>Printing</td>
</tr>
<tr>
<td>Q</td>
<td>Telecommunications, Postal and Mail Room Services</td>
</tr>
<tr>
<td>R</td>
<td>Professional &amp; Bought in Services</td>
</tr>
<tr>
<td>S</td>
<td>Stationery &amp; Office Supplies</td>
</tr>
<tr>
<td>T</td>
<td>Travel &amp; Transport (incl. Vehicle hire and subsistence)</td>
</tr>
<tr>
<td>U</td>
<td>Safety &amp; Security</td>
</tr>
<tr>
<td>V</td>
<td>Vehicles (Purchase, Lease, Contract Hire)</td>
</tr>
<tr>
<td>W</td>
<td>Estates &amp; Buildings</td>
</tr>
<tr>
<td>X</td>
<td>Miscellaneous/unclassified</td>
</tr>
<tr>
<td>Z</td>
<td>Research</td>
</tr>
</tbody>
</table>
Consortia – Who are they and why do we use their Frameworks

These groups are **a not for profit** purchasing consortium owned by higher education institutions and managed by their members. Our membership gives us access to a wide range of competitive framework agreements (most have been tendered specifically for the HE sector).

Our membership also provides you with a professional support network and access to expert advice.
Laboratory – UniProc and the benefits

- Preferred supplier status in all institutions
- Spend analysis in top 5 science Universities in UK (collectively circa £450m per annum)
- Promotion and support within each institution
- Knowledge share and data on non preferred suppliers
- Review meetings and progress review meetings
- E Commerce
- Sales growth development
- Joint promotional opportunities
- Benchmarking and competitor information
- Feedback on science developments
- Identification of new markets, opportunities and products

Route to market through Science Warehouse
Laboratory – UniProc and the expectations

- Market leading pricing – demonstrable best in category pricing
- Long term pricing
- KPI and MI data
- No hidden extra charges – free delivery, no dry ice etc...
- Discounts based on sales growth
- Market information and benchmark data
- Collaboration and innovation
- Promotions and marketing plan
- Sustainability initiatives and improvements
- Proof of value
- Customer service

Route to market through Science Warehouse
What is a Framework?

A framework agreement is a general term for ‘umbrella’ agreements with providers.

They set out the terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement.

A framework agreement itself is not a contract, but the call-offs made from it are.
Why use Frameworks?

Frameworks are a form of collaborative procurement, which helps achieve better value for money from aggregation, including:

- Ease of use
- Speedier process
- Better pricing
- Better service
- Agreed terms and conditions
- Centralised contract management and escalation
- Agreed performance standards and penalties for poor performance
- Reduced administrative burden
- Opportunities for staff benefits
Framework Routes to Market – how to “call-off”

Read the Contract Information Sheet or Buyer’s Guide on uniBuy for how you can use the framework.

• Direct award via ranking
• Direct award via desktop exercise
• Marketplace
• Unibuy – RFQ
• University of Cambridge RFQ
• Formal mini competitions for detailed requirements
Where can you find information on Frameworks?

• UniBuy is a searchable database of national, regional and locally agreed framework agreements and contracts

• You can access framework agreements that can be used by the University of Cambridge.

• On uniBuy you can find buyer’s guides and Contract Information Sheets.

• You can search by the contract area or search for a specific supplier.

• You can log into uniBuy using your Raven details.

http://www.unibuy.com/
Audio Visual and Information Technology

**Audio Visual**
- Consumables (magnetic recording media)
- Supply, installation and design of AV products and services
- Photographic equipment and consumables

**Information Technology**
- Managed Cluster Service (MCS) desktop
- Apple products
- IT related accessories and parts
- Servers and Storage
- Desktops and Notebooks
- Printers
- Datacentre management equipment
- Routing and Switching (JANET)
- Cloud Services (JANET and G-Cloud)
- Networking
- Data archiving
Facilities Management

**Pest Control Services Agreement – APUC National**
Rentokil, Cannon, Mitie (RANKED) Geographical Lots

**Fixed Wire Testing NWUPC**
Electrotest Services, Integral UK, Lovell, Mainlight Ltd, PHS Compliance Quartzelec Ltd

**Plumbing, Ceramics, Heating & Ventilation Equipment & Supplies NWUPC**
BSS Industrial, Graham Group, Wolseley UK Ltd

**Portable Appliance Testing PAT NWUPC**
Electrotest Services Ltd Calbarrie Compliance Services Ltd, Hawkesworth Appliance Intersafe Ltd, Norwood Electrical (UK) Ltd PHS Compliance Ltd, Safety Test UK Ltd

