

Contract Procedure Rules



Author and service: George Ryley - Procurement
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CONTRACT PROCEDURE RULES

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DEFINITIONS

Agent	A person or organisation acting on behalf of the Council or on behalf of another organisation.
All-Wales Framework Agreement	An agreement that has been awarded by a public sector body in Wales available for use by the Council.
<u>Appropriate Framework Agreement</u>	<u>A framework other than an All-Wales agreement which is available for the Council to use because it has been named in the OJEU Contract Notice.</u>
Approved List	<u>An unofficial list of preferred contractors. Approved lists are not permissible under these Rules.</u>
Award Criteria	The criteria by which the successful Quotation or Tender is to be selected
Award Procedure	The procedure for awarding a contract.
Award Team	Those persons responsible for selecting a successful Quotation or Tender (to be determined by the Total Value).
Bidder	A Candidate that has submitted a Tender or Quotation.
Performance Bond	An insurance policy: if the contractor does not do what it has promised under a contract with the Council, the Council may claim from the insurer the sum of money specified in the Bond (often 10% of the contract value). A Bond is intended to protect the Council against a level of cost arising from a contractor's failure.
Cabinet	The Council's Cabinet as defined in the Constitution.

Call-Off	A contract that covers a list of defined products or services where the price structure is also defined.
Candidate	Any person who asks or is invited to submit a Quotation, or Tender.
CardiNet	The Council's intranet site.
Chief Officer	The officers defined as such in the Constitution.
Code of Conduct	The Code of conduct for Local Government officers
Constitution	<p>The constitutional document adopted by the Council which</p> <ul style="list-style-type: none"> • allocates powers and responsibility within the Council • delegates authority to act to the Cabinet, Committees, Portfolio Holders and Officers; and regulates the behaviour of individuals and groups through rules of procedure, codes and protocols. • Sets out how the Council operates, how decisions are made, and the procedures to be followed.
Consultant	Someone with specialist knowledge and skills, lacking in the Council's workforce, employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered.
Contracting Decision	<p>Any of the following decisions:</p> <ul style="list-style-type: none"> • withdrawal of Invitation to Tender; • whom to invite to submit a Quotation or Tender; • short-listing; • award of contract; • termination of a contract.

Contract Manager	The officer appointed to manage a contract to ensure its performance.
Corporate Contract	A contract let by the Corporate Procurement Service , to support the Council's aim of achieving Value for Money. A Corporate Contract must be used unless an exemption has been granted.
Council	Cyngor Sir Ceredigion County Council.
CPR	These Contract Procedure Rules.
Directive	Directive <u>2014/24/EU</u> for the award of Public Works Contracts, Public Supply Contracts and Public Service Contracts (implemented in the UK on <u>26.02.15</u> under the Public Contracts Regulations 2015)
Corporate Director	As defined in the Constitution.
<u>Dynamic Purchasing System (DPS)</u>	<u>A full electronic procurement process, consisting of a database of Candidates that have passed a selection process and are invited to tender for individual contracts during the life of the DPS.</u>
E-Procurement	The Council's Information Technology system integrating procurement orders, creditor payments and general ledger.
Exemption	The grant of immunity from following the usual procedure <u>set out in these Contract Procedure Rules.</u>
EU Threshold	The contract value at which the EU public procurement directives apply. See the Procurement Guidance for current values.
Framework Agreement	An agreement (defined by the Directive) between one or more contracting <u>public organisations</u> and/or one or more Candidates, 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 quantity.
Intellectual Property	All rights in patents, registered and unregistered designs, copyright, trade-marks, know-how and all other forms of intellectual property wherever in the world enforceable.
ITT	Invitation to tender documents in the form required by the Contract Procedure Rules.
Lead Officer	The officer of the Council with responsibility for the procurement as designated by the Chief Officer.
<u>Light Touch</u>	<u>The tendering approach that can be taken towards Schedule 3 Services only up to that specific EU Threshold.</u>
Line Manager	The Officer immediately above the Officer or the Officer appointed by the Chief Officer to fulfil the role given to the Line Manager in these CPR.
Low Value	Contracts of value £500 or under
Matters not related to Value for Money	<p>Except as provided below, the following are Matters not related to Value for Money (s.17(5) Local Government Act 1988):</p> <ul style="list-style-type: none"> (a) the terms and conditions of employment by contractors of their workers or the composition of, the arrangements for or 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; the conduct of contractors or workers in industrial
- (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;
- (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 or the Building (Scotland) Act 2003.

MEAT

Most Economically Advantageous Tender.

National Procurement Website

A website where officers can advertise contracts free of charge and suppliers can receive email notification of relevant opportunities (sell2wales.gov.wales).

Negotiated Procedure

The method of negotiating a Tender with selected.

Nominated Supplier and Sub-contractor

Those persons specified in a main

	contract for the discharge of any part of that contract.
Officer	The Officer designated by the Chief Officer to deal with the contract in question.
OJEU	Official Journal of the European Union.
Open Procedure	The procedure whereby all Candidates are invited to bid in response to an open call for competition (advertisement/contract notice).
Parent Company Guarantee	A contract which binds the parent of a subsidiary company so that if the subsidiary company fails to do what it has promised under a contract with the Council, the Council may require the parent company to do it instead.
<u>Schedule 3 Services</u>	<u>See Appendix I</u>
Portfolio Holder	A member of the Cabinet to whom political responsibility is allocated in respect of specified functions.
Pre-Qualification Questionnaire	A questionnaire used during a restricted tendering exercise to select candidates that will be invited to tender.
Procurement Guidance	This is to be found on CardiNet.
Project Board	Corporate Project Management Panel
Procurement Service	<u>The Corporate team</u> within Financial Services and responsible for supporting the Council in its procurement process.
Purchase Card	A card issued to an Officer by the Council, to be used for procuring goods or services from suppliers that are not on the corporate payments system, or to any supplier at the discretion of the Payments Manager.
Quotation	A quotation of price and any other relevant matter (without the formal issue of an ITT).

Regulations	The Public Contracts Regulations 2015 and all subsequent amendments thereto.
RFQ	Request for Quotation.
Restricted Procedure	Following advertisement, only those Candidates that meet the pre-qualification criteria are invited to tender.
Short-listing	Where Candidates are selected: <ul style="list-style-type: none"> • to quote or bid; • or to proceed to final evaluation.
Standstill Period	A period of not less than 10 working days after announcing the intention to award a contract to provide unsuccessful Candidates an opportunity to challenge the decision before the Officer awards the contract.
Supervising Officer	The Line Manager's immediate superior.
Tender	A Candidate's proposal submitted in response to an ITT.
Tender Record <u>Database</u>	The <u>database</u> kept by the <u>Chief Finance Officer</u> to record details of Tenders.
Total Value	<ul style="list-style-type: none"> • The whole of the value or estimated value (in money or equivalent) for a single purchase or disposal • whether or not it comprises several lots or stages • to be paid or received by the Council. <p>The Total Value shall be calculated as follows:</p> <p>(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.</p> <p>(b) where the purchase involves recurrent transactions for the same type of item, by aggregating the</p>

	<p>value of those transactions in the coming 12 months;</p> <p>(c) where the contract is for an uncertain duration by multiplying the monthly payment by 48;</p> <p>(d) for feasibility studies, the value of the study only may be taken unless a positive assessment automatically leads to the follow-on work;</p> <p>(e) for Nominated Suppliers and Sub-contractors, the value of that part of the main contract to be fulfilled by the Nominated Supplier or Sub-contractor.</p>
TUPE	<p>Transfer of Undertakings (Protection of Employment) Regulations 2006 introduced to ensure the protection of employees when, for example, a business is taken over by another organisation. Broadly, TUPE regulations ensure that the rights of those employees transferred with the business are protected.</p>
Value for Money	<p>Not necessarily the lowest possible price but rather a combination of factors i.e. goods or services fully meeting the need at the quality required, delivered at the stipulated time and for an appropriate price.</p>
Value Wales	<p>Value Wales (Procurement) provides advice and support on best practice to the public sector in Wales.</p>
Workforce Matters	<p>Matters classed as 'non-commercial matters' under the Local Government Act 1988 s.17 (5) in the context of the contractual process. The following matters may, however, now be considered to the extent that they are relevant to the delivery of best value, or for the purposes of a TUPE transfer</p> <ul style="list-style-type: none"> • the terms and conditions of employment of suppliers in

respect of their workers or the composition of, the arrangements for the promotion, transfer or training of or other opportunities afforded to, their workforces.

