

# Doing Business with Sevenoaks District Council Suppliers' Guide

## Contents

1. About Us
2. What the Council buys
3. How to become a supplier to the Council
4. Quotes and financial thresholds
5. Tender process:
  - Submission and opening of tenders
  - Evaluation of quotes and tenders
6. E-Procurement
7. Kent Buying Consortium (KBC)
8. Local SMEs
9. Equalities and Ethics
10. Environment
11. Health & Safety
12. Payment Terms

## About Us

Sevenoaks District is in West Kent, bordering Greater London, Surrey and Sussex and covers an area of 142 square miles.

The main towns are Edenbridge, Sevenoaks and Swanley and there are many other small villages and settlements, of which the largest are Hartley, Hextable, New Ash Green, Westerham and West Kingsdown.

Sevenoaks District has eight neighbouring councils.

Sevenoaks District Council spent approximately £12.1 million on a range of goods and services in the financial year 2007/08. Obtaining value for money is an essential requirement, and one that cannot be achieved without the support of suppliers. The Council buys goods, works and services from a wide range of suppliers. Contracts vary from small one-off purchases to large supplies or service contracts.

We are always keen to hear from new suppliers, and aim to provide you with the information and opportunities needed to compete for a share of Sevenoaks' business. Of course, success cannot be guaranteed; that depends on the quality, cost and availability of your products and services, as well as your organisation's equality, sustainability and health & safety policies. We hope you will find this guidance as a useful introduction.

One of the key principles of the Council's Procurement Strategy is to develop a mixed economy of suppliers and promote partnering arrangements. The Council is keen to encourage participation by small and medium enterprises (SMEs), the voluntary and community sectors, and to work with suppliers to deliver community benefits in a way that is consistent with value for money, and in compliance with procurement law. Sevenoaks is committed to supporting local businesses and organisations by placing orders for goods and services with them where possible. It is also committed to sustainability - taking into account, for instance, environmental impact. This is your opportunity to try to increase your business profile and to be part of a vibrant local economy, which will be beneficial to both you and the community the Council services. We are sure you will understand our desire to provide all sections of the community with the best possible service, achieving value for money at all times in respect of quality, guarantees, product benefits and service back-up.

## What the Council Buys

To find out what the Council buys, visit the SECE portal, where a number of the Council's current contracts are listed. Please use the following link [www.businessportal.sece.gov.uk](http://www.businessportal.sece.gov.uk)

The following is a list of some of the items the Council buys:

### Goods

Computer hardware  
Computer software  
Stationery  
Office and printing paper  
Mobile phones  
Photocopiers  
Office furniture  
Vehicles (small and large commercial)

### Services

Consultancy  
Leisure management  
Fleet management  
Insurance  
Electricity  
Gas  
Water  
Agency staff  
Advertising  
Building Maintenance  
Training  
Telephone  
Grounds Maintenance

## How to Become a supplier to the Council

A list of a number of current contracts is available at [www.businessportal.sece.gov.uk](http://www.businessportal.sece.gov.uk). To research current tender opportunities please go to 'Contract Store'/'Sevenoaks'. This provides a list of contracts over £10,000 currently in place and shows when they expire. Please refer to the list indicating future opportunities and relevant contact details.

If you wish to become a supplier, you should register on the Business Portal website against the service or goods that you supply. Alternatively, using the contact details available on the Business Portal website, write to the relevant manager at the Council expressing your interest for the service or good relating to your business.

The Council must follow European law on public sector purchasing. Most contracts for services and supplies exceeding £139,893 must be advertised in the Official Journal of the European Union (OJEU). Contracts for building or highway works exceeding £3.497 million must also be advertised in the OJEU. Additionally contract notices may also be published in relevant trade journals and the local and national press.

Best value is part of the Government's agenda to modernise local government and provide high quality services for its users. As a Local Authority, we are under legal obligation to make continuous improvements in the way we deliver our services. The principles of Best Value allow the Council to obtain the best balance of quality and price.

All procurement by Local Authorities must be based on value for money, that is, "the optimum combination of whole-life cost and quality to meet the service requirement". The need to assess "whole-life cost" enables the Council to look beyond the contract price, and to consider longer term costs and benefits, including the impact on the environment.

