



Procurement Manual

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Ardenglen Housing Association can provide this procedure on request, in large print, in Braille, on tape or in other non-written format, and in a variety of languages.

1. INTRODUCTION

Ardenglen spends a significant amount each year to obtain a wide range of goods, services and works. Procurement is a high value activity for Ardenglen and its successful implementation will have a critical impact on our performance and strategic outcomes.

In these economic times, good procurement is obviously not just about buying well but it's about buying less or, indeed, **not buying at all**.

This manual provides guidance on the procedures that apply to Ardenglen staff who are involved in procurement activity.

This manual should be read in conjunction with Ardenglen's Procurement Strategy and the Procurement Journey (a Scottish Government toolkit providing practical guidance on procurement procedures). Account must also be taken of the relevant legal framework and statutory guidance published under the Procurement Reform (Scotland) Act 2014.

The procedures set out in this manual are designed to ensure that our procurement activity is:

- consistent across the organisation
- focussed on the delivery of Value for Money (VfM);
- is e-based
- conducted to high professional standards and to the relevant legal requirements; and
- overseen by appropriately trained and authorised staff (or appointed consultants) to minimise the risk of legal challenge to Ardenglen and its employees.

This Manual recognises that the Scottish Government have developed high quality Procurement Advice and supporting Toolkits which meet the requirements of the Procurement Reform (Scotland) Act 2014 .

It is the Scottish Government's expectation that Public Sector bodies (Ardenglen is classed as a Public Sector body within Procurement legislation) use the Procurement Journey and other Procurement Toolkits.

2. COMMITMENT TO THE "PROCUREMENT JOURNEY"

The Procurement Journey is a Scottish Government initiative intended to support all levels of procurement activity and to help manage the expectations of stakeholders, customers and suppliers alike and facilitates best practice and consistency across the Scottish Public sector.

The Procurement Journey has been developed as an online tool and not a manual and should therefore be accessed for each individual procurement exercise. The Procurement Journey begins by accessing the Decision Matrix which should be used to ensure the most appropriate Procurement Journey Route is selected.

Route 1	Route 2	Route 3
This Route provides guidance for procurements of relatively low value of less than £50k, low risk and a non-repetitive nature which is un-regulated.	This Route provides guidance for regulated procurements which are between £50k and GPA Threshold	This Route provides guidance for regulated procurements of GPA Threshold and above

It is the clear expectation of this manual that there is an organisational commitment to use the Procurement Journey in all procurement activities.

3. SCOPE

The use of the Procurement Journey is recognition that our small size prohibits the employment of specialist procurement staff and our procurement knowledge will be proportionate to our size.

While managers responsible for procurement will be expected to have a basic understanding of procurement rules, the organisational use of the Procurement Journey will ensure a level of consistency, standard templates and the correct interpretation of often complex legislation.

It is therefore essential that Managers use the Procurement Journey , in all procurement activity and direct staff procurement enquiries to this site.

Our small size may also dictate the use of consultants to assist in the procurement process. Managers should consider if consultant advice is required for specific procurement activity and build this cost into annual budgets.

All staff members involved in any procurement activity either large or small should begin by asking 3 simple questions:

- Is a purchase essential?
- Have alternative demand management options been considered?
- Is there a robust and approved business case/budget?

Only if the staff member can answer **Yes** to all of the above questions should any purchase take place, or the formal procurement process be started.

4. DEFINITION OF PROCUREMENT

Procurement is the process of buying goods, services and works from external suppliers.

The procurement process begins when a need to buy something is identified and will generally end after the contract is awarded. Contract management will be carried out throughout the duration of the contract.

The role of contract manager is usually performed by the business area for whom the contract has been awarded. Information on contract management is available in the Procurement Journey.

5. KEY PRINCIPLES OF PROCUREMENT

EU Procurement obligations and principals

All procurement activity must comply with ~~European Union (EU)~~ principles of:

- transparency;
- equal treatment and non-discrimination;
- proportionality; and
- mutual recognition.

