# Procurement Policy and Procedures for WWF-UK (including tender procedures)

* [1. Introduction](#ProcurementPolicyandProceduresforWWF-UK)
	+ [1.1 Requirements of the Scheme of Delegation](#ProcurementPolicyandProceduresforWWF-UK)
	+ [1.2 Request for a waiver of the three quotes rule or tendering procedure](#ProcurementPolicyandProceduresforWWF-UK)
		- [1.2.1    Unique experience or credibility](#ProcurementPolicyandProceduresforWWF-UK)
		- 1.2.2    Continuity
		- [1.2.3    Urgency](#ProcurementPolicyandProceduresforWWF-UK)
* [2. Tendering procedure for contracts over £100,000](#ProcurementPolicyandProceduresforWWF-UK)
	+ [2.1     Preparation](#ProcurementPolicyandProceduresforWWF-UK)
		- 2.1a Roles and Responsibilities
		- [2.1b Tender Specification / Brief](#ProcurementPolicyandProceduresforWWF-UK)
		- [2.1c Authorisation and Evaluation Process](#ProcurementPolicyandProceduresforWWF-UK)
		- [2.1d Selection of Tenderers](#ProcurementPolicyandProceduresforWWF-UK)
	+ 2.2     Invitation to Tender and Dispatch of Tenders
	+ [2.3     Return and opening of Tenders](#ProcurementPolicyandProceduresforWWF-UK)
	+ [2.4     Evaluation of Tenders](#ProcurementPolicyandProceduresforWWF-UK)
	+ [2.5     Post Evaluation and final contract approval](#ProcurementPolicyandProceduresforWWF-UK)
	+ [2.6.    Pitching Processes](#ProcurementPolicyandProceduresforWWF-UK)

# 1. Introduction

WWF-UK has a responsibility to purchase goods and services of an appropriate quality at the best possible price and to ensure that contracts generating income are also placed with the most suitable parties.  The following procedures are designed to explain the requirements to tender for such provision of goods and services and are a minimum requirement.  These procedures should be followed in conjunction with the [**'Contracting Procedure for engaging a third party to provide services to WWF-UK'**](https://arena.wwf.org.uk/display/Fin/Contracting%2Bfor%2BServices%2B-%2Bprocess) **and** [**‘Consultant Appointments: Guidance for WWF-UK Staff**](https://arena.wwf.org.uk/display/Ops/Consultant%2BAppointments%3A%2BGuidance%2Bfor%2BWWF-UK%2BStaff)**’.**

## 1.1 Requirements of the Scheme of Delegation

All purchasing decisions involve exercising powers delegated from the Trustees through the Chief Executive.  The requirements for such purchasing decisions are set out in the Scheme of Delegation Level Two from the Chief Executive to her Management Team.  This Scheme of Delegation states:

**All contracts for expenditure should obtain either tenders or quotes according to the anticipated value of the contract over its life as detailed below.  These are the minimum standards; staff can adopt more exacting processes if they feel it is appropriate. The only exception is where the waiver procedure set out below has been complied with (see section 1.2 below).**

|  |  |
| --- | --- |
| **Contracts £0 to £9,999\*** | **One written quote** |
| **Contracts £10,000 to £49,999\*** | **Three written quotes** |
| **Contracts £50,000 to £99,999\*** | **Three written tenders and Procurement sign off before brief** |
| **Contracts £100,000 and over\*** | **Formal Tender Board** |

**\*Anticipated lifetime value inclusive of vat**

**The formal tendering procedure contained in this document is mandatory for all contracts over £100,000.** It can, however, also be used for contracts with a value less than £100,000, for example where there is a requirement by a third party that WWF-UK should use a tender process to place contracts.

Thus all contracts for expenditure are subject to the above provisions (the provisions do not apply to contracts for income).

## 1.2 Request for a waiver of the three quotes rule or tendering procedure

For contracts between £10,000 and £99,999 an application for a [**waiver**](https://arena.wwf.org.uk/display/Fin/Contracts%2Band%2BWaivers) must be approved by the relevant Cost Centre Manager and authorised by the Head of Procurement having considered a written request setting out the grounds on which the waiver is sought.