- the conduct of suppliers or workers in industrial disputes between them.

Restrictions on other non-commercial matters listed in s.17 of the 1988 Act remain in place.

Working Day

A day other than a Saturday, Sunday or Bank Holiday as defined by the Banking and Financial Dealing Act.

1. INTRODUCTION

These Contract Procedure Rules ('CPR') set out the procedure which must be followed for every contract made between the Council and a third party for the supply of goods, services and works. The CPR do not apply to contracts of employment or those for the acquisition or disposal of land but they do apply to services relating to recruitment and land transactions (e.g. the employment of agents).

Complying with the CPR is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Where, under the CPR, there is a requirement for a communication to be in writing, this shall be deemed to include e-mail and fax transmissions as well as hard-copy, unless stated otherwise.

Officers of the Council responsible for purchasing or disposal must comply with the CPR. The CPR set minimum requirements and a more thorough procedure may be appropriate for a particular contract,

e.g. where a Tender is to be invited instead of a Quotation. The CPR complement the Financial Procedure Rules which must also be followed.

Procurement Guidance may be found on CardiNet, including information on Corporate Contracts. Advice may also be sought from Corporate Procurement or the Internal Audit sections of the Finance Service. The flowchart in Appendix 1 should also be consulted.

In summary:

- Follow the CPR if you purchase goods or services or order construction works.
- Take all necessary professional advice.
- Declare any personal financial interest in a contract. Corruption is a criminal offence. Inform your line manager and complete the officers Declaration of Interest form online.

- Appraise the purchasing need and ensure that specifications are clear and do not discriminate either for or against a supplier or category of supplier.
- Consider whether to complete the template for submission to the Corporate Project Management Panel. Check in the following order whether there is:

1. an existing Corporate Contract

Or

2. All-Wales Framework Agreement

Or

3. another appropriate framework you can use before initiating a competitive process. If such a contract or agreement

exists it must be used (ignoring such a contract to purchase from an established source is a disciplinary matter).

- Normally allow four weeks for the submission of bids (not to be submitted by fax).
- Keep bids confidential.
- Complete a written contract or Council order before the supply of goods, services or works begin.
- Identify a Contract Manager with responsibility for ensuring the contract delivers as intended.
- Keep complete and accurate records of dealings with suppliers.
- Assess each contract afterwards to see how well it met the purchasing need and Value for Money requirements.
- Monitor and assess the performance of the supplier or contractor during and following completion of the contract.

All contracts must be subject to competition, as detailed in the table under Point 8.1.

Disposals: See Rule 8.2

2. BASIC PRINCIPLES

All procurements and disposals are to:

- Achieve Value for Money.
- Be awarded following open competition.
- Ensure fairness in allocating public contracts.
- Comply with all legal requirements and specifically with the Regulations.
- Be conducted proportionately, particularly with regard to the advertising of contracts and to the management of risk.
- Follow transparent procedures.
- Ensure that Considerations not related to Value for Money do not influence any Contracting Decision.
- Support the Council's corporate strategy and policies.
- Support Departmental aims and objectives.
- The basic principles apply equally to the use of E-procurement technology including but not limited to Purchase Cards, e-sourcing and e-tendering.
- Contracts for supplies, works and Schedule 3 services (see Appendix I) above the European tendering thresholds must be advertised in OJEU. Schedule 3 services and contracts below the EU threshold must be advertised sufficiently widely to ensure all suppliers who may be interested have an opportunity to tender. It must be decided on a case-by-case basis whether advertisements need to extend beyond UK boundaries taking into account, for example, value, type of service, location of the work, market characteristics etc. In the vast majority of cases this may be achieved by advertising on the National Procurement Website (see also Procurement Guidance).

3. OFFICERS' RESPONSIBILITIES

Officers must:

If a full tender exercise is undertaken, you must refer to the Corporate Procurement Service.

- a. have regard to the Procurement Guidance and the Council's procurement strategy. See Introduction para 1 above.
- b. check in order whether
 1. a suitable Corporate Contract
or
 2. An All-Wales Framework Agreement
or
 3. Another appropriate framework agreement
exists before seeking to let another contract. Where such a suitable contract/framework exists it must be used. If a Corporate Contract is in place, this will be used rather than an All-
Wales Framework Agreement, and if an All-Wales Framework Agreement exists this will be used rather than another appropriate framework agreement.
 4. Wales Framework Agreement, and if an All-Wales Framework Agreement exists this will be used rather than another appropriate framework agreement.
- c. keep full and accurate records.
- d. ensure that all architects, engineers, surveyors or any other consultants to be engaged in construction, building, engineering, highways, estates or property related works on behalf of the Council are appointed by or in agreement with the Corporate Lead Officer Highways and Environmental Services or Corporate Lead Officer Economy & Regeneration
- e. ensure that agents, consultants and contractual partners acting on the Council's behalf also comply with these CPR (but note that this provision does not apply to sub-contracts).
- f. ensure that all TUPE issues are considered and obtain legal, Human Resources or other appropriate professional advice before proceeding to invite tenders or quotations if any employee either of the Council or of a service provider may be affected by a transfer arrangement.

4. BEFORE COMMENCING A PROCUREMENT

- 4.1 Every procurement exercise **needs to be appraised to ensure** it is conducted proportionately to the complexity, risk and value of the proposed contract and in accordance with the Procurement Guidance.
- 4.2 In identifying and appraising the need for the procurement and its priority the following elements must be taken into account:
- the requirements arising out of any relevant inspection or service review
 - the objectives of the procurement
 - the procurement method most likely to achieve the objectives, including (but not limited to) internal or external sourcing, sourcing through an All-Wales Framework Agreement or other appropriate framework agreement, contract packaging strategy, collaboration with other purchasers or partnering
 - The results of consulting users as appropriate on the proposed procurement method, contract standards, performance and user satisfaction monitoring.
- 4.3 If the Total Value is £100,000 or over, the appraisal must be in writing.
- 4.4 In order to secure Value for Money the Council may enter into collaborative procurement arrangements. Any contracts entered into through collaboration with other local authorities or public bodies, where a competitive process has been followed complying with the CPR of the lead organisation (but not necessarily with these CPR), will be deemed to comply with these CPR and no exemption is required. This will include All Wales Framework Agreements and other appropriate Framework Agreements subject to prior consultation with the Procurement Manager and/or the Chief Finance Officer.

5. RETENTION OF RECORDS AND NOTIFICATION TO CANDIDATES

The process must be recorded and records retained as evidence as specified below:

5.1 Contracts up to £4,999 Total Value

Where the total value is up to £4,999 the following documents shall be retained and kept safe:

- Written confirmation from suppliers which can include web pages advertisements, receipts, e-procurement order etc.

5.2 Contracts of £5,000 and above to £99,999 Total Value

Where the Total Value is under £100,000 and a quotation process is used, the following documents shall be retained and kept safe. If a full tender process is used the procedure to be followed is the same as for contracts of £100,000 and over:

- invitations to quote and quotations received
- a written or electronic record of any exemption(s) and the reasons for it or them
- to whom the contract was awarded and the reasons
- written or electronic records of communications with the successful contractor.

