

## **Route 1 Introduction**

This Route provides guidance and templates for procurements that are:

- low value (a total estimated value of under £50k excluding VAT)
- low risk
- non-repetitive.

This Procurement Journey Route should only be used by individuals who are authorised to procure for their Scottish public sector organisation.

You do not need extensive procurement training, however it is assumed that you have an awareness of:

- UK regulations
- applicable local procurement policies, guidelines and governance arrangements.

**If you are unable to estimate the value of a contract that contract will be explicitly made subject to the procurement rules. More information can be found at [What Procurement Route Should I Choose?](#) and [Thresholds](#).**

If your procurement does not meet the above requirements, or you do not have the authority to procure, contact your Procurement Function or Centre of Expertise (COE) .

## **Route 1 Objectives**

The main objectives of this Route are to:

- provide a step-by-step guide to conduct a low value and low risk procurement exercise
- provide a set of guides and templates that can be used to collate and analyse the data required for a Route 1 procurement exercise
- standardise the Scottish public sector procurement process across organisations for low value procurements

- highlight the minimum legal and policy obligations involved at each stage of the process.

## **Considerations Before Proceeding**

Open or close

Before you start your Procurement Journey, please consider the following points:

1. Are the good/services you are buying business critical?
2. Is there a significant risk to your Organisation's reputation or ability to deliver if something went wrong with what you are buying?
3. Is the estimated value of the goods/services that you are buying more than £50,000 (excluding VAT) over the lifetime of the contract? If so, this means that Route 1 cannot be used, as the contract needs to be advertised and formally tendered.

To calculate the estimated value of the contract you should add the spend for the full contract duration, including any contract extensions.

For example, a contract of £10,000 per year (excluding VAT) over three years plus a 1 year £10,000 extension (excluding VAT) is a £40,000 contract i.e.  $3 \times £10,000 + £10,000$ .

**If you are unable to estimate the value of a contract, that contract must be clearly made subject to the [procurement rules](#).**

Please note, requirements must not be 'split' into contracts of lower value, or contracts reduced in duration, to avoid the need to advertise/conduct a full tender exercise.

## **Points for consideration**

1. Are existing contracts already available that you could use e.g. call off from?
2. Does your Organisation have a lower advertising threshold? If so, should you follow the Route 2 process? This information will be held with your Finance Department or Procurement Function
3. Is there a conflict of interest? Do you or someone in your Organisation stand to benefit from the outcome of the procurement? For example: benefit

financially? Have friendships with suppliers? Previously worked for suppliers? If so should the buyer and/or evaluating team be changed?

If you have answered 'yes' to any of the above questions please contact your local Procurement Function or Centre of Expertise (CoE) before proceeding.

## **Audit Requirements**

Open or close

You should keep a file for your Route 1 procurement documents, in case of future audit.

You should make sure you are familiar with:

- your Organisation's document retention policy
- any guidance which may impact on the project before starting.

Please note that purchases of goods and services may routinely be the subject of [Freedom of Information \(Fol\)](#) requests.

## **Quote Distribution, Procurement Documents and Contract Award**

Open or close

### **Quote Distribution**

Your quote should be sent to the suppliers you want to participate in your quote. This can be done using the Quick Quote functionality in Public Contracts Scotland (PCS) or by other means e.g. in writing via email or by post.

PCS is recommended as:

- you can search through a register of suppliers to select those you want to bid;
- questions and answers can be provided through this system;
- this will provide an audit trail for your quote.

## **Procurement Documents**

Your quote should include all of the documents a potential bidder would need to decide whether to bid or not e.g. your specification, and all the documentation required to be able to respond to your request for a bid e.g. a pricing spreadsheet that the bidder needs to complete.

Prepare Documents provides a checklist of documents that should be included in your quote as a minimum.

If using Quick Quote in PCS for your quote please note that the following file size restrictions apply for uploading documents:

- 10Mb per document with a maximum of 40Mb for the Buyer
- 10Mb per document with a maximum of 30Mb for the Supplier.

## **Contract Award**

Once you have completed all stages of your procurement you must seek approval on who to award your contract to. This approval process must follow your Organisation's governance requirements.

Once approval has been received you should notify the successful and unsuccessful suppliers of the outcome in writing. More information, including letter templates, can be found in the [Contract Award](#) station.

Quickfire Guide

Quickfire Guide

## **Do you have what you need?**

Before carrying on, please check you have everything you need:

- Budgetary sign off and sponsorship;
- Individuals with relevant experience to evaluate responses and write the brief;
- Timescale plan.

# **You are now ready to begin Route 1 of the Procurement Journey.**

**Please ensure this guidance is used in conjunction with the internal governance, policies and procedures for your Organisation.**