

PART 4

SECTION 9

IPSWICH BOROUGH COUNCIL

CONTRACT STANDING ORDERS

PROCEDURE RULES

INTRODUCTION

These contract standing orders (issued in accordance with section 135 of the Local Government Act 1972) are intended to promote good purchasing practice and public accountability whilst deterring corruption. They are designed to provide a framework governing the way in which the Council awards contracts and the terms upon which they are met. The main purpose of these standing orders is to ensure that the Council purchases goods, services and works in accordance with the Law. Specifically the principals of equal treatment, transparency, non-discrimination and fairness set out in the Treaty on the Functioning of the European Union and enshrined in the Public Contracts Regulations 2015 or such other relevant legislation in force from time to time. It is important that officers act in the best interests of the Council and in accordance with good practice whilst procuring goods, services and works on behalf of the Council. This will normally include an element of competition unless there are very good reasons for not doing so. The officer must be able to demonstrate that actions taken are in accordance with sound professional practice; following the rules is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Officers responsible for purchasing or disposal **must** comply with these contract standing orders. **Words included in italics are defined in the Definitions Appendix.** All costs referred to in these contract standing orders are exclusive of VAT, staff costs and fees. In addition to the contract standing orders **officers need to have regard to and comply with the Council's Financial Standing Orders which are also part of the Constitution.** These standing orders apply to all officers of the Council when disposing of or purchasing goods, services or works on behalf of the Council. They set out the minimum requirements but each procurement or disposal should be considered on its own merits and more elaborate or thorough procedures may be appropriate in many instances.

For the purposes of these standing orders, where there is a requirement for communication to be in writing, this can include e-mail and fax transmissions as well as hard copy. In any event the standing orders would be satisfied by the use of the Council's e-tendering system which will be used in most cases of procurement. It is necessary to confer with the procurement unit before embarking upon any procurement exercise.

Officers must:

- Follow the rules when purchasing goods or services or ordering building work.
- Ensure that all necessary legal, financial and other professional advice is sought prior to and during the procurement process carried into effect.

- Declare any personal financial interest in relation to any contract and the appropriate steps taken thereafter.
- Ensure that any *Best Value* review is undertaken together with an appraisal of the purchasing need before commencing.
- Check to ensure whether or not there is an existing *Corporate Contract* that can be utilised before undergoing a competitive process.
- Allow not less than four weeks for the submission of Tenders unless alternative timescales are prescribed by either domestic or EU legislation or on grounds of extreme urgency.
- Ensure that all bids are kept confidential.
- Complete a written contract or council order before the supply or works begin.
- Identify a contract manager with responsibility for ensuring that the contract delivers as intended.
- Ensure that records of any dealings with suppliers are created and maintained.
- Appraise each contract as part of the review process to ensure that the purchasing need and *Value for Money* requirements were met.

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SECTION 1: SCOPE OF CONTRACT STANDING ORDERS

1. GENERAL PRINCIPLES

- 1.1 All purchasing and disposal procedures must:
- achieve *Best Value* for public money spent
 - be consistent with the highest standards of integrity
 - ensure fairness in allocating public contracts
 - comply with all legal requirements
 - ensure that *Non-commercial Considerations* do not influence any *Contracting Decision*
 - support the council's corporate and departmental aims and policies
 - comply with the council's corporate *Procurement Strategy framework* and competition policy
 - have due regard to the transparency agenda.
- 1.2 If there is a conflict between these Standing Orders and any other Regulation or Standing Order made by the Council then these Standing Orders prevail. For the avoidance of doubt any UK or EU law relating to tendering or contracts will prevail over these Standing Orders if there is a conflict. Officers must comply with all legal requirements and directives.
- 1.3 These Standing Orders only apply in respect of *Relevant Contracts*.
- 1.4 If the Council has an in house service provider that may wish to carry out the Contract, then the *Officer* must invite it to submit a bid. Where the in house service provider has won a bid under this provision these Standing Orders shall not apply to contracts entered into by the in house service provider in order to carry out the work.
- 1.5 Payment on account of the contract sum shall be made only on a certificate issued by the *Officer*.
- 1.6 Every variation to a contract shall be confirmed in writing by the *Officer*. No variation shall be agreed with the supplier and confirmed in writing unless the *Officer* has sought professional advice from legal and the procurement unit as to whether the proposed variation may breach domestic and/or EU legislation. Officers are advised that some contract variations may constitute new contracts that require competition. Any variation shall be confirmed to the supplier and updated on the contract management system.

1.7 Before a certificate for final payment under a works contract is signed the contractor's final account and such other relevant documents, information and explanations as the Section 151 Officer may require shall be submitted to the Section 151 Officer by the *Officer* and any observations which Section 151 Officer may make to the *Officer* thereon shall be taken into consideration before the certificate is signed.

2. OFFICER RESPONSIBILITIES

2.1 Officers

2.1.1 *Officers* responsible for purchasing or disposal or executing a variation to a contract **must** comply with these contract standing orders (CSO), *Financial Standing Orders* (FSO) and with all UK and European Union binding legal requirements. *Officers* must ensure that any *Agents*, *Consultants* and contractual partners acting on their behalf also comply.

2.1.2 *Officers* must:

- consult the *Corporate Contract* list to ascertain whether a suitable *Corporate Contract* exists before seeking to let another contract, this must be used unless there is an auditable reason not to;
- keep the records required by CSO 6;
- seek and adhere to all necessary legal, financial and other professional advice.

2.1.3 When any employee either of the authority or of a service provider may be affected by any transfer arrangement, *Officers* must ensure that the Transfer of Undertakings (Protection of Employment) (*TUPE*) issues are considered and obtain legal advice **before** proceeding with inviting *Tenders* or *Quotations*.

2.2 Chief Operating Officer/Chief Executive

2.2.1 The Chief Operating Officer/Chief Executive shall:

- ensure that their staff comply with CSO 2.1;
- ensure registers are kept of:
 - contracts completed by signature, rather than by the council's seal (see CSO 16.3) and arrange their safekeeping on council premises;
 - risks for all contracts with a value of over £75,000 under CSO 21.2
- exemptions recorded under CSO 3.

3. EXEMPTIONS, COLLABORATIVE AND E-PROCUREMENT ARRANGEMENTS

3.1 EXEMPTIONS; The council and its *Executive* have power to waive any requirements within these contract standing orders for specific projects, and any such decision may be a *Key Decision*.

