

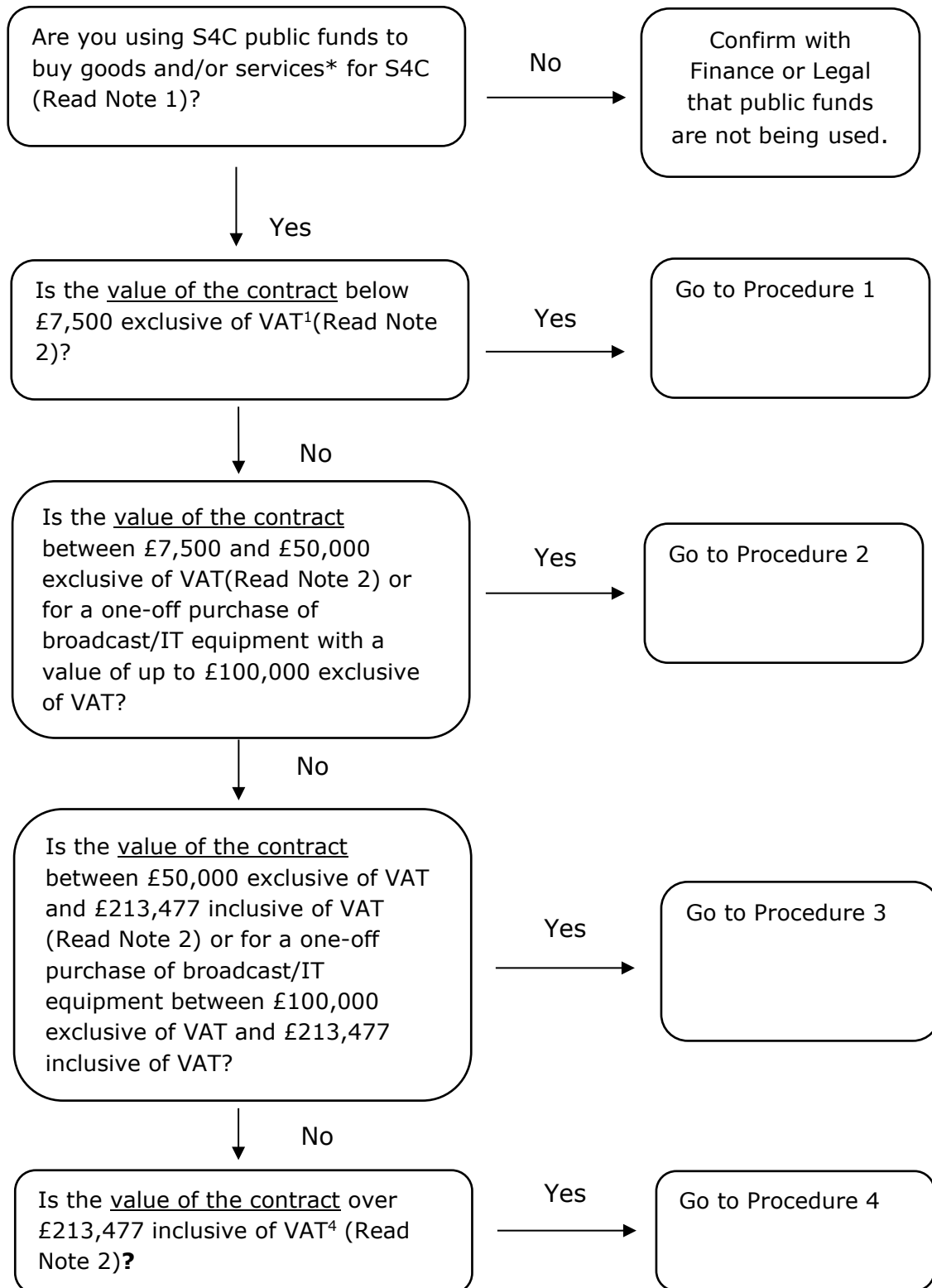


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**Purchasing procedures for goods and services excluding programme material**  
**Flowcharts, procedures and notes**

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## Purchasing flowchart



<sup>1</sup>Excluding the acquisition, development, production or co-production of programme material intended for television broadcast or an on-demand audiovisual media service. These procedures do not deal with the procurement of public works contracts.

## **NOTE 1 – PUBLIC FUNDS AND CONTRACT SIGNATURE**

As a publicly funded body, S4C must ensure that any contract for the procurement of goods<sup>1</sup> or services made by or on behalf of S4C is concluded in accordance with the purchasing procedures set out in this document. Contracts for the acquisition, development, production or co-production of programme material intended for television broadcast or an on-demand audiovisual media service are excluded from these procedures.

The main purpose of the purchasing procedures is twofold:

- to ensure that S4C obtains best value in its expenditure of public money; and
- to comply with the values and general principles of procurement as required by the Public Contracts Regulations 2015 (PCR 2015) and the best practices noted in Welsh Procurement Policy Notices (WPPN) 07/21 and 02/22.

Where the value of the contract exceeds £50,000 excluding VAT over the term, the contract must be signed by:

- (a) the staff member who negotiated or made the decision to award the contract; and
- (b) either a member of the Management Team or the Chief Technical Officer (CTO)

The Management Team Member or CTO should be independent, i.e. someone who was not responsible for negotiating or making the decision to award the contract.

Prior to signing the contract, the independent Management Team Member or CTO must be reasonably satisfied that:

- the correct procurement procedure has been followed;
- the requirements of the applicable procedure have been met;
- if any derogations have been used, they have been authorised by the CEO or other authorised signatory (in accordance with the policy) in writing using the Limited Tender/Quote Authority Form (Annex 2);
- S4C will obtain best value, particularly (in cases where the successful bid is not the lowest in price) that the grounds for appointing the successful bidder are reasonable and appropriate; and
- there are no other circumstances known to S4C (or ought reasonably be known to S4C) why it would be inappropriate to appoint the bidder in question (e.g. conflict of interest).

If the independent Management Team Member or CTO is reasonably satisfied that this is the case, this should be recorded in writing using the Tender Award Form (Annex 3).

All other contracts should be signed in accordance with the S4C signatory schedule (available from the Finance Team).

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<sup>1</sup> All references in these procedures to contracts for goods shall be deemed a reference to "public supply contracts" as defined in the Public Contracts Regulations 2015.

## **NOTE 2 –CONTRACT VALUATION**

In assessing the value of contracts for goods and services, value should be calculated based on the needs of S4C and in accordance with the following guidelines.

### **Contracts for Goods and Services**

The calculation of the estimated value of a procurement shall be based on the total amount payable, including any form of option and renewals as explicitly set out in the procurement documents. Where the contract provides for prizes or payments to candidates or tenderers, these shall be taken into account when calculating the estimated value of the procurement. The estimated value shall be calculated as at the moment at which the call for competition is sent or, in cases where a call for competition is not foreseen, at the moment at which S4C commences the procurement procedure.

#### Aggregation

If S4C enters into a series of contracts for the same or similar goods or services or a renewable contract, you must estimate the value of the contract based on the following:

- (a) For similar types of services or goods purchased over the course of a year through separate contracts – calculate the aggregate value of the goods and/or services purchased over the previous 12 months or the estimated value for the 12 months following the initial contract.
- (b) Where a single requirement for supplies or goods is met through multiple contracts – calculate the combined value of the contracts.
- (c) Where a single work is procured through multiple contracts – calculate the combined value of the contracts.

