

Report of Head of Finance

Procurement regulations update and refreshed contract procedure rules

1 Purpose of report

To update members on the recent changes to the Procurement regulations and to suggest amendments to the contract procedure rules (CPRs) to reflect these and other recent changes in our procurement arrangements.

2 Executive summary

This report provides an update on the recent changes to the procurement regulations that took effect on 26th February 2015 and suggests updated procurement contract procedure rules to ensure compliance with these new regulations.

There have also been a major change to the way the council supports its procurement process, through the use of the Welland procurement partnership as support on all aspects of procurement ,that need to be reflected in the CPRs.

As the regulations have come into force already these over rule the current CPRs where appropriate and guidance has been made available to ensure compliance is maintained until the revised CPRs are agreed.

The Resources Committee is asked to agree to recommend the new contract procedure rules for approval at the next council meeting..

3 Appendices

Appendix 1: New Contract procedure rules

4 Proposed action: Members are asked to RECOMMEND to:

4.1 Agree the new contract procedure rules as outlined in Appendix 1

5 Background

5.1 The contract procedure rules, as part of the current constitution, were last refreshed in November 2013. Since then there have been a number of changes to the way the council undertakes its procurement of goods and services.

5.2 In 2013 the council joined the Welland Procurement Partnership . This ensured that the officers had support on a range of procurement issues from a dedicated team of professional procurement experts. As part of their support the team at

Welland have also reviewed and refreshed the current contract procedure rules to reflect modern procurement practices and the recent changes in the EU regulations.

5.3 The most recent change to the regulations came into force on 26th February 2015, after a long period of consultation and numerous delayed implementation dates.

5.4 To ensure the council is compliant with these new regulations, and to help with the complex administration of higher value procurements, the attached contract procurement rules have been developed and are presented now for agreement.

6 Discussion

6.1 The contract procedure rules are an integral part of the way the council buys its goods and services. They not only set out a method that keeps the council compliant with regulations but also ensures that value for money is sought in every contract.

6.2 The contract procedure rules were last updated in November 2013 by the Head of Community. As this post was removed from the senior management team, their procurement expertise and knowledge lost and was replaced by using the Welland Procurement Partnership.

6.3 Welland assist in a number of procurements and support officers to ensure that cost savings and value for money can be driven out of contracts. Most notably they were instrumental in the renegotiation of the leisure services contract, by adding in their market knowledge of other more recent similar procurements.

6.4 In addition to supporting on going procurements the team at Welland also provide training and guidance notes for officers. As part of this service the refresh of the contract procedure rules is standard, and had been planned with the Head of Finance for later in the year.

6.5 However, as there have been some recent changes to the EU procurement regulations that need to be included in the revised Contract Procedure rules with immediate effect, the refreshed rules have been brought to Resources Committee for approval as soon as possible after their introduction.

6.6 The Contract Procedure Rules have been amended so as to:

- Make them easier to read and to follow;
- Ensure that procurement practice complies with the Public Contract Regulations 2015

6.7 In summary the key changes are:

- Tender and advertising thresholds are aligned at £50,000. Procurements valued below £50,000 should not be advertised and instead bidders invited to quote. Procurements valued above £50,000 have to be tenders advertised through a national website.
- It is no longer possible to shortlist bidders between the procurement values of £25,000 and the EU Threshold (£172,500). All tenders submitted must be evaluated.
- All procurement documents must be available to bidders at the point at which the procurement is advertised. These include the Specification and Conditions of Contract.
- Contracts must now contain a standard prompt payment clause, which places responsibility on the Council and throughout the supply chain to pay suppliers within 30 days.

- 6.8 Resources Committee are asked to approve the refreshed contract procedure rules to ensure compliance with the new regulations and to recommend them for agreement at the next council meeting.
- 6.9 It should be noted that the regulations will override the rules until the agreement at council to ensure that the council remains fully compliant.

7 Legal powers

- Public Contract Regulations 2015

8 Financial and value for money implications

There are no immediate financial or value for money implications. However, if the new regulations are not complied with there may be challenges to our procurements that would result in potential financial remedies.

9 Risk analysis

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Non compliance with EU regulations and procurements challenged	Potential challenges could be made and as a result the council could have to make financial remedies	Unlikely as guidance has been issued and communicated to all senior managers in the council	The adoption of the new contract procedure rules as soon as possible Further support from Welland procurement Partnership

10 Implications for resources

None

11 Implications for stronger and safer communities

None

12 Implications for equalities

None

13 Author and contact officer

Liz Elliott Head of Finance.

14 Consultees

SMT
Welland Procurement

15 Background papers

EU regulations and guidance notes on procurement

Appendix

Contract procedure Rules

INTRODUCTION AND PURPOSE

1. BASIC PRINCIPLES

1.1. These rules are the Council's procedure rules for buying for the Council from external suppliers. They do not apply to internal purchases or service provision, only where you need to buy something from outside the Council.

1.2. The Head of Finance is responsible for keeping the Rules under review and monitoring compliance.

1.3. They are the rules by which we spend money on the supplies, services and works we need to deliver our services. The Rules are part of the Council's Constitution and have been produced as part of our approach to the way we buy things.

1.4. All procurements must comply with these Rules, the Borough Council Wellingborough Financial Regulations, English law and European law in force in England.

1.5. The Council's "best value duty" is very important. It means that we must always consider how each procurement is consistent with the Council's duty to secure continuous improvement in what we do having regard to economy, efficiency and effectiveness. We therefore need to question whether we should be buying anything at all and if we do, whether we can do it best ourselves, or jointly, or rely on someone else to get better value.

1.6. Government and EU public procurement policy require that the Council must permit, and be seen to be permitting, freedom of opportunity to trade with the Council and to be open and transparent about how we do things.

1.7. If we fail in this duty, a supplier or contractor may have cause for a complaint against us and in the worst case may be able to claim damages. Any contract awarded as a result of what is determined to be an improper process may also be set aside.

1.8. The most important principles are transparency, openness and fair competition. Whenever we are buying things for the Council we must always treat prospective suppliers fairly and aim to get the best value outcome for the Council.

1.9. Whether or not procurement is subject to the EU Regulations, it must be conducted in accordance with the basic EU Treaty principles. In particular, this means all procurements must be carried out in a fair, open and transparent way.

1.10. The key principle is to ensure that everyone in the marketplace who could provide the goods, supplies, works or services to the Council is able to do so if they wish provided they meet certain minimum standards.

1.11. If you are buying costly goods, works or services, the Rules for higher value orders and contracts are more rigorous than for those of lower value. This is so that the benefits of a more thorough, complex process are not outweighed by cost relative to the value of the supplies, services or works in question.

