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**S4C Procurement Policy Statement**

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## **1. Introduction**

- 1.1 The S4C Unitary Board has adopted a Fair Trading Policy to ensure that S4C's dealings with its suppliers and stakeholders are at all times conducted in accordance with relevant legislative and regulatory requirements, and the fair trading principles outlined in that policy.
- 1.2 S4C has a Procurement Strategy which outlines the principles associated with the procurement of goods and services at S4C. The Strategy sets out the role of procurement in supporting the overall corporate aims and objectives and S4C's desire for maintaining and developing effective, co-ordinated and robust procurement procedures.
- 1.3 As a public body the S4C Unitary Board is subject to the provisions of the Public Procurement Regulations (Amendment etc.) (EU Exit) which amended the Public Contracts Regulations 2015 following the UK's exit from the European Union (the 'Regulations'). These Regulations require contracting bodies to comply with regulations relating to the means by which various works, goods and services are procured.
- 1.4 Some exclusions apply to the Regulations, including contracts for the acquisition, development, production or coproduction of programme material by broadcasters or contracts for broadcasting time. The S4C Unitary Board Fair Trading Policy states, however, that the S4C commissioning activities will comply with the principles of the Public Contracts Regulations 2015 of equality, non-discrimination and proportionality.
- 1.5 The S4C Procurement Policy Statement outlines the procurement methods adopted by S4C in delivering its Strategy.

## **2. Key Aims**

- 2.1 The core elements of the S4C Procurement Policy Statement are designed to ensure that:
  - 2.1.1 S4C maintains its key aim of promoting excellence;
  - 2.1.2 S4C obtains services and supplies that represent best value thereby ensuring the most efficient use of public money;
  - 2.1.3 S4C operates best practice, minimising administrative burden;
  - 2.1.4 S4C promotes diversity and avoids waste; and
  - 2.1.5 S4C promotes contestability, where appropriate, in order to continuously assess the market place.
- 2.2 Procurement methods have been devised and developed in order to ensure best value is delivered by the most appropriate and cost efficient procurement process. The methods available to S4C include electronic procurement arrangements, credit cards and framework agreements.
- 2.3 The procurement methods used by S4C will depend upon the overall value of the contract. However in all instances, S4C's key principles of transparency, accountability, equality, efficiency, effectiveness and professionalism will be applied.

### 3. Procurement Methods Adopted by S4C

- 3.1 As a publicly funded body, S4C must ensure that any contract for the procurement of goods or services made by or on behalf of S4C is concluded in accordance with the procurement procedures set out below.
- 3.2 Contracts for acquisition, development, production or co-production of programme material intended for television broadcast or an on-demand audio-visual media service are excluded from the following procedures.

Threshold	Procurement Procedure
Under £5,000	Ensure best use of public funds and best value for S4C by researching the market for the goods/services. Records must be kept of the research undertaken and retained for a period of 3 years.

Threshold	Procurement Procedure
Between £5,000 and £50,000 or to make one off purchase of broadcast/IT equipment with a value of up to £100,000	<p>Ensure best use of public funds and best value for S4C by researching the market for the goods/services being procured/contracted.</p> <p>Obtain quotes from three different reputable suppliers of the goods/services. When purchasing goods or services where it is necessary 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 send out a more formal "Request for Quotation" document.</p> <p>A written record of all three quotes must be maintained in a readily accessible place to present to the auditors on request for whichever period is the longer (a) 3 years or (b) the duration of the contract.</p> <p>If a contract with a value of £25,000 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 "Contract 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.</p> <p>The Public Contracts Regulations 2015 prohibit the use of pre-qualification questionnaires for contracts exceeding £25,000.</p> <p>In this context, specifically selecting a number of suppliers to bid for a contract does not amount to advertising that contract.</p>

Threshold	Procurement Procedure
Between £50,000 and £213,477 or	To be tendered competitively at least every 3 years. This term may be extended with prior approval. Tenders may be open (advertised), invited or single.