#### Prohibition on contract splitting

Contract splitting in order to bring the contract within a lower threshold or otherwise valuing a contract in such a way as to avoid the procurement rules is not permitted. E.g. splitting a contract for goods that consist of three elements into three separate contracts is not permitted unless it can be objectively justified, and the reasons must not include trying to avoid the application of the procurement rules.

### **Contract for Goods only**

Estimate the value of the contract by taking into account the total value of the goods purchased, stating clearly whether it is inclusive or exclusive of VAT. The value must take into account money or money's worth paid for the goods.

In the case of public supply or service contracts which are regular in nature or which are intended to be renewed within a given period, the calculation of the estimated contract value shall be based on either of the following:—

- the total actual value of the successive contracts of the same type awarded during the preceding 12 months or financial year adjusted, where possible, to take account of the changes in quantity or value which would occur in the course of the 12 months following the initial contract;

- the total estimated value of the successive contracts awarded during the 12 months following the first delivery, or during the financial year where that is longer than 12 months.

### **Contract for Services only**

#### Contract Value

A contract for services should be calculated as equalling the **total consideration** payable for the services during **the full term of the contract** including any lump sum payment, commission, fees, premiums, interest or other remuneration.

Therefore, if a two year contract for services requires the payment of £30,000 per annum, the value of the contract is £60,000.

#### Estimates

If it is not possible to clearly state the value of the contract due to complex pricing mechanisms, an estimated value must be calculated. The estimated value is to be calculated as follows:

- in the case of fixed-term contracts where that term is less than or equal to 48 months, the total value for their full term;
- for contracts of an indefinite duration, you must calculate the estimated monthly payments multiplied by 48.

#### Options to extend

If the contract has an option to extend, it must be valued on the basis that the option is exercised.

#### Mixed contracts

Where a contract comprises both goods and services and is a contract to be tendered in accordance with the PCR 2015, it will need to be classified as either a contract for "Supplies" or a "Services" contract. The contract will be classified depending on the component with the highest value. Where a contract comprises a combination of construction works and goods and/or services, the contract will be classified in line with the dominant purpose of the contract, not the highest value. Particular care will need to be taken where construction works are involved because the financial thresholds at which works contracts have to be advertised is different to the financial threshold for "Supplies" and "Services" contracts. This policy does not address the award of works contracts, about which contact the Legal Team.

### **NOTE 3 - LOTTING STRATEGY**

In relation to each contract with a value greater than the relevant PCR 2015 Threshold value, S4C **must consider whether it is appropriate** to break the contract up into "lots" (or smaller parts) to enable SMEs to have a chance of winning one or more of those parts. This doesn't affect the contract valuation rules above - if the value of the overall contract is above the relevant threshold, the contract still has to be advertised in the e-notification service called "Find a Tender Service" (FTS). However, where a contract is to be split into lots, the advert will make it clear how the contract is to be split, the value of each lot and the evaluation criteria for each lot. It may often be inappropriate to try and split a contract up into smaller lots. If a contract is not going to be split, the main reasons for not splitting it must be set out in the procurement documents or in a report on the tender process that must be drawn up by S4C. Reasons that might make it appropriate not to divide a contract into lots include: (i) the splitting could have the effect of restricting competition; (ii) the splitting could risk rendering the execution of the contract excessively technically difficult or



expensive; or (iii) that the need to coordinate different contractors for the lots could seriously risk undermining the proper performance of the contract.



## **Procedure 1 – Contracts under £7,500 excluding VAT**

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In order to purchase goods/services under £7,500 excluding VAT in accordance with the S4C Purchasing Procedures you must:

1. Ensure best use of public funds and best value for S4C by researching the market for the goods/services.
2. Complete the Tender Award Form (Annex 3) and keep a record of the research undertaken and retain the record for a period of 3 years.
3. Confirm the order with the supplier using the S4C purchase to pay system Idocuments. The supplier must quote the order number on the purchase invoice. Failure to do so may result in the payment for the goods or services not being made or delayed. For further information relating to Idocuments please contact the Finance unit.

## **Procedure 2 – Contracts between £7,500 and £50,000 (excl. VAT) or for broadcast/IT equipment up to £100,000 (excl. VAT)**

In order to purchase goods/services with a contract value of between £7,500 and £50,000 excluding VAT or to make a one off purchase of broadcast/IT equipment with a value of up to £100,000 excluding VAT in accordance with the S4C Purchasing Procedure you must:

1. Ensure best use of public funds and best value for S4C by researching the market for the goods/services being procured/contracted.
2. Request quotes from three different reputable suppliers of the goods/services. If you are purchasing goods or services where you will need to compare a number of elements between suppliers, apply evaluation criteria and hold interviews it is possible that it will be more appropriate to hold a tender process or to send out a more formal "Request for Quotation" document, please discuss with the Legal Team and see Procedure 3. In the event that less than three suppliers respond, the budget holder will need to make a decision on a case by case basis as to whether or not to request a quote from an alternative supplier or suppliers. The guiding question must be whether or not S4C can be reasonably satisfied and demonstrate that it is obtaining best value. Factors such as limited time or scarcity of reputable suppliers will also, however, be relevant. A written record of the decision and its underlying reasoning shall be made using the Tender Award Form (Annex 3).
3. Maintain a written record of all quotes in the central electronic repository (please ask the Legal Team for details) to present to the auditors on request for whichever period is the longer (a) 3 years **or** (b) the duration of the contract.
4. Confirm the order with the supplier using the S4C purchase to pay system Idocuments. The purchase order will not be issued to the supplier until it has been approved by the budget holder within the Idocuments system. The supplier must quote the order number on the purchase invoice. Failure to do so may result in the payment for the goods or services not being made or delayed. For further information relating to Idocuments please contact the Finance Team.
5. If expenditure is incurred on goods which are not replaced or consumed on an annual basis and the likely period of beneficial use of the item exceeds 12 months, inform the Finance Team of expenditure in accordance with the Capital Expenditure guidelines.
6. If goods described in 5 above are purchased, ensure that the goods are added to the relevant register of assets.
7. Any deviation from the above may only be made in exceptional circumstances and following signature of the Limited Tender/Quote Authority Form (Annex 2) by the Chief Executive<sup>3</sup>. In order to demonstrate exceptional circumstances you must be able to demonstrate one or more of the following:

EC1. Following research of the market there is evidence that only one or a small number of providers are able to deliver the required goods/services and that the procurement principles are fully observed.

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<sup>3</sup> Or Authorised Deputy or, where the Chief Executive is the contract lead, a non-executive member of the S4C Unitary Board excluding any member of the Audit Committee



EC2. The specialist attention of a sole supplier of the goods/services is needed to extend, repair or refurbish proprietary or specialist equipment.

EC3. The open process has already been used in connection with this purchasing exercise but no acceptable tenders were submitted.

EC4. Extreme urgency brought about by unforeseen events requires the goods/services to be purchased at short notice and there is no time to tender the contract openly. The urgency cannot be caused by lack of planning on the part of S4C's officers.

EC5. Additional unforeseen services are required to be undertaken by a current contractor in order to complete a contract already awarded. There are further limitations/restrictions that may apply to the award of additional services – please discuss with a member of the Legal Team.

