



Effective Procurement of Social Research in Government

Findings and Recommendations

June 2011

(Inside front cover blank)



Effective Procurement of Social Research in Government

Findings and Recommendations

Carol Goldstone Associates
with Janet Lewis and Ceridwen Roberts



This short report is based on a fuller study by Carol Goldstone Associates and undertaken by Carol Goldstone and Meta Zimmeck. It was generously funded by the Nuffield Foundation and is available on the SRA website:

www.the-sra.org.uk

ISBN 978-0-9506477-6-0

Published June 2011

© The Social Research Association
24-32 Stephenson Way
London NW1 2HX

Contents

Preface	5
Acknowledgments	6
Introduction	7
Summary of the study	9
Section A: The Study	13
Background and research objectives	13
Mapping exercise	15
Case studies	19
Procurement in practice	25
Section B: Recommendations	32
Appendix: Research methodology	47
Key documents	48

Preface

The Social Research Association has championed effective commissioning practice for social research for over 20 years. Its original Good Practice Guidelines on *Commissioning Social Research* were published in 1994 and a second, revised edition in November 2002. They were drawn up before the age of Framework Agreements and the development of the extensive role for Departmental procurement staff in much social research commissioning.

During the last 10 years there has been considerable interest in how Government purchasing of social research has changed. It was therefore timely for the SRA to set up a Commissioning Initiative in 2004, involving social researchers from both commissioners and suppliers, to promote effective commissioning and consider the implications of what was happening. A series of issues have been discussed over the years and most recently the focus has been on Framework Agreements.

The Initiative Group, ably led by Dr Janet Lewis, enabled the SRA to commission a small research project, with funding from the Nuffield Foundation, to examine the different ways in which social research is procured in government. The findings from the study are presented in the first part of this report. The final section has drawn on the findings of the study, and the discussions of the Initiative Group over the years, to produce a set of recommendations for effective commissioning practice. These recommendations aim to augment rather than replace the SRA's 2002 Guidelines and to update them to the current era of increased bureaucratisation of commissioning and the continuing rightful concern for value for money in purchasing quality social research.

The SRA hopes this publication and its recommendations will provide useful guidance to commissioners and providers of social research alike.

Patten Smith

Chair

Social Research Association

May 2011

Acknowledgements

The SRA gratefully acknowledges the support of the Nuffield Foundation in funding this study.

The SRA would also like to thank the members of the project's Advisory Group for their helpful advice and support to the researchers, Carol Goldstone and Meta Zimmeck, and the project's research managers Janet Lewis and Ceridwen Roberts, during the course of the work. The Group's members were: Kate Bilton, Professor Gillian Douglas, Tony Martin, Nigel Meager, Professor Jane Millar, Stephen Webster and John Wicks.



The Nuffield Foundation is an endowed charitable trust that aims to improve social well-being in the widest sense. It funds research and innovation in education and social policy and also works to build capacity in education, science and social science research. The Nuffield Foundation has funded this project, but the views expressed are those of the authors and not necessarily those of the Foundation. More information is available at www.nuffieldfoundation.org

Introduction

The central aim of the Social Research Association (SRA) is to “advance the conduct, development and application of social research”. Within this it has had a long standing interest in the way in which research is commissioned and has been concerned to identify and promote good practice. The SRA believes that the core principles of good commissioning are:

- the need for clarity about what is being sought from the research – the concerns and question(s) to be addressed;
- the importance of developing a constructive dialogue between commissioner and commissioned;
- maximising this dialogue through an open and flexible approach;
- the need to allow adequate time for the commissioning process and the research.

More practical matters include

- focusing the research brief more on the aims and objectives than the methods, and including a statement about the budget;
- awareness of the range of different commissioning formats available to researchers and funders;
- choosing the appropriate form of competition – direct or indirect – between research suppliers to suit the project;
- keeping the final list of competitors short;
- respecting the intellectual property rights of suppliers.

These principles and practices have informed the SRA’s work on commissioning since the *Good Practice Guide on Commissioning Social Research* was first published in 1994 and were the backdrop to this report. When the revised edition of the Guidelines was published in 2002, Frameworks Agreements were identified as one of a number of different contractual arrangements that were possible. Since then they have become one of the main avenues for Government Departments to commission research. The SRA

wished to understand better how Frameworks operated and what effect, if any, the mode of commissioning had on the way research was conducted and its impact. This led to this project being commissioned.

The main report, *Different ways of procuring social research in Government*, has been published on the SRA's website and is available at www.the-sra.org.uk/research_commissioning. The shortened version of the report that is published here contains the main findings of the study, written by Carol Goldstone. The final section makes some recommendations for effective practice in the commissioning of social research. These have drawn on the original SRA Guidelines and other policy and practice guidance from the EU, Government Economic and Social Research (GESR) and the Office for Government Commerce (OGC);¹ the findings from the research study; and discussions with research practitioners, both buyers and suppliers, over a number of years.

The recommendations have therefore drawn on a much wider canvas than the study alone, but it would not have been possible to formulate them without the study's findings. These recommendations were drafted by Janet Lewis and Ceridwen Roberts, on behalf of the SRA, and were circulated for comment to a number of key people. They in no way replace the SRA's original Guidelines but are an attempt to augment them, to cover procedures and practices that have changed over the last ten years, and issues that continue to be problematic.

Janet Lewis and Ceridwen Roberts

1. The OGC is now known as the Efficiency and Reform Group within the Cabinet Office.

Summary of the study

Background and methodology

This report outlines the findings of a qualitative study commissioned by the SRA to examine procurement procedures used by central government departments and agencies for the purchase of social research. The research was designed to explore how these procedures affect the choice of researchers, the quality of the final outputs and the relationships between the commissioners and suppliers.

The research was financed by the Nuffield Foundation and carried out by Carol Goldstone Associates. It comprised three main stages:

- A mapping exercise of the main procurement methods used by 50 government bodies including Departments and major NDPBs/agencies.
- Case studies of three Government Departments, DWP, OFT and DfE. that use different procurement methods.
- Depth interviews with suppliers drawn from a range of supplier types and sizes.

A workshop was held at the end of the study with participants from both commissioning bodies and suppliers.

Mapping Exercise

With some exceptions, most bodies procured social research either through frameworks (OJEU or non-OJEU) or by open competition. Some small research bodies used frameworks set up by other departments.

The key procurement method was generally the one expected to best suit the type of commissions anticipated and which was expected to provide the best value for money. Some other factors also informed the decision. Those using frameworks identified the speed of procurement as a key advantage for them. Those preferring open competition valued the wider choice of supplier and also had concerns about frameworks becoming out of date.

Some of those using open competition had decided against using others' frameworks because they were inappropriate for them (e.g. because the lots did not match their requirements).

Case studies

DWP has a non-OJEU framework and most of its research is commissioned through a single tender selected from a comprehensive database providing full details of each provider. The process is overseen by the procurement department who scrutinise selections and ensure researchers have properly considered their choice. Suppliers are often commissioned at an early stage so that they have substantial input in the development of the research design.

DWP researchers particularly valued the speed of procurement and the closeness of the buyer/supplier relationship their system provides. However, the framework was very intensive to set up for both DWP and the bidding organisations.

