

## Swaffham Town Council

### PROCUREMENT POLICY & PROCEDURE GUIDE

#### Introduction

Procurement is the process of acquiring goods, works and services.

All procurement of goods, works and services is based on value for money, having due regard to propriety, regularity and legal obligations.

#### Contractors & Suppliers

There are several regulations that specifically control the way in which goods, services and works are purchased.

- Approved Supplier account: - where an account has been approved and set up. These suppliers will be our initial preferred source for goods and services
- Contractor/Supplier List – where goods or services have been regularly provided from known and recognised approved suppliers, where we do not have an account formally set up.
- Corporate contract - contracted suppliers approved for a particular supply or service item – there is contract management guidelines applicable.

All new suppliers are approved by the Town Clerk / Deputy Clerk before any purchase can be made.

It is preferred practice that a quotation process is undertaken for goods or services deemed required by the Town Clerk or Council or both.

At least three quotations should be requested to ensure competition and value for money.

#### Tendering

Goods for services with an estimated cost of over £25,000 require a formal Tender process to select the supplier.

The amount of information required about the supplier will be more detailed than in the case of the standard quotation process.

#### Contract Management

In July 2017 the Council agreed a set of guidelines for new work contracts to ensure a more professional, consistent and transparent approach to contract management.

Work contracts are usually required for large projects (building works, CCTV, outside projects etc) or long-term projects (ground maintenance contracts - grass cutting etc) that extend beyond 10 working days.

For all new work contracts the following guidelines are required:

1. Work Specification – a professional detailed specification of works is required before obtaining three comparative quotes.

Additional costs may be charged to cover professional fees of an architect or quantity surveyor.

2. Communication and methodology of progress - all suppliers awarded a contract must be monitored throughout the contract period, and will be subject to periodic meetings, agreed at the outset, to manage the project and progress.

The supplier must ensure that quality and performance stated in the contract are maintained (or improved) throughout the contract, this will ensure any concerns are highlighted and managed quickly and effectively.

Potential concerns include:

- failure to deliver in accordance with the specification of the contract documents;
- poor administration of the contract, e.g. inability to invoice at the contract rates,
- inability to supply monitoring information when requested

3. Risk Assessments - should be undertaken, including an assessment of project management - staff capability, required specialist knowledge, external assistance?

4. Contractor invoices – review, approval or dispute of contractor’s invoices is required at an early stage to highlight any concerns and avoid misunderstanding

5. Disputes - should be notified as soon as possible, within 48 hours to ensure early resolution and provide clarity.

## **Purchase Order**

A Purchase Order (PO) is required for all purchases made on behalf of and for the Council – anything from soap to IT equipment – whether purchased on account with known suppliers; over the counter in a local shop or online via Amazon or other approved supplier.

The PO is the recognised authorisation to proceed with any purchase or work contract.

No purchases should be made without this written authorisation.

There are a number of approved exceptions to this:

- Utility Bills (gas, water, electricity, telephone)
- Breckland Council rates
- Public Works Loans
- Swaffham Service Station – outside fuel

The exception list is not limited, additions are approved by the Town Clerk/Deputy Clerk as they arise.

## **Invoices**

All invoices, in order to be paid need to be:

- A made out to/addressed to Swaffham Town Council
- Include relevant Purchase Order number where applicable
- Approved and initialled by the Town Clerk/Deputy Clerk before being put forward for mid month payment.

## **Approved Contractors & Suppliers List**

A spreadsheet of known approved supplier & contractors is maintained and reviewed annually.