- 1.12. At the highest end of the value scale, we must follow full EU Public Procurement Directives, requiring us to observe certain additional procedures. In these cases you must consult with the Head of Finance and Welland procurement unit before you start buying what you need.
- 1.13. Any changes to the relevant English or European law must be observed until these Rules are revised. If these Rules or the Procurement Toolkit conflict in any way with English law or European law in force in England then that legislation takes precedence.
- 1.14. The strategic advice of, where relevant, the Head of Finance and/or the Welland Procurement Unit must be sought during the earliest stages of planning any procurement.
- 1.15. All procurements must realise value for money by achieving the optimum combination of whole life costs and quality of outcome.
- 1.16. These Contract Procedure Rules are designed to ensure that procurements:
- 1.16.1. achieve value for money for public money spent;
 - 1.16.2. are consistent with the highest standards of probity;
 - 1.16.3. are allocated in a fair and compliant manner;
 - 1.16.4. comply with all legal requirements and established government and commercial codes of conduct;
 - 1.16.5. support the Council's own corporate aims and service policies;
 - 1.16.6. comply with the Council's Financial Regulations, health and safety, equality and environmental sustainability requirements; and
 - 1.16.7. Manage the Council's risk effectively.
- 1.17. The Council will follow the Local Government Transparency Code and include details of all contracts above £5,000 in the Contract Register which is available on the website. Copies of contracts will be provided upon request. On occasion, the Council may be required to redact information from a contract but this action will only be taken on legal advice.

2. OFFICER RESPONSIBILITIES

Officers

2.1. Before starting a procurement process, we need to make sure that we have carefully identified the need and fully assessed the options for satisfying it. Before you start, you must consider:

- 2.1.1. What is important to the Council in this procurement? Do you just need the supplies, works or services? Or are there other things you want to bring about (for example, improved environmental performance or job creation). In certain cases the procurement regime could help achieve these objectives but you must consult with the Head of Finance and Welland Procurement Unit;
- 2.1.2. Can you buy what you need with another Service or another Council? If you think you could save the Council money or achieve other advantages if you bought what you need with someone else, consider if there is an existing framework arrangement or contract which you can use. This framework or contract could be one already set up by the Council, another Council, a joint purchasing body or run centrally by Government
- 2.1.3. Alternatively, there may be some kind of recognised purchasing consortia in place whereby members of the consortia may utilise the purchasing arrangements in order to procure goods and/or services.
- 2.1.4. Will you or your partners be buying the same thing more than once? If so, it might be better to create a framework agreement so you can set up suppliers to provide you with the supplies, works or services you need when you need them. Again, could you set up a framework with other Councils or is there already a joint purchasing organisation which could supply your needs?

2.2. Should you decide that the goods and/or services are likely to be required in the future by the Council, it may be that the best way in which to buy the goods and/or services is by setting up a framework agreement. There are many types of contracts which will be suited to a framework arrangements and it is important that you consult with the Head of Finance before commencing the procurement to ensure that the type of contract being used is most suitable.

2.3. For major, specialist, high value or important contracts for example, those which involve the transfer of Council employees to a contractor or the outsourcing of a service, Heads of Service must:

- 2.3.1. seek a decision from the Committee as to whether tenders are to be invited under the Head of Service's recommended contract strategy;
- 2.3.2. once tenders have been evaluated, seek a further decision from the Committee as to whether a contract is to be awarded and to whom; and
- 2.3.3. Heads of Service must always consult with the Head of Finance to consider if Members should be involved in decisions during the tender process for strategically important procurements, for example by determining the contract award criteria.

- 2.4. As a minimum, you must clearly and carefully specify the supplies, services or works to be supplied, the agreed programme for delivery and the terms for payment together with all other terms and conditions that are agreed. You also need to ensure that you will have the funds in the budget to pay for them.
- 2.5. This means you must decide in advance of the starting process the size, scope, and specification of the supplies, service or works required. If you are buying with someone else, you must decide this scope with your partners first.
- 2.6. You must consider options for the delivery of any supplies, works or services before you commence the process. The options are:
- 2.6.1. not buying the supplies, having the works done or providing the services at all;
 - 2.6.2. providing the goods, works or services ourselves (for example, by taking surplus supplies from another department or using their staff);
 - 2.6.3. getting someone else to provide the ongoing supplies, works or service (“outsourcing”/ provision by the private, voluntary, “third” sectors or another local authority or public body);
 - 2.6.4. providing the supplies, works or services in partnership with someone else (with the private, voluntary, “third” sectors or another local authority or public body);
 - 2.6.5. by commissioning jointly with another Council; and / or
 - 2.6.6. Shared service delivery with another Council i.e. by delegating our functions to another Council, setting up a Joint Committee or setting up a new company to deliver the services for us or with other authorities jointly.
- 2.7. The Officer responsible for purchasing or disposal must comply with these Contract Procedure Rules and the Financial Regulations. The Officer is responsible for ensuring that any Agents acting on behalf of the Council do so in compliance with these Rules and the Financial Regulations and should seek written confirmation of their agreement.
- 2.8. The Officer must have regard to the guidance in the Procurement Toolkit.
- 2.9. The Officer must check whether a suitable Corporate Contract or other Publicly Available Contract exists before seeking to let another contract. Where a suitable Corporate Contract or Publicly Available Contract exists, its use should be considered.
- 2.10. The Officer must keep the records detailed in Rule 5.
- 2.11. Where the EU Procedure is required, the Officer must contact the Welland Procurement Unit before embarking on the procurement.
- 2.12. Officers should take all necessary legal, financial and other professional advice.
- 2.13. Where any employee of the Council or of a Supplier may be affected by any transfer arrangement, the Officer must ensure that the Transfer of Undertaking (Protection of Employment) issues are considered and obtain advice from the Head of Finance before proceeding with any procurement.
- 2.14. The Officer must ensure that the contracts for which they are responsible are effectively managed and monitored to ensure they deliver the requirement as intended.
- 2.15. Where an Officer has a potential conflict of interest with a Supplier from whom a Quotation/Tender is being sought, the Officer must declare this immediately to the relevant Director and Monitoring Officer. The Officer may be required to withdraw from the procurement process. Any Officer who fails to declare such a conflict of interest may be

subject to disciplinary proceedings and sanctions and risks being prosecuted under the Bribery Act 2010.

Heads of Service

2.16. Heads of Service must ensure that they and their Officers comply with these Contract Procedure Rules.

2.17. Heads of Service must ensure that Value for Money is achieved in all procurements within his or her service area.

2.18. Heads of Service must ensure that they have in place a scheme of delegation that records in writing what actions Officers in their service areas are authorised to take under these Contract Procedure Rules. Such lists must be copied to the Head of Finance.

