How to do Business with Chorley Council

A Guide for Contractors and Suppliers
(Updated January 2020)
Introduction

Chorley Council spends approximately £8.9 million on annual revenue costs with the private sector and several more million pounds on capital schemes each year; the four year capital programme for 2019-20 to 2022-23 totals £22 million. These spending plans provide organisations of all sizes with a range of commercial opportunities.

A lack of information about opportunities and a lack of understanding of the Council’s contracting procedures may be stopping some organisations from applying for Council contracts. This guide aims to help overcome these difficulties and explains how we carry out our procurement activities and how to apply for contracts.

There is of course a great deal of competition for Chorley Council work, and this guide cannot assure individual firms of success. However it should provide enough information to give you the opportunity to be considered for Council work.
Chorley Council have operated a shared procurement service with South Ribble Borough Council since January 2009, and working in partnership, a Joint Procurement Policy has been adopted. The Joint Procurement Policy includes the Councils’ procurement Vision and Joint Procurement Priorities:

**Vision:**
- Supporting the delivery of quality, cost effective services, and the Councils’ corporate priorities, through strong leadership, innovation, and a strategic, commercially aware approach to modern, best practice and socially responsible, compliant procurement processes.

**Joint Procurement Priorities:**
- Procurement that shows strong Leadership, engages all stakeholders, delivering outcomes and complying with relevant rules both internal and external
- Procurement that exploits the benefits of Technology, is market & commercially aware, harnesses innovation, is effectively managed and delivers sustained competitiveness & value for money
- Procurement that is inclusive, sustainable and socially responsible

The Joint Procurement Strategy is published on the Council’s website at: chorley.gov.uk/procurement

A small shared procurement team has been established at Chorley Council’s Town Hall Offices, supporting the requirements of both Chorley and South Ribble Borough Councils. The shared procurement team has responsibility for promoting and co-ordinating best practice across both authorities and provide guidance and support to officers involved in the procurement process for individual procurement activities.

Responsibility for individual service requirements rests with the individual managers within the relevant service area. A list of the Council Directorates and Service areas, together with the range of the goods and services they may procure, is included at pages 10 to 11 of this brochure.
Chorley Council has its own internal Contracts Procedure Rules which regulate all procurement and determines the processes that must be followed according to the contract value.

A summary of the thresholds and procedures is included in the table below.

The Council may also access and call-off contracts from public sector framework agreements which have already been through a compliant procurement process.

<table>
<thead>
<tr>
<th>VALUE</th>
<th>REQUIREMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below £10,000</td>
<td>Written, verbal or electronic quote(s).</td>
</tr>
<tr>
<td>£10,000 to £25,000</td>
<td>Minimum 3 quotations, electronic or through the Chest or reasons for not doing so recorded</td>
</tr>
<tr>
<td>£25,000 - £100,000</td>
<td>Minimum of 3 formal quotes through the Chest. Where above £25k and openly advertised the opportunity will also be advertised on Contracts Finder</td>
</tr>
<tr>
<td>£100,000 - £189,330</td>
<td>Open Advertisement on the Chest &amp; Contracts Finder — Formal Tenders</td>
</tr>
<tr>
<td>£189,330 + Goods &amp; Services</td>
<td>Contract subject to EU Rules</td>
</tr>
<tr>
<td>£4,733,252 + Works</td>
<td>Contract subject to EU Rules</td>
</tr>
<tr>
<td>£663,540 + Light Touch Regime Services</td>
<td>Contract subject to EU Rules</td>
</tr>
<tr>
<td>£4,733,252 + Concessions</td>
<td>Contract subject to EU Rules</td>
</tr>
</tbody>
</table>
All local authorities and public sector bodies are subject to European Union (EU) Public Procurement Directives that govern how it may purchase goods, services and works over a specified value. These directives are included in UK law as the Public Contracts Regulations.

The Treaty of Rome is the framework of principles that underpin the Public Procurement Directives. The Treaty’s and the Directive’s aims are to open up competition through the underlying principles of non-discrimination, equal treatment, transparency, mutual recognition and proportionality.