You should ensure that the reasons for not following the open tender process (in this paragraph 7) are recorded in writing using the form attached at Annex 2 and cross referenced to the exceptional circumstances listed above using the relevant EC number.

Copies of all Limited Tender/Quote Authority forms must be kept in the central electronic repository (please ask the Legal Team for details) and submitted to the Audit Committee twice a year (for the Audit Committee's May and November meetings or as otherwise directed by the Audit Committee).

8. If a contract with a value of £30,000 excluding VAT or more is advertised in some way (i.e. if the opportunity is put in the public domain or brought to the attention of prospective suppliers generally or to any class of suppliers which is open-ended) that contract must also be advertised on Sell2Wales, which will also ensure publication on the UK Government's "Contracts Finder" resource in accordance with the legal requirements. In this context, specifically selecting a number of suppliers to bid for a contract does not amount to advertising that contract. If a contract has to be advertised on Sell2Wales, by virtue of this paragraph 8, it must be posted within 24 hours of the time when the contract award opportunity was first advertised in another way.
9. The information that must be published on Sell2Wales shall include at least the following:
  - a. The time by which any interested economic operator must respond if it wishes to be considered;
  - b. How and to whom such an economic operator is to respond; and
  - c. Any other requirements for participating in the procurement.

Where an opportunity has been made available only to a number of particular economic operators selected for that purpose, then the contract will not need to be advertised on Sell2Wales.

10. If the value of the contract is £30,000 including VAT or more, pre-qualification questionnaires cannot be used. However, suitability assessment questions can be asked, provided each question is:
  - a. Relevant to the subject matter of the procurement; and
  - b. Proportionate.

## **Procedure 3 - Contracts between £50,000 (excl. VAT) and £213,477 (inc. VAT) or for broadcast/IT equipment between £100,000 (excl. VAT) and £213,477 (inc. VAT)**

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Contracts for goods and/or services with a value between £50,000 (excl. VAT) and £213,477 (inc. VAT) and contracts for one-off purchases of broadcast/IT equipment over £100,000 (excl. VAT) and less than £213,477 (inc. VAT) must be tendered competitively at least every three years. Your Director's approval is required prior to the publication of any tender. A Tender Notification Template can be found at **Annex 1**.

In addition to securing best value for S4C, following such tendering processes will help demonstrate that S4C is in compliance with the principles of transparency, equal treatment and proportionality. Those principles apply to S4C procurements that may be of interest to providers (even if the financial value is below the PCR 2015 threshold).

In that context, one off purchases of broadcast/IT equipment with a value of up to £100,000 are to be dealt with pursuant to Procedure 2 provided you are confident that such action would be consistent with the above mentioned principles. Please record the reasons for your conclusion, which may include consideration of issues such as the value of the contract and the nature of the market for the goods. If you think there may be cross border interest in the contract, follow the guidance in this Procedure 3.

Each tender process set out below will involve the drafting of an invitation to tender document (**ITT**).

The Legal Team can advise on best practice in the conduct and planning of tender processes. The Legal Team also has template documents that can be used. The ITT sets out the details of the contract, key requirements of S4C and the criteria that will be used by S4C to evaluate each tender.

If you estimate that the contract value will be over £100,000 excluding VAT you should discuss with the Legal Team the benefits of running the tender in accordance with Procedure 4.

To determine which tender process will ensure best value for money for S4C, you must determine which of the following tendering mechanisms is most suitable:

### **3.1 Open Tender Process (*See Flowchart 3.1*)**

This process involves an open advertisement to the market and requires any and all parties interested in providing the goods/services to S4C to respond to the advertisement by submitting a full tender.

If the market for the goods/services includes a number of providers, this process could result in a high number of tenders. Each tender received will need to be evaluated fairly and equally.

Whilst there is a potential administrative burden of having to review a large number of tenders when using this process, the PCR 2015 (aimed at making public contracts more accessible to SMEs) have prohibited the use of pre-qualification stages in procurements valued at less than £213,477 inclusive of VAT.

Prospective suppliers can still be asked suitability assessment questions (see below) if they are: (i) relevant to the subject matter of the contract and (ii) proportionate.

Supplier suitability questions are questions required for assessing whether a prospective supplier meets S4C's requirements or minimum standards of suitability, capability, legal status or financial standing.

If supplier suitability questions are appropriate, they should be drawn up in consultation with the Legal Team who will ensure that they comply with the Cabinet Offices' standard requirements.

### **3.2 and 3.3 Invited and Single Tender Process (See *Flowcharts 3.2 and 3.3*)**

Single tenders or invited tenders should be considered as an exception to the normal procedures and must only be used in exceptional circumstances. When conducting a limited tender, you should identify at least three potential tenderers<sup>4</sup>.

The Chief Executive's<sup>5</sup> consent must be obtained in writing (e-mail is acceptable) if you intend to use process 3.2 or 3.3. A standard form "Limited Tender/Quote Authority" is set out at Annex 2.

In order to demonstrate exceptional circumstances you must be able to demonstrate one or more of the following:

EC1. Following research of the market there is evidence that only one or a small number of providers are able to deliver the required goods/services and that the procurement principles are fully observed.

EC2. The specialist attention of a sole supplier of the goods/services is needed to extend, repair or refurbish proprietary or specialist equipment.

EC3. The open process has already been used in connection with this purchasing exercise but no acceptable tenders were submitted.

EC4. Extreme urgency brought about by unforeseen events requires the goods/services to be purchased at short notice and there is no time to tender the contract openly. The urgency cannot be caused by lack of planning on the part of S4C's officers.

EC5. Additional unforeseen services are required to be undertaken by a current contractor in order to complete a contract already awarded. There are further limitations/restrictions that may apply to the award of additional services – please discuss with a member of the Legal Team.

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<sup>4</sup> In the event that less than three suppliers respond, the budget holder will need to make a decision on a case by case basis as to whether or not to request a quote from an alternative supplier or suppliers. The guiding question must be whether or not S4C can be reasonably satisfied and demonstrate that, in all the circumstances, it is obtaining best value. Factors such as limited time or scarcity of reputable suppliers will also, however, be relevant. A written record of the decision and its underlying reasoning shall be made.

<sup>5</sup> Or Authorised Deputy or, where the Chief Executive is the contract lead, a non-executive member of the S4C Unitary Board excluding any member of the Audit Committee

You should ensure that the reasons for not following the open tender process (in paragraph 3.1 above) are recorded in writing using the form attached at Annex 2 and cross referenced to the exceptional circumstances listed above using the relevant EC number.

Copies of all Limited Tender/Quote Authority forms must be kept in the central electronic repository (please ask the Legal Team for details) and submitted to the Audit Committee twice a year (for the Audit Committee's May and November meetings or as otherwise directed by the Audit Committee).

This process involves inviting one or more suppliers to provide a quote for the goods/services.

A standard form ITT and scoring matrix can be obtained from the Legal Team.

If a contract with a value of £25,000 (excl. VAT) or more is advertised in some way (i.e. if the opportunity is put in the public domain or brought to the attention of prospective suppliers generally or to any class of suppliers which is open-ended) that contract must also be advertised on Sell2Wales, which will also ensure publication on the UK Government's "Contracts Finder" resource in accordance with the legal requirements. In this context, specifically selecting a number of suppliers to bid for a contract does not amount to advertising that contract.

