

## **SELLING TO “TENDRING DISTRICT COUNCIL”**

### **INTRODUCTION**

The purpose of this "Selling to the Council" guide is to help contractors and suppliers identify potential opportunities from the variety of goods, works and services required by Tendring District Council (TDC).

TDC spends approximately £23 million each year on a wide range of products, services and works programmes. This represents some significant opportunities for a wide range of organisations across all sectors.

### **Procurement Agency for Essex (PAE)**

Tendring District Council is a member of the Procurement Agency for Essex (PAE). The PAE represents 15 member Local Authorities and Essex County Fire and Rescue Service and works to promote and facilitate collaborative procurement across Essex.

The PAE have adopted BiP Solutions to provide Buyer Profiles and a Procurement Portal. These Portals use the "Select Service" to provide an on line pre-qualification service for the public sector. This service aims to bring buyers into direct contact with suppliers of products and services purchased by the public sector across Essex.

Although, at Tendring, we have not yet fully developed this facility you may like to register as a supplier on the Portal. This may enable you to receive contract opportunities from across Essex.

The Portal allows suppliers to register their interest in current and future opportunities, and begin the pre-qualification process that is required by suppliers to the Public Sector. The BiP Select service offers a simple and structured approach to registering interest and pre-qualification which will deliver value for money to both buyers and suppliers.

Suppliers can begin by registering an interest on Select and complete pre-qualification at a later stage should an opportunity arise. However as the Select registration is for virtually the whole of the Essex Public Sector many suppliers will want to begin their pre-qualification early. This can be done by using the Select Certify Service.

To achieve Select Certify status, suppliers complete an on-line self-certification questionnaire, which is free of charge

Please be advised that it is not mandatory to use the BiP Select Service.

To access the Tendring District Council Procurement Portal please go to <http://tendring.g2b.info/> which includes links to the PAE portal and The Select Service.

## **THE COUNCIL'S PROCUREMENT POLICY AND PROCEDURES**

The Council is committed to deliver its vision for Tendring to be a vibrant, thriving area, where people want to live, work and visit with opportunities for all to enjoy a high quality of life. Built into the Council's missions are the key levers of change: -

- Ensuring the delivery of high quality services by the most appropriate means
- Managing our activities and resources economically, efficiently and effectively

The Council requires all officers and Members involved in any form of procurement to maintain the highest standards enshrined in the adopted codes of conduct. As a general policy rule and guidance for procurement of goods, works or services by individuals or services the following principles must be demonstrated:

All procurements of goods, work or services should: -

- be made within the Council's regulatory framework and all applicable legislation
- be transparent, accountable and fully documented
- be capable of generating the most advantages balance between quality, appropriateness, cost and timescale
- embrace the Council's corporate policy and best value objectives
- encourage competition and challenge, where appropriate
- allow the development of alternative procurement, partnership and consortia arrangements
- minimise over-complex administration for routine tasks and transactions
- operate within the Council's financial strategy and service budgetary targets
- maintain an auditable record of decision making and reasoning

The [Procurement Strategy](#) for the Council will fundamentally affect the way that the Council carries out its business and will be reflected in other corporate plans and strategies.

The Government procurement strategy is equally relevant to Tendring District Council.

*"All public procurement of goods and services, including works, is to be based on value for money having due regard to propriety and regularity. Value for money in procurement is defined as the optimum combination of whole life cost and quality (or fitness for purpose) to meet the customers' requirements."*

## **FINANCIAL THRESHOLDS**

Most contracts are awarded following competition. Tendring District Council will invite a number of suitable potential suppliers and contractors to make proposal i.e. quotations or tenders. With limited exceptions (mainly relating to small purchases) the Council's contract procedure rules will apply to all acquisitions of goods, works or services. Contracts are normally associated with larger capital projects such as civil engineering or building projects.

## **Rules and Requirements**

The nature of the requirement, estimated value and timescale determines, to a large extent, the way the procurement is carried out.

### **Quotation requirements relating to contracts below £50,000 includes work, goods and services.**

- Contracts Over £2,500 but not Expected to Exceed £5,000 - One quotation, in writing
- Contracts Over £5,000 but not Expected to Exceed £10,000 - Two quotations, in writing
- Contracts Greater than £10,000 but Less Than £50,000 - At least 3 quotations, in writing

Acquisition with an estimated value in excess of £50,000 will be subject to the rules relating to the Council's formal tender procedure.

