

Selling to Tower Hamlets Council

[..... everything you wanted to know, but were afraid to ask]

About this guide

Selling services and goods to a large organisation can be quite a frightening and time consuming experience. Small/micro-businesses and voluntary/community groups in particular are often too busy with doing what they do best; supporting their existing clients, to spend time trawling the Internet looking for new opportunities. Some people also believe that selling to the public sector involves lots of rules, paper work and regulations. While this is sometimes true for multi-million Pound contracts, this is not the case when dealing with most day-to-day contracts.

Tower Hamlets Council (the Council) wants to make it easier for organisations to trade with us. We are particularly keen to hear from local¹ businesses and community groups, especially if they have skills, knowledge or products that can help us improve the quality and value of the services that we deliver.

So we have produced this short, plain language, selling to guide to:

- Give you basic information so that you can decide whether you should become a supplier/provider to us
- Provide links to supporting information so you can find answers to your questions more easily
- Give you confidence that we are professional people to work with
- Dealing with us doesn't involve endless form filling and paper work
- Show that we like and need to hear from new suppliers and providers that want to work with us

We hope you find the guide useful!

About the Council

The Council contains one of the most diverse communities in London. Situated on the north side of the River Thames next to the City of London, we serve a population of over 300,000 people and are the fastest growing borough in London. You can find out more about us and what we do by visiting www.towerhamlets.gov.uk.

We spend over £350M each year with about 3,000 suppliers/providers, of which 16% are local. Our expenditure is broader than a large multi-national corporation and includes:

Key infrastructure for the borough, such as all buildings, roads, schools, social housing, technology and communications

Community services, such as elderly care provision, street cleansing, waste disposal, libraries, and leisure facilities

Supporting equipment and services, such as translation services, technology, books and equipment and materials to maintain our infrastructure

¹ Defined as being based in Tower Hamlets with post codes E1, E2, E3 and E14.

Utilities, such as electricity, gas and water

This expenditure is really important to us as it contributes to core services that matter to local people and which we have a duty to provide. In some areas we are well served for suppliers, such as for office supplies, printing and computer hardware. However, there are lots of areas where we are keen to hear from possible new start-ups, local businesses, and voluntary / community groups. In particular, we are looking for those that:

- Specialise in offering care provision for adults and children
- Offer innovative services and goods that can improve the quality of the services we provide and/or save us money
- Are based in the borough or in surrounding areas and that would be interested in providing services to us, acting as a sub-contractor to a bigger company or even partnering with another organisation

If you want to know more you about the Council's procurement strategy, please click [here](#).

The regulated market

As a public body, the Council operates in what is called a 'regulated market'. This means that when it comes to procurement, we are obliged to obey the rules made by the European Union (EU) as well as those set by the UK Government. Most of these rules are just common sense and mean that we must:

- Try to obtain 'best value' by spending money in the most efficient way
- Be fair, transparent, and honest in our dealings with all suppliers/providers
- Obey the law and comply with any relevant rules and regulations

The higher the value of what we are buying, the more things that will apply and the greater the complexity. The EU has set thresholds above which we are obliged to advertise in the [Official Journal for the European Union \(OJEU\)](#) as well as the local and national press. These thresholds, which are calculated for the life of the contract, are shown in Table 1.

EU Directives	Threshold (as at 01/01/2018)
Services	£181,302
Goods	£181,302
Works (construction)	£4,551,413
Concession	£4,551,413

Table 1 – EU Advertising Thresholds which are revised every two years

Any requirement going through the OJEU route to comply with the EU Public Procurement Directives will naturally involve more checks and demands given its high value and the need to protect taxpayers' money, but you need to bear in mind that:

- large numbers of the contracts that we let are below these thresholds and are not required to follow the OJEU route
- the Council has complete control over the procedures that it operates below these thresholds and we have strived to make them as simple and easy to follow as possible as this guide seeks to explain

Please note that these arrangements will not be changing after the UK has left the EU in 2019 as they are becoming part of UK law.

If you want to know more you about the EU Directives, please click [here](#).

Registering to do business with the Council

Registering to do business with the Council is very straightforward. The Council uses Proactis electronic system to send out invitations to quote or tender. It is very quick and easy to register and it is free of charge.

