

# How to Sell to YPO



Procuring for the Public Sector

YORKSHIRE  
PURCHASING



# Introduction

YPO is committed to providing our customers with value-for-money products and services, procured and delivered to market as cost-effectively as possible. Our supply base is key to helping us achieve our objectives and we are keen to develop close working relationships with suppliers of all sizes who are able to play a part.

We care about our wider social, economic, ethical and environmental responsibilities and increasingly seek out partners who can support our responsible approach.

This pack will provide you with an introduction to YPO and explain how we advertise and manage opportunities.



## About YPO

YPO is the largest formally constituted local authority purchasing consortium in the UK, with annual revenues in excess of £350 million. We provide a professional procurement service that allows schools, universities, local authorities and other non profit making organisations to benefit from our bulk buying power and enjoy cost and efficiency savings associated with our 'one stop shop' capabilities.

Our customer base includes more than 27,500 active accounts across nearly 100 local authority areas, of which 14,500 are educational establishments. Whilst trading activity was traditionally restricted to our 13

'member' authorities in Yorkshire, Humber & Lancashire, our geographical coverage now extends from Scotland to the South of England.

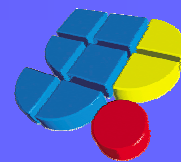
Based in Wakefield, in close proximity to the M1 and M62 motorways, YPO employs 400 staff across 400,000 square feet of headquarters and warehousing.

YPO represents a 'one stop shop' for highly competitively priced products and services as diverse as school and curriculum materials; furniture and food; office equipment and stationery; catering, cleaning and first aid; grounds and facilities maintenance; protective clothing and vehicles; energy supply and waste management.

Our sales and marketing activities are broad and range from catalogues and direct marketing to field sales and events, supported by a fully transactional website and a choice of ordering routes including electronic procurement.

## YPO values

- **Value for money: Why pay more when you can YPO?** Thanks to our tremendous bulk buying power and prices regularly benchmarked against leading alternative sources of supply YPO offers customers substantial savings on a wide range of products and services.
- **Choice: Why shop around when you can YPO?** With more than 30,000 catalogue items, supplemented by a wider range of products and services via our Contracts, YPO customers have access to one of the largest ranges of educational, office and specialist supplies.
- **Service: Why not make it easy? Why not YPO?** With no hidden charges including free delivery, no minimum order and a no quibble guarantee on stock items, coupled with the ability to buy virtually everything they need from one source, we make buying from YPO easy. Plus, our buyers and sales teams are always on hand to provide the highest levels of specialist support.
- **Fully managed compliant contracts: Why DIY when you can YPO?** Through our Contract Services teams customers can access a wide range of products and services, all fully compliant with procurement rules and regulations and fully managed by our specialists, saving customers the time, effort and risk associated with managing their own arrangement.



# Modes of supply

All relationships with YPO are established on a contractual basis. Full details of existing opportunities can be obtained from the relevant buyer listed in the Suppliers' Area at [www.ypo.co.uk](http://www.ypo.co.uk). Future opportunities and a wider range of supplier resources will also be available later this year.

We offer three main forms of supply:



## Stock

**Products:** YPO holds thousands of stock and food lines in its two warehouses totalling more than 300,000 square feet. Stock products are typically high volume, low value, fast moving items suitable for breaking bulk. Key product ranges include:

- Exercise books and paper
- School and office stationery
- Arts and crafts materials
- Curriculum supplies
- Early Years equipment
- Music, sports and games equipment
- Audio visual & display, office & business machines, computers & consumables
- Furniture and storage
- Janitorial and hygiene products
- Workwear and first aid
- Grounds maintenance and vehicles
- Food, catering and food technology

**Marketing:** Stock items are advertised in our annual catalogues and, where relevant, may also feature in one of our 'minilogues' or special promotional catalogues. Prices are guaranteed for the calendar year and are free of small order and, in most cases, delivery charges.

Catalogues are supported through direct marketing, events and personal selling.

**Customers:** YPO has a strong reputation in education including early years settings, primary and secondary schools, Further & Higher Education institutions, in addition to a wide range of Local Authority departments such as Social Services and Emergency Services.

**The process:** When new opportunities become available, suppliers may apply for the tender documents which will detail product specifications and estimated volumes together with full instructions on how to participate.

As part of their submission suppliers will be expected to provide prices, volumetrics such as sizes and weights, packaging and bar code information in addition to evidence of quality and standards procedures.