3.2 The requirement for the Council to conduct a competitive purchasing process for contracts in excess of £10,000 may be waived in the following circumstances:

- the contract is awarded under a *Purchasing Scheme* of a type where a competition has already been undertaken on behalf of the Council; or
- at the discretion of the *Chief Executive* or the *Chief Operating Officer* (in consultation with the relevant *Head of Service* for the contract and the *Head of Resource Management*) who may proceed in a manner most expedient to the efficient management of the service where
 - it is necessary as a matter of urgency and a delay would be likely to lead to financial loss, personal injury or damage to property;
 - it is economically in the best interests of the Council; or
 - goods or materials are available only as proprietary or patented articles from one contractor or supplier, and for which there is no reasonable satisfactory alternative.

3.4 The *Section 151 Officer* shall monitor the use of all exemptions.

3.5 COLLABORATIVE ARRANGEMENTS; In order to secure *Value for Money*, the authority may enter into collaborative procurement arrangements. The *Officer* must consult the *Section 151 Officer* and the *Monitoring Officer* where the purchase is to be made using collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium.

3.6 All purchases made via the Crown Commercial Service ('CCS') or a local authority purchasing and distribution consortium are deemed to comply with these contract standing orders and no exemption is required. However, purchases above the *EU Threshold* must be let under the *EU Procedure*, unless the consortium has satisfied this requirement by letting their contract in accordance with the *EU Procedures* on behalf of the Authority and other consortium members.

3.7 Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the contract standing orders of the leading organisation, will be deemed to comply with these contract standing orders and no exemption is required. However, advice must be sought from the *Monitoring Officer*.

3.8 E-PROCUREMENT ARRANGEMENTS: To facilitate the end to end procurement cycle the Council has invested in web-based e-tendering capability. The arrangement brings functionality around e-tendering, knowledge management, supplier performance management and a single place for contract registration.

3.9 All sourcing activity should go through the e-procurement arrangements, providing improved visibility of procurement opportunities at the lower value range to smaller organisations, which are often locally based.

3.10 The use of e-procurement technology does not negate the requirement to comply

with all elements of these Contract Standing Orders, particularly those relating to competition and *Value for Money*.

- 3.11 To facilitate transparency for all parties, improved planning of procurement activity and management of risk, details of ALL contracts entered into must be entered on to the *Contracts Register* by the Officer within the relevant service who has the necessary licence and training to use the e-Sourcing platform.
- 3.12 Contracts must be entered on to the *Contracts Register* no later than 30 days after the contract award. It is important that all fields on the *Contracts Register* are completed accurately as an extract is published monthly on the Council's website.
- 3.13 Where the e-tendering arrangement is used, all communication between the Council and bidders must be conducted through the e-tendering arrangement. In exceptional circumstances, if the e-tendering arrangement is not used records of all communications and decisions with detailed rationale must be recorded for audit purposes and to demonstrate proper conduct in accordance these standards.
- 3.14 Processes have been developed to facilitate the management of contracts and suppliers. These should be used to ensure a consistent, best practice and transparent approach to supply chain management for all suppliers.

4. RELEVANT CONTRACTS

4.1 All *Relevant Contracts* **must** comply with these Contract Standing Orders. A *Relevant Contract* is any arrangement made by, or on behalf of, the *Authority* for the carrying out of works or for the supply of goods, materials or services. These include arrangements for:

- the supply or disposal of goods
- the hire, rental or lease of goods or equipment
- the delivery of services, including (but not limited to) those related to:
 - the recruitment of staff
 - financial and consultancy services.

4.2 *Relevant Contracts* **do not include**:

- contracts relating to employment that make an individual a direct employee of the *Authority*
- agreements regarding the acquisition, disposal or transfer of any interest in land (for which *Financial Standing Orders* and general law shall apply).
- Contracts entered into with suppliers whose terms and conditions of contract are non-negotiable in which case the prior approval of the Section 151 Officer must be sought.

SECTION 2: COMMON REQUIREMENTS

5. STEPS PRIOR TO PURCHASE

5.1 The *Officer* must appraise the purchase, in a manner commensurate with its complexity and value by:

- considering whether the EU regime applies, seeking advice from legal and the procurement unit regarding and taking into account and taking into account the procurement procedure that ought to be applied
- taking into account the requirements from any relevant *Best Value* review
- appraising the need for the expenditure and its priority
- defining the objectives of the purchase
- assessing the risks associated with the purchase and how to manage them
- considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, partnering, packaging strategy and collaborative procurement arrangements with another local authority, government department, statutory undertaker or public service purchasing consortium
- consulting users as appropriate about the proposed procurement method, contract standards and performance and user satisfaction monitoring
- setting out these matters in writing if the *Total Value* of the purchase exceeds £10,000

5.2 and by confirming that:

- there is approval for the expenditure and the purchase accords with the approved policy framework and scheme of delegation as set out in the *Constitution*
- if the purchase is a *Key Decision*, all appropriate steps have been taken.

6. RECORDS

6.1 Where the *Total Value* is less than £10,000, the following records must be kept:

- *Quotations* (where obtained);
- a record of the reason if the lowest price is not accepted;
- written records of communications with the successful contractor or an electronic record if a written record of the transaction would normally not be produced.

- 6.2 Where the *Total Value* exceeds £10,000 e-tendering is the normal and expected method of purchase however in exceptional cases determined by the *Section 151 Officer* where this is not the case the *Officer* must record:
- the method for obtaining quotes/invitations to tender as appropriate
 - any *Contracting Decision* and the reasons for it
 - any exemption under CSO 3 together with the reasons for it
 - the *Award Criteria* in descending order of importance
 - *Tender* documents sent to and received from *Candidates*
 - pre-tender market research
 - clarification and post-tender negotiation, where permitted by law (to include minutes of meetings)
 - the contract documents
 - post-contract evaluation and monitoring
 - communications with *Candidates* and with the successful contractor throughout the period of the contract
 - always having regard to the need to ensure that any post-contract clarification does not offend against EU rules seeking legal advice where necessary.
- 6.3 Records required by this Contract Standing Order must be kept for six years, in respect of the successful contract, after the end of the contract. However, written documents which relate to unsuccessful *Candidates* may be microfilmed or electronically scanned or stored by some other suitable method after six months from award of contract, provided there is no dispute about the award.

