

## **Procurement Procedures**

This section sets out the procedures we will follow whilst carrying out our procurement activity.

### **Types of Procurement**

Decisions on procurement will be made based on information from the following:

- Use of suppliers, contractors and company websites
- Written quotations, obtained by e-mail or post in response to our specification
- Full competitive tenders in response to a detailed specification or brief
- 'Negotiated' or other types of tenders, or partnering arrangements etc
- Assessment of the relevant market, including the receipt of professional advice, e.g. with regard to IT procurement.

In accordance with the relevant procedures, goods and services will normally be purchased using:

- Petty cash, cheques, OVHA Credit card or Standing Orders;
- Electronic Banking Systems
- Telephone orders (where a formal arrangement has previously been set up with the supplier);
- Written orders (letter, e-mail or official order form);
- Signed contracts or agreements

### **Areas of Procurement**

The main areas of activity that will normally be covered by procurement arrangements are as follows:

- Small items of office supplies or perishable (consumable) products
- All office stationery, postage and other materials
- Office furniture and equipment
- IT equipment
- Maintenance contracts related to office-based equipment or services, e.g., IT and telephone equipment, fire & security alarms etc
- Professional services including internal & external auditors, solicitors, bankers, insurance brokers, Consultants and Agencies employed on specific projects;
- Contractors covering the full range of trades and professions involved in all aspects of repair and maintenance services and in major new-build or rehabilitation projects.

### **Authority to incur Expenditure**

#### **Expenditure included in the Annual Budget**

Where the proposed expenditure is already included in the approved annual budget, the CEO will delegate the authority to incur expenditure to the appropriate member of staff as detailed in the Association's Financial Regulations.

#### **Expenditure not included in the Annual Budget**

Where the proposed expenditure is not included in the approved annual budget, either because it is on an item or group of items not considered when the budget was drawn up or because the expenditure will result in an approved budget becoming overspent, the FARM Committee will delegate authority to approve expenditure up to specified limits.

**Financial Limits**

The current financial limits for staff members are detailed in our [Schedule of Delegation](#)

**Obtaining Prices, Quotes and Tenders****Prices**

For items under the current cost limit which do not require quotations or tenders, the authorised member of staff will, where appropriate and/or possible, seek the most competitive price (stationery, etc)

**Quotations**

Quotations may be requested either verbally or in writing. In either case, the authorised member of staff will ensure that sufficient detail is provided to those invited to quote to enable accurate, comparable quotes to be received. We should request a quote from 2 separate contractors.

**Tenders**

All tenders will be produced on behalf of the CEO.. Those invited to tender will be processed through Procurement Scotland. For further information on our tendering process please refer to our Tender Policy and Tender Procedure

**Contracts, Services & Agreements**

We will procure certain services through contracts or service agreements for periods of one year or longer, in accordance with current procedures. Examples are contracts for the provision of various maintenance services, or landscape maintenance, or agreements for the servicing of office equipment, fire or security alarms etc.

The results of tendering exercises for service contracts or agreements will be reported to the next meeting of the FARM Committee for approval prior to contracts being entered.

Maryjane Elder

Review Date - July 2022

Next Review Due - July 2027