

Ofcom Aims & Values

The Procurement Function of Ofcom has a twin requirement to:

1. Procure in accordance with all applicable EU Law and Legislation
2. Ensure value for money is achieved for the Business

Ofcom recognises the value to be gained from a diverse supplier base and has taken steps to encourage SME's to compete for contracts. These include:

- i) Introduction of an additional procurement threshold of £25-50k contract value with simplified tendering requirement, making tender submissions quicker to complete
- ii) Ofcom Ts&Cs have been rewritten in simpler English, shortened, and some of the more onerous clauses removed.

Procurement Policies

Ofcom uses a broad range of suppliers, appointed following suitable competitive tendering processes. Table 1 summarises the threshold approach taken to manage the procurement process, ensuring fairness, transparency, value for money and adherence to Ofcom and EU procurement rules. Ofcom is committed to ensuring potential suppliers are given equality of opportunity to compete for Ofcom's business.

Table 1 – Procurement Thresholds

Value	Threshold
£0 - £5,000	3 written quotes (where appropriate) – no specific format. Quotes received by e-mail are acceptable.
£5,000 - £25,000	3 written quotes using Ofcom standard ITQ (for goods or services).
£25,000 - £50,000	3 – 5 written quotations using Ofcom Standard ITQ (for goods or services).
£50,000 – £140,000	<p>Invitation to Tender (ITT) using Ofcom standard ITT pack including Ofcom Standard Conditions of Contract. A minimum of 5 tenders must be invited.</p> <p>All procurements at £50k and above need the involvement of the Procurement Team.</p>
£140,000 or above	<p>EU public procurement thresholds are likely to be applicable (and the Procurement Team must be involved in all stages of the procurement).</p> <p>Invitation to Tender (ITT) using Ofcom standard ITT pack including Ofcom Standard Conditions of Contract. All procurements over £50k (excluding VAT) must have the involvement of the Central Procurement Unit.</p>

To ensure selection fairness and transparency, Ofcom evaluate all supplier tenders against common pre determined, weighted criteria. Selection criteria are tailored for each procurement activity, but commonly cover commercial competitiveness, quality standards and supplier suitability.

Ofcom evaluates supplier responses via an evaluation panel, with a minimum of two personnel for any evaluation. Proportionally more control is applied to higher value procurement activity, with larger evaluation panels.

To satisfy the legal requirements of Procurement Aggregation and ensure the commercial competitiveness of Ofcom Procurement, procurement activity is managed centrally from the London office.

Procurement Team involvement in individual pieces of procurement activity is dependent on the value of the spend and the impact of the requirement. Ofcom operates a decentralised approach to procurement that dictates the Procurement Team get involved in all procurement activity over £50k annual contract value. Under this value, procurement activity is normally led by the stakeholder departments, following the required process and utilising the formal documentation provided.

To maximise value for money, Ofcom contract on a UK wide basis, with all sites included in central contract arrangements where possible. Such arrangements include fleet, telecoms, IT etc.