For construction and associated Council works over the £50,000 contract value the Department of Trade and Industries Constructionline database of contractors is used, as no internal approved contractor list is held. For more information visit the [Constructionline website](#).

## **PUBLIC SECTOR RULES AND POLICIES**

The public sector is regulated not only by Central Government but also by the European Union.

### **European Union (EU) Directives - Advertising Requirements**

If a contract to be tendered exceeds the fixed amount laid down by the EU, currently at £156,442 for products and services or £3,927,260 for works, it must be advertised in the Official Journal of the European Union (OJEU). There are two parts to the advertisement:

#### **Contract Notice**

A contract notice is effectively the European equivalent of the advertisement that would be placed in the UK press seeking tenders or applications to a select list of tenderers. It is based on a standard format laid down in the EU Procurement Directives.

#### **Award Notice**

Within 48 days of an award of a contract, which is subject to a contract notice published in OJEU, an award must be placed in OJEU declaring the name of the successful tenderer.

#### **Standards**

You will find that our conditions of contract and specifications will incorporate European standards and regulations. British standards and regulations will only apply where no other international standards regulations exist.

## **How you find out about Our Contracts and Tenders**

Our [existing contracts and tenders](#) are listed on our web site. Details of public sector tender are also advertised in:

- Relevant trade press
- Local and National press
- Publications Government Opportunities and Contrex Weekly
- Official Journal of the European Union (OJEU) if the contract is tendered across the EU
- BiP supplier portal

## **Responding to a Tender Notice**

We apply three tests to companies looking to do business with us. These are legal, financial and technical.

### **Legal**

- You must accept English law as the governing law of any contract and the jurisdiction of the English courts.
- You must be prepared to accept our contract conditions, although minor changes may be negotiated if in the interest of both parties.
- You must have no convictions for serious environmental offences, fraud, corruption, or other major breaches of the Companies Act.

### **Financial**

- You must pass a financial check, usually based on your company's last three years' accounts (preferably audited) for all tendered work.
- You must provide evidence of an acceptable and appropriate level of public liability insurance. Employers' liability insurance and the professional indemnity insurance may also be required.

### **Technical**

- You must provide two references for your company that we can contact. These can be from any sector.
- You must provide evidence of any quality standard, appropriate to the work in hand, held by your company.
- You must provide a company policy statement covering health and safety, environmental and equalities aspect of your business, which must meet legislative requirements.

## **Types of Contracts**

The types of contract we operate are diverse. The basic types of contracts you may encounter are briefly defined as follows: -

- **Spot Contract**

A spot contract is let to satisfy a definite, one-off requirement for either products or services. It serves the same purpose as a purchase order, which is a legal contract.

- **Framework Agreement**

A framework agreement is used for the supply of products or services over a given time period. It is not itself a contractual agreement to supply, but an enabling agreement providing agreed specifications, delivery terms, prices, specifications and terms and conditions.

- **Call-Off Contract**

A call-off contract is used for the supply of a specific quantity of goods or services over a given time period, which is subject to prior agreement on prices, specifications and terms and conditions. Deliveries are made either to a delivery schedule built into the call-off contract or by separate call-off orders placed against the contract.

- **Service and Maintenance Contracts**

Maintenance contracts are essentially service contracts and may take the form of spot contracts, framework arrangements and call-off contracts.

- **Capital Works Contracts**

Capital works contracts are used for large-scale construction projects. These contracts are generally highly complex and involved.

- **Leasing**

Leasing contracts are often used to enable organisations to control the total cost of ownership of items such as IT equipment, vehicles and buildings.

- **Public Private Partnerships**

These contracts are complex and enable the public sector to benefit from private company investment. In return, the private company benefits from further business or services. Again they are complex and very high value.

### **Awarding Our Contracts**

- Quotations and straightforward tenders for the supply of products and services are normally awarded on lowest price, unless other conditions apply.
- Tenders for contracts, however, will generally be awarded using a range of evaluation criteria including price and quality. This is known as the 'most economically advantageous tender'. This enables us to take account of commercial and non-commercial consideration.

### **ENVIRONMENTAL POLICY IN PROCUREMENT**

Tendring District Council is committed to sustaining our environment for future generations. The Council procurement takes into account the environmental costs involved and ensure, so far, as is reasonable, that these important considerations are specifically considered. Please see our [Procurement Strategy](#) for details of sustainable procurement.

We consider the environment in all our procurement activities and work pro-actively within our own organisation and with our partners, suppliers and contractors to create a high level of awareness of environmental issues.

