



Comisiynydd Pobl Hŷn Cymru
Older People's Commissioner for Wales

Purchasing Procedures

Ordering Goods and Services

Responsible Manager	Head of Finance and Resources
Next Review Date	March 2021
Last Review Date	March 2020
Version	15.0

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Older People's Commissioner Purchasing Procedures

Introduction

The Commissioner for Older People (Wales) Act 2006 states that the Commissioner carries the role of Accounting Officer.

Formally, the Accounting Officer is someone who may be called to account in the National Assembly for Wales for the stewardship of the resources within the organisation's control.

This means that the Commissioner is personally responsible and accountable to National Assembly for Wales (NAW) for:

- Propriety and regularity
- Prudent and economical administration
- Avoidance of waste and extravagance
- Efficient and effective use of available resources; and
- The organisation, staffing and management of the Office

The Commissioner is also expected to consider value for money from the point of view of the wider exchequer when spending public money and is responsible for ensuring a high standard of financial management.

What is public procurement?

Public procurement is the purchase of goods, works or services by Government and other public bodies such as the Older People's Commissioner for Wales. In order to ensure the free movement of goods and services, the EU has issued a series of directives to ensure that contracts are awarded fairly, transparently and without discrimination on the grounds of nationality and that all potential bidders are treated equally. The most recent EU directive has been implemented in England and Wales through the Public Contracts Regulations 2015.

The Commissioner views procurement as the process whereby her organisation is able to meet its needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the office of the Older People's Commissioner for Wales, but also to society and the economy, whilst minimising damage to the environment.

Where there is a requirement to procure goods or services, these will be procured in accordance with the Public Contracts Regulations 2015 where relevant and use the principles of the Wales Procurement Policy Statement.

<http://gov.wales/topics/improvingservices/bettervfm/publications/procurement-policy-statement/?lang=en>

It is not practical for the Commissioner to order and pay for all items of expenditure herself and therefore might formally delegate powers to order goods and services on her behalf to members of staff. Individuals granted delegated powers are expected to

abide by the following **purchasing principles** and **code of ethics** when purchasing goods and services on the Commissioner's behalf. The principles and code recognise that everyone who works in public service in Wales shares a personal responsibility for the stewardship of taxpayers' money.

The Commissioner will endeavour to uphold the principles set out in *Managing Welsh Public Money*, which provides a comprehensive overview of the main principles for managing resources in Wales.

The Commissioner will endeavour to follow the policy framework set out in *Managing Welsh Public Money* in relation to the procurement of goods and services.

This procedure details how the Commissioner and her staff will observe and implement these policies and principles when purchasing goods and services.

Public sector equality duty

The Commissioner is committed to eliminating unlawful discrimination, advancing equality of opportunity, and fostering good relations taking account of the nine protected characteristics: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; religion or belief (or lack of belief); race – including ethnic or national origin, colour or nationality; sex; and sexual orientation. Suppliers must take account of this commitment in all transactions with the Commissioner.

Purchasing principles

When ordering goods and services individuals must:

- Look after taxpayers' resources properly and use them carefully.
- Guard against corruption to seek to secure value for public funds with due regard to propriety and regularity.
- Consider Value for Money as the optimum combination of whole-of-life costs in terms of not only generating efficiency savings and good quality outcomes for the organisation, but also a benefit to society, the economy, and the environment, both now and in the future.
- Use resources efficiently, economically and effectively, avoiding waste and extravagance.
- Use competition to acquire goods and services unless there are convincing reasons which exist to the contrary.
- Undertake all procurement in a fair and open manner and be compliant with legal, procedural and international obligations. Act on appropriate advice.

- Preserve the highest standards of honesty, integrity, impartiality and objectivity when dealing with suppliers and offer redress for failure to meet agreed customer standards where appropriate.

Code of ethics

- All staff with delegated authority to purchase on behalf of the Commissioner shall maintain the highest ethical standards and will ensure that none of their actions are open to misinterpretation.
- No member of staff may use their authority or office for personal gain.
- The acceptance of gifts and hospitality must comply with the guidance set out in the Travel and Subsistence Policy.
- All staff must be free of all personal interest which may conflict, or appear to conflict, with the best interests of the Commissioner.
- If staff have any relationship with, or interest in, an outside organisation which will feature in procurement then they must declare this relationship and take no part in the procurement process.
- If in doubt about what constitutes a relationship or interests that will need to be formally declared, contact the Chief Operating Officer.