Competition

Contracts must be awarded through genuine and effective competition unless there are exceptional reasons to the contrary (see Section 10).

Legal aspects

Contracts for the procurement of goods, services and works must be in writing and awarded by a Delegated Purchasing Officer (DPO) with relevant Delegated Purchasing Authority (DPA) (see Section 7.1).

Value for Money

Contracts should be awarded on the basis of VfM (see Section 8).

Ethical standards

DPOs must adhere to and apply the highest ethical standards in their procurement activity (see Sections 13 & 14).

Buying sustainably

DPOs must consider sustainability in procurement activity (see Section 9).

Separation of duties

The roles of budget holder/customer and DPO should be kept separate (see Section 7.3)

6. LEGAL BASIS OF PROCUREMENT

Public sector procurement in Scotland takes place within a framework of rules including:

- The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020
- The Public Contracts (Scotland) Regulations 2015
- The Procurement (Scotland) Regulations 2016
- The Procurement Reform (Scotland) Act 2014
- National caselaw.

Formal challenges and complaints may be brought against Ardenglen alleging a breach of these rules. The consequences of a successful challenge may, depending on the nature of the breach, result in Ardenglen being fined; the duration of a contract being shortened; award of damages against Ardenglen; as well as reputation damage.

Any challenges must be raised with the Chief Executive and any correspondence from legal advisors challenging the procurement process or contract award decision must be forwarded to our legal advisors.

7. ROLES RESPONSIBILITIES & COMPLIANCE

7.1 Delegated Purchasing Authority (DPA)

DPA is the authority to enter Ardenglen into a contract for goods, services and works. (See Appendix B)

Staff **must not** enter into a contract for goods, services and works or oversee the process leading up to and including the award of a contract and any subsequent contract changes without the written authority.

This written authority is set out in the Procurement Strategy and Financial Regulations and specify the value of contracts (excluding VAT) that the individual will be authorised to award.

Delegated purchasing officers (DPO) are those carrying out procurement activities with delegated authority on behalf of Ardenglen.

7.2 Commitment of a contract

A contract is a legally binding agreement between Ardenglen and one or more suppliers for the supply of specified goods, services or works. The contract sets out the details of what Ardenglen is buying from whom and the rights and obligations of the parties.

It is Ardenglen policy that all contracts (except as mentioned above existing single supplier framework agreements) are awarded by a DPO with the appropriate level of authority.

All Ardenglen contracts must be in writing, using the Invitation to Quote Goods/Services Contract Award Letter from the Procurement Journey, although legally contracts can be made by word of mouth, or implied by the action of the parties. Therefore, in discussions with supplier, it is essential that staff take care to ensure that a contract is not unintentionally created.

All contracts awarded by Ardenglen should normally be subject to Scots Law. This is provided in the Scottish Government Terms and Conditions (SGTCs). SGTCs have been designed for straightforward or routine purchases of goods or services. Any proposed change, amendment or alternative form of conditions by the DPO or supplier should in the first instance be referred to the Chief Executive for approval and, in the case of high risk or high value contracts, Legal advice should be sought before agreeing to non-standard contract conditions.

7.3 Separation of duties

While recognised as best practice, in smaller organisations it can be difficult to ensure the key roles of budget holder and purchaser are not performed by the same individual. The **budget holder** should have authority to commission goods, services or works and to provide financial authority for the expenditure.

The **purchaser** should have authority to commit the organisation to a contract for the purchase of goods, services or works.

It is recognised that separation of these roles within a procurement process provides necessary safeguards against impropriety or unethical practice and every effort will be made to ensure procedures make this possible.

Accountable officers are required to ensure that procedures exist that allow **only** those staff with appropriate purchasing authority to commit the organisation to a new contractual relationship.

7.4 Competition and advertising

It is Ardenglen policy that goods, services and works must be awarded through genuine and effective competition unless there are convincing reasons to the contrary (see Appendix D).

DPOs are responsible for identifying the most appropriate procurement process that is likely to offer the best VfM. Procurement processes for each form of competition are outlined within the Procurement Journey and must be used for all procurements.

