

## **BID Leamington Procurement & Tender Policy**

**Date: June 2020**

Whenever BID Leamington procures or tenders for goods and services, it should use the policy and procedures listed below to ensure best practice requirements are met.

Over a certain value open and effective competition is a key element in achieving value for money. All potential suppliers should be given the same opportunities to compete for work as it is identified.

### **The objectives of this Procurement & Tender Policy are to:**

- Ensure procurement activities are run fairly and transparently, so as to achieve mutual trust and respect.
- To seek to maintain an ethical approach and embrace openness, honesty, diligence, fairness, trust, respect and consistency and as far as possible, a good practice approach to procurement.
- Provide that appropriate works, goods and services are procured from reputable, competent suppliers on the basis of value for money for BID Leamington.
- Protect BID Leamington, and the individuals involved, from the risks associated with procurement not being properly conducted.
- Include as far as possible the principles of sustainable development in our choice of business partners and suppliers of works, goods and services.
- Support the local business community as far as possible

### **The BID Leamington Procurement & Tender Policy is based on the following underlying principles:**

- Procurement is based on value for money.
- Procurement is based on competition.
- Procurement complies with legal and regulatory legislation and regulations.
- Procurement is conducted according to ethical standards.

### **In order to drive performance and ensure compliance with this policy BID Leamington aims to:**

- Continually review procurement standards and decision-making tools to ensure they address issues prioritised in this policy.
- Invite suppliers to identify improvement opportunities.
- Monitor contractors and key suppliers against delivery objectives, including social and environmental performance.
- We aim to support and work in partnership to address any performance failures, but where there is a consistent lack of improvement; suppliers will not have their contract renewed.

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## BID Leamington Procurement and Tender Process

### Procurement Thresholds

The following thresholds apply where the total value of the full contract period for the procurement of goods and/or services (including options to extend) is, or is expected to be:

Range (excl. VAT)	Assessment	Approval Authority
£1 - £100 Petty cash or expenses reclaim	Goods and services of a low risk and occasional nature may be purchased without the need for multiple quotations. These goods or services must be ad hoc and not of a repetitive nature otherwise a single written quotation must be obtained.	Report progress annually to the BID Board as a part of annual accounts.
£101 to less than £2,000		Executive Director / BID Projects Manager.
£2,000 to less than £5,000	Where possible (should sufficient suppliers exist) seek two telephone (with a written record) or email quotations.	Executive Director or BID Projects Manager. Maintain a record of the decision.
£5,000 to less than £10,000	Seek a minimum of two written <i>requests</i> for quotations (should sufficient suppliers exist) and <i>obtain</i> a minimum of one quotation.	Executive Director. The Executive Director may elect to differ to the Chair or BID Board of Directors. Maintain a record of the decision on file.
£10,000 to less than £15,000	Seek a minimum of three written <i>requests</i> for quotations (should sufficient suppliers exist) and <i>obtain</i> a minimum of two quotations.	Executive Director and Chair of Board. The Chair may elect to differ to the BID Board of Directors. Maintain a record of the decision on file.
£15,000 to less than £50,000	Seek a minimum of three written <i>requests</i> for quotations (should sufficient suppliers exist) and <i>obtain</i> a minimum of three quotations.	This would be part of the tender process as below. Executive Director and Chair of Board via a decision of the BID Board of Directors. Maintain a record of the decision on file.

### Procurement Considerations

- **Needs analysis:** understand the objectives for overall spend, define the technical requirements and desired outcomes;
- **Market analysis:** assess the wider marketplace and issues that are likely to impact the BID organisation or the service being procured. Where there are limited suppliers in the market for a good or service (due to the bespoke nature of the requirements and uniqueness of the product) maintain a record of the investigation;
- **Cost analysis:** assess cost data for comparisons and projections;
- **Supplier identification:** identify suppliers that can provide the required product or services;

- **Supplier communication:** When one or more suitable suppliers have been identified, a competitive bidding process can be undertaken. This may take the form of requests for a quotation, proposals, information, tender, a solution or a request for partnership. This process may then be followed by an interview process to determine the preferred supplier;
- **Decision making:** A criteria-based scoring system or tool should be used for this purpose. Record of the decision making should be kept for transparency and audit purposes;
- **Negotiations and contracting:** Negotiations should be undertaken that will include price, availability, customization, and delivery schedules. These details should be outlined in a purchase order or more formal contract.
- **Supplier management:** when more strategic goods or services are procured that require ongoing interaction with a supplier BID Leamington should consider the introduction of a supplier relationship management process. Strategic outsourcing relationships should set up formal governance processes.
- **Preferred supplier:** will be approved by the BID Leamington Executive Director and Chair of Board via a decision of the BID Board of Directors as required.

## Tender Process

**For contracts above £15,000, a tender process must be undertaken.**

The BID will invite expressions of interest from identified suppliers in the local area and where necessary beyond. Details will also be put on the BID Leamington website and emailed to relevant BID members.

The criteria for selecting suppliers to submit tenders or quotations are aimed at identifying those who are most capable of carrying out the work required and meeting BID requirements, whilst taking into account the need to achieve value for money.

**The selection should be made on the basis of objective criteria such as those shown below:**

- Technical suitability and ability, including resources.
- Financial stability and capacity.
- Insurance cover provisions.
- Quality and Environmental Management Systems.
- Health and Safety policy and record.
- Environmental, Social and Economic policy and record.

Tender documents are the basis for informing tenderers of the contract requirements and should therefore contain all information necessary to permit the tenderers to submit responsive tenders.

Tender documents shall clearly define the scope of the works, goods or services to be supplied and the rights and obligations of both parties.

At least one Member of the BID Board must be on the Panel that oversees the tender process and selects the successful contractor. Final approval authority if the Chair of Board via a decision of the BID Board of Directors.

**ENDS.**