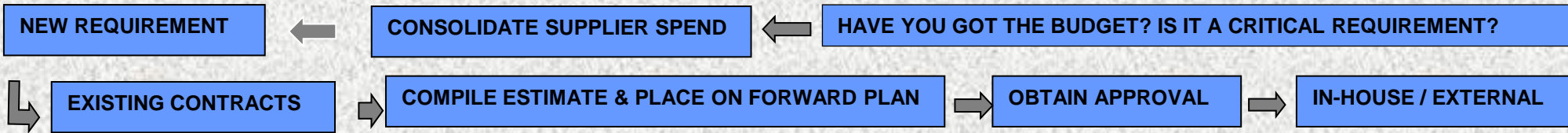


PROCUREMENT QUICK STEP GUIDE

ESTABLISHING YOUR NEEDS & REQUIREMENTS



What is the estimated whole life spend of your procurement inc vat ? : Consideration of Public Services (Social Value) Act 2012 : Do I need a formal Contract for this procurement? - Refer to details below to determine formal Contract or Council's Joint Terms & Conditions

Up to £5,000 inc Vat & £5,001 to £15,000

Although a formal procurement process does not need to be followed, value for money still needs to be demonstrated e.g.

For contracts up to the value of £5,000 inc vat you must obtain one price in writing.

For contracts between £5,001 - £15,000 inc vat you must request at least 3 prices in writing.

1. Before inviting tender/quotations the officer must appraise the procurement or disposal.

4. Advertise, procurement process, complete purchase order. Advise Procurement of any cost savings and details for contract register.

£15,001 - £74,999 inc Vat

3 written quotations, in accordance with the Contract Procedure Rules (CPR). Should contain some award criteria and evaluated by the relevant Client Officer and Line Manager. See below steps prior to procurement.

All Purchase Orders/Contracts over the value of £15,000 MUST be put onto the Contract register (see procurement officer for form). Where it is not possible to obtain 3 quotations written advice of the Chief Financial Officer/Monitoring Officer should be obtained.

2. Consider value & complexity of procurement/disposal and the best procurement method. Confirm the Award/permission process as this may impact time lines. Discuss with Procurement Officer

5. Update Contract Register with Procurement including Purchase Order or Contract details if over £15,000. See Procurement Officer for details.

£75,001 - £213,477 (Supplies & Services)

£75,001 - £5,336,937 (Works) both inc vat

Invitation to Tender to be advertised on Contracts Finder and issued to at least three candidates. Evaluation to be completed by Client Officer, Line Manager and Procurement Officer. Tender must be completed on the Council's e-sourcing system and carried out by the Procurement Officer. Consideration should be given as to if a performance bond should be required. The Chief Financial Officer should be advised at start of the procurement process.

3. Assess the risks, consult stake holders, consider sustainability, social value (for services) value for money and prepare specification. Take into account any key decisions. And decide if a formal Contract is required or to use Council's Terms & Conditions.

Works above £5,336,937 inc vat and Supplies and Services above £213,477 inc vat are subject to the UK/Public Contract Regulations 2015. Advice must be sought from the Procurement Officer and advertised in Find a Tender.



Do I need a formal Contract?

- Please see below details as to when a formal Contract is required:-
- 1. For all contracts up to the value of £15,000 the Council's Terms & Conditions should be used.
- 2. For all contracts of the value between £15,001 - £75,000 either the Council's Terms & Conditions or see the Procurement Officer for a Consultancy/service Contract or other bespoke contract.
- 3. £75,000 to UK/EU Threshold value the Council's Contracts or a bespoke contract must be used.
- 4. Above EU threshold, a bespoke, formal contract will be used.

PROCUREMENT QUICK STEP GUIDE – GLOSSARY OF TERMS

EXISTING CONTRACTS

Please check on the Contract Registers situated on the website for any current contracts that may cater for your requirement or check with the Procurement Officer before you go out to Tender or Quotation.

NEW REQUIREMENT

Before going out to Tender or Quotation confirm that the requirement is critical, do you really need it? Genuine new requirements must be procured in accordance with the CPR see guidance overleaf. An exemption should be the last consideration.

CONSOLIDATE SUPPLIER SPEND

Be mindful not to disaggregate spend in order to minimise the CPR. Also, are other Sections ordering from the same supplier? You may be able to negotiate better rates if you carry out the procurement together.

COMPILE ESTIMATE

From previous experience or research, calculate an estimated total cost (inc. VAT) of the Works, Supplies or Services you require. This estimate will dictate the procurement route and the budget you will require.

OBTAIN APPROVAL

Before committing any of the Council's money, you must gain approval from an authorised officer. Ask your Line Manager BEFORE you award the contract or place that order. Please take into account key decision processes if applicable.

IN-HOUSE / EXTERNAL

Do we need to buy in the Works, Supplies or Services or will we obtain better value for money by in-house provision?

What is the estimated total life spend of your procurement ?

This question asks you to consider what the total cost implication of your purchase will be inc. VAT. For example, if you are considering a 3 year contract and the cost is £2,000 per year, then the contract value is £6,000. If there is no set number of years, then the annual sum must be multiplied by 4 to give the value for this assessment. Alternatively, if you are considering ordering, say, a printer, then you should also be considering the cost of all consumables. For example, if the printer costs £600 and will be used for 3 years, and the cartridges cost £500 a year then the whole life cost of your order is £2,100 (£600 plus 3 x £500).

Warranty

Don't forget to ask about warranties and guarantees when considering where to place your order. The more extensive (for free) the better!

Payment Terms & Invoices

Usual payment terms are 30 days from date of invoice. Interest may be payable on late payments. Where possible invoices should be consolidated monthly.

Specification

Getting the specification right first time helps avoid extras that the supplier may add and charge for later. Working with the supplier(s) can help here.

Contract Register

NNDC maintain a Contract Registers on the website. Please ensure ALL new contract details are updated with the Procurement Officer and placed on to the Councils websites on a quarterly basis.

Risks

It is important to be aware of the risks and the options available to you when procuring Works, Supplies and Services.

Environmental Issues

NNDC are committed to the environmental implications and sustainability of all of our purchases. Particular attention has been made to this in the Public Contract Regulations 2015.

NEED HELP? – Debra Beckles – Procurement Officer Tel. 01263 516049

Last updated 23.01.2023