Before commencing a new competition, the availability of existing contracts and framework agreements should be checked. New competitions should normally only be launched where the requirement cannot be met through an existing contract.

7.5 Purchase Values and Procurement Route

The appropriate procurement route is based on contract value and an assessment of Risk (Low, Medium, High).

Up to £2,800

These are classed as **low value**. The DPO may make a **Direct Award** without competition but should still seek to ensure VfM.

£2,801 - £7,000

These are classed as **low value**. The DPO may make a **Direct Award** without competition but should only accept on the basis of a written quotation (preferably e-based) which should be retained. Before acceptance the DPO should be satisfied that the quotation represents VfM.

£7,001 - £25,000

These are classed as **low value**. The DPO must seek **Competition** and obtain a minimum of three written quotations (preferably e-based) from existing suppliers or through market information before making a decision on the basis of VfM.

In order to widen competition, the DPO may choose to use Public Contract Scotland (PCS) QuickQuote (an online competition process within PCS). QuickQuote must only be used where the DPO:

- ensures that there is no suitable existing contract/framework agreement which could be accessed.
- satisfies themselves that using QuickQuote meets their obligations for adequate publicity, and
- ensures that the procurement/mini-competition is for low value/risk goods, services or work

£25,001 - £50,000

These are classed as **medium value**. Approval to contract is required from the **Board of Management**. The DPO must ensure **Competition** and obtain a minimum of three written quotations (preferably e-based) from existing suppliers or through market information before making a decision on the basis of Most Economically Advantageous Tender (MEAT).

The DPO may choose to use Public Contract Scotland (PCS) (QuickQuote) see above.

Above £50,000 but below GPA limits

These are classed as **high value**. The DPO must seek **Competition**. The Procurement Reform (Scotland) Act 2014 requires all public bodies who are conducting a regulated procurement to publicise their intention to seek offers (contract notice) and the award of a contract or framework agreement (contract notice) on Public Contract Scotland (PCS). The PCS info centre contains further information on how public bodies can meet their publication obligation.

This means that all regulated contracts for goods and services with an anticipated value of £50,000 and above (excluding VAT) and for contracts for works with an anticipated value of £2,000,000 and above (excluding VAT) must be advertised on the Public Contracts Scotland advertising portal (PCS). The value of the contract is the total amount, net of VAT, which Ardenglen expects to pay over the full duration of the contract (including any options to extend).

Above GPA limits

These are classed as **high value**. The DPO must seek **Competition**. The financial thresholds above which Ardenglen must publish the procurement opportunity in the World Trade Organisation GPA currently set at £213,477 for supplies/services and £5,336,937 for works. (Last updated in January 2022).

Given the risk and complexity of Regulated Contracts it is recommended that DPO use an external consultant to place and administer above GPA limit contracts.

7.6 Contract documentation

It is Ardenglens policy that documentation covering the key stages of the procurement of goods, services and works is retained electronically. The DPO member of staff is responsible for ensuring that there is an electronic file for each contract and for ensuring that key documents are filed timeously.

All documentation in relation to procurement will be stored in a central procurement repository for ease of reference by others.

7.7 Contracts register and transparency

The Procurement Reform (Scotland) Act 2014 requires all public sector contracting organisations to keep and maintain a contracts register and to provide an internet-based publicly viewable version of it to include all regulated procurement which commence on or after 18 April 2016.

In order to be as transparent as possible, Ardenglen will maintain an internet-based publicly viewable contracts register for all contracts over the value of £50,000.

In addition, the association will hold an up-to-date internal contracts register for all contracts which will be reviewed internally on a quarterly basis for accuracy and presented to the Board of Management on a quarterly basis.

Both contracts' registers will be maintained by the Corporate Services Officer.

