

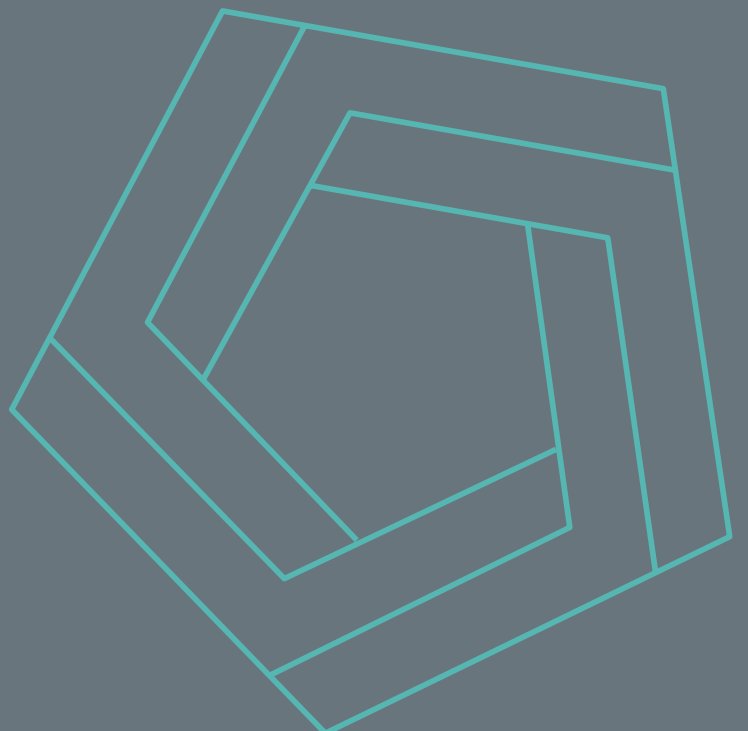


HM Government

# THE CONSULTANCY PLAYBOOK

## **Government guidance**

on how to commission and engage with consultants more effectively, achieving better outcomes, better value for money and supporting Civil Service capability through the creation of knowledge and skills



Version 1.1  
September 2022



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# Contents

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<b>Foreword by Alex Chisholm</b>	<b>3</b>
<b>Introduction</b>	<b>5</b>
Scope	5
What is new?	6
Who is the Consultancy Playbook for?	6
<b>Consultancy Playbook flow diagram</b>	<b>8</b>
<b>1 Right at the start</b>	<b>10</b>
Choosing the right delivery model	10
Setting procurements up for success	14
Engaging with the market	16
Off-payroll working rules (IR35)	17
<b>2 Going to market</b>	<b>20</b>
Writing effective specifications	20
Writing evaluation criteria	23
Routes to market	24
Pricing and payment mechanisms	28
Evaluating bids	30
Spend data capture	32
<b>3 Maximising value throughout</b>	<b>34</b>
Being an effective client	34
Knowledge generation and transfer	36
Maximising value throughout	41



# Foreword by Alex Chisholm

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Consultants can bring highly valuable expertise to support us in delivering outstanding public projects. In May 2021, the Government Commercial Function and the Government Consulting Hub (GCH) launched the original Consultancy Playbook, which set out the expectations for ourselves and the market, ensuring we get the best from our consultancy engagements.

Since then, the Cabinet Office has worked with departments and industry to embed these principles, making sure that we continue to be able to access the right skills at the right time, but also that we do so in the right way and deliver the desired outcomes. More so than ever, government and the consultancy market are committed to working together to get the most value from our spend and to achieve the highest quality results.

We have taken significant steps in the last year to embed the principles of the Playbook by becoming stronger and more effective customers. We have launched the GCH Knowledge Exchange to capture and share across the Civil Service the types of tools, methodologies and thinking that we typically buy through our consultancy spend. The Knowledge Exchange provides the supporting infrastructure for new elements of the Playbook. In future, all our collective thinking with the external market should be captured and readily available across the Civil Service. It is crucial that government and industry act together to get this right.

As part of this commitment, we have collaborated with industry and departments to develop version 1.1 of the Consultancy Playbook. This updated Playbook retains its focus on getting things right at the start, but with renewed guidance around:

- prioritising knowledge generation and knowledge and skills transfer, supported by a new **Guidance Note** which accompanies this Playbook
- engaging with the whole market including small and medium-sized enterprises (SMEs)
- an 'OKUA' diagram, outlining functional roles and responsibilities and highlighting the value of collaborative working
- updated guidance on how to deliver value for money when going to market

By following this Playbook, and the others in the series of Playbooks, we can expect to get things right at the start, maximising the value-adding potential of consultants while supporting our Civil Service capability and becoming a better, more self-sufficient Civil Service that is less reliant on external resource.

As Chief Operating Officer of the Civil Service, I am delighted to support the launch of the Consultancy Playbook V1.1 and its continued implementation across government.



**Chief Operating Officer for the  
Civil Service and Permanent Secretary  
for the Cabinet Office**

# Introduction

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Considering when and how to use consultancy services effectively is vital to the success of our projects and services. Version 1.1 of the Consultancy Playbook retains the focus on getting consultancy engagements right at the start, ensuring that we are using the right consultants in the right instances to fill specific skills and knowledge gaps which can not be filled by internal resources. A well trained and skilled Civil Service needs to be disciplined in its use of external consultants, and while there will always be requirements for specialist skills that the Civil Service does not possess, we should ensure that sufficient attention is given not just to the successful delivery of any external consultancy that is required, but to effective knowledge transfer so that internal skills continue to grow. This approach will deliver both value for money and better quality projects and public services for the citizens that use and rely on them.

By following this guidance we can expect to:

- understand when consultants can add the most value
- when necessary, set our procurements up for success
- achieve more favourable outcomes when going to market
- be a more effective client of consultants while building meaningful relationships with our suppliers

- improve Civil Service capability by maximising knowledge generation and knowledge and skills transfer across the contract lifecycle
- take advantage of the full range and diversity of consultancies available in the marketplace, including SMEs

The Playbook has been co-developed by the Government Consulting Hub and Cabinet Office Markets, Sourcing and Suppliers team, with input from industry stakeholders and public officials, from across commercial, finance, HR and workforce planning as part of the wider consultancy reform agenda to transform how government engages with the consultancy market. We expect the market to continue to work with us to implement these reforms and maximise the benefits for both client and supplier.

## Scope

This guidance applies to all central government departments and their arm's length bodies (ALBs) when considering going to market for any consultancy services, and should be taken into account by local authorities and the wider public sector. The Consultancy Playbook forms part of the Sourcing Playbook. As such, the principles, guidelines and rules of the Sourcing Playbook still apply and shall be considered alongside the Consultancy Playbook where appropriate.

**Consultancy** is broadly defined as provision of advice to fill a knowledge gap. This can be to identify options and recommendations, or advice to assist with implementing solutions, and will be time limited. It will usually relate to business change or transformation, but can also focus on more technical, sector-specific expertise. The individuals (consultants) delivering the service (output) will operate outside of the client organisation's structure and staffing establishment. Contracting authorities should also consider taking the guidance in the Consultancy Playbook into account when sourcing Professional Services. Further advice on spend definitions can be found [here](#).

We recognise that there is no one-size-fits-all approach to consultancy requirements. As such, the principles outlined here shall be implemented by departments and their ALBs on a comply or explain basis and be applied by contracting authorities proportionately to the value, scope and duration of the engagement.

## What is new?

Version 1.1 of the Consultancy Playbook builds on the original version, with refreshed and updated guidance around:

### **Knowledge and skills:**

- the Consultancy Playbook now has an accompanying Guidance Note to provide more detailed guidance for departments on how to embed knowledge generation, knowledge and skills transfer, and sharing across the contract lifecycle

### **Delivery models:**

- updated guidance around the the key steps for contracting authorities to consider right at the start, including strategic workforce plans, the GCH, and the Cabinet Office Controls. See page 10

### **Considering access for SMEs:**

- it is critical that we can access the full range of expertise in the market. The Consultancy Playbook now contains an 'SME Roadmap', which highlights the key actions for contracting authorities to consider across the commercial lifecycle to facilitate access for companies of all sizes. See pages 15,17, 22, 24 and 25

### **IR35:**

- additional guidance around consultancy-specific off-payroll working rules considerations. See page 17

### **Roles and responsibilities:**

- the Consultancy Playbook now contains an OKUA model, which provides an analysis of the key Playbook stages mapped against functional groups. See page 7

### **Going to market:**

- updated guidance on long term contracting models. See page 15
- new guidance around writing specification, evaluation criteria and payment mechanisms. See pages 20, 23 and 28

## Who is the Consultancy Playbook for?

The Consultancy Playbook is aimed at Commercial, Finance, Project Delivery, HR, Policy and other professionals across public sector contracting authorities and industry responsible for commissioning or managing consultancy work in the Public Sector.