Delegated financial powers to order goods and services on behalf of the Commissioner

The Commissioner has delegated authority to the individuals listed in the table in Annex A to order goods and services on her behalf. These arrangements will be reviewed from time to time and at least annually to ensure that they support the work of the Commissioner.

Only these individuals may purchase goods and services using Commissioner funds and all purchases must be made in line with the purchasing procedures set out below. If you are uncertain and need further advice or information please speak to the Chief Operating Officer or the Head of Finance and Resources.

Purchase orders

It is usually necessary to use a purchase order when ordering goods or services. However, for regularly purchased services, it is not necessary to use a purchase order. Examples of these include Computer Maintenance SLA, Business Management SLA, electricity, cleaning, audit services, printing (internal), Welsh translation, PSBA broadband, storage, media and political monitoring, rates, rent and service charges.

Purchasing procedures

If you have been granted delegated authority to order goods and services on behalf of the Commissioner, you must familiarise yourself with the following purchasing procedures.

Firstly, identify the correct procedure by:

- Establishing the need/requirement
- Estimating the cost
- Using the estimated cost select the appropriate procedure from the table below:

Estimated Cost	Procedure
Up to £5,000 (excluding VAT)	Price Review (see page 5 below)
£5,000 - £15,000 (excluding VAT)	Written quotes. Obtain two written quotes or three where the market is unfamiliar (see page 6 below)
£15,000+ (excluding VAT)	Formal tender process (see page 7 below)

Price Review Procedure - for goods and services up to £5,000 (excluding VAT)

You will need to find the supplier which provides the best value for money for the goods or services by conducting a price review exercise.



Formulate a description of what the supplier is expected to quote for and supply and define your evaluation criteria.

For example, price, quality, delivery lead time, after sales support are factors you may want to consider.



Conduct a price review exercise. Price reviews could consist of a web based search, catalogue search, series of telephone calls or emails to potential suppliers. Use your judgement to determine the most appropriate price review approach and check with the Head of Finance and Resources if you need advice.

Remember common sense should prevail. An extensive price review exercise for small low value purchases would not be a sensible use of official time but for high value or unusual items a more in depth research is expected.



You will need to keep a record of the price review process used and the reasons for purchasing the item from the chosen supplier.

Records can be kept electronically or they can be paper based. However, they need to be generally accessible for financial control, freedom of information and audit purposes.



If you receive quotes make a note of the date of receipt and retain for evaluation purposes. Keep a record of late arrivals and nil responses. Evaluate the quotes in accordance with the predetermined evaluation criteria.



Place the order with the most economically advantageous bidder. A verbal or email order must be backed up by an official order.



Complete a standard purchase order form, which can be found at R:\FINANCE\Purchase Order Form.doc and complete the spreadsheet R:\Finance\Purchase Orders 1819. Evidence of your price review will need to be recorded on the form or attached as additional attachments.

The order will need to be signed by someone with the delegated authority to commit expenditure (Annex A).

A hard copy of the authorised order form together with supporting information should then be passed to the Head of Finance and Resources who will retain them in the Orders File held in Finance.



On delivery, the goods received need to be checked for completeness, quality and ensure that they match the goods ordered. The delivery note accompanying the goods will need to be signed to confirm the description and quantity of the goods delivered. Delivery notes can then be passed to Head of Finance and Resources for filing. If there are any problems with the order contact the supplier as soon as possible. Please notify Finance of any repeated problems with suppliers.

Written Quotes Procedure - for goods and services of a value £5,000 - £15,000 (excluding VAT)

Inform the Chief Operating Officer or Head of Finance and Resources that you intend to commence a new procurement.

You will need to find the supplier which provides the best value for money by obtaining written quotes from potential suppliers. You must obtain at least two written quotes. More quotes (at least three) may be necessary if you are unfamiliar with the market.



A full tendering process may also be appropriate in circumstances where the purchase has a high reputational risk to the Commissioner, is complex and will require specific terms and conditions, demands a full specification of requirements to explain the Commissioner's needs or is of cross-border interest. If this is the case, follow the formal tendering section of this guide.



Invitations to quote - All communications should be consistent and clearly explain what information suppliers need to provide in their quote.

Initial verbal requests must be followed up with a written request.

Email is acceptable but should be attached to the order.

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Evaluation criteria - establish the criteria you will use to evaluate quotes **before** you contact potential suppliers.

For items such as IT hardware and office equipment this will typically be a mix of information on product specification, delivery lead time, after sales support and price.

For services such as the engagement of agency staff or consultants and contractors, this will be a mix of relevant skills and experience, qualifications, references, availability and price.

↓
Evaluate the quotes in accordance with the predetermined evaluation criteria. Attach copies of the quotes to the order form.