7. ADVERTISING, APPROVED LISTS AND FRAMEWORK AGREEMENTS

7.1 Identifying and Assessing Potential Candidates

- 7.1.1 *Officers* shall ensure that, where proposed contracts, irrespective of their *Total Value*, might be of interest to potential *Candidates* located in other member states of the EU, a sufficiently accessible advertisement is published. Generally, the greater the interest of the contract to potential bidders from other member states, the wider the coverage of the advertisement should be. Examples of where such advertisements may be placed include:
- the council's website
 - portal websites specifically created for contract advertisements – note that advertising on the Contracts Finder website will be necessary for any contract over £25,000 regardless of what other means of advertising is used by the Council
 - national official journals, or
 - the Official Journal of the European Union (OJEU)/Tenders Electronic Daily (TED) (even if there is no requirement within the *EU Procedure*).
- 7.1.2 *Officers* are responsible for ensuring that a fair and transparent system exists for the selection of *Candidates* and that all *Candidates* for a *Relevant Contract* are suitably assessed. The assessment process shall establish that the potential *Candidates* have sound:

- economic and financial standing
 - technical and professional ability and capacity
- to fulfill the requirements of the authority. The Council's standard procedure shall be followed to determine technical and financial ability. Financial vetting shall be undertaken only by a suitably qualified officer.

7.2 Approved Lists

7.2.1 *Approved Lists* will be used in circumstances where the Executive has decided that a list of approved contractors will be kept.

7.2.2 *Approved Lists* are normally used where recurrent transactions of a similar type are likely but where such transactions need to be priced individually and cannot easily be aggregated and priced in a single tendering exercise. ***Approved Lists cannot be used where the EU Procedure applies.***

7.2.3 Subject to 7.2.1, the authority may draw up:

- *Approved Lists* of persons ready to perform contracts to supply goods or services of particular types including without limitation on the basis of agreed contract terms
- criteria for *Shortlisting* from the lists.

7.2.4 No person may be entered on an *Approved List* until there has been an adequate investigation into both their financial standing and their technical and professional ability to perform the contract, unless such matters will be investigated each time bids are invited from that list.

7.2.5 *Approved Lists* shall be drawn up after an advertisement inviting applications for inclusion on the list. The advertisement must be placed to secure the widest publicity among relevant suppliers throughout all member states of the EU. Persons may be entered on a list between the initial advertisement and re-advertisement.

7.2.6 The list and *Shortlisting* criteria must be reviewed at least annually and re-advertised at least every three years. On re-advertisement, a copy of the advertisement must be sent to each person on the list, inviting them to reapply. Review means:

- the reassessment of the financial and technical ability and performance of those persons on the list, unless such matters will be investigated each time bids are invited from that list
- the deletion of those persons no longer qualified, with a written record kept justifying the deletion.

7.2.7 All *Approved Lists* shall be maintained in an open, fair and transparent manner and be open to public inspection.

7.2.8 A register of pre-qualified contractors and *Consultants* maintained by or on behalf of central government will be deemed to be an *Approved List* for the purpose of these contract procedure rules and shall not be subject to the requirements of CSO 7.2.2 to 7.2.6 inclusive.

7.3 Framework Agreements

7.3.1 The term of a *Framework Agreement* must not exceed four years, save in exceptional cases duly justified, and, while an agreement may be entered into with one provider, where an agreement is concluded with several organisations, there must be at least three in number.

7.3.2 Contracts based on *Framework Agreements* may be awarded by either:

- applying the terms laid down in the *Framework Agreement* (where such terms are sufficiently precise to cover the particular call-off) without reopening competition, or
- where the terms laid down in the *Framework Agreement* are not precise enough or complete for the particular call-off, Officers are required to seek legal advice and may hold a mini competition carried out in accordance with the following procedure, provided that this procedure does not conflict with the terms of the *Framework Agreement* (this will require consideration on a case by case basis):
 - inviting the organisations within the *Framework Agreement* that are capable of executing the subject of the contract to submit written *Tenders*
 - fixing a time limit which is sufficiently long to allow *Tenders* for each specific contract to be submitted, taking into account factors such as the complexity of the subject of the contract
 - awarding each contract to the tenderer who has submitted the best *Tender* on the basis of the *Award Criteria* set out in the specifications of the *Framework Agreement*.

SECTION 3: CONDUCTING PURCHASE AND DISPOSAL

8. COMPETITION REQUIREMENTS FOR PURCHASE, DISPOSAL AND PARTNERSHIP ARRANGEMENTS

The *Officer* must calculate the *Total Value*, for clarity officers are directed to the definition of *Total Value* to ensure that this is calculated correctly.

The following procedures apply where there are no other procedures which take precedence. Other procedures may include agency agreements with government. If in doubt, *Officers* must seek the advice of the *Monitoring Officer*.

When the *Total Value* exceeds the EU threshold the Public Contract Regulations or other such legislation in force from time to time shall supersede these Standing Orders.

8.1 Purchasing – Competition Requirements

8.1.1 Where the *Total Value* for a purchase is within the values below, the *Award Procedure* set out below must be followed.

8.1.2 Where there is a requirement for competition the arrangements for the acceptance of quotations or tenders shall be as follows:-

- (a) The *Officer* may authorise a contract to be made where the quotation/ tender to be accepted has a value of no more than £75,000; or
- (b) A Portfolio Holder may authorise a contract to be made where the quotation or tender to be accepted:-
 - (i) relates to Executive functions; and
 - (ii) the *Total Value* does not exceed the *EU Threshold* for Local Authority Services and Supplies Contracts currently £172,514.00. The *EU Threshold* alters from time to time and the *Officer* shall check the current threshold prior to the Portfolio Holder authorising the Contract.
- (c) The Chief Executive or the Chief Operating Officer (in consultation with the Leader or relevant Portfolio Holder) may authorise a contract to be made where the quotation or tender to be accepted
 - (i) relates to Executive functions; and

- (ii) the *Total Value* does not exceed the *EU Threshold* for Local Authority Services and Supplies Contracts currently £172,514.00. The *EU Threshold* alters from time to time and the *Officer* shall check the current threshold prior to the Chief Executive or the Chief Operating Officer authorising the Contract.