2.19. In the interests of forward planning, Heads of Service should prepare, maintain and review a rolling schedule in respect of purchasing activities within their service area with an estimated value over £50,000.

2.20. Heads of Service are responsible for ensuring that the Council's central Contracts Register is updated as required following purchasing activity within their service area.

2.21. Where a Head of Service has a potential conflict of interest with a Supplier from whom a Quotation/Tender is being sought, the Head of Service must declare this immediately to the relevant Director and the Monitoring Officer. The Head of Service may be required to withdraw from the procurement process. Any Head of Service who fails to declare such a conflict of interest may be subject to disciplinary proceedings and sanctions and risks being prosecuted under the Bribery Act 2010.

3. EXEMPTIONS

3.1. Exemptions cannot be applied to procurements subject to the EU Procedure.

3.2. A procurement will be considered compliant where another authority/public body is acting as 'lead buyer' and provided that the person(s) awarding the contract can demonstrate the arrangements comply with the requirements of Best Value and other applicable legislation including, where relevant, the EU Procurement Directives - . This includes recognised wider public sector arrangements, including for example those let by the Crown Commercial Service or successor organisations, etc. A Head of Service will be required to approve such a procurement.

3.3. For procurements valued below the relevant EU Threshold, the relevant Head of Service with approval from the Head of Finance may grant formal exemptions which fulfil one or more of the following criteria:

3.4. Sole source of supply: where suitable supplies or services are genuinely only available from one supplier (e.g. if a patent, copyright or other exclusive design right exists). Similarly, for any highly specialised/niche supplies or services, where for all practical purposes no realistic alternative source of supply exists. Exemption requests made on this basis will be tested by the relevant Head of Service and Head of Finance.

- 3.5. Reasons of compatibility: if compatibility with existing supplies, equipment or services is essential and where those supplies, equipment or services cannot be sourced from another supplier (e.g. spare parts/components for existing equipment) or where additional units are being purchased to match existing equipment and there is an overwhelming case for matching the existing items on the grounds of functionality, aesthetics etc.
- 3.6. Genuine emergencies: critical preventative remedial work where there is real and imminent risk to the safety of people or property arising from hitherto unforeseen 'catastrophic' events or incidents such as fire, bombing, flood, major landslide etc.
- 3.7. Urgent situations not of the Council's own making: the urgency must have been reasonably unforeseeable (e.g. an existing supplier going into liquidation, urgently imposed statutory changes etc.) and genuinely be a case of 'time is of the essence'. However, urgency arising through problems of the Council's own making (whatever the cause and regardless of whether it involved previous delays or shortage of resources etc.) shall not in itself justify exemption.
- 3.8. Procurements which have been registered as Partnerships or Grants.
- 3.9. Works orders placed with Utility companies, e.g. for re-routing cables or pipework. The term 'Utilities' does not include telecommunications
- 3.10. There are other circumstances which are sufficiently unusual and exceptional as to justify a departure from the general presumption that competition is the best way to demonstrate best value.
- 3.11. Exemption requests made under this Rule 3 must be submitted to the Head of Finance for central logging, in the format detailed in the Procurement Toolkit. Wherever possible completed Exemption Request forms should be submitted by email.
- 3.12. An exemption will either:
- 3.12.1. Be approved by the relevant Head of Service in consultation with the Head of Finance and confirmed with the requesting Officer; or
 - 3.12.2. Held pending a request for further information; or
 - 3.12.3. Rejected stating the reasons; or
 - 3.12.4. Referred to relevant committee for determination if in the opinion of the Head of Finance this is required.

4. RELEVANT CONTRACTS

- 4.1. All relevant contracts made by or on behalf of the Council must comply with these Contract Procedure Rules.
- 4.2. Relevant contracts include any arrangements under which the Council pays or receives money or equivalent value and it includes:
- 4.2.1. the permanent supply or disposal of assets/goods;
 - 4.2.2. the execution of works;
 - 4.2.3. the temporary hire, rental or lease of a supply;
 - 4.2.4. the provision of services (including agency contracts for interim or temporary staff, consultancy contracts with the voluntary sector etc.);
 - 4.2.5. any combination of the above.

- 4.3. For the avoidance of doubt, these Rules do not apply to the following contracts:
- 4.3.1. Employment contracts making an individual a direct employee of the Council;
or
 - 4.3.2. Land transactions to acquire or dispose of some interest in land (which are covered by the Financial Regulations); or
 - 4.3.3. Lending or borrowing of money; or
 - 4.3.4. the instruction of barristers; or
 - 4.3.5. specialist professional services necessary for legal proceedings (including expert witnesses, experts, mediators, adjudicators, arbitrators and costs draftsmen).

COMMON COMPETITION PRINCIPLES

5. RECORDS

- 5.1. Where the total value is less than £50,000, the document containing the Invitation to Quote as well as the Quote received from Bidders must be kept as well as:
- 5.1.1. Written or electronic records of any exemption and the reasons for it;
 - 5.1.2. Written or electronic records of the evaluation criteria and the comparative scores;
 - 5.1.3. Written or electronic records of communications with the successful Bidder;
 - 5.1.4. A copy of the signed contract.
- 5.2. See Rule 1.7 for details of the Transparency Code.
- 5.3. Where the total value exceeds £50,000 the Officer must record:
- 5.3.1. The method of obtaining Tenders ;
 - 5.3.2. Any contracting decision and the reasons for it;
 - 5.3.3. Any exemption and the reasons for it;
 - 5.3.4. The Award Criteria in descending of importance;
 - 5.3.5. Tender documents sent to and received from Bidders;
 - 5.3.6. Pre tender market research;
 - 5.3.7. Clarification and post tender negotiation (to include minutes of meetings);
 - 5.3.8. The Contract documents;
 - 5.3.9. Post contract evaluation and monitoring;
 - 5.3.10. Written records of communications with Bidders and with the successful Bidder throughout the period of the Contract.
- 5.4. Written records required, as detailed in Rule 5, must be kept in accordance with the Council's policy on Document Retention.

6. ADVERTISING

- 6.1. For procurements with a value below £50,000 no advertising is required unless a decision is taken that advertising is required (as identified by the Head of Finance or Chief

Executive) and therefore the procurement is designated as a tender. Where a procurement valued between £25,000 and £50,000 is designated as a tender, it must be advertised as described in Rule 6.2.

