

COUNCIL

Procurement Decisions

Meeting: 12 February 2014

Status: for decision

Lead responsibility: Josie Lloyd
(Director of Resources)

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Purpose

1. To seek agreement from Council to appoint Hays Macintyre as External Auditors for a period of three years to commence immediately (but appointment will be reviewed annually).
2. To seek agreement from Council to appoint Nockolds Solicitors to provide the optical dispute mediation service for a period of three years from 1 April 2014.

Strategic Objective

3. The appointment of external auditors serves to assist with providing assurance to Council that appropriate controls are in place to record and account for financial transactions and that these are operating so as to provide financial statements that provide a true and fair view of GOC's finances.
4. Audited financial statements are required and presented to the Privy Council so that GOC can fulfil the obligations set out in the Opticians Act 1988.
5. The service for consumers to deal with complaints that fall outside of the Fitness to Practise is one of the key ways GOC interfaces with the public on a day to day basis.
6. The strategic plan has as one of its aims to raise awareness with members of the public about GOC and the role it plays in regulating optometrists, dispensing opticians and optical businesses. The launch of this service with a new provider is an opportunity to do this.

Background

External Audit Services

7. The previous external auditors Crowe Clarke Whitehill were appointed by Council in 2010 for a period of three years. It is considered good practice to

review this appointment regularly. Accordingly we have undertaken a tender process for this service during 2013/14 following three years' service with the current provider.

8. The process followed for tendering has been very robust and has more than met the requirements of the Contract and Procurement Policy.
9. The Audit and Risk Committee has examined and approved the process that has been followed for this procurement at their meeting on 20 January 2014.
10. The decision to appoint external auditors rests with Council.

Optical Dispute Mediation Service

11. The existing service provider for the service is the Optical Consumer Complaints Service (OCCS). The service was last tendered in 2007 and Council agreed that the service ought to be subject to a tender for the three years commencing 1 April 2014.
12. The size of the contract in monetary terms means that the procurement was required to be undertaken in line with the EU procurement process for public bodies.
13. The process followed has been robust and in accordance with these guidelines and with the GOC's Contract and Procurement Policy.
14. With the exception of the initial advertising of the contract the process followed has been precisely the same as the one approved by ARC on 20 January 2014 in respect of the External Auditor Procurement.

Analysis

External Audit Services

15. Seven parties were invited to tender for the provision of external audit services. The invitation to tender (ITT) is presented at Annex 2.
16. Each was invited to tender on the basis of:
 - 16.1 top 20 rated audit provider as per Charity Finance survey;
 - 16.2 significant experience of charities;
 - 16.3 a substantial charity portfolio; and
 - 16.4 no previous relationship with GOC in the last five years at least.
17. The selection panel consisted of Peter Douglas (Chair of the Audit & Risk Committee), Brian Coulter (Senior Council Member), Josie Lloyd (Director of Resources) and Manori Izni-Muneer (Head of Finance).

18. The parties submitted written tender documents for assessment by 6 December 2013.
19. The panel examined the tender documents and assessed them in accordance with the ITT and shortlisted three firms to present their tenders on 29 January 2014. These firms were:
 - 19.1 Chantry Vellacott;
 - 19.2 Hays MacIntyre; and
 - 19.3 Sayer Vincent.
20. The panel assessed the tenders on presentations and tender documents in accordance with the ITT.
21. The views of the panel were that although the firms were appointable, Hay Macintyre were able to demonstrate significant sector experience and were the most suitable firm for the appointment.
22. The selection panel therefore recommended to ARC that they in turn recommend that Council appoint Hay Macintyre as External Auditors for a period of three years to commence immediately (but appointment for this contract will be reviewed annually).
23. Accordingly the selection panel and ARC recommend the appointment is made by Council to appoint Hays Macintyre to provide external audit services to GOC for a period of three years to commence immediately (but appointment for this contract will be reviewed annually).

Optical Dispute Mediation Service

24. The tender process for the optical dispute mediation service commenced on 3 September 2013 when the invitation to tender (ITT) was published in the Official Journal of the European Union (OJEU). The ITT is attached at Annex 2 for information.
25. The closing date for tenders was 31 October 2013. Three responses were received by the closing date and all three were invited to present to the selection panel. The respondents were CEDR, Nockolds and OCCS.
26. The selection panel consisted of Paul Carroll (Registrant Council Member); Alistair Bridge (Director of Policy and Communications); and Josephine Lloyd (Director of Resources).
27. The panel considered the tender documents provided, the presentations together with written answers to some supplementary questions the panel asked at the presentation stage.

