

## SELLING TO HERTSMERE BOROUGH COUNCIL

### ***Do you operate a business and would like to sell your services or products to the Council?***

The Council spends around £14m a year on buying in goods, works and services. This guide explains how your business can submit bids to the Council, who to contact and what is required from you when you submit your application.

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### ***What types of goods, works and services do the Council purchase?***

The Council purchases a very wide range of products and services. The main areas are grounds maintenance, property maintenance, construction, and, in addition, we employ around 300 people so we have general office purchases such as furniture, stationery, printing etc.

The Council purchases services such as:

- Advertising
- Agency staff (including temporary staff)
- Building cleaning
- Building maintenance
- Confidential waste
- Construction works
- Consultancy (inc. management, financial, IT)
- Grass cutting
- Grounds Maintenance
- Mechanical & electrical installations
- Insurance services
- Leisure & Community Services
- Maintenance and refurbishments to Council establishments
- Personnel services
- Professional services
- Security services
- Telecommunications
- Vehicle maintenance
- Window cleaning

The Council also purchases a variety of goods such as:

- Bottled and fixed point water
- Cleaning materials
- Computer equipment and consumables
- Electric lamps and bulbs
- Fuel supplies, gas, electric and oil
- Office furniture
- Protective clothing and footwear
- Signage
- Stationery and office equipment
- Telephones (fixed and mobiles)
- Vehicles

Our primary objective is to secure services that are affordable, fit for purpose, meet the needs of local people and service users and provide best value. In so doing we take into account important issues such as equalities and diversity and sustainability.

### ***What are the Council's purchasing arrangements?***

Contracts awarded by the Council range from just a few pounds to over a million, and our purchasing procedures are fully detailed within the Council's formal Contract Procedure Rules. Understandably, our purchasing arrangements vary according to the size of the contract concerned as follows:-

- **Minor Contracts (less than £50,000)**  
Our internal regulations require officers to obtain at least three quotations before issuing a purchase order and the contract is awarded generally, but not always, on the basis of lowest price.
- **Major Contracts (£50,000 and above)**  
For major contracts our regulations require formal competitive tenders to be sought from at least three firms. For some major contracts (above £144,000), however, we are required by European procurement laws to seek at least five tenders. Major contracts are awarded after taking into account a range of quality evaluation criteria, as well as price, in order to identify the best, which is then called the 'most economically advantageous tender'.

The prime responsibility for the procurement of common goods and services rests with the Procurement Department. More specialist procurements are generally handled by individual directorates but with support from the Procurement Department.

To make our purchasing procedures as efficient as possible, by reducing the number of tendering exercises required each year, we have a number of framework agreements in place. Such agreements provide for the supply of specific products or services over a certain period of time (e.g. three or four years) and are awarded following competitive tendering processes. The current framework agreements in place include stationery and IT equipment.

For the following types of services and supplies, we maintain approved supplier lists that are reviewed, following the placing of advertisements, approximately every two years:

- Asset Management
- Information and Communications Technology

## ***How do you find out about current work opportunities?***

Whenever tenders are to be invited for a specific contract or framework agreement, and when approved supplier lists are reviewed, we place suitable advertisements in the local and national press and relevant trade journals. Whenever the values of the contracts are expected to exceed the financial thresholds defined by European law (i.e. approximately £144,000 for goods and certain services; and approximately £3.6m for works) we also advertise in the Official Journal of the European Union (OJEU) when required to do so.

Contracts that have been advertised by the Council, as well as all other public sector organisations in the OJEU, are contained on the Tenders Electronic Daily (TED) this can be viewed on the Internet at [[www.ted.publications.eu.int/official](http://www.ted.publications.eu.int/official)].

A schedule of current framework agreements, and major recurring contracts, together with their respective expiry dates can be found on the Council's website at [www.hertsmere.gov.uk/business/tendersandcontracts](http://www.hertsmere.gov.uk/business/tendersandcontracts) Tendering processes for these contracts typically commence around 12 months before the current contracts are due to expire. If you are interested in being considered for any of these contracts you could contact the officer named within the schedule at the appropriate time, or wait until you see the respective advertisement.