In common with most other public bodies, we have various ethical standards that we wish to promote, so you will need to confirm your acceptance of these before you can work with us. These standards can be found in the [Supplier Chain Ethical Code of Conduct](#).

If you want to know more you about registering on the London Tenders Portal, please click [here](#).

Finding business opportunities

We try to make it as easy as possible for interested suppliers/providers to quote/tender for our businesses opportunities as and when they arise. There are four main ways you can do this:

- All our business opportunities are put on the [London Tenders Portal](#), the place where you may have already registered an interest in doing business with the Council
- The Council publishes a quarterly forward plan of likely business activity which can be found at [Contract Forward Plan](#)
- [Contracts Finder](#) offers potential suppliers/providers the opportunity to seek business opportunities across the UK public sector. You need to subscribe and then set up email alerts to use this facility
- Business opportunities from governments across the EU that exceed the thresholds described earlier, are advertised in the [Official Journal for the European Union \(OJEU\)](#) which is available in electronic form – either in CD-ROM format or via online access (through the Internet) to the [Tenders Electronic Daily \(TED\) database](#) (TED). Please note that the alert criteria on TED are very broad, so you could receive details lots of unrelated opportunities in some cases.

Receiving invitations to quote / tender

You may be invited to quote or tender for particular requirements as and when they arise.

Quotations and tenders are very similar, the main differences being that tenders are more formal and structured processes. In the case of the Council, any new purchase with an estimated life value of under £100,000 (excl. VAT) will be subject to quotation and above that figure a tendering process.

Tenders and quotations are all carried out through the Proactis electronic systems, which means all preparation, including submitting your bids, can be done 'online'. We do not accept paper or faxed quotations / tender responses.

- **Invitations to Tender (ITTs)** are sent via our E-Tendering and Sourcing system. You will have to self-register using this link [London Tenders Portal](#) provide basic information regarding your organisation and then proceed on to the advertised opportunity to be able to participate in any tender opportunities.
- **Requests for Quotation (RFQs)** are sent via our [Supply Tower Hamlets](#) portal. As with the tendering system, you will have to register once, before being able to receive RFQs.

If you are successful with your tender/quotation the Council will register you on our **Requisition to Pay (RP2P)** system which generates electronic purchase orders, allows you to submit electronic invoices and receive payment.

In a few cases, where there are well established and competitive markets (e.g. passenger transport) you may be asked to quote using a **dynamic purchasing system** - see guide [here](#). We would notify should this be the case.

Responding to invitations to quote / tender

Some bidders new to public contracts are not particularly good in competing and returning the appropriate documents in the allotted timescale. This can mean that your bid is rejected for being either incomplete or late. Most errors of this nature can easily be avoided by observing the following steps:

- Make a note of the date and time for when your bid should be returned to us
- Allow at least 24 hours before the return date to check your bid is complete and the right documents uploaded before submitting it. Late bids can only be accepted in exceptional circumstances
- Make a list of documents that need to be completed and returned. The quotation / tender always lists these under Evaluation Criteria
- If we ask you to give some information in the bid documentation, please provide it. Never assume that we know what you do, so you don't need to provide information or answer a question. If you don't respond then you will receive no points, which could cost you the business in a competitive situation
- If you have any queries about what we require or need more information, always ask for it in the allotted time for questions. We won't provide your details, but will publish your questions and our answers to you
- Keep an eye out for clarification answers we have given to other bidders – you will receive an e-mail. You may find these contain useful information to help you improve your bid
- Use plain language in your proposal and back up points that you make with supporting evidence (e.g. reference links or documents). Above all, never just repeat what we have written in our specification. We know what we want; we need you to tell us why we should pick you / your company to fulfil our requirements
- The evaluation team will consist of a mix of commercial and professional staff so don't exaggerate any claims that you make about your capabilities
- When you submit your bid you should automatically receive an e-mailed receipt indicating that it has been safely received. If you receive nothing within 3 hours, please contact the person responsible for issuing the bid immediately. [NB please check 'Junk Folders' on your e-mail system as sometimes receipts end up here]

Becoming a sub-contractor

Some small or start up suppliers/providers sometimes prefer to work with bigger, more established, organisations, as sub-contractors as this:

- Allows them to establish a sound track record
- Access business opportunities where they may be regarded as being too small on their own

We welcome this approach as it can help us gain access to the unique skills and services offered by many micro-businesses and voluntary groups. As a start, you should view the [Public Contracts Register](#) which holds details of contracts let by most of the London local authorities in order to decide which companies / organisations you might wish to approach.

