

PROCUREMENT PROCEDURES MANUAL



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INTRODUCTION

This Manual was originally produced in August 2007 as a result of the evolution of the Procurement function within the University. At that time, Procurement was devolved to budget holders and purchasers. It has since been updated due to the changes which are occurring within Procurement across the sector and nationally.

APUC and Scottish Procurement

Public sector procurement has been reformed and can be summarised as follows:

- SP (Scottish Procurement) – Scottish Government procurement unit responsible for contracting on our behalf for commodities (Cat A) e.g. ICT desktops, laptops, stationery which are common to Scottish public sector i.e. national
- APUC (Advanced Procurement for Universities and Colleges)– responsible for contracting on our behalf for (CAT B) commodities e.g. audio visual, furniture for use in Higher and Further education i.e. sectoral
- Procurement– responsible for contracting for (CAT C) commodities e.g. advertising, print of prospectus, legal services, insurance which are specific to UWS i.e. local.

Procurement is responsible for tendering for institution-specific requirements and rolling out agreements which are put in place by SP and APUC and ensuring compliance and best value for UWS.

This document details the University's procurement procedures which include, for example, details of current authorisation levels, when and how to obtain quotations or tender for goods, services and works and supplier selection. It also covers procurement of 'consultancy', 'research' and 'construction'

It is the primary source of guidance for all those University employees, including researchers, on each of the 4 campuses who have operational or budget responsibility for the purchase of goods, services or works on behalf of the University.

Other sources for guidance are:

- UWS Procurement Policy
- UWS Financial Regulations
- UWS Sustainability Policy
- UWS Equality & Diversity Policy
- UWS Bribery Policy
- Scottish Procurement Policy Handbook and SPPNs (policy notes)
- Procurement Manual for Universities and Colleges in Scotland (APUC)
- Scottish Construction Procurement Manual
- The UWS Intranet site for Procurement , which includes FAQs

Practical Guidance

❖ Part A: Practical Guidance for Purchasers and Budget Holders

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1. Establishing the Requirement

It is the purchaser's responsibility to ensure that:

- There is a genuine need
- The specification is not higher than required
- The total value is calculated and sufficient funds are approved and available within the respective budget to meet the cost of the intended purchase in full
- Full compliance has been made with Sustainability, Equality, Health and Safety requirements or other appropriate legislation
- **Existing contracts/frameworks /approved suppliers are used**
- **Appropriate open competition (quotation/tender) procedures have been followed correctly**
- If the total expenditure exceeds £50,000 (excluding VAT) the tender exercise shall be carried out by Procurement.

Note: For works - Estates & Buildings must work with Procurement and ensure that all procurement requirements are followed.

2. Purchase from Research Budget

All research expenditure is subject to the same process as other expenditure, except where specifically agreed otherwise by the funding body.

3. Buying Professional Services/Consultancy

The procedures set out in this Manual for goods and services also apply to professional services/consultancy. Where consultancy is being purchased, the specific terms and conditions for consultancy shall be applicable.

4. Utilising Existing Contracts/Framework Agreements/Approved Suppliers

4.1 The University has access to numerous existing contracts, frameworks and approved suppliers and these must be used, wherever applicable. This is our policy default position. Budget Holders are responsible for ensuring that existing agreements are utilised, wherever practicable.

4.2 There are some occasions where the collaborative agreement does **not** fit UWS' needs. If this occurs then requests for not using these agreements must be submitted in writing (email acceptable) to the Head of Procurement, for approval (and filing for future reference/audit) and shall include:

- a detailed rationale for not using the agreement, with supporting evidence, where applicable
- a statement from the Head of School/Head of Department/Director expressing awareness of and approval of the non-compliance.

4.3 For details of these contracts and agreements, including those put in place by APUC/Scottish Procurement please refer to the Procurement website at:

<http://intranet.uws.ac.uk/departments/procurement/SitePages/Existing%20Contracts%20and%20Frameworks.aspx> or contact Procurement for advice.

4.4 If a framework agreement has more than one preferred supplier, a mini competition is required to identify the best supplier for UWS' needs – then, Procurement will assist or, if necessary, carry out the mini competition on behalf of the customer.

5. Thresholds for Open Competition where there is no existing Contract/Framework Agreement/Approved Supplier

5.1 The decision as to whether a purchase should be handled under quotation or tender procedures is based on the level of expenditure/risk and complexity involved

5.2 The total value (whole life costs) must be taken into account when deciding which process is to be applied. For example, this shall include the actual value of goods or services, the time period and any additional/ongoing costs for maintenance, lease, finance and rental

5.3 No attempt should be made to sub-divide the contract for the purpose of avoiding the correct procedure

5.4 It is the responsibility of the Budget Holder to ensure that the correct procurement process is followed if there is no existing agreement available

5.5 All purchasing thresholds are exclusive of VAT whereas UWS budgets are inclusive of VAT- therefore please take care when calculating.

The thresholds which determine the most suitable, compliant procurement route, where no existing contract or framework agreement is appropriate, are:

Table 1

Commodity	Cumulative Value Excl. VAT	Open Competition Procedure/Procurement Route	Procurement Procedure carried out by
Goods, Services & Works	Up to £1,000	Procurement Card	Purchaser
Goods, Services incl. Consultancy, Works	Up to £10,000	At least 1 written quotation required email acceptable - in response to clearly defined specification.	Purchaser
Goods, Services incl. Consultancy	£10,000 - £50,000	Quotation Exercise at least 3 written quotations - in response to clearly defined specifications	Purchaser/Budget Holder
Works	£10,000- £150,000	Quotation Exercise at least 3 written quotations - in response to clearly defined specifications	Estates Estates to work with Procurement and ensure that

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			all procurement requirements are followed (or 3 rd party. 4.1.14 refers)
Goods and Services	£50,000-£172,514	Tender Exercise i.e. formal sealed bid exercise 3-5 Tenders - in response to clearly defined specifications	Procurement
Works	£150,000-£4,322,012	Tender Exercise i.e. formal sealed bid exercise 3-5 Tenders - in response to clearly defined specifications	Estates Estates to ensure that all procurement requirements are followed (or 3 rd party. 4.1.14 refers)
Goods and Services	Greater than £172,514	EU Procedure formal, legal process	Procurement
Works	Greater than £4,322,012	EU Procedure formal, legal process	Estates + Procurement Estates to work with Procurement and ensure that all procurement requirements are followed (or 3 rd party. 4.1.14 refers)

6. Purchases up to £10,000 (excl VAT)

For purchases that have a cumulative value less than or equal to £10,000 excl. VAT, and **are not covered by an existing framework agreement/contract**, the following procedures apply:

- 6.1 At least one written quotation must be obtained in response to clearly defined requirements to show that value for money has been obtained, e.g. through price comparison – email acceptable.
- 6.2 The order shall be placed in the form of an official UWS purchase order which is raised on Agresso.

7. Purchases between £10,000 and £50,000 – Quotation Process

For purchases that have a cumulative value greater than £5,000 excluding VAT,

and **are not covered by an existing framework agreement/contract**, the following procedures apply:

7.1 The procedure for quotation requests should be no more complicated than the requirement demands

7.2 The recommended minimum number of quotes is 3 however it may be beneficial to obtain more quotes in a competitive market

7.3 Purchasers must declare and record any personal interest that might influence, or be seen by others to influence, their impartiality in arriving at a purchasing decision. Those who have business or personal relationships with, or friends/relatives employed by, external organisations bidding for University contracts must inform their own line manager and the Procurement Manager at the outset.