6.2. For procurements valued over £50,000 but below the relevant EU Threshold (see Appendix 1 for current thresholds) an advertisement must be placed on Contracts Finder and Source Northamptonshire and may be subsequently placed on additional media. If the procurement is likely to be of interest locally, an advert should be placed on the Council website. For clarity, quotations valued under £50,000 should not be advertised on the Council website or anywhere else.

6.3. The advertisement shall contain details of the proposed contract and specify a time limit within which interested parties may express an interest in quoting/ tendering for the contract.

6.4. The Welland Procurement Unit is responsible for managing the required advertising on Contracts Finder and Source Northamptonshire.

6.5. Where procurement is valued above the relevant EU Threshold, the Welland Procurement Unit is responsible for managing the required advertising.

6.6. When advertising a Framework Agreement, the advertisement must indicate:

6.6.1. that it is a Framework Agreement which is being tendered;

6.6.2. the duration of the Framework Agreement (which must not exceed four years including any extensions;

6.6.3. the expected number of suppliers;

6.6.4. the estimated total value of the contracts to be covered by the Framework Agreement;

6.6.5. the award criteria for choosing suppliers and subsequent criteria for placing orders.

7. FRAMEWORK AGREEMENTS, DYNAMIC PURCHASING SYSTEMS AND E AUCTIONS

Framework Agreements

7.1. Framework Agreement is a formal tendered arrangement which sets out terms and conditions under which specific purchases can be made from the successful Bidders in unpredictable quantities and at different times during the term of the Framework Agreement.

7.2. Lists of suppliers, previously known as Approved Lists, should now be procured as a Framework Agreements.

7.3. Framework Agreements must comply with these Orders, including but not limited to:

7.3.1. A Framework Agreement should be procured in accordance with the procurement thresholds set out in these Rules. The value of the contract in relation to a Framework Agreement is the estimated maximum value over its lifetime.

7.3.2. A Framework Agreement shall not operate for more than four years except in duly justified and exceptional circumstances.

7.3.3. In any case where a Framework Agreement is in place:

7.3.3.1. Subsequent Call-Offs from that Framework Agreement must not contain substantial amendments to the original terms of the Framework Agreement;

7.3.3.2. Orders to be placed against a known price do not require further competition unless required by law;

7.3.4. In circumstances where the price was not specified under the Framework Agreement an order can only be placed if quotes have been requested from all capable suppliers in the Framework Agreement or where the mechanism for Call-Off defined within the Framework Agreement has been followed.

7.4. Where an Officer wishes to use a Framework Agreement offered by another public sector body, he or she must demonstrate (to a Head of Service) that Value for Money will be achieved. Costs of procurement should be included within this consideration.

Dynamic Purchasing Systems

7.5. When using a Dynamic Purchasing System, the Council shall comply with the Regulations and Directives which set out the full details of the legal requirements. In order to set up a Dynamic Purchasing System, the Council must first contact the Welland Procurement Unit for support and guidance.

7.6. A Dynamic Purchasing System established by the Council shall not operate for more than four years, except in duly justified and exceptional circumstances.

E Auctions

7.7. E Auctions may be used where appropriate and in circumstances where this approach will provide the Council with Value for Money;

7.8. Before entering into an E Auction, advice and guidance must be sought from the Welland Procurement Unit.

8. COMPETITION REQUIREMENTS

8.1. The Officer must establish the Total Value of the procurement (for the life of the contract including any potential extension periods which may be awarded). Where the contract period cannot be calculated, the Total Value should be calculated for a period of four years.

8.2. Based on this value, Quotations or Tenders must then be invited in line with the financial thresholds detailed in Rule ?.

8.3. The Public Contract Regulations (2015) regulate procurements valued between £50,000 and the EU Threshold for goods/services. For Contracts valued between those limits, Officers must ensure they take the following actions:

8.3.1. The procurement must be advertised, Rule 6 provides further detail. In addition, once the Contract has been awarded, an Award Notice must be published. Appendix 2 contains further detail.

8.3.2. A one stage (open) quotation or tender process must be followed with no pre-qualification of suppliers permitted. Officers must therefore ensure that all procurement documentation, including the Specification and conditions of contract, is available at the point the procurement is advertised.

8.4. Where the procurement is valued below £50,000, at least one of the Quotations should be sought from a local supplier if possible, where local means within the Borough or sub region.

8.5. Where the procurement is valued above the EU Threshold, the advice and support of the Welland Procurement Unit must be sought before any competition is started.

8.6. 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 Orders.

9. PRE PROCUREMENT MARKET RESEARCH AND CONSULTATION

9.1. The Council may consult potential suppliers, prior to the issue of the Invitation to Tender or Request for Quotation, in general terms about the nature, level and standard of supply, contract packaging and other relevant matters, provided that this does not prejudice any potential suppliers.

9.2. When engaging with potential suppliers, the Council must not seek or accept technical advice on the preparation of an Invitation to Tender or Request for Quotation from anyone who might have a commercial interest in the process and where this may prejudice the equal treatment of all potential bidding organisations or distort competition.

9.3. In conducting Pre Procurement Market Research, the Council must ensure that:

9.3.1. no information is disclosed to one supplier which is not then made available to all suppliers involved in the process or who are subsequently invited to bid;

9.3.2. no supplier shall be led to believe that the information they offer will lead them to being invited to quote, or awarded the contract;

9.3.3. a written record, including any communications made, any notes of any meetings held and the responses and names of individuals present shall be kept by the Officer.

9.4. In undertaking any market testing activities, the Officer responsible should refer to the guidance in the Procurement Toolkit.

The Public Services (Social Value) Act 2012

9.5. This Act requires contracting authorities to consider, at the pre procurement stage of any service contract and service Framework Agreement (including goods and works contracts procured in combination with services) above EU Thresholds (including Light Touch Regime services):

9.5.1. How the proposed procurement may improve the economic, social and environmental wellbeing of an area;

9.5.2. How the contracting authority may act with a view to securing that improvement in conducting the process of procurement; and

9.5.3. Whether to undertake any community consultation on the above.

9.6. Appropriate records should be kept of these considerations, including the reason for any decision regarding the matter of community consultation.

PROCEDURE BY VALUE OF REQUIREMENT

10. PROCUREMENT THRESHOLDS

Buying Goods and Services

10.1. Goods (including the use of goods) were once described by the UK Treasury as ‘anything you can drop on your foot’. However, the definition also includes electricity, gas, heat and water, off the shelf software and the hire of equipment without a driver. Services are defined as anything that isn’t either Goods or Works (see below). However, please note that some Services are covered by the new Light Touch Regime and Officers should note the definition below before starting any procurement exercise.