<p>for broadcast/IT equipment between £100,000 and £213,477</p>	<p>Ensure the best value for S4C and follow tendering processes to comply with the principles of transparency, equal treatment and proportionality.</p> <p><u>Open tender</u> 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.</p> <p>Advertisements will be placed in the international, local and/or trade press (as appropriate), on the S4C website <a href="http://www.s4c.cymru">www.s4c.cymru</a> and on Sell2 Wales, notifying the market that S4C wishes to procure/purchase the relevant goods/services.</p> <p>Anyone interested in providing the goods/services submits its completed tender in accordance with the invitation to tender (ITT) requirements.</p> <p>All tenders received must be opened at the same time by two people who should log all tenders received. All tenders should be read and evaluated in accordance with pre-determined evaluation criteria set out in the ITT using the standard form Matrix.</p> <p>Each tender received will be evaluated fairly and equally. Under the 2015 procurement rules, pre-qualification stages cannot be used in procurements valued at less than £213,477.</p> <p>Prospective suppliers can still be asked suitability assessment questions 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.</p> <p>Following the selection of the successful tenderer and appropriate approval, each tenderer who submitted a tender response must be contacted on the same day to inform them whether or not they were successful. Unsuccessful tenderers should be provided feedback. An announcement of the successful tenderer should be published on Sell2Wales, S4C website and, where appropriate, the local press.</p> <p>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, at least three potential tenderers must be identified.</p> <p>The Chief Executive's consent must be obtained in writing if the intention is that either of the following two processes are to be used.</p> <p>Reasons for not following the open tender process must be recorded in writing, including (where appropriate) the reasons for conclusion that the procurement is not likely to be of interest to providers in other European Member States.</p> <p>This process involves inviting one or more suppliers to provide a quote for the</p>
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	<p>goods/services.</p> <p><i>Invited tender</i> Ensure best value by researching the market place thoroughly and draw up a list of a minimum of three reputable potential suppliers of the goods/services required (where available).</p> <p>The ITT, associated scoring matrix and contract will then be drafted before the ITTs are sent to the reputable suppliers identified and a record shall be kept of all persons or entities or entities to whom the ITT is sent.</p> <p>All persons or entities to whom the ITTs were sent and who are interested in providing the goods/services are required to submit a full tender in accordance with the provisions of the ITT.</p> <p>If an identified supplier does not respond to the ITT, a reason for the lack of response should be sought and documented.</p> <p>All final tenders received must be opened at the same time by two people who should log all tenders received. Each tender should be read by the panel and evaluated in accordance with the evaluation criteria set out in the ITT. Successful tenderer is then identified by evaluation panel.</p> <p>Following relevant approval, 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.</p> <p>An announcement of the successful tenderer to be published on S4C website and, where appropriate, the local press.</p> <p><i>Single tender</i> The Chief Executive must approve a single tender process by signing the Limited Tender/Quote Authority Form. The Limited Tender/Quote Authority Form must set out clearly the justification for using the single tender process having regard to one of the exceptional circumstances prior to incurring any expenditure.</p> <p>Specification of services/goods is then sent to the sole supplier and request details of price and contract terms from the sole supplier.</p> <p>Appropriate approval should then be obtained for the price and contract terms and also signature of a contract in writing for the goods/services on the terms agreed must be obtained.</p>
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<b>Threshold</b>	<b>Procurement Procedure</b>
Over £213,477	May be subject to the full application of the Public Contracts Regulations 2015 ("PCR 2015"). Prior to commencing a procurement exercise in accordance with the PCR 2015, S4C will assess whether and to what extent the PCR 2015 provisions apply to the procurement in question.

