

## Part 4.1 - Commissioning and Procurement Procedure Rules

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## Chapter 1 – Introduction, Scope of Rules, and Preliminary Requirements

### 1A Introduction

- 1.1 The procurement of goods and related services, works and other services must satisfy many different requirements: -
- 1.1.1 The need to demonstrate true and fair competition without unlawful discrimination.
  - 1.1.2 Best value - competition is seen as tending to promote value for money and to discourage price fixing and monopoly supply.
  - 1.1.3 'Consumer protection' - the Authority and its citizens are the consumers whose interests must be protected often over very many years. The form of the eventual contract is crucial, as is the process of selecting who may tender.
  - 1.1.4 Legislation - a wide variety of UK and European Union statutes, directives and regulations apply in particular circumstances.
  - 1.1.5 The elimination of opportunities for fraud and corruption - so the process must be visible and tightly controlled; and
  - 1.1.7 the Authority's Financial Regulations of which these *Rules* are part, including in particular Financial Regulation 4 which deals with the Authority's Procedure for the Commitment of Capital Expenditure.
- 1.2 The result is that the Authority must procure goods, works and services using a very strict set of rules, contained in these *Rules*, which define what can be done, how and by whom. It will not always be possible for the Authority to act in the same way that a private individual or company can because it is subject to specific legal requirements, and it is spending public money.
- 1.3 Terms in italics used in these *Rules* are defined at Chapter 12A. Appendix 1 gives guidance by way of a flowchart on undertaking a commissioning and procurement exercise in accordance with these *Rules*. Appendix 2 gives a general overview of relevant procurement routes by reference to financial thresholds, as well as reference to guidance on documentation and audit requirements.

### 1B Scope of Rules

- 1.4 These *Rules* apply to **all** proposed *Contracts* for the purchase of: -
- 1.4.1 **Goods and related Services** (that is, services which are integral to the provision of those goods or materials, such as installation, servicing, maintenance etc.).
  - 1.4.2 The execution of **Works**; and
  - 1.4.3 The provision of other **Services** (including consultancy and other external professional services),

EXCEPT ONLY FOR any proposed *Contract* falling within paragraphs (a) or (b) below:

**(a) Contracts less than £25,000 where no existing procurement arrangements are in place**

For any proposed *Contract* with an estimated value of less than £25,000, *Officers* MUST check to see if there are any existing Authority contracts in place. If so, then the existing *Contract* MUST be used. If not, then follow the guidance below. An *Order* can be placed provided the following conditions are met:

- i) The *Officer* is satisfied that they have obtained value for money, which will usually be achieved by obtaining at least three competitive *Quotations* (either oral or written) from firms registered with *Constructionline* unless the *Officer* considers it is inappropriate in the circumstances to do so; and
- ii) Any oral *Quotation* which is to be selected must first be confirmed in writing by the person providing it; and
- iii) A written record is kept of all *Quotations* received and (if applicable) any reasons why it was considered appropriate to seek less than three *Quotations*; and
- iv) Rules for procuring and paying for services in the financial system are adhered to, (see separate handbook) *P2P financial system financial system*; and
- v) Chapter 1 of these *Rules* is also complied with.

**(b) Certain Contracts with Statutory Undertakers**

For any proposed *Contract* with a statutory undertaker where the Authority is obliged by statute or other legal provision to use only that statutory undertaker then these *Rules*, except for Chapters 8 and 9, shall not apply PROVIDED THAT the *Officer* shall seek to negotiate such terms and conditions as are in the best interests of the Authority so far as they are reasonably able, and has any discretion, to do so having regard to the legal provision and the policies of the statutory undertaker.

1.5 Any part of these *Rules* can only be waived in the circumstances set out under Financial Regulation parts 3: Incurring and Controlling Revenue Spending and Income, and 8: Procurement and Contracts, i.e. with the prior written agreement of the *Chief Finance Officer* in cases of urgency or where they consider it is in the interests of the Authority to do so. Any request to the *Chief Finance Officer* to waive these *Rules* must be accompanied by the written comments of the *Relevant Chief Officer*.

1.6 For the avoidance of doubt, these *Rules* also apply, and must be followed:

1.6.1 Where it is proposed that the execution of works, or provision of services should be undertaken by an in-house provider (i.e., employees of the Authority rather than an external firm) but only in those cases where the works or services are required to be subject to competition by direction of the Authority or any legal requirement; or

1.6.2 Where it is proposed to employ a sub-contractor for the supply of goods, the execution of works or the provision of services which the Authority is itself providing as the principal provider.

- 1.7 A full written record (which may include e-mail messages) must be kept of all actions taken in respect of procurement and contracts including any consultation required by these Rules. Officers are directed to PPR 6.1 (the obligation that there must be a proper decision made under Part 3 of the Authority's Constitution before entering into a Contract).

### **Appointment of Agency Staff, Consultants, Professional Advisory and Training Services**

- 1.8 The appointment of Agency Staff, Consultants, Professional Advisory and Training Services is subject to the full requirements of these Rules as for any other Contract, but Officers must additionally comply with the requirements set out within Guidance Appendix 3.

### **Compliance with these Rules by Third Parties**

- 1.9 Any person engaged by the Authority to award or supervise a Contract on its behalf must: -
- 1.9.1 Comply with these Rules as if he or she were an employee of the Authority; and
  - 1.9.2 Provide to nominated Authority employees all information and records requested in relation to the award and supervision of the Contract.
- 1.10 Any such person's contract of engagement must include terms binding them in this regard.

### **1C Reference to the Procure to Pay process and Relevant Chief Officer**

- 1.11 (a) Prior to commencing a commissioning and procurement process (of whatever value), the Officer must determine with the Procurement Service whether a suitable Contract or Framework Agreement exists. If so, the Officer must use that Contract or Framework Agreement and proceed with the procurement in line with the terms of the Contract or Agreement. In that event, the procurement processes set out in Chapters 2 and 3 of these Rules will not apply.
- 1.11 (b) If no suitable Contract or Framework Agreement is revealed the Officer will consult with the external Procurement Commissioners to ascertain whether any other suitable Contract or Framework Agreement exists elsewhere. To do this, email the Procurement Gateway mailbox to seek advice. Officers will act on the advice of the Commissioners supplemented as necessary by advice from the Legal Services Procurement Team, on whether the Contract or Framework Agreement should be used and, if so, how. Again, if such a Contract or Agreement is used, Chapters 2 and 3 of these Rules will not apply.
- 1.12 If a suitable Contract or Framework Agreement does not exist and the estimated value of the Contract is £25,000 or more, the Officer must submit a Project Request Form (Guidance Appendix 8) in electronic form to the external Procurement Commissioners via the Procurement Gateway mailbox, who will provide advice as to the most appropriate means of proceeding with the commissioning and procurement process. Officers must follow the advice of the Commissioners and must not proceed with the commissioning and procurement process until they are in receipt of a reply to their Project Request Form. The

Commissioners will assign the project request to an appropriate member of staff to support the Officer through the commissioning and procurement process. Consideration will be given by the Commissioners at this point as to whether any other suitable Contract or Framework Agreement exists.

## 1D Estimating Contract Values

- 1.13 The value of the proposed Project/Contract must be estimated before undertaking a commissioning and procurement exercise as this will determine which rules apply. The value of a Contract is the estimated consideration to be paid over its full term and not simply the estimated annual expenditure. This will generally be financial expenditure but may include other elements such as the value of land being disposed of.
- 1.14 For the purposes of these Rules, amounts quoted are gross values (i.e., total estimated cost to the Authority before deduction of grants and contributions), for the full period of a Contract and all exclude VAT and other taxes.
- 1.15 Contracts of a similar nature must not be artificially split into different parts to avoid the application of the £25,000 (or any other) minimum threshold of these Rules or the applicable UK Threshold. At the same time, Contracts of a recurring or similar nature must be joined together into one Contract and valued accordingly. If there is any doubt as to whether Contracts must be aggregated, advice from the Legal Services Procurement Team must be sought and followed.
- 1.16 Before undertaking a commissioning and procurement exercise, the Officer must consider whether a subsequent Contract (such as, for instance, future phases in a works programme where only the initial phase is the subject of the immediate procurement) may be awarded to the successful firm by negotiation under Chapter 3E of these Rules, and without further competition, in the event of the successful firm completing the initial phase satisfactorily. If this is the case:
- (a) The initial *Contract* must be valued by taking into account the estimated value of any such future phase or phases; and
  - (b) It must be made clear in the public notice or advertisement under PPR 2.1.6 or 2.3 (if one is issued) and the accompanying documentation under PPR 3.15 or 3.19 that any such subsequent *Contract* may be awarded to the successful firm by negotiation.

In any event, any award of any such subsequent *Contract* can **only** be made if the conditions and procedures set out in Chapter 3E of these Rules are met and followed. An *Officer* cannot award a *Contract* to a firm relying solely on the fact that the firm was previously awarded a similar *Contract* following a competitive process.

## 1E Grant Funding

- 1.17 Where a *Contract* is to be awarded which is part or wholly funded by either internal or external grant funding, it is possible that further conditions may have been placed on the manner of expenditure of such monies (for example by the grant paying body). In this event, *Officers must* ensure that they are aware of all such conditions and comply with them as well as the requirements of these *Rules*.

## **1F Monitoring**

- 1.18 Where any Officer of the Authority becomes aware of any breach of these Rules, they must notify as soon as reasonably practicable his or her line manager or supervisor who shall record and investigate that referral and take appropriate action in relation to it and notify the Monitoring Officer and the Chief Internal Auditor of the outcome. Where any Officer considers that a serious or persistent breach has occurred, this must be reported immediately to the Monitoring Officer and the Chief Internal Auditor.
- 1.19 Where any Member becomes aware of any breach of these Rules, they must report this to the Monitoring Officer and the Chief Internal Auditor.
- 1.20 The Chief Internal Auditor and the Monitoring Officer shall report annually to the Audit Committee upon the operation of these rules generally and, in particular, whether they are being adhered to.
- 1.21 Failure by any Officer of the Authority to observe these Rules, which are part of the Authority's financial regulations, may leave the Officer open to action under the Authority's disciplinary procedures. Any Officer, when planning a commissioning and procurement exercise, must take into account the need to comply with these Rules and the timescales which compliance with them may involve.

## **1G Record Keeping**

- 1.22 Any written records relating to a commissioning and procurement exercise, whether kept under these Rules or otherwise, should be retained for a period of at least six years from the expiry of the Contract. Such records may, so far as they relate to unsuccessful quotations or tenders, may be microfilmed or electronically scanned or stored by some other suitable method after 12 months from the award of the contract, provided there is no dispute about the award.  
Any external funder, may impose different requirements in this respect and this should be checked if any such funding is being provided.