7.4 Establish sources of supply and issue invitations to quote specifying what is required and stating that any order arising from the enquiry will be subject to the University's Standard Terms and Conditions of Purchase

7.5 A template for requesting quotes is available from Procurement

7.6 Quotes should be in response to clearly defined requirements and the requirement given to suppliers in writing must be the same in all cases

7.7 The criteria should be stated in the invitation so that suppliers know what is important to us

7.8 Quotation requests should all be in writing and issued at the same time and given a common reply date

7.9 Quotations should be received in writing. Faxed quotations are acceptable

7.10 Purchasers should allow suppliers a reasonable timeframe for responding to the requirement and preparing a quote, around 5 days minimum if it is straightforward

7.11 Quotations can be opened on receipt – they do not have to be securely held and opened at the same time as in the tender process (see later)

7.12 When analysing quotes the purchaser must look out for any hidden costs or terms that are not in the best interests of the University. Examples of hidden costs may be maintenance payments or automatic renewal for subscription services

7.13 The supplier meeting the requirement and with the most economically advantageous offering should be selected

7.14 Where the lowest total price was not selected, the purchaser must fully record the reasons for selection/non-selection

7.15 **Approval** -The purchaser must complete and submit a [Quotation Approval Form \(over £10k\)](#) form to the Budget Holder/Line Manager before making commitment to the successful bidder. This is an important stage – and is subject to audit

- Quotation Approval forms can be found on Procurement's intranet site

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- Once the Quotation Approval form has been approved by the Budget Holder (or Line Manager if the purchaser is a Budget Holder), NOT before, the suppliers should all be informed whether successful or unsuccessful
- Sample 'success' and 'regret' letters can be obtained from Procurement

7.16 Quotation File - All relevant documentation should be held and filed with any other relevant purchasing documentation, for future reference/audit. A Quotation File Checklist can be found on the Procurement website

7.17 A purchase order must be sent to the successful supplier or contractor. The order should be placed in the form of an official UWS purchase order which is raised on Agresso

7.18 If the nature and extent of the goods or services to be purchased requires extensive detail, a letter of acceptance containing all relevant information should be sent with the order

7.19 If a requirement falls below the £50,000 threshold but is considered to be a high risk it may be worth completing a full tendering exercise as per the process for greater than £50,000 - to follow.

8. Supplier Selection

8.1 It is good practice to invite more offers where any of the following factors apply:

- There are many potential suppliers
- There is a risk that some companies may decline from bidding
- There are new suppliers entering the market place.

8.2 Only suppliers who have a real chance of being successful should be invited to quote

8.3 Competition should be real and in no way contrived to ensure a preferred outcome

8.4 Public Contracts Scotland - Requirements must be given adequate publicity as required by legislation and should be advertised in such a way that they attract the attention of an appropriate range of suppliers. Public Contracts Scotland-Tenders (PCS-T) portal should be utilised for goods and services of value > £50,000, excluding VAT and for works, the threshold is £2million, excluding VAT.

8.5 Selection of suitable bidders should be based upon the following criteria:

- Ability - ability to complete the contract
- Capacity - value of the contract in relation to the suppliers' turnover, staffing etc
- Technical/Professional expertise - in relation to the requirement
- Experience - evidence of past performance on similar contracts
- Sustainability quality and standards (economic, environmental, social)

good procurement = sustainable procurement

8.6 Favouritism is not allowed e.g. in favour of Scottish suppliers i.e. discrimination against English or foreign companies is not allowed.

8.7 Some criteria can be more important than others therefore ensure relevance and proportionality. When scoring, use a simple system and inform the tenderers what the criteria and weightings are. Only information provided can be scored. Where a supplier has failed to provide information, but you think you know it – you cannot score if the details/evidence has not been provided.

8.8 Summary Criteria should be relevant and proportionate

- Fewer, key criteria better
- Clear audit trail

8.9 If assistance is required, please contact Procurement.

9. Purchases for goods/services between £50,000 and £172,514 - Tender

9.1 For purchases of goods/services of this value that are not covered by an existing framework agreement/contract, a competitive tender process must be carried out by Procurement, in line with APUC process and templates as detailed in Part B of this manual.

9.2 The principles of **transparency** and **proportionality** are key requirements. All requirements for goods/services with a value in excess of £50K (excl. VAT) will be advertised by Procurement on Public Contracts Scotland (PCS) <http://www.publiccontractsscotland.gov.uk>

9.3 Contracts that are not subject to OJEU requirements must still be conducted in line with procurement best practice and the principles of the EC Treaty i.e. to afford **fairness, competition and transparency**.

9.4 Ensure a degree of advertising and follow a procedure leading to the award of the contract which is sufficient to enable open and fair competition and meet the requirements of the principles of equal treatment, non-discrimination and transparency”.

9.5 In order to achieve this, budget holders shall involve Procurement from the outset e.g. business case/budget stage, or before if known, to make Procurement aware of the requirement as early as possible.

9.6 The tender process should also be applied for any lower value requirements that are potentially complex or contentious.

10. Purchases goods/services, greater than £172,514 / £4,322,012 (Works) - EU

10.1 For purchases in this category that are not covered by an existing framework agreement/ contract, European Law and the Public Contracts (Scotland) Regulations 2012 will apply. Procurement must therefore carry out the EU tender process, as per APUC and Scottish Procurement.

10.2 An EU tender process can be of 9-18 month duration depending on nature /value/ risk/ complexity.

11. Major Construction Projects

11.1 Those who are responsible for procuring, managing or delivering major

*construction projects should follow the policy and procedures framework set out in the Scottish Construction Procurement Manual, use of which is mandatory throughout the Scottish Government, its Agencies and those contracting authorities which are subject to the Scottish Public Finance Manual.

11.2 Scottish Procurement Policy Notes (SPPNs) relating to construction must also be adhered to.

11.3 The Scottish Procurement Directorate's Construction Advice and Policy Division (CAPD) provides guidance and advice on construction procurement procedures and best practice.

11.4 Further details and guidance, including guidance on sustainability/use of recycled content, can be found at:

<http://www.apuc-scot.ac.uk/uploads//Docs/pdf/Guide%20to%20Procuring%20Construction%20Projects%2029-6-11.pdf>

11.5 The 'Review of Scottish Public Sector procurement in Construction, October 2013 aims to achieve better procurement in public sector construction:

- Design-led outcome-focussed procurement
- Consideration of whole life cost at all stages
- Proportionality of the process to the size and risk of the contract
- Collaboration
- Simplification
- Sustainability
- Balancing risk between client and contractor

*Major projects are defined in the Construction Procurement Manual as those with a total budget exceeding £2m inclusive of professional fees and VAT.

12. Non Competitive Action – formerly, Single Source Justification

12.1 There are a limited number of situations where competition is not feasible /applicable and Non Competitive Action (NCA) may be justified where:

- IPR – Intellectual Property Rights
- Sole supplier i.e. the proposed supplier is the only known to possess unique or specialised capacity, for artistic reasons or the services are unobtainable from any other source and there are no satisfactory alternatives. The unique or specialist nature of the requirement cannot be assumed and must have first been tested
- If the goods to be purchased are solely for the purpose of research, experiment, or development but not with the aim of ensuring profitability or to recover research and development costs
- The proposed firm is by recent experience (normally, within the last 12

months, but this will depend on relevant market conditions) the best value for money supplier and would be likely to remain so in another competition, provided the value and/or duration does not exceed the recent purchase

- When the goods/services being purchased are a partial replacement or addition to existing goods and obtaining goods from a different supplier would mean incompatibility between the existing goods or disproportionate technical difficulties in the operation and maintenance of existing goods
- For the purchase or hire of goods quoted and purchased on a commodity market
- To take advantage of particularly advantageous terms e.g. in a closing down sale
- Additional work to a previous contract where it would be impractical to re-tender
- Work of exceptional urgency caused by unforeseen circumstances (emergency) where competitive tendering would cause unacceptable delay e.g. after breakdown, flood, fire etc – but only if the amended timescales cannot accommodate a 'Restricted' or 'Open' procedure, if high value.