28. It was felt that Nockolds Solicitors were the best provider to appoint for this service.
29. Accordingly the panel recommended to Council at its meeting on 31 January 2014, that this appointment should be made for a period of three years from 1 April 2014. Council took the decision that they wished to appoint Nockolds to provide the service at that time, and the tender participants were notified of the tender outcome in writing on 31 January 2014.
30. There is a requirement for a cooling off period from appointment of a contractor to the public announcement of the contract award which ran from 31 January 2014 to 11 February 2014, when this paper was published. The assessment matrix was provided to all three tender respondents on 11 February 2014.

Impact

31. Identify any implications decisions by Council may have on:
 - 31.1 GOC's reserves – none;
 - 31.2 GOC budget – the budget proposed to Council includes provision for both of these contracts for 2014/15;
 - 31.3 Legislation – none;
 - 31.4 Resources – significant time is spent with any new service provider at the outset of a new appointment;
 - 31.5 Equality and Diversity – no specific concerns; this was addressed in the ITT for both services; and
 - 31.6 Human Rights Act – none.

Devolved Nations

32. There are no specific issues related to this paper in respect of devolved nations.
33. This report does not need to be published in Welsh.

Communications

34. Following appointment by Council we will communicate the outcome of the tender exercise to the shortlisted organisations, and to staff.
35. We will work with the appointed firms to plan the handover and initiation phases of both new contracts.
36. The external audit is expected to take place in June 2014.
37. The new optical dispute mediation service will commence on 1 April 2014.

Risks

38. Council is required to file its audited accounts with the Charity Commission and lay them before Parliament. Failure to do so would cause damage to GOC's reputation and hamper our ability to carry out our statutory function.
39. The Council is aware that the optical dispute mediation service has a significant profile in the profession and professional bodies and is committed to ensure there is a smooth transfer of the service from the current provider.

Recommendations

40. To seek agreement from Council to:
- 40.1 appoint Hays Macintyre as External Auditors for a period of three years to commence immediately (but appointment will be reviewed annually); and
 - 40.2 appoint Nockolds Solicitors to provide the optical dispute mediation service from 1 April 2014.

Timeline for future work

External Audit Services

41. There will be a period of developing our working relationship with both new service providers and regular communication throughout the year to ensure that potential issues are picked up and resolved early.
42. The auditors' plan for the 2013/14 audit will be presented to ARC in May 2014. Following their fieldwork and finalisation of the financial statements the auditors will present their findings to ARC in September 2014. This will enable Council to sign off the financial statements in October 2014.

Optical Dispute Mediation Service

43. Since this procurement is being conducted in line with the EU guidance on public procurement there is a requirement for a 10 day cooling off period from notifying the tender participants of the outcome before a formal public appointment to the contract is made. This period ended on 10 February 2014.
44. Nockolds will be expected to provide activity data quarterly and report to Council annually in respect of the service they are providing.

Attachments

- Annex 1: Invitation to tender – External Audit Services
Annex 2: Invitation to tender – Optical Dispute Mediation Service

Invitation to tender for external audit services

October 2013

General Optical

About the GOC

We are the regulator for the optical professions in the UK. Our purpose is to protect the public by promoting high standards of education, performance and conduct amongst opticians. We currently register around 25,000 optometrists, dispensing opticians, student opticians and optical businesses.

Our Mission, Vision and Values

Our Mission

Our statutory function is 'to protect, promote and maintain the health and safety' of members of the public. We interpret this in our Mission as 'Assuring the health and protection of those who use the services of optometrists and dispensing opticians'.

Our Vision

The GOC is to be seen as leading the way in regulation. That is, to deliver our Mission in a manner that is innovative and exemplary.

We are determined to respond effectively to the considerable pressure for change in the way health professions are regulated. We do not plan to wait to be told how and what to change. Instead we want to get there first, building on good practice around us and taking the initiative where we can.

We are keen to ensure that our Vision is clearly understood, by all our stakeholders, as an aspiration to be an exemplar; in essence, to develop, adopt and share exemplary practice in public protection, working collaboratively with our stakeholders.