The OFT OJEU framework has widely specified lots and is therefore often used by other bodies as well as the OFT. For every project, all suppliers in the relevant lot are invited to participate in a "mini-competition". Although lots include up to 22 suppliers, tenders are typically submitted by around eight organisations. The procurement process usually includes a Tender Board where short-listed organisations present their proposals.

Researchers value the range of ideas offered by competing tenders and the speed of procurement compared with open competition. They also believe that competition results in better value for money. As with DWP, a drawback was the labour intensity of setting up the framework.

DfE projects are procured through open competition, usually using a two-phase process. Any supplier can submit an Expression of Interest for each project (generally around 750 words) and 6 – 8 short listed companies are invited to submit a full tender. As with OFT, a Tender Board is part of the selection process.

Researchers value the opportunity to select any appropriate supplier rather than only those on a pre-selected list and believe competition provides the best value for money. However, the procurement tends to be slow and this can deter policy colleagues from commissioning research.

Procurement in practice

Tendering for frameworks is very time consuming but the suppliers interviewed were aware that the opportunity to work with the commissioning body arose only once every few years. None rejected the opportunity for resource reasons. The decision whether or not to tender depended on whether the research required through the framework was within their core expertise or close to it.

Areas of particular concern to suppliers in framework applications included: poorly constructed frameworks requiring disproportionate effort or provision of inappropriate information; frameworks providing few (or no) opportunities to tender for business; poor or non-existent feedback to framework applications; and failure to take into account previous experience with the commissioning body. Small organisations (including small university departments) were perceived as being at a disadvantage in winning places on frameworks.

Suppliers were more selective in deciding whether to bid for individual projects. Subject matter and relevant experience were of greatest significance but other factors were:

- anticipated competition;
 - previous experience with the commissioning body;
- and, especially for smaller organisations:
- available resource – both for tendering and undertaking the project.

Procurement method was seldom considered except that some organisations (especially smaller ones) might decide against bidding for some single stage open processes which were likely to attract many bids.

Suppliers were particularly critical of pre-tender discussion processes where questions were submitted in writing and then questions and answers circulated to all bidders. While commissioning bodies believed this was important for transparency, suppliers worried that their ideas would be made available to competitors. Some suppliers called the project manager direct (although they knew that this was disapproved of) because some managers were willing to engage in useful discussion.

Suppliers strongly felt that their bids could be better targeted if they were provided with a ballpark or maximum budget. However, budgets were not routinely revealed by either OFT or DfE because it was felt that better value for money would be obtained if the information was withheld.

Post tender negotiations are believed to work well by both buyers and suppliers.

Consortia working is expanding because of the increasing complexity of many projects. Most large organisations have regular partners. Smaller suppliers are often squeezed out of this work because they are less likely to find organisations willing to work with them unless they have niche skills.

Suppliers preferred procurement teams to have only a background role in procuring research. In a minority of cases, the procurement team was perceived to be acting as a barrier and impeding the tender process.

Section A: The study

Background and research objectives

Research Objectives

The main aims of the SRA study were:

- To examine the ways that current procurement procedures for social research facilitate or constrain the development of constructive relationships between commissioners and suppliers *and*
- To explore the ways that different procurement procedures are perceived to affect the choice of researchers, the research methods used and the quality of the final outputs.

In particular, the research was designed to compare framework agreements with more traditional project-based tendering and explore issues in bidding or setting up framework agreements; how framework and project-based competitive tendering operate; and the impacts that methods of tendering have on the way work is done and the final outputs. Details of the methodology are given in the Appendix

Procurement and EU regulations

Caution: Procurement rules are very complex and this section, included to provide context to the findings, is intended as a layman's introduction.

Social research may be considered to fall into two European Union (EU) procurement categories – market research and research and development (R&D). R&D services (i.e. work “*to inform the development of a policy, service or product and where there is an experimental element, for example testing an approach to, or a design of, a policy, service, delivery mechanism or product*”) are exempt from EU procurement rules if the services are wholly paid for by the contracting authority and the results are to be made public. However, market research services (including survey services and social research services outside of the R&D definition) are not exempt.

Where social research is considered to fall under the market research category, then it must be commissioned in line with the EU procurement regime, designed to open up public procurement across the EU and reinforce value for money. The regime varies according to the value of the contract but contracts exceeding a specified threshold must be advertised in the Official Journal of the European Union (OJEU) and procured through full competition.

Thus, where public bodies wish to set up framework agreements for procuring social research, if any of the requirement is deemed to fall into the Market Research category then the agreement must be advertised in OJEU and go through the full OJEU procurement procedure.

Most frameworks are divided into lots, either by subject or methodologies. Unless the framework is with a single supplier, individual contracts are generally let through so-called “mini-competition” of all suppliers within an individual lot and there is no requirement to re-advertise the contract.

Where the framework is deemed to fall completely within the R&D definition, the framework does not have to be procured through OJEU and there is no mandatory requirement for suppliers to be selected through any form of competition.

Terminology

Members of the social research community, both within commissioning organisations and suppliers, describe themselves as researchers. For the purposes of clarity, within this report we refer to researchers in supplying organisations as “suppliers” while those working in commissioning bodies are described as “procurement staff” and “researchers”.

Mapping exercise

Background

The mapping exercise, conducted in May/June 2010, was designed to examine the types of procurement used within central government and the prevalence of these methods. The research covered not only central government departments but also a range of agencies and NDPBs, representative of the universe of statutory bodies. Information was obtained from a total of 15 Government Departments and 35 agencies/NDPBs.

Procurement methods used

It was general for each body to use one main method for procurement although some used a secondary method for a minority of commissions. As expected, the key procurement methods were through use of a Framework agreement or via project based open competition. A minority of organisations did no social research; a small number used different methods (e.g. generic calls for research rather than project based tendering) which were considered to be outside the remit of this study.

The value of the social research commissioned in 2009/10 varied substantially across the bodies investigated from under £100k per year to over £30 million.¹ Departments with larger budgets tended to have a dedicated social research team, sometimes including statisticians and/or economists as well as researchers. Where the budget was small, research was, in the main, the responsibility of non-researchers who happened to have a specific research requirement or who included research as one of their responsibilities.

We identified three main types of procurement process:

■ *Non-OJEU Framework*

Used only by DWP and HMRC, the non-OJEU framework identifies social research as R&D. Specific stipulations (e.g. publication of all research) must be met.

¹ Budgets were almost invariably expected to be substantially lower in 2010/11.

■ *OJEU Framework*

The more common type of framework identifies social research as market research and follows the more general EU regulations for procurement. Although some other models are used, most OJEU frameworks comprise a number of lots (usually based on subject or themes) and suppliers within a lot are invited to submit bids in “mini-competitions” for each project.

■ *Open Competition*

All contracts are advertised on the commissioning body’s web site and, for larger contracts, through OJEU. Additional methods (e.g. emailing registered suppliers to advise of the opportunity) may also be used. The open competition route may invite all comers to tender although others use a two phase system (sometimes called restrictive competitive tendering) where all suppliers can submit an Expression of Interest (EOI) but only those successfully shortlisted are invited to complete a full tender.

