



Selling to Lichfield District Council

A guide for suppliers and contractors

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About this guide.

This guide has been put together to help local businesses wanting to sell their services and supplies to Lichfield District Council.

It outlines:

- Where businesses can find details of opportunities to supply the council
- The rules that Lichfield District Council must follow
- How to tender for the council's business
- What is expected of you when undertaking work for us

How is procurement organised?

Lichfield District Council has a small procurement team, which is responsible for developing the council's procurement strategy, policy, good practice and procedures to secure best value-for-money. It is also responsible for advising council officers who have responsibility under devolved procurement arrangements, of running procurements to secure the goods, services and works they need within their service areas.

There are many different forms in which contracts let by the council can take, below is a brief outline of some of those forms:



Purchase orders

Essentially one-off contracts. These contracts meet specific needs/individual requirements and tend to be below procurement activity thresholds.




Framework agreements

A tender process with the aim to establish an agreement where terms and conditions are put in place with the successful provider(s) for services, supplies or works. When a requirement is identified it can be sourced via the framework through a call-off mechanism.



Dynamic Purchasing Systems

A Dynamic Purchasing System (DPS) is a completely electronic system used to purchase goods, works or services. Unlike a framework, suppliers can apply to join at any time. It is an 'open market' solution designed to provide buyers with access to a pool of pre-qualified suppliers.

 **Tendering for a contract**

These are tenders accepted from a contractor, to carry out repetitive tasks for a defined period of time. Work is then issued to the successful contractor(s) as and when it is available. These are usually for planned and reactive works.

 **Consortiums**

Different procurement authorities can join together to form a consortium to create tenders as a group. This can provide better value for money as larger quantities can be purchased. This also apply to bidding providers, who can join together to form a consortium to provide a better value for money tender bid and cover a wider area of works and services.

As a public body, Lichfield District Council also has access to contracts arranged by Crown Commercial Services (CCS), Eastern Shires Purchasing Organisation (ESPO), Yorkshire Purchasing Organisation (YPO), SCAPE and others.

Which rules and regulations must be followed?

As a public body, there are regulations which the council has to follow when procuring supplies, works and services. It is important for businesses wishing to work with us to be fully aware of the rules and regulations, which govern the way we operate.

This table summarises the rules and basic level thresholds that must be followed. The value of the requirement, whether estimated or exact, will determine the way in which it is purchased:

As a smaller council it will be very rare that we undertake major works procurements, or indeed many EU procurements.

We will generally seek to use pre-existing framework agreements that are available to us as they have been through robust procurement processes and typically offer value for money.

Value of supply for the life of the contract	Process
Up to £1,000	Best value
£1,000 - £9,999	2 quotations will be invited.
£10,000 - £74,999	3 quotations will be invited, or a tender process ran
£75,000 – EU threshold	Tenderers will be invited.
For supply above EU threshold	EU Directive Tender process
For works above EU threshold	EU Directive Tender process

What are EU Procurement Directives?

The council has a legal requirement to comply with the EU Procurement Directives, which govern the way public sector procurement is conducted for contracts over certain specified thresholds. The directives and regulations require the council to follow detailed procedures for all procurements above these financial thresholds. The overriding principle of EU regulations (and of the council's internal rules) is equality of treatment and transparency of process.

The thresholds for 2022 are:

- Services and Supplies - £138,760 including VAT
- Works - £5,336,937 including VAT



If the value of the goods/service/works is above the threshold for quotation, under the EU Procurement Directives, Lichfield District Council can conduct its procurement using one of four processes:

Open

Invitation to tender is open to all organisations to express an interest and request tender documents. This is the most common process.

Competitive Dialogue

If the tender is very complex or an overall pricing structure cannot be created, it may be necessary to discuss the tender bid with suppliers during the tender process. All discussions are conducted on the basis of transparency and fairness to all parties to ensure an unbiased tender process and response.

Restricted

A two-stage process. Organisations expressing an interest undergo an initial pre-qualification assessment. Only the most suitable applicants are invited to tender.

Procurement Requirements

Where procurements exceed the thresholds, and comes within the scope of EU procurement directives, the council must follow these basic requirements.

How do I find out about opportunities?

We aim to advertise opportunities to supply goods and services to us on our tendering portal. Find out more at www.lichfielddc.gov.uk/opportunities

Our tender opportunities of more than £25,000 are also listed on government's contracts finder at www.gov.uk/contracts-finder

If the tender amount is over the EU thresholds (see page 6), they are also listed on TED at <http://ted.europa.eu/TED/main/HomePage.do> which publishes all above threshold procurement opportunities from across the EU.

You can register for all these systems for free and they will notify you of relevant opportunities.

We will also be using social media as a way to advertise some of our opportunities, so please keep an eye on our Facebook posts by following [@lichfielddc](https://www.facebook.com/lichfielddc) and Twitter feed by following [@Lichfield DC](https://twitter.com/Lichfield_DC).

In addition, we are also preparing a forward work plan that will list upcoming procurements, which will be available at www.lichfielddc.gov.uk/opportunities

Our procurement process.

Notify suppliers

Unless a pre-existing framework is used, which will set out how we engage with those suppliers, and depending upon the value of the contract, we will notify suppliers either:

- Directly through our e-Tendering system by invitation, or email
- By placing notifications on the relevant online portals (see page 7)

Selection of suitable and qualified supplier

The council has a duty to ensure contractors/suppliers are suitable and qualified to deliver the goods/services/works. This can be done through pre-qualification questions before the tender, or a selection of questions as part of the tender process or through self-certification.