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11 below	Procurements at this value are not subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at Rule 5
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11 below	Procurements valued above £5,000 are subject to Transparency Regulations.
Between £10,000 and £50,000	None unless advertised or tendered, then contact the Welland Procurement Unit for guidance.	Multiple quotations should be sought via a one stage process. See Rule 12 below.	Procurements valued above £25,000 are subject to The Public Contracts Regulations 2015 and Transparency Regulations.
Between £50,000 and EU Goods/Services Threshold	Advertising and award notices. See Rule 6 and 8.3.1.	A single stage (open) tender is required. See Rule 10.	Procurements valued above £25,000 are subject to The Public Contracts Regulations 2015 and Transparency Regulations.
Over EU Goods/Services Threshold	OJEU Advertising and Award notices.	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

Buying Works

10.2. Works are defined as the execution of building and/or civil engineering works whether or not they are accompanied by other tasks.

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11	Procurements at this value aren't subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at Rule 5.
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11	Procurements valued above £5,000 are subject to Transparency Regulations.
Between £10,000 and £50,000	None unless advertised or tendered, then contact the Welland Procurement Unit for guidance.	Multiple quotations should be sought via a one stage process. See Rule 12	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 and Transparency Regulations.
Between £50,000 and <u>EU Goods/Services Threshold</u>	Advertising and award. See Rule 6 and 8.3.1.	A single stage (open) tender is required. See Rule 10.	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 as well as Transparency Regulations.
Between <u>EU Goods/Services Threshold</u> and the EU Works Threshold	Advertising and award notices are required. Please see Rule 6 and 9.3.1.	A method defined by EU Procurement Regulations.	Procurements at this value are subject to Transparency Regulations and the Treaty of Rome principles but <u>not</u> the full Public Contracts Regulations 2015
Over EU Works Threshold	OJEU Advertising and Award notices	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

Buying Services covered by the Light Touch Regime

10.3. The EU Procurement Directives 2014 list the services to be covered by a new Light Touch Regime, see Appendix 1 for the relevant threshold. The full list of services is available from the Welland Procurement Unit but in summary it covers the following:

- 10.3.1. Health, social and related services: Domestic help, nursing staff, medical staff, staff for households, home helps, domestic services, social work services, guidance and counselling services.
- 10.3.2. Administrative social, educational, healthcare and cultural services: Education and training services, organisation of cultural events. Culture is restricted to events. Does not include leisure.
- 10.3.3. Compulsory social security services
- 10.3.4. Benefit services
- 10.3.5. Other community, social and personal services: Including services furnished by trade unions, political organisations, youth associations and other membership organisation services.
- 10.3.6. Religious services
- 10.3.7. Hotel and restaurant services: Catering, meals on wheels, canteen and cafeteria services. Includes school meals
- 10.3.8. Legal services: With some narrow exceptions
- 10.3.9. Other administrative and government services: For education, healthcare, housing, etc
- 10.3.10. Provision of services to the community: Generally central government services, foreign and diplomatic, defence etc. Not local government
- 10.3.11. Investigation and security services: Alarm monitoring, guard services, surveillance services, patrol services. Does not include CCTV
- 10.3.12. International services
- 10.3.13. Postal services
- 10.3.14. Other services: Tyre re-moulding, blacksmiths

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11	Procurements at this value aren't subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at Rule 5
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11	Procurements valued above £5,000 are subject to Transparency Regulations.
Between £10,000 and £50,000	None unless advertised or	Multiple quotations should be sought	Procurements valued above £25,000 are subject

	tendered, then contact the Welland Procurement Unit for guidance.	via a one stage process. See Rule 12	to the Public Contracts Regulations 2015 and Transparency Regulations.
Between £50,000 and <u>EU Goods/Services Threshold</u>	Advertising and award notices. See Rule 6 and 8.3.1.	A single stage (open) tender is required. See Rule 13 below.	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 and Transparency Regulations.
Between <u>EU Goods/Services Threshold</u> and the EU Light Touch Regime Threshold	Advertising and award notices. See Rule 6 and 8.3.1.	A method defined by EU Procurement Regulations.	Procurements at this value are subject to Transparency Regulations and the Treaty of Rome principles but <u>not</u> the full Public Contracts Regulations 2015
Over EU Light Touch Regime Threshold	OJEU Advertising and Award notices	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

11. AT LEAST ONE WRITTEN QUOTATION REQUIRED

11.1. Rule 10 defines the application of this Rule where the requirement cannot be obtained via an existing Corporate Contract or Framework Agreement.

11.2. Whilst obtaining Value for Money remains the primary objective, multiple quotations need not be obtained providing compliance with that objective can be demonstrated.

11.3. However, a quotation (written) must be obtained before any order is processed and this must specify:

- 11.3.1. The goods, services or works to be supplied;
- 11.3.2. Where and when they are to be supplied,
- 11.3.3. The value of the transaction; and
- 11.3.4. The Terms and Conditions including Payment Terms.

11.4. In the case of an oral quotation, the Officer must keep a written note or other evidence of the price and matters listed in Rule 11.3 above.

11.5. In the case of works, the use of pre-agreed hourly/day rates is acceptable provided the hourly/day rates do not exceed EU Thresholds.

11.6. The Contract Award must be authorised by the relevant Head Of Service.

12. MULTIPLE QUOTATIONS REQUIRED

12.1. Rule 10 defines the application of this Rule where the requirement cannot be obtained via an existing Corporate Contract or Framework Agreement.

12.2. Where the requirement is valued over £25,000, there can be no pre-qualification of suppliers. However, it is recommended that all quotation procedures are open (one stage).

12.3. The criteria for selecting the most advantageous quotation must be established before written quotations are invited.

12.4. Multiple quotations must be sought in all cases. Where the contract is valued below £50,000 one of those quotations should be from a local supplier if possible where local means in the District or sub-region.

12.5. The Officer shall maintain the Records detailed in Rule 5.

12.6. Where the requirement can be satisfied by an existing Corporate Contract or Framework Agreement, then the order will be considered consistent with these Rules as long as the Call Off arrangement defined within the individual contract is followed.

12.7. Where a requirement is valued over £50,000 it must be advertised in accordance with Rule 6 and the requirements in Rule 8.3 taken into account.

12.8. The Contract Award must be authorised by the Contract Manager and a relevant Head of Service.

13. SINGLE STAGE (OPEN) TENDER PROCESS

13.1. Rule 10 defines the application of this Rule where the requirement cannot be obtained via an existing Corporate Contract or Framework Agreement.

13.2. Tendering under this procedure is 'open' as any Supplier expressing an interest is automatically entitled to submit a Tender.