Experience has shown us that successful project delivery requires cross-functional working, bringing together different



professional areas of expertise. The key is ensuring that we have joined-up teams with input from the right functions early in the process.

The figure below provides an analysis of the key stages mapped against functional groups. This should be considered a guide to support contracting authorities in implementing the Consultancy Playbook and may vary in different contracting authorities depending on their structure.

Ministers, permanent secretaries, accounting officers, commercial directors, project sponsors and SROs will also find this Playbook useful when acting as decision makers or approvers, or when conducting checks within the capacity of scrutiny and assurance.

**Figure 1.** Analysis of roles and responsibilities across the key actions

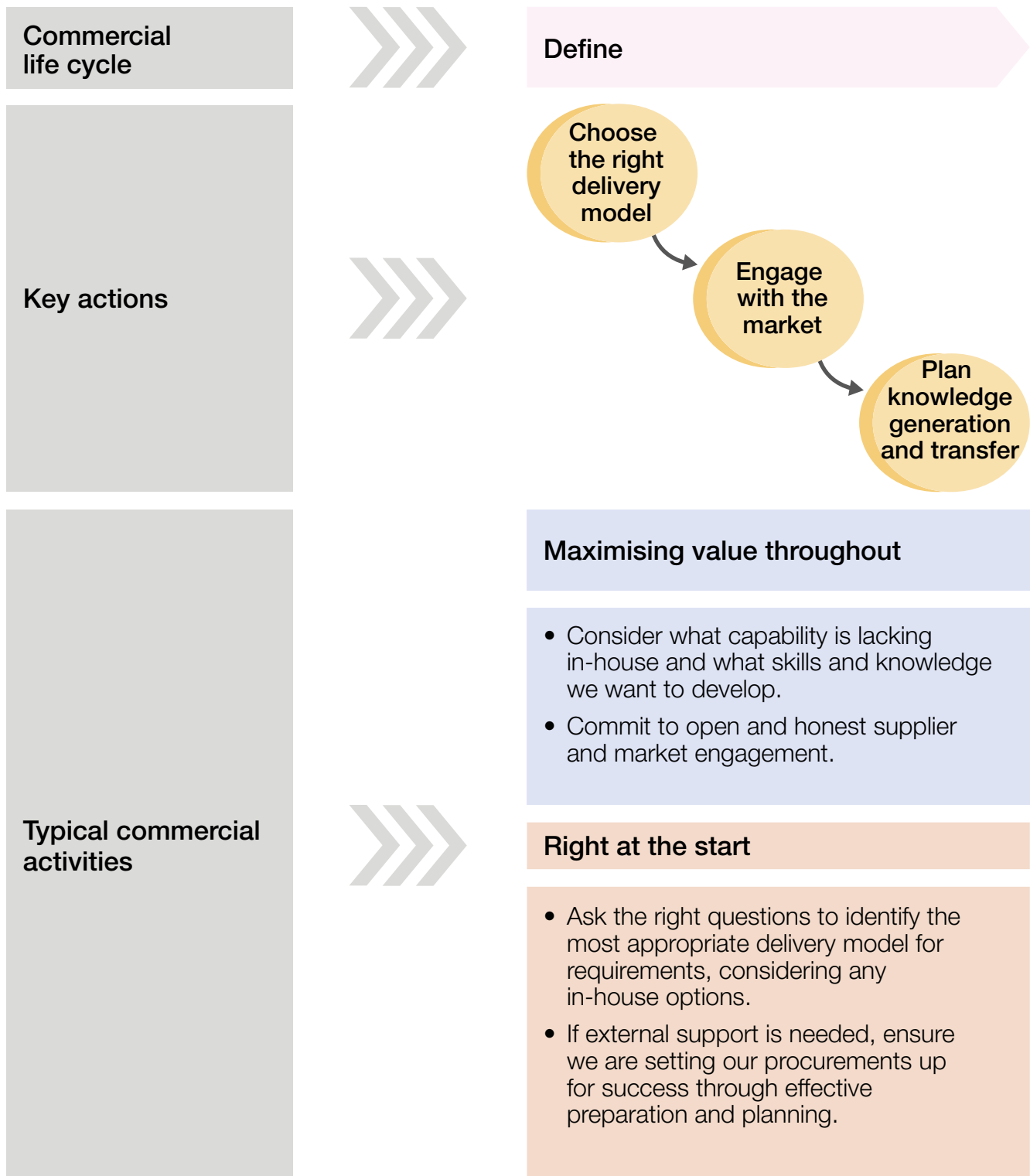
OKUA stands for:

- **Ownership:** Individuals within the function lead the activity and have overall responsibility for it. **‘Joint-O’** is used where ownership is split across a number of functions
- **Knowledge:** Individuals within the function are the Subject Matter Experts on at least one element of the activity
- **Understanding:** Individuals within the function understand what the activity is and what good looks like
- **Awareness:** Individuals within the function know what activities are required and who is responsible

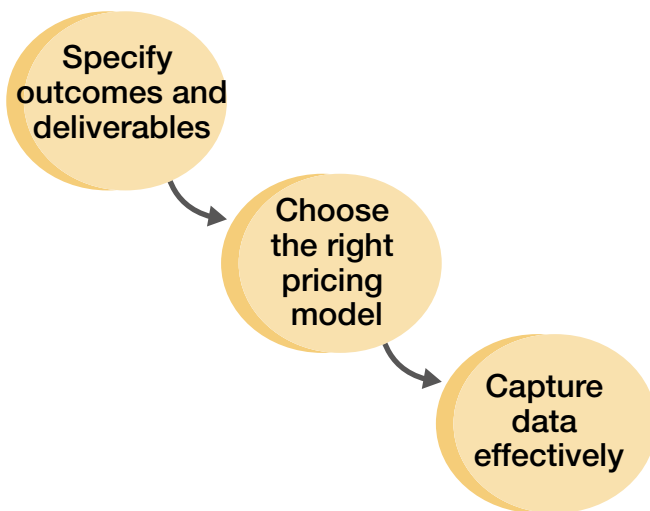
		Key stages							
		Choose the right delivery model	Engage with the market	Plan knowledge and skills transfer	Specify outcomes and deliverables	Choose the right pricing model	Capture spend data	Mobilise and agree ways of working	Plan for handover and exit
Functions		Define		Procure			Manage		
Commercial		J-O	J-O	K	J-O	J-O	J-O	K	K
Finance		K	A	A	K	K	U	A	K
Project team		J-O	J-O	O	J-O	J-O	J-O	J-O	O
HR		K	A	U	A	A	A	U	U
Legal		Legal need awareness of the legal obligations throughout the project/programme lifecycle							
Other functions		Other functions will depend on individual projects							
Industry		A	K	K	A	U	A	J-O	K

# Consultancy Playbook flow diagram

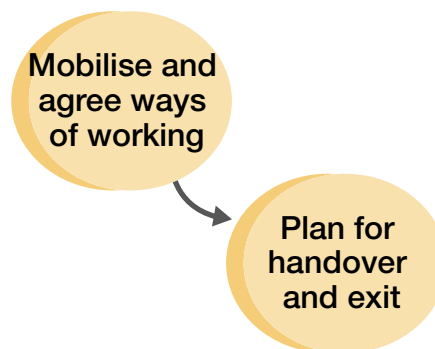
Figure 2. Building the Playbook into the typical procurement process (over two pages)



## Procure



## Manage



- Outline clear roles and responsibilities for client and supplier, ensuring that we champion a collaborative approach.
- Include meaningful questions on knowledge transfer that set clear deliverables for suppliers.

### Going to market

- Write specifications based on the output desired to enable suppliers to respond innovatively to ITTs.
- Critically consider the choice of pricing mechanism.
- Capture and maintain accurate data about our use of consultancy.

- Work collaboratively with consultants throughout the engagement.
- Commit sufficient time and resource to governance and contract management.
- Use effective and experienced client-side SROs.
- Maximise opportunities for knowledge transfer during and after engagements.
- Plan for contract exit and handover of deliverables.