↓
If a contract is to be awarded you must inform the Chief Operating Officer or Head of Finance and Resources first.

↓
Notify the most economically advantageous bidder that you intend to award a contract subject to internal approvals and agreement of terms and conditions. A verbal or email order must be backed up by an official order or contract.

↓
Complete a standard purchase order form, which can be found at R:\FINANCE\Purchase Order Form.doc, and complete the spreadsheet R:\Finance\Purchase Orders 1819. Evidence of your written quotes will need to be recorded on the form or attached as additional attachments. The order will need to be signed by someone with the delegated authority to commit expenditure (Annex A). A hard copy of the authorised order form together with supporting information should then be passed to the Head of Finance and Resources who will retain them in the Orders File held in Finance.

Formal Tender Procedure – for goods and services over £15,000 (excluding VAT) which are not subject to the requirements of the Public Contracts Regulations 2015

- If the value of the purchase/contract is over £15,000 tenders should be invited from suitable suppliers in accordance with the procedure set out in the section below entitled "Formal Tender Procedure".
- There is a threshold over which tenders are subject to the Public Contracts Regulations 2015. This is currently £189,330 (1 January 2020). **In these circumstances seek advice from the Head of Finance and Resources, as a failure to comply with the Public Contracts Regulations 2015 may result in proceedings being brought in the High Court.** In these circumstances, a modified version of the Formal Tender Procedure may be followed (taking into account the specific requirements of the Public Contracts Regulations 2015).

Formal Tender Procedure

Standardised tender templates e.g. a tender specification template, a tender log, and a tender evaluation template will assist you in complying with these procedures and can be found at **R:\FINANCE\Procurement\Tender exercise templates**.

A tender file should be maintained for each contract above £15,000 which contains all tender relevant documents. This file may be reviewed by audit to ensure all relevant steps in this procedure have been complied with and may be reviewed and/or disclosed in the event of a complaint or legal challenge being received.

The formal tender procedure that must be followed is set out below:

Stage 0 Pre-tender market engagement and pre-procurement research

- Consider how the procurement strategy could attract a diverse range of suppliers including SMEs and third sector organisations.
- Consideration could also be given at the outset to compiling a list of potential suppliers who possess skills, experience or qualities required.
- A pre-tender notice can be issued which will allow possible suppliers to meet with the Commissioner and comment upon the possible tender specification in order to help the Commissioner to define its requirements and understand the feasibility of the market delivering the requirements. As long as any information shared is included within the tender, then no individual supplier will be given an unfair competitive advantage.

Stage 1 Document writing

- A tender specification should be prepared. Output-based specifications are recommended, which focus on the functional/performance requirements. The specification should be a functional document, describing the goods or services required in terms of their intended function and the required level of performance. The specification should be compiled by undertaking pre-procurement research.
- The specification should also make reference to the Commissioner's Equality Scheme and the Welsh Language Standards.
- The tender package should contain:
 - A covering letter or email
 - An invitation to tender document including tendering instructions, details of what is required and advice on the form of tenders
 - The tender specification
 - Draft example of our standard contract/any bespoke contract.
- All bidders must be given an equal opportunity to win the business. Therefore, all invitations to tender must be identical.

- Presentations and/or interviews can be used to assess a different part of the technical requirements from the written tender such as demonstrating a product, or can be used as a means of adjusting the written tender scores. The tender specification must be clear on the process and the criteria to be achieved before a bidder is invited to give a presentation and/or interview.

Stage 2 Supplier sourcing

- The tendering should be as open as possible.
- Ideally a tender proposal should be advertised to attract a wide pool of potential suppliers. The tender must be advertised on Sell2Wales; , however, national or local press, trade magazines, mailing lists, etc. may be used in addition to this.

Stage 3 Tendering

- The tender package should be assembled and distributed allowing the potential suppliers a reasonable time to respond. Certain minimum time limits apply for above-threshold procurements. In all cases, the period that should be allowed for completing and returning tenders should take account the type of procurement and complexity of the project.
- Via Sell2Wales, all potential bidders have the opportunity to submit anonymous questions regarding the tender; this allows all potential bidders to have the opportunity to view both the question and answer given by the Commissioner.
- The SQuID document will form part of the tender package and acts as a pre-qualification questionnaire. This will allow the Commissioner to question bidders on their financial and technical competency and track record.
- An evaluation team should be selected comprising at least two people and generally no more than six. Team members must be prepared to set aside sufficient time to undertake an individual evaluation of the written bids and to attend an evaluation team meeting with the rest of the team. In selecting the evaluation team consideration should be given to likely specialist areas which may arise.
- Tender return packages should be strictly observed to ensure probity. Tenders received after the time and date set in the tender package cannot be accepted, except under exceptional circumstances. **When dealing with a late tender you must consult the Head of Finance and Resources.**
- Email via the Sell2Wales portal is the preferred method of receipt of tender; however the Commissioner will accept tenders delivered by post. If appropriate all tenders received should be kept in a safe place unopened, until the set date and time. Tenders should be opened and signed by a minimum of two people and distributed to the evaluation team.