5.3 Contracts of £100,000 and over in Total Value

Where the Total Value is £100,000 or over the tender process is to be managed by the Procurement Manager. The Procurement Manager is responsible for the retention and safekeeping of the tendering evidence. The Lead Officer shall ensure the Procurement Manager has all of the following items and will provide electronic copies where necessary:

- identification and appraisal of need

- method of obtaining bids including decisions on the breadth of advertising required.
- any Contracting Decision and the reasons for it
- any exemption granted together with the reasons for it and relevant exemption category recorded
- the Award Criteria, including their relative weighting in descending order of importance
- tender documents sent to and received from Candidates
- pre-tender market research (where undertaken)
- clarification of procedures or documentation (to include minutes of meetings)
- contract documents including a list of those documents to be included in the contract award documentation / e-Procurement order
- details of the tender award team
- full details of the evaluation and award
- Tenders – contract and award notices (OJEU where applicable)
- post-contract evaluation and monitoring
- written or electronic records of communications with Candidates and with the successful contractor throughout the period of the contract
- names of the successful tenderer and Lead Officer and date of the contract award.
- Evidence of the tender acceptance sign-off

5.4 Directors or Chief Officers must:

- keep a register of contracts of Total Value £100,000 or over
- retain and safeguard original contracts

- be responsible for the safekeeping of all original contracts on Council premises
- record any exemptions using the form in the Procurement Guidance.

5.5 Retention of Documents

All records required by this Rule must be kept for six years after the end of the contract period, unless there is a requirement to retain them for a longer period such as contracts made under seal which must be retained for twelve years.

5.6 Disposal of Documents

The disposal of Tender and contract documentation must be done in accordance with the guidelines on records management available on CardiNet, e.g. General Disposal Guidelines for Local Authorities as presented by the Records Management Society of Great Britain's Local Government Group.

5.7 Notification to Candidates

Candidates that are excluded (not allowed to compete) must be informed. Candidates that fail to pre-qualify and are not invited to tender must be informed when they are deselected as opposed to the end of the tender exercise.

Contracts with a Total Value above the EU Threshold will be subject to the Standstill Period and potential challenges prior to contract award. (This does not apply to contracts awarded through frameworks and partially exempt contracts e.g. below threshold standard contract and Schedule 3 awards.) Notification of a decision to award a contract must be sent in writing to all Candidates simultaneously as soon as possible and must contain:

- the award criteria
- reasons for the decision, including the characteristics and relative advantages of the successful tender

- the score awarded to the recipient of the communication (for MEAT criteria)
- the name and the score of the winning Candidate (or those admitted to a framework)
- the expected end date of the Standstill Period

Templates of example letters that can be sent to successful and unsuccessful Candidates are available from Procurement Guidance.

Electronic notification must be used, and the Standstill Period ends at midnight on the 10th day after the sending date. When the last day of the Standstill Period is not a working day, the Standstill Period is extended to midnight at the end of the next Working Day.

6. FRAMEWORK AGREEMENTS

6.1 Procedure and Practice

6.1.1 The term of a Framework Agreement shall not exceed four years, except where approved in advance by Cabinet.

6.1.2 Whilst a Framework Agreement may be entered into with one contractor, where such an Agreement is concluded with several contractors, they must be at least three in number.

6.1.3 Contracts based on a Framework Agreement may be awarded either:

- In accordance with the terms of the Framework Agreement (where such terms are sufficiently precise to cover the particular Call-Off) without reopening competition; or
- Where the terms of the Framework Agreement are not precise enough or complete for the particular Call-Off, the

Council shall re-open competition between Bidders who are parties to the Framework Agreement in accordance with the following procedure:

- after consultation with Bidders, capable of performing the contract, invite them to submit written Tenders
- fix a reasonable time limit for submission of Tenders taking into account factors such as the complexity of the subject matter of the contract and estimated contract value
- invite Bidders to submit Tenders in writing (which will be by secure electronic communication), the content to remain confidential until the time stipulated for reply has expired
- award the contract to the Bidder who has submitted the best Value for Money Tender on the basis of the Award Criteria and as set out in the specifications of the Framework Agreement. The Award Criteria may be

adjusted with the prior agreement of the Procurement Unit to reflect the characteristics of the individual Call-Off contract.

6.2 Crown Commercial Services & Other Appropriate Frameworks

Before commencing any procurement process utilising Crown Commercial Services or other appropriate Framework Agreements, the following procedures shall be observed:

- consult the Procurement Unit, and
- consider the terms and conditions of the relevant agreement, to ensure that they are appropriate, and the provisions of clause 6.1.3 above, and
- ensure that proper consideration, using all relevant documentation and literature, is given to the potential Bidders' capabilities to fulfil the contract satisfactorily.

7. DYNAMIC PURCHASING SYSTEMS

7.1 Introduction

It is not permissible to operate an Approved List, however a Dynamic Purchasing System (DPS) is a viable alternative.

European procurement legislation requires the value of ad hoc purchases of similar supplies, services and works to be aggregated for the purpose of determining whether the annual value of such purchases exceeds the relevant EU Threshold. If the EU Threshold is exceeded, the Council is required to comply fully with the legislation for each and every purchase irrespective of the value of the individual purchase.

For those supplies and services to which the aggregation rule is likely to apply, the Council will seek to establish a corporate Framework Agreement, will seek to utilise a collaborative arrangement such as an All-Wales Framework Agreement or establish a DPS.

7.2 General Features

A DPS for commonly can be used for purchases the characteristics of which, as generally available on the market, meet their requirements.

- The DPS shall be operated as a completely electronic process, and shall be open throughout the period of validity of the purchasing system to any economic operator that satisfies the selection criteria.

- The DPS may be divided into categories of products, works or services that are objectively defined on the basis of characteristics of the procurement to be undertaken under the category concerned.
- Such characteristics may include reference to the maximum allowable size of the subsequent specific contracts or to a specific geographic area in which subsequent specific contracts will be performed.
- The period of validity of the DPS shall be stated in the call for competition. Lead officers must inform the Procurement Manager if the DPS is likely to be terminated early so necessary notifications can be made.
- No charges may be billed, prior to or during the period of validity of the DPS, to the economic operators which are interested in or party to the dynamic purchasing system.

7.3 Process

Advice must be sought from the Procurement Unit before commencing the process, and the Unit will manage the initial tender. In order to procure under a DPS, the rules of the restricted procedure must be followed, subject to the following provisions:

- All the candidates satisfying the selection criteria shall be admitted to the system, and the number of candidates to be admitted to the system shall not be limited.
- Where the system is divided into categories of products, works or services the applicable selection criteria for each category must be specified.

7.4 Time Limits

The minimum time limit for receipt of requests to participate shall be 30 days from the date on which—

the contract notice is sent, or where a prior information notice is used a means of calling for competition, the invitation to confirm interest is sent. No further time limits for receipt of requests to participate shall apply once

the invitation to tender for the first specific procurement under the dynamic purchasing system has been sent.

The minimum time limit for receipt of tenders may set by mutual agreement between the Council and all selected candidates, provided that all selected candidates have the same time to prepare and submit their tenders. This requirement also applies when new Candidates are admitted to the DPS during the course.

7.5 Requirement to use Electronic Communication

All communications in the context of a dynamic purchasing system shall only be made by electronic means.

7.6 The Call for Competition etc.

For the purposes of awarding contracts under a DPS, the following actions must be undertaken:

- publish a call for competition making it clear that a DPS system is involved; indicate in the procurement documents at least the nature and estimated quantity of the purchases envisaged, as well as all the necessary information concerning the DPS, including how the DPS operates, the electronic equipment used and the technical connection arrangements and specifications;
- indicate in the procurement documents any division into categories of products, works or services and the characteristics defining them;
- offer unrestricted and full direct access, as long as the system is valid, to the procurement documents.

7.7 Requests to Participate and their Evaluation

Any economic operator, throughout the entire period of validity of the DPS, shall be given the possibility of requesting to participate in the system under the following conditions:

- The restricted procedure process is followed, and new Candidates must complete the same PQQ selection process used in the original tender exercise.

- All the candidates satisfying the selection criteria shall be admitted to the system, and the number of candidates to be admitted to the system shall not be limited.
- Where the system is divided into categories of products, works or services the applicable selection criteria for each category must be specified.
- The evaluation of such requests in accordance with the selection criteria must be made within 10 working days following their receipt. That period may be prolonged to 15 working days in individual cases where justified, in particular because of the need to examine additional documentation or to otherwise verify whether the selection criteria are met.
- The Candidate shall be informed at the earliest possible opportunity of whether or not it has been admitted to the DPS.