NCA Approval

12.2 If any of the above conditions are applicable and the value of the expenditure is greater than £5,000 excluding VAT, then NCA approval is required **before** any commitment can be made to the supplier.

12.3 An **NCA form** must be completed including detailed rationale, authorised by (Director/Head of School) and then submitted to the Procurement Manager for approval.

12.4 NCA forms can be found on the Procurement website, at:

<http://intranet.uws.ac.uk/departments/procurement/SitePages/Forms.aspx>

Urgent Requirements

12.5 Requirements that become urgent due to poor planning i.e. insufficient time to tender, will not fall in to any of the above categories and will not be approved.

Value for Money (Quasi tender)

12.6 In order to secure best value for money, but only where feasible, the proposed supplier can be asked to provide a quotation/tender (depending on value) but should not be made aware that they are in a non-competitive situation. The bid will then be evaluated in the normal manner and if appropriate, negotiated. This will prevent an existing supplier being given a window of opportunity to exploit the situation and for example, request a price increase, or other variation.

13. New Suppliers

13.1 Where a new supplier is selected, their details need to be set up as an account on Agresso for:

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- The purchase order to be produced
- Commitment raised on Agresso
- Receipt recorded on Agresso
- Payment to be made.

13.2 The process for creating a new supplier on Agresso is subject to approval by Procurement who check for example if the supplier is suitable or if there is an existing supplier who should be used. Please access the form and complete it electronically:

13.3 It is important that the number of suppliers on Finance's supplier masterfile is controlled.

13.4 A 'New Supplier Request' form available on the Procurement website <http://intranet.uws.ac.uk/departments/procurement/SitePages/Forms.aspx>

must therefore be completed prior to any commitment being made to the supplier and this should be sent to accountspayable@uws.ac.uk who will forward it to Procurement for approval. Incomplete, or out of date versions of, forms will not be accepted and will be returned.

13.5 If acceptable, Procurement will send the supplier's details to the relevant member within the Finance Accounts Payable team. The team member will then create a new supplier account on Agresso and contact the purchaser/originator with the new supplier account number.

13.6 If the request is rejected, the purchaser/originator will be informed of reasons why the supplier has been rejected.

14. Purchase Order Process - Agresso

14.1 Ideally, purchase orders should be of value greater than £1000 as Procurement Cards can be used for low value/one-off orders.

14.2 Once the correct procurement procedure has been followed, and approved, if applicable – then UWS commitment to the supplier is by official purchase order, against UWS' terms and conditions.

- The purchaser shall raise a requisition on Agresso
- The requisition shall be approved/rejected by the purchaser's authoriser/budget holder
- Orders of value above £20k will go to UEC/FMC members for approval
- A purchase order is produced and sent to the purchaser by email
- In most cases, the order is automatically emailed to the supplier
- ***Goods/services are received and verified by the ordering school or department***
- ***The delivery note is retained in the school/department and filed for future reference****
- ***The purchaser inputs a GRN (goods received) onto Agresso—immediately **at time of receipt**, not on receipt of Agresso 'task'***
- ***Supplier sends the invoice bearing the PO number directly to the Finance Office for payment- failure to do so may cause delay to payment***

- ***UWS will make payment 30 days from date of receipt of valid invoice in Finance.***

***Please note:**

Delivery notes should not be sent to Finance or Procurement.

They are important documents which need to be retained by the purchaser in case of future query/audit.

15. Invoices and Payment

15.1 It is the responsibility of purchasers to advise suppliers that goods, services and works must only be supplied on receipt of an appropriate University purchase order number.

15.2 Similarly, purchasers are required to inform suppliers that invoices must quote this order number and that if suppliers fail to comply with this instruction, payment may be delayed.

15.3 Invoices must be sent by suppliers directly to the Finance Office where they will be matched against the corresponding purchase order on Agresso.

15.4 Payment will automatically be made providing the order has been received on Agresso (GRN) and where the charge is less than or equal to the value of the order. Budget Holders should only receive those invoices that are passed to them by the Finance Office if they contain discrepancies or exceed the value of the order.

15.5 Invoices that do not have purchase order numbers quoted will be subject to delay as they may be returned to the supplier.

15.6 In the case of query it is the Budget Holder's responsibility to resolve discrepancies / obtain credit note etc.

15.7 In the event of an invalid invoice being returned to a supplier, the payment cycle should not commence until a valid invoice bearing the purchase order number is received.

16. Contracts and Agreements

16.1 The University's Standard Terms and Conditions shall always be applicable in contracts for the supply of goods or services (including consultancy).

16.2 If a contract does not exist and departments **need to purchase goods or a service on the supplier's terms**, these must be fully understood before signature. Once signed, both parties are bound by conditions which are legally enforceable and extreme caution is necessary. The purchaser must obtain a copy of the supplier's terms and conditions and **pass them to Procurement for checking prior to any commitment to the supplier.**

16.3 **Lease /hire agreements should not be signed by Budget Holders. Such agreements must be referred to Procurement for checking who in turn will submit them to the Director of Finance for approval/ signature.**

17. Procurement Cards

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17.1 It is appropriate to use procurement cards for low value, low risk, one-off expenditure.

17.2 A requisition should ideally not be raised on Agresso for an order of value less than £100 as the cost of raising such orders is disproportionate. A procurement card should be used in such circumstances instead.

17.3 Procurement cards can also be used for:

- Transactions in a foreign currency
- Travel
- Conferences

17.4 Procurement cards must **not** be used to purchase:

- petrol/fuel
- furniture & equipment e.g. projectors
- ICT hardware/software (unless exceptionally approved in advance by ICT & Procurement)
- toner cartridges (should be ordered online from Spectrum)
- stationery (should be purchased online from Office Depot)
- e-bay (risk of non receipt of goods)
- personal subscriptions (UWS policy not to pay staff personal memberships)
- restaurants involving UWS staff only (where there are no external bodies attending – benefit in kind and taxable)
- retirement gifts and flowers and/or gifts for staff birthdays- cost of such purchases must be met from individual contributions from colleagues
- retirement flowers – may be paid by UWS – but to be purchased from Florette in New Street, by purchase order via Agresso. HR usually does this for the presentation
- flowers for bereavement, serious injury, serious illness – cost can be met from colleagues contributions – however, may in exceptional circumstances be paid by UWS – if so, to be purchased from Florette by purchase order method via Agresso
- mobile phone prepay
- Tesco/Morrisons/Asda/M&S etc -sandwiches/hospitality should be purchased in- house or, if approved by budget holder then via **the expenses process**
- theatre tickets – if approved by the budget holder **then via the expenses process**
- Christmas (or other) office decorations.

17.5 For full details about procurement cards and application form, please go to:

<http://intranet.uws.ac.uk/departments/procurement/SitePages/Procurement%20Cards.aspx>

18. Procurement Training

Procurement is here to provide support and add value. To this end, we can offer help and assistance in the provision of in-house procurement training. If any purchaser or budget holder requires training on the use of Procurement Cards or any other

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aspects of procurement e.g. specification writing, seeking quotations, evaluating, -
please contact **Kirstine Kelly, Procurement Manager** at kirstine.kelly@uws.ac.uk

Tendering Process

❖ Part B: Tendering Process

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Tendering Process

1. Define the Business Need

1.1 It is essential that prior to any procurement activity being undertaken, the actual need be clearly defined, i.e. that which is fit for purpose for which it is intended, suitable quality etc. Where an actual requirement does exist, alternatives to purchase should first be considered. For services, an assessment of whether a service could be engaged internally or externally should be carried out.

