



Procurement Best Practice & Procedures: User Guide & Toolkit



About this document

Procurement is at the heart of the **Government's** public service provision. Procurement is a fundamental building block and enabler to the Government achieving its strategic priorities, objectives and vision. To be successful, the drive must be towards strategic procurement to increase the business value of spend and demand management. To achieve the optimum value procurement should be a business partner and change agent and not purely a contract maker. The focus should not just be reducing costs but also receiving optimal Value for Money (**VFM**).

The document has been prepared by the Commercial Services Team within the Treasury and Exchequer directorate. The document builds on the **Commercial Services Strategy** that was published on the Government's website earlier in 2022, The practice directions and guidance provided in this document fully supports the plans that the Minister for Treasury and Resources has laid out in the 2023 Ministerial Plan.

The document also aligns with the requirements of the **Public Finances Manual** and provides directions on the activities that should be undertaken when spending public money. This version of this document has been updated in compliance with the procedures for updating the Public Finances Manual, as described in the Public Finances Manual.

This document is published in December 2022. Further changes may occur in 2023 with the continued implementation of the Connect Suppliers Ariba.

Protocols

Defined terms are presented for the first time in bold type face. A **glossary of the defined terms** that are used in this document is included in as an Appendix A of this document. A diagram that provides a summary illustration of the procurement processes available is included at Appendix B.

Directions to visit the Commercial Services intranet pages (for template documents, advice and guidance) or to refer to the Commercial Services team are shown like this.

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1. What is Procurement?

Procurement is ‘the process of sourcing a solution to a need’. Procurement therefore is all the activity associated with obtaining the **Goods, Works, or Services** that the Government needs to support its operations.

2. Which Sourcing Route should you follow?

The Government has pre-agreed **Corporate Contracts** already established that you should check first, to see if these Corporate Contracts can help with your need (see Section 5 of this document).

However, where your needs are more complex, and there is no Corporate Contract suitable to meet these needs, then you will have to follow a defined **Sourcing Route** to procure them. **Table 1** below summarises the minimum requirements for each Sourcing Route. Appendix B of this document provides you with an easy-to-follow process diagram that shows the steps required to source your need.

Table 1. Table showing minimum requirements for each Sourcing Route

Sourcing Route	Threshold	Process	Need Justified	Procurement Strategy	Evaluation Panel	Evaluation Criteria	Advertise	RFQ / ITT	Evaluation Process	Due Diligence	Recommendation to Award Report	Contract	Contract Management
1	£0-£1,000												
2	£1,001-£25,000	1-3 Quotes	Evidence						Yes	Evidence		PO	Review
3	£25,001-£100,000	Min 3 Quotes	Evidence	Recommended	Yes	Agreed method		RFQ	Yes	Evidence	Recommended	Signed	Review
4	£100,001+	Full Tender	Evidence	Approved by AO & DCS	Yes	Scored & weighted	Portal	ITT Portal	Yes	Evidence	AO & DCS Approval	Signed	Formal Reviews
5	Consultants (Over £25k)	As per Group value	Evidence	Approved by AO DCS £100k+	Yes	Scored & weighted	As per Group value	As per Group value	Yes	Evidence	AO & DCS Approval	Signed	Formal Review

3. What is an Exemption, and when do I need one?

An **Exemption** is the formal process for requesting a deviation from the Sourcing Routes described in Table 1 (and in Section 6 of this document). An Exemption is usually sought in exceptional circumstances, for example:

- A **Contract** is declared a **Secret** (i.e., where the contract is of a secret nature).
- The “**Direct Award without Further Competition**” procedure represents the best VFM solution for the Government;

- There is a civil emergency or pandemic that requires the urgent procurement of items essential to assist with recovery (for example, a pandemic, or repairing damage sustained to infrastructure and supplies during a storm).
- There is only one supplier that can provide the goods or services, so no comparable quotations may be obtained (for example where Jersey Electricity PLC are the only organisation licensed to supply-and-install an electricity mains supply, or the sourcing of consumables in relation to capital equipment where a warranty of that capital equipment would be invalidated in the event that the correct consumables were not used).
- Urgency, where either the Goods, Services or minor Works are required so urgently that loss, damage and / or nugatory cost may result from any delay in their Procurement.
- Where a UK Government Purchasing Framework (which is recognised by Group Director of Commercial Services as being through a competition process, not undertaken by the Government) is being used (for example, NHS, Cabinet Office, CCS or Local Authority agreements (evidence required)).

However, poor planning by a purchaser – and in particular the leaving of insufficient time to fully complete all of the activities required to complete a Procurement – is not a justification for either an Exemption or a Breach (see below).

Table 2 below identifies the circumstances when an Exemption shall be required. **Table 3** shows other instances where an Exemption may be required.

Table 2. Showing the circumstances when an Exemption is required.

Sourcing Route	Threshold	Process	Deviation	Department	Commercial	Method	Additional Requirements
1	£0 - £1,000	Prove price agreed					In all instances where a reasonable Exemption is required, Exemption Forms should be supported with the relevant quotation and draft contract documents.
2	£1,001- £25,000	1-3 Quotes					
3	£25,001- £100,000	3 Quotes	Not able to obtain 3 quotes	Approved by AO	n/a	Exemption Form	Formal commitment should not be given to the supplier prior to sign off
4	£100,001+	Full Tender	Not able to undertake open competition process	Approved by AO	Approved by DCS	Procurement Strategy or Exemption Form	

Where the requirement for competitive proposals has been waived, the prior approval of the relevant **Accountable Officers** should be obtained and accounted for in line with a purchasing directorate's **Scheme of Delegation** (which can be sourced from the Director-General of that directorate). Documentary evidence of the decisions made by Accountable Officers (or their delegates) should be retained. All requests for an Exemption are reviewed and approved by the Group Director of Commercial Services.

Advice on the preparation and application for an Exemption has been published on the Commercial Services intranet, which also provide further guidance on the submission of an Exemption, or via the Commercial Services team.

Table 3. Table showing other instances when an Exemption is required

Instance	Circumstances	Requirements
Contract duration exceeds five years	Where it is proposed that the duration of an agreement shall exceed five years, either in the initial term or via any proposed extension.	Documentary evidence of justification required and prior approval of Accountable Officer.
Unforeseen contract duration	Where the extension is not identified within the original competition process.	Where you wish to extend a contract beyond the term set out in your original Procurement Strategy. This applies, even where the contract is 'evergreen' or has an expiration date beyond the date you originally secured approval for.
Excessive contract variations	Where the value of variation(s) to the original scope of a Contract are to exceed 10% of total original value.	Where you wish to amend or extend an existing agreement or statement of work and the amendment changes the contract value (up or down) by greater than 10% of the original value.
High-value contract variation	Where a single or multiple contract variation(s) proposed are likely to exceed £100k in value.	This is an aggregated total. The lowest calculation of this or the former applies.
Deviation from standard terms	Where it is proposed that the Government's standard terms and conditions are not used.	Where it is proposed or required that the Government agree to the terms and conditions proposed by the supplier.
No Procurement Strategy	Where it is proposed to follow a Sourcing Route that requires a procurement strategy, but one is not used.	All purchases above £100k require an Approved Procurement Strategy. Where this is not possible, justification for the absence of an Approved Procurement Strategy should be submitted with a request for an Exemption. Poor planning, and the absence of sufficient time to develop and put in place an Approved Procurement Strategy, is not a justification.
Absence of an available Corporate Contract	Where there is no suitable or available Corporate Contract.	Where a corporate contract (as listed on the Commercial Services Intranet pages) is in place and you wish to either a) use an alternative supplier or b) purchase goods under a corporate contract outside of the corporate scope (for example pens from a cleaning products supplier).
Not advertising via the ePortal	Where an award is proposed for a contract that has not been advertised fully utilising the Government's ePortal.	All contracts above £100k must be advertised via the ePortal. For those contracts above £100k where it is reasonably proposed not to advertise the opportunity via the ePortal, justification and / or approval shall be sought of Accountable Officers BEFORE the Procurement is commenced.
Payment in advance	Where payment is required to be made before the delivery of the Goods or the Services.	An exemption is required for any upfront payments to supplier, for example, down payments or subscriptions. Where a payment has been made ahead of awarding a Contract, this is a Breach, and the Breach process should be followed.
Lack of competition	Where a purchaser has been unable to obtain three competitive quotations, as may be required with the Sourcing Route.	All contracts above £100k must, as a requirement, be awarded having received a minimum of three competitive proposals. Where it has not been possible to obtain a minimum of three proposals following an invitation to tender, or where there is a monopoly / duopoly of supply, an Exemption can be sought. Note: evidence will be required that sufficient time was allowed for the running of a competitive tender process, or (where a monopoly / duopoly exists), a preference for a direct award. Where you are unable to obtain three proposals, evidence showing how you have evaluated VFM by other means is required.
Secrecy	Where, due to the nature of the Goods or Services being procured, it is not possible to undertake an open competitive Procurement.	This may apply where the nature of the Goods or Services being purchased are secret or require (in the interests of the public) secrecy. In this instance, documentary evidence of justification required and prior approval of Accountable Officer.