Right at the start

Going to market

Maximising value throughout



## ① Right at the start

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‘Getting it right starts by deciding whether we need external consultancy, and when we do, setting our procurements up for success through meaningful market engagement.’

This section sets out how to get things right at the start, by considering which delivery model is best suited for our requirements and understanding when consultancy services can add the most value. Once we have decided there is a genuine need to go to market for external consultancy services, the Playbook outlines the key principles to consider to set up our procurements for success, emphasising the importance of meaningful market engagement.

### Choosing the right delivery model

It is vital that we use consultancy services appropriately to maximise the value we can unlock for our projects and public services. Consultancy services should only be used to fill specific gaps that can not be provided by internal resources such as where the required expertise would be so specialised that it would be inappropriate for it to be held within the Civil Service. We should always exhaust internal options before requesting external consultancy, including reusing knowledge, tools and methodologies and critically considering whether the work can be delivered in-house by the contracting authority’s own business unit or by another Civil Service team. This will ensure that we are using external consultants for the right reasons to provide specific expertise and prioritise growing our capability within the

Civil Service to reduce the need to buy the same skills and knowledge again in future.

There are a number of steps that business units should take right at the start to ensure that we are getting the most value from our spend and setting up for success:

#### 1. Workforce planning

- a) Contracting authorities should regularly consider their workforce requirements and pipeline of work to understand what capability and capacity should be maintained in-house, and which skills and expertise are better accessed through external support.
- b) When faced with resourcing needs, departments should reference their strategic workforce plan, which assesses the organisation’s current staff resources and skills, forecasts its future needs, and plans how to meet these needs in a cost-effective way.
- c) It is therefore vitally important that Strategic Business Planning teams are consulted right at the start, as they will be able to provide advice on resourcing options, and refer to strategic workforce plans and Consultancy strategies as part of departmental Outcome Delivery Plans (ODPs). We should also ensure that HR are involved in any internal assurance processes for consultancy spend.

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“ It is vital that we use consultancy services appropriately to maximise the value we can unlock for our projects and public services.”

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- d) Refer to the Strategic Workforce Planning team in CSHR (Civil Service HR in the Cabinet Office) and Strategic Workforce Planning Playbook for further information on developing and using strategic workforce plans.

## 2. Knowledge

- a) Contracting authorities should always consider what knowledge needs to be generated in order to achieve the desired outcomes. They should check to see if there are existing toolkits and methodologies, and/or reports and case studies, and if a similar project has been undertaken in their own department or across government. Even if previous knowledge does not answer all requirements, organisations should be asking themselves whether work that has previously been undertaken and the related outputs can inform the project brief and rationale. See pages 36 and 41 and the Knowledge and Skills: Generation, Transfer and Sharing Guidance Note for more information on how to maximise knowledge reuse, generation and transfer in consultancy engagements.

## 3. The GCH triage service

- a) The GCH is rolling out a cross-government triage service to support

departments to address their consultancy demand. Triage helps teams to:

- refine the problem statement and consider whether it might be answered in a different way
- identify internal delivery options
- refine and improve specifications
- reuse, generate and transfer knowledge and support the building of internal capability

Teams considering going to market for consultancy services should contact the GCH or their commercial teams to access the Triage service at the earliest possible stage.

## 4. GCH internal consultants

- a) The GCH is also an internal consultancy team working across government on consultancy assignments, offering better value for government and supporting departmental priority agendas. Teams should contact the GCH when considering bringing in consultancy support, as they may be able to support delivery and/or link teams to the capability that exists across government. GCH maintains a network of internal advisory teams across government and also co-sources with the external market.

### Consultancy or contingent labour?

There are two main types of external temporary resource: consultancy and contingent labour (also known as temporary staff, interims or contractors). It is essential that the business chooses the option that balances high quality delivery with effective budget management. Project teams should seek advice from commercial and HR early on as to whether requirements are better suited to consultancy or contingent labour. Table 1 provides some useful guidance:

**Table 1.** Consultancy vs contingent labour

	Typical characteristics
Consultancy	☞ Advice (often strategic) is provided outside the business-as-usual environment.
	☞ Skills/expertise are not available in-house.
	☞ Access to data and information not available in-house.
	☞ Engagements are time-limited.
	☞ Specific deliverables/outcomes are defined.
	☞ Supplier has responsibility to meet those deliverables or outcomes.
Contingent labour	☞ Operational expertise is not available in-house.
	☞ The role being filled exists within your organisation.
	☞ Specific, named individuals are performing a role or function rather than delivering specific outcomes.
	☞ Often used to fill resource gaps when there is a capacity, rather than a capability shortage.
	☞ Client retains management responsibility for the day-to-day performance of individuals and is responsible for defining the role or tasks they will perform.

## Questions to consider when a business need is identified

### 1 Create a clear vision statement for the requirement

Identify the business need, budget, objectives and strategic outcomes:

- What is the overall outcome we want to achieve from the project/service? How well is it understood?
- What degree of clarity is there in the scope of the requirement? What are the key deliverables and how do they contribute to achieving the overall outcome?
- How can the requirement deliver value for money?
- Is there an enduring need for the capability? If so, how do we plan to resource it long term by upskilling the existing workforce?

A clear understanding of the outcomes and scope will help us to more effectively identify delivery options, assess costs and consider risks.

### 2 Identify delivery options

Identify the different delivery options available before requesting external support, including internal Civil Service options:

- Does the business unit have the skills in-house to deliver the requirement?
- Could other Civil Service teams collaborate to deliver the work?
- Is consultancy appropriate here? Would contingent labour be a more suitable delivery model?
- What are the options available from the market?
- What known frameworks are there that can deliver the requirement?

It is important that we always consider internal delivery options, and if we do go to market, that we buy the right service in the right way.

### 3 Assess the costs of each option

Identify and assess the costs associated with each option:

- Do we understand the whole life costs of the potential delivery options, i.e. delivering in-house or bringing in external support?
- Have we considered how the choice of delivery model for this contract will impact the overall cost of the service/project?
- Have we considered any IPR implications and whether these are factored into costs?

Understanding the costs associated with each delivery option allows us to make informed decisions and deliver value for money.

### 4 Considering the risks

Consider how you can best minimise overall risk:

- Consider whether the requirement has implications for overall policy direction, and therefore would be better suited to internal delivery.
- What is the operational impact if consultants are not engaged?
- What are the risks to value or benefit realisation associated with the potential delivery models?

By considering the risks early we can mitigate against unintended effects and maximise intended benefits from the requirement.



### Self-assessment model

Once the difference between consultancy and contingent labour has been considered and any in-house delivery options identified, it is crucial to find the most effective solution to the business need. Project teams should always consult commercial and HR teams in making these judgements, and consider the following self-assessment criteria to help determine the appropriate delivery model.

### Setting procurements up for success

As previously highlighted consultancy services should only be used in exceptional circumstances to fill specific skills and knowledge gaps that can not be provided by internal resources. However, if we decide that commissioning external consultants is the most effective delivery model for our business need, it is essential that we set the procurement up for success. One of the biggest challenges with sourcing consultancy services is the need to work at pace. Recognising this, the Playbook sets out how to get things right at the start. This will not only save time downstream, but deliver greater value for money and help to build stronger relationships with suppliers.

We should consider the following principles right at the start of consultancy procurements, to self-evaluate requests for consultancy and ensure that we're setting up for success. We should:

- have a clear understanding of the overall project outcomes, as this will allow us to specify the deliverables for the consultancy engagement

- establish the type of consultancy we need (e.g. strategy, finance, IT) and where it sits on the advice-delivery spectrum i.e. pure advisory services, support with the implementation of recommendations, or resource augmentation
- ensure that our project teams engage appropriately with commercial (including CCS where appropriate), finance and legal functions right at the start of procurements. This will ensure we are fully aligned, compliant with regulation and achieving value for money
- consider how to incorporate and incentivise knowledge generation, knowledge and skills transfer, and sharing across the contract lifecycle to build our internal capability and reducing the need to buy the same skills and knowledge again
- have a firm grasp of our intended governance structures and ways of working, including Senior Responsible Owner (SRO) responsibilities, and escalation procedures

These factors are often interlinked and are likely to impact the way we procure and manage consultancy services. For example, the approach to a complex multi-year digital transformation programme will differ from a short and quick piece of strategic advice. Proportionality is key, and we should always consider basic criteria such as the value, duration and scope of the engagement to ensure a suitable approach.