You can also contact us at procurement@towerhamlets.gov.uk to seek further advice.

Terms and Conditions of Business

All our contracts are subject to appropriate terms depending on the risk and value of the contract. These terms are in place to protect you and us and in most cases are standard and non-negotiable. You can download our standard terms for supplies and services [here](#).

In the case of construction contracts we use JCT which is an accepted industry standard.

There are three important areas covered in our T&Cs which we must highlight:

Intellectual Property Rights (IPR) developed and produced by you as a contractor while carrying out any agreement belong to the Council, except where we have agreed something else as part of the T&Cs. You can download [Our Intellectual Property Statement](#) here.

The **General Data Protection Regulations (GDPR)** are designed to increase and protect people's rights regarding the personal data and information held on them. It applies to 'Controllers' (who say how and why personal data is processed) and 'Processors' (who act on the Controller's behalf). GDPR applies to any public or private organisation accessing personal data.

If you are appointed as a contractor and are involved in collecting, processing or storing of personal data, we will want to satisfy ourselves that you:

- meet the requirements of the GDPR
- ensure the protection of the rights of the people that you hold information (data subject)

Further information on the GDPR can be found on the [Information Commissioner's Office](#) website.

Our **Whistleblowing Policy (Complaints)** is designed to provide confidence in all our undertakings. We seek to maintain the highest standards of honesty and fairness in everything we do including the letting of external contracts. If you believe that you have either been treated unfairly in any bidding process in which you take part or you have well founded and provable concerns about the award process, then you must act immediately. Our [policy](#) sets out exactly what to do in this situation

Evaluating quotations and tenders

As a public body, the Council seeks to obtain what is known as Best Value for everything that it buys. Broadly speaking this means getting the right balance between cost and quality – in other words we don't always buy the cheapest available. We take into account other factors too such as:

- innovation and adaptability
- use of technology and continuous improvement
- sustainability and flexibility

This allows us to award a contract based on what is known as the most economically advantageous tender (MEAT) which balances costs with the pre-determined technical evaluation criteria. We always publish our evaluation criteria so that potential suppliers can understand what matters to us.

We are also moving towards using [Whole Life Costing](#) (WLC) for our higher value, more complex, contracts. WLC is a technique which measures not only the initial cost, but also the operational, maintenance, repair, upgrade and eventual disposal costs. Clearly, this will not apply to many things, particularly services, and we will always advise if WLC is likely to be applied.

What you can expect from us

The Council values its suppliers and providers given the integral part they play in the successful delivery of our services to local people. As a supplier or provider to the Council, you can expect to:

- be treated with courtesy, honesty, integrity, impartiality and objectivity
- have valid invoices paid promptly within 30 days or within the terms included in your contract
- receive timely responses to your enquiries and complaints

What we expect from you

The Council expects its suppliers and providers to play their part in a successful commercial relationship. We expect you to:

- observe the highest standards of integrity, professionalism, co-operation, courtesy, competence and efficiency including in the treatment of our staff, your staff and the staff of any subcontractors that you employ
- pay your subcontractors promptly in accordance with agreed terms
- comply with the law and abide by the terms and conditions against which you were engaged
- be proactive in suggesting ways to reduce cost or wastage whilst maintaining or improving the quality of the product/service you provide
- let us know immediately if you are either having financial difficulties or are concerned about your ability to deliver the services or products for which you are contracted in accordance with your contract

We publish a Frequently Asked Questions (FAQs) section on our website which answers questions in relation to submitting responses to ITTs or RFQs. Please click [here](#) to view it

Help us to do better

If you would like to suggest ways to improve this guide in any way, please contact procurement@towerhamlets.gov.uk.