New UK Public Procurement Regulations came into force with effect from 26th February 2015. These transpose into UK law the new updated EU Procurement Directive but also incorporate additional areas for below EU threshold procurements, which have arisen out of the Lord Young report, aimed at improving access to procurement opportunities for small businesses. These include the abolition of PQQ’s for below threshold procurements, prompt payment terms escalated down the supply chain and advertising on Contracts Finder. The requirement to advertise on Contracts Finder applies to all Local Authority contract opportunities which are openly advertised above £25,000, (£10,000 for Central Government).

The Regulations require that where an estimated value of a contract exceeds the EU threshold a tender notice must be placed in the supplement to the official journal of the European Union (OJEU) to give all suppliers in the EU an opportunity to tender. The thresholds are reviewed every two years. The thresholds effective from 1 January 2020 are:

- **Supplies £189,330** (e.g. stationery)
- **Services £189,330** (e.g. Refuse Collection Services)
- **Works £4,733,252** (e.g. Construction Projects)
- **Light Touch Regime Services £663,540** (health, social and related services)
- **Concessions £4,733,252** (e.g. ice cream concession)

There are different types of tendering procedures that can be adopted including the Open, Restricted, Competitive Procedure with Negotiation, Competitive Dialogue, Innovation Partnership and the Negotiated Procedure without Prior Publication.

Each of the above procedures impose minimum timescales covering the tender activities to ensure that reasonable time to respond to adverts and prepare submissions is given to interested parties.
Contracts over the EU threshold are advertised in OJEU. They are published in electronic format and may be accessed via an on-line service entitled “Tenders Electronic Daily”. The website address is: www.ted.europa.eu

Chorley Council has implemented the regional e-procurement portal “The Chest”.

The Chest has been developed for use by Councils registered to use the system across the North West and brings together buyers and suppliers on to a single regional website, making it easier for businesses to find out about procurement opportunities and to grow and develop to the benefit of the local economy.

The Chest provides for tenders and quotations to be advertised/invited, received, completed and submitted electronically, providing efficiencies for both buyers and suppliers. Additionally suppliers may register to receive e-alerts for new procurement opportunities that they may be interested in.

Supplier registration and use of The Chest is free of charge.

To register and view Chorley Council and other procurement opportunities on The Chest please visit www.the-chest.org.uk.

We have included a link to The Chest on our website under “Current Contract Opportunities”.

 Contracts Finder is the National Procurement Portal specifically referred to in the 2015 Public Procurement Regulations on which all local government opportunities which are openly advertised and above £25,000, must be advertised. (£10,000 for Central Government)

Where considered appropriate, we may also advertise some contract opportunities in local newspapers and/or trade journals.
Unless Price has been pre-determined to be the most appropriate contract award criterion, returned tenders are evaluated against pre-determined MEAT (Most Economically Advantageous Tender) criteria, usually by a panel of officers. Evaluation will focus on how the Tender proposes to deliver the service/supplies/works, including quality and cost (price). Where appropriate, whole life costing will be applied. The balance between quality and cost will depend on the particular requirement.

Evaluation criteria and methodology will be pre-determined and clearly stated in the Tender Documents.

The procurement procedure may include a pre-qualification or suitability assessment stage which will include an evaluation/assessment of the financial and technical capacity of the company including financial, health and safety, customer references etc.

All Tenderers will be notified in writing of whether or not they have been successful in their bid. Within the limits of current legislation and good practice we will provide unsuccessful tenderers with feedback on the reasons why their bid has failed.

Additionally, selling to the Council will be influenced by specific policies that the Council has adopted. Examples of these policies are described below:

**EQUAL OPPORTUNITIES**

We want to make Chorley Council a cohesive multi-cultural society in which all differences are valued and celebrated. To achieve this we are committed to the principles of fairness and valuing diversity to everyone who lives, works, studies, invests in, or visits Chorley and have produced a comprehensive Equality Scheme which sets out the details of this commitment.

