

Funtington Parish Council

Procurement Policy

Version	1
Name of ratifying body	Funtington Parish Council
Date ratified	July 2021
Policy owner	Clerk: Funtington Parish Council
Date issued	July 2021
Review date	June 2023 (unless requirements change)
Electronic location	Funtington Parish Website www.funtingtonpc.org

In the case of hard copies of this policy the content can only be assured to be accurate on the date of issue marked on the document.

For assurance that the most up to date policy is being used, staff should refer to the version held on the Funtington website www.funtingtonpc.org

1. Introduction

In order to ensure the best use of public money we need to be smarter in how we procure the things we need.

Every contract made by the Council, or acting on its behalf, shall comply with this policy and the Council's Financial Regulations and Standing Orders. No exceptions shall be made unless in an emergency or for:

- the supply of gas, electricity, water, sewerage and telephone and data services;
- specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
- work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
- work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
- additional audit work of the external Auditor up to an estimated value of £500 (in excess of this sum the Clerk/RFO shall act after consultation with the Chairman of the Council); and
- goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.

Persons involved in the awarding of a contract must:

- ensure that the best value for money is obtained;
- identify the need and the options for meeting that need identified;
- use best of purchase power by aggregating purchases wherever possible e.g. by working with other Parish Councils or other agencies, to ensure that bulk discounts are obtained; and
- where possible (but not exclusively) use local suppliers, providing they offer the best value for money.

2. Process

2.1 No individual member of the Council (other than the Chairman/RFO as above) may issue an official order or make any contract on behalf of the council.

- Up to £500:00 may be authorised by the Chairman in conjunction with the RFO
- £500:00 to £1,000 three estimates are required
- £1,000:00 to £25,000:00 three quotes (priced descriptions of the proposed supply) are required

- £25,000 + a formal tendering process shall be followed
 - A contract shall be advertised on the Parish Council website and/or other public advertisement setting out particulars of the contract and inviting persons interested to apply, within a period of not less than 20 days, for opportunity to tender.
 - After the expiration of the period specified in the public notice, invitations to tender shall be sent to not less than four individuals or organisations that could undertake the contract (or, if fewer than four apply, to those that are suitable).
 - Where the Council intends to procure or award a public supply contract, public service contract or public works contract, as defined within the Public Contracts Regulations 2015, it shall comply with those Regulations. The regulations set out that:

The council must (within 24 hours) also advertise to tender on the Government's Contracts Finder Website and must then have the contract details available on the internet AND there must be no pre-qualification stage in such a contract. After the contract has been awarded, whether or not it has been advertised on the Contracts Finder Website, at the 'Invitation to Tender' stage, the Council must publish on the Finder Website: the name of the contractor; the date on which the contract was entered into; the value of the contract; and whether the contractor is an SME or a VCSE.

Every public contract which the Parish Council awards must contain the following 'suitable provisions': the authority must pay the contractor within 30 days of getting a valid and undisputed invoice - undue delay in considering and verifying and invoice is not regarded as sufficient justification for failing to regard an invoice as valid and undisputed. Every contract which permits sub-contracting must contain similar 30-day-payment provisions and the same applies to sub-sub-contractors.

3. Submission of tenders (above £25,000:00)

- a. Where an invitation to tender is made, such invitation to tender shall state the general nature of the intended contract and the Responsible Financial Officer shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitations shall in addition state that tenders must be addressed to the Responsible Financial Officer in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for the contract;
- b. Any invitation to tender shall refer to the terms of the Bribery Act 2010;

- c. The tenders shall be kept in the custody of the appropriate nominated person until the time and date specified for their opening;
- d. Tenders shall be opened by the Responsible Financial Officer in the presence of at least one councillor, preferably two. Tenders shall be date stamped and signed on all pages containing price information; and
- e. Quotations and tenders may be received electronically provided they are kept in a separate secure folder under the control of the Responsible Financial Officer which is not to be opened until the deadline has passed for receipt of tenders. These will be accompanied by at least one hard copy, which will be the definitive copy.

4. Acceptance of Quotations and Tenders

- a. The tender that offers Best Value to the Council shall be accepted. Each tender shall be evaluated for the price and quality to ascertain the most economically advantageous tender. Local companies should be encouraged to apply;
- b. For procurements over £25,000.00 the questions and scoring systems used shall be written before tenders are received. The basis of this exercise shall be explained in any invitation to tender documentation;
- c. Where the authorised person considers it in the best interest of the Council they may negotiate with the tenderers whose tenders are being considered for acceptance. No negotiation on contracts whose value is in excess of £25,000.00 can take place without reference to the Chairman of the Council. Any negotiations which would distort competition is expressly forbidden. Details of the negotiations must be placed on the contract file;
- d. Arithmetical errors found in any tender when checking shall be dealt with as follows: The tenderer shall have the error pointed out to them and be offered the opportunity to stand by their original tender, or their corrected tender, or withdraw it.

5. Signing or Sealing of Contracts

Every successful quotation/tender shall be accepted in writing, provided that contracts as the solicitors to the Council shall determine shall be set out in a formal contract document

6. Nominated Sub – Contractors and Suppliers

Where a sub-contractor or supplier is to be nominated to a main contractor, the procurement of the services of the sub-contractor or supplier shall be subject to these Contract Procedure Rules.

7. Contracts Record

A record of all contracts in excess of £25,000.00 in value placed by the Council shall be kept by the Clerk. This record shall specify for each contract the name of the contractor, the works to be executed or the goods or services to be supplied, the contract value and the contract period.

8. Contract Management

Project management shall be practiced at all times in undertaking procurement

9. Contract Variations to Scope

Any necessary instructions to vary a contract shall be made in writing by the Chairman or persons responsible for supervising the contract. Where a variation occurs during the currency of the contract that is material and cannot be met from within the original contract sum an immediate report shall be made to the Council who shall decide what further action is necessary.

10. Bonds, Guarantees and Insurances

- a. For procurement projects where the spend is greater than £25,000.00 consideration must be given as part of the pre-qualification assessment and evaluation process as to whether a performance bond and/or parent company guarantee (if applicable) shall be required from the successful tenderer.
- b. Consideration must be given as to the appropriate type (employee liability, public liability, professional indemnity, etc.) and level of insurance requirements for each contract.
- c. Consideration must also be given to compliance with any other relevant legislation