## **1H External Bodies**

- 1.23 Any External Body shall be required to comply with these Rules (or alternatively, any other written procurement rules adopted by that body which have been approved by the Chief Finance Officer whenever the External Body undertakes a commissioning and procurement exercise for the purchase of goods, works or services in any of the following circumstances:
- (a) Where the External Body is undertaking the commissioning and procurement exercise on behalf of the Authority as its agent; or
  - (b) Where the commissioning and procurement exercise is being undertaken by the External Body on its own behalf, or for some third party, but is being funded by financial assistance from the Authority and it is a condition of that assistance that this Rule shall apply; or
  - (c) Where the Authority is the "accountable body" for the External Body; or

- (d) Where the External Body is a company under the control of the Authority within the meaning of the section 68 Local Government and Housing Act 1989.

- 1.24 Provided only that where the External Body is either another local authority or the North East Procurement Organisation (NEPO) undertaking the commissioning and procurement exercise as the agreed 'lead authority' on behalf of the Authority and any other parties, the financial regulations and procurement rules of that other local authority or the regional procurement protocols of the regional procurement Shared Service Agreement may be relied on although the Officer shall nevertheless seek to be assured that the commissioning and procurement exercise is carried out in accordance with the UK Public Procurement Rules, if they apply.

## **1I Employee Transfers**

- 1.25 Where any proposed contract potentially affects any employee of the Authority by virtue of a possible transfer of the services provided by that employee, the Officer must ensure that the Transfer of Undertaking (Protection of Employment) (TUPE) issues are considered and obtain advice from the Legal Services before proceeding with the commissioning and procurement exercise.

## **1J Gateway**

- 1.26 For the avoidance of doubt, the four Gateway stages as defined in Chapter 12A of these Rules must be followed in any commissioning and procurement exercise to which the Rules apply, unless it is specifically exempted from the requirements of any of those stages.

## **1K Strategic Planning and Commissioning for Social Value**

- 1.27 In developing an understanding of each market area, we must consider a number of key factors, such as any policy context or legislative frameworks, needs analysis and profiling over time, capacity and assets, finances and funding, stakeholder views, market contexts and critically the outcomes and ambitions we are seeking to achieve. Securing Social Value is at the heart of this activity and helps to maximise the collective benefit to our communities and residents. Officers must consider Social Value at the outset of the commissioning and procurement exercise when designing services, incorporate Social Value requirements within the procurement process and monitor outcomes as part of the contract management phase.
- 1.28 Every commissioning exercise is unique, and we develop each process as we gather feedback from stakeholders. In this section we have described the phases and products that stakeholders can expect to see, in different combinations, in commissioning exercises that we carry out. The balance of activity in each phase varies depending on many factors, including the scale and scope of the expected changes, the complexity of the stakeholder group and available time. We will use the terminology in this section consistently, so that stakeholders understand what they can expect from our communications and events in each phase.
- 1.29 Joint commissioning: - is where we seek to work with a range of city partners, including other public sector commissioning organisations. By working together with other commissioners, we can identify opportunities for social and financial value and improved user experience. Joint commissioning does not necessarily equate to joint procurement; aligning procurement is only one of many ways that we can jointly commission, including:



- (a) developing arrangements for packages of service to individual people to be jointly designed, drawing from a range of macro commissioning arrangements.
- (b) aligning commissioning plans for the same or complementary requirements (for example, services within a single 'service system')
- (c) pooling funding for a particular requirement or service user group, from which either joint procurements or single organisation procurements may draw; and
- (d) agreeing a shared specification and running a single procurement process which one partner organisation oversees.

These steps may be used in various combinations as appropriate to the requirements.

1.30 There are two primary routes through which we initiate commissioning exercises: due to the ending of an existing contractual arrangement in the context of a continued need; and due to identification of a new requirement. Officers embarking on a commissioning phase must complete a Project Request Form (PRF) and send it to the Procurement Gateway mailbox to be allocated a Commissioning and Procurement Officer to support you through the commissioning and procurement process.

## **Chapter 2 - Selection of Firms and Risk Assessments**

### **2A Selection of Firms to Participate in the Procurement Process**

- 2.1 In relation to procurements **below** the applicable *UK Threshold*, i.e., of: -
- 2.1.1 Supplies and Services a total estimated value **including VAT** less than **£214,904**; or
  - 2.1.2 Works with a total estimated value **including VAT** of less than **£5,372,609.**, or
  - 2.1.3 **Light Touch Regime Service** with a total estimated **including VAT** of less than **£663,540**; or
  - 2.1.4 **Concessions, Works and Service** with a total estimated value **including VAT** of less than **£5,372,609**
- Firms may be selected to participate in the procurement process using one of the following methods: -
- 2.1.5 From a list of firms held by an approved *Central Purchasing Body* under an established *Framework Agreement*; or
  - 2.1.6 By public notice or advertisement (for instance, in a relevant trade journal or on the North East Purchasing Organisation website); or
  - 2.1.7 By any other means considered by the *Officer* to be in the best interests of the Authority, **provided that** this option shall only be used where it is not reasonably desirable in the interest of efficiency for any of the methods set out from PPR 2.1.5 to 2.1.6 to be used and the *Relevant Chief Officer* agrees in writing that this is the case.
- 2.2 In any event, a firm should not be selected to participate without the *Officer* first being reasonably satisfied that the firm is interested in doing the work and will submit a *Quotation* or *Tender UK* if asked for one and that the firm in general terms is capable of supplying the goods, executing the works or providing the services (as the case may be).
- 2.3 In relation to procurements **above** the applicable *UK Threshold*, i.e., of: -
- 2.3.1 **Goods, materials, and services**, with a total estimated value **inclusive of VAT** of **£214,904** or more; or
  - 2.3.2 **Works** with a total estimated value **inclusive of VAT** of **£5,372,609** or more; or
  - 2.3.3 **Concession, Works, and Services** with a total estimated value **Inclusive of VAT** of **£5,372,609 or more**, or
  - 2.3.4 **Light Touch Regime Service** with a total estimate value **inclusive of VAT** of **£663,540**.

The *UK Procurement Rules* will apply, and it will be necessary to publish a notice in the UK Contracts Finder Service.

- 2.4 Every *notice* must be approved by the *partner Procurement Team in NCC*. The *Commissioning and Procurement SLA Provider* will arrange for the *Notice* to be published on behalf of the *Officer*.

Note: A UK Contract Notice issued under the Open Procedure will satisfy the requirement under PPR 3.17 to seek at least 5 tenders

- 2.5 The partner *NCC Procurement Team* must be consulted for advice on whether the stated *UK Government Thresholds in 2.3 are still correct*.

## **2B Risk Assessments**

- 2.6 For all *Contracts* of £214,904 or more, a written risk assessment of the selected firms must be carried out unless: -

2.6.1 The *Contract* is procured through a *Framework Agreement* established by a *Central Purchasing Body*; or

2.6.2 The *Relevant Chief Officer* has agreed to waive the need for a risk assessment, either in full or in part, under PPR 2.9 below; or

If a risk assessment is not carried out for contracts over £214,904 and the reasons set out in PPR 2.6.1 to 2.6.2 above, the *Contract* shall not be awarded unless

(a) At the date upon which the *Contract* is about to be awarded a satisfactory assessment of the financial standing of the successful firm has been done in the previous 12 months specifically by the *Chief Finance Officer*; and

(b) The *Officer* is satisfied, after consulting with the Authority's *Financial Risk and Insurance Manager* that the firm has in place adequate insurance arrangements for that *Contract*.

- 2.7 The risk assessment may be carried out as part of the commissioning and procurement process but must be completed prior to entering into a *Contract*.

- 2.8 This risk assessment must ensure that the Authority's minimum standards in relation to technical competence, health and safety, insurance arrangements, equality compliance, sustainability practice and financial standing are met. If, in any case, one or more of the minimum standards is not met, the firm may still be considered if the *Relevant Chief Officer* is satisfied (and confirms in writing) that this is in the best interests of the Authority and lawful<sup>1</sup> and that appropriate mitigation measures will be put in place. If a firm is to be excluded based on their risk assessment evaluation,

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<sup>1</sup> In some circumstances, a firm cannot be awarded a contract under UK Rules. For example, where a firm has been convicted of money laundering.

advice from the *Legal Services Procurement Team* must be sought and followed to determine whether it is lawful to do so. <sup>1</sup>

Advice on any recommended policies or corporate criteria against which risk assessments should be carried out can be sought from the *Relevant Chief Officer*.

- 2.9 A *Delegated Officer* may document in writing that it is not reasonably necessary, having regard to the best interests of the Authority, to carry out a risk assessment in respect of one or more of the standards referred to in PPR 2.8 above, either because of the nature or subject matter of the proposed contract or because of the urgent need to award the contract or because of any other exceptional circumstances. Any such authorisation must be fully recorded in writing setting out which standards it has been agreed need not be assessed and the reasons why it is considered such assessment is not reasonably required. Authorisation to waiver a risk assessment must be sought from the *Relevant Chief Officer*.
- 2.10 Where a *Notice* has been published in accordance with PPR 2.3 above, the risk assessment will rely upon a completed *Selection Questionnaire* (“SQ”). The form and content of the SQ will depend upon the procurement route and before issuing a SQ advice from the *Legal Services Procurement Team* must be sought by the *Procuring Officer* and followed as to which procedure and form of SQ is to be adopted.
- 2.11 Where a *Notice* has not been published in accordance with PPR 2.1 above, risk assessment will not be carried out. Advice can be provided by *Legal Services* on how to build risk into the specification.
- 2.12 *Contracts* where risk assessments would not otherwise be required because it is less than £214,904 in value or it falls within one of the exemptions set out in PPR 2.6, a risk assessment on one or more of the matters referred to in PPR 2.8 *Officers* should seek advice from *Legal Services*.
- 2.13 Every *Contract* awarded by the Authority shall include a term that if the Contractor employs any sub-contractor in the performance of the *Contract* the Contractor will ensure that the sub-contractor is required under the subcontract to meet the same obligations and standards in relation to health and safety, equal opportunities and environmental matters as is the Contractor under the *Contract*.