**SUSTAINABILITY AND THE ENVIRONMENT**

At Chorley Council we are committed to protecting the local environment, addressing the environmental impact of our activities and ensuring a better quality of life for everyone. We recognise that the Council has a vital role in furthering sustainable development, through its procurement of buildings, goods, works and services and that procurement decisions can have a major socio-economic and environmental implication, both locally and globally, now and for future generations.

To this end, we have adopted a Sustainable Procurement Policy and encourage our suppliers to adopt, practice and promote sustainable policies and procedures.

The Council will specify, wherever possible and practicable, the use of environmentally friendly goods and may include sustainability factors within the specification and evaluation criteria as appropriate.

**Our Sustainable Procurement Policy can be viewed on the Councils website at chorley.gov.uk/procurement**

**SOCIALLY RESPONSIBLE**

We will comply with the Social value act and are working towards implementation of a Social Value Policy. We aim to gain maximum value from procurement through consideration and inclusion of economic, environmental and social value criteria in contracts where appropriate, balancing local needs, environmental and social value factors with delivering value for money.
The Council has to monitor its performance as part of its duty under Best Value and our Suppliers and Contractors will be expected to provide the Service in accordance with the requirements set out in the contract documentation.

The Council is continually striving to improve its own performance and expects firms working for it to do the same. The Council will look seriously at the position of any firm that fails to perform to the levels required.

Suppliers and Contractors will be asked to comment on any adverse performance that is reported and should be aware that any instances of poor performance could lead to financial penalties or early termination of the Contract. Examples of adverse performance would include areas such as:

- Poor health and safety practices
- Poor quality of goods or service
- Poor adherence to work programme
- Breaches of legislation which put Council services at risk
E-PROCUREMENT

E-PROCUREMENT

E-Procurement is the ability to trade with all suppliers using e-mail and web technology. It removes paper processes and reduces costs for both buyer and supplier, making trading simpler, more efficient and more cost effective. E-procurement also helps reduce costly mistakes, such as incorrect orders and deliveries, and is a key to ensuring quick payment. Without pieces of paper to get lost in the post or mislaid within the department, supplier invoices can be turned around and settled quickly.

Chorley Council currently issues tenders and quotations electronically through the Chest, which is the North West’s Regional e-Procurement Portal.

Suppliers are advised to register on The Chest free of charge to view and access Chorley Council and other Authority’s procurement opportunities. This can be done by visiting:

www.the-chest.org.uk

E-TENDERING

Chorley Council operates a fully electronic procure to pay system across the authority. This system uses internet technology to streamline procurement by employing a simple, browser based interface for the requisitioning and purchasing of goods. The system allows orders to be sent to suppliers by e-mail, or, for those suppliers who cannot yet accept orders by this method, by traditional printing and posting. The Council’s preferred method of sending orders is by e-mail.

The system goes on to allow Council buyers to electronically “Goods Receive” and, process the invoice for fast and efficient payment to the supplier by BACS. BACS is the Council’s preferred payment method.

To ensure effective operation of this system and achieve maximum process efficiencies for both the Council and the Supplier it is essential that every invoice quotes an official Council order number. Invoices that do not quote an order number may be returned to the supplier unpaid as considered appropriate.

E-PROCURE TO PAY SYSTEM
Chorley Council recognises the important contribution that small businesses can make to the delivery of public services and the vital role these businesses play in the local and national economy. We aim to encourage a mixed range of suppliers in order to help develop and stimulate a varied and competitive marketplace and have adopted a small and medium sized enterprise (SME) friendly procurement concordat which is available for download at our website www.chorley.gov.uk/procurement. The Concordat is a voluntary, non-statutory document, and our signature to it demonstrates our pledge to actively engage with small businesses and also our commitment to good procurement practices in general.
# DEPARTMENTAL RESPONSIBILITIES

## COMMERCIAL SERVICES

<table>
<thead>
<tr>
<th>Assets</th>
<th>Night Concierge Services, Relevant Consultancy Services</th>
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</thead>
<tbody>
<tr>
<td>Development &amp; Business</td>
<td>Relevant Consultancy Services</td>
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## DIGITAL OFFICE PARK

