Scope of Requirements (SoR) Writing Guide and Template

To develop a Scope of Requirements (SOR) for the Goods and/or Services required ensuring a full and detailed tender is produced with appropriate scoring.

It is important to remember that SoR’s are used to support the tender which is assessing the capability, capacity and commerciality of the bidders.

The SOR doesn’t need to provide too much detail as this could potentially create issues in terms of determining the winning bidder. It is often easier to imagine your tender as the ‘exam’ paper to assess the bidders’ capability, capacity and commerciality against your SOR.

Try to write your SOR in a sufficiently detailed manner, so as to provide enough of a basis at a later stage when you will be required to extract relevant criteria that will be used to differentiate competing proposals. Remember that the selection criteria that you develop for your tender must have a logical foundation. For example, you cannot differentiate bidders on factors that would exclude others such as based on specific brands and/or services that would unfairly exclude others.

If writing a performance-based SOR, try not to “tie the Bidders’ hands” by being overly prescriptive in your description of the work and the manner in which it is to be undertaken. While care should always be taken to fully describe your requirement, try to balance this by leaving bidders with the flexibility in their proposals to offer innovative and environmental considerations and strategies, and to accept maximum responsibility and accountability for the results of their work.

When writing your SOR, try to think ahead to the contract award and management stage (once the winning bidder has been selected and the work is underway). In doing this, try to write your SOR in such a way as to ensure that the mutual expectations of the resulting contract will be adequately described and easily understood. Once the contract is underway, a well written SOR will go a long way to minimising potential misunderstandings and/or disputes with your supplier.

Remember to always use generic (non-proprietary) terminology and references in describing your requirements. This enables greater competition, and it also minimises the risk of a bid challenge or allegation that the requirements were slanted to a particular bidder.

There is tremendous potential within a SOR for overlap, duplication, and/or contradiction with the Terms and Conditions (t&c’s) of the resulting contract. Remember – the contents of the SOR are variable to define the requirements at hand vs the t&c’s which contain the standard terms and conditions of the resulting contract. If it’s covered-off in the t&c’s, you generally don’t need to worry about it in the SOR.

Above all, do your best in the SOR to convey to the Bidders what it will take on their part to complete the work to your satisfaction, and accordingly what it will take for them to ultimately have their work accepted and certified for payment.
Example Scope of Requirements (SoR) Template

The following example SOR is designed to help ‘subject matter experts’ to work through their scope of requirements when looking to source a supplier. Once you’ve worked through the SOR you will need to arrange a meeting with Procurement who will advise and support the most appropriate method of supplier selection as required by Public Procurement regulation.

1. TITLE

The Title clearly and succinctly summarises the name of the requirement being contracted for, and should, ‘at a glance’, answer the question: who is trying to buy what and via what form of contracting.

   a. Briefly and clearly, identify the type of service being acquired, the organisation (Department, Faculty, Office, etc.,) acquiring the services.

2. BACKGROUND

The Background section provides contextual information that plays a key role during the proposal solicitation stage by providing Bidders with an understanding of the organisation’s requirement, its objectives and key drivers for the work to be undertaken that can assist in determining whether to bid and in preparing a Proposal. The Background section should also support the organisation’s documentation of its business case, including the rationale for the work and the need to enter into contract.

   a. Describe the mandate of the organisation (Department, Faculty, Office, etc.,) acquiring the services.

   b. As required, identify the authorised users of the resulting service/product. Describe the area within the organisation (Faculty, Division, etc.,) requiring the services. Similarly, identify whether the resulting service/product will be accessible by all areas within the organisation, or by only selected (and identified) authorised users.

   c. Describe the specific commodity (type of service) being acquired.

   d. At a high level, briefly describe the organisational program, project, or internal operational requirement for which the services are being acquired. The ‘need’ for the work to be completed must be clearly articulated – if possible, contextualise the project/requirement within the organisation/area’s overall business plan.
e. If available, and if it would be helpful to Bidders in developing their proposals to provide publicly accessible informational links such as website URL’s.

f. Identify whether the requirement is recurring, the first in a series of similar upcoming requirements, a subsequent phase in a multi-phase program/initiative, or a ‘one off’ (i.e. one-time only) project. If the work to be undertaken consists of planning for or requirements definition in support of anticipated future work for which contracts will be established by the University at a later date, this should be clearly articulated, including any restrictions that may be placed on the resulting Supplier(s) from participating on the future work. This subsection can help to mitigate the risk of perceived bias and/or prior knowledge on the part of ‘incumbent’ Suppliers, through the organisation’s proactive disclosure of its previous activities and future intentions.