## Considering scope and scale

### Consider SMEs: Lotting

- Break down large mixed requirements into suitable Lots to ensure needs are well matched to firms' expertise and to ensure we are facilitating access for suppliers of all sizes.
- This helps to avoid over-reliance on one firm and taps into the most relevant expertise, and allows the government to plan to transition to internal capacity at the right time.
- When deciding on suitable lots of requirements, ensure that this is done to best match the expertise of firms, and not to avoid control thresholds.

Consultancy engagements should be time-limited with clearly defined deliverables and outputs, and disaggregated appropriately. If contracting authorities are considering putting in place longer term contracting models, such as umbrella contracts or delivery partner arrangements with defined call-off procedures, the guidance below should be followed:

### Using umbrella contracts or delivery partner arrangements

#### When considering putting in place umbrella contracts or delivery partner arrangements, ensure that:

- the business unit clearly understands both the capability and capacity gaps faced – external consultants should be used to fill specific capability gaps, rather than capacity shortages, which are better suited to contingent labour;
- we are always considering the most effective delivery model – for example, when faced with a capacity shortage, consider using a Statements of Work solution through CCS, which allows contracting authorities to bring in multiple contractors to deliver against specifications;
- call-offs are specific to the engagement and are directly linked to the deliverables in the specification;
- we are always applying governance to individual call-offs from these arrangements – this includes exploring internal options, ensuring that knowledge transfer is being prioritised, that the GCH Triage service is being consulted where appropriate, and that any controls requirements are being followed prior to calling-off from the contract.

## Engaging with the market

Talking to the market is one of the most important things we can do. Conducting market engagement prior to releasing a tender can be hugely beneficial to not only inform suppliers of our upcoming opportunities, but to utilise market knowledge and expertise to help shape our requirements. Ensuring that potential suppliers have an in-depth understanding of our requirements and sufficient time to create an innovative bid should promote better bids and a reduction in clarification questions which can elongate timescales. Where possible, we should be undertaking a proportionate level of market

engagement for all procurements, and agreeing the approach with our commercial teams or with Crown Commercial Services (CCS) where appropriate. Even for small engagements, some limited market engagement is likely to be a shrewd investment. Table 2 below shows a number of methods that we should consider.

To support effective market engagement, departments should create and maintain pipelines of current and future contracts. This will allow suppliers to allocate their resources effectively, resulting in a more diverse range of bidders, including small and medium-sized enterprises (SMEs).

**Table 2.** Methods of market engagement

Method	Benefit
Notification to the market of upcoming work	<ul style="list-style-type: none"> <li>⚙️ Allows contracting authorities time to prepare and suppliers to get a suitable bidding team together.</li> <li>⚙️ Advisable for most procurements.</li> </ul>
Expression of interest (EOI)	<ul style="list-style-type: none"> <li>⚙️ Highlights if there are no suitable or interested suppliers, allowing us to modify the tender if necessary.</li> <li>⚙️ Filters the market based on capacity and interest for the requirement.</li> </ul>
Request for information (RFI)	<ul style="list-style-type: none"> <li>⚙️ Allows suppliers to provide information that can inform the structure of the requirement. This can be of particular benefit if we don't fully understand the outcomes we want to achieve.</li> <li>⚙️ We can directly benefit from the expertise and experience of the market.</li> <li>⚙️ Gives opportunity for suppliers to demonstrate innovation.</li> </ul>
Supplier days/webinars	<ul style="list-style-type: none"> <li>⚙️ Can passionately articulate the vision of the requirement to suppliers in a compliant way.</li> <li>⚙️ Opportunity to request feedback from the market through Q&amp;A.</li> <li>⚙️ Ask open questions of the market, rather than seeking to confirm existing decisions ahead of releasing an Invitation to Tender (ITT).</li> <li>⚙️ Can reduce the number of clarification questions during the tender process.</li> </ul>



### Consider SMEs: Market engagement

- Ensure that we are engaging a range of supplier profiles during market engagement activities, bearing in mind that smaller, lesser known suppliers may have access to the expertise we really need.
- Create, publish and maintain a pipeline of future and current contracts, allowing suppliers to allocate their resources effectively, resulting in a more diverse range of bidders.

### Off-payroll working rules (IR35)

Off-payroll working rules (IR35) can often apply to consultancy engagements depending on the nature of the arrangements and the supply chain. Contracting authorities should introduce controls to ensure that they recognise where off-payroll working rules apply to their consultancy contracts and then meet their requirements under the applicable legislation. Off-payroll working legislation is likely to apply to consultancy engagements if, for example:

- the consultant personally performs services for the PSB who is considered to be the consultant's 'client'
- the consultant is not contracting personally but chooses to contract via a qualifying intermediary such as their own limited company / personal service company

- the nature of the contract and working practices mean that the consultant is working in a similar way to an employee and would be considered 'employed' for tax purposes if they were engaging directly and not via a qualifying intermediary such as their own limited company (most likely where the consultant gets involved in activities that go beyond the provision of advice, such as assisting with implementation or delivery)

In particular, there is a greater risk of the rules applying where consultants are integrated within Civil Service teams and/or where civil servants and consultants collaborate to deliver solutions or outcomes together.

IR35 should be considered on a case-by-case basis, and CAs should take specialist advice (via their own tax function,

Right at the start

Going to market

Maximising value throughout

engaging Tax Centre of Excellence or specific legal advice where necessary). Refer to the Tax Centre of Excellence guidance on consultancy arrangements and off-payroll working legislation to ensure that requirements under the legislation are understood, and see the Tax Centre of Excellence website for information on how to contact them for further advice or support.

### Consultancy and professional services spend controls

Always check whether your requirement is subject to the Cabinet Office spend controls for consultancy spend. Please see the **latest guidance on scope, thresholds and process**. Alternatively, the controls team can be contacted at **cabinetofficecontrols@cabinetoffice.gov.uk**.

## Key points

1. Getting it right starts by choosing the correct delivery model, considering in-house delivery as well as options from the market.
2. Have a clear understanding of the outcomes we want to achieve, as this will allow us to articulate the deliverables for the consultancy engagement.
3. Engage appropriately with commercial, finance and legal functions right at the start of procurements.
4. It is vital to consider what knowledge needs to be generated to achieve the desired outcomes and if the knowledge and skills already exist.
5. Disaggregate large mixed requirements into suitable work packages, where appropriate.
6. Undertake a proportionate level of market engagement for all procurements and engage a range of supplier profiles.



## Want to know more?

1. The **Delivery Model Assessment Guidance Note** provides further information on choosing the correct delivery model for the requirement.
2. Contact Crown Commercial Service at **info@crowncommercial.gov.uk**
3. Contact the Strategic Workforce Planning Team within CHSR Expert Services via their mailbox: **civilserviceswp@cabinetoffice.gov.uk** with any questions or for access to the Strategic Workforce Planning Playbook.





Right at the start

Going to market

Maximising value throughout



## ② Going to market

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‘Going to market effectively is about enabling bidders to offer meaningful, innovative responses to tenders and provide the best solutions to our problems.’

In order to get the best responses to our Invitations to Tender (ITTs) or statements of requirements, our procurements should be structured to allow the market to offer effective and innovative solutions to our problems. This section outlines the stages for contracting authorities to follow when going to market and should be applied proportionately for all consultancy requirements.

There are a number of key principles we should consider throughout the procurement process, which will help to drive best practice, ensure a joined-up approach and ultimately get the best out of our suppliers. We should:

- work collaboratively with industry, ensuring we are not unfairly excluding SMEs, and, where appropriate, use the market’s knowledge and expertise to help build our requirements and specifications. Industry should likewise engage meaningfully with government, as refining the requirement will lead to a more successful engagement
- shift the focus of our requirements to the overall **outcomes** we want to achieve, articulating the deliverables that help us produce those outcomes in the specification

- structure our specifications and evaluation questions and criteria to allow for unique and innovative responses without being overly prescriptive
- include building government knowledge and capability as a core requirement when we commission consultants

### Writing effective specifications

The specification sits at the heart of the contract between the client and the supplier. Our specifications are most effective when they give suppliers the flexibility to propose unique and innovative solutions. To create this flexibility, we should move away from input-based specifications. These can limit creative and bespoke approaches by rigidly specifying how consultants should deliver requirements.

