

Procurement Procedure Rules 2012

Version 1.1

Central
Bedfordshire

A quick guide to help you understand the rules

1. Before any procurement, you must have expenditure approval, see overleaf for details

2. Which procurement process should you use? Follow Step 1, then Step 2 depending on the value

Step 1

For all procurement

It is mandatory that you use existing corporate contracts set up by the Council. These can be viewed on the intranet under procurement. If there is no existing contract you should check if a “framework” contract exists for that service set up by another public body via the “Procurement Hub” www.improvementeast.gov.uk/procurementhub . Only after those two routes have been explored should you follow the rules and methods detailed in Step 2 below. Contact the Procurement Team if you need help.

Step 2 up to £2,000

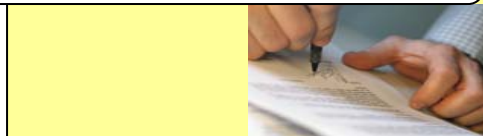
For contracts valued up to £2,000 the principles of best value apply and the selection process should be documented. Wherever possible at least 2 competitive quotations should be obtained.

If the contract is awarded to any other than the lowest bidder the reasons for doing so should be justified and recorded in writing



£2001 - £20,000

A minimum of three written quotations on the suppliers' headed notepaper or from the suppliers' email domain to the authorised officer.



£20,001 - £59,999

Formal quotation by sealed bid, (unopened envelope) opened in the presence of an independent authorised officer. At least three suppliers should be invited; five or more is best practice.



£60,000 - EU threshold

A formal tender advertised with the inclusion of contract conditions is required. At least five suppliers must be invited.



All Tenders above £60,000 must use the Council's electronic tender process (In-tend) the Procurement Team will assist you

EU threshold - Works £4,348,350 - Supplies and Services £173,934

Any procurement above the thresholds is subject to EU regulations and the Procurement Team must be consulted. The authorised officer must comply with one of the following options:

1. Undertake a publicly advertised competitive EU tender process seeking a minimum of five tenders.
2. Select a contractor from an existing EU compliant framework agreement. Where a mini competition is held, all providers who can meet the requirement must be invited to tender.

Who should authorise procurement?

CONSIDER THE BUSINESS CASE FOR THE PROCUREMENT What do you want to achieve? When do you want to achieve it? How will this improve our service to our customers, achieve harmonisation or give us an efficiency gain? Focus on the outcomes and the benefits

What is the estimated total value of your procurement? You must consider what the total cost of your procurement will be. For example, if you are considering a 3 year contract and the cost is £50,000 per year, then the contract value is £150,000. If there is no set number of years, then the annual sum must be multiplied by 4 to give the value for this assessment.

Up to - £59,999

Contract/Order signed by Authorised Officer

Expenditure/Order approved by Budget Holder

£60,000 - EU threshold

Contract/Order signed by Authorised Officer

Expenditure/Order approved by Assistant Director

Above EU threshold - Contract/Order/Expenditure signed by Service Director.

Key decisions over £200,000 total contract value require additional authorisation from, the Service Area and the Corporate Resources Portfolio Holders and Service Directors.

Above £500,000 total contract value The Council's Executive must be informed and their approval obtained. N.B All contracts above the EU Threshold must be Sealed

Explanatory notes. NB when sourcing contracts consider if TUPE applies (The transfer of direct workers between suppliers)

IS THERE AN EXISTING CONTRACT?

Check that what you are ordering is a new requirement and not already included in an existing contract or supplier arrangement. If your procurement is covered by an existing contract you must use it..

DO YOU HAVE AUTHORISATION?

Before committing any of the Council's money, you must gain approval, from the Budget Holder. This escalates to Assistant Director and the Council's Executive as above. If in doubt check with your Line Manager before ordering.

WHAT IS THE TOTAL PROCUREMENT VALUE?

From previous experience of contracts or from preliminary research, calculate an approximate total value of the goods, services or works you require (value is for the total period of the contract, including any extension, not just the annual value).

CAN YOU OBTAIN IN-HOUSE?

Do you need to buy the goods or services or will you obtain better value for money by 'making your own'? Don't forget, all printing requirements, stationery, office equipment and ICT equipment must be obtained through the relevant service areas.

HAVE YOU CONSOLIDATED SUPPLIER SPEND?

Generally it is more cost effective to reduce the number of suppliers and orders. This approach should bring cost savings and better service. Also check if other parts of the council are ordering from the same suppliers as the same principle will apply.

NEED HELP?

For more detailed instructions see The Procurement Toolkit, or contact the Procurement Team on:
procurement@centralbedfordshire.gov.uk