For contracts over £100,000 the tendering procedure can only be waived with the joint authorisation of Director of Finance, General Counsel and the Head of Procurement (or their nominated substitute).
In any of the circumstances above, no employee is permitted to self-authorise.

If you are requesting a waiver, it must be authorised before instructing goods or services.

The three quotes and tenders rules for contracts in the range £10,000 to £99,999 or the tendering procedure for contracts over £100,000 may be waived if one or more of the following grounds is relevant:

* A chosen supplier has **unique experience or credibility**;
* There are issues of **continuity**; or
* There is extreme **urgency** to proceed with the work.

These are set out in more detail below.

### ****1.2.1**** ****Unique experience or credibility****

Staff must illustrate searches undertaken to ensure that this is the case to substantiate the position that there is only one particular supplier able to carry out the work.

### ****1.2.2**** ****Continuity****

Staff must illustrate why the work needs to be continued by the same supplier, giving adequate details for the authorising person to assess if this is the case. The continued work must be no larger than the original work.

### ****1.2.3**** ****Urgency****

Staff must illustrate that it is external circumstances (i.e. external to WWF-UK) that have given rise to this urgency, for example needing to respond to a third party opportunity or regulatory requirement.

# ****2. Tendering procedure for contracts over £100,000****

The tendering procedure consists of the following stages:

**1.** **Preparation**

         a. Roles and Responsibilities

         b. Tender Specification/Brief

         c. Authorisation and Evaluation Process

         d. Selection of Tenderers

**2.** **Invitation to tender and dispatch of tenders**

**3.** **Return and opening of tenders**

**4.** **Evaluation of tenders**

**5.** **Post evaluation and final contract approval**

These are described in detail below.

## 2.1     Preparation

### ****2.1a Roles and Responsibilities****

A **Project Manager** should be designated to have responsibility for carrying out the tendering procedure.  The Project Manager may be supported by a Project Group if the nature and complexity of the contract demands such input.

A **Tender Board** should be set up to support and input into this process.  The Tender Board will consist of the Authorising Manager (the person who holds the budget for the contract being tendered), an (exec) Director Sponsor, other relevant staff, the Director of Finance, the Head of Procurement and General Counsel (or their nominated substitute).  The role of the Tender Board is to approve the selection of tenderers, agree the evaluation scoring criteria and weighting, advise on any relevant legal and contractual matters and approving the choice of preferred supplier at the end of the tender process.

The ***(Exec) Director Sponsor's***role is to sign off the project from a business perspective, ensuring it meets the needs of the organisation and that the budget has been approved prior to the tender.

The **Director of Finance’s** role will include helping to ensure that the pricing element of the invitation to tender is designed in such a way as to enable valid price comparisons to be made; advising on the financial evaluation of tenders; advising on tax matters; and advising on the financial stability/ standing of potential and actual tenderers in the context of the contract.

The role of ***General Counsel***is to ensure that the outcome of the process is a contract that helps WWF-UK achieve its objectives while protecting its interests, and to input the necessary legal advice during the tender process.  Early involvement will ensure that any legal issues regarding the responsibilities of each party such as issues of copyright, intellectual property rights, TUPE etc. are addressed in a timely fashion.

The **Head of Procurement’s** role is to assist the Tender Board with all aspects of tender preparation and execution as required.

At this stage of the procedure, all employees involved in the tendering process should be aware of the rules regarding [**conflict of interest**](https://arena.wwf.org.uk/display/Legal/CONFLICTS%2BOF%2BINTEREST%2BPOLICY) (Finance can advise on this).

If the tendering process is likely to be complex or require specialist expertise, consideration should be given to appointing **external advisers** to support the process.

### ****2.1b Tender Specification / Brief****

The Project Manager should prepare the **written tender specification/brief** in precise, unambiguous detail in order to provide the tenderers with as much relevant information as possible thus reducing the need for further information once the Invitation to Tender has been despatched.  The tender specification should then be approved by the Tender Board

The Tender Board must in addition approve a **timetable** for the tendering procedure to include the dates by which the tenders should be received, opened and evaluated.

