



PROCUREMENT POLICY & PROCEDURE

Stronsay Development Trust is a registered charity and has limited resources which it aims to maximise in fulfilling its charitable objects.

Procurement can be defined as the acquisition, (whether under formal contract or otherwise), of goods, services and/or works from third parties

In buying or commissioning goods and/or services, the Trust aspires to implement good practice, operate fairly and transparently, obtain best value for money and procure ethically, taking into account environmental concerns.

Therefore, the key aims of the Trust's procurement policy and process are:

- Value for money
- Payment on time.
- Ethical standards
- Legal aspects - contracts must be in writing and be fair and non-discriminatory
- Environmental impact - suppliers must consider environmental impacts and aim to minimise adverse effects. We will procure Fairtrade or sustainably sourced products when possible but within budget constraints.
- Local – goods and services including food should be procured from local sources when feasible

The scope of procurement ranges from the purchase of routine supplies and services; to formal tendering and placing of contracts; to more complex works contracts for i.e. building and refurbishments. This Policy outlines the principles that the Trust will endeavor to apply to all procurement.

For the purposes of this Policy 'procurement' does not include contracts for the acquisition of land or buildings or for any interest in land

Staff Responsibilities

Ultimate accountability for any procurement decisions rests with the Board and the responsibilities of the staff are as follows.

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In all dealings with suppliers and potential suppliers, Trust staff must preserve the highest standards of honesty, integrity, impartiality and objectivity. In particular all staff are required to:

- ensure that all relevant policies, regulatory and statutory obligations are complied with;
- make all procurement decisions in the best interests of the organization, not the individual;
- seek value for money in all procurement activity;
- be fair, efficient, firm and courteous;
- maintain the highest possible standard of integrity in all business relationships;
- declare any personal interest which may affect or be seen by others to affect impartiality
- respect the confidentiality of information received in the course of duty and ensure that information given in the course of duty is honest and clear; and
- respond promptly, courteously and efficiently to suggestions and enquiries

Stronsay Development Trust Expected procurement value

	Value	Action required
1	1000 and under	Minimum of 1 quote
2	1000 - 5000	Minimum of 2 written quotes (if available)
3	5000 – 10,000	Minimum of 3 written quotes (unless for consultancy and if available)
4	10,000 and above	Formal tender required which is published online and circulated widely

When purchasing supplies or services the above is a guideline and the minimum standard. However even for £1000 and under it is usually worth spending the time to get a second quote in order to establish that best value is being sourced. When procuring consultancy and research a formal tender process should be followed

The Board may agree to waiver the minimum number of quotes required if a specialist item or service is required for which it is not possible to obtain more than 1 quote within a designated amount of time.

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PROCUREMENT PROCEDURES

Process for obtaining quotations (1-3)

1. Specify the product or service
2. Identify potential suppliers
3. Request quotations from a shortlist of potential suppliers
4. Evaluate quotes on the basis of the specification
5. Select supplier based on cost and quality issues

Tender process (4)

1. Agree specification for the service or product and the requirements of the supplier including quality issues
2. Advertise as widely as possible through Trust Members, local networks and contacts and Trust web site, allowing a minimum of 3 weeks for responses
3. Ensure the advertisement gives clear information about how to apply
4. Evaluate responses on the basis of the specification by a panel of at least 2, preferably 3 people
5. Shortlist if necessary
7. Invite shortlisted supplies for interview/presentation where required

For specific products and some services, the purchase can be made on the basis of the quote, however for other services such as consultancy, it is desirable to interview potential suppliers. For some high value products or services, it may be worth considering inviting a shortlist of suppliers to make a presentation.

8. Take up references if appropriate and check that the supplier has Equality and Sustainability policies.
9. Award to supplier issuing appropriate contract checked by legal advisor.

Where there is a genuine and justified reason for bypassing the procedures above this should be referred to the Board of Directors for authorization, who will retain the right to do so at all times.

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