	<p>Certain procurements will be excluded from the provisions of the PCR 2015 and others may only require partial compliance with the PCR 2015.</p> <p>S4C will use the "Open" or "Restricted" procedures provided for in the PCR 2015.</p> <p><u>PCR 2015 "Open Procedure"</u>  An advertisement of S4C's intention to let the contract is placed in the UK's e-notification service, Find a Tender (FTS), 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.</p> <p>48 hours after despatch of the Contract Notice, S4C may also advertise the contract in relevant local, national and trade press subject to certain conditions which affect the content of such advertisements.</p> <p>The Contract Notice will include the 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.</p> <p>S4C must evaluate each tender received in accordance with the specific evaluation criteria and weighting set out in the Contract Notice and tender documents.</p> <p>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.</p> <p>The contract cannot be concluded by S4C and the successful tenderer until the end of the of the standstill period after despatch of the Decision Award Notices (provided the notices are sent electronically). The deadline should expire on a working day.</p> <p>After the end of the standstill period and provided there are no objections, S4C may enter into the contract with the successful tenderer.</p> <p>Within 48 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 it is published on Contracts Finder. after publishing on FTS.</p> <p>The absolute minimum timescale for completing this process is 45 days from despatch to FTS of the Contract Notice to signature of the Contract. However, a more realistic timescale for this process from start to finish is three to five months.</p> <p><u>PCR 2015 "Restricted Procedure"</u>  An advertisement of S4C's intention to let the contract is placed in the FTS known as the Contract Notice. The Contract Notice is submitted to FTS and thereafter published on the Sell2Wales website.</p>
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	<p>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.</p> <p>The Contract Notice and any other advertisement for the contract will require anyone interested in the contract to complete and send to S4C a Pre-Qualification Questionnaire (PQQ) by a specified date. The PQQ 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 PQQ is made available to potential applicants via FTS and subsequently the S4C and Sell2Wales websites. The ITT, evaluation matrix and draft contract will also need to be made available with the PQQ at the same time as the Contract Notice is published.</p> <p>A deadline for receipt of the completed PQQ is set out in the Contract Notice and any other advertisement for the contract. The deadline can be no sooner than 30 clear days after the date of despatch of the Contract Notice to FTS. The deadline should expire on a working day.</p> <p>Once the deadline for receipt of the PQQ is passed, all PQQs received must be evaluated in accordance with the selection criteria set out in the Contract Notice and advertisements and the guidance detailed in the PQQ. S4C's standard PQQ (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.</p> <p>After evaluating the PQQs, S4C must select a shortlist of applicants to invite to tender. All those who were unsuccessful at PQQ 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.</p> <p>The ITT must set out the evaluation criteria that will be used by S4C in evaluating each tender and the weighting given to each criterion 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).</p> <p>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.</p> <p>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.</p> <p>S4C must send out a notice ("Decision Award Notice") to all those who submitted a PQQ on the same day informing them of the successful tender.</p> <p>The contract cannot be concluded by S4C and the successful tenderer until a minimum of 10 clear days ("standstill period") after despatch of the Decision</p>
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	<p>Award Notices (provided that the notices are sent electronically). The deadline should expire on a working day.</p> <p>After the end of the standstill period and provided there are no objections, S4C may enter into the contract with the successful tenderer.</p> <p>Within 48 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.</p> <p>The absolute minimum timescale for completing this process is 72 days from despatch to FTS of the Contract Notice to signature of the Contract. However, a more realistic timescale for this process from start to finish is four to six months.</p>
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- 3.4 In the commissioning or licensing of programme material, rights ownership of creative content is a key consideration. Whilst keeping this in mind, the S4C Unitary Board’s Fair Trading Policy states that the S4C commissioning activities support the general principles of fair trading and comply with the values and general principles of the Public Contracts Regulations 2015 and S4C’s core principles.
- 3.5 The principles defining S4C’s relationship with the independent production sector are outlined within the context of the Code of Practice, the Terms of Trade, the Corporate Plan and the aims of the Content Strategy.
- 3.6 For a list and details of commissioning content tenders please refer to the S4C Production website (<http://www.s4c.cymru/en/production/>).

**4. Monitoring and Review**

- 4.1 The S4C Strategic Board is responsible for the implementation of this Policy.
- 4.2 The Policy is approved by the S4C Unitary Board. The S4C Unitary Board will monitor the operation of this Policy.
- 4.3 The operation of this Policy will be overseen by S4C’s Strategic Board. The Board will conduct an annual review of procurement activity.
- 4.4 S4C will review this Policy periodically, and at least every three years.