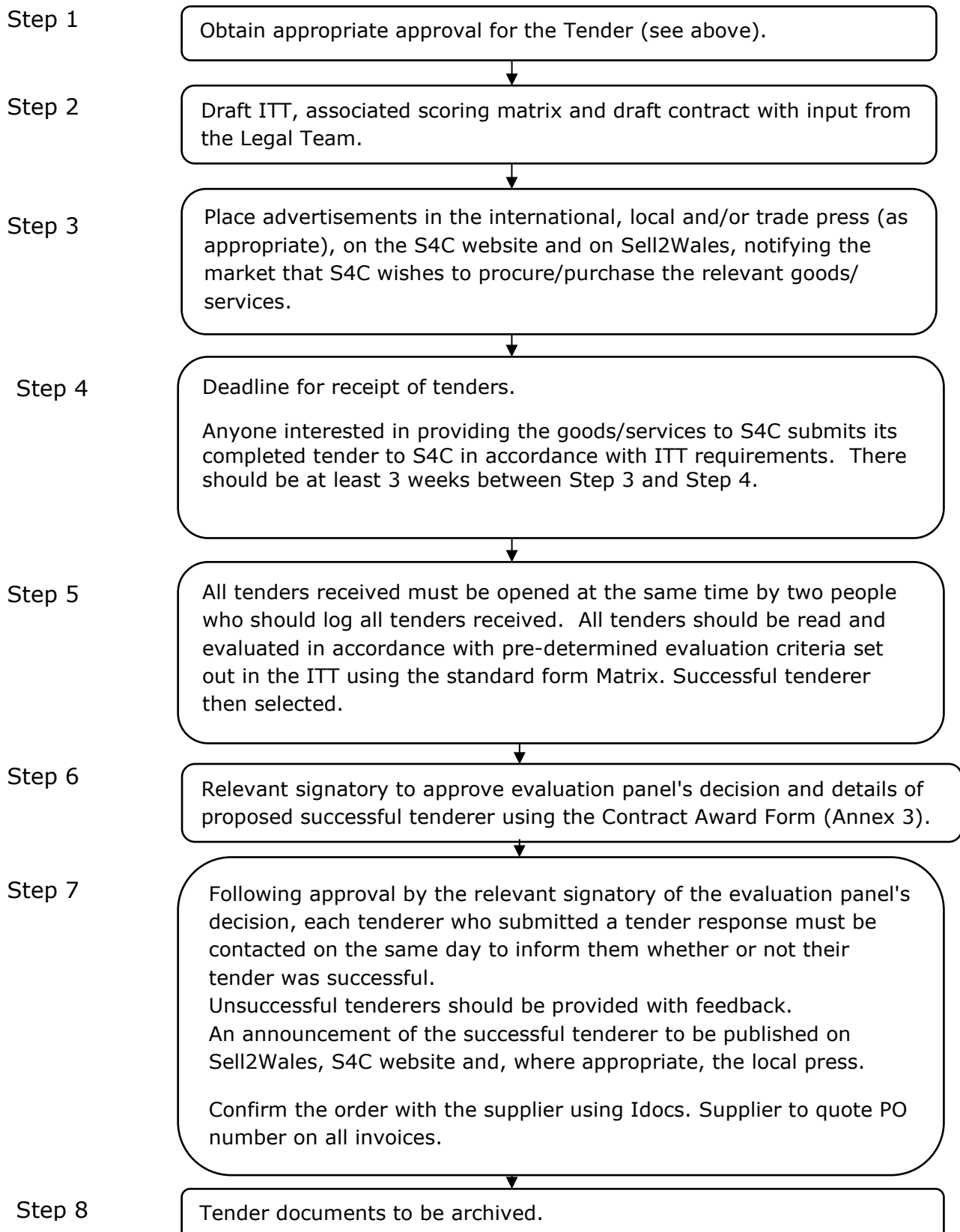
If a contract has to be advertised on Sell2Wales it must be posted within 24 hours of the time when it was first advertised in another way.

The information that must be published on Sell2Wales must include at least the following:

- The time by which any interested economic operator must respond if it wishes to be considered;
- How and to whom such an economic operator is to respond; and
- Any other requirements for participating in the procurement.

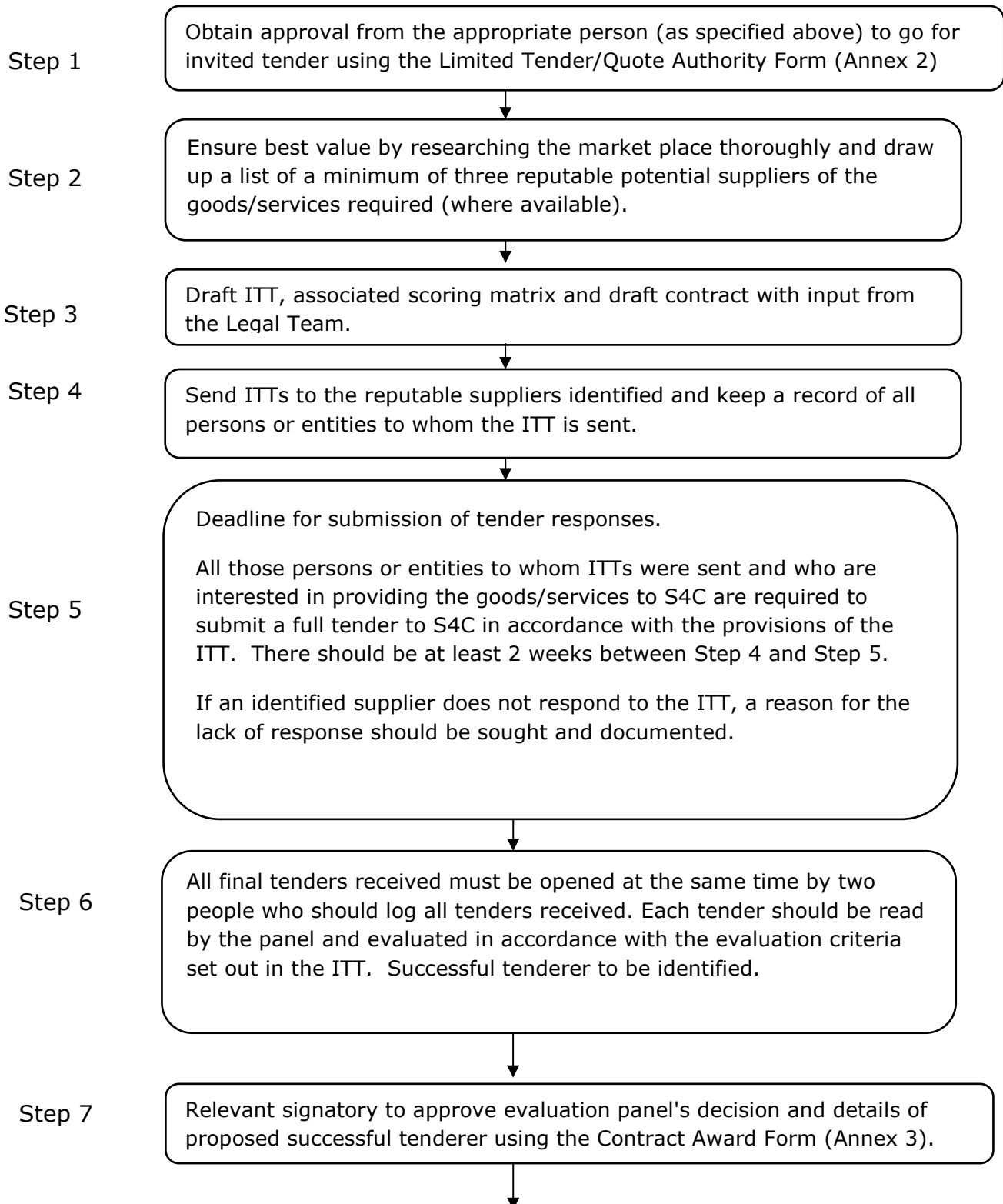
### 3.1

## One stage open tender process



### 3.2 Invited Tender Process

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Step 8

Following approval by the relevant signatory of the decision, each tenderer who submitted a tender response must be contacted on the same day to inform them whether or not their tender was successful.