(d) The *Appropriate Body* may authorise the Contract in any circumstances.

8.1.3 An *Officer* must not enter into separate contracts nor select a method of calculating the *Total Value* in order to minimise the application of these contract procedure rules.

8.2 Assets for Disposal

8.2.1 The method of disposal of surplus or obsolete stocks/stores or assets other than land must be disposed of in accordance with guidelines representing best practice for disposal of assets as issued by the *Section 151 Officer*.

8.3 Providing Services to External Purchasers

8.3.1 The *Chief Executive* or the *Chief Operating Officer* and *Financial Standing Orders* must be consulted where contracts to work for organisations other than the authority are contemplated.

8.4 Collaborative and Partnership Arrangements

8.4.1 Collaborative and partnership arrangements are subject to all UK and EU procurement legislation and must follow these contract standing orders. If in doubt, *Officers* must seek the advice of the *Monitoring Officer*.

9. PRE-TENDER MARKET RESEARCH AND CONSULTATION

9.1 *Market Engagement* should take place to ensure an adequate understanding of the supply market especially where the *Authority's* future procurement intentions are likely to involve significant changes to any existing supply arrangements or service delivery or new and innovative methods are likely to be required from suppliers.

9.2 The *Officer* undertaking *Market Engagement* must:

- ensure that *Market Engagement* does not prejudice any potential *Candidate*
- take care to advise suppliers involved in any *Market Engagement* exercise that their involvement should not be taken as an indication of future business
- ensure that no supplier or suppliers gain an unfair competitive advantage through their involvement in market shaping activities

9.3 Where suppliers are asked to contribute to the development of service specifications or specifications for goods or works during *Market Engagement* *Officers* must ensure that the final specification is generic and does not have the effect of distorting or otherwise inhibiting competition.

- 9.4 The Officer must take appropriate measures to ensure that competition is not distorted by the participation of a candidate or tenderer who has advised the Authority during preliminary market consultations or otherwise, or has otherwise been involved in the preparation of the procurement. Any exclusion of such a candidate/tenderer must:
- only take place where there is no other way of ensuring compliance with the obligation to treat all candidates/tenderers equally;
 - be preceded by the candidate/tenderer concerned being given the opportunity to prove that their involvement in the preparation of the procurement is incapable of distorting competition.

Any measures taken under 9.4 in procurements which are subject to the Public Contracts Regulations 2015 must be documented in a formal report under Regulation 84 of the Regulations (see below at paragraph 20.2.4).

10. STANDARDS AND AWARD CRITERIA

- 10.1 The *Officer* must ascertain what are the relevant British, European or International standards which apply to the subject matter of the contract. The *Officer* must include those standards which are necessary properly to describe the required quality. The *Monitoring Officer* must be consulted if it is proposed to use standards other than European standards.
- 10.2 The *Officer* must define *Award Criteria* that are appropriate to the purchase and designed to secure an outcome giving *Value for Money* for the authority and must be based on the most economically advantageous tender from the point of view of the Authority ('*MEAT*'). *MEAT* must be further defined by reference to sub-criteria which may refer only to relevant considerations which are linked to the subject matter of the contract and are based upon price or cost. These may include price, service, quality of goods, running costs, life-cycle costing, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance, organisation, qualification and experience of staff delivering the contract where the quality of those staff can have a significant impact on the delivery of the contract, economic social and environmental well being of the area benefiting from the contracted works or services or supplies and any other relevant matters.
- 10.3 *Award Criteria* must not include:
- *Non-commercial Considerations*
 - matters which discriminate against suppliers from the *European Economic Area* or signatories to the *Government Procurement Agreement*.
 - In relation to contracts where the EU procurement legislation applies 'previous experience' shall not be an award criteria (as it is part of the selection criteria only) and the *Officer* should seek legal advice where necessary on the use of this criteria in other contracts

11. INVITATIONS TO TENDER/QUOTATIONS

- 11.1 For contracts with an estimated value of less than £10,000 the *Officer* shall obtain a minimum of a single quotation except that three quotations shall be obtained in circumstances where the *Officer* is considering a quotation from a contractor being either an individual or an organisation owned or controlled by a person who is known to be or have been in the preceding three years an employee or Councillor of the Authority.
- 11.2 For contracts with an estimated value between £10,000 and £25,000 a minimum of three quotations shall be obtained.
- 11.3 For contracts with an estimated value between £25,000 and £75,000 the requirement for competition is a minimum of three written quotations, but there may be circumstances where it would be appropriate to obtain more than three quotations. No quotation shall be accepted until it has been made in writing to the officer. Where such an opportunity is advertised, it must also be advertised on the Contracts Finder website within 24 hours of it being advertised elsewhere.
- 11.4 For contracts with an estimated value over £75,000 an *Invitation to Tender* shall be sought.
- 11.5 The *Invitation to Tender* shall state that no *Tender* will be considered unless it is received by the date and time stipulated in the *Invitation to Tender*. No *Tender* delivered in contravention of this clause shall be considered.
- 11.6 All *Invitations to Tender* shall include the following:
- (a) A specification that describes the authority's requirements in sufficient detail to enable the submission of competitive offers.
 - (b) A requirement for tenderers to declare that the *Tender* content, price or any other figure or particulars concerning the *Tender* have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose).
 - (c) A requirement for tenderers to complete fully and sign all *Tender* documents including a form of *Tender* and certificates relating to canvassing, non-collusion and the disclosure of any offence connected with the unlawful processing of personal data in relation to individual workers.
 - (d) Notification that *Tenders* are submitted to the council on the basis that they are compiled at the tenderer's expense.
 - (e) A description of the *Award Procedure* and, unless defined in a prior advertisement, a definition of the *Award Criteria* in objective terms and if possible in descending order of importance.
 - (f) Notification that no *Tender* will be considered unless it is enclosed in a sealed envelope or container which bears the word '*Tender*' followed by

the subject to which it relates, but no other name or mark indicating the sender.