Stage 4 Evaluation

All tenders received must be evaluated on a like-for-like basis.

- Tender evaluation is an essential part of the procurement process. It is a means by which competing tenders are compared with each other against pre-determined criteria. The assessment of tenders against an authority's requirements is the stage of the procurement process which is most often challenged.
- All evaluation criteria and sub-criteria together with weightings and sub-weightings should be disclosed in advance to bidders and set out in the procurement documents.
- Evaluation criteria should link back to the information requested in the invitation to tender document. These key areas can be weighted according to their relevant importance.
- Evaluation criteria will usually have two components:
 - Quality
 - Price
- If required, the tenderer's ability to provide the service in the medium of Welsh will be considered.
- Example approach to scoring bids:

Evidence	Remark	Scores
<p>Proposal meets the required standard in all material respects and exceeds some or all of the major requirements.</p> <p>Evidence is consistent, comprehensive, compelling, directly relevant to the requirement in all respects and highly credible</p>	Absolute Confidence	5
<p>Proposal meets the required standard in all material respects.</p> <p>Evidence is sufficient (in qualitative terms), convincing, and credible.</p>	Confidence	4
<p>Proposal meets the required standard in most material respects, but is lacking or inconsistent in others.</p> <p>Evidence has minor gaps, or to a small extent is unconvincing, lacks credibility or irrelevant to the requirement.</p>	Minor Concerns	3

Proposal falls short of achieving expected standard in a number of identifiable respects. Evidence has moderate gaps, is unconvincing.	Moderate Concerns	2
Proposal significantly fails to meet the standards required, contains significant shortcomings and/or is inconsistent with other proposals. Evidence has major gaps, is unconvincing in many respects, lacks credibility, or largely irrelevant to the requirement.	Major Concerns	1
Completely fails to meet required standard or does not provide a proposal. No evidence or misleading evidence.	Not acceptable	0

- Evaluators must make notes to support their scores. These notes are useful as the basis for debriefing unsuccessful tenderers. Any notes must be transparent and in compliance with the all procurement policies and procedures, as they may be subject to a freedom of information request.
- The scores will be converted into percentages in accordance with pre-set weightings and combined with the price percentage (see below) to identify the successful bidder.

Pricing

- Each invitation to tender must specify how price will be assessed.
- In most procurements, the financial element of the evaluation consists of an assessment of the bidder's tendered price.
- If the lowest price approach is used, the contract will be awarded to the cheapest bid. No assessment is made of the quality of the bid. In order to achieve value for money, the Commissioner should take into consideration that the lowest price may not always be the most economically advantageous and that a bid should not be judged on price alone.
- To ensure that bid prices do not exceed the funding level, the Commissioner may include details of the budget for the contract in the specification. This helps to prepare a transparent as possible tender document. The budget should be realistic for the services or supplies requested. Note: Setting a budget for a contract that will be awarded with a high weighting on quality can mean that tenders come in either at or just below the budget. Consideration should be given to setting an appropriate price/quality ratio to try to mitigate this risk.
- An open competition without a disclosed budget is also possible but the tender documents must state that the Commissioner reserves the right not to proceed if no reasonably priced tenders are received (or for any other objective reason).

In this case, an unpublished maximum acceptable price should be fixed by the Commissioner before launching the tender procedure. Note: This approach would not allow the Commissioner to award to the best, affordable bid (if there were a bid achieving higher scores which exceeded the undisclosed budget). In this case, there would be a failed procurement.