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<sup>1</sup> It is lawful to exclude a firm only on certain grounds where UK Rules apply.  
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## Chapter 3 - Selection and Description of Procurement Routes 3A Selection of Procurement Route

- 3.1 A procurement exercise may be carried out by:
- 3.1.1 Inviting *Quotations* or *Quick Quotes* (see Chapter 3B); or
  - 3.1.2 Inviting *Tenders* (see Chapter 3C); or
  - 3.1.3 Inviting *UK Large Tenders* (see Chapter 3D); or
  - 3.1.4 In exceptional circumstances, by way of negotiating a *Contract* with a particular firm (see Chapter 3E),
- 3.2 The following rules (PPR 3.3 to 3.8) determine which of these routes should be used.
- 3.3 Where the estimated value of a *Contract* is less than £25,000, it is not subject to these *Rules* except only for Chapter 1, PPR 2.12, 6.9, 8.5 and 8.6 and therefore can be let by a *Delegated Officer* placing an *Order* provided they are satisfied that this represents good value for money. *Contracts* must not be broken down to take advantage of this threshold. *Officers* must ensure there is no existing *Contract* or *Framework Agreement* prior to placing an *Order*.
- 3.4 Where the total estimated value of the *Contract* is between £25,000 and £100,000, the *Quotation* or *Quick Quote* Procurement Route must be used. *Quotations* will be based on a price and quality assessment whereas *Quick Quotes* will be based on price only.
- 3.5 Where the total estimated value of the *Contract* is between £100,000 and £214,904 (for Goods and Services), £663,540 (for Social and Other Specific Services) or (for Works £5,372,609), the *Tender* Procurement Route must be used.
- 3.6 Where the total estimated value of a contract is more than the UK Government Thresholds (£214,904 for Goods and Services, £663,540 for Light Touch Regime Services and £5,372,609 for Works), then the *UK Public Contracts Regulations* will apply. Advice from *Commissioning and Procurement* or *Legal Services* must be sought and followed as to what type of process and procedures must be used for the *UK Tender* Procurement Route.
- 3.7 In exceptional circumstances, it is possible to negotiate with one particular firm only so long as the rules set out from PPR 3.21 to 3.27 are followed and it has been approved by the external Procurement *Commissioners*, *Relevant Chief Officer*, and the *external Legal Services*.
- 3.8 Appendix 2 of these *Rules* gives summary guidance on selecting a procurement route.

**3B Quotation or Quick Quote Procurement Route (£25,000 to £100,000)**

**3.9 A minimum of three Quotations or Quick Quotes must be sought. Gateway 1 submit electronically a Project Request Form (Guidance Appendix 8) to the Procurement Gateway mailbox to register that you are about to undertake a commissioning and procurement exercise.** This is the Authority's requirement but any external funder, if there is one, may have more onerous requirements for

*Contracts* within this value range. The European Regional Development Fund in particular may impose different criteria, and this must always be checked if any proposed *Contract* relies on such funding.

**3.10 Quotations and Quick Quotes must be sought through the *Electronic Tendering System* and must be returned and opened through this system at the relevant deadline.**

**Procurement will check and dispatch all documentation.**

**3.11 Requests for Quotations and Quick Quotes must include: -**

3.11.1 A copy of the Authority's standard *Terms and Conditions* (a copy of which can be obtained from the *Commissioning and Procurement Team*) or, if it is felt by the *Officer* that such *Terms and Conditions* may be inappropriate in the circumstances, such other contractual documentation as the *Commissioning and Procurement SLA Provider* may recommend or agree.

3.11.2 A statement that the Authority will expect to contract on its own *Terms and Conditions* and not those of the firm and that any variation to this will require the approval of the *Commissioning and Procurement Team*.

3.11.3 A description of the Goods, Works, or Services to be procured.

3.11.4 Details of how the Goods, Works or Services should be priced.

3.11.5 A statement as to whether the *Quotation* or *Quick Quote* will be evaluated on price alone or on other criteria and, if the latter applies, a statement as to what those criteria are.

3.11.6 For *Quotations* that are advertised a contract notice must be published on *Contracts Register*.

3.11.7 A statement that the *Quotation* or *Quick Quote* will only be considered if it is: -

3.11.7.1 Submitted through the *Electronic Tendering System* and returned by the deadline given.

3.11.7.2 Including a completed declaration within the *Quotation* or *Quick Quote* documentation by an appropriate officer of the firm.

- 3.11.8 A reasonable deadline for the receipt of a *Quotation* should be identified but a quick deadline for a *Quick Quote*; and
- 3.11.9 Details of any other specific conditions which will apply to the procurement.
- 3.12 *Procuring Officers* must keep a record of the evaluation criteria and the scores each firm receives in relation to such criteria. *Procuring Officers* must additionally keep a detailed record of the reasons for selecting the successful firm; and
- 3.13 For *Quotations* and *Quick Quotes* a contract award notice must be published on *Contracts Register*.

**3C Tender Procurement Route (£100,000 to UK Thresholds)  
(£214,904 Goods and Services, £663,540 Light Touch Regime Services or  
£5,372,609 for Works, all values inclusive of VAT)**

- 3.14 **A minimum of five Tenders must be sought. Gateway 1 submit electronically a Project Request Form (Guidance Appendix 8) to the Procurement Gateway mailbox to register that you are about to undertake a commissioning and procurement exercise.** This is the Authority's requirement but any external funder, if there is one, may have more onerous requirements for *Contracts* within this value range. The *European Regional Development Fund* may impose different criteria, and this must always be checked if any proposed *Contract* relies on such funding.
- 3.15 *Tenders* must be invited by way of an *Invitation to Tender* ("ITT") and sought through the *Electronic Tendering System*. *Tenders* must be returned and opened through this system by (and at) the relevant deadline. *ITT* is a detailed procurement-specific document. Advice on this document can be sought from the *Commissioning and Procurement Team*.

***Procurement will check and dispatch all documentation.***

- 3.16 As a minimum, an *Invitation to Tender* must include: -
  - 3.16.1 A *Selection Questionnaire* for the Light Touch Regime Services and Works procurement routes only unless any of the four situations set out in PPR 2.6 apply.
  - 3.16.2 Full details of the *Tender* process, including the deadline for receipt of *Tenders* and the address for *Tenders* to be returned.
  - 3.16.3 A specification for the Goods, Works, or Services to be procured for the firm to bid against.
  - 3.16.4 A statement as to whether the *Tender* will be evaluated on price alone or on other criteria and, if the latter applies, a statement as to what those criteria are.
  - 3.16.5 Details regarding the information which must be provided by the firm in its *Tender*, including details on pricing and any other information which is needed to evaluate the *Tender* in accordance with the *Tender* evaluation

criteria (for example, if evaluation is to be based on the firm's experience of delivering services of a particular type, it is important to specify that the firm gives detailed information about their experience in that area);

- 3.16.6 A contract notice must be published on *Contracts Register*.
- 3.16.7 Contractual *Terms and Conditions* prepared or approved by the *Procurement Team*.
- 3.16.8 A statement that a *Tender* will only be considered if it is: -
  - 3.16.8.1 Submitted through the *Electronic Tendering System* and returned by the deadline given.
  - 3.16.8.2 Including a completed declaration within the *Tender* documentation by an appropriate officer of the firm; and
- 3.16.9 A reasonable deadline for the receipt of the *Tender*.
- 3.16.10 Details of any other specific conditions that will apply to the procurement.
- 3.16.11 A requirement by the tenderer to truthfully declare that no part of the *Tender* content has been declared to any other party (except where such a disclosure is made in confidence for a purpose necessary to prepare the *Tender*); and
- 3.16.12 Notification that *Tenders* are submitted to the Authority on the basis they are compiled at the tenderer's expense.
- 3.17 *Procuring Officers* must carry out a scoring exercise which assesses the firm's *Tender* against the evaluation criteria. *Procuring Officers* must also keep a detailed record of the reasons for selecting the successful firm.
- 3.18 A contract award notice must be published on *Contracts Register*.
- 3D *UK Tender Procurement Route Over the UK Thresholds (£214,904 Goods and Services, £663,540 Light Touch Regime Services or £5,372,609 for Works)***
- 3.19 Where the total estimated value of a contract is more than the UK Thresholds (£214,904 for Goods and Services, £663,540 for Social and Other Specific Services and £5,372,609 for Works), then the *UK Public Contracts Regulations* apply. Advice from the *Commissioning and Procurement Team* must be sought before commencing the *UK Tender Procurement Route*. The *Commissioning and Procurement SLA Provider* will work in conjunction with the *Legal Services* throughout the *UK Tender* procurement route.
- 3.20 **A minimum of five UK Tenders must be sought. Gateway 1 submit electronically a Project Request Form (Guidance Appendix 8) to the Procurement Gateway mailbox to register that you are about to undertake a commissioning and procurement exercise.** This is the Authority's requirement



but any external funder, if there is one, may have more onerous requirements for *Contracts* within this value range. The *European Regional Development Fund* may impose different criteria, and this must always be checked if any proposed *Contract* relies on such funding.

- 3.21 *UK Tenders* must be invited by way of an *Invitation to Tender ("ITT")* and sought through the *Electronic Tendering System*. It will be necessary to publish a notice in the Official Journal of the European Union ("*OJEU*") and *Contracts Register*. Only firms who express interest in the *OJUK Notice* in the manner stipulated in that *OJUK Notice* may be invited to tender. *UK Tenders* must be returned and opened through this system at the relevant deadline. *ITT* is a detailed procurement-specific document. Advice on this document can be sought by the SLA NCC *Commissioning and Procurement Team*.

***Procurement will check and dispatch all documentation.***

3.22 As a minimum, an Invitation to Tender must include: -

- 3.22.1 A *Selection Questionnaire* unless any of the four situations set out in PPR 2.6 apply.
- 3.22.2 Full details of the *UK Tender* process, including the deadline for receipt of *UK Tenders* and the address for *UK Tenders* to be returned.
- 3.22.3 A specification for the Goods, Works, or Services to be procured for the firm to bid against.
- 3.22.4 A statement as to what criteria the *UK Tender* will be evaluated on and a statement as to what those criteria are.
- 3.22.5 Details regarding the information which must be provided by the firm in its *UK Tender*, including details on pricing and any other information which is needed to evaluate the *UK Tender* in accordance with the *UK Tender* evaluation criteria (for example, if evaluation is to be based on the firm's experience of delivering services of a particular type, it is important to specify that the firm gives detailed information about their experience in that area);
- 3.22.6 A contract notice must be published on *Contracts Register*.
- 3.22.7 *Contractual Terms and Conditions* prepared or approved by the *Commissioning and Procurement Team*.
- 3.22.8 A statement that a *Tender* will only be considered if it is: -
  - 3.22.8.1 Submitted through the Electronic Tendering System and returned by the deadline given.
  - 3.22.8.2 Including a completed declaration within the *UK Tender* documentation by an appropriate officer of the firm; and

3.22.9 A deadline for the receipt of the *UK Tender* in line with the UK Public Contracts Regulations timescales.

3.22.10 Details of any other specific conditions that will apply to the procurement.

3.22.11 A requirement by the tenderer to truthfully declare that no part of the *UK Tender* content has been declared to any other party (except where such a disclosure is made in confidence for a purpose necessary to prepare the *UK Tender*); and

3.22.12 Notification that *UK Tenders* are submitted to the Authority on the basis they are compiled at the tenderer's expense.