We should move to more outcome-based specifications. Outcome-based specifications can be formed by thinking about requirements in terms of the problems that we are trying to solve. Creating a specification which describes the problem we are aiming to solve via consultancy, and remains neutral on the inputs or process used to solve it, can give increased freedom to suppliers to innovate using their own knowledge and expertise. This approach will rely on a strong specification paired with specific, measurable milestones which are aligned to

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“ We should shift the focus of our requirements to the overall outcomes we want to achieve, articulating the deliverables that help us produce those outcomes in the specification.”

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a project timeline. These milestones should refer to the most relevant areas of the project, which represent key value-adds or risks, to incentivise focus on the areas which matter most to the customer.

A problem-based approach can be challenging to administer and advice should be sought from commercial and legal teams before adopting this approach. Ensure that the project team has been closely involved in the development of the specification to assure its application to the ongoing work. A breakdown of teams to include is shown on the OKUA model, on page 7.

Projects that are novel, bespoke or strategically significant often require innovative solutions. Specifications should therefore be written to encourage innovative and outcome-based responses from the market. Before writing the specification, it is key for the project and commercial teams to develop a deep understanding of the requirement and to engage the market to inform the development of the specification. This helps to ensure that potential suppliers have an in-depth understanding and sufficient time to create an innovative bid.

You may also want to reach out to the Cabinet Office Commercial Spend Controls and Assurance team or the Government Consulting Hub for further support or advice.

There are a number of key considerations our teams should take into account when drafting specifications:

- our ITTs should be informed by meaningful market engagement. This should be emphasised for outcome-based requirements. See page 16 for advice on talking to the market
- our specifications shall include deliverables on knowledge and skills transfer, and consider how client and supplier can work together to deliver them as part of the contract. See page 34 for more information on maximising knowledge and skills transfer, and the Knowledge and Skills: Generation, Transfer and Sharing Guidance Note
- understand the data landscape between buyer and supplier and ensure this is adequately captured in the specification. Are we expecting the supplier to provide extensive data as part of the contract?

### Consider SMEs: Proportionate timescales

- Apply proportionate timescales to our procurements, ensuring that we follow procurement regulations while allowing enough time for bidders of all sizes to pull together credible bids. This includes allowing sufficient time for clarification and ensuring questions are answered in full detail.
- We should also bear in mind any security clearance and onboarding requirements. We should ensure that we are allowing enough time for successful bidders to acquire the necessary security classification, alongside onboarding concerns such as the provision of IT, prior to contract start.

## Considering ways of working

Aligning the goals and working practices of the buyer and supplier is key to the success of consultancy engagements, where consultants often need to integrate effectively within an existing team. This alignment is a key factor that is often overlooked by contracting authorities. There should be a focus on ensuring the most appropriately skilled individuals are part of

project teams and specifications should encourage collaboration and knowledge and skills transfer. Ensuring that teams can work together effectively is an important consideration that is likely to impact a project throughout its lifetime and is an important step in getting it right from the start. Further considerations are highlighted below.

### Ways of working with potential suppliers

#### When considering ways of working with potential suppliers, you should:

- ensure that there is a comprehensive shared understanding of the intended goals and outcomes of the project – this should include social value;
- identify values which are integral to the buyer's identity, such as diversity and inclusion – consider measures which could be used to assess this, including targets for percentages of employees from underrepresented groups, or an assessment of company policy for reasonable adjustments;
- consider which working practices are important for the project team, and evaluate how closely a supplier's own practices align – day-to-day cultural fit could also include working practices such as working hours, or preferred forms of communication.





## Writing evaluation criteria

We want the evaluation criteria in our ITTs to be concise, to avoid repetition and to give bidders the opportunity to offer meaningful responses. A perennial concern of bidders for consultancy contracts is that the ITTs are often too prescriptive and don't give bidders the platform to freely demonstrate how their organisation can create value. When designing evaluation criteria, we should be:

- allowing suppliers to offer meaningful, innovative responses to questions on quality. Where possible, we should use open questions and an open technical specification with clearly defined deliverables that will help achieve the desired outcome
- including questions on knowledge and skills transfer. The onus is on us to be clear about the knowledge we expect to be generated and transferred, and the skills that should be developed as part of the contract. See page 36 and the Knowledge and Skills: Generation, Transfer and Sharing Guidance Note for further details
- ensuring that the right people are involved in designing and drafting the evaluation questions. This should include the project team who are requesting the consultants, as well as input from commercial, legal and finance. The OKUA model on page 7 can be used as a guide to assign roles and responsibilities to relevant functions
- using quality criteria that allows us to differentiate between bidders' responses on how well their solution will deliver the specified outputs, giving consideration to scoring bands
- in line with PPN 06/20, social value should be explicitly evaluated and form a percentage of the evaluation criteria. This percentage may be within a range depending on the project in question, but should form a minimum of 10%

### Consider SMEs: Low cost bids

- Design evaluation criteria to have a suitable balance of quality and price, allowing us to find the best value for money solution. It should not be the case that suppliers can bypass quality requirements by offering the lowest average day rate without due consideration of quality or offering value adding solutions. To achieve this, we should require all bids to meet a certain quality threshold if they are to be considered.
- Refer to the Sourcing Playbook for further information on low cost bids, and the Bid Evaluation Guidance Note.

Risk varies by project but is likely to be greater in projects that are particularly novel or strategically significant. Therefore, when writing evaluation criteria for these more complex projects it is important to consider risk allocation in more depth. As always, risk should sit with the party best able to manage it, but it is important to be clear on the levers which will influence the likelihood of a risk occurring, and who is in control of those. Commercial and legal colleagues should be consulted at this stage, and we should work alongside bidders to outline any obligations on the contracting authority to enable consultants to deliver the desired outcomes, for example providing personnel or clearly defined governance structures. For more information on risk allocation, please see The Sourcing Playbook and the Risk Allocation and Pricing Approaches Guidance Note.

## Routes to market

It is important to realise that not all consulting companies are the same. They have specialties as other service providers do and we need to select the route to market that will expose the type that we need. There are strategy consultants, organisational design consultants, technology based consultancies, subdivided into engineering, product introduction, any variety of science based

firms, as well as operational improvement specialists, themselves divided down into those who specialise in, for example, call centres, quality improvements, lean working and so on. Investing time into developing a robust specification, alongside significant early market engagement, will help to identify those firms most able to meet the requirement. Do not fall into the trap of only going for known suppliers; ministers increasingly are looking for subject matter experts in specific sectors, not the generic advice that is available from the market, which is often more expensive than the real experts. Finding the right expert is the challenge.

There are many different routes to market for consultancy services that contracting authorities should consider. By following this guidance, we can expect to choose a procurement procedure that best fits our needs, ensuring proportionality to the size and complexity of the requirement. This ensures fairness and transparency and does not create barriers for SMEs. Departments should consult PPN 12/15, 'Availability of Procurement Procedures', which outlines the Cabinet Office policy on the choice of procurement routes and the rationale supporting them.

## Consider SMEs: Reserving below threshold bids

- In scope contracting authorities should consider PPN 11/20 for below threshold contracts.
- This allows contracting authorities to either/both:
  - run a competition and specify that only SMEs and Voluntary, Community and Social Enterprises (VCSEs) can bid;
  - run a competition and specify that only suppliers located in a specific geographical area can bid.
- We should consider how we can utilise PPN 11/20 to support our SME, social value and levelling up priorities.

### Crown Commercial Service (CCS) routes to market

Commercial teams should first consider whether there is a suitable CCS agreement to go to market through. A CCS framework provides an efficient route to market for common goods or services, allowing users to reduce cost, mitigate risk and maintain delivery assurance. CCS has a range of frameworks that should be considered for consultancy services, including but not limited to:

- **Management Consultancy Framework (MCF)** MCF3 is a multi-lot framework with comprehensive customer guidance which should be applied alongside this Playbook where appropriate. This framework provides buyers with access to a mix of functional lots (e.g. strategy, finance and HR) and sector specific lots (e.g. infrastructure and health and social care)
- when buyers have more sector-specific or technical needs (e.g. construction, IT or financial) they should work with CCS to find a more suitable agreement

Please see [the full list of CCS categories and agreements](#). To ensure the use of CCS agreements is effective and compliant for buyers, all contracts (call-offs) should be consistent with the applicable customer guidance.