- The Commissioner could adopt a "best technical bid that is affordable" method, where the tender with the highest technical/quality score that is affordable (i.e. within budget) is awarded the contract. The evaluation takes into account the technical score and the contract is awarded to the tender with the highest score, so long as it is both within budget and commercially compliant. To do this, the Commissioner should state in its procurement documents words to the following effect: "*The contract shall be awarded to the best technical tender that is within budget. The budget for this procurement is £[SPECIFY]. Any tenders received that are in excess of this budget will be automatically deemed non-compliant.*"
 - Where a bid price exceeds the funding level, it would be pointless to take the bidder forward unless there is a realistic prospect of reducing the price to accommodate the budget. Grounds for assuming price reduction may be available in exceptional circumstances, if the bidder has shown signs of over-estimating the service or personnel needed, had included inexplicable or extraordinary high on-costs, but in any event the bid price should be at least within sight of the budget limit (no more than 20% above).
 - Where a preferred supplier is the more expensive (but still affordable) option, it will be necessary to show the additional quality or level of service is worth the price i.e. that you are getting value for money. Value for money is the combination of whole-life cost and quality.

Presentations and/or interviews.

- Whether presentations and/or interviews are deemed necessary will depend on what is considered appropriate in the particular circumstances.
- If presentations and/or interviews are held, they should be conducted by the same team that is carrying out the paper based evaluation, plus any additional specialists, if there are perceived weaknesses in areas of their bid.

Clarification

- Where even the favoured bid has question marks hanging over it, which were not resolved at presentation or may have arisen out of the presentation, it is advisable to ask the bidder to provide further clarification of their bid.
- When evaluating a bid, a submission may be unclear or the evaluators may feel that they need further information to enable them to evaluate the response properly. In this situation, we must ensure that we are fair and treat all bidders

equally in the way that we seek to clarify these matters. For example, if two bidders have both been vague in different ways about the provision of a service, both should be asked to clarify their answers.

Evaluation team meeting

- Once the independent assessments are complete, the evaluation team should meet to reconcile any variation in scores. Evaluators will inevitably score differently and therefore evaluation team meetings will be necessary to come to an agreement.
- Shifting of ground and reasoning is to be anticipated in the course of a moderated discussion but it means that the evaluators' original score sheets cannot be a reliable guide to the reasons that ultimately cause the evaluation team to reach their consensus scores.
- After the meeting the team should jointly determine the preferred supplier(s) and (depending on what has been specified in the procurement documents) either take forward tenderers who achieve or exceed a pre-determined level of marks or take forward the top-rated tender.
- The chair of the evaluation team meeting should ensure that all evaluation comments, justifications, marks and amendments are fully documented and agreed by both the panel members and the chair (for example, by all evaluation panel members signing the final moderated scoring sheet for each bidder).

Stage 5 Awarding and managing an agreement

- Notification of the decision to award a contract can be made by issuing an award letter together with the contract. The letter should set out the basis of the proposed contract award in the broadest of terms (e.g. that the basis of the contract will be the tender submission and any point of agreement reached in negotiation) and be signed and retained by both parties. Where the procurement is regulated by the Public Contracts Regulations 2015, the letter should state that we will be observing a standstill period and intend to execute the contract at its conclusion (assuming that no challenge requiring a delay is made to the outcome of the procurement).
- In all cases, the contract should be reviewed by an appropriate officer prior to signature. The contract should be retained and filed.
- It is good practice to offer a debrief to all unsuccessful tenderers. The debrief should be written up using the notes compiled during the evaluation and if appropriate at presentation. If the tenderer is content with a telephone debrief, then the written up de-brief should be discussed and the time and name of the persons noted and filed.
- There are also various reporting and debrief requirements that apply to contracts falling within the scope of the Public Contracts Regulations 2015. The most important is that after a contracting authority has made its decision to

award a contract, it must send out a notice ("standstill letter") to everyone involved in the tender process.

Single tender action

Exceptionally, where a tender or competitive quotation is not practical, or does not represent value for money, a single tender procurement may be justified. Such procurements may only be made if they are below Public Contract Regulation threshold, are authorised by the Older People's Commissioner for Wales and are reported to the Audit and Risk Assurance Committee.

In the event that the Commissioner is absent or has declared an interest in the procurement process then the Chief Operating Officer may discharge the functions of the Commissioner.

Awards of contract on this basis should be exceptional, unusual and rare; however, where there are compelling grounds to make a single tender action the justification must be in writing and agreed by the Commissioner before the procurement process is started.

The sorts of limited circumstances in which a single tender action may be appropriate, include:

- where it is known (rather than assumed) that only one firm or individual has the particular specialist expertise required;
- where the cost of competitive tendering would exceed the value of the project or outweigh the benefits which competition is expected to bring;
- where the requirement is of extreme emergency (for example, to remove a risk to public/staff safety); and
- where continuity of knowledge or synergy with previous work is an overriding consideration.

Other appropriate circumstances may arise and where there is any doubt over whether the use of a single tender action is appropriate, advice should be sought from the Chief Operating Officer.