3.23 *Procuring Officers* must carry out a scoring exercise which assesses the firm's *Tender* against the evaluation criteria. *Procuring Officers* must also keep a detailed record of the reasons for selecting the successful firm.

3.24 A contract award notice must be published in the Official Journal of the European Union ("OJEU") and *Contracts Register* informing of the resulting award.

### 3E Negotiation Procurement Route

3.25 A procurement exercise may be carried out by way of negotiating a *Contract* with a particular firm only in certain circumstances as set out below.

**Gateway 1 submit electronically a Project Request Form (Guidance Appendix 8) to the Procurement Gateway mailbox to register that you are about to undertake a negotiated procurement.**

3.26 A *Contract* may be negotiated without seeking the *Quotations*, *Quick Quotes*, *Tenders* or *UK Tenders* only where: -

3.26.1 The requisitioning *Delegated Officer* authorises in writing that such negotiation is in the best interest of the Authority. For this purpose, the standard *Authorisation to Negotiate Form* must be used and is attached at Guidance Appendix 4. In cases of urgency, and only where it is impractical to give prior authorisation, *the Delegated Officer* may authorise the negotiation retrospectively if the *Relevant Chief Officer* and the *Monitoring Officer* have given their approval and full details of the circumstances involved have been documented; **AND**

3.26.2 Such negotiation is permitted under the *UK Public Procurement Rules* (which will apply if the estimated *Contract* value is above the *UK Threshold*).

3.27 For all *Contracts* with a total estimated value of £100,000 or more, the written approval of the *Chief Finance Officer* must be obtained before negotiations may commence.

In addition, for any such *Contract* with an estimated value of £100,000 or more, a written summary of the reasons for the proposed negotiation and the likely financial

implications of negotiating the *Contract* must be given to the relevant *Cabinet Member* to endorse the approval to negotiate.

- 3.28 If a *Contract* has been negotiated using this route, the *Delegated Officer* shall only award the *Contract* if satisfied that the negotiated price and such other *terms and conditions* which may have been negotiated represent best value for money and will be in the best interests of the Authority. A full written record must be kept by the *Commissioning and Procurement SLA Provider* of the negotiation process including details of any meetings or other discussions with the firm and their outcome.
- 3.29 The *Commissioner relevant for the sub-category (Guidance Appendix 10)* must:
- (a) Be sent the original *Authorisation to Negotiate Form* (Guidance Appendix 4) by the *Delegated Officer* immediately after it has been signed to obtain the authorisation of the *Relevant Chief Officer* and the *Monitoring Officer*
  - (b) Receive documentation relating to the negotiation process including details of any meetings or other discussions with the firm and their outcome, and
  - (c) Be sent a *Completion Statement* attached at Appendix 6 as part of the **Relevant gateway** process, containing the details of any resultant *Contract* once it is awarded. The form must be sent within ten working days of the *Contract* being awarded to the *Commissioner* who will make arrangements for the details to be input to the *Authority's Contract Register*. The *Authority's Contract Register* is available on the *Electronic Tendering System*.

Given these requirements, there is no need to record the authorisation to negotiate on the Delegated Decision system although any subsequent decision to award a *Contract* as a result of the negotiation will still need to be so recorded in the usual way.

- 3.30 The *Commissioners* will report to Directorate Management Teams annually on behalf of the *Relevant Chief Officer* and the *Monitoring Officer* each *Contract* with a total estimated value of £25,000 or more that has been let without formal competition. Every such report shall highlight any case where a retrospective authorisation has been given under PPR 3.27.1.
- 3.31 The requirement to carry out a risk assessment in PPR 2.6 to 2.13 applies under this procurement route only for contacts over the UK Threshold.

## Chapter 4 Receipt and Opening of *Quotations, Quick Quotes, Tenders and UK Tenders*

### 4A Receipt and Opening

- 4.1 *Quotations, Quick Quotes, Tenders and UK Tenders* that have been received via the *Electronic Tendering System* must: -
- 4.1.1 Record the date and time of submissions (which will be done automatically by the *System*).
  - 4.1.2 Be sealed securely until the deadline date and time has passed.
  - 4.1.3 Be opened within a reasonable period after the closing date and time for return of the *Quotations, Quick Quotes, Tenders and UK Tenders*; and
  - 4.1.4 Be recorded at the time of opening on a “Summary of *Quotations, Quick Quotes, Tenders, UK Tenders* Received Form” attached at Guidance Appendix 5 if the *Electronic Tendering System* has not been used.
- 4.2 In the exceptional event that the *Electronic Tendering System* is not in operation, advice and written approval must be sought from the *Commissioner: Collaboration* prior to them being opened. *Quotations, Quick Quotes, Tenders and UK Tenders* that have been received must be: -
- 4.2.1 Date and time stamped or otherwise marked on the envelope on receipt.
  - 4.2.2 Retained in a secure place until opened.
  - 4.2.3 Opened within a reasonable period after the closing date and time for return of the *Quotation, Quick Quotes, Tender or UK Tender*, and
  - 4.2.4 Recorded at the time of opening on a “Summary of *Quotations, Quick Quotes, Tenders, UK Tenders* Received Form” attached at Guidance Appendix 5.
- 4.3 *UK Tenders* with an estimated value of £214,904 or more for Goods and Services, £663,540 or more for Light Touch Regime Services or £5,372,609 or more for Works must be opened **only** by two officers, one of whom must be nominated by *Legal Services* if the *Electronic Tendering System* is not used. You must sign each *UK Tender* and supporting documents along with the “Summary of *Quotations, Quick Quotes, Tenders, UK Tenders* Received Form” (Guidance Appendix 5). If the *Electronic Tendering System* is used, *Legal Services* must open the seal if the contract value is over the UK Thresholds.
- 4.4 *Tenders* with an estimated value above £100,000 and below £214,904 for Goods and Services or £100,000 and below £663,540 for Light Touch Regime Services or £100,000 and below £5,372,609 for Works must be opened **only** by a minimum of two officers appointed by the *Relevant Chief Officer* who must both sign and

complete the “Summary of *Quotations, Quick Quotes, Tenders, UK Tenders Received Form*” (Guidance Appendix 5). If the *Electronic Tendering System* is used, *Commissioning and Procurement* must open the seal if the contract value is over £100,000 and below the UK Thresholds.

#### **4B Late Quotations, Quick Quotes, Tenders and UK Tenders**

- 4.5 *Quotations, Quick Quotes, Tenders or UK Tenders* received after the deadline for their return may only be considered in exceptional circumstances and with the prior written consent of *Commissioning and Procurement SLA Provider* and *Legal Services*. The circumstances involved must be documented on the “Summary of *Quotations, Quick Quotes, Tenders, UK Tenders Received Form*” (Guidance Appendix 5).
- 4.6 *Quotations, Quick Quotes, Tenders or UK Tenders* which are not considered because they are late may be opened but only to ascertain the name of the firm submitting the *Quotation, Quick Quotes, Tender or UK Tender*. You must write promptly to the firm in question with a written explanation of why they have not been considered. No details of the *Quotation, Quick Quotes, Tender or UK Tender* are to be disclosed by any *Officer* to anyone within or outside of the Authority.

#### **4C Errors in Quotations, Quick Quotes, Tenders and UK Tenders**

- 4.7 Where examination of *Quotations, Quick Quotes, Tenders or UK Tenders* received reveals errors or discrepancies which would affect the *Quotation, Quick Quotes, Tender or UK Tender* figure(s) in an otherwise successful *Quotation, Quick Quotes, Tender or UK Tender*, the firm is to be given details of such errors (in writing) and afforded the opportunity of confirming through clarification the *Quotation, Quick Quotes, Tender or UK Tender* as it stands or withdrawing it.

## Chapter 5 Evaluation of *Quotations, Quick Quotes, Tenders and UK Tenders*

### 5A Evaluation

#### Price Only

- 5.1 If the procurement process stipulated the *Contract was to be awarded* using the criterion of price only (not permissible for *UK Thresholds* but compulsory for *Quick Quotes*), a *Contract* must be offered to the firm who submitted the *Quotation, Quick Quotes or Tender* stipulating the lowest price, **except** where that firm has failed to meet the Authority's minimum standards in the written risk assessment (if applicable) carried out in accordance with PPR 2.6 to 2.13 (Chapter 2B – Risk Assessment) above **or** where the *Delegated Officer* is not satisfied that the price represents best value for money.

#### Other Criteria

- 5.2 If the procurement process stipulated the *Contract* was to be awarded on criteria other than just price (not permissible for *Quick Quotes* but compulsory for *UK Tenders*), a formal recorded evaluation process must be carried out by a properly constituted evaluation team following the receipt of *Quotations, Tenders or UK Tenders*. This team will undertake a process of weighting each of the evaluation criteria stipulated in the documentation prior to inviting *Quotations, Tenders or UK Tenders*. Where the *UK Public Procurement Rules* apply, the weightings for the criteria must be specified in the *Invitation to Tender*.
- 5.3 If the procurement proceeds to *Contract* award, the *Contract* must be awarded to the firm which achieves the best result in the evaluation process (if it is to be awarded at all).
- 5.4 If on evaluating a *Quotation, Tender or UK Tender*, it becomes clear that the firm submitting has specified that their own *terms and conditions* are to apply to the provision of goods, works or services, the matter must be referred to the *Legal Services* before accepting the *Quotation, Tender or UK Tender* or continuing further with the procurement.
- 5.5 Advice and guidance on how to undertake an evaluation of *Quotations, Tenders or UK Tenders* is available from *Commissioners*.

