

HOW TO DO BUSINESS WITH THE CITY OF LINCOLN COUNCIL

June 2017



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1. Introduction

- 1.1 The City of Lincoln Council is committed to equality of opportunities for all those who wish to do business with us. It has developed this guide in order to assist those companies who wish to supply/provide goods or services as well as works to the Council. It also helps to support the Council's mission statement, set out below, in respect of procurement and ultimately the adopted Procurement Protocol:

“to ensure procurement opportunities with the City of Lincoln Council are fair, straightforward and accessible to all”

- 1.2 It is envisaged that this guide will provide the following:

- outline the rules and regulations that the council must follow in procuring goods, services and works
- detail how to bid and outlines what information will be required
- provide contact details of those who can provide support and guidance
- provide information as to where contract opportunities can be found

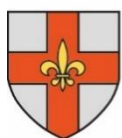
- 1.3 City of Lincoln Council is a district council situated in the rural county of Lincolnshire. It is classed by many as the urban hub of the county. It is divided by uphill and downhill Lincoln and is one of England's most beautiful and vibrant cathedral cities.

With a constantly diversifying population of circa. 88,500, it is a city entirely urban in its nature and has a tightly drawn boundary covering just 13.78 square miles. It is a significant regional centre, with a high number of people who commute to work, shop or visit the City. It has an elected assembly of 33 councillors.

The Council spends on average in the region of £28 million a year on the provision of goods services and works.

- 1.4 The Council's procurement activities enable services to be provided in an efficient, cost-effective and sustainable manner whilst enabling the Council to realise its Vision 20:20 aspirations. Within this, the council pursues four priority themes:

- Let's Drive Economic Growth
- Let's Reduce Inequality
- Let's Deliver Quality Housing
- Let's Enhance Our Remarkable Place



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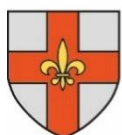
- 1.5 As there is a high level of competition to work with the Council, there is no guarantee that this guide will enable your company to be successful. However the purpose of this guide is to provide information to enable suppliers to be best placed when submitting a quotation or tender for council opportunities.
- 1.6 Procurement is the process of acquiring goods, works and services from third parties. It includes both the process by which requirements are defined and contracts are awarded, as well as the management of contracts once awarded. Effective procurement seeks to achieve value for money based on a price/quality appraisal rather than the cheapest option.
- 1.7 The Council is committed to:
- Being fair
 - Non-discriminatory
 - Professional
 - Prompt Payer
- 1.8 The Council is also committed to delivering Social Value through its procurement activities and has developed its own Social Value Policy which is reflected in the majority of its procurement activity. This is also supported by the Public Services (Social Value) Act 2012, which makes considering the wider social, environmental and economic impacts of procurement a public duty.

2 Procurement Rules & Regulations

- 2.1 Public procurement is governed by various rules and regulations and these are made at local, national and European level.
- 2.2 The City of Lincoln Council has its own Contract Procedure Rules (CPR's) which all officers involved in procurement must comply with. These form part of the Council's constitution. These are available on the Council's website.

These CPR's work alongside other regulations which the Council must comply with, notably, Public Contract Regulations 2015.

- 2.3 The CPR's underpinning principles are:
- Ensure fairness and transparency when awarding public contracts
 - Comply with all legal requirements
 - Achieve value for money by awarding to the most economically advantageous tender
- 2.4 The CPR's set out the thresholds at which certain processes are to be followed and these have been summarised in paragraphs 2.5 to 2.7.

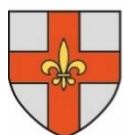


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- 2.5 Contracts with a value of up to £25,000 can be awarded by making a direct approach to a single supplier. Where possible any approach made should be to a local supplier as defined in CPR's. Any approach should be done so using the Council's standard template detailing the full requirements of the provision required. The supplier will be required to detail how it will deliver the requirement as well the cost for doing so. This will then be appraised and if all is satisfactory then a formal contract will be drawn together.
- 2.6 Where the value of the contract is over £25,000 but under the current threshold for OJEU Goods & Services then a minimum of four quotations should be sought. Two of the quotations should be sort from a "local" supplier where possible. Any approach will be undertaken by using the Council's standard template. This will detail all the requirements of the provision as well as how the submissions are to be assessed. The process will be undertaken electronically using the Council's procurement portal. Once formally evaluated then a contract will be issued to the successful bidder. All unsuccessful bidders will receive a full appraisal of their submission in order to provide constructive feedback.
- 2.7 The Local Purchasing Strategy has now been in place for a number of years. However for ease of reference please see below the definition of "local" as previously adopted by this Council
- "a supplier is defined as one whose trading premises are located within Lincolnshire and/or a 20 mile radius of the county of Lincolnshire's boundary"
- For clarification a "trading premise" is where the supplier has a branch/base/office within the locality
- 2.8 Where the contract is in respect of Works and the value is over the OJEU threshold for Goods & Services but under that of the OJEU Works threshold then the process detailed in 2.6 will apply other than a minimum of five quotations should be sort.
- 2.9 The council uses Pro contract/Due North for its procurement portal, www.procontract.due-north.com . It is therefore a requirement for suppliers to be registered on this site in order to participate in any procurement activity with a value over £25,000. In some cases in may also be used for under £25,000 activities.