4. What is a Breach?

A **Breach** occurs when you have already committed to expenditure and no Exemption has been approved.

Where a Breach has occurred, it must be:

- recorded on a **Breach Form**, which must be shared by the Director-General for that Department with:
- the Group Director of Commercial Services and the Commercial Services Approvals Board; and
- the Treasurer of the States;
- disclosed in the year-end **Government Statement**.

If a Breach has occurred, further investigation should also be made to establish that all relevant employment practices and procedures (both within the Directorate and the Government) have been complied with.

To obtain a Breach Form or get further advice on the procedure for managing a Breach, go to the Commercial Services intranet pages, or get in contact with the Commercial Services team.

5. How to Buy

Government staff should undertake purchasing of **Goods**, **Works** and / or **Services**, enabled by **Connect Suppliers Ariba** and in accordance with the processes that are described in this document.

A **Corporate Contract** is a pre-agreed contract established by the Government that has secured preferential pricing and includes (amongst other things) volume discounts, agreed contractual terms, scope and supply arrangements.

There is no need for the Government to incur nugatory time and cost duplicating effort and seeking an alternative when there is an option already available with agreed terms and an agreed price. Therefore, where a Corporate Contract has been established by Commercial Services and is available for use by Directorates and agencies, you are **mandated** to utilise these agreements.

Corporate Contracts include both:

- **Catalogues**; and
- **Purchasing Frameworks**.

If you feel you have a legitimate reason for not using a Corporate Contract, you must complete an Exemption in advance (seeking approval in line with the procedures set out in Section 3 of this document).

If you have completed the Procurement already, you must also complete a Breach Form (see Section 4 of this document).

If you are planning on establishing a Corporate Contract (e.g., creating a Purchasing Framework), you will be required to demonstrate a clear business need for doing so. This requires evidence of the needs of your directorate or department at various times during the proposed term of the Corporate Contract, and how you will administer the Corporate Contract. Dependent on the anticipated value of spend that it is proposed will be sourced via the proposed Corporate Contract, and the circumstances of scope, it may also require a Procurement Strategy to be prepared, signed and approved by the Commercial Services Approvals Board. Finally, the establishing of the Corporate Contract may also require an Exemption to be approved (see Section 3 of this document).

Full guidance on this, including the process for establishing a Corporate Contract and how this may be procured, can be sourced from contacting the Commercial Services team.

5.01. Catalogues

Catalogue Suppliers are Preferred Suppliers.

Catalogues of Goods and Services, from which you simply buy, are available and cover a variety of different scope items. These are available directly on the Connect Suppliers Ariba portal. These Catalogues have pre-agreed prices and terms, which facilitate you being able to directly raise a **Requisition Order**.

The use of these Catalogues through self-service is mandatory across all Government departments and directorates.

Each Catalogue includes an assortment of priced items that may be requisitioned by each requisitioner for the Catalogue Supplier to process and deliver to the relevant Government department in accordance with the respective catalogue supply contract and service levels.

Each Requisition Order for a Catalogue supply will be processed promptly by the Connect Suppliers Ariba portal, and once it is established via the portal that the requisitioner has the required budget, the Requisition Order will be processed and released to the Catalogue Supplier without the need for further approval.

5.2. Purchasing Frameworks

Purchasing Framework Suppliers are Preferred Suppliers.

A Purchasing Framework is an “agreement to agree”. The use of a Purchasing Framework allows the Government to pre-agree common terms and conditions (such as price, scope or specification) for a particular Good or Service, and then purchase these when the need arises over the duration of the contract.

If you are unable to fulfill your needs by raising a requisition order against a Catalogue, there are an assortment of Purchasing Frameworks that have also been put in place and relate to several key commodity areas (for example, travel, personal protective equipment and other repeated requirements). All Government staff and departments are mandated to use the Purchasing Frameworks where a Purchasing Framework exists.

To purchase using a Purchasing Framework, you will need detail your needs on a form in accordance with the respective Purchasing Framework agreement that has been established between the Purchasing Framework Supplier and the Government.

Orders may be raised against a Purchasing Framework in accordance with the terms of each respective agreement by either:

- Direct Call-off; or
- Further Competition (using the ePortal to facilitate either the sourcing of a quotation or undertaking of a mini-competition).

Guidance on the available Purchasing Frameworks, their conditions for use, and the process of sourcing via the Purchasing Framework can be obtained from either the Commercial Services intranet, or by contacting the Commercial Services team.

5.3. Other Government Contracts

Suppliers of **Other Government Contracts** are Preferred Suppliers (they are not, though, **Approved Suppliers**).

In addition to Purchasing Frameworks, the Government has also put in place several additional agreements that are not Corporate Contracts (and their use is therefore not mandated across the Government), but that relate to a few specialist areas that support individual departments and directorates. These are termed Other Government Contracts.

Details of the availability, scope and purchasing requirements for the Other Government Contracts can be obtained from the Commercial Services team.

5.4. Third-Party Supply Agreements

The Government has also facilitated access to a number of **Third-Party Supply Agreements**. These include (for example) those agreements assembled by the UK Government's purchasing arm, Crown Commercial Services or NHS England. Please note: an Exemption (see Section 3 of this document) is required prior to using Third-Party Supply Agreements.

5.5. Purchasing Cards

For advice on the circumstances and suitable uses for when a **Purchasing Card** can be used, please see the process flow diagram in Appendix B of this document or refer to the Public Finances Manual.

5.6. Category / Commodity Specific Procedures

In addition to the requirements set out above, all Government staff are also obliged to comply with the following additional specific procedures, in relation to these specific commodities and categories:

Legal services

If you are seeking to purchase any legal services, you should consult with the Practice Director of the Law Officers' Department prior to obtaining. You should not engage any legal services provider without first liaising with the Law Officers' Department.

Consultancy services

If you are seeking to purchase any consultancy services, you should follow the requirements outlined within Sourcing Route 5 before commencing any Procurement.

IT-related equipment and services

If you are seeking to purchase any IT-related equipment (e.g., digital technology, computers, computer hardware, or software applications) or services (e.g., digital design, systems transformation etc.), then you should contact the Category Manager for Information Services / Modernisation and Digital before commencing any Procurement.

Construction and infrastructure Works or Services

If you are seeking to buy any design, project management related to, or the delivery of, any construction and infrastructure needs, you must consult with the Category Manager for Infrastructure within the Commercial Services team before commencing any Procurement.

Healthcare and Associated Products

If you are seeking to buy any healthcare and / associated products, you must consult with the Category Manager for Healthcare Services within the Commercial Services team before commencing any Procurement.

Fleet and vehicles

If you are seeking to buy any fleet and / or vehicle related purchases (including servicing or maintenance or repair activities), you must consult with the Fleet Management team within the IHE Department before commencing any Procurement.

Travel and travel-related expenses

You should refer to the Government's latest Travel & Expenses Policy for guidance on sourcing employee travel, and the present policy for travel arrangements for any external (off-island) consultants.

6. How we Source (the “Sourcing Routes”)

If your need or purchasing requirement is not able to be fulfilled by Corporate Contract, then there may be a need to initiate one of the five Sourcing Routes that are described in the following Sections.

Guidance on the use of the Sourcing Routes, including templates to support their application, can be found on the Commercial Services intranet. You should also discuss the use of the Sourcing Routes with the Commercial Services team.