Single tender action forms (Annex B) should be completed and submitted firstly to the Chief Operating Officer for validation and then to the Commissioner for authorisation. All single tender actions should be reported to the Audit and Risk Assurance Committee.

All staff need to be reminded regularly of the need to pre-plan procurement situations. Lack of planning/time is unlikely to be acceptable as a justification for single tender action.

Follow-on appointments

Where a consultant/contractor is required to undertake follow-on work directly related to a previous contract, which was awarded on a competitive basis, and the Commissioner believes that the consultant/contractor is the best equipped to carry out the required work, reappointment without competitive tender is generally permitted subject to the above rules regarding single tender actions and the Public Contracts Regulations 2015, where applicable.

The possibility of a follow-on appointment should be considered at the time of the original competitive tender and, if appropriate, provision for an extension option should be made in the contract.

Framework agreements

Framework agreements (such as those established by the National Procurement Service) are a hugely popular mechanism for sourcing goods, services and works in the public sector.

A framework agreement can be created for the benefit of one or more contracting authorities.

Before using a framework agreement set up by another contracting authority, the Commissioner should:

- check that it is legally able to use it;
- ensure that the scope of goods and services, and the specification for these, are suitable for its requirements;
- check that the terms of the framework agreement and call-off contract are suitable; and
- satisfy itself that the framework suppliers represent the most suitable suppliers in the relevant field for the Commissioner's requirements.

If the Commissioner accesses a framework set up by another public body, the Commissioner is responsible for compliance with the Public Contracts Regulations 2015 in respect of any parts of the procedure that the Commissioner conducts (for example, holding a mini competition).

Note: The public procurement rules require that framework agreements must be between one or more contracting authorities and one or more economic operators. The award of a specific contract under a framework agreement created by a private sector organisation would amount to the direct award of a contract in breach of the procurement regulations.

Collaborative working

Collaboration is an important driver for achieving value for money and knowledge sharing and is particularly relevant in areas of common expenditure or similar reviews. Collaborations can lead to greater commonality and a reduction in administrative costs.

Where the Commissioner collaborates with other bodies in procuring goods or services in order to reduce the administrative burden it may be advantageous for the group to adopt the values suggested in the Value Wales Procurement Route Planner:

- a. For contracts up to £5k: adopt good procurement practice
- b. For contracts of £5k to £25k: obtain a minimum of three written quotations
- c. For contracts in excess of £25k: undertake a tender process.
- d. For contracts that exceed the thresholds of the Public Contracts Regulations 2015, professional procurement expertise should be utilised and, where necessary, legal advice taken.

A rationale should be completed for every collaboration and the following points should be considered:

- Do we have a shared vision of what we want to achieve and why we want to work together?
- Are we actively committed to working in partnership and trust the individuals and organisations we are working with?

A template Mandate can be found at **R:\FINANCE\Procurement\Project mandate.doc**.

The Mandate or equivalent document should include:

- What you propose to do
- How you intend to work together
- Different roles and responsibilities assigned to particular individuals and organisations

A signed written agreement should be put in place to clarify the split of expenditure incurred between the collaborating organisations. Dependent upon the nature of the work and the level or risk attached to the project then a more detailed contract may be required. Consult with the Chief Operating Officer before proceeding.

The Mandate or equivalent document should be approved by the relevant budget holder.

Purchase cards

Purchase cards are similar to credit cards but have been developed for use by organisations that require tighter controls on spending limits and spending use. They are a cost effective way of ordering and paying for low value goods and services.

There is the potential for using purchase cards for acquiring all low cost goods/ service but it is restricted to the following items:

- Hotel accommodation
- Travel tickets
- Vehicle hire
- Catering suppliers
- Office stationery
- Courses and conferences
- Subscriptions
- Books and Periodicals
- Overseas purchases
- Internet orders
- Mobile phones and IT Equipment

The flexibility of the card allows cardholders to place orders by the most effective means.

To ensure a level of control over card usage there are monthly spend limits and single transaction limits on each card. As an added control certain expenditure categories can be blocked, for example withdrawal of cash.

Annex C sets out the current staff with access to Purchasing Cards and the limits that apply.

All cardholders are issued with guidance on the use of the charge card and if necessary specific training can also be arranged.

The guidance provides information on using the cards, including online review and authorisation procedures and should be complied with at all times.

All cardholders are required to complete a Transaction Summary form summarising each trip or use. Cardholders must attach all receipts, vouchers or booking forms to this form. This form should be reconciled on a monthly basis to the card's statement. If the cardholder is not on the Scheme of Delegation as set out in Annex A the form should be reviewed and signed by the card holder's line manager. The reconciled form should then be forwarded to the Head of Finance. The Chief Operating Officer will review all purchasing card transactions.