Unsuccessful tenderers to be provided with feedback.

An announcement of the successful tenderer to be published on S4C website and, where appropriate, the local press.

Confirm the order with the supplier using Idocs. Supplier to quote PO number on all invoices.



Step 9

Tender documents to be kept in the central electronic repository (please ask the Legal Team for details).

### 3.3 Single tender process

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#### Step 1

Obtain approval from the relevant person (see above) of single tender process by signature of the Limited Tender/Quote Authority (Annex 2).

Limited Tender/Quote Authority (Annex 2) must set out clearly the justification for using the single tender process having regard to one of the exceptional circumstances listed above prior to incurring any expenditure.

The justification must be set out in writing and include the following:

1. the name of the supplier
2. the nature of the goods/services
3. the exceptional circumstances justifying the single tender (see above justifications.)
4. value of existing contracts or purchases from the supplier

#### Step 2

Send specification of services/goods required to sole supplier and request details of price and contract terms from sole supplier.

#### Step 3

Obtain approval from the signatory **and** the budget holder for the price and contract terms and ensure signature of a contract in writing for the goods/services on the terms agreed. Record approval using the Contract Award Form (Annex 3)

Confirm the order with the supplier using Idocs. Supplier to quote PO number on all invoices.

#### Step 4

All documents to be stored in the central electronic repository (please ask the Legal Team for details).



## **Procedure 4 – Contracts over £213,477 inclusive of VAT**

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A supply/services contract with a value over £213,477 including VAT may be subject to the full application of the Public Contracts Regulations 2015 (the “PCR 2015”).

Prior to commencing a procurement exercise in accordance with the PCR 2015, S4C will need to assess whether and to what extent the PCR 2015 apply to the procurement in question.

Certain procurements will be excluded from the PCR 2015 and others may only require partial compliance with the PCR 2015.

### **Excluded Contracts**

If the procurement is for a contract for the acquisition, development, production or co-production of programme material intended for television broadcast or an on-demand audiovisual media service or for the purchase of broadcasting time the procurement may be excluded from the strict application of the PCR 2015. However S4C’s Procurement Policy Statement provides that S4C will follow the general principles of procurement in its purchase of programming.

Advice should always be sought from the Legal Team as to the interpretation of the above exclusion if there is any uncertainty. Note that the exclusion does not apply to the purchase of technical equipment necessary for the production, co-production and broadcasting of programmes.

### **Light Touch Regime for Certain Services**

The procurement of certain services require compliance with a light touch regime rather than the full PCR 2015.

Services subject to the light touch regime are listed in Schedule 3 to the PCR 2015 and include:

- Legal services (unless otherwise excluded by Regulation 10(1)(d)).
- Education and vocational health services.
- Health and social services.
- Recreational, cultural and sporting services.
- Hotel and restaurant services.

The light touch rules require that any contract for the relevant services that is above the “Light Touch” financial threshold (£663,540) shall be advertised in FTS. Following award, a contract award notice must also be published. The threshold for light touch regime services is inclusive of VAT.

However, the general procurement principles of transparency, equal treatment and proportionality will continue to apply to contracts below the light touch regime threshold.

The relevant signatory’s approval for all tenders must be obtained in writing (e-mail is acceptable) prior to commencement of the tender process.

#### **4.1 PCR 2015 Open Procedure (see Flowchart 4.1)**

An advertisement of S4C's intention to let the contract is placed in the UK's e-notification service, Find a Tender (FTS) (this is known as the Contract Notice). Although Contract Notices can also be published on Sell2Wales, the Contract Notice must be published on FTS first, and any subsequent publication on Sell2Wales cannot provide additional information to that which is published on FTS.

48 hours after despatch of the Contract Notice to FTS, S4C may also advertise the contract in relevant local, national and trade press subject to certain conditions which affect the content of such advertisements.

The Contract Notice will include the invitation to tender document (ITT), evaluation matrix and draft contract.

Anyone interested in the contract is required to submit to S4C a tender for the contract. Deadline for receipt of tenders must be set at a date no sooner than 35 clear days from date of despatch of Contract Notice to FTS.

S4C must evaluate each tender received in accordance with the specific evaluation criteria and weighting set out in the Contract Notice and tender documents.

Following evaluation of all tenders received, S4C must select the successful tender and send out a written notice ("Decision Award Notice") to all tenderers on the same day informing them of the:

- (a) identity of the successful tenderer;
- (b) the criteria for the award of the contract (which must be the criteria identified in the ITT);
- (c) the reasons for the decision, including: (i) the characteristics and relative advantages of the successful tender; and (ii) the scores of the successful tenderer and the recipient; and
- (d) date when the standstill period (see below) is expected to end and any contingencies that might affect such date.

This Decision Award Notice is a very important document, particularly the information that is required pursuant to paragraph (c) above, which will be informed by the evaluation notes taken in the evaluation process. Those notes are also, therefore, very important and should be accurate, concise and linked to the evaluation criteria for the contract (and the tenderer's performance against it).

The contract cannot be concluded by S4C and the successful tenderer until a minimum of 10 days ("standstill period") after despatch of the Decision Award Notices (provided the notices are sent electronically). The deadline should expire on a working day.

After the end of the standstill period and provided there are no objections, S4C may enter into the contract with the successful tenderer.

Within 30 days of entering into the contract with the successful tenderer, S4C must send a Contract Award Notice to FTS. S4C will also submit the same to Sell2Wales within a reasonable time but not before publishing on FTS, which will also ensure that it is published on Contracts Finder.

### Minimum Timescale

The **absolute minimum timescale for completing this process is 45 days** from despatch to FTS of the Contract Notice to signature of the Contract (provided that all documents are made available electronically from the date that the Contract Notice is published in the FTS). However, this minimum timescale does not take into account time involved in drawing up the Contract Notice and evaluating the tenders received. **A more realistic timescale for this process from start to finish is three to five months.**

### 4.2 PCR 2015 Restricted Procedure (see *Flowchart 4.2*)

An advertisement of S4C's intention to let the contract is placed in the FTS (this is known as the Contract Notice). The Contract Notice is submitted to FTS and thereafter published on the Sell2Wales website.

48 hours after despatch of the Contract Notice to FTS, S4C may also advertise the contract in relevant local, national and trade press subject to certain conditions which affect the content of such advertisements.

The Contract Notice and any other advertisement for the contract will require anyone interested in the contract to complete and send to S4C a Selection Questionnaire (SQ) by a specified date. The SQ is drawn up by S4C based on the specific supplier requirements (which must be relevant to the subject matter of the contract and proportionate) and the SQ is made available to potential applicants via FTS and subsequently the S4C and Sell2Wales websites. The Invitation To Tender (ITT), evaluation matrix and draft contract will also need to be made available with the SQ at the same time as the Contract Notice is published.

