

# Competing for Contracts – the London 2012 Olympic and Paralympic Games

## Delegate Pack

## Contents

London 2012 Overview .....	3
Sustainable Procurement .....	3
Value for Money .....	3
Purchasing Procedures .....	4
London 2012 Procurement Strategy .....	4
Accessing London 2012 Opportunities .....	6
London 2012: Competing For Contracts .....	7
CompeteFor Overview .....	7
Accessing CompeteFor .....	8
Completing Your CompeteFor Profile .....	9
Seizing the Opportunity .....	11
Next Steps .....	12
Useful Links .....	12
Appendix A - Finding Opportunities .....	13

## London 2012 Overview

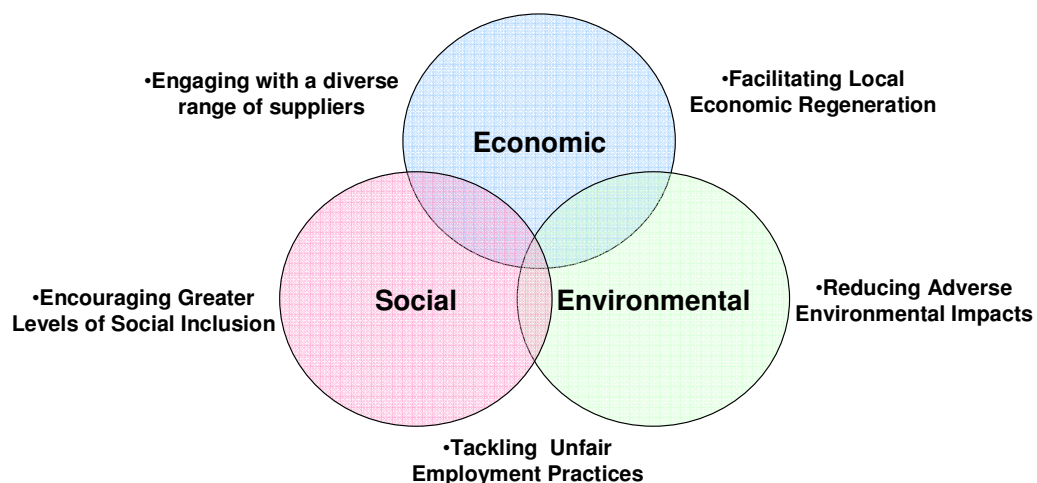
In the summer of 2012, the UK will come alive with the Olympic and Paralympic Games. Over 15,000 athletes, 20,000 media and 70,000 volunteers will gather for this extraordinary sporting event. However, the 2012 Games is far more than a one off event, as not only is it the largest infrastructure project in UK construction history, it is also a catalyst for long-term economic and social regeneration with Olympic or Paralympic Sport being hosted across the UK, creating unprecedented levels of business opportunities for UK firms.

***Today's workshop is designed to equip you with the necessary knowledge and skills to access London 2012 supply chain opportunities***

The vision for the London 2012 Games is that it will be the first truly 'sustainable games'. But what does this mean in terms of the strategy for the procurement of goods and services and how does this affect prospective suppliers?

### Sustainable procurement

Sustainable procurement is a priority not just for London 2012 but for the public sector as a whole. It is a term that you will increasingly hear used as more and more organisations seek to change the way they run their purchasing processes and select suppliers. Sustainable procurement practice incorporates the following kinds of activity:



As a supplier there will be a variety of requirements that you will be expected to meet in order to help fulfill these objectives, ranging from having the relevant policies in place, providing evidence of business and professional standing and demonstrating a commitment to Corporate Social Responsibility (CSR).

### Value for Money

All public sector organisations including the Olympic Delivery Authority (ODA) are subject to the 'Value for Money' (VfM) principle.

