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Tender

REWARD CONSULTANCY

Scottish Water

F05: Contract notice – utilities

Notice identifier: 2021/S 000-022814

Procurement identifier (OCID): ocds-h6vhtk-02e08c

Published 14 September 2021, 2:15pm

Section I: Contracting entity

I.1) Name and addresses

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Email

paul.stewart@scottishwater.co.uk

Telephone

+44 7976460907

Country

United Kingdom

NUTS code

UKM - Scotland

Internet address(es)

Main address

<https://www.scottishwater.co.uk/>

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://www.delta-esourcing.com/tenders/UK-UK-Glasgow:-Human-resources-management-consultancy-services./P7B94B9R5Q>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.delta-esourcing.com/tenders/UK-title/P7B94B9R5Q>

Tenders or requests to participate must be submitted to the above-mentioned address

I.6) Main activity

Water

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

REWARD CONSULTANCY

Reference number

SW19/ACP/1275

II.1.2) Main CPV code

- 79414000 - Human resources management consultancy services

II.1.3) Type of contract

Services

II.1.4) Short description

To provide the services of expertise in reward and compensation

II.1.5) Estimated total value

Value excluding VAT: £3,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 79414000 - Human resources management consultancy services

II.2.3) Place of performance

NUTS codes

- UKM - Scotland

Main site or place of performance

SCOTLAND

II.2.4) Description of the procurement

Scottish Water has a workforce of c4200 employees which consist of employees on collectively bargained terms and conditions, and managers on individual contracts. In the main the conditions and mechanisms in place were created when Scottish Water was formed in 2003. These have served us well but are no longer working well in the present. They fall short of the mark for what we need for the future. Scottish Water is undertaking a period of transformation to which a changed reward foundation is seen as critical.

The changes we undertake will be on a range of reward and compensation themes, and so we believe having a framework of providers with expertise in the various themes to be scrutinised will deliver well and enable us to provide an up to date and progressive reward and compensation offering to our employees.

It is critical that our changes move us towards a culture of transparency where our mechanisms are seen as fair. They must support strong organisational performance and out performance, and increasingly cater for a diverse set of roles with different reward needs.

Any supplier will have to be confident working within a highly unionised environment along with having experience in utilities and public sector. We are also interested in your ability to play in insights from as wide a base as possible.

What we envisage the shape of the work within the themes to be:

- Jobs and Salaries

A refreshed and transparent approach to job evaluation, with updated salary ranges which consider both internal and external comparisons (benchmarking). Providing up to date data sources on which benchmarking can be based. Creating the right mechanism for pay progression. This will be delivered within constraints such as working within Public Sector Pay Policy (Scotland) and cost management principles.

- Recognition

Supporting improved recognition at all levels within our organisation. This is likely to focus on non-financial reward, although funding recognition is a possibility. This could be through embedding recognition with currently existing mechanisms, culturally, and through leadership. This is also likely to include creating new and purposeful recognition digital platforms, that create engagement and energy as we transform. We are interested in how recognition can align with employee and organisational aspirations, such as creating a learning organisation.

- Performance Management

Creating the right culture and system round holistic performance conversations. This will follow the removal of the link to pay, enabling a more holistic approach. New approaches must focus on the value Scottish Water place on our people being flexible in the role they operate, being open to stretch and grow their capability, make the most of our learning organisation, where growth and development as critical to organisational performance as goal completion.

- Working Time and Patterns (Out of Hours Working Arrangements; Shifts; Allowances Supplements etc.)

Helping our business determine when resources are needed on a planned and reactive basis, to deliver in the future. Determining how this would be best addressed by working arrangements, different working patterns which may involve shift arrangements.

Determining the options for reward, and the best fit fairest way to reward differently for different arrangements. This will be done in alignment with business projects which will identify new ways of working, likely to require new reward solutions. Joint working on pilots and proof of concepts to test different reward scenarios and see what works best for our business and our people. Negotiation engagement and seeking agreement from our Trade Unions will be critical to success. A successful delivery will lead to improved reliability of available resource with fair compensation for 7 day a week working.

- Contractual Terms

Pro's and cons of contractual v non contractual payment methods. Methods by which to gain acceptance of contractual change. Collective v individually agreed terms. Terms and condition changes that may be necessitated.

- Bonus arrangements (Annual Outperformance Bonus, and Long Term Incentives)

Support the delivery of effective incentive arrangements at all levels in the organisations over appropriate timescales. Incentivising ethical business performance. For example net zero emissions part of SW Strategic plan, which now forms part of our business performance to which incentives must now be aligned. This must be considered in the context of incentive payments in the public sector

- Equality Impact Assessment

Considering reward implications of changes from an equality perspective. This may include gender pay reporting, and wider people analytics

Nature of work applicable regardless of theme:

When working on any of these themes we may request any of the following types of support:

- Advising on up-to date mechanisms and thinking including pros and cons
- Establishing best fit “to be” reality for Scottish Water
- Providing live examples from other sectors and organisations
- Creating the design
- Implementation consultation and negotiation support
- Honest broker? Arbitration? Negotiation?