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- 2.10 Where the value of the procurement activity exceeds the OJEU thresholds then the following principles will apply. However it should be noted that the Council's CPR's also follow the basic principles of the EU Treaty.

The key EU principles are:

- Equal treatment - treat all tenders in the same way without favour or prejudice on the basis of locality or business model
- Transparency – all opportunities should be advertised where appropriate to the size of the contract as well as being open about the selection and award criteria
- Proportionality – requirements are relevant and appropriate to the contract being procured. In addition the complexity of the process should be proportionate to the complexity and value of the proposed contract
- Mutual Recognition – when qualifications/certificates are required these will be accepted on the same basis from other member states as those based in the UK

- 2.11 The principles of the Treaty have been embedded into UK law by the Public Contract Regulations 2015. It is a requirement of these regulations for the Council to follow detailed procedures for all procurements above certain financial threshold in respect of “Goods & Services” and also “Works”. Even with “Brexit” it is envisaged that these will remain until at least 2019 and potentially longer given the complexities.

The thresholds are reviewed every two years and the current levels are as follows:

Goods and services - £164,176
Works - £4,104,394

The next review is due 1st January 2018.

- 2.12 For above value procurement activities the Council must comply with the following:
- Advertise in the Official Journal of the European Union (OJEU)
 - Tenders must be invited in accordance with one of the prescribed routes and follow the minimum timescales
 - A contract award notice must be published within OJEU
 - Unsuccessful bidders must be given written feedback detailing the rationale behind why they were not selected



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3. Opportunities

- 3.1 The Council will use an electronic procurement portal for the majority of its procurement activities (where the contract is over £25,000). In order to be able to partake then the supplier must be registered on the system (www.procontract.due-north.com). Therefore we would encourage all those interested in working with the Council to register on this site.

It should be noted that whilst the Council will use an electronic portal for its procurement activity up to the OJEU limit, these opportunities will not be advertised. Only those suppliers selected to provide a quotation will be able to see the documentation

Once registered the system will automatically send you alerts for opportunities which you may be interested in (only in respect of those opportunities over the OJEU threshold). This will be based on the service categories/products which you have listed when registering. However you can also just search current opportunities which we have available.

The portal also details the contract opportunities of various other local authorities within the East Midlands.

4. Tender Routes

- 4.1 The following section will provide a brief summary of the main procurement routes that the City of Lincoln Council will follow.
- 4.2 Restricted Tender (above OJEU) – any organisation can express an interest and complete the Standard Questionnaire (SQ). However only those which are shortlisted by the Council will move to the second stage. This process is used for tenders where the market place is large and/or more complex tenders
- Two stage process
 - Standard Questionnaire (previously known as the PQQ) is used to shortlist a limited number of bidders to go through to the second stage
 - Second stage is where an Invitation to Tender will need to be completed
- 4.3 Open Tender (Above OJEU) – all interested organisations are able to tender. This process is used for less complex tenders and/or where the market place is limited
- Single stage process where all tender documents are issued
 - No shortlisting used



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- 4.4 Request for Quotation – where the anticipated contract value is less than that of the relevant OJEU threshold
- For contract values over £25,000 but below OJEU
 - A minimum of four suppliers, of which two must be “local”, will be invited to quote
 - Process will be undertaken electronically through the Council’s procurement portal
 - Assessment of submissions will be made using MEAT – most economically advantageous tender
 - One stage process like that of the Open Tender but simplified to reflect lower value
- 4.5 Direct Approach – where the value of the contract is anticipated to be below £25,000
- Quotation should be undertaken using the Councils simplified template and in some cases maybe through the electronic procurement portal. Where appropriate the approach should be made to a “local” supplier (see para. 2.7)
- 4.6 The Council also has access to a number of framework arrangements via external bodies. A framework is an agreement, involving one or more suppliers. It is similar to an “approved list” but is more legally robust.