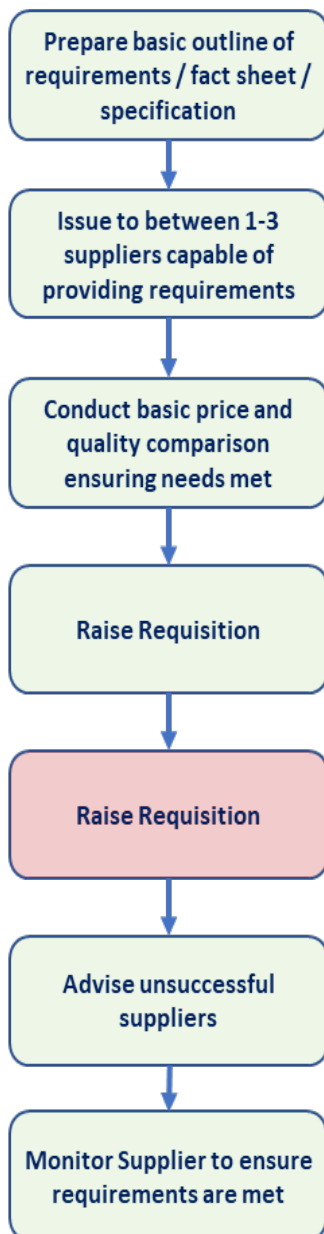
6.1. Sourcing Route 1 – Expenditure under £1000

When spending under £1,000.00, you must always apply prudence and common sense: if your instinct is that the expenditure is unjustified, then it most probably is. All Government expenditure can be open to public scrutiny, as it is taxpayer's money. Therefore, you should apply the principle, “*can I justify this purchase to the general public, if asked in public to do so?*”. If the answer to this question is ‘no’, then do not proceed.

As with any expenditure, a price or pricing parameter (e.g., the price is confirmed in a Supplier's catalog or via a quotation) should be agreed prior to the raising of any Purchase

Order.

Sourcing Route 2 (between £1,000 - £25,000 in value)



6.2. Sourcing Route 2 – Expenditure from £1,000 - £25,000

The processes and procedures described below apply where you are planning on spending between £1,000.00 and £25,000.00 on either Goods, Works, or Services:

6.2.1. Identify supplier shortlist

Prior to inviting any quotations from Suppliers, you should undertake research to determine those organisations that would be suitable for providing the Goods, Works or Services required.

You will need to source at least one quotation, so you must therefore identify between one and three Suppliers that can be invited to provide quotations through a competitive process. To ensure a fair competition between the Suppliers, you should only select those Suppliers that can demonstrate an ability to provide the Goods, Works or Services that you need.

6.2.2. Prepare request for quotation documents

You must use the ePortal to obtain quotations from Suppliers. This will protect any issues that may arise from receiving quotations by e-mail or post and protect both you and the Government from any unnecessary legal challenges.

6.2.3. Evaluation & due diligence

You should undertake a comparison of the quotations you receive via the ePortal, to ensure that they are assessed and evaluated on a “like-for-like” basis (in terms of both price and quality). You should also use weighted evaluation criteria to ensure that your method of evaluation is fair.

Due diligence means checking that your supplier is:

- who they claim to be;
- financially sound;
- capable and experienced in the delivery of the requirement;
- has the systems, processes and capacity to be able to deliver the requirement; and
- understands the requirements and the deliverables.

6.2.4. Evaluation Decision

Once an evaluation decision has been reached a Purchase Order should be raised via

Connect Suppliers Ariba. Unsuccessful suppliers should be told they have not – in this instance – been successful with their quotation, as a matter of courtesy.

6.2.5. Contract management against objectives

The performance and deliverables from the successful Supplier should be monitored to ensure that they have delivered in accordance with their Purchase Order and the terms and conditions of the agreement. Purchase Order lines should be receipted promptly once delivered.

Sourcing Route 3 (between £25,001 and £100,000 in value)



6.3. Sourcing Route 3 – Expenditure from £25,001- £100,000

The processes and procedures described below apply where you are planning on spending between £25,001.00 and £100,000.00 on either Goods, Works, or Services:

6.3.1. Planning the Procurement

You should prepare an outline Procurement Strategy, a Project Brief and Procurement Plan for the Procurement.

Please refer to the Commercial Services intranet for the relevant template document to use.

6.3.2. Identify supplier shortlist

Prior to inviting any quotations from Suppliers, you should undertake research to determine those organisations that would be suitable for providing the Goods, Works or Services required.

You will need to source at least three quotations, so you must identify a minimum of three Suppliers that can be invited to provide quotations through a competitive process. To ensure a fair competition between the Suppliers, you should only select those Suppliers that can demonstrate an ability to provide the Goods, Works or Services that you need.

6.3.3. Requestion and receiving quotations

You must use the ePortal to:

- issue requests for Quotations for all Procurements over £25,001.00 in value;
- exchange clarifications with suppliers prior to them submitting quotations; and.
- receiving quotations from suppliers.

Please refer to the Commercial Services intranet for the relevant template document to use to prepare an RFQ.

6.3.4. Receiving Quotations and Supplier engagement

See Sections 6.4.12. to 6.4.16. of this document.

6.3.5. Evaluation & due diligence

See Sections 6.4.17. of this document.

6.3.6. Evaluation Decision

The evaluation process and outcome, including any proposals to make an award, should be documented in a **Recommendation to Award (RTA) Report** should be prepared and submitted for approval in line with the directorate's Scheme of Delegation.

Please refer to the Commercial Services intranet for the relevant template document to use.

6.3.7. Negotiate a contract (sourcing the “best & final offer”)

See Section 6.4.19. of this document.

6.3.8. Award contract & purchase order

See Sections 6.4.20 to 6.4.21. of this document.

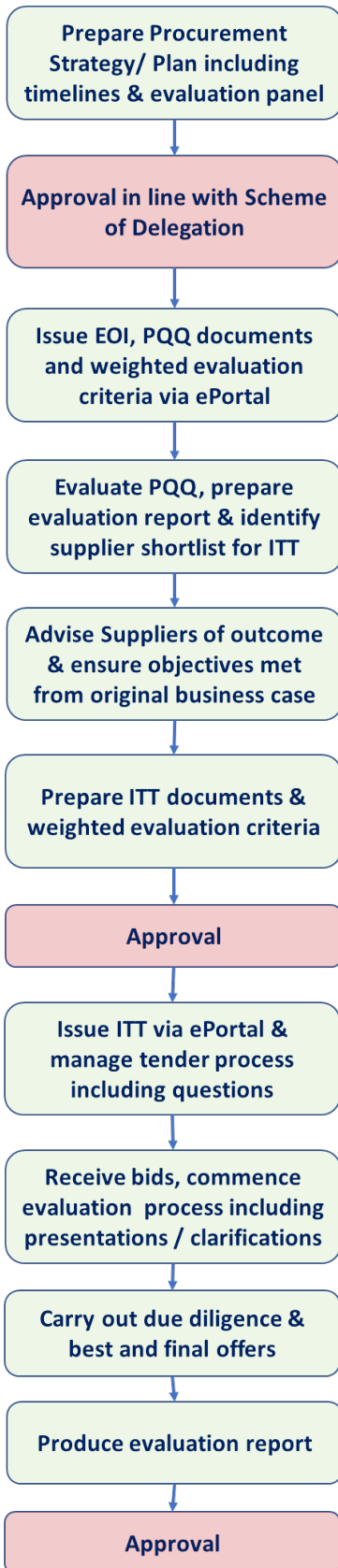
6.3.9. Recommendation to Award

See Section 6.4.22. of this document.

6.3.10. Contract management against objectives

See Section 6.4.23. of this document.

**Sourcing Route 4
(£100,001.00 and above)**



6.4. Sourcing Route 4 – Expenditure from £100,001 & above

6.4.1. Procurement Plan Definition (Procurement Strategy)

A Procurement Strategy, Project Brief and Procurement Plan should be prepared for the Procurement. The Procurement Plan should relate specifically to the Procurement exercise, rather than the overall project.

You should also refer to guidance on Social Value contained in Section 8 of this document, as the proposals for incorporating these requirements within the Procurement shall be considered in the Procurement Strategy.

Once assembled, these documents should be reviewed by the Commercial Services Team, prior to issuing to the Commercial Services Approvals Board for approval (by the Group Director of Commercial Services).

Please refer to the Commercial Services intranet for the relevant template document to use.

6.4.2. Expression of Interest (EOI)

You must advertise the Procurement via the ePortal clearly identifying the opportunity and how interested organisations may register an **Expression of Interest (EOI)** in the opportunity. You may also consider advertising the opportunity in the local press (via the Gazette), referring suppliers to the ePortal for further details. Finally, where you may have identified specific suppliers that the opportunity may be of interest to, you should draw their attention to the opportunity on the ePortal and invite them to respond via the ePortal.

It is advisable to have your Pre-Qualification Questionnaire (**PQQ**) and / or the Invitation to Tender (**ITT**) available at the point of publishing the EOI, as suppliers are able to self-select via the ePortal if the opportunity is appropriate for them and if they wish to proceed.