The primary procurement methods used across these bodies are shown in Figure 1:

Figure 1: Main procurement method

TOTAL	50
Project based tendering	16
Non OJEU Framework	
Own	2
Others	2
OJEU Framework	
Own	15
Others	10
Research Institute/expert panels	4
No social research undertaken	7

(Note: figures add to more than 50 as some bodies use multiple methods)

The majority of frameworks were set up to allow other government bodies to use them. Using others' frameworks was particularly common with those bodies whose research requirements were too small to justify setting up their own framework. Some departments had established either research institutes or panels of experts (in both cases primarily from the academic community). These were set up using similar procedures to the OJEU frameworks.

Reasons for choice of procurement method

Department and NDPBs who were contacted by telephone were asked why they had chosen the route they used and whether other options had been considered or were under consideration.

It was common for each body to believe that it had chosen the method that was most suited to the type of projects it commissioned and the method that provided it with the best value for money. However, there were also other reasons for making a particular choice.

For framework users, the benefits of their method were the speed of procurement (which was thought to be much faster because there was no need to go through an additional OJEU process) together with the method's transparency, the immediate availability of a good range of high quality suppliers and the ability to develop a better relationship with those suppliers.

Amongst those who undertook only modest numbers of research projects the costs of setting up a framework could exceed the value of the research budget in its entirety. So using frameworks set up by other bodies was a common way of achieving value for money and high quality research

However, the perceived barriers to using another organisation's framework were sometimes sufficient for a department or NDPB to opt instead for open competition.

The main disadvantage was that the framework was, quite understandably, set up with the needs of the framework owner in mind and these often did not match with those of the secondary user. Consequently, the framework might not have appropriate lots

and might not include the suppliers that the secondary body would have preferred. There was also a feeling that existing frameworks tended to over-represent large agencies and under-represent small agencies, universities and niche suppliers.

Those opting for open competition felt that this gave them a wider choice of supplier, without constraint. In particular, a framework could be out of date within its lifetime because of changing requirements, changes within framework suppliers and the lack of opportunity of including those who had moved into the market. Some with experience of both methods felt that research commissioned through frameworks was expensive and not as good value for money as they experienced using open competition. Additionally, the need to include a mini-competition phase in the OJEU frameworks meant that the procurement process was little faster than open competition.

Overall, therefore, government bodies were divided about the most suitable methods for procuring social research. Each group perceived its chosen route to be the most appropriate, providing them with the best value for money and the opportunity to use the most suitable suppliers.

Case studies

Introduction

The mapping exercise confirmed that there are three main procurement routes used within central government – OJEU Frameworks, non-OJEU frameworks and open competition. In order to look at the three procurement methods in detail, we identified three government bodies that had been mentioned by peers as representing good examples of their type. Each agreed to participate in the research. These bodies were:

Non-OJEU Framework	Department for Work and Pensions
OJEU Framework	Office of Fair Trading
Open Competition	Department for Education.

For each of the case studies, we spoke to both procurement staff and research project managers using a mix of focus groups and individual depth interviews. The topic guides are included in the main report.

Non-OJEU Framework: Department for Work and Pensions

The Department for Work and Pensions, one of the larger social research procurers across central government, spent around £18 million on research in 2009/10. The current social research framework, its second, was completed in 2009 in a joint procurement exercise with HMRC. The DWP element includes 86 suppliers across five subject based lots. Lots range from 21 – 64 suppliers each with many on multiple lots. A non-OJEU framework is in place as DWP classifies the vast majority of its research as R&D and all findings are published. Non R&D work (e.g. Omnibus research) is procured through other frameworks.

DWP has a large body of researchers and other analysts (around 100 in total) who are embedded across the organisation within the policy team. There is also a small central team working on cross-policy areas.

Most studies are procured through a single tender process although competitive tender (of all within a specified lot) has been used for a small number of complex studies. The single tender selection is made by the research project manager. Researchers reported that they use a range of methods to select suppliers, the relative importance depending on the individual researcher and the piece of work to be commissioned.

The most important source of information was a detailed database containing information about each framework supplier. Some of the information is provided by the supplier, supplemented with details of previous commissions undertaken by that supplier. The database was considered to be a valuable tool (although details of past commissions were patchy).

Other important sources of information were the views of colleagues (especially for more junior project managers); the type of work to be commissioned; the supplier's experience of similar work; and personal experience of the supplier. There was some reluctance to be the first to try a supplier new to the framework, particularly for larger, more prestigious projects. The ability to prepare a report to the required standard was highlighted as a consideration in selection of suppliers.

Every single tender justification was carefully checked by the procurement team and challenges were possible if it was thought that the selection had not been sufficiently thorough.

The system was valued by researchers because of the ability to call in the selected supplier at a very early stage – sometimes, before even the research objectives were finalised – to discuss the most suitable research programme within the available budget. It was thought that this both enhanced the quality of the research and engendered the best possible partnership with suppliers.

DWP staff found it difficult to identify drawbacks to their procurement method. A potential for suppliers to charge high prices was raised by one researcher (on the basis that a former colleague reported much lower prices in his new department) although others thought it unlikely as day rates were included in the framework and they had a good feel for the market rate for a job.

OJEU Framework: Office of Fair Trading

The Office of Fair Trading spends just under £1 million per year on social and economic research. Its current framework, renewed in 2009 has eleven lots; as these are quite widely specified it is consequently a very popular framework for use by other organisations. Amongst those using the OFT framework are the Charity Commission, the National Audit Office (which also has a framework of its own for some of its social research), the Land Registry and the Homes and Communities Agency.

A total of 41 different organisations are represented on the OFT framework with many on multiple lots. Lot sizes range from 6 – 22 organisations. As with the DWP framework, the organisations include market research agencies of different sizes, university departments, marketing consultants and economic specialists. The range of suppliers was considered important because of the variety of projects commissioned through the framework.

Unlike the DWP framework, within an OJEU framework, every project to be tendered is open to all organisations within the relevant lot – usually described as a mini-competition. However, while in theory this could mean that up to 22 organisations would tender for a project, in practice, the number of bidders has typically been 5 – 8.

Unlike DWP, OFT policy is that no guideline budget should be advised to suppliers although it was expected that the tender specification documents would include signals to suppliers about the scale of work required. It was strongly felt that this would engender better value for money and prevent all suppliers bidding at the maximum budget available. As discussed later, many suppliers did not feel that this allowed them to design the most appropriate research.

Bids were ranked using a scoring system (defined within the specification) and, apart from the smallest projects, a small number of bidders (usually two or three) would be invited in to a tender board to present their proposals. Evaluation would typically be undertaken by a team including the research team (responsible for

evaluating the technical features of the bid) and the procurement team (responsible for evaluating cost and value for money).

Exceptionally, the tender process has included an additional phase such as an expression of interest or a supplier event for large or complex studies.

The framework and the way that it works are well liked by both procurement and research staff. Researchers welcome the competition which enables them to consider alternative approaches to the project. Furthermore, bidders' bona fides, quality procedures etc had already been checked during the framework set up.

Three key advantages were identified by researchers and procurement staff. Firstly, the system was thought to provide good value for money (maximum day rates built into the framework contract could be undercut for specific projects). Secondly, competition led to the highest quality of research and, thirdly, the process could be undertaken in a single stage and could therefore be completed much more quickly than through open competition – especially for larger projects that would have required an OJEU submission. The advantages of the system were sufficient to justify the laborious process of setting up the framework which had taken a great deal of time and effort from the procurement team.