### ****2.1c Authorisation and Evaluation Process****

The Project Manager should prepare **evaluation criteria** for approval by the Tender Board.  In addition to testing a tenderer’s ability to provide the service or product, these criteria should cover:

* A financial evaluation of the tender.  It is therefore essential, that the tender specification gives a clear indication of how the work should be priced.  For goods and services this may involve providing a schedule of requirements for the tenderer to price.
* Environmental and sustainable criteria, as provided for in the [**Environmental Procurement Guidance**](https://arena.wwf.org.uk/display/Fin/Environmental%2BProcurement), as appropriate. The [**Sustainable Procurement Questionnaire**](https://wwforguk.sharepoint.com/%3Ax%3A/s/unit-proc/EfaLvHoFWHZFmW7Ve61zK7gByKQn24o4XwLVIGaBMknvYQ?e=xQo6oX) must be included for all Tenders.
* An assessment of past performance (if the tenderer has previously been a supplier to WWF-UK).
* WWF-UK Brand Guidelines, as appropriate.
* Appropriate sector/industry guidelines.

### ****2.1d Selection of Tenderers****

The list of tenderers should be prepared by the Project Manager and reviewed and approved by the Tender Board.

At least three tenders should be sought, more for larger contracts.  If the Project Manager has concerns that selected companies may not submit a tender then consideration should be given to increasing the number of tenderers, or openly advertising the opportunity.

Tenderers should be selected from as wide a base as possible, having consulted internally and externally and provided they are believed to have the capability of meeting WWF-UK’s requirements.  To achieve this, it may be necessary to invite expressions of interest by way of an advert in the appropriate trade magazine or online platform (e.g. [**UK Contracts Finder**](https://www.contractsfinder.service.gov.uk)).

WWF-UK should only invite companies to tender that it is prepared to do business with.  It is therefore good practice to carry out basic checks on all companies that may be invited to tender to ensure that they comply with WWF’s basic financial requirements. As an extra safeguard, companies should be asked to provide references and details of environmental policies as part of the tendering process.

It is good practice for all stages of the process and related decisions to be documented, including those leading to agreed terms.  All documents, including e-mails should be retained in case a dispute arises over the agreed contract terms or any other part of the tendering procedure.

## 2.2     Invitation to Tender and Dispatch of Tenders

The Project Manager should send the invitation to tender individually to each tenderer. All tenderers should receive the **same documentation** to ensure that no one has an unfair advantage.  The Project Manager is responsible for ensuring the following documents are sent to each tenderer:

* An Invitation to Tender letter including a tender specification and technical questions covering all the evaluation criteria;
* Relevant background information and WWF-UK policies;
* Contract or terms and conditions that will be applicable (if appropriate)

It may be considered appropriate to include **confidentiality clauses** in the tender documentation and/or require tenderers to sign a confidentiality agreement.

Tenderers should be asked to **confirm receipt** of the documentation and to indicate whether they will be submitting a tender.

A tenderer may **seek clarification** or additional information.  If it is considered that such a request is relevant and will not cause unfair advantage, then the information should be provided to all tenderers.

## 2.3     Return and opening of Tenders

The Project Manager, or a nominated individual, will receive the tenders.

Tenders should be **opened and reviewed** after the closing date.

All tenders should be **checked** for arithmetical mistakes and/or omissions as soon as possible and, consideration be given to referring back to tenderer for rectification.

All tenders should be **retained** on file.

The return of less than three tenders would normally give rise to a requirement for re-tendering.  If, however, it is considered that these one or two tenders offer an acceptable solution, then the authorisation of the Tender Board should be sought in addition to the authorisations required in the Scheme of Delegation Level Two before the tender is accepted.

## 2.4     Evaluation of Tenders

The tender should be **evaluated against the criteria** set at the preparation stage.  This should be carried out by the Project Group assisted by specialist advisors and other members of the Tender Board where necessary.