Once you have finalised the PQQ or ITT and it is ready to be sent to interested organisations, the EOI should be set up on the ePortal and the PQQ uploaded. The EOI should remain open for a minimum of 10 days, with an end date and time specified. Once a supplier has expressed an interest, the PQQ will be available for their download and consideration.

6.4.3. e-PQQ Key Qualification Questions

A PQQ process helps you to create the shortlist of suitable suppliers. e-PQQ provides for the electronic management of this process.

You do not need to use a PQQ for all Procurements. However, when it is anticipated that the number of organisations that will be interested in the opportunity will exceed the maximum number of suppliers who are required to submit competitive proposals, you should use a PQQ process to (fairly and transparently) collate the shortlist of those organisations that will be issued the ITT.

The PQQ process will help you shortlist potential suppliers to invite to tender and you can determine their potential to meet the specification outlined prior to issuing an ITT in terms of their:

- technical knowledge and experience;
- capability and capacity; and
- organisational and financial standing.

The content of the PQQ will typically cover:

- explanatory information about the Government and the Procurement;
- specific information about the directorate and the present need;
- a clear brief for suppliers;
- a questionnaire that the Supplier must respond to, which will include:
 - information about the Supplier's financial position and business history;
 - evidence of contractual performance, insurances and insurance renewal history;
 - statements of compliance;
 - details of customer references; and
 - questions relating to the specific product or service required; and
 - how the PQQ responses will be evaluated and scored.

You must not include pricing schedules in a PQQ (these will form a part of the ITT).

The latest PQQ template is available from the Commercial Services intranet for download and use. Guidance on the use of a PQQ process can be obtained from the Commercial Services team.

6.4.4. Supplier Briefing Events

You may need to host a briefing event or market engagement day, in an effort to communicate your requirements, or to allow suppliers to meet and potentially form

alliances for submitting a joint bid / tender proposal.

Any arrangements for supplier briefing events must be advertised via the ePortal, to ensure that all interested parties are able to attend them. Some suppliers may have hesitations about attending such events, as they may impact their commercial strategy.

Supplier briefing events should have a formal structure where all suppliers who attend receive the same information, so it is fair and cannot be deemed that one supplier is given preferential details over another.

To ensure that all potential supplier organisations are treated fairly, any presentations and / or clarifications exchange at the briefing event should be made available in a reasonable time period after the event via the ePortal.

Finally, as the briefing event or market engagement day will be public, you should consult with the Government's Communications teams on the proposed content of the briefing.

Information and advice on progressing arrangements for a supplier briefing event or market engagement exercise should be sought from the Commercial Services team.

6.4.5. PQQ Evaluation & Shortlist

You must evaluate and score the PQQ responses received via the ePortal to shortlist using the weighted criteria issued in the PQQ.

A PQQ evaluation template is available to download from the Commercial Services intranet. This document will need to be adapted to suit the specific requirements of each PQQ.

Before notifying suppliers of the outcome of the PQQ and / or proceeding with issuing the ITT, a PQQ Evaluation and Shortlisting report, detailing the evaluation process followed, and the outcomes, should be prepared and submitted for approval in line with the directorate's Scheme of Delegation.

6.4.6. Invitation to Tender (ITT) & Evaluation Model Agreed

The ITT is a formal request for a pricing proposal for high-value, high-risk and complex Procurement (of either Goods, Works or Services). The ITT is used where a quotation request is not detailed enough to invite competitive proposals (**Tenders**) that, when received, should be capable of being used to enter into an agreement.

An ITT will typically include the following information:

- instructions to tenderers on how to respond and details of the documentation being issued to them;
- clear timescales for the Procurement;
- a detailed specification for the requirement;
- what the tenderer will be expected to provide in order to demonstrate they can provide

the appropriate Goods, Works or Services;

- the **Award Criteria** that will be used by you to assess the Tenders, and the weightings of the Award Criteria;
- terms and conditions of the proposed agreement with the Supplier;
- a declaration of compliance (for the Tenderer to return); and
- a Pricing Schedule detailing the exact financial proposal being made as a part of the Tender.

To ensure you do not need an Exemption, you should ensure that the duration of the proposed contract should be no longer than 60 months (unless prior approval of the appropriate Exemption is sought).

The latest ITT template is available from the Commercial Services intranet for download and use. Guidance on the ITT process should be obtained from the Commercial Services team.

6.4.7. Time for preparing Tenders

Tenderers should be given a sufficient amount of time that would be required to respond to the ITT. This will vary depending on complexity of the project or the need being procured. The **Tender Response Period** should also take into account the length of any holidays, weekends and such like that may occur during the Period. Finally, it is advised not to publish the ITT prior to or during peak holiday times (e.g., Christmas period, or during school holidays) as this may impact on both the availability (and appetite) of tenderers to respond, and key Project staff to respond to any technical clarifications raised during the Tender Response Period.

6.4.8. Advertising the ITT

An ITT must be completed and uploaded and shared with the tenderers via the ePortal.

6.4.9. Evaluation Model Types

All tenders received should be evaluated on the basis of the best value for money (VFM) solution against the pre-set, weighted criteria contained in the ITT. Where the quality of the goods or services required is a key factor then the selection of the preferred tenderer will not just be based upon the lowest cost.

There are differing types of evaluation model which both score price and quality as a quantitative measure (e.g., 50% quality / 50% price) or accepting the lowest bid based upon suppliers meeting a minimum quality threshold. There are advantages and disadvantages to each method so extreme caution should be used, as getting this wrong could put us at risk of legal challenge. This information should be set-out in the Procurement Strategy and the Procurement Plan.

Information and advice on evaluation strategy and plan should be sought from the Commercial Services team when assembling the Procurement Strategy and Procurement Plan.

6.4.10. Managing financial information

Financial information in tender responses should be restricted in circulation, as not all evaluators need sight of this when evaluating the technical elements of the tender received. Financial proposals could only be distributed to the nominated evaluator with responsibility to undertake financial comparisons and the appropriate financial due diligence.

6.4.11. Tender returns & evaluation

All tenders should be returned to the Government using the ePortal. The tenders should be sealed until the **Tender Return Deadline**. No correspondence about the bidding process should be received by any other unsecure means (e.g., email or paper copies) as the portal provides a full auditable process to protect the individuals, suppliers and Government from unwarranted criticism about process fairness / transparency.

The assigned lead should provide the evaluation panel with the pre-agreed evaluation score sheets, conflict of interest declaration documentation and instructions on how to proceed / timelines for completion.

The outcome of the initial paper-based evaluation should drive out questions for clarification with the suppliers and/or a short list of suppliers.

6.4.12. Late tenders

Tenders received after the Tender Return Deadline should only be accepted after it has been agreed by the Group Director of Commercial Services.

Factors that will be taken into consideration when deciding to accept a late tender may include:

- Are the tenders still sealed?
- How many tenders were received?
- The political risk profile of the Procurement and the Project.
- The reasons offered by the tenderer for which they submitted after the Tender Return Deadline (for example, software failure, for which technical problems and visit history will be considered).

If you wish to accept a tender that has passed the Tender Return Deadline, you should contact Commercial Services in the first instance to source the relevant approval.

6.4.13. Incomplete / Non-compliant Tenders

Incomplete and / or non-compliant tenders that are missing key information that was clearly requested within the ITT should be recorded as 'non-complaint'.

Factors to be taken into account in forming the assess include:

- Whether it is an error / misunderstanding across all tenders received, or limited to one or two tenders received (if it is a common issue, the evaluator should ask a clarification question via the ePortal to determine whether the tender documentation was misunderstood, and measures taken to ensure the suppliers are given a fair time to rectify their response).
- Whether the remaining parts of the tender response are complete and / or whether there are further inconsistencies or elements missing.

You should seek advice from the Commercial Services team on whether a tender is 'non-compliant' and the impact this may have on the Procurement outcome.

6.4.14. Inaccuracies and mistakes

If you believe a tenderer has made a mistake on an element of their tender which particularly affects their offering or commercial proposal this should be raised as a clarification question via the ePortal with the tenderer to investigate why there is a large differential. Knowingly accepting an incorrect price is not ethical and will lead to greater issues further in the process.

You should seek advice from the Commercial Services team on managing mistakes and inaccuracies in a tender response.

6.4.15. No tenders received

If no compliant tenders capable of being accepted are received by the Tender Response Deadline, then you should return to the "Market Engagement & Research" stage of the Procurement Sourcing Cycle to address what the barriers to sourcing competitive tenders are and whether there is sufficient market capability / capacity for your requirement. You may need to revisit your specification.

You should refer to the Commercial Services team for support and advice on any next steps.