Open Competition: Department for Education

The Department for Education is one of the largest spenders on social research. In 2009/10 it spent around £30 million on social research of which £12 million was dedicated research budget and the remainder was for evaluations which came out of the budget for the relevant programme. There are around 250 analysts, including economists and statisticians, most of whom are embedded in three policy facing directorates – Schools, Young People and Families – each of which has its own team of analysts. There is also a central team and an analytical team accounting for around a further 20 staff.

Apart from the communications research (generally procured through the COI Framework), most research projects are tendered individually through the Department's web site. Most DfE projects

are procured through a two phase restricted tender route. All suppliers are invited to submit an Expression of Interest (EOI) (generally with a word limit of around 750 words) and these are analysed by the project team to look at responses, based on evaluation criteria included in the advertisement. A minimum of two researchers are responsible for this evaluation with additional staff asked to adjudicate if there is no clear short list. On the basis of this process, a number of suppliers – typically 6 – 8 – are invited to complete the full Invitation to Tender.

The provision of a guide budget to prospective suppliers is at the discretion of individual project managers. However, budgets are generally not provided as it is felt that suppliers should be given the widest opportunity to identify the optimum research programme to meet the objectives.

The tender uses similar systems to those used by the OFT with submitted tenders being scored and short listed suppliers invited to present proposals to a Tender Board. The main difference from the OFT system is that the entire evaluation is undertaken by researchers with the procurement staff available to provide help and guidance but not taking an active role in evaluating bids.

Researchers emphasised the importance of the Tender Board within the selection process. Only those with a realistic chance of winning would be invited to present, even if this meant inviting only one supplier (although not told that they were, at this stage, the preferred bidder) to ensure confidence in the organisation's ability to provide quality and value for money.

Occasionally, projects are tendered through the framework of another government department, generally because of a need for speedy procurement. However, the procurement team felt that the need for a mini-competition means that little, if any, time is saved.

DfE has considered setting up a framework in the past but has not gone ahead for several reasons. Firstly, the time and costs of setting up a framework are considered to be too excessive. Moreover, when the subject has been discussed, there has been no internal agreement as to the most appropriate structure for such a framework. Comparison with frameworks used by other

departments has led them to believe that they obtain better value for money through open competition. They also prefer not to restrict themselves to suppliers who have successfully applied for a framework – all their projects are open to all suppliers, regardless of size or type so that the most appropriate supplier for that project can be commissioned. Researchers highlighted the slowness of the open competition route as a disadvantage. On occasion, especially when speed was essential, this could deter policy colleagues from commissioning research.

Procurement in practice

Introduction

This section examines the experiences of suppliers in the procurement process within central government and compares this with the expectations and intentions of the commissioning bodies. Participating suppliers, although mostly selected because they supplied one or more of the case study organisations, were asked to consider their overall experience of procuring work from central departments and agencies.

Tendering for Frameworks

Tendering for frameworks was seen to be a very time consuming affair for both commissioning bodies and suppliers although the requirement varied substantially across the various frameworks on offer. Commissioning bodies needed to anticipate that the number of projects to be commissioned justified the cost and time involved.

Similarly, despite the intense level of resource that may be required to submit a framework tender, all suppliers – no matter what size or type – felt that, provided the area was of interest to them, a framework bid represented an opportunity not to be missed. There was a strong awareness that the opportunity would arise only once every few years and that work for the tendering organisation would be available only to those on the framework.

Nonetheless, suppliers had to consider whether the likelihood of obtaining a framework place justified the effort. The decision was sometimes made by a sole individual and sometimes by the board of directors.

The commissioning body and the particular subject requirements it sought were the most important factors to consider. Specialist suppliers, in particular, examined how close the requirement was to their own speciality. Frameworks matching their niche were essential business opportunities but similar areas could also be of interest.

The demands of a framework bid were noted to vary substantially from one framework to another. Poorly constructed frameworks were the cause of the greatest complaint by suppliers because they required disproportionate levels of input. A framework on offer during our fieldwork was put forward as an example of bad practice. This case had 40 different lots, each requiring separate completion and with few generic sections that might have reduced the overall work required. Elsewhere, inappropriate use of templates was also criticised. One example of this was a request for bidders to explain how they deal with hazardous waste – not a common problem for social researchers.

Smaller organisations (including small university departments) were at a particular disadvantage when completing framework bids as there were few people capable of completing the work – in some cases, only one or two. In comparison, larger organisations tended to use teams of people with topics such as quality and data protection dealt with by specialist staff.

Although most organisations used template responses as a basis for general questions, every response had to be specially crafted to suit the commissioner and the exact questions asked. It was suggested that some of the more common information could be held centrally for all government departments and updated regularly. Even an annual update would be preferable to repeating the same information (with minor changes) on a regular basis.

Suppliers were aware that a place on a framework did not guarantee business but there were particular criticisms for a small number of cases where no opportunities were provided over the lifetime of the framework.

Poor or non-existent feedback was another common complaint. Some suppliers complained that feedback amounted to being told that their bid had scored more poorly than others without further information as to why this was so. Feedback from frameworks, in particular, was seldom considered adequate.

Respondents who had bid unsuccessfully for frameworks noted that previous experience with the provider was not taken into account in the framework evaluation and this was generally

thought to be unfair. One respondent failed to win a place because she had realistically costed an example project which she had actually been responsible for twice in the past.

There was agreement from both commissioning bodies and all types of supplier that the framework process is likely to favour the larger organisations with smaller and niche organisations being more likely to be squeezed out. Large agencies were particularly likely to bid successfully for frameworks while smaller organisations had patchy success. This disadvantage was despite the fact that, within our case studies, both DWP and OFT had made efforts to ensure that SMEs were not disadvantaged and were represented on the framework.

Thus, despite the work required in bidding for frameworks, suppliers recognised that the opportunity should not be lost. There was no evidence that any supplier had decided against preparing a framework bid because of the resource required.

Tendering for projects

All suppliers had substantial experience of tendering for individual projects, through open competition or mini-competitions of suppliers in framework lots. Outside of frameworks, individual high value contracts had to be advertised through OJEU. Lower value opportunities were generally advertised on web sites and sometimes also through other tendering services such as Supply2Gov. Suppliers could also register with specific bodies to receive email alerts of new opportunities. Some bodies made a point of phoning regular suppliers to advise them of new opportunities advertised on their web site.

In addition, most suppliers spent a substantial amount of time monitoring web sites for new tenders. (This was before the Government's Contracts Finder was set up). Some organisations approached this in a very organised way, delegating the task to specific staff (sometimes specialists whose sole role was to identify new prospects). Elsewhere, each team undertook their own searches with no co-ordination of effort.

Suppliers were more selective about bidding for projects than they were about bidding for frameworks although many of the criteria used were the same with subject matter (and relevant experience) being the most critical element. Other important considerations were anticipation of who else might bid, whether there was an existing relationship with the potential client and, especially for smaller organisations, availability of resource – both for preparing the bid and for undertaking the project if won. Unlike frameworks, resource was a factor because there was not the same feeling of a long term opportunity lost.