### Alternative routes to market

There are various other routes to market that can be considered. Contracting authorities may have their own frameworks providing a niche or sector focused consultancy service. If these internal frameworks are also unsuitable, then commercial should consider running a full procurement process. It is better to take time over a procurement than to get the wrong advice that leads to delays within the project.

### Procurement procedure

The default and recommended procurement procedure should be competition, either through a framework, or if appropriate, via a standalone procurement process under the procurement regulations. However, there are certain circumstances where a direct award

or direct ordering can be used if adequate justification is provided and the contracting authority meets relevant procurement regulations, such as:

- a call-off procedure which is expressly permitted by a framework agreement
- requirements can be met by only one supplier
- extremely urgent timescales (this option will only be accepted as justification in exceptional and unforeseen circumstances)

Any decision to choose a direct award or direct ordering route, whether that be through a permitted framework or due to exceptional circumstance, should be led by our commercial teams and legal

advice should be considered. It should also comply with both regulation and internal governance procedures.

#### **‘Pro bono’ offers**

Consultancies may wish to offer our teams pro bono services. There are many reasons why consultancies may offer services free of charge, including but not limited to:

- demonstrating new ways of working
- building relationships

It is often a mistake to accept pro bono offers, as it locks in what may well be the wrong vendor and makes performance management harder. We should consider the guidance highlighted below when offered pro bono consultancy services:

#### **Guidance for pro bono offers of work**

##### **When offered pro bono services, contracting authorities should ensure that:**

- any pro bono offer is subject to the same internal approval process and scrutiny as billable work, and documented as such through a signed agreement;
- the offer of work has clearly defined scope, along with any associated deliverables;
- any related output in the form of further work or recommendations do not constrain the business in choosing who to compete work with in the future;
- there is a clear rationale for the piece of work being delivered, in line with the business objectives, pipelines of work or workforce requirements.





## Pricing and payment mechanisms

The pricing and payment approach is central to the relationship between client and supplier. It should be considered right at the start of the preparation and planning phase, and informed by meaningful market engagement. If procuring services from a framework, the terms agreed with suppliers on that framework should always be considered.

A useful starting point is considering whether the model should be one of the following:

- **Time and Materials (T&M)**, where the supplier will charge the client for actual time worked, based on a pre-agreed rate card (typically day rates by consultant grade, which cover staff costs, other overheads and profit)
- **Fixed price**, where the supplier will charge a set amount to deliver the services to the agreed specification/ timeframe, regardless of actual time worked. Suppliers are typically able to provide a fixed price by estimating how long the work will take and adding some contingency
- **Payment by results**, where the amount the supplier will charge varies by the outcome achieved, incentivising performance. Suppliers will typically charge a portion of their fees based on T&M or fixed price, with the remaining portion dependent on the results they deliver

This decision should be guided by the scope of the contract, notably the deliverables in the specification, and our understanding of the project's desired outcomes.

We should ensure that we are adopting the most appropriate pricing mechanisms at all stages of the project lifecycle. Whilst a T&M model may be appropriate for contracts at the start of projects, when scope and desired outcomes are less clear, a fixed price arrangement should be considered further along the project lifecycle when the requirement is more mature. This will allow for greater certainty of costs incurred and more flexibility for consultants in how they achieve the deliverables.

Payment by results can be an effective way to incentivise supplier performance against the measures which are most important to the buyer, and allow flexibility to the supplier to carry out the project in an innovative way. This is likely to be appropriate in situations where there is a robust specification and an effective way to measure performance and can help to distribute risk appropriately between parties with projects that represent a greater level of risk. It should be paired with close contract management and the creation and monitoring of appropriate KPIs.

We can only ask consultants to risk their profitability via a payment by results approach if they possess all the levers that would enable them to realise the outcome. These can be considered when the desired outcome can be quantified, for example cost savings achieved or efficiency improvements delivered by the supplier. It is crucial here that client and supplier agree on a clear and documented baseline against which any results will be measured and that any inter-dependencies with in-house teams are understood.

Table 3 outlines the typical corresponding pricing arrangements for these approaches and when they should be considered. Recognising the need for flexibility, the different models can be tailored to suit

specific requirements. Project teams should contact commercial when considering hybrid solutions for pricing models, to ensure that risk is balanced appropriately:

**Table 3.** Typical pricing arrangements and when they can be considered

<b>Time and materials (T&amp;M)</b>	<b>Fixed price</b>	<b>Payment by results</b>
Little risk transferral	Increased risk transferral	Increased risk transferral
Pricing model may be appropriate when:		
<ul style="list-style-type: none"> <li>⚙ we have limited clarity on scope/complexity of the project;</li> <li>⚙ there is higher transparency of costs with visibility of resource grades and days billed;</li> <li>⚙ we have resource available for proactive operational and contract management as client bears cost of project overruns.</li> </ul>	<ul style="list-style-type: none"> <li>⚙ we have greater clarity on scope/complexity;</li> <li>⚙ there can be lower transparency of costs with limited understanding of how the fixed price breaks down;</li> <li>⚙ we have less resource available for proactive contract management to control cost as consultants bear the risk.</li> </ul>	<ul style="list-style-type: none"> <li>⚙ we have greater clarity on scope and associated risks, with consultants willing to base part of their fees on performance;</li> <li>⚙ there is more transparency on actual value delivered by consultants;</li> <li>⚙ we are prepared for more mature contract management (otherwise issues related to the achievement of results and associated rewards may arise).</li> </ul>



## Evaluating bids

The bid evaluation process should work so that suppliers are able to put forward their best bid and clients can effectively evaluate these to ensure the best solution is chosen. When evaluating bids, ensure that:

- the project team who will be working alongside the consultants are involved in the evaluation process, as well as commercial and finance. This will help to ensure that bids are evaluated compliantly, and in line with project priorities. Refer to the OKUA model on page 7 to ensure that the relevant functions have been considered
- evaluators have the skills necessary to evaluate a bid effectively. For example, those performing the price evaluation should have the necessary financial skills
- evaluators should satisfy themselves that the consultant team proposed in the bid will be the team that ends up working on the engagement. It should not be the case that we are offered one team, but then a different and potentially less suitable team arrives when the engagement gets underway
- project teams shall seek commercial and legal advice before using presentations or interviews in evaluations. Presentations and interviews can help us understand how consultants work and whether the consultant team will be a good match for the Civil Service team. The guidance on page 31 details how best to consider presentations and interviews in evaluation criteria
- the project team provides structured feedback to suppliers at the end of the evaluation period. This will improve the consultancy ecosystem by enabling suppliers to put forward stronger bids in future. This should be supported by notes and feedback produced by evaluators when assessing bids





## Using interviews and presentations in evaluating bids

When using interviews or presentations contracting authorities should ensure that:

- the ITT clearly explains the process for deciding which bidders take part;
- there is a standard script and marking scheme;
- presentations and interviews are only used to either evidence the written bid or to evaluate the skills/experience of the particular people who will be delivering the contract. They should not be used to cover selection stage criteria (e.g. past performance, supplier identity, etc.);
- scoring methodologies are objective;
- presentations and interviews are permitted by the framework agreement and used in accordance with the process set out in the framework agreement.

## Spend data capture

We should be capturing and maintaining accurate data about our use of consultancy. This includes the suppliers used and their size, the type of consultancy, the cost and the reasons why consultants are being used. Having such data allows us to:

- build a picture of the government's consultancy ecosystem, and understand the impact of ongoing reforms
- identify potential synergies and avoid duplication
- gain insight into skills/knowledge gaps to strengthen internal capability and facilitate cross-government knowledge sharing

Contracting authorities should follow the process map below to ensure we are capturing the right data effectively.

### Approach to data input and capture

#### 1 Are the services consultancy?

First consider whether the services being supplied are in fact consultancy. Besides consultancy there are two types of external resources: contingent labour and professional services. Review spend definitions, including Cabinet Office controls guidance, to determine the type of service.

#### 2 What type of consultancy?

Next identify the type of consultancy, for example strategy, PPM etc., based on existing definitions. If unsure then ask for support from commercial colleagues with expertise in consultancy. Where invoices contain a mix of services, the invoice should be classified as the area with the majority of spend.

#### 3 Further data for Cabinet Office controls

For projects in scope of Cabinet Office controls, a range of further data will need to be provided, including the reasons why consultants are being used. This data should align with how spend is later recorded in finance systems. Engage with the Cabinet Office Controls Team as early as possible for advice and guidance.