Once a contract is agreed the DPO should email the Corporate Services Officer the following information:

Information Required	Example
Department agreeing the Contract:	<i>Maintenance</i>
Title/Subject Matter:	<i>Fit Controlled Access Doors</i>
Supplier/Contractor:	<i>Very Good Doors Ltd</i>
Value of Contract:	<i>£112,310</i>
Date of Award:	<i>30/02/17</i>
Start Date:	<i>March 2017</i>
Assumed End Date:	<i>October 2017</i>

While the onus is on individual organisations to produce and publish their contracts registers, in order to provide support to the public sector, Public Contracts Scotland (PCS) will provide functionality on the portal to produce a contracts register that meets the requirements of the Act. Therefore, by following Scottish Government policy and using PCS, the contract register requirements will be met.

8. VALUE FOR MONEY (VfM)

VfM is defined as the optimum combination of whole life costs and quality (or fitness for purpose) to meet the customer's requirements. Depending on the nature of the contract, whole life cost may include implementation costs, ongoing operating costs and end-of-life disposal.

The Scottish Model of Procurement promotes VfM as being an appropriate balance between cost or price, quality and sustainability. In addition, a procurement strategy sets a framework in which a contracting authority will work to ensure that its procurement activities deliver value for money, how it plans to meet its procurement obligations and how these targets are subsequently met. In delivering VfM, cost or price, quality and sustainability are all factors which should be taken into account when establishing contract award criteria.

It is Ardenglen policy that contracts must be awarded on the basis of VfM. A supplier spend analysis will be presented to the Board of Management on an annual basis to evaluate major spend categories to ensure staff are contracting/assessing areas which should be contracted or investigated for value for money purposes.

9. BUYING SUSTAINABLY

Ardenglen is committed to buying goods, services and works in a sustainable manner.

This is done in a way that:

- achieves value for money on a whole life cost basis; and
- delivers benefits not only for the organisation but for society, the economy and the environment.

Ardenglen will derive the greatest benefits through ensuring that sustainability is embedded and proportionately applied to all its procurement decisions and activities. At the heart of this process will be a sustainability test. This is part of the Scottish Government Procurement Toolkit.

The Procurement Reform (Scotland) Act 2014 builds on the work achieved so far in the reform of public procurement in Scotland. It establishes laws about sustainable public procurement to maximise the social, environmental and economic benefits through effective and efficient procurement activity.

The sustainable procurement duty encompasses these elements. Smart use of procurement can play a key role in promoting jobs and growth, encouraging innovation, boosting training and apprenticeship opportunities and helping small and medium enterprises (SME's) third sector organisations and supported businesses to compete effectively for contracts.

10. **NON-COMPETITIVE ACTION (NCA)**

The policy recognises that there may be occasions where it may be appropriate to award a contract for goods, services and works without following a genuine and effective competition.

This procedure is known as Non-Competitive Action (NCA) and can only be applied in **exceptional** circumstances.

NCA will only be approved when a genuine business need exists which outweighs the need to complete the requirement. All evidence in support of NCA must stand up to scrutiny or challenge by a potential supplier.

The Chief Executive has authority to dispense with competition to allow a contract to be awarded following a process that does not contain a genuine and effective competition for contracts of up to £25,000 excluding VAT.

All NCA requests above £25,000 can only be approved by the Board of Management ~~Committee~~ following the submission of an appropriate NCA report.

In all cases the guiding principles are that NCA approval is by someone other than the DPO who will undertake the procurement to ensure adequate separation of duties. The NCA justification and approval must be formally recorded. **(See Appendix D for full guidance on NCA).**

11. CONSULTANCY SERVICES

The use of business and management consultants can only be justified where the required knowledge and expertise is not available in-house.

It is Ardenglen policy that robust procedures must be followed for the engagement of consultancy services to ensure that these resources are used sparingly, appropriately and effectively. Before any procurement process takes place a business case must be prepared and approved based on the amount that the Scottish Government expects to pay for the requirement:

Value of Consultancy	Approver
Up to £25,000	Chief Executive
Over £25,000	Board of Management

12. CONTRACT MANAGEMENT

A contract manager/approved person should always be appointed to manage any contract for goods, services or works. Contract management guidance is provided in the Procurement Journey.