Contracted suppliers will receive orders from YPO throughout the life of the contract based on demand and stockholding requirements, for delivery to YPO in Wakefield.

## 'Directs'



**Products:** 'Direct' products tend to be lower volume high value, bulky, heavy or complex technology products such as:

- Furniture and soft furnishings
- Sports equipment
- Catering, cleaning and janitorial supplies
- Office and ICT equipment



# Modes of supply

- Audio visual and photographic equipment
- Protective clothing
- Design Technology equipment
- Horticulture and grounds maintenance
- Building materials, highways and environmental

**Marketing:** As with stock items, 'directs' are advertised in our various catalogues and 'minilogues' and through a combination of direct marketing, events and selling.

**Customers:** Typical customers include early years settings, primary and secondary schools, Further & Higher Education institutions, in addition to Local Authority departments and the Emergency Services.

**The process:** As new opportunities become available, suppliers can obtain full details and application instructions from the relevant buying section.

As with stock items, customers place their orders and are invoiced direct by YPO; however, instead of delivering to YPO's warehouse, the supplier delivers to the customer's premises.

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## Contractual arrangements



**Products:** YPO currently contracts for more than £250 million of equipment and services including:

- Vehicles, fuel and automotive supplies
- ICT equipment, consumables, franking equipment and photocopiers & multi-function devices (MFDs)
- Energy and street lighting
- Design of specialist laboratory and catering areas
- Hygiene, washroom and catering
- Food

- Horticulture and grounds maintenance
- Building materials, highways and environmental

**Marketing:** Whilst some contractual arrangements are advertised in our annual catalogues, the bulk of the sales and marketing effort is achieved through personal selling, direct marketing and events.

**Customers:** Customers taking advantage of our contractual arrangements tend to be large Local Authority users although some contracts also lend themselves to smaller customers such as schools.

**The process:** YPO establishes a contract outlining the full terms and conditions of each arrangement. Customers place their orders with the supplier, quoting the YPO contract reference number, and the supplier delivers and invoices the customer direct.

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## Portfolio and procurement development

We are constantly looking to develop our core portfolio and to supplement this with niche and emerging products such as fair trades and other sustainable alternatives. We welcome input from suppliers in anticipation of changes in the environmental and government agenda.

The government's Gershon Efficiency Review and its Scottish equivalent highlighted procurement as one of the most important areas for cost savings and efficiency gains. In line with these and best value objectives we welcome suppliers who can offer innovative approaches to ways of doing business for example through electronic trading to reduce transaction costs, shared marketing initiatives or other ways of adding value for our customers.

YPO is influential in local and central government through its regional partners and other procurement initiatives and plays a pioneering role on many topical issues, particularly on the environmental front. We would like to talk to suppliers who are equally keen to lead the discussion.



# The contracting process

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## Advertising of opportunities

YPO, like all public sector bodies, is required to comply with EU procurement directives designed to ensure fair and open competition. Opportunities are advertised through a variety of media which will vary according to the nature of the product or service opportunity but which may include the following:

- The majority of contract opportunities are advertised in the Official Journal of the European Union (OJEU). Various electronic subscription services are available which provide an easy way for suppliers to keep up-to-date with new opportunities.
- Opportunities may also be advertised in appropriate publications such as the local press and/or specialist trade press.
- Existing arrangements feature on the Suppliers' Area of the YPO website.
- Suppliers are welcome to keep in touch with the relevant buyer for their products who will be able to advise on opportunities which are likely to become available.

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## The tender process

Most opportunities are undertaken through a tender process, resulting in a formal contract. Full details of any opportunities can be obtained from the relevant buyer listed in the Suppliers' Area at [www.ypo.co.uk](http://www.ypo.co.uk).

To the 'uninitiated', public sector procurement procedures and regulations can appear complex. YPO works hard to 'demystify' the process by simplifying documentation and procedures as much as possible and avoiding duplication. Our buyers are always on hand to answer any questions.

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## Award criteria

The tender process will take into account your commercial, financial, operational and HR capabilities, and is designed to ensure you have the management systems in place to meet the minimum service levels required of you if awarded the contract.

The specific award criteria will vary according to the nature of the product or service opportunity. As a rule,

most tenders are awarded on the basis of the 'most economically advantageous tender' taking into account both price (including rebates, discounts and terms of payment) and quality factors (which extend from product quality and quality management procedures to support issues such as warranties, customer service, technical support and so on.)