3. OBJECTIVE

The Objective section identifies the organisation’s overall outcome for the resulting contracted work, to provide a clear understanding and enforceable outcome for the work to be undertaken. The Objective also identifies the organisation’s anticipated outcome of the competitive bidding process, leading to the awarding of the resulting contract(s). Its primary role at the tender stage is to provide Bidders with a clear understanding of the structure and number of resulting service/product(s) to be awarded.

a. Describe in outcomes-based terminology precisely what the organisation hopes to achieve as a result of this tender.

b. Indicate if it is the organisation’s intent to award the resulting service/product(s) to one or multiple Suppliers.

c. Identify whether the required type of Supplier consists of a firm or an individual providing services, or both.

4. DEFINITIONS AND APPLICABLE DOCUMENTS

Definitions and Applicable Documents section provides contextual information at both the tender and contract stages to ensure clarity in the interpretation of the SOR and identification of overarching legislation, policies, procedures and guidelines that will govern the resulting work. The purpose of this section is to mitigate ambiguity and misunderstanding that could lead to poor proposals at the tender stage, or default, breach or dispute at the contract stage.
5. BUSINESS AND/OR TECHNICAL ENVIRONMENT

Business and/or Technical Environment section provides contextual information to Bidders at the tender stage to identify operational requirements of the work and programs, systems and infrastructure with which the Supplier(s) will be required to work in the contract stage.

6. DESCRIPTION AND SCOPE OF WORK

The Scope provides guidance at the tender stage to assist Bidders in understanding the work to be undertaken and provide clarity in developing their Proposals. At the contract stage, the Scope provides enforceable guidance to the Supplier as to where to focus its efforts in the resulting contract to ensure the Supplier remains 'in scope' and focussed on issues, tasks and other activities that are relevant to the completion of the work.

The Scope section with a SOR describes the logical boundaries within which the work will take place (i.e... what is the work, and what is it not?). In contrast to the deliverables under the contract (described in 8) which identify the specific, tangible items the Supplier must complete in order to receive payment, this section “sets the stage” for a later and more precise description of the deliverables, by first describing the work at a macro or conceptual framework level, and in more general terms.

Where deliverables may be characterised as Outputs of the resulting contract, the Scope identifies the Inputs (requirements of the broader field of work, specific activities, etc.) required to successfully complete the work.

Frame the required work within the context of the professional discipline in which it is situated. Provide a brief description of the discipline to ensure understanding of the requirements to successfully undertake the work within this broader field.

Clearly describe the activities the Supplier is required to undertake that will lead to the production of the deliverables (8), but that are not part of the content of the deliverables themselves. To ensure the contract remains “Performance-Based” do not over-specify the specific methodologies or approaches to be used in completing these required steps. Any organisational/requirement specific methodologies should be described in 10.

For each activity described, provide the scale and metrics (e.g. identify the frequency, quantity or volume of inputs the Supplier is required to make) for the successful completion of the work. For anticipatory service/product all Scope activities will be “as required”.

For Professional Services/Project Scopes of Work, identify the high level project phases/milestones. To avoid ambiguity or contradiction, direct Bidders/Suppliers to 8 for identification of where the deliverables fit within these phases/milestones. For Scopes of
Work where deliverables are unknown, the Scope may be driven by the type of Resource Categories required. In this instance, describe the typical activities associated with each of the Resource Category types (as defined in 9).

7. DELIVERABLES

The deliverables section clearly identifies the tangible products or outcomes that the Supplier is required to produce in order to receive payment (i.e., “Outputs”). In accordance with contracting policy, payment should be made only for satisfactory completion of a concrete Deliverable or delivery of a service.

   a) Clearly identify when payment will occur for the deliverables (i.e. at the end of the contract; upon receipt of the Deliverable; upon completion of the milestone; monthly; or otherwise). Payment is always conditional upon the satisfactory acceptance of the Deliverable(s). Clearly state this condition here.

   b) Direct the Bidders/Supplier(s) to the subsequent sections of the SOR that will govern how the work is to be completed. This enhances the enforceability of the resulting mechanism at the contract stage by clearly linking the completion of the deliverables to the required resource quality, approach, performance standards, communications requirements, etc. The subsequent sections are critical at the contract stage and form an obligation on the Supplier in the successful completion of the work.