Full details of all contracts for which tenders are currently being advertised by the Council, may also be found on the website at [www.hertsmere.gov.uk/business/tendersandcontracts](http://www.hertsmere.gov.uk/business/tendersandcontracts)

## ***What information and details will we want from you?***

You will understand that we need to be confident that your business will be able to deliver what we require and that you will be able to achieve our standards, before we award you any contracts. We therefore need to be satisfied that your business is technically capable, financially stable, and hold any relevant qualifications required by law.

We have kept the amount of form filling to a minimum and for minor contracts you may find that the submission of a quotation, perhaps together with a copy of your company prospectus will be all that is needed. For major contracts, however, you will normally be required to complete a Pre Qualification Questionnaire (PQQ) this asks for details about your business. A Selection Panel will assess your completed PQQ before your business is accepted for being placed on a tender list.

We generally apply three tests to firms who are looking to do business with us:

- Legal
  - We will check the legal status of your firm
  - You will need to be prepared to accept our conditions of contract.

- You must have no convictions for serious environmental offences, fraud, corruption or other major breaches of the Companies Acts.
- You will be asked to provide us with copies of your company policy statements covering health and safety, environmental and equal opportunity aspects of your business that must meet legislative requirements.
- Financial
  - You may need to pass a financial check that is usually based on your last three years of audited accounts.
  - You will have to have public liability insurance of at least £5M. Employer's liability insurance and professional indemnity insurance may also be required.
- Technical
  - You will be asked to provide details of similar current and past contracts awarded to you by other organisations. This will include the contact details of at least two referees who we can approach to vouch for your work.
  - We will need to be provided with evidence of any quality accreditation certificates held by your company that are appropriate to the work.

If you are accepted and placed on a tender list, you will be sent tender invitation documents that will include a specification of the goods, works or services that are required. The documents will contain instructions on how to price your submission and will include details of the person it is to be submitted to.

We will allow you sufficient time to complete your bid and will ensure your submission is treated as confidential and that commercial details are not disclosed to others.

### ***What are we doing to help local and small businesses?***

Local Government is big business, but not all of our contracts are with big companies with multi million pound turnovers. In fact, approximately 90% of our suppliers deliver goods and services totalling less than £50,000 in a year.

Therefore, there is tremendous scope for small firms to win work from the Council and it is our policy to support local businesses and Small and Medium Enterprises as much as we can within the law. Local suppliers are encouraged to tender for our business wherever possible, either directly or indirectly as subcontractors to larger companies.

However, as a public body spending public money, we must ensure that we receive value for money from our purchases and that we are able to demonstrate this to our external inspectors. Therefore, our primary concern is that our tender assessment processes are fair to everybody and that there is no question of us favouring local or small firms.

There are a number of areas within our purchasing processes that are of help to all firms that submit tenders and win work from us. These include:

- Keeping the costs incurred by potential tenderers in mind when tender procedures for specific contracts are devised (such as keeping the level of paper work to a minimum);
- Offering constructive debriefing to all those who compete for contracts in order to help them to do better in the future;
- Ensuring that there is commercial flexibility within the rules and regulations that we work to;
- A 30-day payment policy, with suppliers being paid directly into their bank accounts.

We are firmly of the view that local and small businesses can compete with the bigger companies and, while it would be unfair to help them on specific contracts, we are actively assisting them by:

- Monitoring the number of local firms doing business with us, and developing a two way communication with them;
- Helping small businesses make contact with larger suppliers where they could seek to work as subcontractors;
- Providing free advice and assistance on compliance with statutory requirements relating to trading laws and advertising; and
- Running regular open days to meet face to face, and hear your views on how we can help you.

### ***Further Information***

Information on the procurement processes followed by the Council, or forthcoming tender opportunities can be obtained from the procurement department:

Telephone – 020 8207 2277

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