6.4.16. Tenderer presentations

Some Procurements may permit or require that shortlisted tenderers may be expected to attend a presentation to further clarify their tender and / or provide specific information requested.

The requirements for any tenderer presentations should be formally recorded and scored and notified in the ITT. The weightings allocated should not differ from what was agreed within the Award Criteria (as contained in the approved Procurement Plan and / or Procurement Strategy).

Tenderers who are attending a presentation panel should be given sufficient notice of the meeting time and instructions (or, if via virtual means, the process to access the meeting room), and any facilities to be provided. Tenderers should be advised to bring along the key individuals that will be working on the Project (you may wish to cap the amount able to attend).

The tenderers should also be notified in the ITT that the Government will not pay their travel and travel-related expenses to attend the presentation.

Information and advice on progressing arrangements for any tenderers presentations should be sought from the Commercial Services team.

6.4.17. Final Evaluation & Due Diligence

Final evaluation should take place once all of the tenders, presentations and clarification questions have been received and scored, so there is a total view of the outcome that the process and the results.

At this stage you may still have one or a possibly a couple of preferred tenderers, subject to due diligence, so may wish to start negotiating a best and final offer (see 10.3.9 of this document). It is important that the tenderers realise they are still in a competition at this phase, pending the outcome of due diligence.

Due diligence is about independently verifying a supplier's ability to deliver fully against their contract. It's a matter of prudence and good business practice.

6.4.18. Evaluation Decision

The evaluation decision should be documented in an Evaluation and Award Recommendation Report. The completion report should be signed off in line with the scheme of delegation, and the Commercial Services Approvals Board (for signing by Group Director of Commercial Services (if over £250k)) to verify that the evaluation process was carried out correctly and in accordance with the predetermined criteria / pre-agreed variations.

Once the report has been approved, all successful and unsuccessful tenderers should be informed of the decision and offered feedback or a debrief at the end of the Procurement. This is to enable supplier organisations to be more successful in future tenders, and as a matter of courtesy for the work they have undertaken to prepare and submit a competitive tender.

A ITT evaluation template as well as a template Evaluation Report is available to download from the Commercial Services intranet. This document will need to be adapted to suit the specific requirements of each ITT.

6.4.19. Negotiate Contract (Best and Final Offer)

Where it is appropriate and necessary to do so, **Best and Final Offers** shall be sourced to obtain the best commercial outcome from your tenderers for the Government.

The likelihood of receiving either improving on contractual terms, added value or price submitted is increased when tenderers believe they are in a competitive situation (consider, for example, why you would seek to either reduce your price further, or give extra value benefits, if you knew you had won the business already?). Therefore, Best and final Offers should be conducted utilising the ePortal, to ensure fairness and transparency and clear audit. The final offering position is what needs to be reflected within the contract with the supplier.

In some instances, Commercial Services may recommend the use of eAuctions as a method of sourcing Best and Final Offers.

Advice on whether Best and Final Offers should be obtained can be sourced from the appropriate Category Manager within the Commercial Services team.

6.4.20. Contracts

For significant Procurements (i.e., either Sourcing Route 3, 4 or 5) the form of contract proposed should be selected and specified within the Procurement Plan and incorporated within the ITT. This is to ensure that the tenderers can consider the risks associated with the terms and conditions (and their costs of complying with these terms and conditions) within the preparation of their tenders.

There are a number of factors when considering the type of contract to utilise.

- The default position should always be to utilise the Government's own standard terms and conditions and which may vary depending upon the type of Goods or Services being procured).
- Occasionally, it may be necessary to utilise an industry- or sector-specific set of 'standard' terms and conditions (e.g., in construction or maintenance sectors). However, care should be taken to review these and incorporate any amendments necessary to protect either: a) the Government's commercial position; and / or: b) the jurisdiction of Jersey as the legal basis for contracting with a supplier.
- Suppliers' own proposed terms should only be utilised in rare instances, but should be carefully reviewed to ensure that the implications and requirements are clearly understood and do not put the Government at unnecessary risk.
- Finally, caution should also be exercised when using standard terms and conditions of contract as they may not be appropriate for all types or more complex forms of procurement.

Advice on the best contract terms to use should be sourced from either the Law Officer's and / or the Category Managers within the Commercial Services team.

6.4.21. Purchase Orders

Purchase Orders should be raised after the signing of the contract, to call-off the requirements outlined within the Contract. The Purchase Order should refer to the Contract Reference Number for clarity on the terms and conditions that apply.

6.4.22. Refine Business Case & Award Contract

Once you have determined the actual costs of undertaking a Contract and the benefits associated, the original business case should be updated to reflect actual costs and anticipated benefits, prior to awarding contracts.

To do this, a Recommendation to Award document should be completed and submitted for approval in line with the directorate's Scheme of Delegation.

Once the Purchase Order and Contract is awarded there is likely to be a mobilisation period for the contractor to prepare to deliver and potentially an exit strategy if it is a replacement contract.

6.4.23. Contract management against the Business Case

In order for a contract to deliver the benefits outlined in the business case it is essential that it is managed throughout the lifecycle with regular engagement with the supplier and internal customers.

6.5. Sourcing Route 5 – Procurement of Consultants

A consultant or consultancy supplier would usually be appointed for the following reasons:

- There is a skills gap in the organisation (for example, the Government require highly-specialised skills unavailable from within our existing internal resources).
- There is a need to accelerate a programme or project due to decreased availability of existing Government-employed resource.
- The scope requires that the Government need seek an independent opinion or sanction e.g., a review, independent audit.

Prior to considering a requirement for a consultancy appointment, you should refer to the Corporate Contracts assembled to ensure that any Purchasing Framework suitable for use is considered first, and BEFORE any work to progress Sourcing Route 5.

If a consultant is required to fulfil an internal (substantive) role or post and has an accompanying job description this would usually be covered by an HR temporary post, agency staff, interim arrangement or professional services contract. In these cases, refer to HR guidance and determine whether the P59 application process should be followed, with approval from the States Employment Board (SEB).

All expenditure in excess of £20,000 is published every six months for public scrutiny. Complete the following steps for expenditure over £25,000:

- Appoint a Responsible Officer and Scheme of Delegation for the expenditure level.
- Carry out a needs assessment and prepare a specification.
- Refer to the travel and expenses policy for external consultants.
- Complete a Procurement Strategy.

- Carry out a competition process in accordance with either the relevant Buying Route (see Section 0 of this document), or the relevant Sourcing Route (see this Section 6 of this document).
- Complete an evaluation process with approval / sign off in accordance with the estimated Sourcing Group and Scheme of Delegation.
- Have a signed contract including deliverables, milestones etc.
- Ensure any necessary licenses or permits (e.g., License to Work) are in place.
- Maintain evidence of the contract management review process, handover and close.
- Ensure information that is required in a directorate or Government bi-annual report (on the use of consultants) is captured.

You should consult with the Commercial Services team on the options available to you to source consultancy support for a Project.

7. Major Projects

When writing a Business Case for a **Major Project**, there are three supporting documents to be completed to support the development of the **Commercial Case**, namely:

- Procurement Overview Document (POD)
- Procurement Strategy
- Recommendation to Award

Diagram 2 below shows the relationship of each of these documents to the relevant Business Case, under the Government’s own project governance structure. Each of these three documents should be approved by Commercial Services and follow the Major Project governance structure. Templates for each of these documents can be found in the relevant Business Case template.

Diagram 2. Procurement documents required for Major Projects



7.1. Procurement Overview Document

The POD provides an overview of the proposed procurement activity, clearly laying out its objectives, scope, and proposed approach. This document will help to ensure everyone involved in the procurement activity is aligned from the outset.

7.2. Procurement Strategy

The Procurement Strategy sets out the proposed approach, intention and plan for the impending procurement activity. It is structured to ensure due consideration of all relevant factors when spending public funds and provides visibility on how to best meet the needs of the Island and its residents. It identifies the best outcomes for the Government through consideration of the commercial options and how social value can be optimised through expenditure.

7.3. Recommendation to Award Report

The Recommendation to Award Report supports assessment and approval of recommendations arising from any procurement activity that has been carried out in the Major Project for approval in the Full Business Case. The document captures key information including: evaluation process, supplier involvement, outcomes and benefits.

At Full Business Case stage, depending on what procurement activities have or have not been undertaken, the Procurement Strategy may need updating alongside the Recommendation to Award Report.

8. Social Value

Social Value means considering the wider social, economic and environmental benefits of the commitments we make and how they will affect our Island and our people. By delivering Social Value through Government procurement processes and contractual agreements, we can help contribute to positive outcomes with additional value for Jersey and the wider environment.