Only once all these factors had been considered would suppliers think about the procurement method (over which they had no control) or the number of organisations who were expected to bid.

Some suppliers were more likely to bid in a two stage process. Completion of EOIs generally took little time and the decision whether or not to prepare a full tender could be made if the supplier was shortlisted. One reason for deferring the decision was because not all EOI invitations gave sufficient information for bidders to be sure that the project was relevant to their interests and expertise.

Compared with smaller organisations, large suppliers had confidence that they had a good chance of winning the tender and were less likely to consider the probable number of bidders.

Although not discussed in great detail, both commissioners and suppliers agreed that the standard of specification was a very important element in enhancing the quality of the final research, particularly for competitive tenders. It was, however, of less importance in the single tender procurement used by DWP as the specification was discussed with the supplier and, where appropriate, could be amended as part of the procurement process.

Pre-tender discussions

DWP's detailed pre-tender discussions were described above. For all competitive tenders, allowance was made for bidders to ask questions of the client organisation during preparation of the tender. However, the success of procedures were perceived differently by commissioning bodies and suppliers.

The standard situation (and one used by both OFT and DfE) was for suppliers to submit questions in writing with responses circulated to all bidders. Procurement staff considered this to be the fairest and most transparent system and one which avoided one competitor obtaining an unfair competitive edge over another.

However, suppliers generally disliked their questions being circulated because this would provide competitors with an indication of their thinking. They preferred now-discarded procedures which provided opportunities to talk to a project manager one-to-one. Subsequently, many suppliers chose not to submit questions, instead, sometimes providing the client with a range of options. But not all suppliers were willing to put in options because they felt that the client would not view this positively.

Some staff at both OFT and DfE were surprised that suppliers were so sceptical about written questions. Both reported that they would not circulate any questions which they considered to include intellectual property. However, all suppliers assumed that *every* question would be circulated. One supplier pointed out that, in any case, she would not risk asking a question as she could not be sure whether or not it would be viewed as intellectual property.

Suppliers' events, although welcomed as providing useful information about complex projects, were similarly viewed. Suppliers were reluctant to ask leading questions in the presence of their competitors.

Even when questions were asked, it was reported that the written answers were often bland and not helpful, either referring back to the specification (even if the question sought clarification) or merely recording that bidders are invited to put forward any recommendations they wish.

Many suppliers would regularly attempt to speak to the client project manager on the phone, even though they were aware that this was not approved. Under these circumstances, many project managers, including those at both OFT and DfE, would resort to the bland response because of the need to remain fair and impartial. However, suppliers found such conversations helpful sufficiently frequently to persist with the practice.

A bone of contention for suppliers was the unwillingness of many project managers (including some in both OFT and DfE) to provide an approximate budget within the tender documentation. While the project managers felt that this encouraged suppliers to indicate the best option for the job, suppliers believed that they could better gauge the work required if they knew the budget, especially if the brief was very open. EU advertisements always include a broadly indicative price (over a wide range).

Post Tender negotiations

All competitive methods were finalised via post tender negotiations at which the final research programme and associated costs were agreed. In comparison, because of the way that the programme had been developed, the single tender route for DWP usually required only tweaking by this stage.

The level and type of options that might be included in post tender negotiations varied, depending largely on the project manager. Most bodies restricted post tender discussions to minor programme amendments – for example, reducing the sample size to meet the available budget. Most commissioning bodies allowed nothing new to be introduced at this stage. In a minority of cases, changes could be more substantial, especially if department thinking had changed or progressed since the tender documents were issued.

Additionally, post tender negotiations could take up ideas that had been put forward at the presentation, sometimes (although seldom) including ideas that had not been part of the original tender submission.

Suppliers were quite happy with the systems used for post tender negotiations and did not consider this to be an important area for amendment.

Working in consortia

The number of projects undertaken by consortia of suppliers, each with their particular expertise, has increased in recent years because of the complexity of some commissions. Most commissioners felt consortia were generally advantageous to the

project, provided that the consortium members were organised and knew who had what responsibility.

Most large suppliers had regular partners with whom they worked although they would seek out new partners as required. There appeared to be little problem between suppliers in deciding who should be the lead contractor (advantageous because the lead had the greatest say in the research design) – generally the first organisation to make contact although sometimes the organisation with the largest role.

There was no evidence from the research that the use or role of consortia is in any way affected by the particular procurement method used. However, apart from those with a niche speciality, small organisations perceived themselves as less likely to be invited to participate in consortia and less likely to find large organisations willing to tender with them. The increase in the need for consortia is therefore likely to militate against smaller organisations.

Role of Procurement team

Suppliers broadly felt that the procurement team was most effective when they were working in the background and having only a minimal role, primarily as a conduit between researcher and supplier. Occasionally, however, suppliers perceived that the procurement team could act as a barrier and impede the tendering process.

Within our case studies, the procurement teams all perceived their role as enablers and, although procurement was represented on OFT tender boards, had a clear role to advise researchers in the procurement process rather than be involved in assessing technical aspects of tenders or personally responding to queries. Anecdotal evidence from suppliers strongly suggested that this approach was not replicated in all other departments.

Section B: Recommendations

Introduction

The SRA's good practice guide to Commissioning Social Research [SRA, 2002] provides a comprehensive overview of the process of commissioning good quality social research. It outlines the principles underlying commissioning and provides some examples of good practice. However, it was published before the use of Framework Agreements was very developed. This short report of the SRA's recent study of central government procurement identifies some current concerns about commissioning in the era of Frameworks and makes some recommendations. These are based on both the actual findings of the study and also on the very wide ranging discussions the SRA has had about the implications of the findings. It has had these with both social research providers and commissioners among its membership and more widely.

It is important that these recommendations are valued by both those who commission as well as those who provide social research. Both sides of social research have an interest in ensuring that commissioning is carried out in a transparent and efficient way with minimum waste of scarce resources and maximum public benefit through delivering quality social research. The SRA hopes that the use of these recommendations will encourage this.

Selection of procurement method

The SRA Guidelines discuss the wide variety of ways in which research can be commissioned. Almost all public sector procurement is limited to some form of formal, direct competition. This can either be an Open competition, where the project is advertised and any interested party can put in a bid, or a Closed competition in which only invited suppliers take part. In recent years the main way in which Closed competitions have been put into effect is through a Framework Agreement. Since the SRA Guidelines were issued the use of Frameworks has grown enormously. These now represent a major route of central government procurement and are increasingly used by local authorities and agencies. The GSRU produced some guidance on this in August 2009 and one of the questions it posed is whether a Framework Agreement is the right approach in all circumstances.

Procurement options

The mapping exercise carried out in the study identified three main ways that research is commissioned: project based tendering through Open Competition; a Framework Agreement adopting the EU definition of research as market research (called here an OJEU Framework) and a Framework Agreement adopting an R and D definition of research (a non OJEU Framework). It is possible to use Open Competition as well as a Framework but the three Departments studied tended to use one approach and felt their own system of procurement best met their needs. There were felt to be advantages and disadvantages to each of the three approaches and each had their supporters in terms of which was better value for money and most efficient for commissioners and suppliers.