1.2 The environmental impact of defining a requirement should also be considered, particularly in relation to:

- *Reducing* usage – is there an actual need (or a perceived desire)
- *Re-using* existing items wherever possible, consider refurbishment/upgrade etc.
- *Recycling* items that have reached the end of their useful life.

2. Tender Register

At the outset, details of all tenders must be recorded on the Tender Register which is held centrally by Procurement and a tender reference number allocated.

3. Tender File

3.1 For every tender, a tender file bearing the unique tender reference number must be created with a Tender File checklist inserted at the front of it as a guide to the correct process stages. This checklist is a helpful aid memoire/reminder of the key stages. It must be completed and reasons recorded if a document is not stored in the file – or a stage has not been followed.

3.2 A sample checklist can be found on the Procurement website at:

<http://intranet.uws.ac.uk/departments/procurement/SitePages/Forms.aspx>

4. Procurement Strategy

4.1 A procurement strategy must be produced prior to issue of Invitations to Tender. The procurement process to be followed will depend mainly on the cumulative value, timescale, risks etc.

4.2 The initial approach shall include an assessment of risk, scope and influence

4.3 Identify and record life cycle impacts:

- impacts of obtaining raw materials
- impacts of manufacturing and logistics
- impacts during use
- impacts at end of life/disposal

The procurement strategy is a reference document which is necessary to ensure that
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Tendering Process

all legal requirements are complied with and to show that the correct procurement process has been identified and is being followed. It should contain a risk analysis in particular to identify key sustainability factors. Potential savings and efficiency forecasts can be included – for comparison. It also records decision-making process (for reference and in case of an individual's absence, others can continue by following the plan documented).

4.4 The strategy will include an outline of the stages of the process, highlighting risks, individuals' roles and responsibilities, internal/external factors and a timetable. It must be agreed in writing between Procurement and the Project Owner at the outset. Sufficient time must therefore be allowed for this important stage to be carried out.

4.5 The strategy must be adhered to throughout the process. If circumstances change, or there is a need for change e.g. process/timescale-it should be revised and the amendment agreed in writing by all parties. i.e. one party cannot decide to deviate from the original agreed strategy or timetable without the other's written consent.

5. Evaluation Panel

The most appropriate Evaluation Panel members will be identified and confirmed at the planning stage depending on the nature of the project – value, complexity. The Evaluation Panel should consist of Procurement and a minimum of 2 key individuals and can be up to 5, e.g.

- Procurement (Commercial & Pricing, not Quality/Technical))
- Project Owner
- Technical Expert
- Internal Customer
- Other.

6. Specification

6.1 The specification is written by the customer/budget holder/ technical expert. Procurement can assist, if required.

6.2 For goods, brand names should not be used - must be qualified with 'or equivalent' if unavoidable.

6.3 For services, 'output specifications' are preferable as they can generate better innovative solutions from the contractors.

6.4 Specifications can be used to encourage innovation.

6.5 Sustainability factors must be integrated into the specification e.g. more renewable energy, less packaging, less fuel consumption, community benefits, environmental standards, eco labels (or equivalent) – as per Marrakesh methodology.

6.6 Government Buying Standards should be quoted (as appropriate) as they are

Tendering Process

designed to make it easier for buyers to buy sustainably and therefore cut costs and reduce carbon whilst looking after the environment.

7. Duty to Advertise

7.1 The Public Contracts Scotland-Tenders advertising portal has been developed and is supported by the Scottish Government as a service allowing public sector organisations to post OJEU and sub –threshold level contract opportunities.

7.2 Requirements for goods and services of cumulative value of £50,000 excluding VAT or more must be advertised on the Portal.

7.3 This service is free of charge to both purchasers and suppliers and use of this portal fulfils the University's legal obligations regarding 'adequate publicity'.

7.4 The threshold for 'works' has still to be agreed - Estates and Buildings should contact Procurement for advice on this on a 'project by project' basis meantime.

7.5 The University may choose to advertise elsewhere in addition to or in place of the portal. If so, consideration must be given to ensuring adequately publicising the requirement and checking if competition is likely to be stimulated.

7.6 The requirement for adequate publicity may **not** apply:

- Where advertisement would result in disproportionate costs to the University and/or suppliers (low value contracts)
- Where the contract is to be awarded under an existing framework
- Sole supplier

8. Tender List

8.1 Only those suppliers who have a real chance of being awarded the contract shall be invited to tender. To ensure true competition, the tender list should consist of 3-5 (depending on value, market, etc). All tender competitions for goods and services should be advertised on the Public Contracts Scotland-Tenders portal and where appropriate in trade journals or the University Website.

8.2 If a Pre-Qualification Questionnaire (PQQ) is being used in the tendering procedure then this needs to be designed and sent out to all companies that request one. A due date for completion of the PQQ shall be clearly marked on it together with full details of the selection criteria. The PQQ responses need to be evaluated on receipt and the successful applicants issued with an Invitation to Tender (ITT).

8.3 A Tender List recommendation must be produced by the Senior Procurement Officer and submitted to the Procurement Manager, for approval.

9. PQQ - Criteria

9.1 Selection of suitable tenderers should be based upon the following criteria:

- Ability – their ability to complete the contract
- Capacity – value of the contract in relation to the tenderers' turnover

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- Technical/Professional expertise – in relation to the requirement
- Experience- evidence of past performance on similar contracts

9.2 References must be obtained at PQQ stage (unless 'open' procedure)

9.3 **Always refer to APUC's website for the latest version/guidance/templates.**

10. Tender Documentation

10.1 No member of staff shall make verbal contact with any supplier immediately before, or during a competitive tender exercise without the prior approval of Procurement as this can potentially compromise the process.

10.2 A written tender document must be prepared **in line with latest APUC templates** and guidelines and contain the following minimum information:

- Invitation to Tender (ITT) letter
- Confidentiality Agreement
- Specification of requirement, including timescale
- Criteria for Selection e.g. 70:30 Quality (including Sustainability): Price
- Schedules (requests for information e.g. Pricing Schedule)
- Standard Terms and Conditions
- Contract-Specific Terms and Conditions
- Bribery Act Declaration Form
- Freedom of Information clauses
- Instructions to Tenderers e.g. regarding format of tender, deadline for return etc.
- Tender return label/envelope.

10.3 Suppliers must be given a reasonable length of time to respond.

11. Pre-Tender Clarification

Tenderers may request clarification or a visit to the University. Tenderers' questions must be in writing and answers provided must also be in writing and issued to all the tenderers and copies held.

12. Extension of Tender Deadlines

12.1 Tenderers sometimes request an extension to the deadline. Tender deadlines will only be extended in exceptional circumstances and approval must be obtained from the Evaluation Panel/Procurement Manager (depending on value/complexity).

12.2 If an extension is approved for one tenderer, then to ensure that all the tenderers are treated equitably, it must be offered to all the tenderers.

13. Receiving Tenders

Mail

13.1 Tenders arriving by mail should be delivered, unopened, immediately to Procurement unless agreed otherwise in advance.

Delivered by Hand

13.2 If a tender is hand delivered, the Receptionist should issue a signed receipt stating the date and time of delivery. A copy of the receipt should be attached to the tender and Procurement notified immediately of its receipt. Procurement will arrange for the collection of unopened tenders from Reception.

13.3 Procurement will record all tenders received, allocate a tender reference number to each and store them in a secure location until they are due to be opened.

14. Void Tenders

14.1 If:

- Fewer than three tenders are received
- Tenders are received which are over-budget

The tender process may be declared void and the tenders returned unopened to the tenderers with an explanation and request to re-tender.