Social Value must be considered alongside quality and price when evaluating procurement activity to ensure that we obtain the best value for money as well as additional benefits for the wider Island community.

Where Social Value applies, it is the responsibility of those undertaking the procurement activity to develop the most appropriate strategy to achieve it.

Table 5 summarises how Social Value should be included within the Procurement.

Table 5. Social Value in Procurement

Total contract value (new and renewal activity)	Social Value requirement
≥£100,000	Include Social Value as part of the weighted evaluation (within the balanced assessment) to quantify the contribution to the wider economic, social and environmental benefits to Jersey.
<£100,000	Consider whether Social Value is included as part of the weighted evaluation (within a balanced assessment) to quantify the contribution to the wider economic, social and environmental benefits to Jersey.

8.1. Social Value Standard

The Social Value Standard is available from the Commercial Services team. It has been developed to ensure that Social Value principles are applied to all procurement activity, to ensure the Government delivers value for money in the widest sense. The document sets

out when the Social Value Standard applies, the key principles and aims, a high-level overview of the approach, reporting requirements and governance.

8.2. Social Value Procurement Toolkit

The Social Value Procurement Toolkit is available from the Commercial Services team. It is for internal use and provides practical guidance to Government employees on how and when to embed Social Value in procurement activity.

The toolkit has been designed to provide practical guidance, including:

- When Social Value should be considered in a procurement process.
- How to practically deliver Social Value through the procurement process.
- Where to record and manage Social Value commitments.
- Supporting materials to help implementation: hints and tips, checklist and definitions.

Appendix A. Procurement Glossary

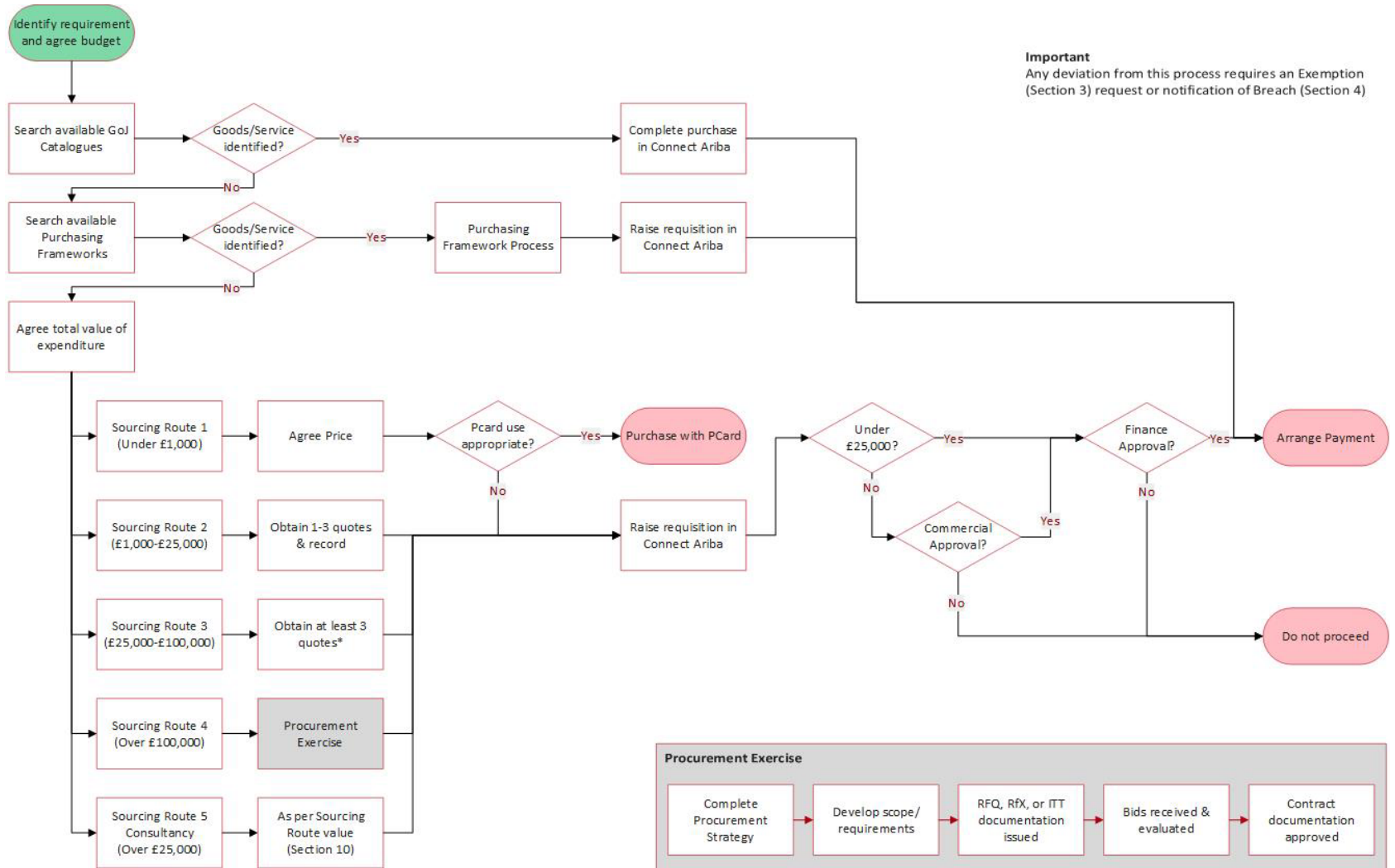
Term	Meaning
Accountable Officer or "AO"	means the Individual required to maintain accounting, including records thereof, of property and funds, whether public or quasi-public. The Accountable Officer may or may not have possession of the property or funds.
Advance Payments	A process where the seller is protected against non-payment in case the buyer does not come and pay at the time of delivery.
Approved Supplier	A Supplier that a) has entered a Contract (including either a Corporate Contract, Other Government Contract) or b) is a Third Party Supplier)
Approver	means the individual that has been appointed (by the GoJ) to exercise the powers to decide whether permission should be granted to do something.
Authorisation	The point at which an authority is granted.
Baseline	Reference levels against which an entity is monitored and controlled
Benefit	The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders, and which contributes towards one or more organisational objective(s).
Benefits Management Approach	An approach that defines the benefits management actions and benefits reviews that will be put in place to ensure that the Projects outcomes are achieved and to confirm that the Projects benefits are realised
Benefits Tolerance	The permissible deviation in the expected benefit that is allowed before the deviation needs to be escalated to the next level of management. Benefits tolerance is documented in the business case
Breach	an act of breaking or failing to observe a law, agreement, or code of conduct
Bribery	The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal or a breach of trust, and the requesting, agreeing to receive an advantage.
Budget	A budget is a plan for how money is sent. Budgeting involves things like allocation, spend against contract, and tracking expenses. This information can help a budget holder or buyer to understand how the money is being spent against services and goods bought, and to ensure the right level of management to deliver the needs that has been budgeted for.
Budget Holder	The authorised person who responsible for ensuring that the budget is followed is known as the Budget Holder.
Business Case	The justification for an organisational activity (Project) which typically contains time scales, costs, benefits and risks, and against which continuing viability is tested.
Business Services Team	means the team within the Commercial Services Directorate that is responsible for business services.
Cabinet Office	means the department of the UK Government of the United Kingdom responsible for supporting the prime minister and Cabinet of the UK Government.
Catalogue	Provides information on goods and services offered and sold by a Supplier, and enables end-users to place on-line orders with those Suppliers.
Catalogue Supply	A type of Corporate Contract for item(s) that may be purchased from the Government Catalogue. The use of a Catalogue Supply is a form of Direct Call-off.
Categorisation	Splitting a portfolio into organizationally appropriate categories or segments. For example, by initiative type or investment objective.
Category	relates to segments of related goods, works or services aligned to user needs and expectations.
Category Management	refers to a strategic approach for procurement where segmentation of spend into areas that that contain similar or related goods, works or services, and enables opportunity areas of improved efficiency, cost and Value for Money to be identified and planned. Category Management typically progresses through the following stages: Category Definition; Definition of the Category Role; Category Performance; Objectives and Targets; Strategy Development; Tactics and Plan and Implementation.
Category Plan	CIPS (2013) Plans aligned with the customer's business objectives with a strategic approach of maximising value and reducing risks, and effectively managing the supply of goods and services.
Category Strategy	a strategic approach to procurement where organisations segment their spend into areas which contain similar or related products enabling focus opportunities for consolidation and efficiency
Charity	An organisation with a charitable purpose for public benefit (in line with The Charities (Jersey) Law).
Checkpoint Report	A progress report of the information gathered at a checkpoint, which is given by a team to the Project Manager and which provides reporting data as defined in the work package.
Commercial Optioneering	means the development and evaluation of alternative commercial approaches
Commercial Services Directorate	means the Directorate within the Government Treasury and Exchequer
Commercial Services Team	means the team within the Commercial Services Directorate that is responsible for commercial services
Commercial	Covers the development, design and advising on processes through which an organisation may deliver a specific transactional requirement - but excluding the procurement of that requirement - to deliver the best value outcome.
Commodity	A raw material that may be bought or sold e.g. oil, gas, coffee.
Configuration Management System	The set of processes, tools, and databases that I used to manage configuration data. Typically, a Project will use the configuration management system of either the customer or supplier organisation.
Connect Suppliers Ariba	The Government integrated technology system that shall enable key processes.
Consultancy Services	Includes: i) investigations, internal audit support and provision of specialist or technical advice ii) provision to projects of market knowledge, intellectual property and systems to review and advise on areas of business and iii) Any Interims/Contractors.
Consultants	Any expenditure on an individual or organisation engaged on behalf of the Government or States of Jersey to provide independent intellectual input into decision making i.e. the consultant produces a report or written advice or Any expenditure on an individual or organisation engaged on behalf of the Government or States of Jersey to provide any other services.
Contract	A binding agreement made between the Government and a Supplier that creates mutual obligations and which is enforceable at law.
Contract Management	means the management of Suppliers with regard to their Contracts by the Government
Contract Register	The register of all of the Contracts.
Contract Renewal	The stage in the contract lifecycle at which a contract is scheduled to expire, and a new contract is put in place with the same Supplier. e.g. Goods, services, goods and services, framework, call-off, support and maintenance, license agreement, etc.