13.3. Officers must ensure that all relevant documents are available at the point the Tender is advertised. These documents will include at least the Specification, Conditions of Contract and weighted evaluation criteria. Limited suitability questions may be used as part of the process, the Welland Procurement Unit should be consulted if it is intended to use such questions.

13.4. Tenders should be advertised in accordance with Rule 6 and the requirements of Rule 8.3 taken into account.

13.5. The Officer shall maintain the Records identified in Rule 5.

13.6. The Contract Award must be authorised by the Head of Service.

14. TWO STAGE (RESTRICTED) TENDER PROCESS

14.1. Rule 10 defines the application of this Rule where the requirement cannot be obtained via an existing Corporate Contract or Framework Agreement. The Restricted Procedure cannot be applied to procurements valued below the EU Threshold.

14.2. This process contains two distinct stages, the selection of suitable Bidders from those expressing an interest (usually via a Pre Qualification Questionnaire) and the Invitation to Tender.

14.3. Officers must ensure that all relevant documents are available at the point the Tender is advertised. These documents will include at least the Specification, Conditions of

Contract and weighted evaluation criteria. Limited suitability questions may be used as part of the process, the Welland Procurement Unit should be consulted if it is intended to use such questions.

14.4. Tenders should be advertised in accordance with Rule 6 and the requirements of Rule 8.3 taken into account.

14.5. The Officer shall maintain the Records identified in Rule 5.

14.6. The Contract Award must be authorised by the Head of Service.

15. PROCUREMENTS ABOVE EU THRESHOLDS

15.1. Where the anticipated value of the contract exceeds the current EU Threshold (see Appendix 2 for the current EU Thresholds) the formal advice of the Welland Procurement Unit must be sought prior to any tendering activity. Rules 9.5 and 9.6 must also be considered.

15.2. The minimum standards to be applied to such a procurement must be approved by Committee or a Chair of Committee before the OJEU notice is published.

16. STANDARDS AND AWARD CRITERIA/PROCEDURE

16.1. The Officer must ascertain what relevant British, European and International Standards apply and include the standards that are necessary to describe the required quality. The Officer must ensure that the Council does not discriminate in favour of British Standards.

16.2. The Officer must define the Award Criteria in the Invitation which must:

16.2.1. Be relevant to the works, services or goods to be provided under the contract; and

16.2.2. Secure an outcome which will provide Value for Money for the Council.

16.3. Award Criteria may include:

16.3.1. Most Economically Advantageous Tender (MEAT): where considerations other than price are important; or

16.3.2. Lowest price: where the price is the prime factor; or

16.3.3. Highest price: where payment is to be received by the Council.

16.4. If using the Most Economically Advantageous award criteria, the Officer must define the relevant factors by reference to sub-criteria which may cover factors such as the following, depending on what is to be provided under the Contract:

16.4.1. Price

16.4.2. Quality and performance

16.4.3. Running costs

16.4.4. Technical merit

16.4.5. Economic advantage based on past experience

16.4.6. Delivery date

16.4.7. Environmental considerations

16.4.8. Aesthetic and functional characteristics

- 16.4.9. Safety
- 16.4.10. After sales service
- 16.4.11. Technical assistance
- 16.4.12. Other relevant matters

16.5. Issues that are important to the Council in terms of meeting its corporate objectives can be used to evaluate bids. The criteria can include economic and social considerations, support for the economy or the use of sub-contractors.

16.6. The procurement documentation should clearly explain the basis for the decision to bidding organisations, making clear how the evaluation criteria specified in the process will be applied, how weights will be distributed etc.

16.7. Award criteria/ award procedures must not include:

- 16.7.1. Non-commercial considerations other than those permitted under the Social Value Act;
- 16.7.2. Matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement.

17. INVITATIONS TO TENDER/QUOTATIONS

17.1. The Invitation to Tender or Quotation must specify what is to be provided in sufficient detail to enable the submission of competitive offers. As detailed in 8.3.2, all procurement documents (including the Specification and Conditions of Contract) must be made available at the point the procurement is advertised.

17.2. The Invitation to Tender or Quotation must state that the Council is not bound to accept any Quotation or Tender and that late submissions may be rejected.

- 17.2.1. At its discretion, the Council may either waive or insist upon strict compliance with any requirement set out in the Invitation to Tender or Quotation. The Invitation to Tender or Quotation will include or be deemed to include such discretion of the Council.

17.3. Invitations to Tender (above £50,000) must specify that no Tender will be considered unless it is enclosed in a sealed envelope which bears the word 'Tender' followed by the name of the contract but with no name or mark which indicates the sender (including a franking mark). Where a Tender or Quotation is personally delivered to the Council, the Bidder is to be informed to obtain an official receipt noting the date and time of receipt by the Council.

17.4. The Invitation to Tender or Quotation must specify the latest date and time for the return and the name and address to which returns are to be made.

17.5. The Invitation to Tender or Quotation must specify the Award Criteria and procedure.

17.6. The Invitation to Tender must include a Tendering and Canvassing Certificate which the Officer can obtain from the Head of Legal Service.

17.7. The Invitation to Tender or Quotation should include the contract terms, specification and other supporting documents that will apply to the Contract.

17.8. The Welland Procurement Unit will introduce an Electronic Tendering System and it is expected that above EU Threshold Invitations to Tender will be published and Tenders received via that system following its introduction.

18. **SUBMISSION, RECEIPT AND OPENING OF TENDERS/QUOTATIONS**

18.1. Bidders must be given a sufficient period to prepare and submit a proper Tender or Quotation, consistent with the urgency and complexity of the requirement. Procurements over the EU Thresholds must abide by the time periods laid out in the Regulations.

Quotations

18.2. Quotations between £10,000 and £50,000 must be returned to the relevant Officer.

18.3. Quotations and tenders above £10,000 cannot be accepted if received by fax or other electronic means unless they have been sought in accordance with an Electronic Tendering System approved by the Welland Procurement Unit.

18.4. It shall be the responsibility of the relevant Officer to keep safe quotations above £10,000 until appointed time of opening. Each quotation must be:

- 18.4.1. Suitably recorded so as to be able to subsequently verify the date and precise time it was received and opened;
- 18.4.2. Adequately protected immediately on receipt to guard against amendments to its contents;
- 18.4.3. Recorded in a Quotation Register held within the Directorate.

18.5. The relevant Officer must ensure that all quotations are opened at the same time when the period for their submission has ended. The Officer or their representative must be present. Quotations above £10,000 must be opened in the presence of two officers, one of whom should not be from the service responsible for the procurement.

Tenders

18.6. All Tenders of a value greater than £50,000 must be returned to: The Chief Executive, Borough Council Wellingborough, Swanspool House, Doddington Road, Wellingborough, Northants, NN8 1BP.