#### 4 Transparency requirements

Departments in-scope of transparency principles are also required to make a range of information available to the public. As such, details of all central government contracts over £10,000 must be published online on Contracts Finder.

## Key points

1. The procurement process should be guided and informed by meaningful market engagement, proportionately to its value, scope and duration.
2. Shift the focus of our requirements to the **outcomes** we want to achieve, and the deliverables that produce those outcomes.
3. Structure our specifications and evaluation questions and criteria to allow for unique and innovative responses.
4. Building government knowledge and capability should be a core requirement when we commission consultants.
5. Carefully consider the most appropriate pricing mechanism for our requirements, based on how well the desired outcomes are understood.
6. Ensure we are capturing effective and accurate data for all procurements.



## Want to know more?

1. **PPN 12/15**, 'Availability of Procurement Procedures' - guidance on procurement route in line with the Public Contracts Regulations (PCR) 2015. (Noting that local government and the wider public sector are not in-scope but may still choose to use the guidance).
2. **PPN 06/20** – taking account of social value in the award of central government contracts.
3. Consult the **Risk Allocation and Pricing Guidance Note** for further information on pricing and payment mechanisms.
4. Common areas of spend or controls guidance found at **Cabinet Office controls guidance**.
5. If you have any questions regarding Cabinet Office controls, contact **commercialcontinuousimprovement@cabinetoffice.gov.uk**
6. Consider the **Bid Evaluation Guidance Note** for further information on avoiding low bid bias.

Right at the start

Going to market

Maximising value throughout



## ③ Maximising value throughout

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‘Consultants will add more value if we are an intelligent client that champions knowledge and skills transfer and puts collaborative ways of working at the heart of all engagements.’

Throughout our consultancy engagements, right from pre-procurement to contract exit, we should be looking for opportunities to maximise value. This section outlines how we can do this by being a more effective client and by ensuring knowledge generation and transfer. Because the principles outlined here will add value throughout engagements, this section should be considered at all stages of the procurement lifecycle. The fundamental principles to maximising value are:

- be open and honest in supplier engagement, particularly around resource matters
- ensure a joined-up approach to contract management and service delivery
- fulfil our obligations as civil servants to enable and support the delivery of the contract (e.g. audit trail, providing data, legislative requirements etc.)
- client and consultant leadership teams should stay in close contact so that we can face challenges together and assure effective knowledge and skills transfer
- set clear expectations of consultants on knowledge and skills transfer deliverables, bearing in mind that knowledge and skills transfer is a dynamic process, not just the transferral of static documents but is a dynamic process

- ensure that the IR35 status of consultancy engagements is agreed up front. Changing the tax status mid-engagement can disrupt delivery and lead to tax liabilities for the contracting authority. Please see the off-payroll working guidance on page 17 for further information

### Being an effective client

To get the most out of consultancy engagements we need to be a more effective client. We should commit sufficient time and resource to contract and relationship management, engage openly and embed collaborative activities in our ways of working.

#### **Being open and honest about resource commitments**

We should be prepared to provide resources to work as part of a ‘blended team’ with consultants. Not doing so may result in a less collaborative engagement and make knowledge and skills transfer less effective. Note that these resources should be able to fully commit to a role on the consultancy engagement, be it full or part time, to maximise the intended benefits without interference from other workloads. We should be honest and specific with suppliers about how much resource we can commit, their current capabilities and any skills they would like to develop. Similarly, consultants

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“ Set clear expectations of consultants on knowledge and skills transfer deliverables, bearing in mind that knowledge and skills transfer is a dynamic process, not just the transferral of static documents.”

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should be honest throughout the lifecycle about how they intend to resource projects, honouring resource commitments made in the original bid.

### **Contract management and governance**

Strong contract management is critical to the success of our consultancy engagements. The approach to contract management should be clearly understood by both parties at the outset. Contract management provisions should cover obligations management, budget and spend monitoring, governance, KPIs (where appropriate), benefits realisation and relationship management. Strong contract management will be important to manage cost and delays, and will also allow us to guard against scope creep by ensuring that consultants stay on brief. As clients we should consider forming a steering group with a clearly defined remit to support contract governance and manage the expectations of internal stakeholders.

In the mobilisation phase, we should establish ways of working and identify any dependencies between client and supplier, particularly around data and personnel. It is important to consider provision of IT and management of document version control to maximise efficiencies during the engagement. Doing so will help us to hit the ground running when the contract gets underway. Throughout the engagement client

and supplier should stay in close contact to share plans and thinking, and come together to discuss challenges. To promote these behaviours we should define regular touchpoints where client and supplier teams can review progress, check on knowledge and skills transfer and give feedback. This effective collaboration will only be achieved if an enthusiastic example is set by the SRO and the wider leadership team.

The governance responsibilities and accountabilities of both parties should also be clearly articulated and understood. The client-side SRO should have the vision, skills and time to carry out governance and contract management responsibilities while staying fully engaged throughout the project. We should also propose specific roles for others who make the project a success alongside the SRO, for example key points of contact for data or secondees into the consulting team. The contract should include provisions for managing changes of personnel, especially the SRO, as well as escalation procedures for when either party's leadership teams become ineffective.

### **Preparing for contract exit**

We should prepare for contract exit in good time, following the exit plan that we shall set out at the start of all engagements. We should create the capacity to take ownership of deliverables and working



documents well before the end of engagements, including any intellectual property that is to be transferred as part of the contract. This will facilitate a smooth transition and ensure that knowledge transfer is successfully delivered (See page 41 for delivering knowledge at the end of engagements).

With adequate preparation, we will ensure that civil servants are prepared to manage the business need and reduce dependency on external consultants. Where there is an exceptional need for consultants, we should decide early whether an extension or re-procurement would be most suitable and prepare accordingly.

## Knowledge generation and transfer

Consultants may be necessary to fill specific skills and knowledge gaps which can not be provided by internal resources. However, we are committed to reducing the need to buy the same skills and knowledge again, therefore, we need to ensure we equip our civil servants to undertake work too often placed in the external market. Systematising the generation, transfer and sharing of knowledge from consultancy engagements is therefore a core commitment in our plans.

To help achieve this, the default expectation will be that all consultancy assignments commissioned by government will generate tangible knowledge, and transfer knowledge and skills, shared openly across HMG through the GCH Knowledge Exchange. The system will be supported by the procurement process the GCH Triage Service, Cabinet Office controls, the Knowledge Exchange platform, and supporting Guidance Note.

GCH's Knowledge Exchange platform, which was launched in December 2021, is a cross-government knowledge sharing platform and the go-to place to search and share the output from consultancy engagements such as actual materials delivered to clients, methodologies, tools, 'how to guides' and cases. Content on the platform is scrubbed to remove any sensitive information and is limited to content classified as 'official'. The platform is also home to the map of the government's internal consultancy and advisory ecosystem, helping to unlock the wealth of expertise and capabilities that exist in departments.

This section sets out the high level vision for knowledge generation and knowledge and skills transfer and is supported by the new **Knowledge and Skills: Generation, Transfer and Skills Guidance Note**.





