



CHIPPENHAM  
TOWN COUNCIL  
Improving the quality of town life

# Procurement Policy

Author: Nick Rees  
Responsibility: Director of Resources,  
Responsible Financial Officer  
Date Adopted:  
Review Date:

<b><u>CONTENTS</u></b>	<b>Page</b>
1. Introduction	3
2. Principles of Good Procurement Practice	3
3. Quotations & Tender Expenditure Levels	4
4. Specifications	4
5. Supplier Selection & Appraisal	4
6. Environmental Considerations	5
7. Tendering	6
8. Contracts	7
9. Employing Consultants	8
10. Authorisation of Expenditure	9
APPENDIX A: Environmental Questionnaire	10
APPENDIX B: Environmental Scoping Assessment	11

## **1. INTRODUCTION**

The purpose of this guide is to provide an overview of the procurement of goods and services at the Town Council. It is intended to complement, but not replace Council Standing Orders and Financial Regulations.

The Council is accountable to the public for the way that it spends public funds and this procurement policy supports the delivery of the Council's strategic objectives in the efficient, effective, economic and sustainable delivery of services, ensuring that suppliers and contractors provide best value products, services and performance.

The pursuit of sustainability, value for money and continual improvement are key goals of the Procurement Policy. The Council is committed to providing quality services. It will use fair and open competition as a means of securing efficient and effective services.

The Council is committed to becoming a net zero carbon organization by 2030. As well as cost, quality and efficiency factors, procurement decisions will also take into account the environmental impact of goods and services purchased, and the environmental credentials of our suppliers

## **2. PRINCIPLES OF GOOD PROCUREMENT PRACTICE**

The Council will seek to achieve value for money by considering the following in its procurement decision making:

- Cost
- Whole life costs
- Carbon reduction and environmental impacts
- Quality, safety, delivery and sustainability
- Clear specification for the goods or service to achieve the required standard of performance
- Aim to use local suppliers within 50 miles where possible.
- Comply with legal obligations
- Ensure fairness and equality in the treatment of suppliers
- Avoid malfeasance (no councillor or officer shall seek any bribe, gift or inducement, nor seek to influence a procurement decision where they have a family or personal involvement in the process)
- Seek improvements in the procurement process e.g. economies of scale, minimising the number of suppliers that we use.

### 3. QUOTATION & TENDER EXPENDITURE LEVELS

The relevant thresholds for quotations/tenders are as follows:

<b>Below £5,000</b>	<b>At least one quote (preferably written)</b>
<b>£5,000 to £25,000</b>	<b>A minimum of three written or e-mailed quotations should be obtained (Environmental Questionnaire required)</b>
<b>£25,001 and over</b>	<b>Full Tendering required (Environmental Scoping Assessment required)</b>

### 4. SPECIFICATIONS

For all written quotes, a specification is required. This is the description of the product or service needed and will form part of the contract with the selected supplier. It is therefore important that the specification is clear and un-ambiguous, as changes/additions to the specification post-contract may entail extra costs.

Also the specification should not be biased towards any one company and should enable suppliers to tender or quote the Council on an equitable basis.

Specifications for the provision of goods and services should include where applicable:

- The key features, functions and performance required
- Details of any existing similar suitable products that the requirements are based upon
- Relevant National standards and Health and Safety considerations
- The timescale required for delivery
- Any specific evaluation criteria and relevant experience required (mainly for tenders)
- Completion of the relevant environmental questionnaire/scoping assessment
- A statement to the effect that non-compliance with instructions may lead to disqualification from the procurement process (mainly for tenders)

### 5. SUPPLIER SELECTION AND APPRAISAL

#### Supplier Identification

A list of potential suppliers can be produced through previous experience, market knowledge and research. Advertisements may be placed in appropriate trade journals and the Council's web site.

Government Procurement rules must be followed i.e. for orders above £25,000 advertising on the Government's Contract Finder portal and above £213,477 for goods/services advertising on the Government's Find a Tender. These are the current threshold values to apply for the purposes of the Public Contracts Regulations 2015 (which may change from time to time).

## **Supplier Appraisal**

Potential suppliers need to be assessed to ensure that they are capable of meeting the requirements. This assessment should be based on cost, quality and environmental grounds and may involve the following:

- Providing an environmental questionnaire or scoping assessment (mandatory for purchases above £5,000 and £25,000 respectively)
- Requesting that potential suppliers provide any pre-qualification information relevant to the contract (may be applicable to tenders)
- Internet/website research on potential suppliers and visiting suppliers' premises
- Meeting any key people in the supplier's organisation relevant to the successful delivery of the service
- Taking up references from appropriate customers and credit references for large contracts

Where appropriate, suppliers may be contacted prior to the issue of invitations to tender in order to establish that potential interested parties are willing to tender for the work.

## **Specialist Expertise**

If supplies or services up to £25,000 can only be supplied by one supplier or local specialist, or the supplies or services are proprietary, they can be sourced outside the normal procurement procedure subject to approval of the Chief Executive or RFO.