18.7. Tenders received by fax or other electronic means will be rejected unless they have been sought in accordance with an Electronic Tendering System approved by the Welland Procurement Unit.

18.8. The Chief Executive (or their nominated representatives) shall be responsible for the safekeeping of Tenders until the appointed time of opening. Each Tender must be:

- 18.8.1. Suitably recorded so as to be able to subsequently verify the date and precise time it was received and opened;
- 18.8.2. Adequately protected immediately on receipt to guard against amendments of its contents;

18.8.3. Recorded in the Tender Register held within the Directorate.

18.9. The Chief Executive (or their nominated representative) must ensure that all Tenders are opened at the same time when the period for their submission has ended. The relevant officer or his/her representative must be present at the opening as well as another Officer not from the service responsible for the purchase.

18.10. The opened tenders must be date stamped and signed by the Head of Finance or Monitoring Officer and another Officer at the time of opening on the page containing the overall contract value, alternatively on pages containing price information where no overall value is quoted.

18.11. Tenders received after the closing date and time or tenders which were not submitted in accordance with these Orders will be disqualified unless it is agreed otherwise with the Monitoring Officer.

18.12. An original version of the successful Tender must be retained for a period of six years from the expiry date of the Contract. Where the Contract has been Sealed, an original version of the successful Tender must be retained for a period of twelve years from the expiry date of the Contract. Unsuccessful Tenders must be kept for twelve months from the commencement date of the contract.

19. CLARIFICATION PROCEDURES

19.1. The Council can ask Bidders for clarification of any details submitted as part of their bid. However, such clarifications must not involve changes to the basic features of the Bidder's submission.

19.2. When requesting clarification, the Officer must make reference to the Procurement Toolkit and if necessary take advice from the Welland Procurement Unit.

20. EVALUATION, AWARD AND DEBRIEFING

20.1. The evaluation of bids must be conducted in accordance with the evaluation criteria set out in the procurement documents provided to the Bidders without deviation from the scoring criteria and in line with any guidance contained in the Procurement Toolkit.

20.2. All Bidders must be notified of the Award decision simultaneously in writing (via email is acceptable) by the Officer, whether or not their Bid was successful.

20.3. For all Tenders (including those over the EU Threshold) the requirements of the EU Regulations in relation to the information in the Award Notice should be adhered to, these requirements are available in the Procurement Toolkit.

20.4. Where the Officer is not certain of the application of EU Regulations to a Tender or is unsure of the need to publish an OJEU Notice, the Officer should consider the use of a VEAT (Voluntary Ex Ante Transparency) Notice and seek advice from the Welland Procurement Unit.

20.5. If a Bidder requests in writing a further debrief in relation to the award, the Officer must give the appropriate information within ten working days of the written request.

20.6. The confidentiality of Quotations and Tenders and the identity of Bidders must be preserved at all times and information about one Bidder's response must not be given to another Bidder.

CONTRACTS AND OTHER FORMALITIES

21. CONTRACT DOCUMENTS

21.1. All contracts must be in writing. Where the contract is of a non-complex nature and is for a value up to £50,000, the use of a Purchase Order is an acceptable form of contract. This must make reference to the quotation and terms agreed and attach a clear specification or description of the subject of the order.

21.2. Every contract valued above £50,000 must, as a minimum, state clearly in a form approved by the Monitoring Officer:

- 21.2.1. That the Supplier must not assign or sub-contract without prior written consent;
- 21.2.2. Any insurance requirements;
- 21.2.3. Ombudsman requirements;
- 21.2.4. Requirements relating to legislation;
- 21.2.5. Equalities requirements;
- 21.2.6. Sustainability requirements;
- 21.2.7. A right of access to relevant documentation and records of the Supplier for monitoring and audit purposes, if relevant;
- 21.2.8. Pricing mechanisms and arrangements for payment;
- 21.2.9. Rights of termination;
- 21.2.10. A duty on the Supplier to provide such performance management information as may be reasonably required by the Council;
- 21.2.11. A duty on the supplier to support the Council in the discharge of its duty under Section 3 of the Local Government Act 1999.
- 21.2.12. A clause stating that the Council will pay valid invoices within 30 days of receipt and specifying a duty on suppliers to do the same for sub contract invoices.

21.3. The formal advice of the Monitoring Officer and Head of Finance must be sought prior to award of the following contracts:

- 21.3.1. Where the total value exceeds £500,000;
- 21.3.2. Those involving lease arrangements;
- 21.3.3. Those which are complex or involve a recognisable risk;
- 21.3.4. Where it is an extension to an existing contract within its terms that will take the overall value over £500,000;
- 21.3.5. The invoice payments are made to a finance or factoring company;
- 21.3.6. Those involving the transfer of non land assets;
- 21.3.7. Those involving TUPE or pension arrangements; and/or
- 21.3.8. Where it is proposed to use a Supplier's own terms over £50,000.

21.4. All contracts, over £500 must be concluded or evidenced in writing before the supply, service or work begins, except in genuinely exceptional circumstances where the Monitoring Officer or Head of Finance confirms in writing that the contract delivery can begin beforehand.

21.5. Contract documents must be retained in accordance with the Council's Document Retention Policy.

Performance Bonds

21.6. For contracts above £250,000 the Council may require the Supplier to provide a Bond (in a form approved by the Head of Legal Services and with an institution approved by the Head of Finance), or a Parent Company Guarantee, or a suitable financial deposit for the due performance of the contract according to the nature of the contract. This would only usually be required where an Officer obtained evidence that a Supplier may not be able to meet its financial obligations. Further guidance is available in the Procurement Toolkit.

Signature

21.7. The Chief Executive, or Head of Service is authorised to sign contracts by the Council's constitution and General Legal Authorities. When signing contracts on behalf of the Council, officers must ensure that the person signing for the other contracting party as the authority to bind it.

Sealing

21.8. A contract must be sealed where:

- 21.8.1. The Council wishes to enforce the contract for more than twelve years following its expiry (e.g. for land and construction works); or
- 21.8.2. The price paid or received under the contract is a nominal price and does not reflect the value of the goods, services or works; or
- 21.8.3. Where there is any doubt about the authority of the person signing for the other contracting party; or
- 21.8.4. Where a Bond is established on behalf of the Supplier(s) or their guarantors; or
- 21.8.5. Where required by the parties to the agreement; or
- 21.8.6. Any contract with a value of £200,000 and above.

21.9. Where contracts are completed by each side attaching their common seal, the affixing must be attested by or on behalf of the relevant Director. The relevant Director is responsible for the process of sealing contracts.