***‘The optimum combination of whole-life cost and quality (or fitness for purpose) to meet user’s requirements. This is rarely synonymous with price’.***

This principle which underpins purchasing decision making embraces the concept of the “price-quality” relationship. This means that public sector organisations will not automatically select suppliers based on lowest price but instead may consider a variety of elements including: innovation, ability to deliver, references, and environmental and social considerations.

### **Purchasing procedures**

The formality of a purchasing process depends upon the value and perceived risks of a contract. Below is an example of a typical ‘stepped procurement process’:

<b><i>Spend/Tender limits</i></b>	<b><i>Procedure</i></b>
Below £5,000	Verbal/Written quotations
£5,000 - £20,000	Minimum of 3 written quotations
£20,000 - £139,893	Minimum 4 formal tenders or written quotations
Above £139,893	EU Directives apply

All of the thresholds up to ‘EU Tender’ level are set locally and can differ between organizations, however, the common pattern ranges from quotes and proposals for lower value commissions and formal tenders for high value/risk contracts.

### **London 2012 Procurement Strategy**

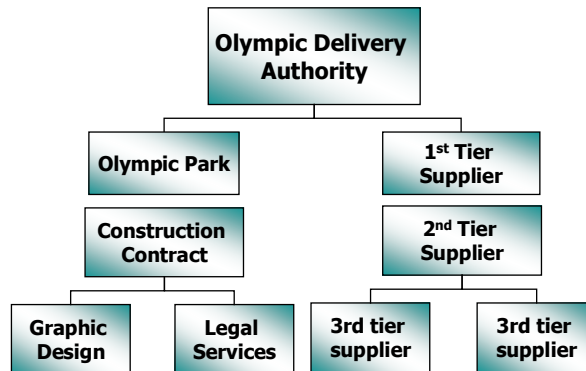
#### ***Who is letting contracts?***

Contracts for London 2012 will be awarded by both the Olympic Delivery Authority (ODA) and the London Organising Committee of the Olympic Games (LOCOG). In addition, the London Development Agency (LDA) will let contracts enabling work such as demolition, remediation and bulk earthworks. The ODA’s objectives in relating to procurement of goods and services are:

- Robust, fair and transparent approach
- Committed to achieving value for money on costs and quality
- All Tier 1 contracts to be advertised on ‘Future Opportunities’
- A separate supply chain service for SMEs

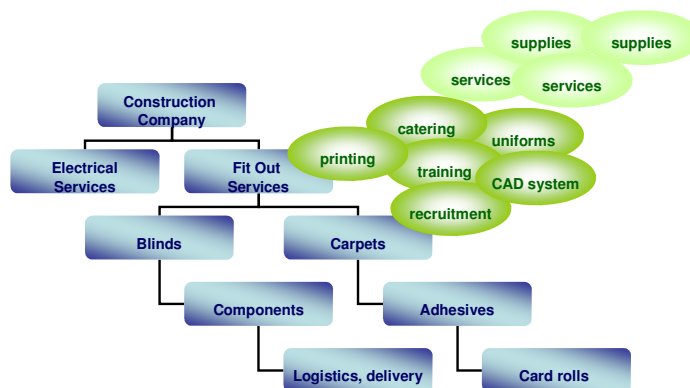
### Tiered Supply Chain

The ODA has adopted a tiered supply chain approach. Essentially it involves limiting the number of suppliers you deal with directly. The suppliers at 1<sup>st</sup> tier level will then use subcontractors to provide supplies and services that they themselves do not self-deliver. This is illustrated in the diagram below.



A key issue for consideration is **where you think you fit into the supply chain?** Some businesses will find that due to the nature of the product or service they provide there are rarely opportunities at 1<sup>st</sup> Tier level (i.e. a manufacturer of door handles). You may find that in time you are involved in the delivery of contracts at a variety of levels.

The London 2012 supply chain will serve as a powerful catalyst for economic regeneration both in the local London boroughs and across the UK. These ripple effects will extend out creating unprecedented levels of contract opportunities for small firms.