## Quotations and Financial Thresholds

Total Value	Type of Contract	Procedure to be used
£0 to £10,000	works, supplies and services	At least one quote in advance
£10,000 to £74,999	works, supplies and services	At least three written quotes in advance
£75,000 to £139,892	works, supplies and services	At least three written tenders in advance, following advertisement by public notice
£139,893 plus EU Threshold for supplies and services	supplies and service	EU Rules apply - full competitive process following advertisement in the OJ for supplies and Part A* services.  For Part B* services reduced requirements apply under the EU Rules but there is a presumption in favour of advertising and a competitive process
£139,893 to £3,497,313	works	Full competitive process with tenders following advertisements by public notice
£3,497,314 EU Threshold for works	works	EU Rules apply - full competitive process with tenders following OJ advertisement

# Tender Process

## Submission and opening of tenders

An Invitation to Tender shall be issued by the Council for all contracts over £75,000 and tenders shall be submitted in accordance with the requirements of the Invitation to Tender.

The tender documents will include some or all of the following:

- Letter of invitation - giving details about the required return date, point of return and contact details for raising any queries on the content.
- Instructions on how to complete the documents.
- A Form of Tender – this is the agreement to the contract terms and conditions for tenderers to complete.
- Technical specification – this will detail the Council's requirements as well as any policies or procedures which need to be followed. It will include performance standards and the outcomes to be delivered.
- Tender schedules – these are the documents where all pricing is entered.
- Contract terms and conditions – these explain the relationship between the Council and the supplier and how the contract will be managed.
- Quality and method statement questions – these require tenderers to answer questions explaining how they will provide the Council's requirement and to show the extent of their experience in providing similar services. This section may also include a requirement to demonstrate a commitment to supporting council policies through the provision of the service requirement.
- Tender evaluation model – The Council will provide details explaining how the tender submissions will be evaluated and the award of contract made.
- For certain requirements the Council may require tenderers to undertake a presentation to members of an evaluation panel.

*(Continued on next page)*

## Tender Process continued

Any tenders received (other than those received electronically) shall be:

- Addressed to the Democratic Services Manager
- In a sealed envelope (with no identifying marks), marked “Tender” followed by the subject matter to which it relates
- Kept in a safe place by Member Services
- Retained unopened until the date and time specified for its opening

Where the Council has indicated in the Invitation to Tender that a tender can or must be submitted electronically, then those tenders shall be:

- Addressed to the e-mail address as notified in the Invitation to Tender
- In the format specified in the Invitation to Tender
- Stored in a secure mailbox, which requires a code or other appropriate security measure, to open it
- Retained unopened until the date and time specified for its opening

No tender received after the time and date specified for its opening shall be accepted or considered by the Council unless the Head of Legal and Democratic Services/Democratic Services Manager is satisfied that there is sufficient evidence of the tender having been dispatched in time for it to have arrived before the closing date and time, or other exceptional circumstances apply and subject to other tenders not being opened.

Tenders are opened by the relevant Director and an immediate record is made of tenders received including names and addresses and the date and time of opening.

*(Continued on next page)*

## Tender Process continued

### Evaluation of Quotes and Tenders

All quotes and tenders shall be evaluated in accordance with evaluation criteria notified in advance to those submitting quotes/tenders.

Tenders subject to the EU Rules shall be evaluated in accordance with the EU Rules.

Save in exceptional circumstances approved in advance by the appropriate Director, all contracts shall be awarded on the basis of the quote or tender which represents best value for money to the Council and not on the basis of lowest price.

Value for money is defined as “the optimum combination of whole-life cost and quality to meet the service requirement”. The need to assess “whole-life cost” enables the Council to look beyond the contract price and to consider the longer term costs and benefits, including the impact on the environment.

## E-Procurement

Electronic procurement is the use of information and communications technology (ICT) to acquire goods and services from third parties. It embraces the automation of a wide range of supply chain applications, including; suppliers and product sources, requisitioning, ordering, bill payment, competitive tendering, inventory management, contract management, on-line auctioning, tender analysis, approved list and disposal systems.

Sevenoaks District Council has committed itself to working towards full electronic delivery of its services which over time will include electronic tendering, ordering and invoicing. The aim is to reduce the Council's and suppliers' costs associated with procurement process and the cost of normal commercial trading. It is recognised that eCommerce can help suppliers by opening up a supplier's products and services to a wider market.