Where the Council has an established relationship with a professional service provider and is happy with the standard of service and price, it will not be necessary to tender or seek quotations. Also, it can be advantageous not to tie the Council to a contract with one provider, such that, in the event of poor performance, it is straightforward to take the Council's business elsewhere.

## **6. ENVIRONMENTAL CONSIDERATIONS**

The Council includes the products and services it procures in its carbon footprint in order to measure and take responsibility for its impacts on the climate and biodiversity. Procurement for new products or projects should only be considered after it has been ascertained that existing equipment and items cannot be reused, repaired or refurbished cost effectively.

Staff involved in procurement should endeavour to purchase goods/services that have the least damaging effect to the environment, consider the whole life costs of purchases, recycling and waste reduction options. We will also work with our supply market to encourage them in terms of their own environmental responsibilities, by seeking to understand the steps that they are taking to address their climate and ecological impacts. The environmental credentials of companies and their products and services will be a factor in our procurement decisions.

## **7. TENDERING**

Tendering is a more formal and exhaustive method of obtaining quotations. A tender submitted by a supplier is a legal offer, and when accepted by the Council, a formal contract exists.

Tendering must be used for all purchases where there is a possibility that the overall contract value may exceed £25,000. The invitation to tender must be advertised, including on the Government 'Contracts Finder' web portal (if above £25,000) or Find a Tender (if above £213,477).

The Council may choose in some instances to tender for service contracts below this value (e.g. cleaning contracts), due to the importance of the quality of service to be provided.

### **Invitations to Tender**

An invitation to tender may include the following information:

- Description of the project being tendered
- Name/email/phone number of lead officer
- Specification of the product or service
- Technical information required
- Conditions of Tender process
- Standardised Financial Cost information required
- Environmental scoping assessment
- Timetable/dates

It is the responsibility of the lead Officer to produce an invitation to tender document.

Any invitation to tender must be addressed to the Chief Executive within a sealed envelope or electronically via a secure and confidential methodology. The tender must remain physically or electronically sealed until the prescribed date for opening tenders for that contract.

### **Financial Cost Information**

The Financial Cost Information required is the pricing schedule which tenderers must complete. Its purpose is to ensure that all tenderers submit prices on a common basis and in a common format, making evaluation more straightforward.

### **Tendering Period**

During the period between invitation to tender and receipt of tenders, it is vital that all tenderers are treated equally e.g. an extension request or any queries of substance raised by one tenderer must be applied to all tenderers simultaneously.

### **Tender Opening**

A Register of Tenders Received book is kept by the Town Council. This process will be administered and evaluated by a Head of Service and relevant Director. Tenders are opened simultaneously by the relevant officers who will record the prices in the Tender Book and

sign the Tender Book. Two councillors are required to be in attendance to witness the process and also sign the Tender Book.

### **Tender Evaluation**

Once tenders have been opened, they are evaluated by relevant officers to ensure best value for money and that the tender matches the specification and any other selection criteria. Tenders will be evaluated based on cost, quality and environmental factors. Tenders that do not meet the specification should be rejected.

### **Post Tender Evaluation**

Once tenders or quotes have been evaluated, and a preferred supplier is identified, it may be possible to improve the overall value for money of the tender bid through post tender negotiation and value engineering.

Potential areas for tender improvement may involve areas other than cost e.g. improved delivery times.

## **8. CONTRACTS**

### **Contract Award**

Contract award is subject to the approved delegated spending limit of the Officer.

A contract letter or official order should be sent to the successful tenderer. Notification should also be made to the unsuccessful tenderers.

The expenditure must be within agreed budgets and the order/contract signed according to the Delegation of Financial Responsibility to Spending Officers.

Any unsuccessful tenderer may request a debrief in respect of their tender, although the Council reserves the right not to declare all information relating to the award of the relevant contract.

### **Contract Management**

Once a contract has been agreed, it is the responsibility of the Head of Service to ensure that, as far as practicable, the goods or services are delivered as per the specification.

Procurement advice should be sought if required and the RFO should always be advised in case of unsatisfactory performance of a supplier.

### **Regular Service Contracts**

Where a Regular Service Contract is in place, other suppliers must not be used for the purchase of these goods or services unless authorised, in order to avoid a potential breach of contract. It is the responsibility of the appropriate Head of Service to ensure due diligence.

## **9. EMPLOYING CONSULTANTS**

Consultants may be necessary where the required expertise is not available in-house.

A detailed project brief should be prepared before selecting a consultant. If necessary, it can be refined later to take account of the consultants' ideas and input, and this becomes the consultants' contracted brief.

