



## Procurement Tendering & Tender Openings Procedures

### Tendering Procedure & Tender Openings Overview

This Procurement Tendering & Tender Openings Procedures sets out the procedures which Viewpoint Housing Association Limited (referred to in this Procedure as “VHA”) will follow when procuring contracts for the supply of services, the supply of goods and material and / or the execution of works.

All procurements undertaken by VHA must have regard to the terms of the Procurement Policy and Procurement Strategy set out in Appendix 1 of the Procurement Policy and the values, objectives and goals set out in the Procurement Strategy.

This Policy must be interpreted in accordance with fundamental general principles of all procurement namely equal treatment, non-discrimination, transparency and proportionality.

<b>Estimated value of contract</b>	<b>Procedure to be followed</b>
Between £10,000 and £50,000 works and Between £10,000 and £50,000 services / supplies*	Minimum of three competitive quotations to be invited via Quick Quote (QQ) using standardised documentation and processes (for example, a specification, Quality document (if appropriate) and return date to be sent to all contractor/supplier being asked to provide costs). Lowest priced contractor or Most Economically Advantageous Tender (MEAT) can be used and to appoint.
Between £50,000 and £2m works*	Best Practice tender process to be followed with at least three competitive tenders invited via Scottish Contract Notice via PCS tendering procedure. Contractor evaluated as being the Most Economically Advantageous Tender (MEAT) to be appointed.
Between £2m and £4,551,413 works and Between £50,000 and £181,302 services / supplies*	Formal Scottish tender process to be followed with at least three/five competitive tenders invited via Scottish Regulated Contract Notice via PCS full tendering procedure. Contractor/supplier evaluated as being the Most Economically Advantageous Tender (MEAT) to be appointed.

Over £4,551,413 works and Over £181,302 services / supplies*	Formal OJEU tender process to be followed with at least three/five competitive tenders invited via EU Regulated Contract Notice via PCS full tendering procedure. Contractor/supplier evaluated as being the Most Economically Advantageous Tender (MEAT) to be appointed.
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***\* out with any existing Measured Term Contracts (MTC) values that are embedded within a contract***

#### Tendering Procedure – Between £10,000 and £50,000

Where costs range from £10,000 to £50,000 on all contracts for works/service/goods, the Association will tender on a competitive basis via Public Contracts Scotland (PCS) website using the Quick Quote (QQ) facility.

Contract award will be made based on 100% costs (unless quality is a requirement within the low value tender). Any required supporting documentation or evidence to be supplied by the tenderer will be judged on a Pass or Fail basis or Weighted scoring as appropriate.

Information will be brought to the Board and delegated authority can be sought prior to the QQ tendering process to allow senior officers (Leadership Group and above) to award if the value is within the agreed budget parameters (+10%). A paper for information will be brought to the following Board meeting after the contract award.

#### Tendering Procedure – Above £50,000

Where costs are above £50,000 on all contracts for works/service/supplies, the Association will tender on an open, transparent and competitive basis via Public Contracts Scotland (PCS) website using the most appropriate procurement procedure. This will normally be Open (Single Stage) or Restricted (Dual Stage). Selection or Prequalification will be undertaken using the European Single Procurement Document (ESPD).

Award will be made based on Most Economically Advantageous Tender (MEAT) by balancing both quality and price at a ratio e.g. 50/50, 60/40, 70/30, 80/20 & 90/10 depending on levels of risk, governance and value. The Executive Team will be asked to approve any tendering process prior to starting the tendering process and will be provide details on the following:

- a. Summary of the procurement activity,
- b. Role of consultants and legal representatives,
- c. Role of the Board members,
- d. Project plan and proposed timeline,
- e. Procurement procedure,
- f. Quality and Price ratios,
- g. Budget costs for the procurement,

- h. Request for delegated authority to award based on budget costs.

Delegated authority shall be sought prior to the full tendering process to allow senior officers (Leadership Group and above) to award if the value within the agreed budget parameters (+10%). A paper for information will be brought to the next Board meeting after contract award.

These procedures will not operate in relation to any partnership or other contractual document arrangement such as a loan document, approved by Board, and where VHA can only fulfil its contractual obligations using suppliers specified in the partnership or contractual document.

Where costs are below £20,000 the CEO has delegated authority to award contracts for works/service/goods if:

- o The CEO considers it is appropriate to make the direct award
- o The Board deems there is a requirement for those services to be directly awarded and so delegates to the CEO

However, and in order to achieve VFM, due consideration will be given to using Public Contracts Scotland (PCS) portal and the Quick Quote (QQ) facility, &/or also advertising in specialist press or media, or inviting three quotes from known suppliers using QQ.

Board will be invited to homologate any such proposed appointments if the Chief Executive considers this appropriate.