### 5B Post-*Quotation, Quick Quotes, Tender, UK Tender* Negotiations

- 5.6 Following receipt and opening of *Quotations, Quick Quotes, Tenders or UK Tenders*, any subsequent negotiation of minor terms other than on price must be authorised by *Commissioning and Procurement* in writing and any subsequent negotiation of significant terms other than on price may only be negotiated in exceptional circumstances and with the agreement of *Legal Services* who will confirm whether a term is minor or significant, *Officers* must seek and follow the advice of the *Legal Services*.
- 5.7 Any post-*Quotation, Quick Quote, Tender and UK Tender* negotiation on price may only be authorised by a *Delegated Officer* where:

- 5.7.1 The lowest *Quotation, Quick Quote, Tender* received exceeds the estimated value of the *Contract* and the available budgeted resources; and
  - 5.7.2 If the *UK Public Contracts Regulations* apply (*UK Tenders*), that they permit any negotiation. The *Legal Services* will advise on this.
- 5.8 If there is post-*Written Quotation (including 'Quick Quotes')/Tender* negotiation on price and the *UK Public Procurement Rules* do not apply:
- 5.8.1 All firms submitting a price within 5% of the lowest *Written Quotation (including 'Quick Quotes')/Tender* should be invited to take part.
  - 5.8.2 Invitations to take part must be in writing and require written acceptance; and
  - 5.8.3 A detailed written record must be kept of all negotiations and the negotiated sum.
- 5.9 Officers are reminded of the requirements of PPR 3.12 and 3.16.

#### **5C Post-*Quotation, Quick Quote, Tender, UK Tender* Clarification**

- 5.10 Providing clarification of a request for a *Quotation, Quick Quote*, or an Invitation to *Tender, UK Tender*, or seeking clarification of a *Quotation, Quick Quote* or *Tender, UK Tender*, either in writing or by way of a meeting, is permitted. However, discussions with firms after submission of *Quotations, Quick Quotes, Tenders* or *UK Tenders* before the award of a *Contract* with a view to obtaining adjustments in price, delivery, or content (i.e., post-tender negotiations) must be the exception rather than the rule as provided for in Chapter 5B above. The *UK Public Contracts Regulations* impose particular restrictions upon post-tender negotiations, and it is therefore important to obtain legal advice where these apply.

## Chapter 6 Acceptance of Quotations, Quick Quote, Tenders and UK Tenders

### 6A Acceptance of Quotations, Quick Quotes, Tenders and UK Tenders

- 6.1 Before a *Contract* is entered into, there must be a proper decision made under Part 2 of the Authority's Constitution by a *Delegated Officer* or the *Cabinet* authorising the Authority to enter the *Contract*. The *Delegated Officer* or their representative must inform the *Procuring Officer* in writing of their decision to award contracts between £25,000 and £250,000. A *Delegated Officer* in consultation with the relevant Portfolio Member must inform the *Procuring Officer* in writing of their decision to award a contract of up to £250,000 and establish if the decision is key or not. The decision must be formally record on the Delegated Decision System for all contract awards over £250,000.
- 6.2 *Delegated Officers* may accept *Tenders/UK Tenders*; subject to compliance with the Procedure for the Commitment of Capital Expenditure (see Financial Regulation 4). *Tenders/UK Tenders* not complying with that Procedure must be reported to the *Chief Finance Officer* for approval.  
Note: Paragraph 4 of that Procedure provides that where it is proposed to accept other than the lowest tender (where price is the determining criteria), this must be reported to *Relevant Chief Officer* for authority to proceed.
- 6.3 *Contracts* under £214,904 in value must be awarded either by placing an *Order* in accordance with PPR 8.5 to 8.6 below or by signing a *Formal Contract* as under PPR 8.7 below. An *Order* must be issued quoting the contract reference number in the Header Box, as set out at PPR 9.2. A *Contract* (if not sealed) must be signed by the individuals set out at PPR 9.3.
- 6.4 *Contracts* of £214,904 or more in value must be awarded by the signing of the *Contract* in accordance with PPR 8.7 and 9.3 unless it is sealed.
- 6.5 Any correspondence sent to the successful firm prior to issuing an *Order* or completing a *Formal Contract* must be headed 'Subject to Contract.'
- 6.6 If the *UK Public Contracts Regulations* apply (i.e., if the *Contract* value is above the *UK Threshold*), there are special requirements before a *Contract* can be entered into. Generally, these involve issuing a notice of award to all firms advising which *UK Tender* the Authority proposes to accept and then allowing ten days before entering that *Contract* to allow any aggrieved firm to challenge the process. If an unsuccessful firm requests a written debrief, this must be provided. *Legal Services* should be consulted about these requirements. For *Tenders* below the UK Thresholds a voluntary 10day standstill period will be applied. There will be no requirement for a 10day standstill period for *Quotations* and *Quick Quotes*.
- 6.7 **Relevant gateway** process requires that once a *Contract* with an estimated value of £25,000 or more has been awarded, a *Completion Statement* attached at Guidance Appendix 6 must be completed detailing the successful firm, the start and end date, *Contract Management Roles*, the *Contract* value and forwarded within ten working days of the *Contract* being awarded to the *Procurement Gateway* where the *Commissioner* will make arrangements for the details to be



input to the *Authority's Contract Register*. The *Authority's Contract Register* is available on the Electronic Tendering Portal

- 6.8 Every payment under a *Contract* must be made through the *P2P financial system* unless it is listed on the *POP* exception list detailed in *Guidance Appendix 9* or the *Relevant Chief Officer* has granted a written exemption from the payment being made in that way and she is satisfied that this is justified because of the exceptional circumstances in any particular case. This power will not be used to grant general exemptions from this requirement.
- 6.9 *Officers* will ensure that adequate post-*Contract* monitoring is undertaken (See also Chapter 9E).

## Chapter 7 – Exceptional Procedures

### 7A Exceptional Circumstances relating to the Purchase of Goods, Works, or Services

- 7.1 In cases where there is an opportunity to purchase goods, materials or related services at an exceptionally favourable price or delivery terms, and the Authority is likely to lose the advantage of cost or delivery if purchase is delayed by complying with these requirements, the *Relevant Chief Officer* may proceed with the purchase without complying with the requirements of these *Rules*, subject to the prior written consent of the *Chief Finance Officer* and compliance with the *UK Public Contracts Regulations*.

### 7B Contracts where Payment is made in Advance.

- 7.2 No *Contract* or commitment shall be entered into for goods, materials, works or services for which the firm requires payment in advance until all the following have been undertaken:

7.2.1 The *Delegated Officer* has undertaken a documented appraisal of the risks and is satisfied that such payment is reasonable and is in the best interest of the Authority; and

7.2.2 The *Monitoring Officer* has put in place the appropriate contractual arrangements to ensure that the risk to the Authority is minimized in the event of the firm failing to deliver the required products under the *Contract* for whatever reason and has confirmed in writing to the requisitioning *Delegated Officer* that this has been done.

- 7.3 PPR 7.2 does not apply where there is a statutory requirement for the Authority to make payments in advance.

### 7C Letters of Intent

- 7.4 *Letters of Intent* shall only be used in the **most exceptional** circumstances. A '*Letter of Intent*' is a letter or other similar documentation which permits a firm to commence performance of a *Contract* in UK of any other binding and *Formal Contract* documentation being in place.

- 7.5 If the value of any *Letter of Intent* is less than £150,000, any *Letter of Intent* must be agreed in advance of issue by the *Legal Services*.

- 7.6 Any *Letter of Intent* in relation to a proposed *Contract* with a value of £150,000 or more must:

7.6.1 Be signed by the relevant *Delegated Officer*; and

7.6.2 Be agreed in advance of issue by the *Chief Finance Officer* and the *Monitoring Officer* after consultation with the relevant portfolio holder.

*Note:* A *Letter of Intent* shall not in any event be issued without a proper decision having first been made to award the *Contract* under PPR 6.1. In the case of a *Contract* appointing *External Professional Services* such a decision must also be made in accordance with Guidance Appendix 3 of these *Rules*.

**7D Private Finance Initiative (PFI) Schemes**

- 7.7 Where a *Contract* is designated as a *PFI Scheme* by the *Chief Finance Officer*, the award of a *Contract* shall be made according to the procedures laid down by Central Government and the *UK Public Contracts Regulations*.
- 7.8 In the event that these *Rules* conflict with any external procedures referred to in PPR 7.7, those external procedures shall take precedence.
- 7.9 On all occasions when awarding a *Contract* designated as a *PFI Scheme*, *Officers* must seek and follow advice from the *Legal Services* and the *Chief Finance Officer*.

**7E Bonds and Parent Company Guarantees**

- 7.10 Consideration should always be given to the possible need for a *Bond* or a *Parent Company Guarantee* where the circumstances of the case suggest this may be appropriate to better protect the Authority's interests. The advice of the *Chief Finance Officer* should be sought about this in appropriate cases. A *Bond* may for instance be appropriate for very high value *Contracts* for works, or where advance payments are proposed under PPR 7.2 and there is any concern about the financial stability of the successful firm. A *Parent Company Guarantee* may be appropriate where the successful firm is a subsidiary of a parent company and the risk assessment has included an evaluation of that parent company, or where it is a high value *Contract* and there is any doubt about the financial stability of the subsidiary.

## Chapter 8 - Contractual Requirements

### 8A Minimum Contractual Requirements

- 8.1 Every *Contract* or agreement (whether for the purchase of goods, materials and related services, the execution of works, or the provision of other services) shall be in writing as specified in PPR 8.2. Verbal agreements are not permitted.
- 8.2 Every contract or agreement shall be in the form of either: -
- 8.2.1 An *Official Order* which includes the Authority's standard *Terms and Conditions*; or
- 8.2.2 Such other *Formal Contract* which should be drafted and approved by the *Commissioning and Procurement SLA Provider* in conjunction with the *Legal Services*.
- 8.3 When the *Contract* value is less than £214,904 , *Officers* may use an *Official Order* including the Authority's standard *Terms and Conditions* but **if an *Officer* has any doubt about the use of an *Official Order* adequately protecting the Authority's interests having regard to the nature or subject matter of the contract, he/she must seek the advice of the *Commissioning and Procurement Team***. Where the *Contract* value is £214,904 or more, *Procuring Officers* must seek and follow advice from the *Legal Services* as to whether a *Formal Contract* (instead of an *Official Order*) must be used and, if so, which form of *Formal Contract*. For the avoidance of doubt, an *Official Order* with *Terms and Conditions* may only be used for a contract of £214,904 or more with the express approval of the *Legal Services*.
- 8.4 Before the successful firm commences work or other performance of the *Contract*, *Officers* must ensure that either an *Official Order* with *Terms and Conditions* attached is issued or a specifically drafted *Formal Contract* is signed by both parties.