- (g) Notification that the Council reserves the right to:
- cancel or withdraw from the tender process at any stage;
 - not to award a contract;
 - require a Bidder and/or its supply chain members to clarify its/their submission in writing and/or provide additional information (failure to respond adequately may result in a bidder being unsuccessful).
 - Amend the terms and conditions of the procurement process.
A stipulation that any *Tenders* submitted by fax or other electronic means shall not be considered save where the Section 151 Officer may permit tenders to be returned electronically if he is satisfied that sufficient safeguards exist to protect the tender process and note CSO 13.3.
- (h) The method by which any arithmetical errors discovered in the submitted *Tenders* is to be dealt with. In particular, whether the overall price prevails over the rates in the *Tender* or vice versa.

11.7 All *Invitations to Tender* or requests for *Quotations* must specify the goods, service or works that are required, together with the terms and conditions of contract that will apply (see CSO 16).

11.8 The *Invitation to Tender* or request for *Quotation* must state that the council is not bound to accept any *Quotation* or *Tender*.

11.9 All *Candidates* invited to *Tender* must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.

11.10 **Open Competitive Tendering Procedure**

11.10.1 The Officer must advertise a contract with a total value of £75,000 or more in one of the following ways:-

- By placing an advertisement in an appropriate publication, which is likely to be:
 - an appropriate trade publication (if any),
 - a local newspaper (if there is a large enough number of local contractors or ensure proper competition), or
 - another publication, such as OJEC.
- All relevant electronic portals.

The placing of such an advert will trigger an obligation to also advertise the opportunity on the Contracts Finder website.

11.10.2 If the *Section 151 Officer* agrees, by publicising the contract amongst contractors generally, by sending an advertisement to at least 10 contractors who are likely to do this type of work, or if the number of suitable contractors is fewer than 10 then to all such suitable contractors. This approach must be considered on a case by

case basis to ensure that the principles of equal treatment, transparency, non-discrimination and fairness are adhered to.

The advert must:

- identify the nature and purpose of the contract
- state how any tender documents may be obtained
- (where there are no tender documents) give the method of submitting a tender
- give the last date and time when tenders may be received. This date must
 - allow potential contractors a reasonable time to prepare and submit tenders,
 - be at least 14 days from publication, and
 - be in accordance with the law (including EU law).

11.11 **Restricted Competitive Tendering Procedure**

11.11.1 Where the restrictive procedure is to be used the advertisement must set out the particulars of the contract and invite contractors interested in tendering to apply to the Council within a set period which must be at least 14 days (unless a longer period is stipulated by relevant legislation) for permission to tender. This invitation must stipulate the *Selection Criteria* and the way in which the criteria shall be applied to bidder responses. Note that there is no longer a separate selection stage in any procurements which are below the *EU Threshold*. In such circumstances, suitability assessment questions may be asked provided they are relevant to the subject matter of the procurement and proportionate.

The standard pre-qualification questionnaire published by CCS will be used for the purposes of procurements above the *EU Threshold*. *Selection Criteria* includes but is not limited to:

- Professional and financial standing; and
- Previous experience.

11.11.2 After the period specified in the advertisement has expired and following the application of the *Selection Criteria*, *invitations to tender* must be sent to all bidders that remain after *Shortlisting* and in any event to no fewer than 3 contractors (plus, where applicable, the Council's appropriate internal contracting unit). If fewer than 3 contractors have applied then all must be asked to tender except those that the Contract Officer considers to be unsuitable.

12. **SHORTLISTING**

12.1 Any *Shortlisting* must have regard to the financial and technical standards relevant to the contract and the *Award Criteria*. Special rules apply in respect of the *EU Procedure*.

12.2 The officers responsible for *Shortlisting* are specified below:-

Total Value	Award Procedure	Shortlisting
Total value up to £25,000	At least 1 and up to 3 written quotes	Two officers
£25,000 up to £75,000	At least 3 written quotes	Two officers
£75,000- <i>EU Threshold</i>	Invitation to tender by advertisement/list	Three officers, one of whom should be designated by the Section 151 Officer
Above <i>EU Threshold</i>	EU Procedure or where this does not apply, invitation to tender by advertisement/list	As stipulated by legislation dependent upon the type of procurement procedure adopted or where the EU procedure does not apply three officers, one of whom should be designated by the Section 151 Officer

12.3 Where *Approved Lists* are used, *Shortlisting* may be done by the *Officer* in accordance with the *Shortlisting* criteria drawn up when the *Approved List* was compiled. However, where the *EU Procedure* applies, *Approved Lists* may not be used.

13. SUBMISSION, RECEIPT AND OPENING OF TENDERS/QUOTATIONS

13.1 *Candidates* must be given an adequate period in which to prepare and submit a proper *Quotation* or *Tender*, consistent with the complexity of the contract requirement. Normally at least four weeks should be allowed for submission of *Tenders*. The *EU Procedure* lays down specific time periods.

13.2 All *Tenders* must be returned to the *Head of Resource Management*.

13.3 *Tenders* received by fax or other electronic means (eg email) must be rejected, unless they have been sought in accordance with an electronic tendering system approved by the *Section 151 Officer* and *Monitoring Officer*.

13.4 The *Monitoring Officer* shall be responsible for the safekeeping of *Tenders* until the appointed time of opening. Each *Tender* must be:

- suitably recorded so as to subsequently verify the date and
- precise time it was received
- adequately protected immediately on receipt to guard against amendment of its contents
- recorded immediately on receipt in the *Tender Record Log*.

13.5 The *Head of Resource Management* shall ensure that all *Tenders* are opened at the same time when the period for their submission has ended. The *Tenders*

must be opened in the presence of the *Monitoring Officer* or his/her representative and the *officer* or his/her representative.

- 13.6 For contracts where any part of the council has been invited to submit a bid in competition with the private sector an officer nominated by the *Monitoring Officer* shall also be present.
- 13.7 Where the *Total Value* is more than the *EU Threshold*, the *Tenders* must be opened in the presence of the *Section 151 Officer* in addition to those officers referred to in CSO 13.5.
- 13.8 Upon opening, a summary of the main terms of each *Tender* (ie significant issues that are unique to each *Tender* submission and were not stated in the *Tender* invitation documents such as *Tender* sum, construction period, etc) must be recorded in the *Tender Record Log*. The summary must be initialled by or on behalf of the *Monitoring Officer*.

14. CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATION

- 14.1 Providing clarification of an *Invitation to Tender* to potential or actual *Candidates* or seeking clarification of a *Tender*, whether in writing or by way of a meeting, is permitted. However, discussions with tenderers after submission of a *Tender* and before the award of a contract with a view to obtaining adjustments in price, delivery or content (ie post-tender negotiations) must be the exception rather than the rule. In particular, they must not be conducted in an *EU Procedure* unless it is a competitive dialogue.
- 14.2 If post-tender negotiations are necessary after a single-stage *Tender* or after the second stage of a two-stage *Tender* and are permitted by law, then such negotiations shall only be undertaken with the tenderer who is identified as having submitted the best *Tender* and after all unsuccessful *Candidates* have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the *Tender* documents. *Officers* appointed by the *Head of Service* to carry out post-tender negotiations should ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.
- 14.3 Post-tender negotiation must only be conducted in accordance with domestic and EU legislation and guidance issued by the *Monitoring Officer* who, together with the *Section 151 Officer*, must be consulted wherever it is proposed to enter into post-tender negotiation. Negotiations must be conducted by a team of at least two *Officers*, one of whom must be from a division independent to that leading the negotiations.

14.4 Where post-tender negotiation results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.

15. EVALUATION, AWARD OF CONTRACT, AND DEBRIEFING CANDIDATES

15.1 Apart from the debriefing required or permitted by these contract standing orders subject to the EU Procedure and the Freedom of Information Act 2000, the confidentiality of *Quotations*, *Tenders* and the identity of *Candidates* must be preserved at all times and information about one *Candidate's* response must not be given to another *Candidate*.

15.2 Contracts must be evaluated and awarded in accordance with the *Selection Criteria* and *Award Criteria*. During this process, *Officers* shall ensure that submitted *Tender* prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily.

15.3 The arithmetic in compliant *Tenders* must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their *Tender*. Alternatively, if the rates in the *Tender*, rather than the overall price, were stated within the *Tender* invitation as being dominant, an amended *Tender* price may be requested to accord with the rates given by the tenderer.

15.4 *Officers* may accept *Quotations* and *Tenders* received in respect of proposed contracts, provided they have been sought and evaluated fully in accordance with these contract standing orders.

15.5 The *Officer* shall debrief in writing all those *Candidates* who submitted a bid about the characteristics and relative advantages of the leading bidder. No information, other than the following, should be given without taking the advice of the *Monitoring Officer*:

- how the *Award Criteria* were applied
- the prices or range of prices submitted, in either case not correlated to *Candidates' names*
- the names of *Candidates* where there were three or more *Candidates*.

SECTION 4: CONTRACT AND OTHER FORMALITIES

16. CONTRACT DOCUMENTS

16.1 Relevant Contracts

16.1.1 All *Relevant Contracts* that exceed £25,000 shall be in writing and must be in a form approved by the *Monitoring Officer*.

16.1.2 All *Relevant Contracts*, irrespective of value, shall clearly specify:

- what is to be supplied (ie the works, materials, services, matters or things to be furnished, had or done)
- the provisions for payment (ie the price to be paid and when)
- the time, or times, within which the contract is to be performed
- the provisions for the council to terminate the contract.

16.1.3 In addition, every *Relevant Contract* of purchase over £25,000 shall also state clearly as a minimum:

- that the contractor may not assign or sub-contract without prior written consent
- any insurance requirements
- Health and safety requirements
- Equality Act requirements
- data protection requirements, if relevant
- that charter standards are to be met if relevant
- Freedom of Information Act requirements
- where *Agents* are used to let contracts, that *Agents* **must** comply with the council's contract standing orders
- a right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant.
- That there is provision for the payment of a living wage to all employed on the contract as defined by the Living Wage Foundation

16.1.4 The formal advice of the *Monitoring Officer* must be sought for the following contracts:

- where the *Total Value* exceeds £25,000
- those involving leasing arrangements
- where it is proposed to use a supplier's own terms
- those that are complex in any other way.

16.2 Contract Formalities

16.2.1 Subject to CSO 16.3.3 agreements shall be completed as follows:

Total Value	Method of Completion	By
Up to £25000	Signature	<i>Officer</i>
£25,001 to £100,000	Signature	<i>Officer and Line Manager</i>
Above £100,000	Sealing	<i>See Rule 16.3</i>

16.2.2 All contracts must be concluded formally in writing before the supply, service or construction work begins, except in exceptional circumstances, and then only with the written consent of the *Monitoring Officer*.

16.2.3 The *Officer* responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it.

16.3 Sealing

16.3.1 Where contracts are completed by each side adding their formal seal, the fixing of the council's seal, must be witnessed by two officers on behalf of the *Monitoring Officer*.

16.3.2 Every council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the authority of the *Executive*, a *Committee*, a *Portfolio Holder*, or an officer acting under delegated powers.

16.3.3 A contract must be sealed where:

- the council may wish to enforce the contract more than six years after its end
- the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services
- there is any doubt about the authority of the person signing for the other contracting party, or
- the *Total Value* exceeds £100,000.

17. BONDS AND PARENT COMPANY GUARANTEES

17.1 The *Officer* must consult the *Section 151 Officer* about whether a *Parent Company Guarantee* is necessary when a *Candidate* is a subsidiary of a parent company and:

- the *Total Value* exceeds £250,000, or
- award is based on evaluation of the parent company, or
- there is some concern about the stability of the *Candidate*.

17.2 The *Officer* must consult the *Section 151 Officer* about whether a *Bond* is needed:

- where the *Total Value* exceeds £1,000,000, or
- where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the *Candidate*.

18. PREVENTION OF CORRUPTION

- 18.1 The *Officer* must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the *Officer* to prove that anything received was not received corruptly. High standards of conduct and compliance with the Bribery Act 2010 (or any amendment or re-enactment thereof) are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in Contract Standing Order 18.2 below.
- 18.2 The following clause shall be put in every written council contract:
“The Council may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf do any of the following things:
- (a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Council contract (even if the Contractor does not know what has been done), or*
 - (b) commit an offence under the Bribery Act 2010, or*
 - (c) commit any fraud in connection with this or any other Council contract whether alone or in conjunction with councillors, contractors or employees.*
 - (d) makes any misrepresentation in the course of the pre qualification questionnaire process*
 - (e) is found to be operating any corrupt practice*

Any clause limiting the Contractor’s liability shall not apply to this clause.”