Card holders are responsible for ensuring that the card is held securely. In the event that the card is lost or stolen, card holders should immediately notify the bank and then notify the Head of Finance and Resources.

All Card holders must sign the form attached as Annex D to confirm that they have read and understood the Ordering Goods and Services Procedure and agree to comply with the provisions of this procedure. Failure to comply with these procedures may result in the withdrawal of the card.

Scheme of Delegation

Annex A

Value	Role	Comment
Over £15,000	Commissioner*	All types of expenditure
Up to £15,000	Chief Operating Officer	All types of expenditure
Up to £2,000	Personal Assistant to the Commissioner	All
Up to £2,000	Head of Communications	Communications and Ageism Priority Area
Up to £2,000	Rights and Equality Lead	Project dependent – must be Project Lead or Co-Lead
Up to £2,000	Ageing Well Lead	Project dependent – must be Project Lead or Co-Lead
Up to £2,000	Community Services and Inclusion Lead	Project dependent – must be Project Lead or Co-Lead
Up to £2,000	Safeguarding and Access to Justice Programme Lead	Project dependent – must be Project Lead or Co-Lead
Up to £2,000	Health and Care Lead	Project dependent – must be Project Lead or Co-Lead
Up to £2,000	Age Discrimination Lead	Project dependent – must be Project Lead or Co-Lead

*During periods of absence the Chief Operating Officer may discharge the functions of the Commissioner

Members of staff on this Scheme of Delegation have signed the form attached as Annex D to confirm that they have read and understood the Ordering Goods and Services Procedure and agree to comply with the provisions of this procedure.

Last Updated: March 2020

REQUEST FOR SINGLE TENDER ACTION/WAIVING OF TENDER/QUOTATION PROCEDURES

Reference Number:

Section 1 – to be completed by the person making the request

Supplier Name:

Order No:

Description of goods or services required with specific details, including the period the service is being provided for (as relevant):

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.....
.....
.....
.....

Value of order/contract (including VAT and carriage, where applicable): £

.....

Budget Heading/Code

.....

Reason for requesting single tender action/waiving of tendering procedures (refer to Procedures for Ordering Goods and Services):

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.....
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.....
.....

Name of person placing order:

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Position:

Signature: Date:

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Section 2 – Approval of form

Validation:

Chief Operating Officer

Signature: Date:
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Comments:
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.....

Authorisation:

Commissioner

Name:

Signature:

Date:

Annex C

The following expenditure limits would apply to the following staff that hold purchasing cards:

Role	Monthly Limit £	Single Transaction £
Commissioner	5,000	3,000
Chief Operating Officer	5,000	3,000
Engagement Lead	1,500	1,000
PA to the Commissioner*	2,000	1,500
Safeguarding and Access to Justice Lead	1,000	750
Work Programme Support Assistant	1,000	750
Executive Assistant	750	750
Community Services and Inclusion Lead	1,000	750
Ageing Well in Wales Lead	2,000	750

*Only this card has been enabled to withdraw cash

These limits can be adjusted by the Head of Finance and Resources to cover any BCP or other operational needs. Authorisation will be sought from the Chief Operating Officer or the Commissioner prior to making any adjustments.

TO BE SIGNED BY STAFF WHO ARE INCLUDED ON THE SCHEME OF DELEGATION OR THOSE WHO ARE PURCHASING CARD HOLDERS

I have read and understood the Ordering Goods and Services Procedure and agree to comply with the provisions of this procedure.

Signed.....

Date.....

Award procedures available under the Public Contracts Regulations 2015

If the Public Contracts Regulations 2015 apply, (ie contracts over £189,330) one of five award procedures must be followed. The following items should be noted:

- There are no restrictions on the use of the open and restricted procedures.
- However, the competitive dialogue, competitive with negotiation and innovation partnership procedures can only be used in certain limited circumstances.
- The open procedure provides for a one-stage procurement, while the other procedures have a short-listing/selection stage prior to tenders being submitted.
- Minimum time limits apply to the various phases of each procedure.

Open procedure

- All interested parties can submit a tender.
- No negotiation with bidders is permitted.
- Suitable for simple procurements where the requirement is straightforward and tenders will be easy to evaluate.