Submission of quotation or tender response and evaluation

The value of the contract will determine if the process followed is one for a quote or tender.

Quotations are a quick and straightforward process and will usually require submission to our e-Tendering system.

Documentation will usually include some or all of the following :

- **Instructions to quote**
- **Specification of requirement**
- **Method statements**
- **Evaluation criteria**

Tenders are more in depth processes and take more time to complete and are for higher value contracts. As mentioned there are different ways for identifying tender opportunities. The tenders documents will be available through our e-Tendering system and will include document such as:

- **Instruction to tender**
- **Specification requirements**
- **Method statement**
- **Evaluation criteria and scoring methodology**
- **Pricing schedule**
- **Contract terms and conditions**

Evaluation

Tenders will be evaluated by the Most Economically Advantageous (**MEAT**) or price only.

MEATS will give weighting against the price submission and the quality submission scores of the tender, e.g. 60% price, 40% quality.

Evaluation of the most economically advantageous tender can incorporate a number of factors including but not limited to:

- **Financial viability of the tender**
- **Quality issues**
- **Technical merit**
- **After sales service**
- **Delivery date**
- **Technical back-up**
- **Experience**
- **Competence**
- **Policy issues such as equality and sustainability**
- **Social value**

Contract awarded

Tender evaluations are always carried out in a comprehensive, equitable, auditable and transparent manner, ensuring fairness to all suppliers while following the evaluation criteria and method as set out in the tender.

Contracts will be awarded to the tender whose overall score is the highest under the terms and conditions set out in the tender documentation.

What are the council's expectations of suppliers?

The council needs to ensure that it offers value-for-money procurement. We therefore expect a certain level of performance from contractors/suppliers, demonstrated but not limited to the following:

Value for money

This can be demonstrated through best price, best administration costs, best costs related to quality or any added value. Suppliers should consider the total, whole life costs of supply when putting together their tenders.

Quality

Contractors/suppliers are expected to provide services, supplies and works to an appropriate standard of quality, to meet the needs set out in the specification.

Adherence to the council's policies and protocols

We are committed to delivering our services, with consideration for a number of issues, including sustainability, equalities, health and safety, and look for suppliers/contractors who are committed to helping us achieve our aims in these respects.

Timescales

Tenders must be returned by the date given as any tenders received after the deadline may not be considered.

Innovation

Suppliers are encouraged to be innovative and suggest new ideas to add value, continuously striving to improve their performance.

Communication

Suppliers are expected to maintain good communications with the council throughout the contract and will be expected to attend regular contract review meetings.

Integrity

Honesty is expected in all dealings between the council and its contractors. In particular it is a criminal offence to give or offer any gift, inducement or reward to an employee of a public body. It is the council's policy not to accept inducements, gifts or hospitality. Tenderers should note that they risk being excluded from the procurement process for failing to observe this requirement.

The Living Wage

The Living Wage Foundation is an independent charity which calculates a real living wage, based on living costs in the UK, in the first week of November each year. The Real Living Wage currently stands at £10.90 per hour outside London for those aged 18 and above.

Over 12000 UK employers are now accredited by the Living Wage Foundation and voluntarily pay the Real Living Wage, including over 130 local authorities.

Since 2022 Lichfield District Council has ensured that no member of directly employed staff has earned less than the real living wage.

Lichfield District Council believes that:

- Paying the Real Living Wage not only benefits employees but also employers and the wider economy.
- Our staff are our most valuable resource and that anyone employed by Lichfield District Council should reasonably expect to earn a wage which allows them to get by.
- That paying at least a living wage to employees represents good employment practice and that companies who do so are demonstrating good social practice in this regard.

Frequently Asked Questions.

Can I get some feedback?

If your tender is unsuccessful you can request feedback. Within the limits of confidentiality, we can provide tenderers with feedback on which aspects of their bid were strongest and which were weakest, along with advice on improving and developing for the future.

Under the EU directives you are legally entitled to request this feedback from us. Being unsuccessful in one contract does not mean you will be unsuccessful in the future. You should use the feedback to help you improve for upcoming opportunities.

How are contracts monitored?

You will be expected to provide the service in accordance with the requirements set out in the contract documentation and your proposals to carry out the contract. To ensure we are continually providing value for money services to our community, suppliers and contractors working for the council are regularly monitored to assess their compliance with predefined performance criteria. The contract conditions are strictly applied, and explanations sought if a contractor fails to perform to the levels required.

Is the council using e-procurement?

The council is committed to developing e-procurement as a major tool in delivering its procurement strategy. From tendering for contracts to placing orders, the application of e-procurement can achieve efficiency savings for both the council and their suppliers. Paper transactions will, in time, be replaced by e-procurement, providing a streamlined process and reduced transaction costs.

We are actively developing e-procurement through the use of purchase cards which are used like traditional credit cards to buy ad-hoc supplies, and the development of an online ordering system.

How does the council pay suppliers?

Payment terms should be set down in the contract terms and conditions. Payment via invoice will be within 30 days via BACS transfer, other options for payment are through purchase card payments.

The council operates a strict 'no purchase order, no pay' policy, where any invoice submitted without a purchase order will be returned to the supplier without payment.

Where can I get further information?

If you are seeking information regarding a specific contract please use the contact details provided in the advert/contract notice and tendering details.

General information on the tendering process and procurement at the council can be obtained from the procurement team by emailing procurement@lichfielddc.gov.uk

If you have any comments or feedback on this guide we would be happy to hear from you as we are always looking to develop the advice, guidance and support we offer to potential contractors. Please contact us by emailing procurement@lichfielddc.gov.uk



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