Please also see Sevenoaks District Council's Procurement Strategy, which is available the Council's website.

## Kent Buying Consortium

Sevenoaks District Council is one of the 14 local authorities in Kent. All Kent authorities are major procurers of goods, works and services and each authority, including Kent and Medway Fire and Rescue Service, belong to the Kent Buying Consortium.

The National Procurement Strategy requires smaller councils to consider creating a focal point and co-ordinating procurement across councils. The work that is being carried out with the Kent Buying Consortium, Kent Connects and the Centre of Excellence will help create the focal point. Together with the procurement review this will give more co-ordination across the authority.

## Local SMEs

### **Procurement and Local Small and Medium-sized Enterprises: An introduction**

The Council's approach to procurement is set out in its Procurement Strategy, which can be found on the Council's website. This includes a requirement in any procurement exercise to consider the impact upon its other community objectives including; environmental factors, social impact and the local economy.

The Council has a duty to obtain best value from any procurement exercise but this does not necessarily mean cheapest price. The factors considered in addition to price include; the quality of the service provided, ongoing costs, the extent to which services deliver the outcomes required from the procurement exercise and the impact on the environment.

The Council must abide by European rules on procurement. These require, for purchases exceeding set limits (please refer to "Quotes and Financial Thresholds") that tendering is open to anyone within the European Community, subject to their ability to deliver such services. We cannot limit competition to British or Kent companies. In practice, local, regional or national companies usually win contracts. The larger the contract, the greater the competition from further a field.

As a public body, all procurements have to be open and transparent. This means that the process for the selection and award of contracts has to be fair and seen to be so. The Council must show that the winning tender was chosen in a fair and proper manner and have the evidence to support this. Ultimately, it can be challenged that a contract was awarded unfairly.

*(Continued on next page)*

## Local SMEs (continued)

### **What can Local Small and Medium-Sized Enterprises do to win Council Business**

The definition of Small and Medium-Sized Enterprise (SME) is a business which employs up to 250 people and has a turnover not exceeding £22.8million. The Council's approach to businesses within this category is to seek to assist them in doing business within Council. This is achieved by the allocation of a proportion of its contracts to local SMEs.

For SMEs to compete in the market place they must prepare themselves like any other enterprise wishing to compete for business. This will require having clear business plans, sound finances, good controls over their activities (such as Health and Safety and other legal compliance) as well as the capacity to deliver services for which they wish to tender.

Be realistic about the size of contract you wish to take on. The Council will not award individual contracts exceeding about a quarter of the company's turnover as this can cause cash flow difficulties where the business has insufficient working capital to finance the project.

Local businesses often have a vested interest in the success of Council contracts since they themselves are rate-payers, council tax payers and usually residents in the District. They will therefore seek to be innovative in trying to deliver the services the Council requires for its residents. At pre-tender stage, it is possible to enter into dialogue with prospective suppliers to discuss the way in which services could be delivered. Local businesses should have a better understanding of the needs of the community as they are part of it and can therefore contribute to this debate.

The Council always welcomes innovative ways of addressing problems and where appropriate will concentrate on outputs and outcomes as opposed to strict specifications of how the service is to be carried out. This quality of service can be taken into account when tendering its services.

## Equalities and Ethics

“Section 71 of the Race Relations (Amended) Act 2000 requires all public authorities to eliminate discrimination and promote quality of opportunity and good race relations.

At Sevenoaks District Council it is our policy to work positively to reduce inequality with all customers and employees by ensuring that they are treated equitably, fairly, without discrimination and with dignity and respect, regardless of their age, gender, race, sexuality, disability, religion, belief or trade union membership status. We believe it is our duty to promote equal opportunity and have taken positive steps to redress inequality. In turn, we expect our employees, visitors and partners to respect and comply with government legislation and policies. We consider it necessary for organisations who intend to supply goods or services on our behalf to demonstrate that reasonably practicable steps have been taken to allow equal access and treatment in employment and services for all.

Further information about the Council’s Equalities policies can be found on its website at [www.sevenoaks.gov.uk/community\\_living/equality/default.asp](http://www.sevenoaks.gov.uk/community_living/equality/default.asp)

### **Fair Trade**

Sevenoaks District Council advocates ethical and sustainable procurement practices. The Council encourages the procurement of Fair Trade goods where possible, in delivering its services.

