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Sections Extracted:

Section 7 - Procurement
Page 7-9

Reason for Extract:

For Kibble internet: http://www.kibble.org/publication_scheme/class_6
Section 6.1 Procurement Policies and Procedures

NB:

- **Extract Cover Sheet Must Remain with Extract**
- **Extracts are Uncontrolled Documents and are only Valid at Point of Submission**
- **Where Possible an Extract should be Read in Conjunction with the Parent Document**

Finance Manual

7 Procurement

Kibble has been operating within Renfrewshire since 1859 and as a major employer within the area has taken the decision that, where possible, it will use local businesses that support the community and share a similar ethos with its own.

Where local businesses are not available it is just as important to Kibble that all chosen suppliers, where possible, share Kibble's ethos.

7.1 Value for Money

"Value for money" is defined as the process for achieving the best combination of life cycle cost and quality to meet the organisation's requirement.

All procurement operations within Kibble (where possible) should be based on value for money, having due regard to achieving the best combination of cost and quality to meet the initial purchasing requirement.

It is essential, therefore, that purchasers ensure all suitable information is researched and advice is taken from a knowledgeable source to ensure the correct products / services are procured.

Where "Value for Money" is used in a substantial purchase full details / records will be maintained that show the decisions taken at each stage of the procurement process. This can include, but is not limited to, the following:

- Quotes
- Working Group Minutes
- Comparison Documentation
- Project Plan

7.2 Tendering

Kibble has chosen, where possible, to operate within The Public Procurement Regulations which enact EU Directives that govern the purchase of supplies, services and works by public sponsored organisations. They apply to the acquisition of:

Type	Items Covered	Threshold (exc VAT)
Goods & Services	Purchase, hire, lease or hire purchase of goods. Procurement of services including, but not limited to, maintenance, repair, IT, consultancy, cleaning and property management.	£175,514
Building or Civil Engineering Activities	Procurement of civil engineering and building works, including major refurbishment projects.	£4,322,012



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7.3 Procurement Thresholds

For all unusual purchases, excluding major works, the following thresholds are in place.

Purchases under £3,000

The purchaser will normally obtain a quotation from a single supplier.

Goods and services between £3,000 and £19,999.99

Three written quotes shall be sourced by the department making the purchase. These quotes should then be submitted to the Senior Management Team along with recommendations for selected supplier.

Upon approval by SMT the relevant Purchase Order shall be raised and issued to finance for payment.

The quotes shall be maintained on record along with the corresponding PO for audit purposes.

Goods and services between £20,000 and £29,999.99

The Finance Committee has a remit to approve purchase between the value of £20,000 and £29,999.99.

Three written quotes shall be sourced by the department making the purchase. These quotes should then be submitted to the Senior Management Team along with recommendations for selected supplier.

Senior Management shall review the information provided by the purchaser & submit all quotes along with their recommendations to the Finance Committee.

The quotes shall be maintained on record along with the corresponding PO for audit purposes.

Goods and services between £30,000 and relevant EU threshold

Board approval is required for all purchases over £30,000.

Three written quotes shall be sourced by the department making the purchase. These quotes should then be submitted to the Senior Management Team along with recommendations for selected supplier.

Senior Management shall review the information provided by the purchaser & submit all quotes along with their recommendations to the Finance Committee.

The finance committee shall review the recommendations & quotes and submit their own recommendations to the Board.

The quotes shall be maintained on record along with the corresponding PO for audit purposes.

Goods and services above relevant EU threshold

Contracts above this level shall be fully discussed at both the Finance Committee and Board meetings before being sent to full tender and should conform to European Guidelines.

The Finance Director reserves the right to query the reasons behind the successful company being selected.

The Finance Director reserves the right to use the full tendering process regardless of contract amount.



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7.4 Major Works

Where Kibble undertakes a major project, which is under the relevant European threshold, the following process shall apply:

- Where possible three written quotes shall be sourced by the project team overseeing the work, these quotes should then be submitted to the Senior Management Team along with recommendations for selected supplier.
- Where three quotes have not been sourced the supplier recommendations shall detail the reasons for this.
- Senior Management shall review the information provided by the project team & submit a final project plan with their recommendations to the Finance Committee.
- The finance committee shall review the recommendations & quotes and submit their own recommendations to the Board.
- All quotes received shall be maintained on record along with the corresponding recommendations for audit purposes.

The Finance Director reserves the right to query the reasons behind the successful company being selected.

The Finance Director reserves the right to use the full tendering process regardless of contract amount.