### Latest Facts & Figures

To date, 860 companies have won over £3.5bn of work supplying the ODA:

- 69% of these are SMEs
- 49% based outside London
- 98% are based in the UK

### **Accessing London 2012 Opportunities**

There will be many opportunities for smaller companies to win subcontracts and specialist tenders. All London 2012 Games contracts are being promoted online and all direct London 2012 contracts will be run using a web based electronic e-tendering system.

🔗 **Get involved: Current opportunities - London 2012**

🔗 **<https://etenders.london2012.com/web/login.shtml>**

Opportunities throughout the London 2012 supply chain are listed on **CompeteFor** - London 2012's chosen website for publishing Games-related contract opportunities, which also allows businesses to express an interest in these opportunities.



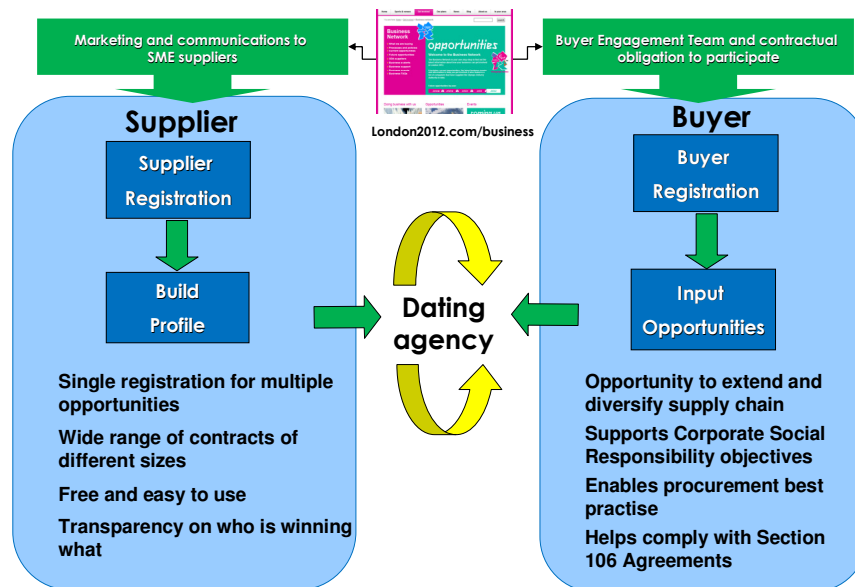
## London 2012: Competing For Contracts

### CompeteFor Overview

CompeteFor is an electronic brokerage system specifically designed to create opportunities for smaller companies to win subcontracts and specialist tenders. The vision for the system is:

- To ensure the transparency and availability of London 2012 opportunities
- Maximise the number and diversity of businesses contributing to the London 2012 programme
- Create a legacy of increased capacity and expertise

The system will work very much like a “dating agency” matching opportunities to potential suppliers.



So far 2900 opportunities have been advertised on CompeteFor, covering a wide range of services and supplies including:

- |                     |                     |                        |
|---------------------|---------------------|------------------------|
| ▪ Office cleaning   | ▪ Computer hardware | ▪ Construction labour  |
| ▪ Taxi services     | ▪ Printing          | ▪ Waste management     |
| ▪ Drama productions | ▪ Printed flags     | ▪ Hand driers          |
| ▪ Media training    | ▪ Site security     | ▪ Site transport       |
| ▪ Temporary fencing | ▪ Asbestos surveys  | ▪ Translation services |
| ▪ Office plants     | ▪ Men's ties        | ▪ Steel piping         |

## Accessing CompeteFor

In order to be matched to opportunities suppliers must complete an on-line profile which assesses whether you are “Fit To Supply”. In essence you are fit to supply if you can:

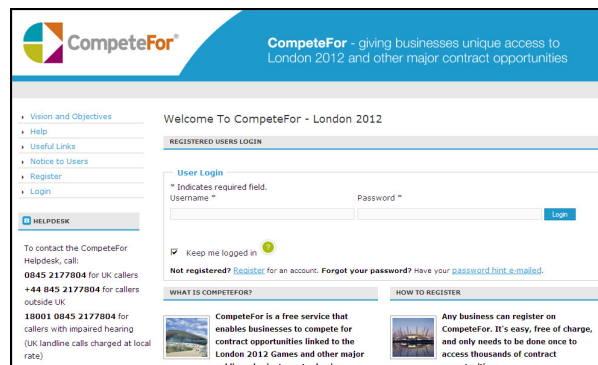
- Demonstrate relevant experience
- Submit financial information so viability can be assessed
- Demonstrate that the appropriate policies and procedures are in place

Through the completion of the online profile CompeteFor has been specifically designed to assist equip small suppliers with the skills to achieve ‘fit to supply’ status. So far 9,800 businesses have been automatically referred for support.

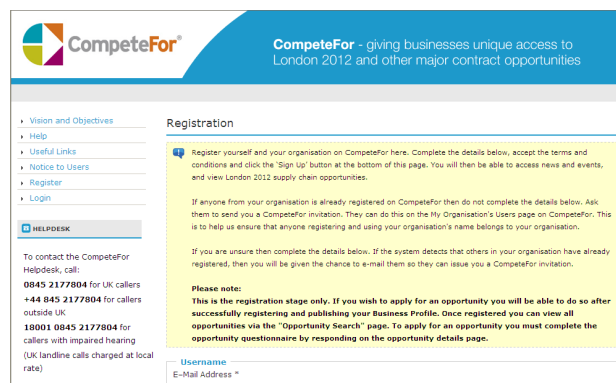
In addition the system hosts a facility to enable businesses to identify potential partners for the formation of consortia and onward supply chain.

## Log on and registration

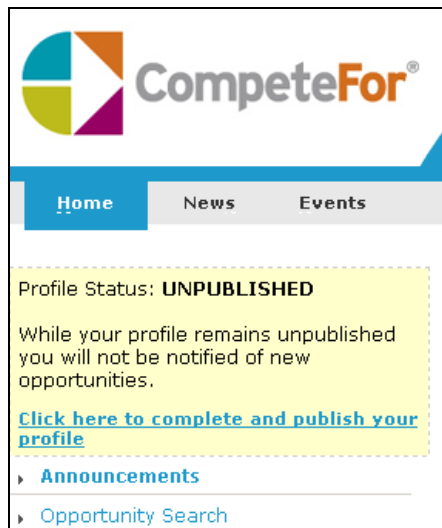
In order to log on to CompeteFor you must in the first instance create a Username and Password:



Once logged on suppliers must complete the initial registration process



At this point the supplier's status on the system will be classified as unpublished. This means that it will not be possible to be matched to opportunities. To date 74,000 companies have registered but only 45.7% are published. **In order to make the most of your registration you must complete the online profile.**



### Completing your CompeteFor profile


The online business profile is divided into seven tabs (as outlined below):

#### Business Profile

Status: Not Published



If you have not already done so, please complete the details below to conclude your registration.

Please note CompeteFor's [contact policy](#) 

\* Indicates required field



Suppliers must answer the questions in each tab before their profile can attain published status. The majority of the questions take the form of tick box answers making the process relatively simple and intuitive for users. Suppliers will however need access to information regarding their organisation before commencing the process. An overview of the information required is outlined overleaf.

### Checklist of information

- Organisation name and contact details.

- Company and VAT registration numbers
- Trading history
- Details of insurance polices (Public/Employers Liability, Professional Indemnity)
- Number of insurance claims made in past 3 years
- Details of other company polices including Quality assurance, Health & Safety, Equal opportunities and Environmental management.
- Ethical sourcing practices policy (applicable only if your business sources goods or services from overseas)
- Details of previous/recent contracts (client name, duration, value)
- Current and forecast turnover levels
- Organisational capability
- General marketing information

### ***Selling yourself effectively***

Remember that completing the online profile is more than simply a form filling exercise. Although much of the information provided may be generic; sections on technical and professional ability are your opportunity to sell the organisation.