8. SUPPLIER RESOURCE REQUIREMENTS AND QUALIFICATIONS (If required)

Supplier Resource Requirements and Qualifications section identifies, in part, how the Supplier is required to undertake the work, by identifying the type of people (skill sets) the Supplier is required to deploy and accountabilities for activities associated with each of the Supplier’s resources for the completion of the work. At the tender stage, this section provides guidance to the Bidders in relation to the organisation’s requirements and expectations; and it will also establish a foundation for developing selection and evaluation criteria within the tender. At the contract stage it will be used to assess the suitability of the Supplier’s deployed resources, providing the organisation with a measure of enforceability for qualifications, in addition to providing enforceability for availability and replacement of named resources.

   a) Clearly identify the Resource Categories required (e.g. Supervisor, Business Analyst, etc...) and their level of seniority in relation to the other Categories required.

   b) Each Resource Category should be described in two (2) parts:

       • description of the Resource Category’s role and activities in the resulting work - This should NOT be written as a traditional “job description” (to avoid any appearance of an Employer-Employee relationship); and
• a description of the minimum required qualifications for an individual within the Resource Category to successfully undertake the work - Try to highlight the actual qualifications, skills, experience and knowledge genuinely required by the Supplier's key resources needed to successfully and competently undertake the work, as described within the SOR.

Note: In some cases, qualifications, experience and/or skill sets may not be specific to any one Resource Category. As needed, identify any specific skills/experience the Supplier, in general, is required to possess in order to complete the work. This information will also inform the development of the selection and evaluation criteria.

Clearly identify whether the resulting contract will allow for the completion of work by named resources only (i.e. only those individuals proposed and screened can complete the work) or whether any resource may be provided by the Supplier provided that he/she meets the established requirements. If the former, in the event these resources are unavailable, the Supplier will be ineligible to receive the contract.

9. APPROACH AND METHODOLOGY

The Approach and Methodology describes how the Supplier will specifically go about the completion of the work under the resulting contract. Typically, in performance-based SoR’s, and to mitigate the risk of liability for the organisation in the event of dispute or poor performance under the contract, the Supplier is required to provide its own specific methodology for the completion of the tasks and deliverables. Bidders submit a proposed Approach and Methodology as part of their Proposal, which may be evaluated in the selection and evaluation criteria, and which, upon acceptance of the Proposal by the organisation, becomes enforceable in the resulting contract.

Dependent upon the requirement, there may be portions of the Approach and Methodology that need to be prescribed to ensure conformity of the Supplier’s work with existing government, industry, or discipline standards; or existing methodologies used within the organisation. Where this is the case, take care to ensure that only those portions of the method that are essential are prescribed, and that the Supplier retains creativity for innovation, and thus liability, for the implementation of its methodology and the resulting outputs.

10. PERFORMANCE STANDARDS AND QUALITY ASSURANCE

Within any contract, there is an inherent performance standard that failure on the part of the Supplier to complete the required deliverables will result in the withholding of payment and/or determination of breach of contract and/or default on the part of the Supplier. Clearly identify this expectation and the associated role of the contract Operator/Manager who is responsible for
determining the compliance of Supplier deliverables with the Performance Standard of responsiveness, timely completion and quality work. In the event of dispute, this section must be clear enough to enable the withholding of payment under the contract for poor performance.

Consider:

- Speed/timeliness of service delivery or work completion;
- Technical conformity of the product/service/work to specification (i.e. functionality, accuracy and completeness);
- Accessibility of the Supplier (e.g. for Client Services contracts);
- Client satisfaction with the Supplier’s level of service (as assessed by a client satisfaction index).

11. REPORTING AND COMMUNICATIONS

Reporting and Communications section describes the obligations on the Supplier to maintain contact with the organisation during the resulting contract. It also identifies any specific reports or other updates the Supplier will be required to provide during the course of the work, that are necessary to ensure product/service oversight and control.

12. RISKS AND CONSTRAINTS

This section identifies potential risks (real or perceived) that could incur in undertaking the work, and any operational constraints that could impact the ability of the Supplier to complete the work and/or require consideration in the Supplier’s methodology. At the contract stage, identification of any Risks and Constraints in the SOR provides a degree of legal protection for the organisation.

Should any Risk that has been identified befall the Supplier, or should a Constraint impede the Supplier’s ability to complete the work; previous transparency and disclosure of these items in the SOR can mitigate the organisation’s liability, as the Supplier has been informed of their potential and has accepted this in its offer to enter into and acceptance of the contract.