#### European Single Procurement Document (ESPD)

The ESPD is a standard form for use by all EU member states, which replaces the pre-qualification questionnaires.

The assessment of the ESPD submission (Stage 1) will be undertaken by a minimum of 1 of the Association senior staff (Leadership Group and above) and, if applicable, any consultants that are assisting with the procurement, to a minimum panel of 2 but a maximum of 4 scorers. This short-listing will allow the required number of bidders to go through to tendering stage based on the information detailed in the contract notice on PCS. Training and instruction on these procedures will be provided as necessary for relevant staff and Board members involved in this process.

#### Quality Submission

The assessment of the Quality submission (Stage 2) will be undertaken by a minimum of 1 of the Associations senior staff (Leadership Group and above) and, if applicable, any consultants that are assisting with the procurement, to a minimum panel of 2 but a maximum of 4 scorers.

The quality scoring can be undertaken separately or as a collective to provide an individual score and then an average score for each bidder. The average score will be the score that is taken forward to the quality scoring matrix.

The price will be added to the price/quality matrix last after all the quality scores have been assessed. The tender openers should not be involved in the quality process if at all possible to ensure transparency of the process.

This will ensure that for contracts of this value and even where delegated authority is being used, Committee members are involved in the final award of any contracts.

### **Tender Opening Procedure**

Tenders between £10,000 and £50,000 for works/service/supplies issued as a QQ will be returned via the portal to the PCS post-box facility.

Tenders above £50,000 for works/service/supplies issued as a full tender process will be returned via the portal to the PCS post-box facility.

Any Call-Offs from any Frameworks for works/service/supplies that result in a mini-competition will have all documentation issued as a QQ will be returned via the portal to the PCS post-box facility in line with best practice.

The PCS post-box facility locks and does not allow any tenders or tender quality submissions to be opened before the submission date and time outlined in the contract notice, i.e. Friday 15 September @ 12 noon. No tenders shall be returned via post or delivered to the Association's offices.

All tender openings should be in the presence of at least two staff members, including at least one member of the Senior Management Team. This will include the Executive Team member whose responsibilities cover the contract which is the subject of the tender; and/or the Chief Executive. No Board members are required to attend any tender openings, committee members are welcome to attend and will be informed of all tender openings scheduled.

The witnessed tenders will then be recorded in the Tender Register by the senior member of staff in attendance at the tender opening meeting.

The consultant QS or senior member of staff (Leadership Team or above) responsible for issuing the tender documents will review and compare the bids received, check the arithmetical calculations, any errors will be clarified and logged. A tender report will then be prepared to check and validate the submitted costs.

### **Direct Award below £20,000**

Any costs for works/service/goods valued below £20,000 will be provided in written proposal format to the CEO, or to relevant officers who have sought the quotations, provided these officers are members of the Executive Team or Leadership Group.

The information will be recorded in the relevant shared drive on the Association's computer systems.

## ESPD Assessment

All fully tendered contracts above £50,000 for works/service/supplies will use the ESPD as the selection criteria for any procurement procedures, including Open (Single) and Restricted (Dual) procedures the most commonly used procedures.

Letters will be sent to the unsuccessful bidders advising them of the outcome of the ESPD assessment and providing the breakdown of their ESPD scores (or pass/fail criteria) against the highest scoring ESPD bidder along with an offer of a de-brief.

All successful bidders going through to the 2<sup>nd</sup> stage of the tender process will be advised through the 2<sup>nd</sup> stage process within PCS.

## Quality & Price Assessment and Contract Award

QQ contracts for works/service/supplies will be normally awarded to the lowest price tendered. Letters will be sent to the unsuccessful bidders advising them of the outcome. The QQ Contract Award notice will be published and a letter outlining the contract details will be sent to the successful bidder.

All fully tendered contracts for works/service/supplies will be awarded to the balancing quality and price ratio matrix. This can mean that the lowest costs will not always win the contract. It is the combined highest scores of quality and cost that win. Letters will be sent to the unsuccessful bidders advising them of the outcome and providing the breakdown of their quality and price scores against the winning scores along with an offer of a de-brief. The Contract Award notice will be published and a letter outlining the contract details will be sent to the successful bidder.

In the event of an OJEU procurement exercise the Association will ensure that we adhere to the appropriate prescribed standstill period after tender award, in line with the chosen procurement procedure.

All the Association's procurement activities and advertised contracts will be logged on the PCS Contract Register. Although these actions may be undertaken by Consultants on behalf of VHA, they will be supervised by the CEO or other Executive Team member whose responsibilities cover the contract which is the subject of the tender. The senior staff member will be responsible and held accountable for ensuring compliance in relation to these matters.