

# Department for Business, Energy and Industrial Strategy (BEIS) Procurement Policy

This paper sets out the processes BEIS uses to tender and contract goods and services. While some of BEIS ODA is delivered via direct procurement, following the processes set out below, a significant proportion is provided as grants to delivery partners or multilateral funds, which follow their own procurement processes (subject to BEIS due diligence) for any downstream contracts.

## Commercial Strategy

BEIS and its 41 Partner Organisations (POs) buy a wide range of goods and services. This can range from innovative research to temporary staff and specialist contractors.

BEIS uses competition to maximise our potential to deliver value for money. This enables us to source innovative solutions and use Crown Commercial Services Frameworks when these offer value for money solutions for BEIS.

BEIS' vision is to deliver Commercial excellence at the heart of BEIS and support the government-wide [Government Commercial Operating Standards](#).

## Procurement at BEIS

BEIS uses the government procurement card for low value purchases. For higher value procurements, the type of competition ranges from a straightforward comparison of three quotes to a formal sealed tender process, dependent on commercial, operational and legal risk.

BEIS is supported in the delivery of these procurements by [UK Shared Business Services](#).

## Procurement Routes

BEIS has a number of procurement routes available to use for different requirements, some of these are set out below.

### Three Quotes

For requirements under the £10k threshold, a minimum of three quotes can be sought from relevant suppliers in the market.

### CCS Framework

There are [frameworks](#) in place for common goods and services and an appropriate framework can be found by searching key terms e.g. travel.

### Contracts Finder

Any requirement over £10k and under the OJEU threshold of £118k should be advertised on [Contracts Finder](#).

## **BEIS or UKSBS Framework**

BEIS and UKSBS have a number of [frameworks](#) available for staff to use e.g. UKSBS Research and Evaluation Framework.

## **Small Business Research Initiative (SBRI)**

SBRI brings together government challenges and ideas from business to create innovative solutions.

## **Dynamic Purchasing System (DPS)**

A DPS is a mechanism used to procure commonly used goods and services. However, in contrast to a typical framework, suppliers can join and leave at any time - it is aimed to be more flexible. An example is HELGA (Heat Networks and Electricity Generation Assets), which is for a range of energy demand management and generation services.

## **Official Journal of the European Union (OJEU)**

An OJEU procurement is required for all non-common goods and services over the £118k threshold.

## **Innovation Partnership**

Must only be used where there is a need for the development of an innovative product or service and the subsequent purchase of these cannot be met by solutions already available on the market. The use of this procedure must be justified.

## **Single Tender**

There are exceptional circumstances in which a single tender action is permissible. Approval from Procurement should be sought as early as possible if a team are considering this route.

## **Supporting Government Policy**

### **Small and Medium Enterprises (SMEs)**

We support the government's SME target of 33% of spend with third-party suppliers to SMEs by 2020 through:

- regularly reviewing our procurement plans to ensure that they do not prohibit SME involvement
- researching the market and developing appropriate market engagement strategies to encourage competition and attract a diverse range of innovative suppliers, including aiming to hold pre-market engagement events for 80% of procurements
- tracking the amount of expenditure awarded to SMEs
- advertising our contracts and requiring BEIS Prime Contractors to advertise their sub-contract opportunities in Contracts Finder

### **Sustainability & Social Value**

We practice sustainable procurement to achieve value for money while minimising environmental damage and waste.

We also encourage consideration of Social Value in procurements above the OJEU threshold.

### **Supplier Code of Conduct**

We encourage suppliers to follow the GCO [Supplier Code of Conduct](#), which sets out the standards and behaviours expected of our suppliers. Its themes include equality and accessibility, modern slavery, child labour and inhumane treatment, income security, working hours and sustainability.

### **Overseas Development Assistance (ODA) below the OJEU threshold**

We work closely with other government departments, such as the Department for International Development in procuring ODA goods and services.

### **Transparency**

We publish details of both contract opportunities and awards in [Contracts Finder](#).

### **Payment of Invoices**

BEIS aims to pay all correctly submitted invoices as soon as possible with a target of 10 days from the date of receipt and within 30 days at the latest. In addition, for procurements valued at over £5 million per annum, there are selection criteria set out in [PPN 04/19](#) which BEIS will include in procurement documentation on publication.