<table>
<thead>
<tr>
<th>Facilities Management</th>
<th>Community Centre Equipment &amp; Furnishings</th>
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</thead>
<tbody>
<tr>
<td>Market Walk &amp; Town Centre</td>
<td>Market Walk, Markets &amp; Town Centre Services, Equipment &amp; Products</td>
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## PROPERTY & FACILITIES

<table>
<thead>
<tr>
<th>Property &amp; Facilities</th>
<th>Relevant Consultancy Services, Building Facilities Management &amp; Maintenance Services, Utilities contracts</th>
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</table>

## CUSTOMER & DIGITAL

<table>
<thead>
<tr>
<th>Customer Services/Direct Services/Systems &amp; Compliance/Transactional</th>
<th>Relevant Consultancy Services. Debt recovery, Out of Hours Call Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Services/Waste</td>
<td>Data Centres, Storage, Networks, DR, Hardware, Software &amp; Licensing, Printing, Mobile Phones &amp; Desktops, CCTV, TV’s, Wi-Fi, AV equipment</td>
</tr>
</tbody>
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## ICT

<table>
<thead>
<tr>
<th>Planning</th>
<th>Planning &amp; Digital Services, Relevant Consultancy Services, Development Control, Building Control &amp; Environmental Improvement Services</th>
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## STEETSCEENE


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<table>
<thead>
<tr>
<th>DIRECTORATE/SERVICE AREA</th>
<th>GOODS/SERVICES PURCHASED</th>
</tr>
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<tbody>
<tr>
<td>Early Intervention &amp; Support</td>
<td>Play &amp; Equipment Activities, Health &amp; Wellbeing Services</td>
</tr>
<tr>
<td>Communities/Neighbourhood Priorities</td>
<td></td>
</tr>
<tr>
<td>Housing Solutions &amp; Public Protection</td>
<td>Dog Kennelling Services, Pest Control Services, Alley Gates &amp; Graffiti Removal Services, Homelessness Services, Young Peoples Housing Services, Environmental Health Consultancy Services</td>
</tr>
<tr>
<td>Spatial Planning</td>
<td>Relevant Consultancy Services, Improvement &amp; Renewal works to Open Spaces &amp; Parks, Horticultural supplies</td>
</tr>
<tr>
<td>Policy &amp; Governance</td>
<td></td>
</tr>
<tr>
<td>Communications &amp; Visitor Economy</td>
<td>Relevant Consultancy Services, Events infrastructure, Advertising &amp; Publicity Material, Restoration &amp; Improvement works Astley Hall</td>
</tr>
<tr>
<td>Legal, Democratic, Electoral &amp; Services</td>
<td>Relevant Consultancy Services, Elections/Committee Services Software, Civic Building Services,</td>
</tr>
<tr>
<td>Procurement</td>
<td>Corporate wide agreements</td>
</tr>
<tr>
<td>Shared Financial Services</td>
<td>Treasury Management Services, Banking, Financial Management Information Systems, Electronic Card Payment Services, Leasing Consultancy Services, Tax Advice</td>
</tr>
<tr>
<td>Transformation &amp; Partnerships &amp; HR Services</td>
<td>Relevant Consultancy Services, Recruitment Advertising, Agency Staff, Occupational Health &amp; Counselling Services, Health &amp; Wellbeing Initiatives, Payroll, Training &amp; Development Packages &amp; Computer Software</td>
</tr>
<tr>
<td>Digital Transformation</td>
<td>Software &amp; Cloud Services</td>
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</table>
We are committed to quality and are always looking for ways to improve our service. If you have any views, positive or otherwise on your procurement experience with the Council, or any comments on how we may improve this Guide, we would like to hear from you. Please send your comments to:

Corporate Procurement
Chorley Council
Town Hall
Market Street
Chorley
Lancashire
PR7 1DP

Email: procurement@chorley.gov.uk