7.8 Tendering and Award of Contract

All admitted participants must be invited to submit a tender for each procurement under the DPS. Where the DPS has been divided into categories of works, products or services, all participants having been admitted to the category corresponding to the specific procurement concerned must be invited to submit a tender.

The contract shall be awarded to the tenderer that submitted the best tender on the basis of the award criteria set out in the contract notice for the DPS. Those criteria may, where appropriate, be formulated more precisely in the invitation to tender.

7.9 Means of Proof

At any time during the period of validity of the DPS, the Council may require admitted participants to submit a renewed SQuID within five working days from the date on which that request is transmitted. During the tender process it is possible to seek clarification and copies of relevant documentation as necessary.

7.10 Contract Award Notices

For all contracts awarded under a DPS either:-

A contract award notice must be sent within 30 days after the award of each contract based on a DPS, or group such notices on

a quarterly basis, in which case the grouped notices must be sent within 30 days of the end of each quarter.

It is the responsibility of the Lead Officer to ensure the Procurement Manager is provided with all the information necessary to post the notice within the timescale detailed above.

8. COMPETITION REQUIREMENTS FOR THE AWARD OF CONTRACTS

Determine the Total Value of the proposed contract (note that separate contracts must not be entered into nor a method of selecting the Total Value used which would have the effect of compromising or subverting these CPR).

Check whether there is an existing Corporate Contract, an All-Wales or another Appropriate Framework Agreement that can be used before initiating a competitive process.

The following procedures apply where there are no other procedures which take precedence, for example, agency agreements with government. If in doubt, Officers must seek the advice of the Procurement Unit.

8.1 Selection of the Award Process (Acquisition)

When the Total Value has been determined, the award process of either inviting tenders or requesting quotations can be selected. The table below summarizes the threshold values and the competition requirements together with the appropriate methods (see also the flowchart in Appendix 1). Records must be retained as specified in Section 5.

Thresholds and Advertising Requirements Estimated Value of Goods, Services or Works*	Number of Quotations/Tenders Required**	Method of Obtaining Quotations/Tenders
£0 - £4,999	Sufficient number to demonstrate best value and integrity of process. Consideration of local	Verbal enquiry confirmed by email. Internet searches including Sell2wales, trade paper etc.

	suppliers must be part of the process. The CPU should be contacted if you need advice on what to procure and/or where to source it	
£5,000 - £24,999	<p>A minimum of 4 quotations to be sought and at least 2 received.</p> <p>Consideration of local suppliers must be part of the process.</p> <p>Please refer to the Procedure Flowchart (Appendix 1) for the action to be taken if there are not enough suppliers to invite or if the minimum number of quotes has not been received.</p>	Formal written quotation. Sell2wales Quick Quotes to be considered.
£25,000 - £99,999	<p>A minimum of 5 quotations to be sought and at least 3 received.</p> <p>Consideration of local suppliers must be part of the process.</p> <p>Please refer to the Procedure Flowchart (Appendix 1) for the action to</p>	<p><u>Either</u></p> <p>a) Formal written quotation. Sell2wales Quick Quotes to be considered.</p> <p><u>Or</u></p> <p>b) A full tender process conducted through etenderwales and managed by the Corporate Procurement Team.</p>

	be taken if there are not enough suppliers to invite or if the minimum number of quotes has not been received.	
£100,000+ to below OJEU.	<p>A minimum of 5 formal tenders invited through an open call for competition or following an open call for competition (as in the case of a Restricted Tender process) and at least 3 received.</p> <p>Please refer to the Procedure Flowchart (Appendix 1) for the action to be taken regarding invitations to tender or if the minimum number of quotes has not been received.</p>	<p>In the first instance a check must be made to ensure the contract value over its proposed period of validity is under the OJEU threshold or not. This information can be found at: http://www.ojec.com/thresholds.aspx</p> <p>A full electronic tender process is mandatory, and to be conducted through etenderwales. Below OJEU threshold a standard Contract Notice must be published and above the threshold an OJEU notice must be published. Both Notices are to be published through Sell2wales. The Corporate Procurement Team will manage this process.</p>
Above OJEU	<p>Where the estimated value of a contract exceeds current EU Threshold, then the contract must be tendered in accordance with the UK's Public Contract Regulations, and these CPR's. In all such circumstances appropriate advice must be sought from the Corporate Procurement Unit.</p> <p>The OJEU thresholds can be checked at: http://www.ojec.com/thresholds.aspx</p>	

*Buyers should satisfy themselves the Council's aggregated annual expenditure does not exceed the threshold they are looking at for an individual procurement.

**It is important to appreciate that Contractors must be informed of how their quotations will be evaluated and this information should be set out when Contractors are asked to quote.

**When contracting from frameworks it is important to follow the rules on further competition and contract award as set out in the over-arching framework agreement. Framework agreements will have already been through an open competitive process, and so the minimum number of suppliers to be invited to quote/tender as set out in the framework rules takes precedence over the table above. However, the minimum number of quotes/tenders received remains as specified in the table, except in the case of single supplier frameworks.

European procurement legislation requires the value of ad hoc purchases of similar supplies, services and works to be aggregated for the purpose of determining whether the annual value of such purchases exceeds the relevant EU Threshold. If the EU Threshold is exceeded, the Council is required to comply fully with the legislation for each and every purchase irrespective of the value of the individual purchase.

Guidance on conducting tendering exercises (OJEU and non-OJEU) and requesting Quotations appears in the Procurement Guidance and the flowchart in Appendix I illustrates how the selection of the award process correlates with the EU Threshold.

Where it can be demonstrated that there are insufficient suitably qualified Candidates to meet the competition requirement, an Exemption is to be requested to the CPRs and if granted, all suitably qualified Candidates must be invited to bid.

8.2 Selection of the Award Process (Disposal)

Assets for disposal shall be sent to public auction whether electronic auctions or to tender as appropriate.

Alternatively, low value items (under £500) may have a purchase price assigned to each of them and advertised for sale.

Value Added Tax must be added to sales as necessary, and an official Council invoice raised when dealing directly with buyers

9. EXEMPTIONS

There are 4 actions for which an exemption to the CPR can be sought as follows:

- Use of the Competitive Dialogue Procedure (12.3)
- Use of the Negotiated Procedure (13)
- Insufficient providers in the market to meet the requirements for competition
- Insufficient quotations/bids received to satisfy the requirement

The exemption form is available on the Procurement Guidance page of CardiNet. This form must be signed by the Procurement Manager indicating support of the request, the appropriate Director and the Chief Finance Officer.

The original signed form is to be kept on the project file by the Lead Officer, and copies provided to the Procurement Manager and the Council's Monitoring Officer. Note that for contract values above the EU Threshold the justification forms part of the annual returns for EU statistics on public procurement. The Exemption Justification categories are set out in Appendix III.

10. PRE-TENDER MARKET RESEARCH AND CONSULTATION

The Lead Officer:

- a. may consult potential Candidates prior to the issue of the RFQ or ITT in general terms on the nature, level and standard of the supply, contract packaging and other relevant matters provided this does not prejudice any potential Candidate, but
- b. must not seek or accept technical advice on the preparation of a RFQ or ITT from anyone who may have a commercial interest in

all potential Candidates or distort competition (and this shall be presumed to be discriminatory unless proven not to be), and

- C. shall seek advice from the Procurement Unit.

11. REQUEST FOR QUOTATION (RFQ) OR INVITATION TO TENDER (ITT)

QUOTATIONS

The Lead Officer should check the table (8.1) and seek quotations from at least the minimum specified number of suitable candidates. Inviting Local suppliers should always be considered, and the use of the Sell2wales Quick Quotes system is recommended because it manages the workflow and provides an audit trail.

Compliance with the following principles is required (as for all public contracts regardless of value):

1. Equal Treatment
2. Transparency
3. Non-discrimination
4. Mutual Recognition
5. Proportionality

11.1 The RFQ must include a specification (including for the Schedule 3 Services in Appendix II). The specification must describe clearly the Council's requirements in sufficient detail to enable the submission of competitive offers. In preparing specification the Officer should consult the Procurement Guidance.