Restricted procedure

- Interested parties can submit an expression of interest, but only those meeting the contracting authority's pre-qualification/selection criteria will be invited to tender. Selection criteria should only relate to bidders' technical and professional capability and financial and economic standing and certain grounds for disqualification (i.e. they should assess the bidder and not the bidder's proposals or bid).
- A minimum of five suppliers must be invited to tender unless fewer suitable candidates have applied and these are sufficient to ensure genuine competition (that is, at least two).
- No negotiation with bidders is permitted.
- Commonly chosen when a contracting authority wants to pre-qualify suppliers based on their financial standing and technical or professional capability so as to reduce the number of bidders which can submit bids.

Competitive dialogue procedure

- Interested parties meeting the authority's selection criteria will be invited to participate in dialogue. The dialogue is to develop one or more solutions to meet the contracting authority's needs.
- A minimum of three suppliers must be invited to dialogue (unless fewer candidates have applied and these are sufficient to ensure genuine competition).

- When one or more suitable solutions have been identified, the dialogue phase ends and the authority asks bidders to submit final tenders.
- The authority evaluates the tenders and then chooses the best winning based on the award criteria.

Competitive procedure with negotiation

- Selection is made from bidders who respond to the OJEU advert and only they are invited to submit an initial tender for the contract.
- The contracting authority can open negotiations with tenderers to seek improved offers.

Innovation partnership

- The establishment of a structured partnership for the development of an innovative product, service or works and the subsequent purchase of the resulting supplies, services or works, provided that they correspond to the agreed performance levels and costs.

Key additional requirements for procurements caught by the Public Contracts Regulations 2015

- Contracts that are caught by the Public Contracts Regulations 2015 must be advertised at EU level. A notice, known as an OJEU or contract notice, must be published in the Official Journal of the European Union (OJEU). The notice must be in a standard form, which is available on the EU's SIMAP website (<http://simap.ted.europa.eu>).
- Contracts can also be advertised on Sell2Wales, which is the national advertising portal where Welsh public sector organisations post their contract opportunities. When a contracting authority creates a notice on Sell2Wales, they are asked to choose whether it is a website (sub-threshold) or OJEU notice. All OJEU notices are automatically forwarded to the OJEU for publication and will also be published on Sell2Wales.
- Unrestricted and full direct electronic access, free of charge, must be offered to the procurement documents from the date of publication of the contract notice. As "procurement documents" include any document produced or referred to in order to describe or determine elements of the procurement or the procedure, this means that the tender specification, invitation to tender and proposed conditions of contract should be prepared in advance.
- Compliance with the Public Contracts Regulations 2015 requires that the Commissioner determines and discloses how the Commissioner will assess a winning bid before the Commissioner receives any information from the bidders.

- If an award decision to a regulated procurement is challenged on the grounds of the absence of transparency, the court will look for the reasons why the scores were awarded. If we cannot explain why we awarded the scores we did, then we will fail to meet the required standard of transparency and it is likely that the decision to award the contract will be set aside if it is challenged.
- After we have made its decision to award a contract, we must send out a notice ("standstill letter") to everyone involved in the tender process. This must include certain prescribed information including information about the award criteria, scores and winning bidder. We must then allow a standstill period between the notice being sent out and the contract being entered into. This is normally a period of ten calendar days, beginning with the day after the standstill letter is sent and ending on a working day, during which we must not enter into the contract with the winning bidder.

Single tender actions under the Public Contracts Regulations 2015

- Regulation 32 of the Public Contracts Regulations 2015 permits contracting authorities to use a negotiated procedure to let a contract, if the contracting authority thinks there can be no other suppliers for technical reasons or because the proposal relates to intellectual property rights. It is also available where, for reasons of extreme urgency brought about by unforeseeable events, the time limits for the other award procedures cannot be complied with.
- The Commissioner will need to be **absolutely certain** that no reasonable alternative or substitute exists, and that the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement. **Legal advice should be taken before relying on Regulation 32.**
- Regulation 32(9) to Regulation 32(12) also set out specific provisions on using the negotiated procedure without prior publication of a contract notice for new works/services consisting of the repetition of similar works/services entrusted to the supplier. Regulation 72(1)(b) also provides a ground for modifying contracts during their term to include additional works, services or supplies by the original contractor.

Consequences of breach of the Public Contracts Regulations 2015

- If a Court is satisfied that there has been a breach of the procurement regulations, it can order the authority's decision to be set aside or award damages to the claimant for loss of opportunity.
- If the contract has already been entered into, the court is able to declare the contract ineffective in certain circumstances, fine the authority and award damages. A Court is required to impose a fine if it declares a contract ineffective. While there is no prescribed tariff for fines, the Public

Contracts Regulations 2015 state that fines must be "effective, proportionate and dissuasive"