There are other ways of commissioning projects but they do not appear to be used by Government Departments. For example the GSR identifies four procedures allowed under EU rules: open; restricted; competitive dialogue; and negotiated procedure. There are other options like informal competition for small projects, within UK rules. The SRA's Guidelines identified a range of methods including three different types of competition: direct or indirect; open or closed; formal or informal; and discusses a variety of ways of carrying these out. Some of these options allow for much greater flexibility and increased opportunity for dialogue between commissioners and suppliers than is possible under the strict tendering arrangements of current practice. It would seem that procurement has become much more formalised over the last ten years, perhaps under the influence of EU requirements. Recent policy changes announced by the OGC about encouraging market engagement and simplifying procurement processes might allow consideration of other forms of competition.

Recommendation

The SRA would like to see the greater use of a wide range of methods for procuring social research. This would allow procurement to be more flexible and closely tailored to the type and size of project. This would enable procedures to be simplified where appropriate.

Frameworks

Whether a Framework falls within European procurement rules depends on the way in which 'research' is defined. The dual classification between 'market research and public opinion polling' and 'research and development', with very differing implications in terms of practice, is confusing. Social research can easily be put into either category. This is what has happened in relation to the non OJEU Framework Agreement of the DWP, linked with the HMRC. Defining research as R and D means it is exempt from EU procurement rules and conforms to UK requirements instead. The study found that the Frameworks of other Government Department define social research within 'market research' and fall within EU legislation.

Both kinds of Framework are very resource intensive for commissioners to set up, and for suppliers to apply to be on. They provide a means of identifying a group of suppliers, within different categories, who are best qualified to carry out the Department's work over the ensuing four or five years, thus restricting the number of people with whom they need to work. Their major advantages are seen to be the faster speed of procurement and the perceived possibility of building relationships with suppliers. But Frameworks are relatively inflexible in that no new suppliers are added during the lifetime of a Framework even if circumstances change. Both commissioners and suppliers are agreed that Frameworks were likely to favour larger organisations despite efforts being made to make sure SMEs were represented on them.

The way in which a Framework was set up made a considerable difference to suppliers' experiences. If it was poorly conceived or badly constructed it added considerably to the work required to submit a bid. It was also frustrating and unacceptably wasteful for suppliers to go through the process of applying for and getting onto a Framework Agreement and then not being asked to tender for any work within that Framework.

Recommendation

If suppliers are placed on Framework agreements then they should be given opportunities over the lifetime of the agreement to bid for available work.

OJEU Frameworks and non-OJEU Frameworks

A major advantage of the non-OJEU framework is that it allows for flexibility in relation to the need for a competition for an individual project within the Framework. Negotiating with a single supplier within the framework is possible. The study found that most of the DWP's research was procured in this way thus allowing for constructive discussion about the work from an early stage. Both commissioners and suppliers felt this enhanced the quality of the research and provided the conditions for the best possible partnership with suppliers. The inclusion of day rates within the framework was seen as ensuring projects provided good value for money.

It is possible to have a single supplier arrangement within an OJEU Framework, through using 'lead contractors' within supply chains. This is the way the DfT and the Highways Agency operate. Lead contractors allocate work to members of the supply train, including on a single supplier basis. These Departments were not among the study's case studies so we have no detailed information about the way this process works in practice.

Other OJEU Frameworks use mini competitions within particular lots to commission projects. The argument for doing this is to identify the bid that offers the best value for money. Where mini-competitions are used they are clearly more resource intensive as commissioners have to spend more time evaluating bids and a number of suppliers put in proposals to no effect, but the cost of the competition is not normally included in this calculation. If these costs were included the best value for money calculation would look rather different.

Recommendation

Almost all research for Government is policy related and should be published enabling both OJEU and non OJEU frameworks to be equally valid options. Choosing a non-OJEU Framework provides buyers with increased flexibility and means that many issues are resolved earlier in the commissioning process, thus saving money and time for both buyers and suppliers and improving quality. These advantages may well also result from an OJEU Framework operating a lead supplier arrangement.

Open competition

While the DfE's method of procurement has been defined as Open Competition, it is actually a Restricted Procedure in that a two-stage approach is used. Suppliers are asked to send Expressions of Interest [EoI] in response to the advertisement and only some are asked for full submissions. The study did not examine whether other Departments using project-based tendering did so within a totally open competition or whether others adopted a similar restricted approach. The SRA Guidelines do not recommend totally open competitions because it wastes resources of both buyers and suppliers and may not attract the best candidates.

“Open competition” was liked by commissioners as it provided a wide choice of supplier and more flexibility. Expressions of interest lengthened the initial timescale by a few weeks but reduced the time needed for handling the subsequent tenders as only a limited number are asked to submit full proposals.

Recommendation

Very careful consideration needs to be given to the value of setting up any new Framework Agreements at the present time of reduced funding for research. A restricted form of Open competition, using a two-stage process, where it is well managed, may well result in minimising wasted resources.

Setting up a Departmental Framework or using that of others

Given that Frameworks are resource intensive to set up and manage they are not an appropriate procurement method for organisations with modest research budgets. The study found that some departments in this situation used a Framework set up by another Department. For example the OFT's Framework had 11 quite widely specified lots and is used by a number of other bodies. This offers the advantage of using a Framework without the cost of setting it up. But such an arrangement was not always ideal as the needs of the two organisations did not always match in terms of appropriate lots or relevant suppliers being available to the secondary department. Frameworks organised by methodology rather than substantive areas could be a more useful source for secondary users.

Recommendation

If departments or agencies wish to use framework agreements devised for other departments they may be better advised to use broadly based frameworks organised by methodology rather than topic areas. However a restricted form of Open Competition might be an even better way forward.

Simplifying the tender process

Suppliers identified that it could be a considerable burden to respond to Pre-Qualification Questionnaires because different organisations requested information about standard topics in slightly different ways, necessitating re-writing of prepared material. This could be a particular problem for small organisations. The fieldwork for the study was carried out before the Government's recent announcements about the simplification of the procurement process by creating a simplified set of pre-qualification core questions, which is already in use. Allowing suppliers in some situations to provide their prequalification data once, and the elimination of PQQ's entirely for procurements under £100,000 have been proposed and discussions about implementing these are happening. It is too early to say how these changes will impact on suppliers of social science research.

Recommendation

Simplifying the procurement process by reducing the work involved in providing pre-qualification information would be greatly welcomed by the supplier community.

The tendering process

A key principle underlying the SRA's good practice guidance is the importance of a constructive dialogue between commissioners and suppliers of research. Respondents in the study endorsed this saying that a "good relationship was a *sine qua non* in ensuring that the quality of the research commissioned was of the very highest."

Another key principle is that the process of procurement should be as cost effective as possible. The costs of tendering and numbers

of suppliers involved should be commensurate with the size and complexity of the project and the risks involved. The current economic climate makes this principle even more important.

The importance of a clear specification and/or the provision of a maximum or indicative budget

The SRA's guidance states that a clear brief/specification is fundamental to the success of the procurement process and the subsequent project. Both the commissioners and suppliers in the study endorsed this view. The SRA's Guidelines recommends that briefs focus on aims and objectives rather than methods. The recent Government announcement that Departments should adopt greater use of outcome based specifications, and not to over specify, is therefore very welcome.