11.2 The Lead Officer must have regard to the relevant British, European or International standards that apply to the subject matter of the contract to be included in the specification, including those standards necessary to describe the required quality.

Note: Further detail on the use of technical specifications in the contract documents is provided in Section 5 of the Regulations.

11.3 The RFQ must state that the Council is not bound to accept any Quotation (the Procurement Guidance contains some model documents and other sources of guidance).

11.4 All Candidates invited to Tender or quote must be issued with the same information.

11.5 Every RFQ shall include:

- A description of selection process, methodology and the Award Procedure
- In the Award Criteria, designed to secure Value for Money for the Council, the basic criteria shall be:
 - 'highest price' if payment is to be received from a disposal of goods, or
 - 'most economically advantageous' offer in providing goods, services or works as set out in a price/quality weighted scoring matrix.

Scoring used in the award of a contract shall use criteria linked to the subject matter of the contract to determine the most economically advantageous Tender including any, or all, of the following:

- Quality
- Price
- Technical Merit
- Aesthetic and Functional Characteristics
- Running Costs
- Environmental Characteristics
- Period of Completion
- After Sales Service
- Technical Assistance
- Delivery Date and Delivery Period

Where feasible, the price component of Value for Money should reflect the whole life cost of the purchase taking into account, for example, relevant operating, maintenance and disposal costs. Where these are not part of the tendered price, reasonable estimates may be made and added to the tendered price.

- Award Criteria that do not transgress any of the Basic Principles

If insufficient Quotations are received and the contract value is between £5k and £24,999 more must be requested until the minimum is satisfied. For

contracts between £25k and £99,999 an open process must be conducted. In the event there are insufficient suppliers in the market to meet the requirements specified in the table an Exemption must be sought.

Tenders

Tenders below the OJEU must have a standard Contract Notice published through sell2wales. Below the OJEU threshold there is flexibility on the regions where the contract opportunity is advertised and the tendering timescales. However, above the threshold the contract opportunity must be advertised in OJEU through Sell2wales and the stipulated timescales strictly adhered to. The principles of open, fair and transparent process apply equally above and below the OJEU threshold.

11.6 Every ITT must be managed by the Procurement Unit and conducted electronically using the corporate system. In the event of a technical failure the Chief Finance Officer has the authority to direct the Procurement Unit to conduct an alternative exercise which meets all the requirements set out in these CPRs. If such an alternative exercise is conducted the full details of the exercise must be uploaded to the corporate electronic system at the earliest opportunity after the functionality is restored.

11.7 Compliance with the following principles is required (as for all public contracts regardless of value):

- Equal treatment
- Non-discrimination
- Proportionality
- Transparency
- Mutual Recognition

11.8 The ITT must include a specification (including for the Schedule 3 Services in Appendix II). The specification must describe clearly the Council's requirements in sufficient detail to enable the submission of competitive offers. In preparing specification the Officer should consult the Procurement Guidance.

11.9 The Lead Officer must have regard to the relevant British, European or International standards that apply to the subject matter of the contract to be included in the specification, including those standards necessary to describe the required quality.

Note: Further detail on the use of technical specifications in the contract documents is provided in Part 5 of the Regulations.

11.10 The ITT must state that the Council is not bound to accept any Tender (the Procurement Guidance contains some model documents and other sources of guidance).

11.11 All Candidates invited to Tender must be issued with the same information at the same time and subject to the same conditions, other than in the case of ITT by Open Procedure where tenderers may request Tender documentation at any time during the Tender period. All supplementary information must be given to all Candidates on the same basis.

11.12 Every ITT shall include (unless the information has been specifically requested in the Pre-Qualification Questionnaire):

- A description of the Award Procedure, unless defined in a prior advertisement.
- A prohibition of submitting Tenders by fax.
- A definition of the Award Criteria in objective terms and, if possible, in descending order of importance, unless defined in a prior advertisement.
- In the Award Criteria, designed to secure Value for Money for the Council, the basic criteria shall be:
 - ‘highest price’ if payment is to be received from a disposal of goods, or
 - ‘most economically advantageous’ offer in providing goods, services or works as set out in a price/quality weighted scoring matrix.

Scoring used in the award of a contract shall use criteria linked to the subject matter of the contract to determine the most economically advantageous Tender including any, or all, of the following:

- Quality
- price
- technical merit
- aesthetic and functional characteristics
- running costs
- environmental characteristics

- period of completion
- after sales service
- technical assistance
- delivery date and delivery period

Where feasible, the price component of Value for Money should reflect the whole life cost of the purchase taking into account, for example, relevant operating, maintenance and disposal costs. Where these are not part of the tendered price, reasonable estimates may be made and added to the tendered price.

- Award Criteria that do not transgress any of the Basic Principles.
- A form of Tender, non-collusive tendering certificate and instructions to Candidates using appropriate paragraphs from the Procurement Guidance.
- A requirement for Candidates to declare that the Tender content, price or any other figure or particulars concerning the Tender have not been disclosed by the Candidate to any other party (except where such a disclosure is made in confidence for a necessary purpose).
- A statement that no Tender will be considered unless it is received by the date and time stipulated and that any Tender received in contravention of this clause shall not be considered.
- The procurement timetable including the Tender return date and time, which shall allow a reasonable period for the applicants to prepare their tenders.
- Pricing mechanism and instructions for completion.
- Whether the Authority is of the view that TUPE1 may apply.
- Form and content of method statements to be provided.
- Instructions for submitting Tenders electronically.
- Any further information which will inform or assist Candidates in preparing Tenders.
- A condition that the contractor may not assign or sub-contract without prior written consent.
- Any insurance requirements.
- Health and safety requirements.
- Ombudsman requirements if relevant.

- Data protection requirements if relevant.
- That charter standards are to be met if relevant.
- .
- Equality Act requirements.
- Freedom of Information Act requirements.
- Welsh Language Standards.
- (Where agents are used to let contracts) that agents must comply with the Council's CPR relating to contracts.
- A right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant.
- A clause stating that "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 Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or
 - (c) commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.

Any clause limiting the Contractor's liability shall not apply to this clause".

If insufficient Tenders are to meet the requirements specified (8.1) an Exemption must be sought.

1 If the _____ Council is of the view that TUPE may apply, it should seek legal advice as appropriate on what information to include in the ITT. If it is likely that there will be a contractor to contractor TUPE transfer, then the Council will need to consider what information will be required to pass on to tenderers in respect of current contractual arrangements. The Council should ask prospective tenderers to sign a confidentiality undertaking before providing any details on any other contractual arrangements.

Existing contractors should be notified by the Council of any details provided to prospective tenderers.

12. OPEN OR RESTRICTED TENDERING PROCEDURE

- 12.1 If the Open Procedure is used, all Candidates requesting Tender documents receive them without the need of a prior selection process. The personal situation, economic and financial standing and capability and capacity of candidates (as defined in the Regulations) must, however be evaluated through the Tender process. All Tenders returned correctly following an invitation to Tender using this procedure must be evaluated in accordance with the Procurement Guidance.
- 12.2 If the Restricted Procedure is used, a minimum of 5 candidates must be selected to be invited to Tender provided there are 5 suitable candidates. The criteria for selection must have regard to Candidates' personal situation, economic and financial standing and capability and capacity (as defined in the Regulations). This information will be provided by Candidates through the submission of the Pre-Qualification Questionnaire as provided for in the Procurement Guidance
- 12.3 The use of any other tendering procedure, i.e. the Negotiated Procedure with call for competition, or the competitive dialogue procedure, must be sanctioned by the **Chief Finance Officer**.

13. NEGOTIATED TENDERING PROCEDURES

Justification for using a Negotiated Procedure must be recorded using the CPR Exemption Form available from the Procurement Guidance. The procedure applies in full above the EU Threshold; below this the Basic Principles under Rule 2 apply.