### 8B Official Orders

- 8.5 *Orders* must be placed through the *P2P financial system* (except those detailed on the *POP* exception list as shown in Guidance Appendix 9) which is the Authority's official ordering and payment system unless it is technically not possible to do so for any exceptional reason. If it is proposed not to place an *Order* through the *P2P financial system* because of any general exemption from doing so issued by the *Relevant Chief Officer* or for any other reason, the *Officer* must consult with the *Commissioner: Collaboration* to ascertain the most appropriate method of placing the *Order*.
- 8.6 An official *Order* must be in a type of form, containing the types of information and other details, as has been approved by the *Relevant Chief Officer*.

### 8C Form of Formal Contract

- 8.7 Any *Formal Contract* must be in a form which has been agreed by *Legal Services*.

## Chapter 9 - Execution of Contracts and Contract Variations / Extensions

### 9A Sealing

- 9.1 The Common Seal of the Authority must always be affixed to the following:
- 9.1.1 *Contracts* made without consideration, e.g., a gift.
  - 9.1.2 Any other *Contract* which by law must be under seal, e.g., a conveyance of land or interest in land; and
  - 9.1.3 Any other *Contract* which in the view of the *Monitoring Officer* ought to be sealed, e.g., where he or she considers it would be prudent to have a statutory limitation period of 12 years for suing for breach of *Contract* rather than 6 years for *Contracts* not under seal.

All documents to which the Common Seal is affixed must also be signed by the persons specified in the Authority's Standing Order 30 as set out in Part 4A of the Constitution.

### 9B Signing

- 9.2 Subject to PPR 9.1 above and provided that the necessary approvals have been obtained all **Orders** shall be requisitioned and authorised by a *Delegated Officer* or an officer authorised by him/her.
- 9.3 **Contracts** below £214,904 (not under seal) shall be signed personally by one of the following officers and held by the *Commissioning and Procurement Team*: -

CATEGORY A	CATEGORY B	CATEGORY C
All Contracts	All Contracts except Contracts for leasing, insurance, banking, and other financial services	Contracts for leasing, insurance, banking, and other financial services
<i>Monitoring Officer</i>	<i>Chief Executive of the Authority for Authority and Chief Officer</i>	<i>Chief Finance Officer</i>
<i>Monitoring Officer</i>	<i>Any Chief Officer of the Authority for Authority</i>	<i>Relevant Chief Officer</i>

Other officer nominated for the purpose by the Monitoring Officer	Any <i>Deputy Chief Officer of the Authority for Authority</i>	
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9.4 **Contracts** of £214,904 or more (not under seal) shall be signed personally by two officers and held by the *Commissioning and Procurement Team*: -

9.4.1 In the case of *Contracts* for leasing, insurance, banking, and other financial services by one of the category A officers and one of the category C officers; or

9.4.2 In the case of all other *Contracts* by one of the category A officers and one of the category B or C officers.

### 9C Contract Variations

9.5 Once entered, a *Contract* may only be varied under the written authorisation of a *Delegated Officer* and the *Commissioner* where they consider it is in the best interests of the Authority and adheres to 'Gateway4'.

### 9D Contract Extensions

9.6 A *Contract* may be extended in accordance with its express terms under the written authorisation of a *Delegated Officer* and the *Commissioner* in line with 'Relevant gateway' requirements.

9.7 Where a *Contract* does not contain any express provision for extension, *Contract Extensions* will not be permitted except in exceptional circumstances which meet the criteria set out in the *UK Public Contracts Regulations*. *Legal Services* will advise on these requirements. Any such exceptional extension must be agreed in writing by a *Delegated Officer* in conjunction with the *Relevant Chief Officer* and approved by the *Chief Finance Officer* that it has been justified as achieving best value for money.

## 9E Contract Management

- 9.8 Once a *Contract* has been awarded, effective monitoring and management of the performance of the *Contract* throughout its term will be done so in line with the Authority's *Contract Management Toolkit*. Such arrangements may vary depending upon the nature, value, complexity and length of the *Contract* but shall be designed to ensure that the contractual obligations of both the contractor and the Authority are fully and properly discharged and that the Authority's rights and interests under the *Contract* are properly protected and where necessary enforced. The arrangements shall also seek to ensure that all significant activities carried out by way of monitoring and managing the *Contract* shall be properly recorded in writing and recorded in the *Electronic Contract Management System* for audit purposes. The *Commissioner* will require the details of the assigned *Contract Management Roles* (PPR 9.11) as part of the **Relevant gateway** process to ensure they have been recorded on the *Authority's Contracts Register* and within the *Electronic Contract Management System*. Any arrangements shall comply with any guidance on post-contract monitoring which the Authority may issue from time to time.
- 9.9 Contract management requirements and the frequency of engagement should be in line with the Authority's *Contracts Management Matrix* so that the *Commissioner: Collaboration* can make arrangements for this to be recorded on the *Authority's Contracts Register* and within the *Electronic Contract Management System*.
- 9.10 *Contracts* classified as a '*Critical Contract*' should be flagged on the *Authority's Contracts Register* and within the *Electronic Contract Management System* to ensure the required business continuity arrangements are in place.
- 9.11 Contract Management Roles and responsibilities are detailed below:
- 1) **Authorised Officer (Contract)** - Named as the Authority's representative for the *Contract* in the contract particulars. Responsibilities: - Overall delivery of the contract, making decisions about extensions, suspensions, and terminations, and planning for contract renewals
  - 2) **Senior User** - Day to day relationship management and compliance checking, execution of the contract, for example, making referrals and placements, making call offs for projects etc. rapid response to immediate issues and escalating serious concerns to the Authorised Officer
  - 3) **Performance Collector** - Collecting the performance information agreed within the contract, in line with the contract management matrix timescales, making performance information available to the Performance Reviewer for the contract.
  - 4) **Performance Reviewer** - Analysing the collected performance information against the agreed outputs/outcomes identified within the contract, making performance analysis routinely available to the Senior User in line with the contract management matrix timescales, escalating significant performance issues to the Authorised Officer
  - 5) **Quality Reviewer (Desktop)** - Undertaking a desktop review for the contract and/or sample checks in line with the quality framework agreed in the contract. This may include checking copies of certificates, policies, product samples, and provider self-assessments, undertaking and maintaining the contract risk rating, escalating significant quality issues to the Senior User and Authorised Officer

- 6) **Quality Reviewer (Visit)** - Completing a verification visit for the contract, in line with the quality framework agreed in the contract, informing the Quality Reviewer (Desktop) about the verification visit outcome, escalating significant quality issues to the Senior User and Authorised Officer
  
- 9.12 The *Officer* must engage with the *Commissioning and Procurement SLA Provider* through **'Relevant gateway'** at the appropriate stages during the contract term.



## Chapter 10 - Electronic Commissioning, Tendering and Contract Management

### 10A E-Tendering

- 10.1 All commissioning exercises must be undertaken within the Electronic Commissioning System approved by the *Commissioner: Collaboration* and the *Relevant Chief Officer*.
- 10.2 *Quotations, Quick Quotes, Tenders* or *UK Tenders* must be sought and received by electronic means for every proposed *Contract* with an estimated value over £25,000, unless the *Relevant Chief Officer* has agreed otherwise. In those circumstances where *E-Tendering* is carried out, this shall only be through the procurement system which has been expressly approved by the *Commissioner: Collaboration* and the *Relevant Chief Officer*.
- 10.3 It is essential that evidence be recorded that the transmission was successful or unsuccessful. Electronic submissions are to be kept in a separate secure electronic folder until the deadline and must be opened in accordance with PPR 4.1 to 4.4.
- 10.4 All contract management activity must be recorded within the Electronic Contract Management System approved by the *Commissioner: Collaboration* and the *Relevant Chief Officer*.
- 10.5 All processes used in e-commissioning, e-tendering and e-contract management must conform to the Authority's current IT security guidance and protocols.

## Chapter 11 – Cabinet

### 11A Cabinet Remit in relation to Procurement

11.1 *Cabinet* has responsibility for four key areas:

- 11.1.1 Development and implementation of the Authority's Commissioning and Procurement Plan.
- 11.1.2 Governance of Major Procurement Projects.
- 11.1.3 Guidance on the development of Procurement Proposals arising from the appraisal of options for service delivery; and
- 11.1.4 The approval of the award of any particular *Contract*, or any other step in any particular procurement, where (a) Cabinet have specifically required such approval or (b) the Authority's Financial Regulations or any other provision of its Constitution requires the approval of Cabinet or (c) a *Delegated Officer* considers it appropriate that *Member* approval be sought given the size or nature of the proposed contract.

### 11B Criteria for Reports to Cabinet

- 11.2 Its role is principally envisaged as being a high level one: to consider and develop appropriate procurement strategies as well as relevant operational and governance arrangements and to monitor their operation.
- 11.3 In relation to major projects (which have been specifically defined) against any of our procurement sub-categories (Guidance Appendix 10 of these Rules), and indeed any other proposed contract which *Officers* identify may involve potentially high risk or costs for the Authority, specific reports should be brought to the *Cabinet* for approval of the final *Commissioning Model* which will outline the proposed scope and direction for the procurement process before it is embarked upon.
- 11.4 For the award of any "*Call-off Contract*", where this is made from an existing *Framework Agreement or Procured Solution* that has been previously approved by *Cabinet*, a *Delegated Decision* shall be made in line with the Authority's decision making policies which are detailed in the Constitution and within the decision making chart held in the *Commissioning and Procurement Plan*. Decisions must be made in conjunction with the *Relevant Chief Officer* and in consultation with the relevant Portfolio Member.
- 11.5 All negotiated contracts over £25,000 which have been let or are about to be entered into without formal competition must be reported to *Directorate Management Teams* by the *Relevant Chief Officer* as part of a summary schedule for information.

## Chapter 12 - Definitions

### 12A Definitions

The following words which are italicised shall have the meaning as defined below: -

*'Relevant Chief Officer'* means the senior *Officer* tasked with facilitating procurements within the Authority or any other *Officer* nominated in writing to act on their behalf.

*'Head of Law and Governance Services'* means the *Officer* responsible for *Legal Services Team* or any other *Officer* nominated in writing to act on their behalf.

*'Authorisation to Negotiate Form'* means the form (attached at Guidance Appendix 4) to be used for recording when a *Delegated Officer* has decided that the use of the negotiation procedure under PPR 3.21 to 3.27 is in the best interest of the Authority.

*'Bond'* means an insurance policy under which if the contractor fails to perform the *Contract* the Authority can claim the sum of money specified in the *Bond*, often 10% of the *Contract* value.