22. PREVENTION OF CORRUPTION/DECLARATION OF INTERESTS

Officers

22.1. The Officer responsible for the contract must comply with the Council Code of Conduct and must not invite or accept any gift or hospitality in respect of the award or performance of any contract.

22.2. Officers must avoid giving advice to Members on pecuniary or Code of Conduct interests either immediately before or during a meeting. If Officer advice is required, it is important that adequate time for consideration of that advice is given.

22.3. Officers should have regard and comply with the Council's Anti Fraud Policy when procuring goods, services and works.

Members

22.4. The decision whether or not to declare an interest is the individual Member's responsibility. See Part ? Of the Council's Constitution relating to Members' Code of Conduct.

22.5. If it comes to the knowledge of a Member that a contract in which he or she has a pecuniary interest has been or is proposed to be entered into by the Council and in which respect his or her approval or decision is sought, he or she shall immediately give written notice to the Monitoring Officer.

22.6. Members shall have regard to and comply with the Council's Anti Fraud Policy when involved in the procurement of goods, services and works.

Contracts

22.7. All contracts must contain an appropriate clause that provides protection and the right to terminate the contract in the event of a supplier offering any inducement, committing fraud or committing an offence under the Prevention of Corruption Acts.

22.8. All contracts must contain a clause requiring Suppliers to comply with the Council's Anti Fraud Policy.

23. CONTRACT MANAGEMENT/VARIATION/EXTENSION/TERMINATION

Contract Management

23.1. Heads of Service will name a Contract Manager as noted in the Contracts Register for each new contract within their area of responsibility. All contracts must have a named Contract Manager for the entirety of the contract and that Contract Manager is responsible for the application of these Rules.

23.2. For all contracts with a value over £50,000, the Contract Manager must identify the risks, maintain a suitable risk register, manage the identified risks and ensure contingency measures are in place as appropriate.

23.3. During the life of the contract, the Contract Manager must monitor the overall performance of the contract closely in order to ensure any issues of under performance are addressed as soon as possible and that the contract remains within budget.

Variation

23.4. In any case where a variation means that the value of a contract would exceed the relevant EU Threshold, or where there is any material change to the contract, the contract must be treated as a new procurement under these Rules. A material change is one which:

23.4.1. Would have allowed the admission of other Bidders or the acceptance of another Tender;

23.4.2. Extends the scope of the contract considerably to goods, services or works not initially covered;

23.4.3. Changes the economic balance in favour of the Supplier in a manner not provided for.

23.5. For clarity, a change will be deemed immaterial if the value of the modification is both below the EU Threshold and below 10% of the original contract value (15% for works) after any contract indexation.

Extension

23.6. A contract should not be extended beyond its term unless the contract documents specifically allow for this.

23.7. A Framework Agreement shall only be extended if its contract documents allow this and the original terms and extension added together do not exceed four years except in exceptional circumstances.

23.8. Where a business need has been identified which means that a contract is required to be extended beyond the term permissible in the contract, advice must be sought from the Welland Procurement Unit in the first instance and authority sought from the Monitoring Officer or Head of Finance if such an extension is proposed.

23.9. The Officer must be satisfied that such an extension would achieve Value for Money and be reasonable in all relevant circumstances. The Officer must record in writing the reasons for reaching these conclusions.

23.10. Where the Contract is subject to EU Regulations and the OJEU Notice and contract documentation did not state that the contract may be extended, advice must be sought from the Welland Procurement Unit on how to proceed.

23.11. If an Officer wishes to extend a contract with a value below £500,000 and provided that Rules 23.8 and 23.9 and in OJEU cases 23.10 have been complied with, permission must be sought from the Monitoring Officer and the Head of Finance. Contracts with a value over £500,000 can only be extended with permission of the relevant Portfolio Holder. The total contract value is the spend over the life of the contract including any extension periods.

Termination

23.12. A contract up to £100,000 must not be terminated unless:

23.12.1. Advice has been sought from the Monitoring Officer and Head of Finance; and

23.12.2. The relevant Head of Service or Director approves the termination of the Contract

23.13. A contract which exceeds £100,000 can only be terminated where written approval has been obtained from the Monitoring Officer and Head of Finance and, where relevant, Cabinet.

Assigning Contracts

23.14. A Contract up to £100,000 must not be assigned unless:

23.14.1. Advice has been sought from the Monitoring Officer and Head of Finance; and

23.14.2. The relevant Head of Service or Director approves the assignment of the Contract

23.15. A contract which exceeds £100,000 can only be assigned where written approval has been obtained from the Monitoring Officer and Head of Finance and, where relevant, Cabinet.

24. Council Specific Policies

24.1. When you are buying anything for the Council you must consider:

24.1.1. the importance and impact of the other policies of the Council on what you are buying; and

24.1.2. the way in which you go about the procurement could be used to take forward the aims and objectives of the Council

APPENDIX 1: VARIABLE INFORMATION

The following information is subject to change during the currency of these Contract Procedure Rules and shall be updated as changes occur.

EU Thresholds

From 1st January 2014 to 31st December 2015, the EU Thresholds are:

- Supplies and services: £172,514
- Works: £4,322,012
- Light Touch Regime: approximately £630,000

These values are applicable until the 31st December 2015 and will then be revised. The thresholds are revised every two years.

Advertising websites

All procurements valued between £50,000 and the relevant EU Threshold must be advertised on Contracts Finder/Source Northamptonshire. To place an advert contact Clare Ellis (cellis@melton.gov.uk) or any member of the Welland Procurement Unit.

Once the Contract has been awarded, an Award Notice must be published on Contracts Finder/Source Northamptonshire. Award notices will be published quarterly in arrears by the Welland Procurement Unit at dates to be announced. Please ensure that you record the following information and collate and return it quarterly to Clare Ellis (cellis@melton.gov.uk) by the date given:

- Name of contractor
- Date contract entered into
- Value of contract
- Whether the contractor is an SME or VCSE.

Welland Procurement Unit

The Welland Procurement Unit works with six councils in the East Midlands and may be contacted as follows:

Tony Hall, Head of Welland Procurement, thall@melton.gov.uk, 07768 915875

Paul Large, Procurement Strategy Manager, plarge@melton.gov.uk, 07769 918574

Clare Ellis, Welland Procurement Officer, cellis@melton.gov.uk, 07876 574944

Receipts of tenders by email by use of a locked tender box facility

Tenders may not be returned to the Council through conventional e-mail. This is not secure and any such tenders will be disqualified. A locked tender box is available through certain proprietary e-mail systems and may be accepted for use by the Solicitor to the Council. The Council does not currently have access to a locked e-mail tender box facility.

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