14.2 However, it can be acceptable to evaluate tenders which are over budget (e.g. where budget has not been revealed) and that to re-tender would be inappropriate. In such cases then the tender process may be declared valid.

14.3 The final decision on this would be made by the Procurement Manager.

15. Tender Opening

- All tender openings shall be organised and supervised by Procurement
- Opening shall take place on the day of the noon deadline
- Procurement will open the tenders and opening and recording shall be witnessed by at least one member of staff who is totally independent of the project for which the tenders are being opened
- Details of the date, time and amounts tendered will be recorded on the record of Opening of Tenders Sheet
<http://www.staff.uws.ac.uk/procurement/forms.asp>
- When opening is complete, those present will sign and date the Tender Opening Control sheet
- The tender reference number and date of opening will be noted on each original tender document (not required on any copies)
- Those present will also check that each tender is signed appropriately and

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dated

- Key pages, e.g. pricing schedule, method statement, should be initialled and dated & time recorded by those present
- Procurement shall retain the record in the tender file
- Procurement will issue the unpriced tenders to the Project Owner and other members of the Evaluation Panel
- The pricing information is not released until the 'quality/technical' evaluation has been completed and final 'quality/technical' scores agreed

16. Tender Evaluation

16.1 During the evaluation process only the individuals on the Evaluation Panel shall have access to the tender documents. Members of the Evaluation Panel must ensure that the tenders are held securely and must not discuss the contents of any of the tenders with colleagues/family etc.

16.2 The objective is to identify the tender that most closely meets the requirements as set out in the specification.

16.3 In order to ensure fair treatment of all the tenderers, evaluation criteria and weightings are determined prior to issue of the tenders.

16.4 Weightings split/ratio was formerly e.g. 60:40 Quality/Technical: Price. It now includes sustainability i.e.

Quality/Technical (including Sustainability) = x%:Price = x%

16.5 Typical evaluation criteria would be:

- Price
- Quality
- Expertise
- Calibre of personnel carrying out the work
- Timescales
- Lead times
- Method
- Sustainability (social, economic, environmental) factors.

16.6 When evaluating, the members of the Evaluation Panel will initially assess the tenders without conferring, then meet to discuss and compare their findings at a consensus meeting, chaired by Procurement. All tenderers should be treated equitably. It is recommended that Evaluation Sheets be used for ease of comparison (like-for-like), records. Any changes following discussion must be recorded.

Tendering Process

16.7 Members of the Evaluation Panel must ensure that they only assess what is actually stated in the tender response – not for example on existing knowledge of a tenderer, as this could be challenged as preferential treatment.

16.8 Assumptions are not acceptable either e.g. where there is any confusion/omission. Evaluation decisions have to be supported by evidence. If information requested is not in the bid and credit is given regardless, this could compromise the process.

16.9 PQQs are evaluated on the basis of fact, evidence and 'in the past' e.g. experience. Whereas, tenders are evaluated on the tender specific proposal, i.e. the 'future' therefore extreme care should be taken if 'experience' is being used as a tender criterion. If in doubt, the Procurement Manager should be consulted.

16.10 All tenderers, whatever their size, should be treated fairly and with equal diligence during the financial appraisal. Small and medium –sized enterprises (SMEs) should not be inadvertently disadvantaged.

16.11 If the annual value of the contract exceeds 25% of a tenderer's annual turnover, then careful consideration should be given as to whether the tenderer is financially viable, will be able to provide continuity of supply and will not become over dependant on the University as a continued source of revenue.

16.12 Guidance on all of above can be obtained from the Procurement Manager.

17. Post-Tender Clarification

17.1 Where information is missing or unclear it may be necessary to seek clarification. Requests for clarification should be in writing and answers must also be in writing. Clarification at this stage is usually tender-specific and as such tenderers' responses should not be circulated to the other tenderers. The person responsible for handling this stage will be decided at the evaluation stage as it depends on the nature of the clarification i.e. if technical, or if commercial (Procurement) .

17.2 It is most important that this is carried out as a clarification, not negotiation, exercise. Post tender negotiation must be handled later as an entirely separate later stage.

18. Supplier Presentations

If appropriate, tenderers may be asked to make a presentation to the Evaluation Panel, for clarification. These presentations should be assessed and the results noted. At the (strategy) stage, sufficient time should be built in to the timetable to allow the suppliers and the Evaluation Panel to prepare.

19. Site Visits

It may be necessary as part of the evaluation process to visit the tenderers' premises. Key points for assessment should be identified in advance and a record of the assessment kept.

20. References

Where references are sought (EU 'open' procedure), the Evaluation Panel must ensure that the APUC template is used.

21. Selecting the Preferred Tenderer

21.1 Following bid clarification/presentations/visits etc., the Evaluation Panel will complete their evaluation and identify the preferred tenderer who submitted the bid which offers best overall value for money for the University

21.2 Any other queries regarding selection of the preferred tenderer may be referred to the Procurement Manager for guidance/approval at this stage

21.3 At this point, no member of University staff should make verbal/written contact with the preferred tenderer as it could jeopardise the process, in particular, the potential for negotiation.

21.4 The Senior Procurement Officer will prepare a recommendation and submit it to the Procurement Manager for approval of the preferred tenderer.

22. Post-Tender Negotiation (PTN)

22.1 Once the preferred tenderer has been approved by the budget holder, PTN can be carried out by the Senior Procurement Officer- only with the preferred tenderer. Negotiation should be along the lines of improving; not altering the requirement and great care must be taken to ensure that it does not have a distortive effect on competition and fairness

22.2 Occasionally, it is beneficial for Procurement to conduct the negotiation with one of the Evaluation Panel members (e.g. where dealing with technicalities of the specification/ service

22.3 Negotiation can be face-to-face, email, telephone or letter. In all cases, a record must be kept of what was agreed between both parties (APUC template)

22.4 If the Evaluation Panel wishes PTN is to be undertaken with more than one leading tenderer, the Procurement Manager's approval is required

22.5 If there is no scope for negotiation, a file note to this effect should be made and held.

23. Contract Award and Terms & Conditions

23.1 UWS standard terms & conditions are applicable however; 'tailored' terms & conditions may be used, where appropriate, for high value, high risk or complex requirements.

23.2 When PTN is complete, the Senior Procurement Officer will submit a summary of the process and outcome, including PTN details to the Procurement Manager for final approval.

23.3 Once approved, the originating department shall raise the purchase order on Agresso and pass it to Procurement to be despatched with the 'success' letter.

23.4 Procurement will inform all the tenderers of the outcome in writing, without delay. These success/regret letters should include an invitation to all the tenderers to seek feedback and must be approved by the Procurement Manager before issue.

24. Debrief

Tendering Process

24.1 The objectives of de-briefing tenderers are to:

- Assist suppliers to improve their performance
- Offer tenderers some benefit for the time and cost of preparing tenders
- Establish the University as a fair, honest and ethical customer
- Enable feedback from tenderers, allowing improvement of tendering procedures.

24.2 All de-briefs must be carefully planned and carried out by Procurement by telephone preferably. All information supplied must be able to be fully justified in the event of a formal complaint and/or legal action and details should be recorded and held on file. A debrief record can be found on APUC's website.

24.3 It is a 2-way exercise and not solely for unsuccessful tenderers. Feedback received from tenderers regarding the process or documentation must also be recorded and incorporated into the Procurement Policy and Procedures where appropriate.

25. Value for Money (VFM) Savings

25.1 In most cases, VFM savings will be achieved; either monetary or alternatively, nonmonetary e.g. better quality, more durable, longer warranty, shorter lead-time etc. Such details should be recorded and passed to Procurement Manager who will hold a central record of all VFM savings on behalf of the University.