You are seeking to demonstrate that you are the most appropriate choice for contract opportunities that may arise. When answering capability or track record related questions make sure you provide responses that clearly outline **features** of any approaches, processes or systems, used, the associated **advantages** and most importantly the **potential benefits** to the client.

## Seizing the opportunity

### *E-mail alerts*

Once the business profile is complete and published, suppliers must ensure they register for free email alerts:

Email Alerts

 Your alert preferences are saved.

Customise the information contained in your email alerts by selecting from the following options. The email alert will automatically contain updated information about your tracked opportunities.

**Email Alert Preferences**

Enable email alerts?  yes  no

New and updated opportunities matching your business and construction categories?  yes  no

Opportunity response reminder (5 days before the closing date)?  yes  no

### *The competitive process*

CompeteFor opportunities pass through 4 stages once they have been published:

- **Open** - You can respond to the opportunity
- **Closed** - The response deadline has passed and the buyer is carrying out the short-listing process
- **ITT** - The short-listing process has been completed and the buyer is currently following their selection process
- **Awarded** - The buyer has finished their selection process and has published details of the contract award on CompeteFor

In order to respond to opportunities suppliers will have to answer a set of questions that the buyer has chosen.

The answers to these questions will be scored; therefore suppliers must consider their responses carefully. Bidders who are short-listed will be invited to tender, this may take the form of either:

- Invitation to Quote – provision of a price for an agreed set of services/supplies
- Full Tender – detailed response outlining method, approach, and price

At this point bidders will receive an e-mail explaining the next steps. Once all the tenders have been submitted and evaluated the contract will be awarded and details of the contract award will be published on CompeteFor.

### Next steps

- *How am I going to access London 2012 supply chain opportunities?*
- *Are there other parts of the public sector that are of interest to my business?*
- *What do I have to offer?*
- *How would I persuade them to choose my organisation over the competition?*
- *How do I shape up in terms of challenges and barriers?*

### Useful links

- 🔗 [www.competefor.com](http://www.competefor.com)
- 🔗 [www.london2012.com/business](http://www.london2012.com/business)
- 🔗 [www.london2012/futureopportunities.com](http://www.london2012/futureopportunities.com)
- 🔗 <https://etenders.london2012.com>
- 🔗 [www.london2012.com/documents/business/oda-supplier-guide-june-2007.pdf](http://www.london2012.com/documents/business/oda-supplier-guide-june-2007.pdf)

## Appendix A - Finding opportunities

Contract opportunities are advertised in a multitude of places.

- Council website business pages
- Local Press including the Public Notices section
- Contrax weekly - a national publication for contract opportunities
- Trade publications
- The Official Journal of the European Union (OJEU) – Tenders Electronic Daily
- National Portals - Supply2gov.uk, CompeteFor, Sell 2 Wales

For works contracts bidders can be selected from Constructionline and CHAS (Contractors Health & Safety Assessment Scheme) (excludes contracts over European Procurement Directives)

- Constructionline **www.constructionline.co.uk**
- CHAS **www.chas.gov.uk/**

Also remember:

- Regional Portals e.g. **www.sourceeastmidlands.co.uk**
- Meet the Buyer Events **www.meetthebuyers.com/**
- Phoning and Asking: Relationship Marketing/Finding the right contact

There are however three key sites where suppliers can access public sector opportunities - Supply2Gov.uk, CompeteFor and Tenders Electronics Daily.

	Lower Value	Higher Value	Supplier Profile	Tender alerts	Charges Apply?
Supply2Gov.uk	✓		✓	✓	✓*
TED		✓		✓	No
CompeteFor	✓		✓	✓	No

\*Supply2Gov.uk is free of charge for basic registration, service upgrade charges apply.