- 13.1 The Council may use the Negotiated Procedure, with prior publication of a contract notice, in the following circumstances:
- (a) with regard to works, supplies or services fulfilling one or more of the following criteria:—
- (i) the needs of the Council cannot be met without adaptation of readily available solutions;
 - (ii) they include design or innovative solutions;
 - (iii) the contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, the complexity or the legal and financial make-up or because of risks attaching to them;
 - (iv) the technical specifications cannot be established with sufficient precision by the contracting authority with reference to a standard, European

Technical Assessment, common technical specification or technical reference;

- (b) with regard to works, supplies or services where, in response to an open or a restricted procedure, only irregular or unacceptable tenders are submitted.

Once the Negotiated Procedure has been justified as evidenced by the signed CPR Exemption Form, the Council shall publicise its intention to seek offers by inviting requests to be selected to negotiate.

To reduce the number of tenders to be negotiated, the Council may provide for the Negotiated Procedure to take place in successive stages by applying the award criteria in the contract documents (compare the Restricted Procedure).

If the Council provides for the Negotiated Procedure to take place in successive stages in accordance with the previous paragraph, it shall ensure that the number of Candidates to be invited to negotiate the contract at the final stage is sufficient to ensure genuine competition. The minimum number of Candidates to receive an invitation to negotiate is 3, provided there are 3 suitable candidates.

13.2 The Council may use the Negotiated Procedure without prior publication of a contract notice in the following circumstances:

1. In the specific cases and circumstances laid down in the Regulations, the Council may award public contracts by a negotiated procedure without prior publication.

General grounds

The negotiated procedure without prior publication may be used for public works contracts, public supply contracts and public service contracts in any of the following cases:—

where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided that the initial conditions of the contract are not substantially altered and that a report is sent to the Commission where it so requests;

where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons:—

the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance;

competition is absent for technical reasons;

the protection of exclusive rights, including intellectual property rights;

but only, in the case of paragraphs (ii) and (iii), where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement;

insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with.

For the purposes of paragraph (2) (a)—

a tender shall be considered not to be suitable where it is irrelevant to the contract, being manifestly incapable, without substantial changes, of meeting the contracting authority's needs and requirements as specified in the procurement documents;

a request to participate shall be considered not to be suitable where the economic operator concerned—

is to be or may be excluded under regulation 57, or

does not meet the selection criteria.

For the purposes of paragraph (2)(c), the circumstances invoked to justify extreme urgency must not in any event be attributable to the contracting authority.

Additional grounds relevant to public supply contracts

The negotiated procedure without prior publication may be used for public supply contracts—

where the products involved are manufactured purely for the purpose of research, experimentation, study or development, but contracts awarded in reliance on this sub-paragraph shall not include quantity production to establish commercial viability or to recover research and development costs;

for additional deliveries by the original supplier which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations where a change of supplier would oblige the contracting authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance;

for supplies quoted and purchased on a commodity market;

for the purchase of supplies or services on particularly advantageous terms, from either a supplier which is definitively winding up its business activities, or

the liquidator in an insolvency procedure, an arrangement with creditors, or a similar procedure under national laws or regulations.

In the case of paragraph (5)(b), the duration of the contract, as well as that of recurrent contracts, shall not, save in exceptional circumstances, exceed three years.

Additional ground relevant to public service contracts that follow a design contest

The negotiated procedure without prior publication may be used for public service contracts where the contract concerned—

follows a design contest organised in accordance with this part in the Regulations, and is to be awarded, under the rules provided for in the design contest, to—

the winner of the design contest, or one of the winners of the design contest.

Where paragraph (7)(b)(ii) applies, all winners must be invited to participate in the negotiation.

Additional ground relevant to new works or services which repeat similar ones

The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with Regulation 26(1) and (2).

The basic project shall indicate the extent of possible additional works or services and the conditions under which they will be awarded.

As soon as the first project is put up for tender, the possible use of this procedure shall be disclosed and the total estimated cost of subsequent works or services shall be taken into consideration by the contracting authority when it applies regulation 5.

This procedure may be used only during the three years following the conclusion of the original contract.

14. LIGHT TOUCH REGIME

This Rule applies only to those services listed under Schedule 3 of the Regulations (See Appendix II). All the Basic Principles apply including the requirements of Equal Treatment, Non-Discrimination, Proportionality, Transparency and Mutual Recognition. However there is no need to advertise the opportunity in OJEU if the contract value is below the threshold specified for Schedule 3 Services unless there is a clear indication for cross EU border

interest. This allows more flexibility in the procurement process, including the timescales.

15. SUBMISSION, RECEIPT AND OPENING OF TENDERS

- 15.1 Candidates invited to respond must be given an adequate period in which to prepare and submit a proper Tender, consistent with the urgency of the contract requirement. Normally at least 4 weeks should be allowed for submission of Tenders. If the Tender is sufficiently valuable to be advertised in OJEU there are specific minimum pre-award time periods to be observed during the process (see Procurement Guidance).
- 15.2 Tenders shall be conducted electronically using the corporate system except in the event of technical failure (See 10.1) The corporate system is hosted on a secure website and tenders can't be opened until the deadline for receipt has expired.
- 15.3 Tenders shall not be opened until the time limit for their submission has expired.
- 15.4 All Tenders of potential Total Value £100,000 or over must be returned to the Chief Finance Officer electronically to the relative ITT on the corporate system (In the event of system failure 10.1 applies, otherwise tenders received by any other means will be rejected). Quotations are to be returned to the appropriate departments and the Sell2wales Quick Quote system should be used for this purpose if deemed appropriate by the Lead Officer for the particular exercise
- 15.5 The names of Candidates must not be disclosed.
- 15.6 In the event of system failure the Chief Finance Officer shall be responsible for the safekeeping of tenders.
- 15.7 On receipt, each hard-copy Quotation must be:
- 15.7.1 date stamped
 - 15.7.2 initialled by the receiving Officer.
- This rule will apply to Tenders in the event of technical failure.
- 15.8 The Chief Finance Officer must ensure that all Tenders are opened at the same time, when the period for their submission has expired, in the presence of at least one other officer.
- 15.9 If there appears to be an error in a bid or supporting information, the Candidate must be invited to confirm or withdraw the bid. Where the error relates to the Tender total as calculated from tendered rates and variable quantities, the rates will be regarded as the offer and the Tender total adjusted accordingly for a re-measurement contract. For a fixed-price contract, the Tender total will be regarded as the offer and the rate adjusted accordingly. The Candidate will be invited to confirm or withdraw the adjusted bid in both cases.

16. CLARIFICATION PROCEDURES

Providing clarification of an ITT to potential or actual Candidates, or seeking clarification of a Tender from a Candidate, whether in writing or by way of a meeting, is permitted. Any additional information requested by Candidates shall be provided in writing. All written correspondence must be conducted using the secure messaging facility within the corporate e-Tendering system (In the event of technical failure see 10.1) Reference should also be made to the Procurement Guidance.

17. EVALUATION AND AWARD OF CONTRACT

17.1 Subject to the notification procedure under Rule 5.6:

- confidentiality of Quotations, Tenders and the identity of Candidates must be preserved at all times
- information about one Candidate's response must not be given to another Candidate.

17.2 Contracts must be evaluated and awarded in accordance with the Award Criteria.

17.3 Candidates must be notified according to Rule 5.6

17.4 Where the Total Value of the contract is over the EU Threshold, the Officer must publish a contract award notice in OJEU within 30 days of the award of contract.

18. CONTRACT DOCUMENTS AND CONTRACT FORMALITIES

18.1 Contract Documents

18.1.1 Contracts must be recorded in writing or placed using E-procurement or a Purchase Card and must state clearly:

- what is to be supplied (description and quality)
- payment provisions (amount and timing).
- Contracts of Total Value of £25,000 and over must state clearly:
- when the Council will have the right to terminate the contract
- that the contract is subject to the law as to prevention of corruption (in accordance with Rule 18)
- how the contract would be varied if necessary
- how Intellectual Property rights will be treated
- that the contractor may not assign or sub-contract without prior written consent
- any insurance requirements
- health and safety requirements.

