



Herefordshire County BID

Procurement Policy v1

Policy Created: September 2023

1. Purpose

To set out the procurement rules and procedures of Herefordshire County BID (HCBID) where procurement is taken to meet the acquisition of goods, services or works from a third-party supplier or contractor.

The intention of this policy is to ensure that HCBID has proper procurement procedures in place to protect the best interests of BID Levy payers in the delivery of those projects consistent with the organisation's stated objective.

2. The procurement objectives of HCBID Ltd are to:

- Contribute to the efficient and effective performance of HCBID by ensuring Value for Money (VFM) in procurement.
- Ensure HCBID operates in a fair and transparent way by complying with appropriate procurement legislation and good commercial practice.
- Ensure that the process of procurement is ethical, equal and non-discriminatory.
- Where possible local HCBID businesses are given the opportunity to supply the BID
- Promote fair and open competition while minimising exposure to fraud and collusion.
- Ensure HCBID provides a clear audit trail to support the decisions it makes.

3. Guiding Principles

The following principles will guide HCBID's procurement approach:

- Transparency – all documents and decisions will be recorded and kept in such a way as to ensure that the process can be seen to be fair and transparent.
- Equal treatment – all potential suppliers will have the same opportunity to quote for and supply goods and services regardless of where they are based.
- Proportionality – contracts or specifications will not require information that is not pertinent to the delivery of the goods and services being purchased.
- Non-discrimination – Awards of contracts will not be based on geography, previous contractual arrangements.

While HCBID makes every effort to use and promote opportunities to local suppliers decisions made by HCBID will not be based solely on geography but will take account of good commercial practice and value for money.

Value for Money means taking into account, when making procurement decisions, "the optimum combination of whole life cost and quality necessary to meet the customer's requirement" based on a robust assessment of all the options in each set of circumstances.

4. Spending Authority

The agreed spending authority limits are:

Value of purchase order	Procurement Route	Authority	Method of Completion
Up to £500	BID CEO discretion as long as it fits within the budget of the project. Evidence of value for money by using businesses from the Preferred Supplier List where possible.	BID CEO or other officer as determined by the Board.	Purchase via invoice or BID CEO purchases and claims back via the expenses protocol
From £500 to £5,000	Evidence of value for money by gaining a minimum of 3 benchmarked quotes All expenditure must go through Board approval.	Budget & outline brief approval by the majority of BID Board Directors. This can be obtained at meetings of the Board and should be minuted in written format through Board minutes or emails	Approved by three BID Board Directors
From £5,000 to £30,000	Evidence of value for money by following a tender process with ideally a minimum of 3 x tender applications. In the event there is not three submissions the Board will have the final decision.	Budget & outline brief approval by the majority of BID Board Directors. This can be obtained at meetings of the Board and should be minuted in written format through Board minutes or email	Approved by three BID Board Directors
Over £30,000	Evidence of value for money by following a tender process with ideally a minimum of 4 x tender applications. In the event there is not three submissions the Board will have the final decision.	Budget & outline brief approval by the majority of BID Board Directors. This can be obtained at meetings of the Board and should be minuted in written format through Board minutes or email	Approved by three BID Board Directors

5. Selection and evaluation process.

- 5.1 The selection process will be proportionate to the value of the contract and will be made clear at time of invitation, including the anticipated timeframes and whether an interview may be necessary.
- 5.2 The criteria for how HCBID will assess and score tenders will be made clear in any tender documentation issued where the usual VFM considerations will include but not necessarily limited to an appropriate mix of; quality, cost, resource use, reputation, warranty/guidelines and timeliness.
- 5.3 HCBID may choose to select a preferred supplier directly where the service required is
- highly specialist and potential alternative suppliers cannot be identified; or
 - is highly commercially confidential; or
 - relies on knowledge from a previous collaboration with one particular supplier

In these circumstances such use of a preferred supplier must be agreed by the Board and minuted.

- 5.4 Where HCBID elects to extend a previously commissioned service with a supplier or to carry out a related but distinct piece of work with an existing supplier the Board must satisfy itself that this is appropriate and that proper VFM judgements have been applied. This could include market testing or benchmarking the service. This will be agreed by the Board and minuted
- 5.5 For those contracts which procure services to extend in excess of a period of six months, HCBID will endeavour to include a review period and option to revise, renegotiate or terminate the contact if the review determines that the contract no longer constitutes VFM.

5.6 All bids submitted as part of a tender process shall be kept confidential and shall not be discussed with any person not involved in the evaluation process.

5.7 All tender submissions shall be evaluated and scored according to the agreed criteria. Those evaluations shall be recorded.

6. Order Process

6.1 All goods and services procured by HCBID shall require a purchase order to be raised in advance of an order being placed for such goods or services. The person requesting the order must ensure that the budget will cover the expenditure.

6.2 All purchase orders must be approved by the BID CEO in advance of being sent to the BID Signatories for final approval.

6.4 It is the responsibility of the person receiving the goods or services to verify that they are in accordance with the terms of the order that was placed, and that payment should be made. The invoice received from the supplier must be attached to the purchase order relating to the goods or service received.

6.5 The BID CEO is responsible for ensuring that any invoice matches the purchase order, that the bank and payment details are verified and that the VAT is calculated properly. No previously notified bank details of a supplier may be amended without the approval of two signatories.

6.6 Any variations to the value of a purchase order can be approved by the BID CEO provided that such variation does not exceed 10% of the total whole life contract value or £500 whichever is less.

7. Contract monitoring and variations.

7.1 The BID CEO shall ensure that all contracts are adequately managed and monitored to ensure that completion of service delivery is on time, within budget, and in accordance with the specification.

7.2 Subject to paragraph 6.6 contract variations of a non-material nature i.e., where alterations to the goods, services or works procured are not materially significant, can be authorised by the BID CEO.

7.3 Any contract variation falling outside of the terms of paragraph 7.2 must be approved by the Board.

8. Final approval and authority

8.1 In any and all events the final purchasing decisions rests with the Board.