## **Procurement Decisions**

Where practical, we will seek to:

- Comply with all environmental legislative and regulatory requirements when buying products, services and works. Check out Defra's [Sustainable Development](#) website
- Integrate the environment into procurement
- Procure products, services and works locally wherever possible taking into account the need to achieve best value for money
- Procure energy supplies generated from renewable sources

## **Working With Suppliers and Contractors**

Where practical, we will seek to:

- Ensure that you are aware of environmental issues and policies, promote environmental awareness, sustainability and encourage you to minimise the harmful environmental practice in your supply chain
- Work with you to increase the amount of environmentally preferable products and services available to the Council
- Ensure that your environmental claims are assessed and validated

## **European Union (EU) Rules Relating to Environmental Issues**

The EU has rules governing environmental issues in contracts. Whether a contract is competitively tested informally or through a formal tender process, environmental requirements must:

- Be included within the tender
- Be appropriate and relevant to the product or service
- Not be anti-commercial
- Not be anti-competitive, and must be equally capable of being met by suppliers from all member states in the EU

Contract awards can take environmental requirements into consideration (whole life costs of a product or service). You cannot be rejected because you do not comply with EMAS or ISO 14001, as these schemes are voluntary. However, some Councils have a policy to only accept bids with these or equivalent standards.

## **EQUALITY POLICY**

Tendring District Council has adopted the Commission for the Racial Equality (CRE) approach, as set out in its guidance to local authorities launched in July 2003.

The [Equality and Human Rights Commission](#) website also provides a useful source of reference.

You can find out more information about the Equality Act 2010 on the [Government's Legislation website](#).

In addition to following this guidance, local authorities must ensure that their policies encourage local diversity and do not lead to unfair discrimination or social exclusion. As part of this consideration, and as allowed by current legislation, the Council asks the suppliers with which it works to comply with equal opportunities legislation.

## **WHISTLE BLOWING POLICY**

Tendring District Council has adopted a [Whistle Blowing Policy](#).

## **HEALTH AND SAFETY**

Tendring District Council has a legal duty under the *Health & Safety at Work Act 1974*, to provide for, so far as is reasonably practicable, the health, safety and welfare of its employees, members of the public and contractors. Included in this duty is the requirement to have a written general health and safety policy.

## **OUR PAYMENT POLICY**

Our payment policy states that you must be paid within mutually agreed terms or within 30 days if such terms do exist. The time starts from the date the Council receives your valid invoice, correctly completed to the date of BACs payment. We will contact you if there is a dispute with your invoice. If your invoice is received in advance, the 30 days period or agreed term period starts from the satisfactory receipt of the products or services.

## **THE PROCUREMENT CODE OF CONDUCT**

All Tendring District Council employees must abide by the *Procurement Code of Conduct*. Employees must declare their interests in existing or potential suppliers, and say if the connection is a private, social, domestic or professional one. This also applies to Members (local Councillors) who are also governed by a strict code of conduct.

## **USE OF TECHNOLOGY**

- **Purchasing Cards**  
Tendring District Council has started using purchasing cards for its vehicle fleet fuel requirements.
- **Electronic Trading (e-Procurement)**  
The Government has set targets for Councils to increase the amount of trade that we do 'electronically' as this saves both buyers' and sellers' time and money. Electronic trading comes in different forms including purchasing cards, e-mail transactions generated through websites, electronic catalogues or market places. In Tendring District Council we have our own electronic market place. It is our policy to use this mechanism to carry our routine procurement activities.
- **BACs Payments**  
We also have a policy that all our suppliers and contractors are paid 'electronically' through BACs into a bank or a building society, unless there is a compelling reason to the contrary.

## **SUPPORT FOR OUR LOCAL SUPPLIERS**

We aim to support local businesses wherever possible by one or more of the following:

- Ensuring that we take into account the need of small to medium enterprises (SME) within our electronic procurement projects
- Ensuring that all higher value tenders have evaluation criteria, so that there is consideration of factors other than lowest cost
- Offering constructive debriefing to all those who compete for contracts in order to help them to do better in the future
- Providing comprehensive information on our websites, including all contracts, sources of information and key contacts
- Improving commercial flexibility within the rules and regulations that we work to
- Reviewing and developing our procurement policies
- Regular monitoring of the number of local companies doing business with us
- Providing free advice and assistance on compliance with statutory requirements relating to trading laws and advertising
- The Council has signed up to use the BiP portal to aid SME's and local suppliers. Suppliers subscription to this is an easy link to potential business throughout Essex.