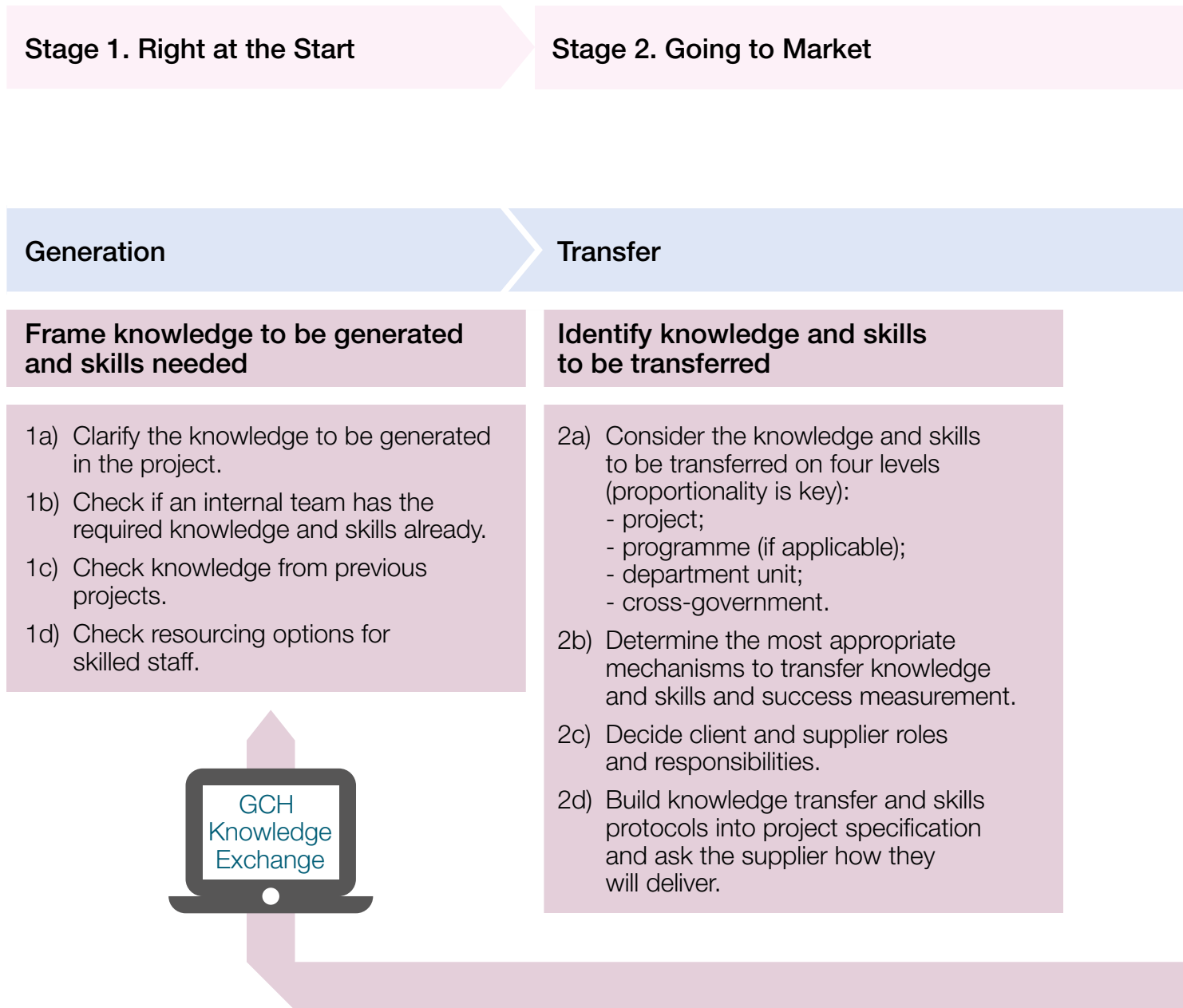


Right at the start

Going to market

Maximising value throughout

Figure 3. Systematising Knowledge and Skills Transfer





### Stage 3. Maximising Value Throughout

Before

During

After

Share

#### Put in place the knowledge and skills transfer plan

- 3a) Determine and maintain the governance around knowledge and skills transfer.
- 3b) Transfer relevant skills throughout the project, including bringing knowledge to life through the GCH Events Programme and measure the outcome, ensuring connection with any strategic workforce plan (if applicable).

#### Deliver and amplify knowledge and skills

- 4a) Knowledge assets should be codified, scrubbed and delivered. Cross-government deliverables should be delivered to GCH.

## Right at the Start

Contracting authorities should consider what knowledge and skills are necessary to deliver the required project outcomes. To help answer this, they should check the GCH Knowledge Exchange platform to determine if there is existing codified knowledge and/or is a consulting and advisory team in-house with the knowledge to either help deliver and/or help frame the brief. They should also check if a similar project has been undertaken in their own department or across government and consult strategic workforce plans. Understanding exactly what knowledge needs to be generated and any gaps in knowledge and skills will help to inform the decision to go to market.

## Going to market

Once a decision has been made to engage with the market, organisations should consider what knowledge and skills must be transferred during the lifecycle of the assignment. Contracting authorities should think about four different audiences and their respective transfer needs:

- project
- programme (if applicable)
- departmental/ business unit
- cross-government

When these needs have been identified, it is then important to consider the best mechanisms for transfer and how to measure the effectiveness of the transfer process for each deliverable. Guidance for how to do this is contained within the Knowledge and Skills: Generation, Transfer and Sharing Guidance Note.

Knowledge and skills transfer strategies should be proportionate and tailored to the resource capacity within teams. The plan should consider the nature of that knowledge,

how quickly it will go out of date, how easily it can be written down and the intended audience. In smaller, resource limited or highly technical projects, more light touch activities may be appropriate, such as sharing a scrubbed version of the final deliverables of the project. However, organisations and suppliers are encouraged to avoid the pitfalls of thinking that the knowledge generated and skills needed in their project are unique or not applicable elsewhere.

It is crucial that knowledge transfer is an active, two-way conversation that is considered at all stages of the project to maximise benefits for both clients and suppliers. There should be clear roles and responsibilities for the client and the supplier; the supplier should know what they are being expected to deliver in regard to knowledge and skills transfer and measurement, and at which points during the project that these deliverables should be fulfilled. On the client side, resources and time should be made available to support and champion the transfer process. It is worth bearing in mind that working as part of a 'blended team' with consultants results in a more collaborative engagement and significantly increases the effectiveness of knowledge and skills transfer.

The brief should be carefully designed to address the knowledge and skills determined to be transferred. For smaller projects it may be that a short paragraph describing the deliverable, the measure of success, the timings for delivery and roles and responsibilities is sufficient. However, larger more complex projects will have multiple deliverables and measures of success and in these cases it is best to include a knowledge transfer plan in the documentation.

## Maximising value throughout

Knowledge and skills transfer expectations laid out in the specifications should be covered as part of the good contract management practices established in the project. Touchpoints should be fixed and the key knowledge and skills transfer contacts on the client and supplier side should meet regularly to review progress against the knowledge transfer plan.

Continually sharing information and working documents along the lifecycle of the project and recording key dates and decisions will ensure that the development of codified knowledge assets or learning sessions are as fresh as possible and limit the risk of the 'thread of thinking' being lost when the project ends.

For knowledge being shared to a cross-government audience there is also a requirement for the deliverables to be scrubbed of sensitive information. Guidance for how to do this is contained within the

Knowledge and Skills: Generation, Transfer and Sharing Guidance Note. For knowledge sharing events and learning sessions that could be useful to a cross-government audience, client transfer contacts should get in touch with **GCH-Knowledge@governmentconsultinghub.com**, who will work with contacts to determine the best way to amplify the event with a wider audience. This may be in the form of a recorded webinar, a lunch and learn or a live event.

All agreed deliverables should be shared with the client point of contact at the end of the project. A final review meeting should take place to confirm that what was expected has been delivered. Codified knowledge for the project, programme and departmental audiences will be delivered to the appropriate internal repository. For cross-government audiences, the knowledge should be shared with **GCH-Knowledge@governmentconsultinghub.com**, and this will be uploaded to the Knowledge Exchange platform.

## Key points



1. Both the client and the supplier should be open and honest about resource commitments.
2. Develop robust contract management mechanisms and ensure that these are clearly understood by both parties.
3. Aim to create a blended team that can work iteratively with consultants but be clear about current skills, sought skills and capacity.
4. Understand whether off-payroll working rules will apply to engagements with consultants and meet the legislative requirements where they do.
5. Be clear about the knowledge and skills necessary to deliver the required project outcomes and check existing knowledge and skills before engaging with the market.
6. Be specific about the knowledge and skills that should be transferred, considering the audience, the appropriate transfer mechanism and measures of success.
7. Create capacity to support knowledge and skills transfer at the beginning and end of a project, and ensure transfer is considered as part of the contract management process.
8. Information and working documents should be continually shared and throughout the project deliverables should be “scrubbed and shared” and opportunities taken to create events that will share knowledge with the wider Civil Service.
9. Knowledge should be delivered to the appropriate internal repository. Contact [GCH-Knowledge@governmentconsultinghub.com](mailto:GCH-Knowledge@governmentconsultinghub.com) to share knowledge intended for a cross-government audience, or for access to the GCH Knowledge Exchange.

## Want to know more?

1. The Government Consulting Hub are contactable at: [Governmentconsultinghub@cabinetoffice.gov.uk](mailto:Governmentconsultinghub@cabinetoffice.gov.uk)
2. See the [Knowledge and Skills: Generation, Transfer and Sharing Guidance Note](#).



