

# **PROCUREMENT IN LOCAL GOVERNMENT**

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# **PART 1 – THE RULES**

## **THE EUROPEAN DIMENSION**

# **EU PRINCIPLES**

- **The Public Sector must comply with these principles:**
- **Transparency – We have to state how we will select suppliers.**
- **Openness – The process is open to inspection / feedback to applicants.**
- **Equality of treatment – We advertise opportunities so everyone has a chance**

# **E U THRESHOLDS**

**We must follow EU tendering procedures if the contract value is greater than**

- Works £3,497,313**
- Supplies £139,893**
- Services £139,893**

**Aggregation rules mean we are often subject to EU tender procedures**

## **Contract Value - Aggregation**

- **This is the total cost over time**
- **Aggregation rules means that we have to calculate the value of purchase both over time and across similar categories of work / services / goods. e.g. roofing, building maintenance**
- **We let work in lots so as not to disadvantage SME's**

**PART 2 – THE PRACTICE  
AT CANTERBURY**

# **WE ADOPT A PRACTICAL APPROACH**

- **Effort is proportional to the value /risk for the purchase being made**
- **We make use a range of external tools to reduce our effort.**
- **We have developed standard procedures and guidance for contractors– See Readme.doc attached to adverts.**

# Using External Sources

- We advertise on the south east business portal -  
[www.businessportal.southeastiep.gov.uk](http://www.businessportal.southeastiep.gov.uk)
- We use pre-accreditation services – CHAS and Constructionline.co.uk
- We use a credit reference agency Creditsafe.com
- We use industry accepted documents e.g. JCT contracts for Construction, ICE for civil engineering.

# **Making Things Easy**

- **We attach Pre-qualification Questionnaires (PQQ's) to our adverts to reduce enquiries and speed up the process**
- **Pre-Accredited contractors only need to complete a very short PQQ**
- **Registered companies who have lodged accounts need not send them to us as well.**
- **We send and receive information electronically as well as hard copy**

# **CONTRACT EVALUATION - PRICE & QUALITY - M.E.A.T**

- **Most Economically Advantageous Tender**
- **For Construction projects - historically we have judged on price alone.**
- **We set the standard at PQQ stage then judge on price – why pay more?**
- **We are moving towards greater use of quality factors, sustainability in its widest sense.**

**PART 3 – HOW WE  
ENGAGE WITH  
CONTRACTORS**

# COUNCIL WEBSITE

- [www.canterbury.gov.uk](http://www.canterbury.gov.uk)
- Type the word **Business** or **Procurement** in the search box
- Find “**Doing Business with Canterbury City Council**”
- Search for the information you require

# **HOW WE USE OUR WEBSITE**

- **We aim to put sufficient information on our web-site to help suppliers/contractors**
- **We have a number of FAQ's**
- **We have a link to the Business Portal – this is where we advertise our contract opportunities**

# **CONTRACTOR SELECTION / PERFORMANCE**

- **We look for suppliers / contractors who have a clear understanding of our needs – so we may ask for method statements**
- **We have adopted a partnering approach so look for those seeking to solve problems jointly.**
- **We check compliance with H & S Environmental and Equalities legislation.**

# **INCUMBENT CONTRACTORS**

- **We encourage long-term relationships with contractors**
- **We will invite the incumbent contractor to tender where work is of a repeat nature – but only provided their performance is satisfactory**

**QUESTIONS?**