A deadline for receipt of the completed SQ is set out in the Contract Notice and any other advertisement for the contract. **This deadline can be no sooner than 30 days after date of despatch of the Contract Notice to FTS.** The deadline should expire on a working day.

Once the deadline for receipt of the SQ is passed, all SQs received must be evaluated in accordance with the selection criteria set out in the Contract Notice and advertisements and the guidance detailed in the SQ. S4C's standard SQ (and the guidance in it regarding the selection process and the use of any minimum requirements by S4C) is based upon the Cabinet Office's standard documentation. This must not be deviated from without first discussing the same with a member of the Legal Team – deviations from the Cabinet Office standard may require S4C to submit a report to the Cabinet Office.

After evaluation of the SQs, S4C must select a shortlist of applicants to invite to tender. The Invitation To Tender ("ITT") document will have been made available with the Contract Notice, so the shortlisted candidates should be sent a simple letter inviting them to respond to the ITT and reminding them where the ITT can be downloaded or highlighting any changes or variations that may have been made to the initial draft (generally, any changes must not be material/substantial and should be discussed with a member of the Legal Team in advance).

All those who were unsuccessful at selection stage should be sent a letter informing them that they were not successful and that they will be provided with further feedback once the contract is awarded.

The ITT must set out the evaluation criteria that will be used by S4C in evaluating each tender and the weighting given to each criteria used. It must also set out any scoring methodology to be used by S4C (for example, if a question is to be marked on a 0-5 basis, the methodology S4C will use to award each of the scores).

The **deadline for receipt of tenders must be set at a date no sooner than 35 clear days after despatch of the invites** to the shortlisted applicants, provided that tender

documents are made available to tenderers electronically. The deadline should expire on a working day.

On receipt of the tenders S4C must evaluate all tenders received in accordance with the evaluation criteria and weighting set out in the ITT and select the successful tenderer.

S4C must send out a notice ("Decision Award Notice") to all those who submitted an SQ on the same day informing them of the successful tender.

The Decision Award Notice must include:

- i. Name of winning tenderer
- ii. Score of winning tenderer
- iii. Score of recipient of notice
- iv. Criteria for the award of the contract (which must be the criteria identified in the ITT)
- v. Reasons for the decision, including the characteristics and relative advantages of the successful tender
- vi. Expected standstill end date and reasons why it might change or, alternatively, the date before which the contract will not be awarded.

The Decision Award Notice is an important document, particularly the information that is required pursuant to paragraph (v) above, which will be informed by the evaluation notes taken in the evaluation process. Those notes are also, therefore, very important and should be accurate, concise and linked to the evaluation criteria for the contract (and the tenderer's performance against it).

The contract cannot be concluded by S4C and the successful tenderer until a minimum of 10 days ("standstill period") after despatch of the Decision Award Notices (provided that the notices are sent electronically). The deadline should expire on a working day.

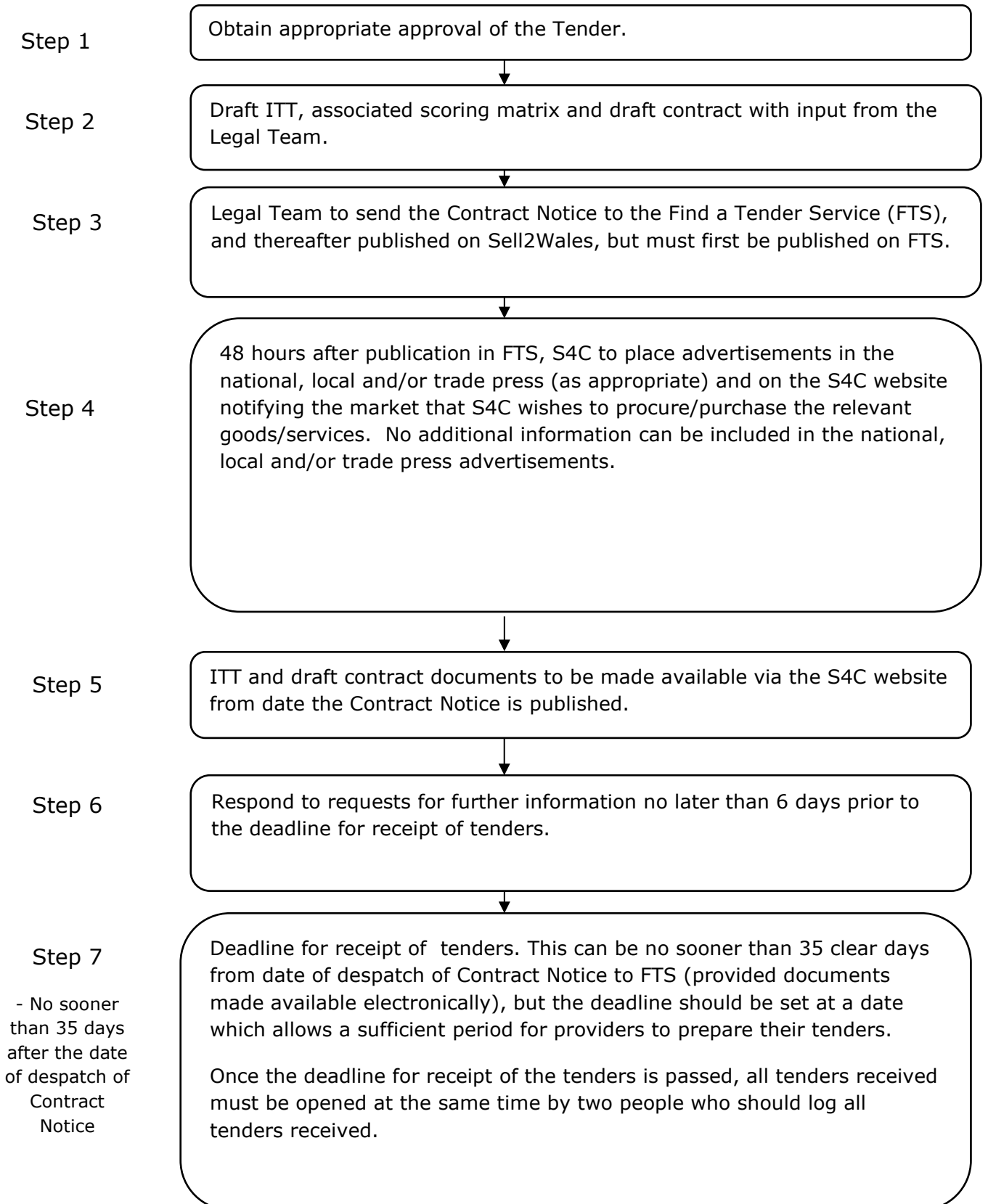
After the end of the standstill period and provided there are no objections, S4C may enter into the contract with the successful tenderer.

Within 30 days of entering into the contract with the successful tenderer, S4C must send a Contract Award Notice to FTS. S4C will also submit the Contract Award Notice to Sell2Wales, which will also ensure that it is published on Contracts Finder.