Our Values

We are responsible, forward thinking and principled

Responsible

We inspire confidence because:

- We make clear, well-reasoned, evidence based decisions
- We account for our actions and are open to scrutiny
- We apply our resources in a targeted and proportionate manner

Forward thinking

We make a difference because:

- We pursue defined goals and measure our results
- We are progressive, innovative and agile in our ways of working
- We achieve and deliver more by working collaboratively
- We are a learning organisation committed to continuous improvement

Principled

We build trust because:

- We gain respect through our credibility, integrity and high standards
- We listen openly, act responsively and communicate honestly
- We behave consistently and fairly to everyone
- We foster a positive and productive culture

Our strategic plan can be viewed via the following link:

http://www.optical.org/en/about_us/strategic_plan/index.cfm

Our annual report can viewed via the following link:

http://www.optical.org/en/news_publications/Publications/annual_reports_archive.cfm

Our website also contains additional information about the organisation and how we work.

We are a not for profit organisation set up under the Opticians Act 1985 and are registered with the Charity Commission for England and Wales (Registration Number 1150137).

Service Requirement External Audit Services

We require independent external audit services to ensure our report and financial statements are prepared in compliance with Charity SORP 2005, UK GAAP and other relevant legislation.

Our financial year end is 31 March and the appointment will commence 31 March 2014 and continue for three financial cycles up to and including completion of financial reports for 2016/2017

We require our audit to take place in June each year.

We expect to finalise and sign off accounts in September/October following our year end.

Our financial statements must be laid before Privy Council and submitted to the Charity Commission no later than 31 January following our year end.

We would expect our external auditors to present their proposed workplan to our Audit and Risk Committee.

We would expect our external auditors to present their findings and any recommendations or agreed further actions to our Audit and Risk Committee.

Procurement methodology

Invite audit firms to submit written proposal including price – closing date 6 December 2013.

Shortlist to no more than 3 organisations for presentations to the panel with all applicants notified of the tender outcome in writing no later than Friday, 10 January 2014.

Invite presentations (30 minutes maximum with 15 minutes for questions) from firms to the Chair of the Audit Committee, Independent Council Member, Director of Resources and the Head of Finance.

The assessment framework will include an assessment of quality, service and price.

Presentations will be held on Wednesday, 29 January 2014.

Appointment will be decided on the basis of both written proposals and presentations.

Invitation to tender

For the provision of a service to resolve complaints about goods and services provided by GOC registrants to their patients or clients

September 2013



About the GOC

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Our key documents

Our strategic plan is at: http://www.optical.org/en/about_us/strategic_plan/index.cfm

Our annual report is at:

http://www.optical.org/en/news_publications/Publications/annual_reports_archive.cfm

Our website contains a great deal of additional information about the organisation and how we work. Of particular relevance in the context of this procurement is the section on Fitness to Practice (FTP) and how this is handled.

http://www.optical.org/en/Investigating_complaints/index.cfm

The service being procured dovetails with this part of our activities, and deals with complaints that do not fit within the boundaries of FTP.

We are a not for profit organisation set up under the Opticians Act 1985. We are registered with the Charity Commission for England and Wales (Registration Number 1150137).

The current service provider's website can be accessed at:

<http://www.opticalcomplaints.co.uk/>

Consumer Complaints Resolution Service Requirement

1. The service we require is a consumer complaints resolution service which can address complaints about optical goods and services provided by GOC registrants or the businesses that employ them in the UK (see Annex A for sample process for more detailed expectations).
2. The service is being provided to members of the public, registrants, optical businesses and others. Our requirements are that:
 - (a) The service should be free to users and will be funded by GOC
 - (b) The service should be demonstrably independent of the NHS, UK Government, Optical professionals and optical professional bodies
 - (c) The service should treat individuals fairly, whatever their background or circumstances
 - (d) The service should be unbiased and resolution focussed
 - (e) The service must be visible on the internet and have dedicated web presence (site or microsite)
 - (f) The service may not be subcontracted unless GOC have agreed this in advance in writing
 - (g) The service must have a documented appeal and review mechanism for circumstances where the proposed resolution is not accepted.
 - (h) The service must operate a mechanism for consumers to complain about the service if they are dissatisfied.
3. The estimated volume of contacts expected is 2000-3000 per annum (not necessarily all cases accepted or investigated)
4. Methods of reporting new complaints which are required include (but are not limited to) telephone, letter, email, web form
5. All issues raised are expected to be accounted for, either resolved or closed with the agreement of the complainant.
6. Length of contract: 3 years beginning 1 April 2014, ending 31 March 2017
7. Contract is with: General Optical Council
8. Funded by: General Optical Council
9. Territory: UK (England, Wales, Scotland, Northern Ireland)
10. Contract manager: TBC

