

Purchase raw materials or equipment for wood fuel production

Overview

This standard covers the skills and knowledge required to select and evaluate suppliers and their supplies in terms of reliability, availability, cost effectiveness, quality, terms and how closely they match your specification. It is also about considering other things such as their compatibility with existing stock and any special actions you may have to carry out such as installation and training as a result of obtaining them.

It applies to obtaining the feedstock, machinery, tools or other equipment that you need for the production of wood chips, wood pellets, wood briquettes, firewood or charcoal.

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Performance criteria

You must be able to:

1. comply with health and safety requirements and procedures at all times
2. decide on quantities and specifications of raw materials or equipment to meet current and future production requirements
3. decide how often and when you will need any regular supplies of raw materials or equipment and match this to financial plans
4. stay within targets and limits for buying raw materials or equipment
5. find out about different suppliers and buying options available following standard operating procedures
6. compare costs and benefits of purchasing raw materials or equipment from different suppliers following standard operating procedures
7. prioritise and balance options against production and organisational needs following standard operating procedures
8. agree favourable cost and terms for buying equipment and raw materials following standard operating procedures
9. keep accurate records of agreements with suppliers following standard operating procedures
10. comply with laws and regulations for purchasing following standard operating procedures
11. check raw materials or equipment are supplied when you require them following standard operating procedures
12. monitor supply levels and any reordering necessary following standard operating procedures

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Knowledge and understanding

You need to know and understand:

1. legal duties for health and safety in the workplace and legislation covering your job role
2. organisation's aims for products, market share, price profitability, cash flow, projected turnover, capital and assets
3. information gathered about current and future needs for raw materials or equipment
4. how to work out what you need and when you need it
5. how to ensure best value when getting supplies
6. how to work out full costs of supplies, including price of supplies, stock handling, storage, late delivery, insurance, staff training and installation
7. how to weigh costs against benefits of different buying options
8. how to compare results of analysis against expected profit margins
9. benefits and disadvantages of new, second-hand, hire purchase or short-term leasing
10. sustainability credentials of end products and how to calculate carbon savings
11. links between quality of raw material and quality of end product
12. what you need to find out about different suppliers including price, hidden costs, quality of product, reliability, minimum order quantities, delivery time and payment terms
13. how to make good use of working capital
14. how to store and control stock of raw materials and equipment
15. shelf life and storage requirements of raw materials and equipment
16. laws and regulations you need to follow when purchasing raw materials and equipment

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