**Refrigeration and Air Conditioning Maintenance NWUPC**
Aircon Refrigeration Ltd, Cheshire Refrigeration, Cosaf Environments, Effective Air Solutions Elite Air Conditioning & Refrigeration Integral UK Ltd, Pro-Temp Air Conditioning Ltd

**Tool Hire NWUPC**
HSS Hire Service, GAP Group Ltd, Brandon Hire, Ashtead Plant Hire Company Ltd
Facilities Management – Catering

Catering Light and Heavy Equipment, Disposables & Kitchen Chemicals, Kitchen & Dishwasher Chemicals, - TUCO
Brakes, Barmans, Bob Crosby Agencies, Catering Projects Nottingham HG Stephenson, HV Howe, Nisbets, Acme, Alliance Disposables, BGL Rieber Falcon Foodservice etc etc

Janitorial and Cleaning Supplies SUPC National
Alliance Disposables A + D - SW Supplies Bowak Ltd
Bunzl Cleaning, Lyreco

Vending inc Beverages, Confectionery/Snacks & Hot drinks, Hot Beverage Dispensing Equipment & Ingredients TUCO
1st Food & Drink, Autobar, Boxlogix, LTT Vending, Nestle UK Etc Etc

Internal and External Recycling Bins - NWUPC
Glasdon, Leafield Environmental, Taylors
Business Administration

- SUPC Office Furniture – Online RFQ for items under £50K
- Uniproc Stationery, Computer Consumables and Paper – Marketplace
- SUPC Business Travel One Stop Shop – Direct Award/ranked first of suppliers
Laboratory Frameworks

High Value Lab Equipment - **NWUPC**
- Diffraction Apparatus, MRI Scanners, Spectrometers, Sequencers, Electron Microscopes - Agilent, Bruker, Ge Healthcare, Carl Zeiss FEI, ISS, JEOL, Life Technologies, Roche, Phillips Healthcare etc

Inter Regional Laboratory Agreement – **SUPC**
- Plastic Consumables (Corning, Eppendorf, Millipore Sterilin etc) Alpha Labs, VWR, Fisher, Starlab, TripleRed, SLS, Millipore, Appleton Woods, Sarstedt, Dutscher, Smith.

Fine Chemicals – **APUC & Chemicals IRLA**
- Alfa Aesar, Fisher, Sigma Aldrich, Veolia

General Laboratory Equipment - **LUPC**
- Centrifuges, Autoclaves, Flume cupboards, safety cabinets, Glass washers, purification SLS, VWR, Wolf Lab, Fisher, Appleton Woods, SciQuip,

Mass Spectrometry - **APUC**
- Gas Chromatograph, Liquid Chromatograph, Consumables, Mass Specs, Modular systems, consumables and servicing. Bruker, VWR, Waters, Perkin Elmer, Agilent, AB Sciex, Thermofisher, Kore, Markes International etc
Laboratory Frameworks & Veterinary Supplies

Microscopes and imaging – *APUC National*

Laboratory and Industrial Gases – *IUPC National*
- Industrial, Medical, Liquid Helium, Liquid Nitrogen, Dispensing Gasses, Dry ice Solid. Air liquid, BOC Gasses, Swagelok, FTI

Laboratory Equipment Maintenance and Repair - *LEMS SUPC*

Liquid Handling Robotics – *APUC National*
- Equipment, servicing, accessories 4titude, Cronus Technologies, Gilson, HTZ Ltd, Perkin Elmer, VWR, Agilent.

Veterinary Supplies – *APUC National*
- Pharmaceuticals, Consumables, Dressings, Surgical Centaur, Dunlops, National Veterinary Supplies, Direct Medical Supplies, BSN Medical
Professional Services Frameworks

Books and Publications

• Libraries purchase journal subscription via either Uniproc or SUPC
• New SUPC journal Frameworks coming in on 1 Aug – details awaited
• All Books are purchased via SUPC Frameworks
• Blackwells/Heffers available via Marketplace

Couriers

• Frameworks exist covering City Sprint, DHL, Parcelforce and TNT.
• FEDEX is not covered by any framework and is NOT a Preferred Supplier
Professional Services Frameworks

Recruitment Advertising

- Penna is current Preferred Supplier.
- Framework expires 30 June 2015
- New SUPC Framework available and is being evaluated

Temporary Workers

- Ann Pettengell, Select and Interaction are current Preferred Suppliers
- Frameworks run until 31 July 2015
- New SUPC Frameworks available and are being evaluated
Q&A