



**South
Derbyshire**
District Council

South Derbyshire District Council

Selling to the Council

A Practical Guide
for Suppliers

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1. Background

Around £11.3 million a year is spent by the Council on goods, works and services. It is a high value activity that has a critical impact on our performance and success. The Council is one of many public organisations spending public money in South Derbyshire.

A wide range of public services is provided to nearly 92,000 residents and around 5,000 businesses. This guide aims to provide current / potential contractors and suppliers with information and access to opportunities needed to compete for a share of our business. Success cannot be guaranteed; that depends on the quality, cost and availability of your products and services as well as your organisation's equality, sustainability and health & safety policies.

2. Finding out about Contract and Supply opportunities

2.1 Source Derbyshire – <http://www.sourcederbyshire.co.uk>

Is the principal site used to advertise our contracts over £25,000 in value and we seek to actively encourage suppliers and contractors to register their details. This is free of charge and enables you to receive e-mail updates about relevant opportunities as they arise.

2.2 Official Journal of the European Union - <http://ted.europa.eu>

Tenders for goods and service Contracts which are above an estimated Contract value of £156,000 and tenders for works Contracts which are above an estimated value of £3.9m will in addition to being advertised on Source Derbyshire be advertised in the Official Journal of the European Union.

2.3 Other Advertising

Tenders may also be advertised in the local press such as Derby Evening Telegraph (<http://www.thisisderbyshire.co.uk>) and Burton Mail (<http://www.burtonmail.co.uk>), and where appropriate relevant trade journals.

2.4 Our Contracts Register

A Council has a Contracts Register and this is being progressed to provide comprehensive detail of all current term contracts. This will be regularly updated and published on the Council website. It can be used to ascertain business opportunities which may be available and to determine the dates on which these opportunities may arise. The Contracts Register can also enable businesses to identify opportunities to sub-contract with those who have already secured contracts from the Council.

For further information, please contact the Central Procurement Team. In line with current government directives, an online list of all invoice expenditure over £500 is being developed and will be made available on the Council website from January 2011.

2.5 Collaboration

The Council can use appropriate Regional or National Contracts such as Buying Solutions, known as Framework Agreements. Framework agreements are backed by a variety of public service organisations such as Eastern Shires Purchasing Organisation (ESPO), Yorkshire Purchasing Organisation (YPO) and the aforementioned Buying Solutions – each of these

organisations can be accessed through the internet and offer supplier advice as well as advertising opportunities as they arise.

This means the Council does not have to advertise a detailed tender itself as other public sector bodies would follow the correct procurement procedures and include South Derbyshire's requirements. However, the fact that these contracts are regional or national should not preclude any supplier from expressing interest as these may be awarded on a regional lot basis. The Council will encourage and participate in collaborative contract exercises that are deemed beneficial. These opportunities can also be found on Source Derbyshire which can be accessed at www.sourcederbyshire.co.uk.

2.6 General Enquiries

Should you wish to make a general enquiry or introduce your company to the Council, you should in the first instance contact the Central Procurement Team. Contact details can be found at the end of this booklet.

Advice can be given on whether the Council purchases your products directly, has joint arrangements with other public bodies, has current potential opportunities, or has existing arrangements in place. If not dealt with on a Corporate or Collaborative basis you may be directed to a named 'Procurement Champion'. This will ensure your enquiry is fully dealt with by the relevant service areas to which your products or services relate.

3. How do we buy?

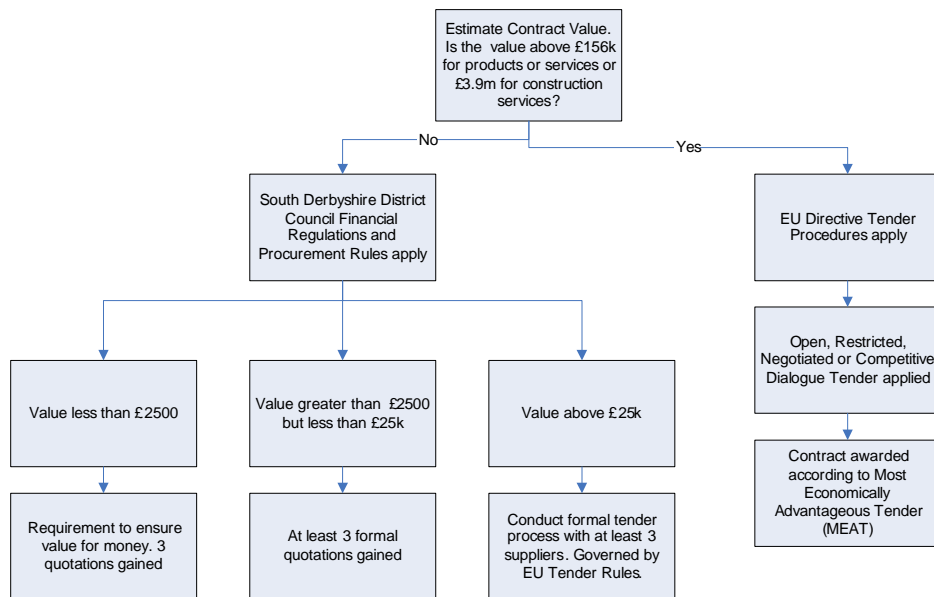
Procurement is usually undertaken directly by the relevant Service Department and is supported by a Central Procurement Team. It is the Procurement **Team's** role to co-ordinate procurement activity and ensure that agreed principles of procurement are delivered.