13. CONTRACT INTEGRITY

It is Ardenglen policy that staff must preserve the highest standards of honesty, integrity, impartiality and objectivity in all dealings with suppliers and potential suppliers as detailed in the Scottish Procurement Policy Handbook.

Information is also contained in Associations Gifts and Hospitality Policy. DPOs and all other staff involved in procurement, (including line managers), must read and familiarise themselves with this guidance and its associated documents.

14. FRAUD OR BRIBERY

Ardenglen's policy on the detection, reporting and handling of fraud is available in the Association's Anti-Fraud and Anti Bribery Policies which includes reporting any suspected incidents to the Fraud Response Co-ordinator without delay.

DPOs and all other staff involved in procurement, (including line managers), must read and familiarise themselves with this guidance and its associated documents.

15. BUSINESS PROCESSES

15.1 Purchasing authority

No member of staff or any Board Member may **award** a contract without written Delegated Purchasing Authority. This delegated authority to commit to a contract (purchasing authority) is entirely separate from delegated budgetary authority, including that detailed in individual financial responsibility statements. (See Appendix D)

15.2 Ordering and payment procedures

All valid invoices should be paid on time. All public sector organisations are bound by the Late Payment of Commercial Debts (Interest) Act 1988, under which suppliers have a right to claim interest on payments made outside the agreed terms, or 30 days after receipt of a valid invoice where no payment terms are agreed. Where there is no contractual provision or other understanding to the contrary, suppliers should therefore be paid within 30 days of receipt of a valid invoice or similar correct and due demand for payment.

The payment of invoices that do not have a pre-requisite contract or order for the goods, services or works provided tends to facilitate unofficial buying by allowing the procurement function to be bypassed. It also means that authority to procure is retrospectively given rather than pre-approved.

Therefore, suppliers should be given notice that goods, services and works should only be provided on receipt of appropriate contract or order reference information and within that same written notice informed that invoices received without contract or authorised order references will require special approval if they are to be paid. At a later and appropriate point in time invoices received without a pre-approved contract or order number should be returned to suppliers for this information. The payment cycle should not commence until a valid invoice with all required data is received.

Procurement arrangements should be reviewed periodically to consider whether ordering and payment procedures could be streamlined and value for money improved through implementation of relevant technology solutions, including e-procurement

16. TRAINING

Appropriate training will be provided to members of the Board of Management and Staff Members to ensure that they have the necessary information, skills and confidence to make informed choices and contribute effectively.

17. EQUALITIES AND DIVERSITY

This policy will be implemented in line with our Equality and Diversity Policy and is subject to an Equality Impact Assessment to assess the likely or actual effects of the policy to our customers in respect of their disability, age, gender, race, religion/belief, sexual orientation or gender identity to ensure equal and fair access for all.

18. MONITORING AND REPORTING

The Association will use appeals, complaints, comments or suggestions from users of this policy to monitor its effectiveness. These will also be used to prompt a review of the policy where necessary.

19. REVIEW

This Strategy will be approved by the Board of Management. It will be reviewed every three years unless amendment is prompted by a change in legislation or monitoring and reporting reveals that a change in Strategy is required sooner.

20. DISTRIBUTION

This Strategy will be made available to every employee and committee member and will be made freely available to any tenant or interested party.

--- END OF POLICY ---

APPENDIX A – GLOSSARY OF TERMS

Competition

contracts must be awarded through genuine and effective competition unless there are convincing reasons to the contrary.

Contract

is a legally binding agreement between Ardenglen and one or more suppliers for the supply of specified goods, services or works. The contract sets out the details of what Ardenglen is buying and being delivered with and the rights and obligations of both of the parties.

Contracts register

Public web-based register of all Ardenglen contracts over the value of £50,000

Delegated Purchasing Authority (DPA)

is the authority to enter into a contract for goods, services and works and oversee the process leading up to and including the award of a contract and any subsequent changes.

Delegated Purchasing Officer (DPO)

a permanent Ardenglen individual with Delegated Purchasing Authority.

Electronic Record and Document Management (eRDM)

Ardenglen's electronic record and document management system.