There is no consensus about the inclusion of a maximum or indicative budget in a specification with commissioners and suppliers tending to have different perspectives. The OGC identifies the situations when disclosure may or may not be appropriate. It recognises there could be a greater risk of collusion when the budget is known, although that disclosure can help to stimulate competition, and that providing an indicative price or price band may help to ensure better value for money. The OGC specifically identifies that in the case of research funding it is often advantageous to disclose the overall amount of funds available and invite expressions of interest.

The SRA's guidance is clearly on the side of disclosure and considers that it is good practice "to give competitors at least a ballpark idea of scale and/or budgetary constraints...." This view was supported by the suppliers interviewed in this study. Buyers tended to take the view that suppliers would always bid at the maximum figure and better value for money is achieved by not revealing the figure. But a budget helps to provide a good idea of the scope of work required so suppliers can tailor the proposal to fit within the funds available and ensure resources are not wasted on inappropriate bids.

What is essential is that the specification includes some kind of yardstick of scope whether this is:

- The expected volume of work (e.g. sample size, questionnaire length etc)
- The desired level of performance (e.g. statistical precision)
- A maximum budget;
- Broad or narrow budgetary ranges;

Interestingly, not providing an indication of the budget level differs from EU practice in that EU advertisements always include a broadly indicative price, albeit often a wide range.

Recommendation

A clear specification or brief is fundamentally important to successful procurement. It is particularly important if no indicative budget is given. From the suppliers point of view the inclusion of an indicative budget is beneficial in almost all cases in helping researchers provide proposals offering the best possible value for money for the sum available.

Number of organisations invited to submit a full proposal

The SRA Guidelines say normally 2-5 suppliers should be asked to submit full proposals depending on the project size. In practice the view of the acceptable numbers to tender varies depending on whether tendering is occurring under open competition or within a Framework agreement.

Commissioners want to ensure that they achieve good quality full proposals from among those asked to tender. Asking for full proposals from a large number of people may be thought to reduce the risk of not identifying a suitable supplier. But this may not be achieved in practice as suppliers take into account their chance of winning the bid when deciding whether to tender. Current practice suggests that considerable resources are being wasted by both commissioners and suppliers where a large number of organisations are asked to tender within a one-stage process. This is particularly the case if many organisations are asked to tender for large and complex projects as writing such bids are very demanding. Commissioners have to spend more time in considering the proposals and suppliers have to carry the costs

of submitting unsuccessful bids which eventually feed through to higher prices being charged in subsequent tenders.

Recommendation

Commissioners need to balance the need for proper competition against the need to ensure the resources of commissioners and suppliers alike are not wasted. Careful thought should be given as to the maximum number of suppliers bidding, whether it is within a framework agreement or through open competition. The SRA suggests that the optimum number of achieved full proposals is four. For large and complex proposals particularly, only those suppliers with a serious chance of winning should be asked to submit a full tender.

The use of Expressions of Interest

One way of managing the tendering process without involving large numbers of research suppliers in extensive work is through the use of Expressions of Interest [EoI] as suggested in the SRA Guidelines. While this is particularly applicable to the Open Competition model it is also appropriate for those Framework Agreements where all or large numbers of members of a lot are invited to tender. Our study found that all the departments studied used a two-stage commissioning process to a greater or lesser extent.

The disadvantages to using a two stage process are seen to be that the timescale of the initial stages of the commissioning process is lengthened by a few weeks and that EoIs might encourage responses from inappropriate suppliers. The advantages of EoIs for suppliers are that a two stage process encourages them to respond as they will have to spend a substantial time preparing a full proposal only if they are shortlisted. It reduces the number of full tenders so reducing the supplier's tendering costs and increasing the chances of winning the tender. This is an advantage to commissioners too as it reduces the time and work needed on the full tenders. Another advantage, within an Open Competition, is that EoIs allow new organisations and those with niche specialities to compete on equal terms with more established bodies. Several suppliers in our study held up the practice of the Central Office of Information Framework, which operates a two phase system

and has a limit of four organisations shortlisted to develop a full proposal, as their ideal framework system.

Recommendation

Using a two-stage procurement process, by asking for brief Expressions of Interest, greatly reduces the costs of tendering and commissioning within an Open Competition model and is also recommended for use within large lots in Framework Agreements. A limit of four suppliers being asked to develop a full proposal seems to work well.

What should be in an EOI?

To be cost effective EoIs must be short and the information required must be adequate to enable commissioners to shortlist appropriately with confidence. The DfE restricts suppliers to 750 words which suppliers liked. Any pro-forma needs to be modified by the commissioner to reflect the particular needs of the project and supplementary organisational information kept to a minimum. Ideally regular users of EoIs across government should agree the minimum organisational information required at this stage so that this information is not re-worked for every application. EoIs can be turned round quickly - three to six weeks from beginning to end should be a sufficient period. It is extremely wasteful of supplier's resources to ask for EoIs and full proposals simultaneously with the intention of only reviewing the full proposal of those EoIs deemed appropriate. Examples of this were reported to us.

Recommendation

To be effective, EoIs, need to be short and to the point, making it clear what they want suppliers to cover. A limit of 750 words is liked by suppliers.

Clarification and discussion before a tender is submitted

■ Pre-specification discussions

The OGC is now actively encouraging market engagement on the part of those involved in procurement as part of the Government's plans for simpler, clearer specifications. This can be at a strategic, market, level and with suppliers on specific projects. A number of ways of doing this have been identified. The SRA's guidance stresses the importance of encouraging dialogue between suppliers and buyers from the outset and it is disappointing if opportunities for such involvement are missed.

Recommendation

Procurement practice should not be so inflexible as to preclude pre-specification discussions on the occasions commissioners wish to hold them. However, in the interests of effective discussion it is recommended that issues of intellectual copyright be fully recognised.

■ Pre-tender clarifications

The way in which pre-tender clarification was managed was a core part of the study and suppliers and buyers often have different perspectives on this. EU rules about discussions or meetings during the competitive exercise are interpreted to require that information which is divulged to one tenderer is divulged to all on an equal basis - to ensure fair competition - and buyers naturally feel they need to follow this guidance. But suppliers are often unhappy about this practice as they see their questions of clarification as their intellectual property which they do not want disseminated to competitors. There are similar feelings about meetings of several suppliers that are sometimes organised to discuss the tender, given that it is a competitive situation. Another issue is that suppliers sometimes have suggestions about alternative ways of carrying out the study but it is not always clear in the specification if such ideas would be welcome. Without some discussion on this, opportunities for beneficial changes may well be missed.

Recommendation

The way in which pre-tender clarifications are currently managed is unsatisfactory, particularly from the point of view of the suppliers. The issue is how best to balance the buyer's need for fair and open competition with protection of a supplier's Intellectual Property Rights in order to achieve the best results in the public interest.

The value of face-to face meetings

As our study showed both buyers and suppliers felt that in a competitive situation a “tender board” or face-to-face meeting to present the proposal was a very useful way of taking the final decision on which proposal / supplier should be awarded a contract. How such meetings work in departments other than the case studies is not known and may well vary. It is important to ensure the relevant people on both sides are involved. On the buyer's side this includes the ultimate customer and any research specialist while for the supplier it is important to include the senior people who will actually be delivering the project. Tender boards are not cost effective for very small projects though a simple meeting would be appropriate. It is not cost effective to invite suppliers whose proposal does not meet the agreed criteria and are deemed weak contenders.