The goods and services used by the Council are paid for with public money; therefore rules are in place to ensure a high level of transparency in all stages of the procurement process. Broadly speaking the rules fall into five groups:

- European Procurement Directives
- UK Legislation
- Financial Regulations of the Council
- Contract Standing Orders
- The Procurement Code of Practice
- Policy decisions of the Council

The way in which the Council approaches a purchase and makes an award depends upon the estimated total value of the contract and upon the nature of the goods, services or works being procured. The process to procure will adhere to all legal requirements and follow guidance within the Procurement Code of Practice. The Council's Financial Regulations will be strictly complied with.

A general guide to the procurement route is given in the diagram below; though it maybe necessary to amend these should a special exceptional circumstance arise.



The above are minimum requirements; applicable thresholds can be lowered.

4. What do we buy?

The Council's procurement requirements are generally based on service areas which include:

- Environment and Housing
- Leisure
- Corporate Services
- Regeneration
- Financial Services
- Legal and democratic services
- Policy
- Customer Services
- Administration
- ICT
- Personnel and Payroll
- Assets and Facilities (e.g. maintenance of public buildings)

....and some of these areas require goods and services such as:

Services:

Advertising, Agency Staff, Building Cleaning, Confidential, Waste Consultancy, Insurance, Electrical Maintenance, External printing, Microfilm Processing, Security, Telecommunication, Transport,

Goods:

Books, Bar stock, Catering supplies, Cleaning materials, Computer Equipment, Computer materials, Electric lights / bulbs, Hygiene dispensers, Office furniture / equipment Pool chemicals, Protective clothing, Stationery, Telephones, Vehicles, Vending machines,

Utilities:

Electricity, Gas, Water

Works:

Maintenance and Refurbishment Works to;

public buildings
Miscellaneous Construction
Contracts

5. **Tendering for Contracts**

Tendered contracts usually follow either a restricted or open tendering procedure. A restricted tender means that once you have expressed an interest in tendering for a scheme you will be required to go through a pre-qualification assessment process. The Council then decide from the information provided by your firm, whether you will be formally invited to submit a tender. This can prevent organisations from being invited to tender unnecessarily.

The open tendering procedure means that any interested firm can tender for the contract and your abilities as a firm are assessed at the same time as your tender.

If a company is successful in their application and reaches the invitation to tender stage of the process, a set of tender documents will be sent. The tender documents will consist of all or some of the following:-

- Letter of Invitation
- Instructions to Tenderers
- Form of Tender
- Specification
- Schedule of Rates / Pricing Document
- Terms and Conditions of Contract
- Quality Requirements
- Tender Evaluation Criteria
- Pre-addressed tender return envelope

The purpose of the pre-tender and tender evaluation process is to identify those organisations that the Council believes are in the strongest position to meet the requirements of a particular service. Failure to progress at either stage does not mean that the Council would be unwilling to contract with that organisation in the future.

6. **Tender Return, Evaluation and Award**

Tender submissions are all opened at the same time after the tender return date. Once the tender documents have been opened, they are forwarded to the appropriate Council Officers for Evaluation.

- If you fail to return your tender documents by the specified deadline, your tender will be excluded from the evaluation process.
- Returned tenders will be evaluated against the pre-determined criteria (specified in the tender documentation). The evaluation will focus on examining how the tender proposals will deliver the contract against the specified criteria.
- Appointments will be based upon the principles of whole life costs and value for money. When relevant, award criteria will be specified to develop improvement of local quality of life, through environmental, social and environmental considerations.

- The percentage ratio split between price and quality will be stipulated in the contract documentation.
- Tenderers will be notified in writing by letter or official electronic communication as to the award decision.