*'Call-off Contract'* means the award of any *Contract* under a *Framework Agreement* or a *Light Touch Regime Services* procurement solution

*'Central Purchasing Body'* means a public authority which may have already procured a *Framework Agreement* or a *Light Touch Regime Services* procurement solution, of which the Authority is able to take advantage and award a *Contract* in accordance with the *Framework Agreement* or the *Light Touch Regime Services* procurement solution.

*'Constitution'* means the Authority's Constitution (or constitution) as amended from time to time.

*'Chief Officer'* means for the Authority, the Chief Executive, the Directors, Chief Finance Officer, and the Monitoring Officer.

*'Commissioner'* means the *Officer* who has strategic category leadership for specific procurement categories and sub-categories, tasked with providing advice, opening the commissioning project at 'Gateway 1, agreeing the final *Commissioning Model*, reviewing the procurement documents at Procurement, closing the procurement for contract start at 'Relevant gateway, acting as the Authorised Officer for Relevant gateway, along with allocating resources to carry out the commissioning and procurement exercise on behalf of the Authority; *'Commissioning Model'* means our final plan which has been developed during the commissioning phase incorporating the final Lotting Structure created where required through consultation with the Provider Market, Service Users and other key Stakeholders;

*'Commissioning and Procurement Plan'* means the Authority's Plan which details the strategic objectives which must be adhered to when undertaking a procurement. It is available from the Authority's Internet site listed under business, tenders, and contracts or from the Authority's Intranet site listed under procurement.

*'Commissioning and Procurement Team'* means the team of professional Commissioning and Procurement *Officers*. The *Commissioning and Procurement SLA Provider* is responsible for commissioning and coordinating procurement activity to ensure that high quality outcomes are delivered that are value for money and that procurement activity is compliant with the law.

*'Completion Statement'* means the form attached at Guidance Appendix 6 and available from the *Commissioner* which sets out basic details of an awarded Contract and thereby enables the Authority to log the details on a *Contract Register*.

*'Contract'* means any contract for the supply of goods, execution of works or provision of services.

*'Contract Extension'* means the extension of the term of a Contract.

*'Contracts Register'* means the Central Governments tendering portal where local Authorities have to publish a notice for all advertised contracts over £25,000

*'Contract Management Matrix'* means the document which outlines the frequency for the contract management of goods, works and services *Contracts*.

*'Contract Management Toolkit'* means the policy document outlining contract management requirements.

*'Authority's Contracts Register'* means a list of all the Authority's current *contracts*.

*'Critical Contract'* means a contract that is significant to the Authority in terms of fulfilling its statutory and service delivery obligations.

*'Delegated Officer'* means any *Officer* of the Authority who has delegated decision making powers under Part 3.13 of the Constitution and who accordingly is listed in Table A, of Part 3.13 which is reproduced at Guidance Appendix 7 of these *Rules*; *'E-Commissioning'* means the commissioning design phase of the commissioning and procurement cycle.

*'E-Contract Management'* means the contract management phase of the commissioning and procurement cycle.

*'E-Tendering'* means the procurement of a *Contract* by electronic means either by seeking *Quotations*, *Quick Quotes*, *Tenders* or *UK Tenders*.

*'Electronic Tendering System'* means the system approved and operated by the Authority for the time being for the invitation and return of *Quotations*, *Quick Quotes*, *Tenders* and *UK Tenders* by electronic means.

*'Equality Considerations'* means that when procuring goods, services or works equality needs to be given due consideration in the procurement process to ensure that public money is not spent on practices that lead to unlawful discrimination, but instead is used to support and encourage equality of opportunity and good community relations.

*'External Body'* means any person, organisation, or company external to the Authority.

*'UK Public Contracts Regulations'* means The Public Contracts Regulations 2015 which are the statutory rules which implement the European Directive 2014/24-EC for the procurement of public contracts with which the Authority must comply.

*'UK Tender'* means any *Tender* for a *Contract* above the *UK Threshold*.

*'UK Threshold'* means the financial threshold as dictated by the European Commission which, when breached, will invoke application of the UK Public Procurement Rules. The current threshold levels are as follows:

<b>Contracts for Supplies -</b>	<b>£214,904 (INCLUDING VAT)</b>
<b>Contracts for Services -</b>	<b>£214,904 (INCLUDING VAT)</b>
<b>Contracts for Light Touch Regime Services</b>	<b>£663,540 (INCLUDING VAT)</b>
<b>Contracts for Works -</b>	<b>£5,372,609 (INCLUDING VAT)</b>

*'Formal Contract'* means the formal documentation (other than an *Order*) which is signed by the parties to a contract, and which acts as evidence of that *Contract*.

*'Framework Agreement'* means an agreement which is not in itself a *Contract*, but which establishes the terms (in particular as to price and, where appropriate, quantity) under which the firm will enter into one or more *Call-off Contracts* with the Authority during the period in which the *Framework Agreement* applies.

*'Gateway'* means the method of 'managing' a commissioning and procurement exercise at critical stages in its lifecycle to provide assurance (with supporting evidence) that the project can proceed to the next stage. There are four 'Gateway' stages in the commissioning and procurement process (documented in Appendix 1) at which *Officers* must consult with the *Commissioner* or any other nominated *Officers* within the *Commissioning and Procurement Team*.

*'Gateway 1'* requires *Officers* to submit a *Project Request Form* (Guidance Appendix 8) to the *Procurement Gateway* to register that they are about to undertake a commissioning and procurement exercise. The *Commissioners* will assign an *Officer* from the *Commissioning and Procurement SLA Provider* to support throughout the commissioning and procurement process.

*'Procurement'* requires the *Commissioner* to check documentation has been prepared in accordance with procurement procedures and electronic tendering requirements. The client *Officer* is responsible for checking the technical content of the documentation prior to dispatch from the *Commissioning and Procurement Team*.

*'Relevant gateway'* requires *Officers* to submit a *Completion Statement* (Guidance Appendix 6) to the *Procurement Gateway* where *Commissioners* will make arrangements for the details to be input to the *Authority's Contract Register*. The *Commissioning and Procurement SLA Provider* will check the award documentation, *OJUK Notice* if applicable and obtain the details of the *Contract Management Roles*.

*'Relevant gateway'* requires *Officers* to engage with the *Authorised Officer* at the appropriate stages during the *Contract* term as outlined in the *Commissioning and Procurement Plan*.

*'Invitation to Tender' or 'ITT'* means a procurement-specific document drafted in order to give instructions to firms wishing to tender for the award of a *Contract* (an example of which is available from the *Commissioning and Procurement Team*).

*'Key Performance Indicators (KPI's)'* means a type of measurement of performance to evaluate the success or otherwise of a particular activity or *Contract* in which we are engaged.

*'Legal Services'* means any solicitor employed within the Legal Services Section providing Legal advice to the Authority through an SLA which is being managed by the *Head of Law and Governance Services*.

*'Letter of Intent'* means a letter or other similar documentation which permits a firm to commence performance of a *Contract* in UK of any other binding and *Formal Contract* being in place.

*'NEPO'* means the North East Procurement Organisation.

'*Officer*' means any *Officer* of the Authority, authorised by a *Delegated Officer* to undertake a commissioning and procurement exercise on behalf of the Authority.

'*OJUK Notice*' means an advertisement posted in the Official Journal of the European Union (which is the advertising medium for all notices subject to the UK Public Contracts Regulations).

'*Order*' means an official order form complying with PPR 8.5 and 8.6 which details the goods, works or services to be provided to the Authority and authorises the successful firm to provide these.

'*Parent Company Guarantee*' means a contract which binds the parent of a subsidiary company to perform the *Contract* if the subsidiary fails to do so.

'*PFI Scheme*' means a project which receives Private Finance Initiative (PFI) funding from HM Treasury.

'*Post-Contract Variation*' means variation to a *Contract* which is to be made after a *Contract* has been legally entered into.

'*P2P financial system*' means the Purchase Order Processing System held by the *Relevant Chief Officer* which permits *Officers* to order supplies, works and services where an existing Framework Agreement exists or otherwise.

'*Procurement Consideration Document*' means a guide suggesting considerations for an upcoming commissioning and procurement exercise and how best to plan for it. Considerations are embedded within the Authority's commissioning and contract management system and available from the *Commissioning and Procurement Team*.

'*Procuring Officer*' means the Commissioning and Procurement Officer in the *Commissioning and Procurement Team*, responsible for providing specialist expertise and commercial knowledge to ensure that all commissioning, procurement, and contract management activity is undertaken in accordance with the Authority's Financial and Statutory Regulations and *UK Public Procurement Regulations*.

'*Project Request Form*' means the form (attached at Guidance Appendix 8) which must be submitted in the circumstances set out in PPR1.12 to ensure professional commissioning and procurement advice and approval is received for:

- all areas when the value of spend is anticipated to exceed £25,000 and there are no existing procurement arrangements in place

'*Quick Quotes*' means using a module within the North East Procurement Organisation (NEPO) Portal for electronic tendering that provides the ability to run simplified quotation procedure for one off purchases of supplies of goods or delivery of services where a full risk assessment is not required, or low values works utilising *Constructionline* for risk assessment purposes. The key advantage of '*Quick Quotes*' is that it will illicit quotations within 48 hours rather than the usual 10 working days for normal *Quotations*. Requests for *Quotations* processed through the '*Quick Quotes*' module will potentially create more opportunities for local suppliers.

'*Quotation*' means a written submission (which can be evaluated on price alone or on other criteria) from a firm for carrying out a contract for supplies, works or services.

'*Rules*' means these *Commissioning and Procurement Procedure Rules*.

'*Selection Questionnaire*' means a questionnaire (available from the Part 4.1 – Commissioning and Procurement Procedure Rules

*Commissioning and Procurement Team*) to be used where the *UK Public Contracts Regulations* apply which when completed will be used to assess whether a firm has satisfied the Authority's risk assessment criteria as set out at PPR 2.8 and may shortlist firms to be invited to submit a tender for 'Restricted' routes or used as a selection stage for 'Open' procurement routes.

'*Shared Service Agreement*' means the regional procurement agreement used for collaborative commissioning and procurement.

'*Social and Other Specific Services*' means a procurement route within the *UK Public Contracts Regulations* for services listed within Annex XIV

'*Social Value*' means simply, value that accrues in our local communities. It is what city residents say is valuable to them, for example sustainable employment, a decent place to live, and equal access to a range of quality services in the local area.

'*Summary of Quotations, Quick Quotes, Tenders, UK Tenders Received Form*' means a pro forma document attached at Guidance Appendix 5 and also available from the *Commissioning and Procurement SLA Provider* which must be completed when receiving *Quotations, Quick Quotes, Tenders or UK Tenders* when the *Electronic Tendering System* is not utilised.

