

Finance and Resources Committee 18 September 2007

Tendering policy and process update

Executive Summary and Recommendations

1. Introduction

2. Decision

The Committee is requested to approve the Tender Policy and Process document.

3. Background information

In late 2005, a Tendering Process was documented and noted by the Finance & Resources Committee, following their approval of the Procurement Process (refer Appendix Two). The documented Tendering Process included Tendering Policies.

Following the latest amendments to the Financial Regulations, an action point arose for the Finance & Resources Committee to review the details of the Tendering Policy (refer minutes of 21 June Finance & Resources Committee Meeting, 12.07/87/12.4). The updated Tendering Policy and Process is attached – refer Appendix One.

4. Resource implications

Nil

5. Financial implications

Nil

6. Background papers

Nil

7. Appendices

Appendix One – Tendering Policy & Process

Appendix Two – Procurement Process

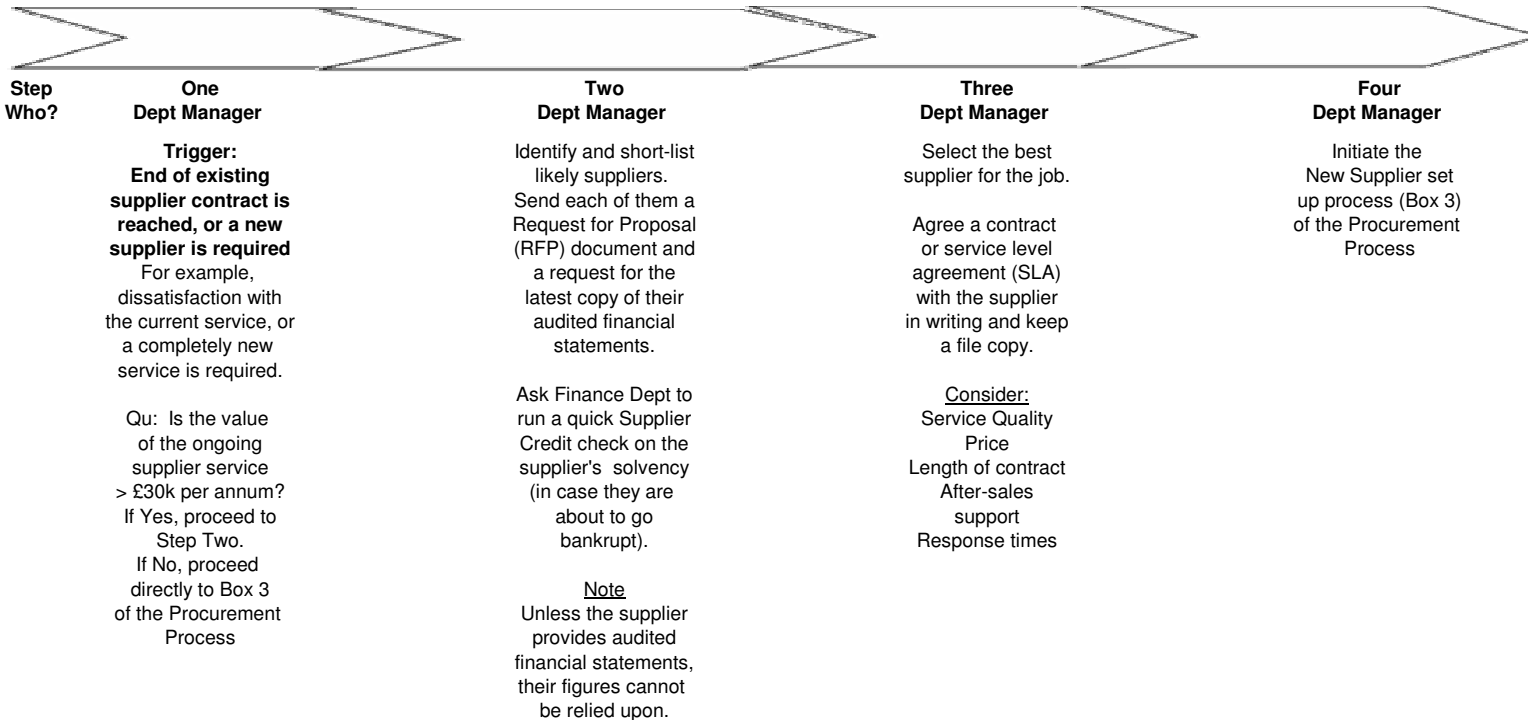
8. Date of paper

6th September 2007

APPENDIX ONE

Tender Policy & Process (Box 2 of the Procurement Process)

- a) Contracts and the process through which they are procured must be open and transparent, with the successful contractor being chosen on the basis of a fair and competitive process. All tenders should be based on a written specification, supplied by HPC for the services to be rendered or goods supplied.
- b) The trigger for a new supplier tender is when the set of goods or services from a new supplier is greater than £30,000 VAT inclusive per annum. With a thresh-hold of at least £30,000 pa, the benefits of tendering (obtaining different quotes to select from) are likely to exceed the administrative costs of tendering.
- c) Tenders may be sought for projects or core, operational services. An example of a core service is FTP legal costs.
- d) There is no minimum set-time to trigger the requirement for a tender. Typically the trigger would be one of the things outlined in Step One below.
- e) Tenders need not be sought every time a piece of work for greater than £30,000 per annum is outsourced. For example, an existing supplier may be used for successive pieces of work each costing greater than £30,000 in the same year. However, the Dept manager should consider initiating a tender for ongoing services from such a supplier, at least once every four years, to ensure contestibility (value for money and impartiality) can be demonstrated.



APPENDIX TWO

HPC PROCUREMENT PROCESS