Recommendation

Face-to-face meetings should be used in competitive situations for all but small projects. They should be properly constituted so that the key players from buyers and suppliers alike take part and a maximum of three or in the case of very large or complex projects four suppliers should take part. Candidates who have effectively already been ruled out by the scoring exercise on their tender should not be invited.

Importance of clear and timely feedback

As our study shows, timely and constructive feedback is deemed very important by suppliers as it helps them understand the needs of the buyer better for future tenders. They want to know what was weak about their proposal so they can improve for next time. No feedback, or simple comments that “X was better or cheaper” do not help them do this. Feedback can also be useful for buyers too,

as it is in their interest to ensure capacity is developed and that they do not become reliant on a decreasing number of potential suppliers. It is also good practice to notify those who are not the preferred supplier of this fact and that feedback will be available once the contract is let.

Recommendation

Clear and timely feedback should be an essential part of the commissioning process and suppliers should ask for it and buyers routinely provide constructive comments. Buyers need to ensure that they budget time to give this feedback and only to ask for the number of full tenders to which they can respond.

Importance of including SME's

Including small and new social research companies and partnerships has always been an important dimension of capacity building but as our study shows the growing use of framework agreements has made this more difficult and generally problematic. Yet, social research as a youngish industry has many smaller groupings particularly in specialist or niche areas or where substantive subject knowledge is key. Sometimes SMEs are involved in frameworks as sub-contractors and this can give them experience and a track record but commissioners need to consider how to ensure that SMEs, which includes small groups of academic specialists, are given reasonable access to government and other public sector contracts. The SRA welcomes the fact that the Government has asked all Departments to publish a set of specific, targeted actions to increase their business with SMEs. It hopes that among these measures will be some means of reducing the burden on SMEs of meeting the requirements that are designed for larger organisations. Larger organisations could also be encouraged to include SME's in consortia.

Recommendation

It is important that ways are found to encourage small and new social research organisations and groupings to be able to undertake commissioned research including reducing the bureaucratic burden. This ensures that social research capacity is developed and smaller groupings are able to contribute their expertise.

The importance of clarity and transparency of the commissioning process

Our study revealed the real problems suppliers faced in understanding the differing commissioning/procurement strategies and rules adopted by different government departments. The degree of variation makes the procurement processes of individual departments' often fairly opaque. Suppliers reported spending considerable time understanding what was required and were often unable to discuss this with the key people concerned. This occurred at both the level of setting framework agreements and also for individual projects. As the SRA firmly believes that dialogue between commissioner and supplier is key to the satisfactory and efficient purchase of intangibles like quality social research we regard this as very unsatisfactory and counter-productive.

Recommendation

Public bodies' procurement processes need to be clearly specified in the relevant documentation and websites and the commissioning bodies need to ensure that their procurement rules do not preclude the possibility of meaningful clarification of their rules and procedures through dialogue with suppliers.

Appendix: **Research methodology**

The research was divided into three main phases:

1. Mapping exercise

We identified the main procurement methods used by a total of 50 governmental bodies using a mix of desk research and short telephone interviews. The selection was made from a government list at <http://www.civilservice.gov.uk/jobs/Departments-NDPBs-AtoL/Departments-NDPBs.aspx>. The final sample (excluding local and regional NDPBs) was selected to cover a wide range of sectors.

2. Case studies

We selected three bodies using different procurement methods to use as case studies, chosen to represent good practice within the selected method. Those selected were:

Non OJEU Framework	Department for Work and Pensions
OJEU Framework	Office of Fair Trading
Open competition	Department for Education

Using a mix of focus groups and individual depth interviews, we discussed procurement issues with a total of procurement staff and project managers. Copies of the topic guides used are available in the full report.

3. Views of Suppliers

The final element of the research comprised 26 depth interviews with suppliers including:

- Suppliers tendering for work to each of the case study organisations
- Both suppliers who were successful and those who had been unsuccessful in tendering for frameworks
- A wide range of suppliers, including market research agencies of different sizes, university departments, management consultancies and social research agencies.

The following table shows achievement against quota. Note that some suppliers fell into more than one category (e.g. supplied more than one of the case study organisations). Those who supply none of the case study organisations were included in the sample because they have applied unsuccessfully for at least one framework agreement.

	Achieved	Quota	Supplier to:			
			DWP	OFT	DfE	None of these
Large agency	3	3	2	3	2	0
Medium agency	4	3	2	2	0	1
Small agency	4	3	1	1	0	2
University	5	5	1	1	2	1
Consultancy	5	3	2	1	3	1
Social policy institute	5	5	2	2	3	0
TOTAL	26	22	10	10	10	5

Finally, a workshop was held with around 30 participants from both commissioning bodies and suppliers to discuss and refine the emerging findings.

Key documents

Government Social Research, Framework Agreement guidance for Government Social Research, August 2009. www.civilservice.gov.uk/Assets/Framework%20agreement%20guidance%20August%202009_tcm6-9349.pdf

Government Social Research Unit, GSR Professional Guidance, Procurement of Government Social Research, May 2008. www.civilservice.gov.uk/Assets/procurement_tcm6-7325.pdf

OGC, Disclosure of Budgets in the course of procurement, 2005. www.ogc.gov.uk/documents/Disclosure_of_Budgets_in_the_Course_of_Procurement.pdf

OGC Procurement Policy Note, Package of announcements to support small businesses. Information Note 19/10 November 2010. www.ogc.gov.uk/documents/SME_PPN.pdf

OGC Procurement Policy Action Note, Mandated use of core pre-qualification questions in Central Government. Action Note 20/10 December 2010. www.ogc.gov.uk/documents/PPN_PQQ_20_10.pdf

OGC Procurement Policy Note. Further measures to promote Small Business procurement. Information Note 5/11 February 2011.

OGC Pre-qualification Questionnaire Core Questions. www.ogc.gov.uk/documents/Core_pqq_questions.doc

OGC, Early Market Engagement Principles and Examples of Good Practice, 2009.

www.ogc.gov.uk/documents/Early_Market_Engagement_Guidance.pdf

Social Research Association, Commissioning Social Research: a good practice guide. November 2002.

(Inside back cover blank)

Social **R**esearch **A**ssociation

The Social Research Association was founded in the UK in 1978 to advance the conduct, development and application of social research.

Its aims are:

- to provide a forum for discussion and communication about social research activity in all areas of employment
- to encourage the development of social research methodology, standards of work and codes of practice

- to review and monitor the organisation and funding of social research
- to promote the development of training and career structures for social researchers
- to encourage the use of social research for formulating and monitoring social policy

Membership of the Association is open to any person interested or involved in social research.

Application forms can be downloaded from the web site:
www.the-sra.org.uk

The SRA has branches in Scotland, Wales and Ireland. It also provides a range of one and two day training courses, as well as conferences and other events. Details of activities, membership and news can be found at www.the-sra.org.uk.

Price £10.00

Printed copies of this guide can be obtained from:
admin@the-sra.org.uk

A free version can be downloaded from the web site:
www.the-sra.org.uk

ISBN 978-0-9506477-6-0