Term	Meaning
Contract Type	means the type of contract, including (but not limited to) the following characteristics: Target Price, Time and Materials; Lump-Sum; Cost Plus; Cost Re-imbusement, Unit Price, Unilateral, Implied and Void.
Corporate Contract(s)	Contract(s) that have been awarded to Preferred Suppliers for regularly purchased items that either comprise Catalogue Supply Contracts (for purchase items that may be accessed from a GoJ Catalogue) or Purchasing Framework Contracts. Use of Corporate Contracts by GoJ is mandatory.
Corruption	Offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person. Jersey introduced the Jersey (Corruption) Law 2006 which abolished the customary law offence of bribery and introduced a number of offences relating to corruption.
Cost Avoidance	Alleviation, in whole or in part, of a cost that would otherwise have been incurred
Cost Plus	A payment arrangement within a Contract whereby the Government pays the Supplier a fixed profit factor in addition to the costs incurred by the Supplier
Crown Commercial Services or "CCS"	The Crown Commercial Service is an executive agency and trading fund of the Cabinet Office of the UK Government.
Cyber Essentials	A certification that identifies important technical security measures and confirms that you carry out these key measures.
Data Protection (Jersey) Law 2018	Designed to protect the privacy of individuals and bringing equivalence with the obligations by the European GDPR (General Data Protection Regulation), designed to harmonise data privacy laws across Europe.
Demand Management	means a planning methodology that is used to forecast, plan for and manage the demand for goods, products, components and services.
Demand Profile	means the analysis of demand for a commodity, category, product, goods, works and services over time.
Direct Call-off	The placing of an order (including a requisition order) by the Government under either: a) a Catalogue Supply, or: b) a Framework Agreement, without Further Competition. The outcome of a Direct Call-off is a Contract.
Group Director of Commercial Services or "DCS"	means the officer that is both responsible and accountable for the Commercial Services Directorate of the Government.
Due diligence	Independently verifying a supplier's ability to deliver fully against their contract.
Dynamic Discounts	an arrangement the enables GoJ Suppliers to choose when they would like to get paid in exchange for a reduced price on the goods, works or services that they supply.
Dynamic Purchasing System	A type of Corporate Contract that is established for a fixed period of time, and which is comprised of a marketplace of Suppliers offering a range of different solutions. Once established, the Dynamic Purchasing System is then used to generate competitive proposals from the Suppliers, which lead to a Contract. Suppliers can be added to the Dynamic Purchasing System at any time during the fixed period of time.
e-Auctions	A sourcing route that uses web-based software application to allow potential suppliers to compete, in real time and over their prices, to supply the Government for a given scope of goods, works or services. The e-Auction leads to a Contract.
EOI	Expression of interest.
E-PQQ	means a web-based Pre-Qualification Questionnaire
ePortal	The web-based application selected by the Government to manage the Government's procurement activity. The ePortal is presently accessed via www.channelislandtenders.com
Evaluation Criteria	The evaluation criteria are how the contracting authority will assess which bidder provides the best response to the requirements. In a very basic procurement it may be enough to ask bidders to confirm that they are able to deliver the specification.
Exemption	the Government process to request a deviation from the procedures that are set out in the Procurement Best Practice Procedures (user Guide and Toolkit) document.
Expenditure	means the amount of money spent.
Form of Contract	means the assortment of Contract Types.
Framework Agreement	A type of Contract, the terms and conditions of which permit subsequent Contracts to be entered into (or 'called-off' by the Government) as and when the need arises and in accordance with the process and arrangements pre-agreed in the Framework Agreement.
Fraud	The act of gaining a dishonest advantage, often financial, over another person. The Investigation of Fraud (Jersey) Law 1991 defines the requirements to review fraud in Jersey.
Funding	Funding is money provided, especially by an organisation or government, for a particular purpose.
Further Competition	A procurement process to obtain competitive tenders or quotations from a supplier marketplace.
ITT	Invitation to tender. An ITT is a formal request for a proposal for high value, high risk and complex procurements (goods, works and services), where a quotation request is not detailed enough to enter into a contract.
Jersey Living Wage	In line with the Employment (Jersey) Law 2003, all employees in Jersey have the right to receive a minimum wage. The Living Wage ensures that a worker is able to meet basic living costs.
Key Performance Indicators	Key performance indicators (KPIs) are quantifiable measures that measure performance against a set of targets, objectives, or industry peers
Last Price Paid (LPP)	Most recent price paid for a product or a service
Legal Services	Services and advisory support by law firms, in support of or acting on behalf of the business.
Local Authority	means an administrative body that is officially responsible for all public services in a defined area of the United Kingdom.
Lump Sum	A payment arrangement within a Contract whereby a payment is made by the Government to the Supplier on the achievement by the Supplier of a particular event or condition.
Make vs. Buy	means the strategic decision making process to determine whether to deliver a requirement through in-house (internal delivery), or through an agreement with an external partner or a mixture of both.
Mandatory Outputs	The mandatory documents that must be completed for a specific sourcing route, as detailed in the Procurement Stage Gate process.
MEAT	Most economically advantageous tender.
Micro Enterprise	<10 staff headcount or <€2m turnover or <€2m balance sheet total.[2]
Micro Small and Medium-sized Enterprises (SME)	<250 staff headcount or <€50m turnover or <€43m balance sheet total.[1]