18.1.2 In addition to the above, contracts of Total Value £100,000 and over must state clearly:

- ombudsman requirements if relevant
- data protection requirements if relevant
- that charter standards are to be met if relevant
- race relations requirements
- Disability Discrimination Act requirements
- Freedom of Information Act requirements
- (where agents are used to let contracts) that agents must comply with the Council's CPR relating to contracts
- a right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant.

18.2 TENDER ACCEPTANCE

Value of Standard Contract	Authority to Sign Off Tender Acceptance
Up to £24,999	An Officer designated by the appropriate Service.
From £25,000 to £99,999	<ul style="list-style-type: none"> • An Officer designated by the appropriate Service <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • their Line Manager. <p style="text-align: right;">Two signatures required</p>
From £100,000 Up to £249,999	<ul style="list-style-type: none"> • An Officer designated by the appropriate Service, <p style="text-align: center;">AND one of the following;</p> <ul style="list-style-type: none"> • Chief Executive • a Corporate Director • a Corporate Lead Officer <p style="text-align: right;">Two signatures required</p>
£250,000 and up to £1m	<p>One of the following;</p> <ul style="list-style-type: none"> • The Chief Executive • a Corporate Director • a Corporate Lead Officer <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> • The appropriate Cabinet Member, <p style="text-align: right;">Two signatures required .</p>

• Above £1m	Cabinet approval is required.
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Value of Framework Agreements and Individual Call-off Contracts	Authority to Sign Off Tender Acceptance
Up to £24,999	<ul style="list-style-type: none"> an Officer designated by the appropriate Service <p style="text-align: right;">One signature required</p>
From £25,000 to £99,999	<ul style="list-style-type: none"> an Officer designated by the appropriate Service AND their Line Manager <p style="text-align: right;">Two signatures required</p>
From £100,000 Up to £249,999	<ul style="list-style-type: none"> an Officer designated by the appropriate Service AND one of the following: <ul style="list-style-type: none"> Chief Executive a Corporate Director a Corporate Lead Officer <p style="text-align: right;">Two signatures required</p>
£250,000 and up to £1m	<p>One of the following:</p> <ul style="list-style-type: none"> Chief Executive a Corporate Director a Corporate Lead Officer <p>AND</p> <ul style="list-style-type: none"> the appropriate Cabinet Member for the Service

	Two signatures required
£1m and up to £3m	<ul style="list-style-type: none"> • Chief Executive OR • a Corporate Director AND • Corporate Lead Officer Finance & procurement/Chief Finance Officer AND • Cabinet Member (responsible for Financial & Procurement Services) <p style="text-align: right;">Three signatures required</p>
Above £3 Million	<ul style="list-style-type: none"> • Cabinet approval is required

18.2.1 Contracts and Framework Agreements shall be completed as follows:

Total Value	Method of completion	By
Up to <u>£99,999</u>	<u>Signature/E- Procurement authorisation</u>	Officer designated by the appropriate Department
£100,000 and over	sealing	see Rule 18.2.2

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 Corporate Lead Officer Legal & Governance Services.

The Officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to do so.

18.2.2 Sealing

Where contracts are completed by each side affixing their formal seals, the Council's seal must be affixed in the presence of an authorised officer Every Council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the appropriate authority of the Council which may be delegated as appropriate. A contract or Framework Agreement must be sealed where:

- it is desirable that a contract or Framework Agreement remain enforceable more than six years after its end; or
- the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services; or
- there is any doubt over the authority of the person purporting to sign for the other contracting party; or
- the Total Value is £100,000 or over.

19. PARENT COMPANY GUARANTEES (PCG) AND PERFORMANCE BONDS

19.1 The Lead Officer shall consider whether to seek a Parent Company Guarantee when a Candidate is a subsidiary of a parent company and:

- the Total Value is £100,000 or over, or
- the award is based on evaluation of the parent company, or
- there is some concern over the stability of the Candidate.

If the Lead officer decides not to seek a PCG, this decision shall be recorded and reasons given.

19.2 Performance Bonds

The relevant Corporate Lead Officer shall consider whether a performance bond is necessary for the performance of a contract of Total Value £250,000 or over and shall either:

- certify that no such security is necessary giving reasons for such opinion, or
- in consultation with appropriate officers, specify in the conditions of Tender the nature and amount of the security to be given. In this

case the Council shall require and take a bond or other sufficient security for the due performance of the contract.

- The relevant Corporate Director shall have the right to require a bond for any contract which is estimated to be less than £250,000 Total Value where it is felt that special circumstances make this prudent and reasons recorded.

19.3 The Bond shall be discharged by the Corporate Lead Officer where /when appropriate, and reasons recorded.

20. PREVENTION OF CORRUPTION

20.1 The Code of Conduct must be complied with and an invitation to provide, or the acceptance of any gift or reward in respect of the award or performance of any contract, will not be tolerated. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in Rule 18.2.

20.2 The following clause must be included in every 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 Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or
- c. commit any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees.

Any clause limiting the Contractor's liability shall not apply to this clause".

21. CONTRACT MANAGER

21.1 Directors in sponsoring departments shall name a Contract Manager for each new contract who shall act in that capacity for the duration of the contract.