Whilst the Council does not at the present time operate any frameworks, it may do so in the future.

The process to procure a framework is via a tender process, often the restricted procedure. The provision can only be in place for a maximum of four years and during that time no new supplier can be added to it.

The Council where possible will try to inform local suppliers of potential framework opportunities when they are advertised, as it can often limit the availability of future opportunities the Council may have if they do not participate in the process.

- 4.7 Public Contract Regulations 2015 also allow for a number of other methods of procurement however as these are rarely used by the council they have not been included within this guide. However if they were to be used in the future then the council is committed to ensuring that relevant training/meet the buyer events.



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5. Overview of Documentation

- 5.1 **Standard Questionnaire (SQ)** – this will be used as part of the restricted process in order to shortlist. It was previously known as the Pre-Qualification Questionnaire (PQQ). It will only be used on procurement exercises where the value is in excess of the relevant OJEU threshold.

The SQ is split into 3 sections. Section 1 and 2 are standard whereas section 3 is for more contract specific questions to be added in.

It will contain a Business Questionnaire which requests information regarding your organisation. This will include a financial assessment; a health and safety statement; legal grounds for exclusion and a statement on compliance re equalities legislation.

There will also be backward looking technical questions about your organisations previous experience and general competency in delivering the required provision. It should be noted that this can include the taking up of references.

It is imperative that you answer all the questions with as much information as you can (taking into account any word count restrictions) as what is submitted at this stage will form the selection process on which the Council will determine which suppliers are shortlisted for the next stage (Invitation to Tender).

The questions will be assessed by way of a mix of pass/fail criteria and also a weighted percentage. The full selection criteria will be detailed within the documentation.



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- 5.2 Invitation to Tender (ITT) – this is used as the second stage to a restricted tender but the entire process of an open tender. When being used in an open tender it will incorporate both an SQ and ITT.

The ITT will include technical questions to assess the suppliers' capacity and capability to deliver the requirements of the contract.

In a restricted procedure these technical questions will be forward looking as it is not permitted to cover the same area previously done so within the SQ. In an open procedure as stated above the ITT will incorporate both an SQ and ITT. This means that they are permitted to cover both backward and forward looking, assessing both your experience and capacity as well as your specific proposals for delivering the contract. It will also include a business questionnaire.

The assessment criteria will be based on both the price and quality of the submission. The detail of these will be clearly defined within the tender documentation.

6. Evaluation of Submissions

- 6.1 All submissions where an evaluation/assessment criteria is detailed within the documentation will be evaluated using this criteria. However it should be noted that this will only be undertaken for those submissions made within the stated timescales and that late bids will not be accepted under any circumstances.
- 6.2 Once evaluated the Council will issue a letter to the bidder informing them as to whether they have been successful or not. If it is an unsuccessful submission then the letter will also include full feedback. This feedback will include the scores allocated to your submission along the scores of the successful bidder. In addition to this an explanation as to why that score was given will be included. It is hoped that this feedback will enable you to review and see where potential improvements could have been made. Whilst not given as standard to the successful bidder this information will be provided if requested.



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7. General Tips

- 7.1 When reviewing the tender documentation please ensure that you raise any queries you may have prior to the deadline for questions. Queries can only be raised through the relevant procurement portal. Contact made via any other means (i.e. by phone or email) will not be answered and you will be asked to use the portal.
- 7.2 The Council will also answer any queries raised through the procurement portal as quickly and efficiently as it can. However once the deadline has passed it will be unable to do so.
- 7.3 It should be noted that any question asked, unless deemed to be of a commercially sensitive nature, will be clarified to all bidders. This is to ensure that we adhering to the principles of the EU Directives - being transparent and showing equal treatment to all through the process. However the identity of who asked the question will remain confidential.
- 7.4 Answer all the questions as fully as you can. However please ensure that you take account of any word limits on questions. If you exceed the limit the Council does not have to take into account anything detailed once the limit has been exceeded.
- 7.5 When responding please ensure that you do so in the required format and that you clearly label your submission(s) so that it is easy to identify the question/section you are answering.
- 7.6 Do not attach any policy documents/additional information which is not asked for within the tender documentation. This information cannot be considered.



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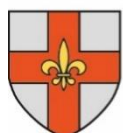


For further information in respect of anything contained within this guide please do not hesitate to contact us:

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