Term	Meaning
Milestone Payments	A series of payments each of which is made upon the accomplishment of defined objectives.
Modern Slavery	The controlling of another by force, power, fear, intimidation, deception, or ownership in order to exploit them, typically for sexual, labour, criminal or domestic purposes.
Money Laundering	A process that makes money with an illegal origin appear legal so that it may be used; it is interpreted very widely and includes possessing, or in any way dealing with, or concealing, the proceeds of any crime
MSC	Labelling system and fishery certification program to recognise and reward sustainable fishing practices.
Needs Analysis	Needs Analysis is a formal and structured process of identifying and evaluating training that should be done, or specific needs of an individual or group of employees, customers, suppliers, etc. Needs are often referred to as "gaps," or the difference between what is currently done and what should be performed.
NHS	means the National Health Service
Off-boarding	The process of removing a Supplier from your administrative and finance systems when you end a contract or a relationship.
On-boarding	The process of collecting the information and data required to set up an organisation as an approved Supplier on Government systems.
Optioneering	The process of identifying, understanding and evaluating the options at your disposal then selecting the preferred option.
Other GoJ Supply	Supply from an Approved Supplier under Contracts that have been awarded by the Government that are neither Corporate Contracts nor relate to Third Party Supply and where the Government may enter into a agreements for goods and/ or services. Other GoJ Supply Contracts are not mandatory.
P59 process	This process requires budget holders/ recruiting managers to complete a P59 form for all interims or contractors who are not fixed term, above a certain threshold or Tier 2 role.
Payment Recovery	One-off payments received from suppliers either as a contractual obligation, a negotiated agreement, or through identification of erroneous payments
Payment Terms	Benefits associated with negotiation of non-standard payment terms
Pre Qualification Questionnaire (PQQ)	Pre-qualification questionnaire. The PQQ process will help you shortlist potential suppliers to invite to tender and you can determine their potential to meet the specification outlined prior to issuing an Invitation to tender (ITT).
Preferred Supplier	A Supplier that: a) has been awarded a Corporate Contract, and: b) is classified as an Preferred Supplier, and c) is classified as a Preferred Supplier on the Connect Suppliers Ariba.
Procurement	The process of buying goods, services and works from external Suppliers. The procurement process begins when a need to purchase is identified and will generally end after the contract is awarded.
Procurement Strategy	Procurement strategy refers to a long-term plan to cost-effectively acquire the necessary supplies from a list of efficient suppliers who will deliver quality goods on time.
Procurement Team	means the department within Commercial Services that is responsible for the oversight and management of all Procurement activity at the GoJ.
Purchase card (P-card)	Purchase card - a Government charge card that allows goods and services to be procured by individuals.
Purchase Order	The formal commercial document sent to the supplier detailing the goods and/or services required.
Purchase Requisition	Provides details of the goods or services being purchased. Usually this also includes the Supplier and must include the GOVERNMENT account code that is being charged. All requisitions should be raised and approved prior to receiving goods and/or services. Orders retrospectively raised out of process are subject to the Exemption / Breaches process.
Purchasing	means the organised acquisition of goods, works and services on behalf of the buying entity.
Purchasing Framework	A type of Corporate Contract that comprises a Framework Agreement between the Government and either: a) one, or: b) two or more Approved Suppliers.
Recommendation to Award Report	The Recommendation to Award Report is a document that supports assessment and approval of recommendations arising from the sourcing activity. The document captures key information including: evaluation process, supplier involvement, outcomes and benefits.
Renewal Period	The additional number of months which the Parties have agreed to renew the Agreement for, commencing on the day immediately following the expiration of the Initial Period.
Requisitioner	The Government individual that raises a requisition order.
Revenue Generation	Initiatives that generate ongoing incremental revenue to GoJ
RFI (Request for Information)	A process by which the requestee can collect written information about the capabilities of suppliers in advance of any formal RFP or RFQ process. This helps the requestee understand the potential products and services and the supplier's ability to meet potential or already defined needs.
RFP (Request for Proposal)	A document that is used to solicit a proposal for services or commodities of interest and requires suppliers to submit business proposals. An RFP is often used where technical expertise, specialist insight or where the product or service requested is new.
RFQ (request for Quotation)	A formal process by which a quote is requested from a supplier for specified and clearly defined products and services. This typically requires pricing per item or service. As part of the process, the requestee may provide information around payment terms, quality and standards compliance, and contract length as part of this process.
RFX	an acronym that is used to describe requests for: Information RFI; Quotation RFQ; and Proposal RFP.
Risk Mitigation	Initiatives delivering a tangible and material reduction in risk
Safeguarding	Ensuring measures are taken to protect the health, well-being and human rights of individuals.
Secret	Very sensitive information that justifies heightened protective measures to defend against determined and highly capable threat actors. For example, where compromise could seriously damage international relations or the investigation of serious organised crime.
Self Service	The process whereby the user of a system may enable a process via a technical interface, without the need for face-to-face, written, or verbal communication.
Small Enterprise	<50 staff headcount or <€10m turnover or <€10m balance sheet total.[4]
Social Enterprise	A business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.
Social Value	Considering the wider economic social and environmental benefits of the commitments made by Government and how they will affect the island and its people.

Term	Meaning
Social Value Market Place	The Social Value Marketplace is a mechanism that enables collaboration between public, private and third sectors to collectively improve the social, economic and environmental wellbeing of Jersey and promote the diverse businesses available to provide goods and services on-Island
Social Value Standard	The Social Value Standard has been developed to ensure that the Social Value principles are applied to commercial activity and to ensure commercial activities undertaken are delivering value for money in the widest sense. This document sets out when Social Value applies, key principles and aims, a high-level overview of approach, reporting requirements and governance.
Social Value Toolkit	The Social Value Toolkit provides practical guidance and examples of Social Value outcomes, indicators and questions to support the Standard.
Sourcing Route	The sourcing route is the process by which goods, services and capital projects are secured. This process spans the life-cycle from requirement and service definition through to contracting and implementation There are 4 sourcing routes defined which have increasing levels of governance. The way risks are defined and the spend thresholds may change. The sourcing route activity is governed by the commercial DoA
Spend Threshold	The total value of the contract taking into consideration the term of contract you are looking to award, including extensions.
Staged Payments	Any payment made in respect to a given date stated in a schedule of works.
Statement of Requirements	A document that provides a detailed description of the goods, works or services to be supplied under a Contract.
Supplier	An entity that provides either goods, works and / or services to the Government.
Supplier Code of Conduct	Supplier Code of Conduct summarizes the values set out in the Code as they apply to Suppliers, providing a set of governing principles for ethical behaviour when interacting with the procurement organisation or when acting on its behalf.
Supplier Type	The categorisation that has been applied to each Supplier in the Connect Suppliers Ariba.
Supplier Type - ALO's	Arms Length Organisations - an organisation substantially funded by, or economically dependent on, the States and/or Government which fulfils a role or function the States and/or Government would otherwise perform and is bound by a written agreement that governs the relationship (103)
Supplier Type - Stock Supplier	A supplier that is solely or mainly used for purchasing stock that is later distributed from the stores (102)
Supplier Type -Asset Supplier	A supplier that is used by the asset management team (112)
Supplier Type -Catalogue	A supplier that provides goods or services through a catalogue (105)
Supplier Type -Consultancy	A supplier that provides consultancy services (104)
Supplier Type -Framework Supplier	A supplier listed on a Framework that has been approved through Commercial Services (113)
Supplier Type -GoJ Legal Entity	Would wrap this into Supplier Exemptions above and add to the description (106)
Supplier Type -Good/Services	A Supplier that provides goods / services to the Government and does not apply to any of the following Supplier Types: Stock Supplier, Pcard; Non-Sourceable; Individual, Framework, Consultancy, Catalogue, Asset Supplier
Supplier Type -Grants - Individuals	An individual that receives a grant (114)
Supplier Type -Grants - Organisations	An organisation that receives a grant (107)
Supplier Type -Individual	Used when an individual receives a payment and paid by creating a supplier record
Supplier Type -Non-sourceable	Suppliers that would not follow the traditional Commercial Life Cycle as they are monopoly supplier's such as Jersey Electricity, Jersey Gas or Jersey Water. Alternatively it could be strategic suppliers such as Microsoft and NHS. (111)
Supplier Type -Parishes	Would wrap this into Supplier Exemptions above and add to the description (108)
Supplier Type -Pcard	A supplier that is set up solely so that we can report Pcard spend and only transacted through via Pcard payments (109)
Target Price	A payment arrangement within a Contract where the Government and the Supplier agree a 'target price', and a mechanism for sharing: a) the overspend (if the actual price is greater than the target price); or: b) the underspend (if the actual price is less than the target price).
Third Party Supply	Supply from third parties that are Approved Suppliers such as Crown Commercial Services or "CCS", NHS Supply Chain or "NHSSC" and where the Government may enter into a agreements for goods and/ or services.
Time and Material	A payment arrangement within a Contract whereby the Government pays the Supplier a pre-agreed charge for each hour of labour and unit of material or plant they supply to the Government
Total Contract Value	The total value of the contract taking into consideration the term of contract you are looking to award, including extensions. Exclusive of VAT and GST.
United Nations set of Principles on Competition	Provides a set of equitable rules for the control of anti-competitive practices. Recognizes the development dimension of competition law and policy. Provides a framework for international operation and exchange of best practices
VCSE	Voluntary, Charity and Social Enterprises (VCSEs). Collective term that includes any organisation (incorporated or not) working with a social purpose. This ranges from small community-based groups/schemes, through to larger registered charities and social enterprises, public service mutual and cooperatives that operate locally, regionally and nationally.
Whistleblowing	The raising of a concern about an activity or inactivity within the organisation that regards public interest; 'public interest' relates to the welfare of the general public, not an individual/group. Please note: not all concerns are whistleblowing concerns.
Whole of Life Cost Management	describes an investment appraisal an management tool which assess the total cost of an asset over its whole life, taking account of the initial capital cost, as well as operational, maintenance, repair, upgrade and eventual disposal cost.

Appendix B. Process Flow Diagram



*A procurement strategy and RfA is recommended