

## **APPENDIX TO FINANCIAL REGULATIONS**

### **INVITATIONS TO QUOTE AND TENDER PROCEDURE**

This policy articulates the guiding principles and provisions that apply when sourcing goods or services. It applies to all expenditure on goods and services and building, infrastructure and equipment.

Quotations and tendering processes must be used to support procurement decisions in order to test the market, encourage competition and ensure that any purchase will represent value for money.

Walton Community Council will ensure that its procurement and procurement procedures are based on the following principles:

- Value for Money
- Open and fair competition
- Accountability
- Risk Management
- Probity and Transparency

Walton Community Council will use a competitive, efficient, fair and transparent procurement process with evaluation of bid proposals taken from a qualitative, as well as a quantitative perspective.

Assessment of supplier bids should be conducted only in relation to evaluation criteria and relevant to the subject of the contract.

#### **Exemptions from quotation/tender requirements:**

- Exemptions should only be used in exceptional circumstances
- Exemptions should not be used to avoid competition
- Factors that may justify an exemption includes:
  - (a) Matter of extreme emergency due to unforeseen events
  - (b) For additional delivery of goods and services that are intended either as replacement parts, extensions or confirming services for existing equipment, software, services or installations where a change in supplier would necessitate the procurement of goods and services that do not meet the requirements for interoperability or interchangeability.
  - (c) Where specialist expertise is required and this has been fully justified.
  - (d) An extension to installation / building contract works by way of variations whereby use of another building contractor may void warranties or compromise compatibility/continuity with the existing contract /installation.
  - (e) In exceptional circumstances for the continuity of services, temporary extension of a contract becomes necessary (which is not specified in the existing contract) and an acceptable timetable to follow the process is provided.

## **QUOTES / INVITATIONS TO QUOTE / FORMAL TENDERS**

Depending on the estimated amount, the following procedures will be used:

### **Direct award – One off purchases up to £500**

### **Quotes – For the purchase of Goods and Services above £500 and not exceeding £3,000**

- Where total expenditure is below £3,000 (excl. VAT) at least three written or quotes should be obtained.
- The competing quotes should be appropriately recorded and retained by the before any expenditure is incurred.
- Purchase order raised.

### **Invitation to Quote (ITQ) – goods and services between £3,000 and £25,000**

#### **Planning**

- To ensure sufficient competition, at least three suppliers should be invited to quote. Verbal quotes are not acceptable.
- The ITQ template should be used setting out instructions to bidders, specifications, the evaluation criteria, assessment and scoring process.

#### **Evaluation**

- The closing date and time for the ITQ return must be advised within the ITQ as late quotes will not be considered.
- The quotes received after the deadline should be evaluated using the evaluation criteria and evaluation scoring process.
- Justification comments should be recorded to enable feedback to be provided to the unsuccessful suppliers.

#### **Award**

- The successful ITQ can then be turned into contract to be signed by an authorised signatory.
- No purchase order should be raised until signed copies of the contract are returned from the supplier.

### **Invitation to Tender (ITT) – Purchase of Goods and Services over £25,000**

#### **Planning**

- To ensure sufficient competition, an appropriate number of suppliers should be invited to quote. Verbal quotes will not be accepted.
- At this stage the evaluation criteria, including the price and quality split which should be considered. The criteria must be relevant to the particular contract.

## **Evaluation**

- Upon receipt of tender submissions, the Parish Manager will record receipt of submissions and will keep tenders locked in the safe until the deadline for submissions has been reached.
- Once the closing date has been reached, the Parish Manager and a Councillor will open and record all submissions in the appropriate format.
- All tenders must be evaluated and results recorded for every submission.
- When evaluating the tenders the Parish Manager and appropriate Councillor should determine if candidates have met the minimum standards required. Adequate justification must be recorded for debrief purposes.
- A consensus meeting is then arranged with all relevant parties to agree the final scoring (appropriate Council/Committee meeting). The Council/Committee will determine a shortlist of suppliers to be invited to continue to tender (normally between three and six).
- Appropriate financial checks and references on all short-listed suppliers will be carried out.
- Letters will be sent to unsuccessful suppliers and a letter and any follow-up instructions/information sent to the successful suppliers.
- The scoring of submissions must be fair and consistent using the evaluation criteria and justification provided on the score.
- A further consensus meeting is then arranged with all relevant parties (appropriate Council/committee meeting) and the Parish Manager will record the evaluation and consolidate the evaluation scores and the pricing information, to obtain the successful supplier.

## **Award**

- Suppliers to be notified of their successful or unsuccessful outcome in writing.
- The submission will be turned into a contract and arrangements made for the supplier and the authorising signatory to sign copies of the contract. No purchase order should be issued until the contract is signed by both parties.

## **Procurement of Goods and Services Over £62,842**

- Procurement of goods or services over £62,842 would be subject to OJEU (Official Journal of the European Union) rules.