19. DECLARATION OF INTERESTS

Every officer and Councillor has a responsibility to declare any interests they have in contracts (whether financial or non-financial), in accordance with S.117 of the Local Government Act 1972 (or any amendment or re-enactment thereof) and the Officer Code of Conduct and Code of Conduct for Councillors. Such notification should be made in writing to the Monitoring Officer.

SECTION 5: CONTRACT MANAGEMENT

20. MANAGING CONTRACTS

20.1 Heads of Service are to name *Contract Managers* for all new contracts. All contracts must have a named *Contract Manager* for the entirety of the contract. The purpose of this requirement is to ensure that the *Authority* develops and maintains a fully functioning *Contract Register*.

20.2 RESPONSIBILITIES OF THE CONTRACT MANAGER

20.2.1 The *Contract Manager* shall ensure that:

20.2.2 the details of the contract (where the contract has a value exceeding £5,000 and is granted for a period exceeding 12 months or likely to be extended beyond 12 months) are recorded in the *Contract Management System* together with the name of the *Contract Manager*; for contracts which exceed £25,000 and for which the opportunity was advertised by the Council and therefore also placed on the Contracts Finder website, details of the relevant contract award (including the name of the successful contractor, the date on which the contract was entered into, its value and whether the contractor is an SME or a Voluntary, Community and Social Enterprise) must also be published on the Contracts Finder website within a reasonable time save in exceptional circumstances.

20.2.3 for all contracts, the following tasks are carried out as a matter of good practice:

- the contract is monitored for performance, cost and compliance
- to provide a report evaluating the extent to which the purchasing need and the objectives have been met by the contract and provide details of financial variances against the intended contract values if requested by the *Chief Operating Officer*, the relevant *Portfolio Holder*, relevant *Head of Service* or the *Head of Resource Management*
- notify the officers listed in the preceding paragraph where the actual expenditure under the contract has exceeded the initially intended contract value by a sum greater than 15 per cent

20.2.4 in addition to matters listed in 20.2.2. and 20.2.3 above for all contracts which have a value higher than the *EU Threshold* or which are *High Risk* or *High Profile* the *Contract Manager* shall:

- undertake monthly or quarterly meetings with the contractor;
- monitor the performance of the contract against:
 - *Key Performance Indicators* of the contract

- the terms and conditions including any *Service Level Agreement* contained in the contract
- the actual cost compared to the anticipated costs with a view to identifying and explain any variances
- any other requirements of the Council; and
- maintain an issues log

21 RISK ASSESSMENT AND CONTINGENCY PLANNING

- 21.1 A business case must be prepared by the *Contract Manager* for all procurements with a potential value over the *EU Threshold*. Provision for resources for the management of the contract, for its entirety, must be identified in the business case.
- 21.2 For all contracts with a value of over £75,000, *Contract Managers* must:
- maintain a risk register during the contract period
 - undertake appropriate risk assessments, and
 - ensure contingency measures are in place for identified risks.

22. CONTRACT MONITORING, EVALUATION AND REVIEW

- 22.1 All contracts which have a value higher than the *EU Threshold* limits, or which are *High Risk*, are to be subject to monthly formal review with the contractor. The review may be conducted quarterly if permitted by the *Section 151 Officer*.
- 22.2 For all contracts with a value higher than the *EU Threshold* limits, or which are *High Risk*, an annual report must be submitted to the *Chief Executive and Chief Operating Officer*.
- 22.3 A council-developed Gateway review process must be applied to all contracts deemed to be *High Risk*, *High Value*, or *High Profile*. This process must be applied at key stages of major procurements. In addition, *High Risk*, *High Value* and *High Profile* contracts shall be referred to the *Authority's* Corporate Management Team for potential monitoring.
- 22.4 During the life of the contract, the *Officer* must monitor and record issues of:
- performance
 - compliance with specification and contract
 - cost
 - any *Value for Money* requirements
 - user satisfaction and risk management.

23. SIGNIFICANT COST VARIATIONS

- 23.1 The *Section 151 Officer* shall in any case where in his view there is a significant variation (excluding permitted price fluctuations due to inflation) between the contract figure previously approved and the final cost, submit to the *Authority's* Strategic Overview and Scrutiny Committee the final cost of the contract for the

execution of works. He shall also submit therewith a detailed statement signed by the *Contract Officer* showing the original amount of the contract and the additions and deductions passed by him in respect of work done, or work included in the contract not carried out and the total amount paid or certified for payment.

24. CONTRACT VARIATIONS AND EXTENSIONS

24.1 Subject to adequate budgetary provision and compliance with general financial regulations the *Chief Executive* or the *Chief Operating Officer* may authorise an extension or a variation to an existing contract, subject to EU Procurement Regulations and prior consultation with the Authority's Operations Manager for Legal Services and the *Section 151 Officer* as follows :

- an extension for a period stipulated by the contract (but subject to satisfactory outcomes of contract monitoring, such information having been provided to the *the Chief Executive or Chief Operating Officer*); or
- a single extension of the contract not exceeding the original contract term; or
- any other variation, and if relevant a consequent change in price, determined in accordance with the contract terms.

DEFINITIONS

APPENDIX

Agent	A person or organisation acting on behalf of the council or on behalf of another organisation.
Appropriate Body	(a) the Executive in relation to a contract to be made in the course of carrying out Executive functions, or, (b) in relation to any other contract, the appropriate committee or joint committee or full Council.
Approved List	A list drawn up in accordance with Rule 7.2.
Authority	Ipswich Borough Council
Award Criteria	The criteria by which the successful <i>Quotation</i> or <i>Tender</i> is to be selected
Award Procedure	The procedure for awarding a contract as specified in Rules 8, 10 and 15.
Best Value	<p>The duty, which Part I of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the council.</p> <p>This terminology has now in many instances been superseded by <i>Value for Money</i>.</p>
Bond	An insurance policy: if the contractor does not do what it has promised under a contract with the council, the council can claim from the insurer the sum of money specified in the bond. A bond is intended to protect the council against a level of cost arising from the contractor's failure.
Executive	The council's Executive as defined in the <i>Constitution</i> .
Candidate	Any person who asks or is invited to submit a <i>Quotation</i> or <i>Tender</i> .
Code of Conduct	The code regulating conduct of <i>Officers</i> .
Committee	A committee which has power to make decisions for the council, for example a joint

committee with another local authority, but not a scrutiny committee.