### **Preparation of Project Brief:**

- The Project brief should include:
  - Background to the project
  - Project objectives
  - Expected outcomes
  - Project timetable
  - Council's own contribution if applicable
  - Reporting requirements
  - Relevant source documents required

### **Employment of Consultants**

- A draft agreement should contain the following elements:
  - Description of project
  - Project schedule with key milestones
  - Fees, including definition of reimbursable expenses
  - How payments will be made
  - Reporting arrangements
  - Arbitration/termination arrangements
  - Names of Council staff involved
  - Terms and Conditions
  - Sign off procedures
- The project should be closely monitored against specification, key milestones and costs
- Regular progress reports should be made to officers and officers will report outcomes to the relevant Committee where appropriate



## 10. AUTHORISATION OF EXPENDITURE

Orders for goods and services by Chippenham Town Council must be made in accordance with Financial Regulations, approved budgets and the approved spending limits as set out in the Delegation of Financial Responsibility to Spending Officers.

Invoices require two authorised signatures. The first signature of certification on an invoice prior to payment verifies that the officer is satisfied that the goods or services have been received by the Council and represent proper value for money.

The second certification of all invoices for payment will be as follows:

- Invoices for Goods and Services within the approved Delegation of Financial Responsibility to Spending Officers - Head of Service/Budget Holder to sign
- Other Invoices valued up to £15,000 - RFO or Director to sign
- Invoices of £15,000 and above - Chief Executive to sign

(or if away from office, the nominated director who then assumes the responsibilities of the Chief Executive, including signatory responsibilities)

## APPENDIX A

### ENVIRONMENTAL QUESTIONNAIRE

Chippenham Town Council has declared a Climate and Ecological emergency and is committed to becoming a net zero carbon organization by 2030. As part of this we include the products and services we procure in our carbon footprint in order to measure and take responsibility for our impacts on the climate and biodiversity. Therefore the Council aims to work with suppliers that are taking action and have plans in place to reduce their emissions and environmental impact. The environmental credentials of companies will affect our decision regarding procurement.

1. In the last three years, have you been taken to court for not complying with environmental legislation requirements? If 'yes', please provide details and what steps your organisation has taken as a result?
2. Do you have an environmental or sustainability policy? If yes, please supply us with a copy. If no, do you currently take any positive environmental actions that you can tell us about?
3. Do you assess and take action to reduce any of the environmental impacts of your activities? This could include measures to reduce water use, single use plastics and other unsustainable materials, packaging and waste, pollution and harmful chemicals as well as buying and supplying products that can be repaired and then recycled at their end of life.
4. Do you measure your carbon footprint and have a plan to reduce it to net carbon zero? This could include measures such as reducing travel emissions, making company buildings energy efficient, switching to electric vehicles/machinery and renewable energy. If no, do you have a 'green' or renewable energy tariff for your business? Are any of your existing company vehicles low emission and if so, what proportion?

## APPENDIX B

### ENVIRONMENTAL SCOPING ASSESSMENT

Chippenham Town Council has declared a Climate and Ecological emergency and is committed to becoming a net zero carbon organization by 2030. As part of this we include the products and services we procure in our carbon footprint in order to measure and take responsibility for our impacts on the climate and biodiversity. Therefore the Council aims to work with suppliers that are taking action and have plans in place to reduce their emissions and environmental impact. The environmental credentials of companies will affect our decision regarding procurement.

1. In the last three years, have you been taken to court for not complying with environmental legislation requirements? If 'yes', please provide details and what steps your organisation has taken as a result?
2. Do you have a responsible person nominated for environmental/ sustainability issues? If 'yes' please give their name and job title.
3. Do you have an environmental or sustainability policy? If yes, please supply us with a copy. If no, do you have any current environmental objectives or initiatives you can tell us about?
4. Do you acknowledge and assess any of the environmental impacts of your activities? This could include the use of resources such as water, single use plastics and other unsustainable materials, packaging and waste, pollution and harmful chemicals. If so, please give details.
5. Do you acknowledge and measure your Greenhouse Gas emissions? If so, please provide us with a copy of your carbon footprint. If no, do you have a 'green' or renewable energy tariff for your business? Are any of your company vehicles low emission and if so, what proportion?
6. Do you have a commitment to becoming net carbon zero and if so, when?
7. Do you have an action plan that outlines how you are minimising or will minimise your environmental impacts and reduce your emissions to net carbon zero? If so, please provide us with a copy. If no, do you assess your environmental performance against any targets or have any plans to reduce your impacts? This could include reducing travel emissions, offering repair and refurbishment schemes for products, use of recycled and sustainable materials, minimising waste, avoiding single use plastics and designing products that can be repaired and then recycled at their end of life.
8. Have you made public any of your environmental aims, performance and plans? If so, please provide details.
9. Do you offset any of your carbon emissions or environmental impacts? If so, please provide details.
10. Do you ask your suppliers to measure the carbon footprint and environmental impacts of their organisation or the services/products they provide to you?

11. How would you minimise the carbon footprint and environmental impacts of this service/product/project you are providing to us? Examples could include use of electric vehicles/machinery, sustainable materials, minimal waste and packaging.
12. Do you have any environmental accreditation such as an Environmental Management System (EMS) certified to ISO 14001, BS8555 or EMAS by a UKAS accredited certifying body? If 'yes', please enclose a copy of the certificate.