7. Information your Organisation may need to provide

The amount of information required by the Council will vary dependant upon the value, complexity and nature of the contract. We may require:

Financial Information

Companies may be asked for certain financial information relating to previous years. This information is used to assess the financial position of the company in relation to the size of the contract.

Information may be also required to check that a company is registered (if appropriate) for tax and complies with the Council's insurance requirements.

Experience and Technical Ability

Further information requested will seek to assess whether a company has the relevant experience and technical ability to carry out the categories of work and to provide the type and quality of service required. It may be necessary to provide references.

Some further questions may be asked, tailored to the needs of the individual contract. The responses and supporting evidence will be used to assist assessment as to whether a company has the required level of skills and abilities to tender and carry out the contract.

Health and Safety

The Council is committed to ensuring the health, safety and welfare of its employees and that of all others affected by its undertakings.

Depending upon the nature of the goods, services and works, organisations may need to satisfy the Council's requirements in terms of their health and safety competence. Failure to comply fully with Health and Safety requirements may prevent further consideration of the organisation, for the particular contract exercise being carried out.

8. Legislative Requirements

The Council is committed to equality of opportunity, fair and equal access and promoting positive outcomes for all people regardless of their age, race, gender, religion or belief, sexual orientation or if they have a disability.

Placed upon the Council are a number of legal requirements and duties, which require the Council to promote equality of opportunity, combat discrimination and promote good community relations between persons of different groups.

To ensure we meet our legal duties we consider equality in all of our contracts and require that all services delivered on our behalf formally or informally are not only delivered in accordance with the law but also support our organisational values.

Contractors, suppliers and those who deliver services on our behalf are required to have in place policies and working practices that are fair, meet all legal requirements and do not tolerate any form of discrimination.

Construction Industry Scheme ('CIS')

For Suppliers undertaking repair, maintenance, construction or installation work it is imperative that the Council has details of:

1. Unique tax reference
2. Company Registration number

The Council will verify with the HMRC Government Gateway your details prior to Supplier set up. Until this is received, no payments can be made. For more information regarding CIS please visit: www.hmrc.gov.uk .

Further information can be found on the equality pages of the Council's website: www.south-derbys.gov.uk

9. Sustainability

The Council is promoting sustainable procurement practices, which we will embed across the organisation, and is developing a guide to sustainable goods and services that will contain further information for buyers and suppliers.

We will look to use whole life costing principles, recognising the impact of major procurement activities on the social, economic and environmental well being within the District.

Your approach and ability to deliver goods and services, and work in a sustainable manner, accredited if necessary (e.g./ ISO 140001, EMAS, EcoHomes) will, when relevant to the Contract, be established and taken into account as part of the tender process.

Further information

www.arenanetwork.org - provides practical support to business on environmental management organisations.

www.breeam.org - The Building Research Establishment helps to assess the environmental performance of new and existing buildings. It is regarded by the UK's construction and property sectors as the measure of best practice in environmental design and management.

10. Electronic Trading

The Council is currently introducing an e-procurement system, to enable us to issue Purchase Orders, receive invoices and send remittances electronically. The aim is to improve efficiency and reduce the costs associated with the Procurement Process, for both the Council and the supplier. It is recognised that e-business can help suppliers by opening up a supplier's products and services to a wider market. The Council will seek to work with suppliers who are able to work in line with the requirements of our e-Procurement Strategy.

Invoices MUST only be submitted for goods and services that are covered by an approved SDDC Purchase Order.

All invoices should be addressed and sent to:

South Derbyshire District Council

PO Box 6657
Civic Offices
Civic Way
Swadlincote
DE11 0AH

The Council's preferred method of payment is by BACS into a designated Bank Account. Payment by any other method must have the prior approval of the Central Procurement Team.

11. Business Support

The Council's Economic Development Unit provides a range of Business Support Services to attract new business and to help existing businesses to grow, working closely with other business support agencies. Practical advice is available to businesses from Business Link at www.businesslink.gov.uk or on 0845 058 6644. This includes advice on e-commerce and preparing to tender for public sector contracts, in terms of issues such as health & safety, equality of opportunity and sustainability. Learndirect (www.learndirect.co.uk) offers an online training course "Winning the Contract: Competing for Public Sector Contracts".

12. Further details:

We hope this guide clarifies the way in which the Council carries out its Procurement activities.

Council staff are available to support and advise. Please do not hesitate to ask any further questions you may have on how to do business with us.

Please contact
Central Procurement Team
Telephone: 01283 595889
E-mail: procurement@south-derbys.gov.uk

Economic Development Unit
Telephone: 01283 595755
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