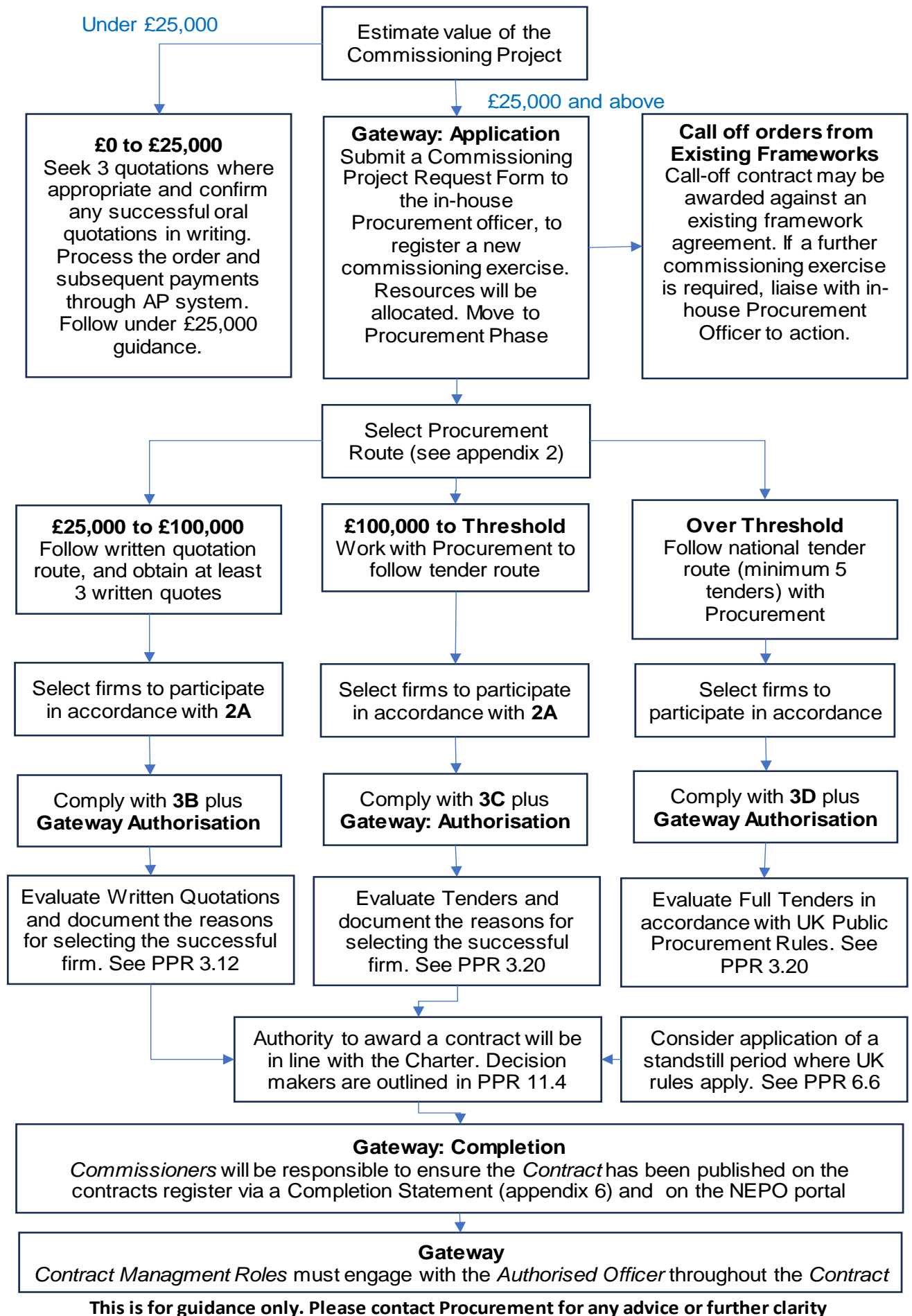
'*Sustainability Considerations*' means undertaking a procurement process whereby we meet our needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis. It results in benefits not only to the organisation, but also to society and the economy whilst minimizing damage to the environment. *Sustainability considerations* include environmental, social, and economic factors.

'*Tender*' means the written proposal submitted by a firm in response to the Invitation to Tender.

'*Terms and Conditions*' means a set of non-negotiable terms specific to a contract (albeit they may be of a general nature) which are designed to protect the legal position of the Authority.







## Appendix 2 – Guidance on Financial Thresholds and Documentation / Audit Requirements

Total Value	Procurement Route	Documentation Requirements	Evidence for Audit Purposes
Under £25,000	<b>Obtain at least Three Quotations unless Inappropriate.</b> - see PPR1.4 A Delegated Officer must be satisfied VFM is obtained. Follow guidance.	The successful quotation if oral must be confirmed in writing. All payments must be made, and all Orders processed via the P2P financial system unless documented on Guidance Appendix 9 P2P Exception List	Officers must keep a written record of all quotations received and of the reasons if less than 3 have been sought.
£25,000 to £100,000	<b>Obtain at least Three Written Quotations</b> follow PPR 3.9 to 3.12. <i>Quotations</i> must be sought and submitted by a certain date through the Electronic Tendering System unless agreed otherwise.	The complete list of documentation required to undertake the procurement is stated at PPR 3.11 which must be checked and dispatched by ' <i>Procurement</i> '. The successful firm must pass the risk assessment requirements unless exempt under PPR 2.6. An Order attaching the standard <i>Terms and Conditions</i> may be placed with the successful firm otherwise a <i>Formal Contract</i> is needed, before the work commences. All Orders and Payments must be made through the P2P financial system unless stated on Guidance Appendix 9. A Completion Statement (Appendix 6) must be sent to the <i>Procurement Gateway</i>	<i>Procuring Officers</i> must: 1 carry out and evidence a scoring exercise which assesses the firms' <i>Tenders</i> against the evaluation criteria (unless awarded on price alone) and keep a detailed written record of the reasons for selecting the successful firm for at least three months; 2 retain a copy of the <i>Contract</i> ; and 3 retain a completed Summary of Quotations/Tenders/UK Tenders Received Form if the Electronic Tendering System is not utilised
£100,000 to UK Thresholds (£214,904 for Goods & Services £663,540 for Social £5,372,609 for Works)	<b>Seek a Minimum of Five Tenders</b> – follow PPR 3.13 to 3.16. <i>Tenders</i> must be sought and submitted by a certain date through the Electronic Tendering System unless agreed otherwise.	The complete list of documentation required to undertake the procurement is stated at PPR 3.15 which must be checked and dispatched by ' <i>Procurement</i> '. The successful firm must pass the risk assessment requirements unless exempt under PPR 2.6. An Order (attaching the standard <i>Terms and Conditions</i> ) may be placed with the successful firm otherwise a <i>Formal Contract</i> is needed, before the firm commences work. All Orders and Payments must be made through the P2P financial system unless stated on Guidance Appendix 9. A Completion Statement (Appendix	<i>Procuring Officers</i> must: 1 carry out and evidence a scoring exercise which assesses the firms' <i>Tenders</i> against the evaluation criteria (unless awarded on price alone) and keep a detailed written record of the reasons for selecting the successful firm for at least three months; 2 retain a copy of the <i>Contract</i> ; and 3 retain a completed Summary of Quotations/Tenders/UK Tenders Received Form if the Electronic Tendering System is not utilised

Total Value	Procurement Route	Documentation Requirements	Evidence for Audit Purposes
<p>Above the UK Thresholds</p> <p>(£214,904 for Goods &amp; Services</p> <p>£663,540 for Social</p> <p>£5,372,609 for Works)</p>	<p><b>Seek a Minimum of Five Tenders</b></p> <p>- follow PPR 3.17 to 3.20.</p> <p>Over the <i>UK Threshold Tenders</i> must be sought by following the <i>UK Public Procurement Rules</i>.</p>	<p>6) must be sent to the <i>Procurement Gateway</i></p> <p><i>Officers</i> must seek advice from the <i>Commissioner responsible for the procurement sub-category</i> in the first instance who will check and dispatched all documentation at Procurement</p> <p>The successful firm must pass the risk assessment requirements unless exempt under PPR 2.6. There must be a <i>Formal Contract</i> in place before the firm commences work.</p> <p>All Orders and Payments must be made through the P2P financial system unless stated on Guidance Appendix 9. A Completion Statement (Guidance Appendix 6) must be sent to the <i>Procurement Gateway</i>.</p>	<p><i>Procuring Officers</i> must:</p> <ol style="list-style-type: none"> <li>1 carry out and evidence a scoring exercise which assesses the firms' <i>Tenders</i> against the evaluation criteria (unless awarded on price alone) and keep a detailed written record of the reasons for selecting the successful firm for at least three months;</li> <li>2 retain a copy of the <i>Contract</i>; and</li> <li>3 retain a completed Summary of Quotations/Tenders/UK Tenders Received Form if the Electronic Tendering System is not utilised</li> </ol>
<p>Any Value of £25,000 or more</p>	<p><b>Negotiation with One Firm</b></p> <p>– follow PPR 3.21 to 3.27.</p>	<p>The firm must pass the risk assessment and there must be contractual <i>terms and conditions</i> in place before the firm commences work. <i>Officers</i> must first ensure that any negotiation with one firm complies with <i>UK Rules</i> (and seek legal advice to this end) and complete an Authorisation to Negotiate Form (Guidance Appendix 4). The firm with which negotiation takes place must pass the risk assessment requirements unless exempt under PPR 2.6. All Orders and Payments must be made through the P2P financial system unless stated on Guidance Appendix 9. A Completion Statement (Guidance Appendix 6) must be sent to the <i>Procurement Gateway</i>.</p>	<p><i>Procuring Officers</i> must:</p> <ol style="list-style-type: none"> <li>1. Retain a copy of a completed Authorisation to Negotiate Form (Guidance Appendix 4) which has been signed by a <i>Delegated Officer, Commissioner</i> (and the <i>Chief Finance Officer</i> if the value exceeds £100,000).</li> <li>2. If over £100k, consultation must take place with the Cabinet Member for Resources via the <i>Relevant Chief Officer</i> before authorisation to negotiate is given. Evidence must be kept of all procedures complied in accordance with PPR 3.21 to 3.27; and</li> <li>3. Retain a copy of the <i>Contract</i>.</li> </ol>

NB. This is guidance only and *Officers* must follow the *Rules*. If in doubt, *Officers* should seek advice from the *Procurement Service* via the *Procurement Gateway* mailbox.