

## Overview

This standard is about the skills and knowledge needed for you to procure supplies in a food and drink business.

Procurement is the function of carrying out a transaction between two organisations and must be as efficient and cost effective as possible. Food and drink business supplies can be procured locally, nationally or globally.

You will need the skills and knowledge to input the details of a supplier contract and confirm the technical details of the contract. You must also have the skills and knowledge to broker an agreement with a supplier and confirm the procurement process.

This standard is for you if you work in food and drink manufacture and/or supply operations and are involved in procuring supplies in a food and drink business.

## Performance criteria

*You must be able to:*

### **Prepare a contract**

1. source the technical information relating to the material or service being procured
2. confirm the specific requirements of the material or service with relevant people

### **Confirm the details of the contract**

3. determine the specification of the material or service
4. determine the technical content of the contract including establishing the quantities, lead time and frequency of supply of the materials or service
5. ascertain the procedures to be followed and the penalties incurred in the event of non-conformance and late arrivals
6. confirm the context of the proposed agreement by liaising with colleagues

### **Agree a contract**

7. present information to the supplier in accordance with organisational and supplier requirements
8. negotiate to the best advantage of the food and drink business
9. broker an agreement with the supplier
10. confirm and store details of the agreement adhering to regulatory and organisational recording requirements

## Knowledge and understanding

*You need to know and understand:*

1. the organisational and regulatory requirements relating to the procurement of supplies in a food and drink business and how to adhere to them
2. the methods of communication and information technology available in your organisation to aid procurement and how to use them
3. the functions or departments in your organisation that must be liaised with to confirm the requirements or specification of the supplies and how to do this
4. what is the importance of determining a material or service specification to be adhered to
5. the variable technical content of a contract that must be agreed, within your organisation, before presentation to a supplier
6. why it is important to confirm clearly with suppliers actions and /or penalties incurred if supplies are late or are of non-conformance
7. why it is important to adhere to organisational requirements relating to your conduct and behaviours when dealing with external contacts
8. how to negotiate an agreement that is realistic but to the best advantage of the food and drink business
9. the organisational procedures to be adhered to when confirming a contract with a supplier and how to follow them

## Procure supplies in a food and drink business

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