## Environment

At Sevenoaks District Council we are committed to protecting and enhancing the environment for present and future generations. We want to reduce the environmental impact of purchasing goods, works and services. We will, so far as is reasonably practicable, achieve this by introducing environmental considerations into our procurement processes and contracts, and by raising staff awareness.

The Council's Environment Policy is available on its website.

Environmental considerations are consistent with our need to demonstrate best value, as best value seeks to achieve the optimum combination of "whole-life" costs and benefits to meet the Council's needs.

Where relevant, we will define environmentally friendly products in our purchasing specifications. Specific production methods may also be requested should they be relevant to the product being purchased. In certain cases, the submission of "green" variants will be allowed, giving us the opportunity to compare "standard" solutions with "environmentally friendly" options.

We will use environmental selection criteria appropriate to the nature of the contract to further our environmental objectives. These will seek to reduce risk of non-compliance with environmental legislation and to ensure bidders have the technical capacity to execute the contract as specified. Contracts where environmental technical capacity could be particularly relevant include waste management contracts, construction, building maintenance or renovation contracts, and transport services. An environmental management system (EMS) such as ISO 14001, may be considered as evidence of a supplier's technical capacity provided it is relevant to the contract. We will recognise a supplier's ability to demonstrate their environmental performance, whether or not they have a certified EMS.

*(Continued on next page)*

## Environment continued

We may specify environmental performance clauses which will be agreed upon between the authority and the contract, and will clearly relate to the delivery of the contract. Where appropriate we may also involve suppliers in “reducing environmental impacts” by joint working.

Joint improvement targets typically involve:

- Reducing packaging weights and volumes
- Introducing reusable and returnable packaging
- Reducing the hazardous material content of products
- Examining purchasing order quantities and delivery frequency
- Improving delivery scheduling to reduce impacts from transportation

We will also encourage supplies to bring forward innovative solutions to environmental problems.

**For further information go to:**

Netregs at [www.environment-agency.gov.uk/netregs](http://www.environment-agency.gov.uk/netregs) for plain language guidance for businesses on environmental legislation and how to comply with it.

Envirowise at [www.envirowise.co.uk](http://www.envirowise.co.uk) for free, independent, confidential advice and support on practical ways to increase profits, minimise waste and reduce environmental impact (Tel: +44 (0)800 585 794

IDeA at [www.idea.gov.uk](http://www.idea.gov.uk) for guidance on sustainability and local government procurement. (Tel: +44 (0)207 296 6880

## Health & Safety

The Council is committed to ensuring the health, safety and welfare of its employees and that of all others affected by its undertakings. Contracts to supply goods or services will only be awarded to contractors who can satisfy the Council requirements in terms of resources required and their health and safety competence.

Successful contractors/suppliers are expected to demonstrate compliance with current health and safety legislation including:

- A commitment to the health and safety of its employees, client and others
- Up to date health and safety policies and procedures
- Adequate risk assessment procedures
- An adequate system of monitoring and reporting accidents, incidents and ill health
- Access to competent health and safety advice
- Contracts are monitored to ensure compliance with contract standards and health and safety requirements

## Payment Terms

Sevenoaks District Council will always try to pay invoices within 30 days from receipt.

The Council operate an electronic purchase ordering system for some of their payments and it would assist, therefore, if purchase order numbers are quoted on all invoices where a number has been provided.

Invoices must be addressed to Sevenoaks District Council, have a unique invoice number and, in the case of VAT invoices, must quote:

- the seller's name or trading name, and address
- the seller's VAT registration number
- the invoice date
- the time of supply (also known as tax point) if this is different from the invoice date
- the customer's name or trading name, and address
- a description sufficient to identify the goods or services supplied to the customer

For each different type of item listed on the invoice, it must show:

- the unit price or rate, excluding VAT
- the quantity of goods or the extent of the services
- the rate of VAT that applies to what's being sold
- the total amount payable, excluding VAT
- the rate of any cash discount
- the total amount of VAT charged

All suppliers of building work should separate out on their invoices the costs of labour and materials.

Sevenoaks District Council prefer to pay invoices by BACS. Therefore, an account number and sort code should be included on invoices where possible.