11. Service costs to be proposed annually, no later than 31 December, for following year beginning 1 April; inflation assumption required in tender response
12. Tender responses should include:
 - (a) Service Level timescales
 - (b) Service Delivery Plan including performance measures and targets
 - (c) Disaster Recovery Plan
 - (d) Bank reference
 - (e) Evidence of appropriate professional indemnity insurance
 - (f) Evidence of financial standing
 - (g) Details of governance arrangements
 - (h) Details of escalation or complaint process where complainants are dissatisfied with service provided
 - (i) Marketing plans for raising awareness of service with the public and profession
 - (j) Details of how you will expect to deliver the service elements as set out in Annex A
 - (k) A sample report fulfilling the reporting requirements as listed below
 - (l) Risk assessment arrangements
 - (m) Quality assurance processes, audit and feedback plans
 - (n) Compliance with equality duties
 - (o) Memorandum of understanding to cover the interface with FTP complaints
13. Tender respondents are responsible for their own costs in respect of responding to this tender.
14. Tender respondents must obtain for themselves any and all information necessary for the preparation of their tender.
15. Any information provided for or on behalf of the Council is provided in good faith and for the guidance of respondents and the Council shall not be held liable for any errors or omissions in any such information.

Reporting requirements:

1. Quarterly written reporting (for quarter and year to date) to include graphical or pictorial details as appropriate or helpful to users, within 30 days of the quarter end including commentary and analysis
2. Costs compared to budget
3. Number of complaints received
4. Details of type of complainant including (but not limited to as appropriate) age, gender, ethnicity, location/territory, sexual orientation, gender reassignment, disability
5. Subject of complaint including (but not limited to as appropriate) individual, business or business type, age, gender, ethnicity, location/territory, sexual orientation, gender reassignment, disability
6. Type of complaint

Examples of the type of complaints expected include but are not limited to:

- Poor communication between consumer and the GOC registered professional;
 - The GOC registrant not making clear how much the service costs
 - A delay in service which could have been avoided
 - The GOC registrant being unapologetic about concerns or complaints
 - The GOC registrant not putting things right when something has gone wrong
 - Attitudinal problems
7. New complaints received
 8. Number of complaints resolved and timeframes for resolution
 9. Complaints not resolved with analysis of reasons why
 10. Complaints still under investigation
 11. Complaints closed
 12. Complainant satisfaction with process and outcome (individually) with equality data
 13. Other ad hoc reports as reasonable required or requested

Procurement methodology

1. Invite interested parties to submit written proposal including price and proposed service details in plain cover with no identifying marks – closing date 31 October 2013
2. Assessment of responses on basis of price 50%, quality 25% of service 25%
3. Shortlist responses
4. Notify successful and unsuccessful parties
5. Invite shortlisted parties to presentations (30 minutes max with 15 minutes for questions)
6. Assessment panel to consist of:
 - GOC Council member
 - GOC Director of Resources
 - Another GOC Director
7. The assessment framework will include an assessment of quality, service and price as detailed above.
8. Presentations will be held on 29 November 2013
9. Appointment will be decided on the basis of both written proposals and presentations.
10. All applicants will be notified in writing by 31 January 2014
11. Answers to any queries raised during the tender process may be shared with all tender participants.

Timetable

		Target date
1	Advertise in OJEU	3/9/2013
2	Invite responses	31/10/2013
3	Shortlist	15/11/2013
4	Notify outcome	15/11/2013
5	Presentations (TBC)	29/11/2013
6	Panel decision	19/12/2013
7	Notify outcome	31/1/2014

ANNEX A

Expected Progress of Complaints

1. Report of complaint
2. Confirm complainant details (collect data)
3. Confirm details of complaint (collect data)
4. Consider whether complaint can be resolved
5. Confirm complainant's view of successful outcome
6. Make enquiries (collect data)
7. Analyse data collected on case and make assessment of case
8. Confirm findings with complainant and registrant
9. Propose solution to complainant and registrant
10. Agree solution with complainant and registrant
11. Execute solutions
12. Review case and gather learning
13. Obtain feedback from complainants about satisfaction with process and outcome

Expected maximum time for stages 1-11 is 45 days