### **Minimum Timescale**

The **absolute minimum timescale for completing this process is 72 days** from despatch to FTS of the Contract Notice to signature of the Contract (provided that all documents are made available electronically from the date that the Contract Notice is published in the FTS). However, this minimum timescale does not take into account time involved in drawing up the Contract Notice, SQ, ITT, evaluating the application forms and the tenders received. **A more realistic timescale for this process from start to finish is four to six months.**

## 4.1 PCR 2015 open procedure



## Step 8

After evaluating all tenders received, S4C must decide on the successful tenderer on the basis of the criteria set out in the Contract Notice and the ITT.

A record must be kept in the central electronic repository (please ask the Legal Team) of:

1. Each tender received
2. Evaluation criteria applied (as per those set out in Contract Notice)
3. Total marks awarded to each evaluation criteria for each tender
4. Reason for selecting successful tenderer – this will be the tenderer who has gained the most marks in the evaluation process
5. The other information required to be kept in accordance with the S4C Standard Tender Report template

## Step 9

Relevant signatories to approve evaluation panel's decision and details of proposed successful tenderer using the Tender Award Form (Annex 3).

## Step 10

Following approval by the relevant signatory of the evaluation panel's decision, each tenderer must be contacted on the same day to inform them:

1. Whether or not their tender was successful;
2. Reasons for the decision, including the characteristics and relative advantages of the successful tender;
3. The score that they achieved in the evaluation process;
4. The identity of the successful tenderer;
5. The score given to the successful tenderer; and
6. Expected standstill end date and reasons why it might change or, alternatively, the date before which the contract will not be awarded.

This notice is known as the Decision Award Notice.

## Step 11

- No sooner than 10 days after despatch of the Contract Award Notice

Contract is signed. This can be no sooner than 10 days after despatch of the Decision Award Notice provided Decision Award Notice sent electronically.

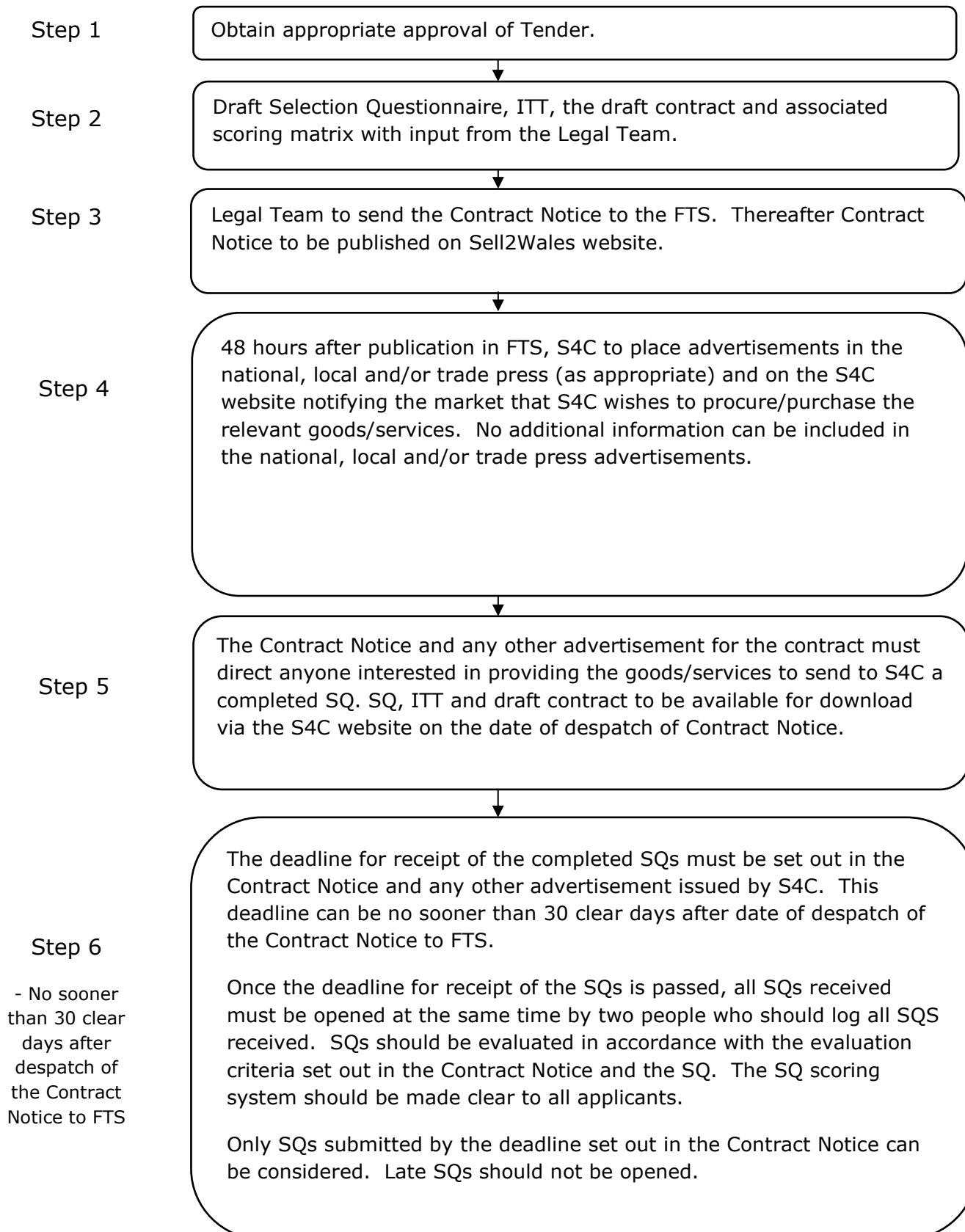
Confirm the order with the supplier using Idocs. Supplier to quote PO number on all invoices.

## Step 12

Send Contract Award Notice to FTS within 30 days of signature of Contract. Also submit the same to Sell2Wales within a reasonable time.

## 4.2

### PCR 2015 restricted procedure



Step 7

After evaluation of the SQs, S4C must draw up a shortlist of applicants (minimum of 5, provided the number of suitable applicants permit) who will be invited to tender based on the best responses to the SQs.

S4C must then provide a letter to all shortlisted applicants to invite them to provide a full tender response to the ITT which is available online and identify any changes to the draft ITT previously made available (if applicable).

The ITT must set out the criteria that will be used to evaluate the tenders and the weighting given to each evaluation criteria.

Applicants not invited to submit an ITT should be notified that they have been unsuccessful and the reasons why they were unsuccessful at SQ stage.

Step 8

- No sooner than 30 clear days after despatch of the ITT to applicants

The deadline for receipt of tenders must be set out in the ITT. The deadline cannot be sooner than 30 days after despatch of the letter of invitation, provided that documentation was available electronically.

All tenders received must be opened at the same time by two people who should log all tenders received. Each tender must be read and evaluated in accordance with evaluation criteria and weighting set out in the ITT.

Step 9

After evaluating all tenders received, S4C must decide on the successful tenderer on the basis of the criteria and weighting set out in the ITT.

A record must kept in the central electronic repository (please ask the Legal Team) of:

1. Each tender received
2. Evaluation criteria applied (as per those set out in ITT)
3. Total marks awarded to each evaluation criteria for each tender
4. Reason for selecting successful tenderer – this will be the tenderer who has gained the most marks in the evaluation process
5. The other information required to be kept in accordance with the S4C Standard Tender Report template

Step 10

The relevant signatories to approve evaluation panel's decision, to be recorded using the Tender Award Form (Annex 3).