25.2 The Procurement Manager shall record and report UWS' procurement savings as per the Scottish Publicly Funded Sectors' *Procurement Benefits Reporting Guidance* dated Nov 2012- effective from March 2013.

26. Post-Tender Review

Following contract award, a review of the tender exercise must be carried out to identify the lessons learned in order to:

- Confirm good practice where shown
- Identify better methods/problems/areas for improvement.
- Record sustainability benefits achieved from the process and report these to the Procurement Manager

27. Customer Relationship Management

Documented processes and 2-way feedback should be incorporated into the tender and post tender review – to be followed up, at least once a year. Action plans should be put in place to improve customer feedback.

28. Spikes Cavell

Contract award and other relevant details have to be uploaded onto the Spikes Cavell hub, by Procurement.

29. Sustainable Procurement

Tendering Process

The Procurement Manager shall report any sustainable procurement success/examples of best practice to APUC, EAUC and UWS Senior Management.

30. 3rd Party Tendering

30.1 Where, and **subject to the Procurement Manager's prior knowledge and approval**, an external, 3rd party company is appointed by a department to tender on behalf of UWS, then that company must be competent and have **recent** experience in public sector procurement and, in particular, the correct EU procedures.

30.2 They shall therefore always tender, in line with APUC's and UWS' templates, forms, policies and procedures.

30.3 In these circumstances, unless otherwise agreed, Procurement shall:

- Receive and issue responses to pre tender clarification requests
- Receive, record and store the tenders
- Carry out the tender opening and recording process and issue the unpriced tenders to the Evaluation Panel (securely retain the priced tenders).
- Explain and agree the scoring methodology to the Evaluation Panel
- Chair the Evaluation Panel consensus scoring meeting
- Attend post tender clarification meetings/presentations

30.4 The 3rd party shall produce a Contract Award Recommendation report and submit it to the Project Owner and Procurement Manager, for approval.

30.5 The 3rd party shall produce the draft 'success' and 'regret' letters and submit them to the Procurement Manager for sign-off, prior to issue.

30.6 The 3rd party shall carry out the debriefs.

Tender Process and Responsibilities

Tender Stages	Responsible	Sign Off
Confirm Budget Including VAT	Project Owner	
Strategy Meeting – Project Plan Agree Evaluation Panel	Project Owner Senior Procurement Officer	
Produce Procurement Strategy/Project Plan including Timetable & Eval Panel	Senior Procurement Officer Project Owner	Procurement Manager
Diaries to be blocked out	Evaluation Panel	
Draft Specification	Project Owner	
Review & Approve Draft Specification	Senior Procurement Officer	
Agree Final Specification	Project Owner Senior Procurement Officer Evaluation Panel (optional)	
Determine Tender Quality/Technical(including Sustainability):Price ratio, Criteria, Weighting, Scoring Mechanism & Benchmarking	Evaluation Panel	
Produce Draft ITT	Senior Procurement Officer	
Review & Agree Draft ITT	Project Owner and Evaluation Panel	Procurement Manager
Advertise on Public Contracts Scotland Portal & UWS external website & Issue ITT	Senior Procurement Officer	
Pre-Tender Clarification	Senior Procurement Officer	
Receive Tenders	Senior Procurement Officer	
Tender Opening	Senior Procurement Officer + witness	
Issue Quality/Technical Section	Senior Procurement Officer	
Evaluate Quality/Technical	Evaluation Panel	
Tender Pricing (Including whole life costs, where appropriate) Evaluated and Scored	Senior Procurement Officer	
Tender Clarification/Meetings/Presentations	Evaluation Panel	
Revise Scores & Complete Evaluation	Evaluation Panel	

Tendering Process

Produce Tender Report	Senior Procurement Officer (+Project Owner)	Procurement Manager
Raise PO	School/Dept	
Produce draft Success\Regret Letters	Senior Procurement Officer	Procurement Manager
Post award on PCS-T	Senior Procurement Officer	
Debriefs	Senior Procurement Officer	
Post Tender Review (record lessons learned +ve & -ve)	Evaluation Panel	
Record VFM Savings in file and on 'G' drive [Quality, Price, Sustainability]	Senior Procurement Officer	
Record Positive Sustainability Factors Achieved and report to Procurement Manager	Senior Procurement Officer	
Update Spikes Cavell Contract Database Update Procurement Intranet Site Update Tender File Checklist	Senior Procurement Officer	
Complete Contract File and pass to Procurement Manager	Senior Procurement Officer	Procurement Manager

The above applies to below EU threshold tender process.

EU tender process is, as per the Directives, 'Procurement Journey', APUC guidance and templates and will be carried out by Procurement.

Contract Management

❖ Part C: Contract Management

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1. Introduction

1.1 Contract management is the active monitoring and control of all aspects of the relationship between the service provider/contractor and the customer. It is the role of Procurement to manage the contracts they award. The aim of contract management is to ensure the delivery of a cost effective and reliable service at an agreed price and standard. It must be consistent with legal requirements and financial propriety.

1.2 Details of customer feedback (i.e. contract owner), user feedback (users) and review meetings etc. shall be retained electronically on the Procurement 'G' drive.

2. Pre-Contract Award

This involves preparing a quality contract by considering the individual tasks required to be undertaken in the competitive tendering process and to the point of contract award. The activities included in this process are detailed in the tendering section of this manual.

3. Post Contract Award

This is the process of ensuring the obligations of all parties are carried out as per the terms and conditions of the contract. Effective contract monitoring requires efficient two-way communications between both parties. Active contract management will ensure the following:

- That services or goods supplied by the contractor are in accordance with the requirement of the contract and its terms and conditions
- Provide clear and documented evidence, where necessary, to invoke and non-compliance procedures
- Measurement of the total performance of the contractor against the requirements of the contract
- Potential difficulties are identified and alternative courses of action are taken to prevent similar problems from arising in future
- Ensure that established lines of communication with the service provider/contractor
- Ensure costs are monitored and kept in line with contract rates and approved budgets.

4. Benefits

Effective contract management will provide:

- Performance to a required standard
- Compliance with the contract conditions
- Clear and documented records
- Value for money by ensuring that best procurement practice is followed

Contract Management

- Assurance that all commercial options are considered
- Management and control of change
- Advance notice of potential problems
- Opportunities for improvement not only to supplier performance – but also to supplier relationships and University performance.

5. Contract Monitoring

5.1 The exact monitoring requirement and methodology will depend on the nature of the contract and the goods and services to be provided. These include:

- Measure the contractor's performance against specific targets and levels laid down in the contract i.e. set the number of items or reports by a given time, or a particular milestone being reached.
- Inspect completed work or carry out random sample checks.
- The contractor shall provide information and performance reports.
- Contract management meetings will be held with the contractor at regular (appropriate) intervals. The customer will set the agenda and issue it prior to the date of the meeting. The taking of minutes will be the responsibility of the contractor. (These responsibilities will have been agreed at the 'Strategy' stage and set out in the Invitation to Tender document).
- Record complaints received from customers of the service. Specific systems may need to be set up where there may be a large number of users i.e. on call-off contracts.
- Customer feedback obtained through periodic questionnaires.

5.2 A good complaints or customer satisfaction procedure must be capable of tracking individual responses, identifying the source of the complaint/compliment, resolving the problem or building on the success and responding to the user.

6. Effective Control

6.1 Effective control ensures that both parties fulfil their contractual obligations. The contract manager must record, co-ordinate and communicate what is and has happened with the contract. This information can then be used for forward planning and any future contracts likely to be undertaken.

6.2 Areas which may require to be addressed are as follows:

- Unsatisfactory performance
- Misunderstanding the requirement
- Inadequate channels of communication
- Changes to the contract, brought about by unexpected requirements.