Constitution

The constitutional document approved by the council which:

- allocates powers and responsibility within the council and between it and others
- delegates authority to act to the *Executive, Committees, Portfolio Holders* and *Officers*
- regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.

Consultant

Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the council has no ready access to employees with the skills, experience or capacity to undertake the work.

Contract Management Board

The group of *Officers* that meets regularly to consider procurement issues on a corporate basis.

Contract Management System

The Contract Management System is a software system which enables details of the Authority's contracts with third parties to be registered and available to the public and potential suppliers. The Contract Management System shall contain details of multi-year contracts with a value in excess of £5,000 including those contracts where the intention is to renew the contract annually and thereby have a *total value* in excess of £5,000.

Contract Manager

The *Officer* designated by the *Head of Service* to deal with the contract in question as provided for in the Contract Management System and references to a *Contract Manager* shall include reference to the *Officer*.

Contracting Decision	Any of the following decisions: <ul style="list-style-type: none"> • composition of <i>Approved Lists</i> • withdrawal of <i>Invitation to Tender</i> • whom to invite to submit a <i>Quotation or Tender</i> • <i>Shortlisting</i> • award of contract • any decision to terminate a contract.
Corporate Contract	A contract let by the council to support the council's aim of achieving <i>Value for Money</i> .
Contract Register	A listing within the <i>Contract Management System</i> whereby all contracts (where the contract has a value exceeding £5,000 and is granted for a period exceeding 12 months or likely to be extended beyond 12 months).
EU Procedure	The procedure required by the EU where the <i>Total Value</i> exceeds the <i>EU Threshold</i> .
EU Threshold	The contract value at which the EU public procurement directives apply.
European Economic Area	The members of the European Union, and Norway, Iceland and Liechtenstein.
Financial Standing Orders	The financial standing orders outlining <i>Officer</i> responsibilities for financial matters issued by the <i>Section 151 Officer</i> in accordance with the <i>Constitution</i> .
Framework Agreement	An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.
Government Procurement Agreement	The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the <i>European Economic Area</i> are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway,

Aruba, Hong Kong, China, Liechtenstein and Singapore.

Head of Service	As identified in the Constitution
High Profile	A high-profile purchase is one that could have an impact on functions integral to council service delivery should it fail or go wrong.
High Risk	A high-risk purchase is one which presents the potential for substantial exposure on the council's part should it fail or go wrong.
High Value	A high-value purchase is where the value exceeds the <i>EU Threshold</i> values.
Invitation to Tender	Invitation to tender documents in the form required by these contract procedure rules.
Key Decision	Decisions that are defined as key decisions in the <i>Constitution</i> .
Key Performance Indicators	are measures of achievement against agreed activities that are utilized to manage the performance of the overall contract and against which outcomes, responsive measures will be required or payments contingent.
Line Manager	The <i>Officer's</i> immediate superior or the <i>Officer</i> designated by the <i>Head of Service</i> to exercise the role reserved to the line manager by these contract procedure rules.
Monitoring Officer	As identified in the <i>Constitution</i> .
Nominated Suppliers and Sub-contractors	Those persons specified in a main contract for the discharge of any part of that contract.
Market Engagement	An engagement with the market in such a way that demonstrates market engagement has been carried out in a manner calculated to increase awareness of and interest in bidding for public contracts.
MEAT	Most economically advantageous tender.

Non-commercial Considerations

- (a) The terms and conditions of employment by contractors of their workers or the composition of the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces ('workforce matters').
- (b) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.
- (c) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.
- (d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons ('industrial disputes').
- (e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors.
- (f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.
- (g) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support.
- (h) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984.

Workforce matters and industrial disputes, as defined in paragraphs (a) and (d), cease to be non-commercial considerations to the extent necessary or expedient to comply with *Best Value*; or where there is a transfer of staff or change of service provider to which the

Transfer of Undertakings (Protection of Employment) Regulations 2006 (*TUPE*) may apply. The restriction on non commercial considerations does not prevent a public authority to which it applies from exercising any function regulated by this section with reference to a non-commercial matter to the extent that the authority considers it necessary or expedient to do so to enable or facilitate compliance with a duty imposed on it by [section 1](#) of the [Public Services \(Social Value\) Act 2012](#)

Officer	The officer designated by the <i>Head of Service</i> to deal with the contract in question.
Parent Company Guarantee	A contract which binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with the council, the council can require the parent company to do so instead.
Portfolio Holder	A member of the <i>Executive</i> to whom political responsibility is allocated in respect of specified functions.
Priority Services	Those services required to be tendered as defined in the EU public procurement directives.
Procurement Strategy Framework	The document setting out the council's approach to procurement and key priorities.
Purchasing Scheme	A Framework or mechanism organized by another body.
Quotation	A quotation of price and any other relevant matter (without the formal issue of an <i>Invitation to Tender</i>).
Relevant Contract	Contracts to which these contract procedure rules apply (see Rule 4).
Section 151 Officer	The Chief Finance Officer as designated by the council.
Selection Criteria	The Criteria applied to bidders to ascertain whether they can deliver the contract.
Shortlisting	The process of selecting <i>Candidates</i> who are to be invited to quote or bid or to proceed to final evaluation.

Service Level Agreement (SLA)	is part of a contract for services in which the service levels such as times, quantities or levels of performance are defined.
Supervising Officer	The <i>Line Manager's</i> immediate superior.
Tender	A <i>Candidate's</i> proposal submitted in response to an <i>Invitation to Tender</i> .
Tender Record Log	The log kept by Monitoring Officer of resources to record details of <i>Tenders</i> (see Rule 13.5).
Total Value	The whole of the value or estimated value (in money or equivalent value) for a single purchase or disposal calculated as follows: <ul style="list-style-type: none"> (a) where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period (b) where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months (c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48 (d) for feasibility studies, the value of the scheme or contracts which may be awarded as a result (e) for <i>Nominated Suppliers and Sub-contractors</i>, the total value shall be the value of that part of the main contract to be fulfilled by the <i>Nominated Supplier or Sub-contractor</i>.

**TUPE Transfer of Undertakings
(Protection of Employment)
Regulations 2006
(SI 2006 No. 246)**

Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the authority is transferred from one organisation (eg private contractor, local authority in-house team) to another (eg following a contracting out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to

protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.

Value for Money

Value for money is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.