Other factors may also be taken into account according to the nature of the product or service and may include for example the provision of management information, availability of electronic trading facilities, sustainability issues and so on.

The objective is to find the solution or solutions which offer 'best value' by taking into account the 'whole life costs' over the length of the contract.

The award criteria and the weighting for each element will be clearly documented in the tender documentation and we would advise all suppliers to familiarise themselves fully with the award scheme and respond accordingly.

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## Feedback

Members of staff are available to provide feedback following completion of a tender exercise.

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## Advice on completing tenders

Guidance on how to complete tender documentation is provided during the course of each tender opportunity. Tenderers should also note the award criteria and weighting.

Completing a tender document is a surprisingly simple process which involves following instructions but sometimes suppliers do get it wrong. Key points (which are surprisingly common mistakes) include:

- Failure to respond to a question accurately and fully; missing or incomplete information is impossible to assess
- Failure to answer all questions
- Omitting supporting documentation where required
- Forgetting to sign and date your response
- Not following the instructions provided for the return of your tender
- Failure to meet the deadlines set out in the tender



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## Supplier management

In order to deliver the highest levels of service and product quality YPO expects suppliers to deliver consistently high product and service levels. To ensure standards are maintained we will monitor and manage performance over the life of the contract through a combination of management information and performance review meetings in addition to external scrutiny through independent audit and benchmarking. We are keen to encourage collaborative working with suppliers in the interests of achieving effective and efficient procurement.

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## TIVA Supplier Accreditation Programme

The TIVA Supplier Accreditation programme, launched in 2007, is an independent initiative designed to help us work more closely with our suppliers. The programme allows both YPO and its suppliers to improve our working relationships and plays a vital role in supporting us in the achievement of our corporate governance objectives by ensuring all our suppliers meet minimum standards in good business practice such as health & safety and responsibility towards staff, the community and the environment.

The TIVA programme also allows us to reduce the risk and costs associated with doing business with non-compliant suppliers.

Suppliers complete an independent audit via the TIVA partner website; based on the scores obtained, suppliers are awarded Gold or Silver status.

### Benefits to suppliers

- Closer understanding of our requirements allowing you to maximise your business opportunities with YPO
- Eligibility to use our Gold or Silver certification logos adding credibility to your operation with other customers and stakeholders
- Free assistance and resources in the form of Business Builder packs, 'TiVA Connect' listings, access to 'Meet the Buyer' events, marketing initiatives and so on
- 'Fast track' tender process helping you reduce the time and cost associated with tendering for business

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### Contact us

Full details of the relevant buyer for each product area together with a list of contracts are available from the Suppliers' Area at [www.ypo.co.uk](http://www.ypo.co.uk).



# The public sector customer

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## An important route to market

The public sector is one of the biggest purchasers of goods and services in the economy, and nearly half of local government spending is on procurement. YPO as a consortium aggregates demand and, as such, represents an important channel to market for any supplier wishing to sell to the public sector.

In 2004 Sir Peter Gershon issued the conclusions of his review of public sector efficiency in his document 'Releasing Resources for the Frontline: Independent Review of Public Sector Efficiency'. Amongst other things, the Review set out the scope for further efficiencies within public sector procurement. One of the recommendations of the Review was to ensure that all procurement is conducted via a 'process' such as a framework agreement or catalogue that has been put in place by a procurement professional. This, and other drivers, is likely to see consortia like YPO continue to thrive.

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## 'Intelligent customer'

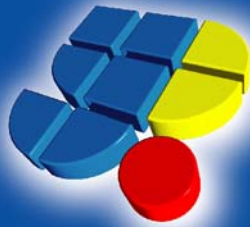
Our professional buyers, the majority of whom are qualified to (or are working towards) Chartered Institute of Purchasing & Supply membership, are dedicated to implementing procurement 'best practice'. From a supplier's perspective, being able to deal with 'an intelligent customer' is an important consideration in today's target driven business world; buyers with experience and professional status in their area of operation can make life a great deal easier, reducing the time, cost and effort associated with setting up and conducting business.

Of course, the more you do business with the public sector, the more you can accumulate evidence of your capability and experience which may stand you in good stead when bidding for further central and local government opportunities.

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## Further information

Further information is available from the Department of Trade and Industry or your local business link. A good starting point might be: <http://www.berr.gov.uk/>. You might also find the following guide of use: 'Tendering for Public Contracts: A Guide for Small Businesses' (available at <http://www.berr.gov.uk/files/file39469.pdf>).



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