6.3 Contract control involves actively keeping the contractor's performance to the required standard. Participation by both parties is needed if this is to be successful.

6.4 It is therefore important that a sound working relationship is established. If monitoring indicates that a contractor's performance has deteriorated, action will need to be taken. The nature of the action will depend upon the level of the under-performance or complaints. If regular monitoring is effectively carried out problems will be spotted early and the degree of any disruption from corrective action will be minimised. In most cases a discussion on the problem will be all that is required to secure agreement on remedial action. Negotiations whether informal or formal during the contract are a valuable means of resolving any problems or outstanding issues.

6.5 It is important for contract managers to have clear and documented evidence if contracts do not run smoothly. Records of all meetings and telephone conversations should be held on file. The contractor should be notified in writing of all instances of non-compliance, and a written timetable for rectification, should be drawn up. It is likely that the contractor will also maintain records of the problems incurred with the contract.

6.6 If a contractor continually fails to perform, this may constitute a breach of contract. The severity of the failure and the cost to the University will need to be assessed. Legal advice may be required before any further action is considered. Below are examples of where default may arise from a failure to:

- Perform any part of the services.
- Provide financial or management information.
- Pay any sub-contractors or suppliers within 30 days.
- Employ appropriately qualified, experienced, skilled or trained staff.
- Comply with legislation.

6.7 Although it is sometimes difficult to predict accurately where problems arise, good contract management with regular dialogue between the contractor and customer will help identify potential problems. This will enable problems to be dealt with swiftly and effectively and therefore prevent major disputes.

7. Change Control

7.1 Contract requirements are often subject to change throughout the life of the contract. It is therefore important to ensure that changes, which will have an impact on the contract, are identified at the specification change and any variations are included in the specification.

7.2 Changes to the contract may affect:

- The specification.
- The quantity of goods or services.
- Delivery times or locations.
- The nature of the services being provided.

8. Maintaining an Audit Trail

8.1 It is essential to keep records of dealings with suppliers whether written or verbal. All information should be kept in the contracts file in Procurement.

8.2 Records will be required for:

- Information if problems arise
- Reviewing meetings and re-negotiations
- Audit purposes
- Planning for any subsequent re-tendering processes.

9. Completion Report

9.1 After completion of any contract, the contract manager is required to complete a Contractor Evaluation Report to review and record what went well and what lessons can be learned for any future contracts. The information on this report will be used to evaluate suppliers and contractors and monitor their effectiveness

9.2 In the case of high value contracts where the contract is of a complex nature i.e. consultancy contracts, there should be a formal post assessment covering all key aspects of the procurement.

This shall include the following:

- The outcome of the project
- The extent to which the expected benefits (deliverables) were achieved
- The total cost (including full economic cost of in-house staff engaged on the project).

10. Invoke Contract Extension(s)

The Senior Procurement Officer (not the project owner) shall produce the contract extension letter which shall in turn be signed by the Procurement Manager.

Disposal

❖ Part D: Disposal

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1. Introduction

1.1 The enormous variety of equipment disposed of annually from and between University departments poses a number of problems, not only from an accurate appraisal of any potential resale value in what may be a highly specialised market, but also from the legal and ethical perspective concerning the possible export of health, safety and environmental hazards.

1.2 Whatever the chosen future for the equipment, it is essential that it is completely risk assessed by its current departmental/school owner throughout all the stages of its departure to the proposed recipient, to ensure that any significant hazards inherent in the transfer or export of the equipment from or within the University, are eliminated or minimised as far as reasonably practicable.

2. Procedure

2.1 The status of the redundant equipment must be known i.e:

- Fully functioning
- Partially functioning
- Broken - reason known
- Broken - reason unknown.

2.2 As will be the proposed disposal plans:

- To be sold
- Donated (to another University department/school)
- Donated to external institution
- Donated (to internal/external individuals)
- Stripped and scrapped (local authority/private contractor/general waste).

3. Financial Risks

3.1 Regardless of the item of equipment, when a decision concerning its redundancy to the department/school has been made, the risk assessment process should immediately begin by ascertaining, where possible, its age and original cost from the department/school inventory record. Such information should enable the 'owners' to exercise their expertise by considering depreciation of the item and its likely current value, which may give a worthwhile financial return to the University if a potential market is believed to exist.

3.2 Considerations will be heavily influenced by:

- The actual condition and completeness of the item
- The age and technological level of the item
- The size and ease of transportation of the item
- Comparison with the cost and functions of current similar items

Disposal

- The uniqueness of the item in a potential niche market.

4. Health, Safety and Environmental Risks

4.1 The moral and legal obligations upon the original 'owners' of the equipment are clear, regardless of the proposed disposal plans. The University's duty of care must be exercised by ensuring that all items of redundant equipment are assessed for risks to ensure that any potentially significant hazards are preferably eliminated or minimised, as far as is reasonable practicable before being transferred to the proposed recipient, who must be given full information on any minor hazards remaining.

4.2 This includes not only the donation of intact equipment to internal departments, but also the stripping and dispersal of useful parts, as well as the terminal scrapping of equipment to waste. Similar considerations regarding any potential for environmental pollution will also apply.

4.3 There is a further obligation upon the original 'owner' to ensure that the equipment is being transferred to a responsible recipient, as far as is reasonably practicable.

4.4 The wide variety of equipment that requires disposal is such that categories may be usefully employed:

- Computer hardware
- Electrical and electro mechanical equipment
- Empty metal enclosures
- Equipment containing gas or radiation sources
- Furniture – Office
- Furniture – Laboratory
- Mechanical and manual apparatus which is designed to have a function which itself is hazardous
- Pressure/vacuum apparatus
- Stocks of chemicals.

4.5 All equipment and/or materials for disposal must be assessed for contamination by chemical, biological or radiological substances. Such contaminated equipment must be accompanied by a signed risk assessment and may only be disposed of to an authorised recipient.

4.6 The original 'owners' and users of the redundant equipment are best placed to assess any significant hazards associated with its disposal. Accordingly they should complete a written risk assessment to indicate that the items have been inspected with regard to health, safety and environmental considerations, and the equipment has been assessed as far as is reasonable practicable as being fit for transfer.

Disposal

5. ICT Hardware

Details of the equipment shall be given to the ICT Service Desk who will arrange for uplift to the disposal room. They contact the disposal company who will uplift the equipment and provide an inventory which is passed back to the Service Desk. Any data is removed from the hard discs prior to destruction or recycling.

6. University Environmental Officer

The University's Environmental Officer should be consulted regarding disposal of waste or surplus equipment.

Suppliers

❖ Part E: Suppliers

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Suppliers

1. Suppliers who fall into Administration

There may be occasions when suppliers fall into administration or are wound up. If an employee is informed of any suppliers who fall into this category they must inform Procurement who will take steps to ensure that no further orders are placed with the supplier until appropriate checks have been carried out. This may involve informing the APUC Ltd Centre of Expertise to ensure other HE/FE institutions are informed accordingly. APUC will normally issue advice depending on the status of the supplier.

2. Cold Callers

If you require assistance/advice about dealing with cold sellers please contact Procurement.

3. Suppliers' Charter

A Suppliers' Charter has been established which defines the generic standards which suppliers can expect from the University and which in turn the University can expect from them. The Suppliers' Charter is available at:

<http://www.scotland.gov.uk/Topics/Government/procurement/Selling/Supplierscharter2>

4. Supplier Performance

Supplier performance shall be reviewed at appropriate regular intervals. The Procurement Manager will be the first line of escalation when monitoring supplier performance and possible non-conformance.