Clearly define the terms Risk and Constraint. A Risk is an unusual or exceptional peril (e.g. legal, physical, financial) that could befall the Supplier in the course of undertaking the work. A Constraint is an operational reality within the organisation’s environment that may impede the Supplier’s ability to complete its work.

Describe the specific Risk(s) (e.g. risk of physical harm, risk of third party litigation, etc.) that has the potential to occur. Clearly identify the responsibility of the Supplier to take appropriate measures to mitigate the aforementioned risk.

Describe the specific Constraint(s) (e.g. restricted access, time constraints, etc.) that is known or likely to impede the Supplier’s work. Clearly identify the responsibility of the Supplier to take
appropriate measures to work within the Constraint(s). If the Work under the resulting product/service consists of planning and scoping for a future contractual requirement, it may be necessary to restrict the Bidder’s ability to participate in any future related work.

13. SUPPLIER RESPONSIBILITIES

Beyond the Supplier’s responsibility to complete the work under the contract in accordance with any defined methodology, performance standards and constraints, there may be other specific items the Supplier is responsible to provide/ensure while completing the work. Supplier Responsibilities are itemised to help mitigate the risk to the organisation of an employer-employee relationship arising under the contract.

14. LOCATION OF WORK AND TRAVEL

Location of work and travel specifies the geographic location(s) where the organisation requires the delivery of services and whether/how any requirements for Supplier travel will be reimbursed by the organisation under the resulting contract.

Define where the Supplier’s work will take place (i.e. at either facility identified by the organisation or at facilities of the Supplier's choosing, or both). If work will take place at organisational facilities, describe their location.

Clearly identify any requirement for the supplier to travel to locations other than the organisation’s place of business. If possible, specify anticipated locations, frequency, duration, number of resources, and schedule. Clearly describe any requirements for travel to locations that may be considered a Remote or 'Hardship' posting and any risks associated with such travel. If specific details are not yet known, provide enough information to identify the requirement. Identify whether no travel is anticipated under the resulting contract.

Identify whether the Supplier will be reimbursed for travel and/or living expenses to/from locations other than the organisation’s usual place of business. If travel is required, identify the Supplier’s obligation to comply with the Travel policy with respect to the reimbursement of expenses.

Identify whether funding for travel will be added to the contract upon award or whether the Supplier’s Proposal will form an estimate for travel costs. (If the latter, amounts for travel can form part of the evaluation process).
15. SECURITY REQUIREMENTS

This section of the SOR identifies requirements for the Supplier to comply with the organisation’s requirements under the Security policy. A Security Requirements Checklist may also be required and it is suggested to contact Facilities Management to determine what is needed.

16. INTELLECTUAL PROPERTY/COPYRIGHT

This section of the SOR indicates which party will own or have rights to the existing intellectual property used to complete the work, and which party will own or have rights to any new intellectual property created as a result of the work (referred to as “foreground”).

As a variety or pre-defined and often highly technical clauses are used in this section, employees should always seek input from Procurement (who will review with Legal if appropriate) prior to finalising this section.

17. SUSTAINABLE PROCUREMENT AND SERVICES

This section of the SOR identifies requirements for the Supplier to comply with the organisation’s requirements under the Guideline on Socially Responsible Procurement.

- Identify any specific equality and environmental requirements (e.g. use of recycled materials, etc.) for the Supplier’s work.

18. COMMENCEMENT, DURATION AND AWARD

This section of the SOR identifies the legal time frame for the resulting contract product/service and the commencement of work under the agreement.
Identify the time period of the resulting product/service, from the date of legal award to the specific end date or within a specified duration.

Identify any rights reserved by the organisation to extend the period of the resulting product/service, and for what duration.

19. INSURANCE/WARRANTIES

This section of the SOR identifies any legal obligations imposed on the Supplier in the resulting product/service in relation to the need to indemnify the organisation (i.e. insurance), or the need to offer a warranty or guarantee. It is suggested to contact Legal Services to discuss any special requirements.

As required, describe the type of insurance required, and whether the Supplier is expected to indemnify the organisation, and to what extent.

As required, describe any limitation on Supplier liability under the resulting contract.

As required, identify any specific liabilities the Supplier will be required to accept in completing the work under the contract.

As required, for goods and/or maintenance services, etc. identify any specific warranty or guarantee requirements, what is covered under the warranty/guarantee, to what standard, and for what time period.