The Project Manager should ensure that all other **relevant information** and data, in addition to that which will be provided by the tenderers, is collated in time for the evaluation.

The evaluation must be based on the tender information provided by the tenderer. If clarification meetings or site visits are to be made to help evaluate tenders, then the agenda for these should be set in advance so that each tenderer is treated in exactly the same manner.

An **evaluation form** should be completed for each tender stating its evaluation score and whether it has been accepted or rejected.  This should be circulated to the Tender Board.

Tender Boards may decide to **negotiate** the proposed commercial terms to ensure a best value deal is arrived at for WWF-UK.  However care must be taken to ensure that the tenderers are given similar opportunities to improve their proposal (judgement will be needed on the extent to which the tenderers are invited to participate in this).  This stage should be documented.

**Authorisation of the acceptance** of the most advantageous tender should be in accordance with the Scheme of Delegation Level Two, fully evidenced and retained on file.

## 2.5     Post Evaluation and final contract approval

The Project Manager is normally responsible for contacting the **successful tenderer** and progressing, with the assistance of General Counsel, to a completed contract.  This may involve some further negotiation.  The Tender Board may need to consider offering the contract to another tenderer if a satisfactory deal cannot be concluded with the first choice.

The **unsuccessful tenderers** should be advised of their position but should normally only be stood down once the successful contractor has confirmed that it stands by the tender, the terms agreed and there is certainty that a contract will be signed.  An unsuccessful tenderer can be stood down earlier if the Tender Board has rejected their tender outright.

The **final contract** must be signed in accordance with the Scheme of Delegation Level Two.

All original documentation including the evaluation forms, should be retained.

It is good practice for the Tender Board and Project Manager to conduct a post-evaluation of the tendering process to ensure that lessons are learned for future similar exercises.

## 2.6.    Pitching Processes

For creative work a “pitch process” is often used, requiring tenderer presentation of ideas and solutions to issues raised in the tender document as well as a written response.

The **same basic rules** apply to the pitch process as apply to tendering – i.e.; all participants should pitch on the basis of the same information; all participants should be unaware of each others’ identity; participants should supply written tenders (either before or at the time of the pitch).

## 2.7.   EU PROCUREMENT REGULATIONS (WHERE APPLICABLE)

Normally, WWF UK is not required to operate procurement activity in accordance with the EU Procurement Regulations (Public Contracts Directive 2014/24/EU implemented in the UK by Public Contract Regulations 2015).  On occasions where the funding source specifies that procurement activity should follow these rules, the Procurement Unit must be engaged in the drafting and approval of all procurement process and tender information, which must adhere to the following principles:

* The contract opportunity is to be advertised on the EU journal 'Tenders Electronic Daily'.
* The advertisement and tender documentation must clearly state which of the allowed procurement procedures shall be used.
* The opportunity must be advertised for at least the duration stipulated for the chosen procurement procedure.
* The tender documentation must list all qualifying and evaluation criteria associated with the tender process.
* The tender process and any resulting contracts must adequately identify risks ensure contractual safeguards are established to enable compliance with EU Directive 2017/541 on combating terrorism.
* Tender responses must be subject to documented evaluation in accordance with the criteria stated in the tender documentation.
* Contract awards must be made subject to the mandatory standstill period of 10 (ten) calendar days, and unsuccessful bidders must be made aware of the corresponding dates for this period.

## 2.8.   WWF PROCUREMENT POSITION REGARDING BRIBERY, FRAUD AND CORRUPTION

WWF Staff engaged in procurement processes shall be expected to operate in full accordance with the [WWF Fraud and Corruption Policy](https://arena.wwf.org.uk/display/Legal/Fraud%2Band%2BCorruption%2BPolicy) and the [Bribery, Gifts and Hospitality Policy](https://arena.wwf.org.uk/display/Legal/Bribery%2C%2BGifts%2Band%2BHospitality%2BPolicy).  Tendering suppliers must be asked to submit their equivalent corporate policies during the tender process and these must be deemed acceptable by the Procurement Unit prior to award and agreement of any contracts.