Framework agreement

is an agreement between Ardenglen and one or more suppliers for the supply of specified goods, services or works over a period of time. The framework agreement has agreed terms and conditions, defined pricing structure and if appropriate the quality requirements. The main difference between framework agreement and a contract is that a framework does not state the quantity of the goods, services or works, or when they will be bought. Individual contracts specifying the quantity and timescale are awarded under the terms of the framework agreement.

Non-Competitive Action (NCA)

is an approval process which permits a contract without competition to be awarded.

Procurement

means the process leading to the award of a public contract or framework agreement or establishment of a dynamic purchasing system for the acquisition of works, supplies or services from an economic operator.

Procurement Journey

a toolkit providing practical guidance on procurement procedures.

Public Contracts Scotland (PCS)

the national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.

Sustainability

a process whereby Ardenglen meet their needs for goods, services, works in a way that achieves VfM on a whole life basis and generates benefits not only to Ardenglen, but also to society, the economy and the environment.

Value for Money (VfM)

the optimum combination of whole life costs and quality to meet the customer's requirement.

APPENDIX B – PROCUREMENT PROCESS SUMMARY

Value	Method	Form of competition & advertising (if no Framework available)	Approval to Purchase	Procurement Route (See Section 11)
Up to £2,800	<ul style="list-style-type: none"> • Low Value • Direct Award • Price only • No Quotation 	None	Staff as per Authority Levels	No Formal Route: Seek VfM
£2,801 - £7,000	<ul style="list-style-type: none"> • Low Value • Direct Award • Price only • One Quotation 	None	Staff as per Authority Levels	No Formal Route: Seek VfM
£7,001 - £25,000	<ul style="list-style-type: none"> • Low Value • Competition • Most economically advantageous • Minimum of 3 Quotations • Record of Quotations kept. 	Either or both: <ul style="list-style-type: none"> • Existing suppliers + market information • Public Contracts Scotland Portal – Quick Quotes 	Staff as per Authority Levels	Route 1
£25,001 - £50,000	<ul style="list-style-type: none"> • Medium Value • Competition • Most Economically Advantageous or Balance Quality & Price • Minimum of 3 Quotations • Record in Public Register 	Either or both: <ul style="list-style-type: none"> • Existing suppliers + market information • Public Contracts Scotland Portal – Quick Quotes 	Board of Management approval to contract required	Route 1
Above £50,000 but below GPA limits (Regulated)	<ul style="list-style-type: none"> • High Value • Competition • Balance Quality & Price • Minimum of 3 Written Tenders • Recorded in PCS Portal + Record in Public Register 	Advertise via: <ul style="list-style-type: none"> • Public Contracts Scotland Portal 	Board of Management Committee approval to contract required	Route 2
Above GPA limits (Regulated)	<ul style="list-style-type: none"> • High Value • Competition • Restricted Method • Tender under GPA Procurement Rules • Recorded in PCS Portal + Record in Public Register 	Advertise via: <ul style="list-style-type: none"> • Post to GPA using Public Contracts Scotland Portal 	Board of Management approval to contract required	Route 3

APPENDIX C – PROCUREMENT THRESHOLDS

World Trade Organisations Government Procurement Agreement Regulated Contract Thresholds:

Supplies	£213,477
Services	£213,477
Works	£5,336,937

N.B All figures are current as of 1st January 2022, and are inclusive of VAT.

Procurement Reform (Scotland) Act 2014 - Lower Value Regulated Contract Thresholds:

Supplies	£50,000
Services	£50,000
Works	£2,000,000

N.B All figures are current as of 1st January 2016 and are exclusive of VAT.

APPENDIX D: NON-COMPETITIVE ACTION

It is Ardenglen policy that contracts for goods, services and works should be awarded on the basis of Value for Money (VFM) following a genuine and effective competition.

However, the policy recognises that there may be occasions where it may be appropriate to award a contract for goods, services and works without following a genuine and effective competition. This procedure is known as Non-Competitive Action (NCA) and can only be applied in **exceptional** circumstances.