- Producing documentation policy and training materials
- Employee Engagement and Training Support
- Data analysis trends and insights
- Other Stakeholder engagement

Scope/Advert Description

Scottish Water are seeking to establish a framework agreement with a number of suppliers with expertise in reward and compensation. These suppliers may be asked to support both, business as usual and change projects within the business. The Framework is anticipated to cover an 8year period, where suppliers could be called upon at any point to complete discreet pieces of work. These themes give an indication of the nature of the work, but work is not limited to this:

- 1.Jobs and Salaries
- 2.Recognition
- 3.Working Time and Patterns
- 4.Performance Management
- 5.Bonus arrangements
- 6.Contractual Terms
- 7.Equality Impact Assessment

Bidders may offer to provide services in one or more of these themes.

II.2.5) Award criteria

Price is not the only award criterion and all criteria are stated only in the procurement documents

II.2.6) Estimated value

Value excluding VAT: £3,000,000

II.2.7) Duration of the contract, framework agreement or dynamic purchasing system

Duration in months

96

This contract is subject to renewal

Yes

Description of renewals

3 x 1 years

II.2.9) Information about the limits on the number of candidates to be invited

Envisaged minimum number: 3

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.13) Information about European Union Funds

The procurement is related to a project and/or programme financed by European Union funds: No

II.2.14) Additional information

The PQQ documents can also be accessed by logging in through the Scottish Water Delta e-sourcing webpage <https://scottishwater.delta-esourcing.com/> and through the response manager section using the following Access Code : 623708915

Section III. Legal, economic, financial and technical information

III.1) Conditions for participation

III.1.2) Economic and financial standing

Minimum level(s) of standards possibly required

Applicants will be expected to be of sufficient financial and economic standing to support the anticipated contract value. All applicants must complete the financial questions within the pre-qualification questionnaire and tender documents. Financial standing relevant to the anticipated contract value will be determined by Scottish Water based on the response to the pre-qualification questionnaire and any further financial checks deemed necessary.

III.1.6) Deposits and guarantees required

Scottish Water reserves the right to require deposits, guarantees, bonds or other forms of appropriate security.

III.1.7) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them

All prices quoted shall be in Sterling (UK) and all payments shall be made in Sterling (UK). Payment shall be made on the basis of completed services in accordance with the agreed contract rates, schedules and conditions of contract

III.1.8) Legal form to be taken by the group of economic operators to whom the contract is to be awarded

In the event of a group of companies submitting an accepted offer it will be necessary for each member of the group to sign an undertaking that each company in the group will be jointly and severally liable for the satisfactory performance of the contract

III.2) Conditions related to the contract

III.2.2) Contract performance conditions

Bidders must comply with modern slavery act and operate an ethical supply chain

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure with prior call for competition

IV.1.3) Information about a framework agreement or a dynamic purchasing system

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

IV.2) Administrative information

IV.2.2) Time limit for receipt of tenders or requests to participate

Date

5 October 2021

Local time

1:00pm

IV.2.4) Languages in which tenders or requests to participate may be submitted

English

IV.2.6) Minimum time frame during which the tenderer must maintain the tender

Duration in months: 4 (from the date stated for receipt of tender)

Section VI. Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.2) Information about electronic workflows

Electronic invoicing will be accepted

Electronic payment will be used

VI.3) Additional information

Scottish Water will not accept the ESPD. We will only accept a completed Scottish Water PQQ document. This notice does not preclude Scottish Water from issuing other notices for specific requirements. Responses to the OJEU Notice will be evaluated and only successful applicants following PQQ evaluation will be invited to submit a tender. Scottish Water reserves the right to divide the scope of the contract into lots at tender and contract award stages as it deems appropriate. Applicants who fail to supply all the information requested in response to this notice or any resulting tender exercise may risk elimination

For more information about this opportunity, please visit the Delta eSourcing portal at:

<https://scottishwater.delta-esourcing.com/tenders/UK-UK-Glasgow:-Human-resources-management-consultancy-services./P7B94B9R5Q>

To respond to this opportunity, please click here:

<https://scottishwater.delta-esourcing.com/respond/P7B94B9R5Q>

GO Reference: GO-2021914-PRO-18904460

VI.4) Procedures for review

VI.4.1) Review body

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Email

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Telephone

+44 7976460907

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Scottish Water

6 Buchanan Gate

Glasgow

G33 6FB

Email

paul.stewart@scottishwater.co.uk

Telephone

+44 7976460907

Country

United Kingdom