5. Single Point of Enquiry (SPoE)

A point of enquiry has been established to which suppliers can address concerns about University procurement practices. The SPoE will work with APUC and the University to resolve issues raised by suppliers – however, in all cases suppliers should seek to resolve issues with the University before submitting an enquiry to the SPoE.

Ethics

❖ Part F: Ethics

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1. Bribery & Equality Policies - Statement

The University has a Bribery Policy and an Equality Policy and is committed to observing the highest standards of probity, integrity and fairness in the conduct of business and to complying with all applicable laws and regulations. All University staff involved in purchasing must act ethically at all times. Purchasers shall be open, honest, fair and impartial in their dealings with suppliers.

2. Declaration of Interest

Purchasers and other University staff must declare and record any personal interest that might influence, or *be seen by others* to influence, their impartiality in arriving at a purchasing decision. Those who have business or personal relationships with, or friends/relatives employed by, external organisations bidding for University contracts must inform their own line manager and the Procurement Manager at the outset.

3. Gifts

No gift or money shall be accepted unless of an inexpensive/seasonal nature such as business diaries, calendars or pens. Any attempt by a supplier to undermine the honesty of University purchasers by the offer of gifts or other inducements must be reported to the Procurement Manager.

4. Hospitality

4.1 The provision of hospitality by suppliers may represent an attempt to circumvent the rules on acceptance of gifts. Whilst modest hospitality may be accepted, its frequency and scale should not be significantly greater than that which the University would be likely to provide in return.

4.2 Offers of hospitality must be recorded and declared by all purchasers to their line manager who has responsibility for vetoing the hospitality if he or she considers that it might give rise to a conflict of personal and official interest or if it may be construed as such by an external observer. In judging whether offers of hospitality exceed a reasonable norm, the line manager should consider the frequency of the offers and the timing of the offers in relation to any proposed expenditure by the University which could benefit the part making the offer.

4.3 If required, the line manager may seek advice from the Procurement Manager.

5. Travel & Accommodation

All purchasers should be aware that accepting "free" travel or invitations to conferences or other events, particularly to distant or expensive locations, is likely to be regarded as having influenced a particular decision. Offers of this nature can only be accepted in exceptional circumstances and must have prior written approval of the Procurement Manager / Director of Finance/ University Registrar and Secretary.

6. Confidentiality

6.1 The prices, terms and conditions under which many of the suppliers to the University trade are the result of University, Regional or National negotiations and may contain commercially sensitive information.

6.2 Purchasers are issued with, and are given access to, these and other official contracts on the understanding that confidentiality is strictly observed.

Ethics

6.3 Under no circumstances should any contractual or pricing information be divulged to external sources or used as a "benchmark" for independent negotiations. This behaviour undermines the University's reputation as an honest and responsible organisation and can affect the stability of professionally negotiated contracts which benefit the entire HE/FE community. There may also be issues associated with breach of contract.

6.4 As a direct result of legislation, e.g. the Freedom of Information Scotland Act, the law regarding the release of commercial / confidential information (after contract award) has changed and in particular, it should be noted that it differs in Scotland from elsewhere in the UK. If asked to divulge such information e.g. prices, suppliers' names - purchasers shall inform the University's Freedom of Information Officer immediately as such requests are time-bound.

7. Sponsorship

Due to the nature of the devolved budgetary and ordering systems which operate within the University, suppliers can easily be inundated with separate requests for financial or other donations towards departmental events. This could adversely affect the University's image. Reasonable care must therefore be exercised to ensure that enquiries are directed only to appropriate companies, in writing, via Procurement.

8. Advice

Any queries relating to ethical behaviour in purchasing should be referred to the Procurement Manager.

Legal & Compliance

❖ Part G: Legal & Compliance

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1. Legislation

It is important for all staff involved in the purchasing process that they are aware of any relevant legislation which may have an impact on their purchasing activities. If assistance is required, please contact Procurement.

2. Audit

Procurement, Internal Audit or Audit Scotland may request details of the purchase of any goods, services or works. It is therefore very important to maintain a clear audit trail to demonstrate that the correct procedures, as detailed in this manual, have been followed.

3. Sustainable Procurement and Corporate Social Responsibility

3.1 The University is committed to 'sustainability' and has a Sustainability Policy.

3.2 Procurement is committed to achieving **Level 4 of the Flexible Framework**.

3.3 To this end, University staff must take account of the following when engaging with suppliers:

- Encourage suppliers to develop a proactive approach to equalities
- Supporting the inclusion of sustainability aspects into future contracts
- Ensure where appropriate suppliers understand the key sustainable issues so that they can tailor their products accordingly
- Ensure that local and regional businesses, small and medium sized enterprises and ethnic minority businesses can bid for the business
- Help in the development of sustainable products
- Monitor and review the response to sustainable issues within tender documents
- Carry out a sustainable risk/impact analysis of the products/ services prior to being procured
- Goods that can be used and disposed of in an environmentally responsible way are considered
- Items with a high recycled content are used where there is little difference in cost
- Making use of collaborative contracts and framework agreements which already offer sustainability advantages
- Whole-life cost and energy usage and cost is considered prior to purchase.

4. Fairtrade

Legal & Compliance

4.1 In line with the Scottish Government's agenda for National Fairtrade, the University welcomes the important contribution that fairtrade schemes make in helping improve the conditions faced by small producers in developing countries. The University is part of the Renfrewshire Council steering group which consists of representatives from both public and private sector organisations.

4.2 A Senior Procurement Officer represents Procurement on the the University's Fairtrade Working Group.

4.3 Purchasers should be aware of exposure to reputational risk therefore take fairtrade considerations into account whenever practicable.

Procurement Performance Measurement

❖ Part H: Procurement Performance Measurement

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1. Procurement Capability Assessment (PCA)

APUC assesses UWS Procurement Department annually using the PCA Questionnaire which measures our performance against the following 8 categories, originating from the McClelland Report, 2006 recommendations and subsequent Procurement Reform:

- Procurement Leadership & Governance
- Procurement Strategy and Objectives
- Defining the Supply Need
- Procurement Commodity/Project Strategies and Collaborative Procurement
- Contract & Supplier Management
- Key Purchasing Processes & Systems
- People
- Performance Measurement

2. Customer Relationship Management (CSR)

Documented processes and 2-way feedback must be incorporated into the tender and post tender review – to be followed up, at least once a year. Action plans shall be put in place to improve customer feedback.

3. Procurement Customer Surveys

In addition to above, the Procurement Manager shall seek feedback from purchasers on Procurement's performance. This information will be recorded and actioned where recommendations for improvement are received. Full details will be retained on the 'G' drive as subject to review at the annual PCA.

4. Best practice Indicators (BPIs)

4.1 Procurement's performance is measured against a set of BPIs- Best Performance Indicators.

4.2 In support of efficiency and effectiveness, the following performance indicators shall be developed and regularly measured:

Procurement Performance Measurement

Best Practice Indicator	Frequency
Total (non salary) procurement expenditure	annually
Procurement expenditure analysed by spend, descending	ongoing
Average spend per supplier	annually
Procurement expenditure analysed by dept/cost centre	ongoing
Procurement expenditure analysed by commodity/service for commonality	ongoing
Procurement expenditure analysed by value to identify risks of exceeding thresholds	ongoing
Total number of purchase orders	annually
Total number of invoices	annually
Savings achieved	monthly
Percent. spend channelled through collaborative contracts/frameworks	quarterly
Total EU tender exercises	annually
Number of staff undertaking CIPS procurement training	annually
Number of suppliers – active and inactive	annually

Further Information

FURTHER INFORMATION

Advice on any aspect of this Procurement Procedures Manual can be obtained from Procurement.

Full contact details can be found on the Procurement website:

<http://intranet.uws.ac.uk/departments/procurement/default.aspx>