NCA will only be approved when a genuine business need exists which outweighs the need to compete the requirement. All evidence in support of NCA must stand up to scrutiny or challenge by a potential supplier.

The following Frequently Asked Questions and answers have been put together to provide information about NCA and the process of obtaining approval to use this procedure. **These should be read prior to any NCA request being submitted.**

Frequently Asked Questions

1. What situations will justify the award of a contract without competition?

There is no single checklist of situations or factors to be considered. The decision whether to approve a NCA request will need to be made on a case-by-case basis.

Some situations may include:

- Extreme urgency - competition is not required when a contract needs to be put in place urgently to respond to a circumstance which is 'unforeseeable' by, and out with the control of, Ardenglen (e.g., severe and unprecedented weather conditions). However, any contract awarded through the NCA process must only cover the urgent (immediate) need.

Note: This does not include situations where there is an extreme urgency to award a contract on the basis that the DPO was aware of the requirement but has failed to factor sufficient time into their workflow/work planning to allow a genuine and effective competition to be undertaken.

- Only one possible supplier - you will need to provide objective evidence that will withstand scrutiny and audit to support the decision that there is not an alternative or equivalent product or service available in the market which will meet your needs. This may include existing Software packages, the replacement of which would create significant additional costs or organisational disruption.
- Additional purchases from the same supplier - after a contract has been awarded, additional requirements which have arisen through genuine and unforeseen circumstances and were not included in the original contract may, depending on the precise circumstances, be 'added on' to that contract. However, careful consideration should be given at the outset of the contract to avoid this circumstance, wherever possible.

2. Which situations will not justify the award of a contract without competition?

These may include:

- Contract is about to end but there is an ongoing requirement - it is important that you take account of future needs at the earliest opportunity as a failure to plan for future requirements will not support the approval of NCA.
- There is not sufficient time to carry out a competition - this will not support the approval of NCA. The time taken to run a competitive process will reflect the value, nature and complexity of the purchase.
- I am under pressure to award this contract quickly - unless the pressure has arisen through an urgent unforeseeable situation (see question 1) then you will need to award the contract following a genuine and effective competition.
- I have used this supplier before and like what they can do - Ardenglen policy requires that contracts are awarded through a genuine and effective competition. In the absence of a competition, it may be difficult to demonstrate VFM;
- I have been approached by a supplier and like their idea - any such approach will not result in the supplier simply being awarded a contract on a non-competitive basis. If the proposal is consistent with the business need, that need must be met by running a genuine and effective competition

3. Who has authority to approve a NCA request?

The Chief Executive has authority to dispense with competition to allow a contract to be awarded following a process that does not contain a genuine and effective competition for contracts of up to £25,000 excluding VAT.

All NCA requests above £25,000 can only be approved by the Board of Management following the submission of an appropriate NCA report.

4. What is the process to obtain NCA approval?

You need to fully complete the Application for Non-Competitive Action form and submit it by email with any supporting documentation to the appropriate approver:

Up to £25,000	Chief Executive
Above £25,000	Prepare NCA Report and forward to the Chief Executive for inclusion in Board of Management Agenda

These values are exclusive of VAT and are for the total duration of the contract (including any extension periods).

5. What happens with my request?

The NCA approver will decide (using their commercial judgement) whether to authorise the request to proceed without competition. To reach a decision, they will consider the Non-Competitive Action application form that you have completed, including your justification for NCA and consider this against the need to comply with Ardenglen's procurement strategy.

6. What happens if my request is not approved?

If you cannot demonstrate that there are objective and justifiable grounds to support NCA then competition will be necessary. The level of competition will depend on the value, nature and complexity of the purchase

7. Can NCA approval carry risks?

Yes. Approval to award a contract using the NCA process does not guarantee that this will be free of challenge. A challenge can take many forms, for example, a complaint from another supplier to Ardenglen that they have been denied an opportunity to bid for the contract, or a legal challenge in the Courts. For this reason, it is important that objective, supporting evidence is provided as part of the request for NCA