21.2 Contract Managers must follow the procedures set out in the Council's Procurement Guidance.

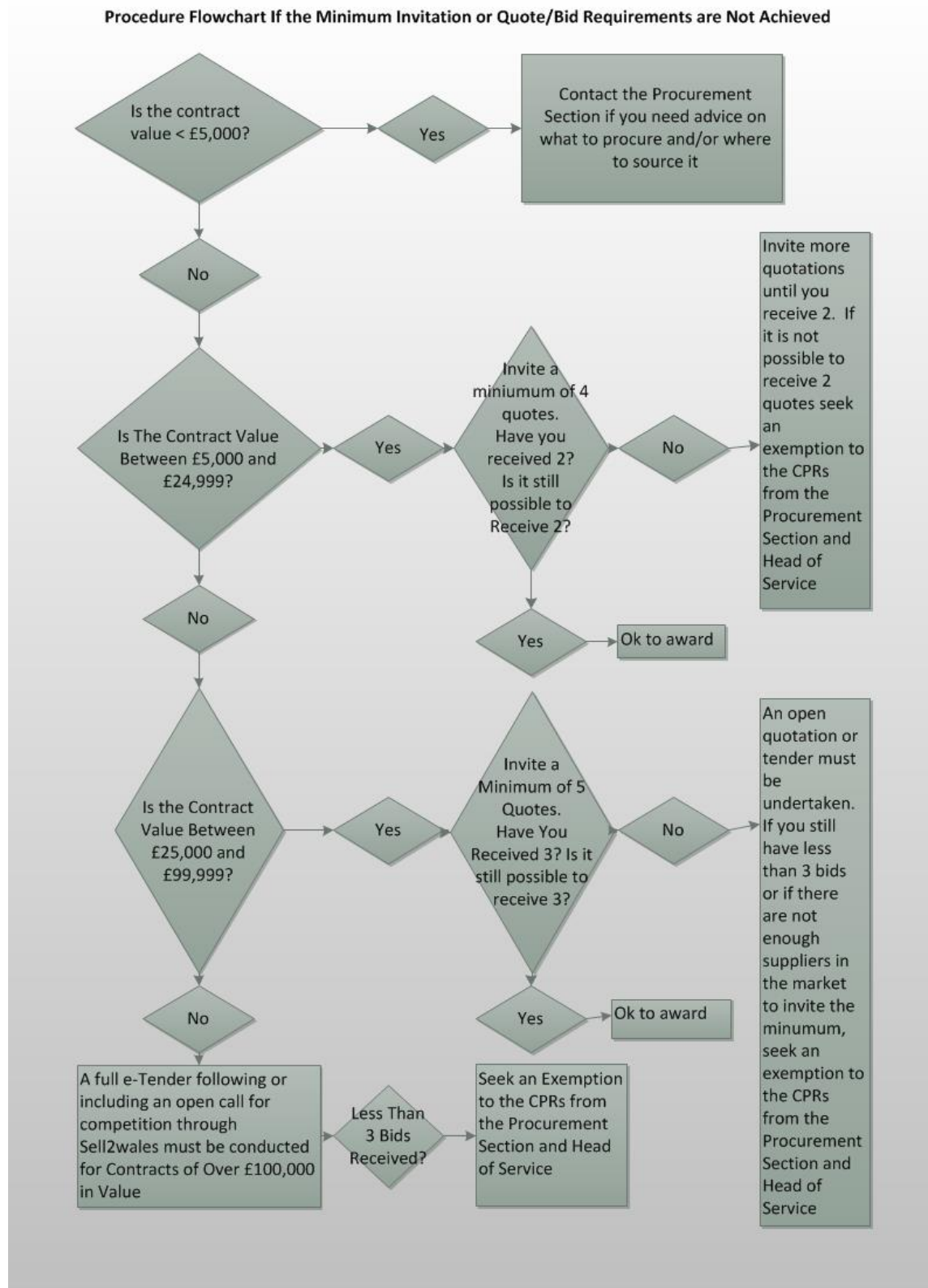
22. AMENDMENTS

22.1 In accordance with the Financial Procedure Rules and the CPR, the Chief Finance Officer (in consultation with the Monitoring Officer, and the Corporate Lead Officer Legal & Governance Services) shall have the power to make amendments from time to time to these CPR. Such amendments to be formally adopted by Council.

23. COMMUNITY BENEFITS

- 23.1** Community Benefits must be a consideration for all contracts for goods, services and works, and incorporated into works contracts of greater than £2.0m in value, see also Procurement Guidance.

APPENDIX I; SELECTION PROCEDURE FOR ITT OR RFQ IN THE AWARD OF CONTRACTS



APPENDIX II: SCHEDULE 3 SERVICES

SCHEDULE 1 Regulations 5(1)(d) and 74

SOCIAL AND OTHER SPECIFIC SERVICES

CPV Code	Description
75200000-8; 75231200-6; 75231240-8; 79611000-0; 79622000-0 [Supply services of domestic help personnel]; 79624000-4 [Supply services of nursing personnel] and 79625000-1 [Supply services of medical personnel] from 85000000-9 to 85323000-9; 98133100-5, 98133000-4; 98200000-5; 98500000-8 [Private households with employed persons] and 98513000-2 to 98514000-9 [Manpower services for households, Agency staff services for households, Clerical staff services for households, Temporary staff for households, Home-help services and Domestic services]	Health, social and related services
85321000-5 and 85322000-2, 75000000-6 [Administration, defence and social security services], 75121000-0, 75122000-7, 75124000-1; from 79995000-5 to 79995200-7; from 80000000-4 Education and training services to 80660000-8; from 92000000-1 to 92700000-8 79950000-8 [Exhibition, fair and congress organisation services], 79951000-5 [Seminar organisation services], 79952000-2 [Event services], 79952100-3 [Cultural event organisation services], 79953000-9 [Festival organisation services], 79954000-6 [Party organisation services], 79955000-3 [Fashion shows organisation services], 79956000-0 [Fair and exhibition organisation services]	Administrative social, educational, healthcare and cultural services
75300000-9	Compulsory social security services
75310000-2, 75311000-9, 75312000-6, 75313000-3, 75313100-4, 75314000-0, 75320000-5, 75330000-8, 75340000-1	Benefit services

98000000-3; 98120000-0; 98132000-7; 98133110-8 and 98130000-3	Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership organisation services
98131000-0	Religious services
55100000-1 to 55410000-7; 55521000-8 to 55521200-0 [55521000-8 Catering services for private households, 55521100-9 Meals-on-wheels services, 55521200-0 Meal delivery service] 55520000-1 Catering services, 55522000-5 Catering services for transport enterprises, 55523000-2 Catering services for other enterprises or other institutions, 55524000-9 School catering services 55510000-8 Canteen services, 55511000-5 Canteen and other restricted-clientele cafeteria services, 55512000-2 Canteen management services, 55523100-3 School-meal services	Hotel and restaurant services
79100000-5 to 79140000-7; 75231100-5;	Legal services, to the extent not excluded by regulation 10(1)(d)
75100000-7 to 75120000-3; 75123000-4; 75125000-8 to 75131000-3	Other administrative services and government services
75200000-8 to 75231000-4	Provision of services to the Community
75231210-9 to 75231230-5; 75240000-0 to 75252000-7; 79430000-7; 98113100-9	Prison related services, public security and rescue services to the extent not excluded by regulation 10(1)(h)
79700000-1 to 79721000-4 [Investigation and security services, Security services, Alarm-monitoring services, Guard services, Surveillance services, Tracing system services, Absconder-tracing services, Patrol services, Identification badge release services, Investigation services and Detective agency services] 79722000-1 [Graphology services], 79723000-8 [Waste analysis services]	Investigation and security services

98900000-2 [Services provided by extra-territorial organisations and bodies] and 98910000-5 [Services specific to international organisations and bodies]	International services
64000000-6 [Postal and telecommunications services], 64100000-7 [Post and courier services], 64110000-0 [Postal services], 64111000-7 [Postal services related to newspapers and periodicals], 64112000-4 [Postal services related to letters], 64113000-1 [Postal services related to parcels], 64114000-8 [Post office counter services], 64115000-5 [Mailbox rental], 64116000-2 [Post-restante services], 64122000-7 [Internal office mail and messenger services]	Postal services
50116510-9 [Tyre-remoulding services], 71550000-8 [Blacksmith services]	Miscellaneous services

Appendix III Contract Exemption Justification Codes.

JUSTIFICATION FOR THE USE OF THE NEGOTIATED PROCEDURE

Contracting Authorities should indicate in their return the justification for non-advertisement of a contract by reference to the appropriate letter (A-I) which relate to the specific provisions shown below, taken from regulation 32 of the Public Contract Regulations (2015).

Use of the negotiated procedure without prior publication of a contract notice

Regulation 32. —(1) In the specific cases and circumstances laid down in this regulation, contracting authorities may award public contracts by a negotiated procedure without prior publication.

General grounds

(2) The negotiated procedure without prior publication may be used for public works contracts, public supply contracts and public service contracts in any of the following cases:—

A

(where no tenders, no suitable tenders, no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided that the initial conditions of the contract are not substantially altered and that a report is sent to the Commission where it so requests.

B

where the works, supplies or services can be supplied only by a particular economic operator for any of the following reasons:—

(i) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance,

(ii) competition is absent for technical reasons,

(iii) the protection of exclusive rights, including intellectual property rights,

but only, in the case of paragraphs (ii) and (iii), where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement;

C

insofar as is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with. The circumstances invoked to justify extreme urgency must not in any event be attributable to the contracting authority.

Supplies Only – The negotiated procedure without prior publication may be used for public supply contracts—

D (supplies only)

where the products involved are manufactured purely for the purpose of research, experimentation, study or development, but contracts awarded in reliance on this subparagraph shall not include quantity production to establish commercial viability or to recover research and development costs;

E (supplies only)

for additional deliveries by the original supplier which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations where a change of supplier would oblige the contracting authority to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and maintenance;

F (supplies only)

for supplies quoted and purchased on a commodity market;

G (supplies only)

for the purchase of supplies or services on particularly advantageous terms, from either a supplier which is definitively winding up its business activities, or the liquidator in an insolvency procedure, an arrangement with creditors, or a similar procedure under national laws or regulations.

Additional ground relevant to public service contracts that follow a design contest

The negotiated procedure without prior publication may be used for public service contracts where the contract concerned—

H

(a) follows a design contest organised in accordance with this Part, and

(b) is to be awarded, under the rules provided for in the design contest, to—

(i) the winner of the design contest, or

(ii) one of the winners of the design contest.

Additional ground relevant to new works or services which repeat similar ones

I

The negotiated procedure without prior publication may be used for new works and services consisting of the repetition of similar works or services entrusted to the economic operator to which the same contracting authority awarded an original contract, provided that such works or services are in conformity with a basic project for which the original contract was awarded following a procedure in accordance with regulation 26(1) and (2) of the Public Contract Regulations (2015).