## Step 11

Each of those who submitted an SQ but were unsuccessful must be contacted to inform them:

1. The reason why they were unsuccessful;
2. Reasons for the decision, including the characteristics and relative advantages of the successful tender;
3. The score that they achieved in the evaluation process;
4. The identity of the successful tenderer;
5. The score given to the successful tenderer; and
6. Expected standstill end date and reasons why it might change or, alternatively, the date before which the contract will not be awarded.

This notice is known as the Decision Award Notice.

## Step 12

- No sooner than 10 days after despatch of the Decision Award Notice

Contract is signed. This can be no sooner than 10 days after despatch of the Decision Award Notice provided Decision Award Notice sent electronically.

Confirm the order with the supplier using Idocs. Supplier to quote PO number on all invoices.

## Step 13

Send Contract Award Notice to FTS within 30 days of signature of Contract.



## Annex 1

### Ffurflen Hysbysu Tendir [Dyddiad drafftio/Date of drafting] Tender Notification Form

Manylion Details	
Adran / Department	
Arweinydd y tendr/Tender Lead	
Teitl y Tendir Tender Title	
Disgrifiad/Sgôp y gwaith Description/Work scope	
Oes angen cyhoeddi ar wasanaeth <i>Find a Tender</i> ? Is it necessary to publish on the <i>Find a Tender</i> service? Process	Oes/Nac oes Yes/No
Dyddiad/Cyfnod y cytundeb Date/Term of contract	
Dyddiad cyhoeddi'r gwahoddiad i dendr Publication date of ITT	
Cyllideb Budget	
Ffurflen i'w gymeradwyo erbyn Approval form required by	
Dyddiad arfaethedig cyhoeddi'r tendrwr llwyddiannus Target date of announcement of successful tenderer	

Llofnod awdurdodedig/Authorised signatory
Dyddiad Date

## Annex 2

**Awdurdod Tendir/Cais am Bris Cyfyngedig**  
*(I'w ddefnyddio mewn amgylchiadau eithriadol yn unig)*  
**Limited Tender/Quote Authority**  
*(To be used in exceptional circumstances only)*

<b>Manylion Details</b>	
<b>Adran/Arweinydd Tendir</b> <b>Department/Tender Lead</b>	
<b>Teitl y Ddarpariaeth</b> <b>Title of provision</b>	
<b>Cwmni</b> <b>Company</b>	
<b>Cyfiawnhad dros dendr cyfyngedig/cais am bris unigol – rhaid nodi'r rhif EC perthnasol ac esbonio pam mae'n berthnasol</b> <b>Justification for limited tender/ single quote –the relevant EC number must be noted along with an explanation as to why it's relevant</b>	
<b>Y gwasanaeth</b> <b>Service</b>	
<b>Cyfnod y Cytundeb</b> <b>Term of Contract</b>	
<b>Pris</b> <b>Price</b>	
<b>Amlinelliad/ gwybodaeth ychwanegol</b> <b>Outline/Additional information</b>	

<b>Y Prif Weithredwr (neu Dirprwy Awdurdodedig neu, lle mae'r Prif Weithredwr yn arwain y broses gaffael, aelod anweithredol o Fwrdd Unedol S4C ag eithrio aelod o'r Pwyllgor Archwilio )</b> <b>Chief Executive (or Authorised Deputy or, where the Chief Executive is the contract lead, a non-executive member of the S4C Unitary Board excluding any member of the Audit Committee)</b>
<b>Dyddiad Date</b>

### Annex 3

#### TENDER AWARD FORM

#### TO RECORD DECISIONS MADE UNDER S4C's PROCUREMENT OF GOODS AND SERVICES PROCEDURES

<b><u>Tender Title</u></b>	
<b><u>Services Procured</u></b>	
<b><u>Contract Value</u></b>	
<b><u>Term</u></b>	
<b><u>Procurement Procedure</u></b> <b><u>(insert number of procedure used)</u></b>	<p><b><u>Notes:</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>Procedure 1: under £7.5k excluding VAT, market research;</u></b></li> <li>• <b><u>Procedure 2: £7.5k-£50k excluding VAT- 3 quotes</u></b></li> <li>• <b><u>Procedure 3: £50k excluding VAT-£231,477 including VAT – Open, invited or single tenders</u></b></li> <li>• <b><u>Procedure 4: £231,477 including VAT and above – Open tender</u></b></li> </ul>
<b><u>Name of provider(s) to be appointed</u></b>	

**Please complete the relevant section according to which procurement procedure was used**



**If procedure 1 was used:**

***Describe the research carried out and summarise the reasons for appointing the successful provider(s) (please keep a copy of your research in the tender hub)***

**Signed (budget holder):**

**Name:**

**Title:**

**Date:**

**If procedure 2 was used:**

***Please complete the following (please keep a copy of the invitation to provide a quote and the quotation itself in the tender hub)***

	Name	Sum
Quote 1		
Quote 2		
Quote 3		
Insert reasons if lowest quote not successful		
Any other comments (e.g. use of limited tender/quote authority)		

**Signed (budget holder):**

**Name:**

**Title**

**Date:**



**If procedure 3 was used:**

***Please attach:***

- 1. Marking scheme;***
- 2. Assessment Criteria and Weighting***
- 3. Score sheet for all bidders***

***Please complete the following:***

<b>Assessment panel members</b>	
<b>Nature of tender (open, invited or single)</b>	
<b>If invited or single, has this been authorised in accordance with Procedure 3?</b>	
<b>If the score sheet does not include a narrative explanation of the scores, please summarise here.</b>	

**Signed (budget holder):**

**Name:**

**Title**

**Date:**

Declaration by independent signatory (Management Team member or CTO): I confirm that I am reasonably satisfied that: (i) the correct procurement procedure has been followed; (ii) the requirements of the applicable procedure have been met; (iii) if any derogations have been used, they have been authorised by the CEO or other authorised signatory (in accordance with the policy) in writing using the limited tender/quotation form; (iv) S4C will obtain best value, particularly (in cases where the successful bid is not the lowest in price) that the grounds for appointing the successful bidder are reasonable and appropriate; and (v) there are no other circumstances known to S4C (or ought reasonably be known to S4C) why it would be inappropriate to appoint the bidder in question (e.g. conflict of interest).

**Signed:**

**Name:**

**Title**

**Date:**



**If procedure 4 was used:**

***Please attach:***

- 1. Marking scheme;***
- 2. Assessment Criteria and Weighting***
- 3. Score sheet for all bidders***

***Please complete the following:***

<b>Assessment panel members</b>	
<b>If the score sheet does not include a narrative explanation of the scores, please summarise here.</b>	

**Signed (budget holder):**

**Name:**

**Title**

**Date:**

Declaration by independent signatory (Management Team member or CTO): I confirm that I am reasonably satisfied that: (i) the correct procurement procedure has been followed; (ii) the requirements of the applicable procedure have been met; (iii) if any derogations have been used, they have been authorised by the CEO or other authorised signatory (in accordance with the policy) in writing using the limited tender/quotation form; (iv) S4C will obtain best value, particularly (in cases where the successful bid is not the lowest in price) that the grounds for appointing the successful bidder are reasonable and appropriate; and (v) there are no other circumstances known to S4C (or ought reasonably be known to S4C) why it would be inappropriate to appoint the bidder in question (e.g. conflict of interest).

**Signed:**

**Name:**

**Title**

**Date:**