

# *Contract Standing Orders 2016*

**LONDON BOROUGH OF HAMMERSMITH & FULHAM  
 CONTRACT STANDING ORDERS – 2015  
 MADE PURSUANT TO SECTION 135 OF THE LOCAL GOVERNMENT ACT 1972**

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## SECTION 1

### Scope of Contract Standing Orders

#### 1 BASIC PRINCIPLES

- 1.1 These Contract Standing Orders (hereafter referred to as “CSOs”) are made pursuant to section 135 of the Local Government Act 1972 and shall take effect on 1 July 2016.
- 1.2 The aim of these CSOs are to promote good purchasing practice and public accountability, and deter corruption. Following the rules is the best defence against allegations that a decision has been made incorrectly or fraudulently. Failure to follow them may result in disciplinary or even criminal proceedings.
- 1.3 Officers and Members responsible for purchasing or disposal must comply with these CSOs, which lay down minimum requirements. They may be supplemented by a series of Purchasing Guides (as published on the intranet and internet).
- 1.4 These CSOs have been written to reflect current legislative requirements and to ensure that there is compliance by the Council. However, where there are any inconsistencies between these CSOs and the requirements of the Public Contracts Regulations 2015 (or any other statutory requirements that may replace or supplement these Regulations), the latter will take precedence.
- 1.5 All references to “Regulation” within these CSOs mean the appropriate regulation to be found within the Public Contracts Regulations 2015 (the “Regulations”).
- 1.6 Where financial thresholds are mentioned they should be cross-referenced with the Council’s *Financial Regulations* and in the event of any inconsistency between the two documents *Financial Regulations* shall take precedence.
- 1.7 Throughout these CSOs where reference is made to “estimated values” that means the total estimated spend (Total Value) and not the annualised estimated value of the proposed contract.
- 1.8 For the avoidance of doubt, and subject to specific exemptions contained within these CSOs, a Cabinet Member Decision (CMD) is required for the approval of all contracts that have a total value of £25,000 and greater, but less than £100,000 and a Cabinet Key Decision (KD) for all contracts that have a total value of £100,000 or greater. Contract award decisions are defined in Section 17 below.
- 1.9 Procurement is the process which governs the acquisition of goods, works and services - from identification of need (commissioning), through to the end of a service contract or the end of the useful life of an asset. Purchasing and disposal procedures must:
- Comply with all legal requirements
  - Achieve best value for public money spent
  - Be consistent with the highest standards of integrity
  - Ensure fairness in allocating public contracts
  - Ensure that *Non-commercial Considerations* do not influence any *Contracting Decision*

- Support the Council's corporate and departmental aims and policies
  - Comply with the Council's procurement strategy and *Purchasing Guides*.
- 1.10 In accordance with Regulation 24 every person involved in any procurement process has a responsibility to manage conflicts of interest arising during its conduct. Members and officers must declare any links or personal interests that they may have with potential purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council.
- 1.11 To ensure the integrity of the tendering process, nobody involved in the procurement process may -
- act contrary to Regulation 21 by disclosing confidential information received from tenderers during or after a procurement exercise;
  - act in any way that may be viewed or construed as a conflict of interest, or
  - disclose any information (otherwise known as "insider information") they may have obtained about any external or internal tenderer involved in a contract tendering process to any person who is not expressly entitled to it, or
  - divulge the content of any tender, tender list, detailed estimates, or other tender information to any person who is not expressly entitled to such information.
- 1.12 Where there is an inconsistency or ambiguity in these CSOs, the *Commercial Director* following consultation with the *Director of Law* will advise.
- 1.13 Shared-services Procurement –**
- 1.13.1 Consideration should always be given to whether sharing procurement exercises with other councils and/or public bodies would be of mutual benefit to all parties concerned.
- 1.13.2 Where undertaking joint procurement exercises with other public bodies consideration needs to be given to Regulation 38 relating to joint liabilities.

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## 2 OFFICER RESPONSIBILITIES

- 2.1. These CSOs must be strictly complied with; they are the Council's minimum requirements. A more thorough procedure may be appropriate for a particular contract. For example, rather than seeking a quotation a more formal tendering process may be applicable (as set out in 11.2 below and table 11.2). Equally, it may not always be appropriate to make use of an exemption under the following section (CSO 3), even if one might apply or be granted.
- 2.2. General responsibilities of Chief Officers (Executive Directors): The *Chief Officer* has responsibility for all contracts tendered and let by their Department. He/she is accountable to the Cabinet for the performance of his/her duties in relation to contract letting and management, which are:
- (a) to ensure compliance with English and EU legislation and Council Policy;
  - (b) to ensure value for money in all procurement matters;
  - (c) to ensure compliance with these CSOs *Financial Regulations* and the *Purchasing Guides*
  - (d) to maintain a departmental scheme of delegation;

- (e) to ensure that all relevant staff are familiar with the provisions of these CSOs, *Financial Regulations* and the *Purchasing Guides* and that they receive adequate training on their operation;
- (f) to ensure compliance with any guidelines issued in respect of these CSOs;
- (g) to take immediate action in the event of a breach of these CSOs or the *Purchasing Guides* within his or her area;
- (h) to keep proper records of all contracts, tenders etc. including electronic data files (where electronic tendering systems are used), minutes of tender evaluation panels and other meetings;
- (i) to keep records of waivers and exemptions of any provision of these Contract Standing Orders (as set out in Section 3 below);
- (j) to keep appropriate departmental records of all contract awarded (using the *Council's approved Database*<sup>1</sup>) where these have a total value of £5,000 and over (in keeping with the statutory requirements on transparency); and
- (k) the safekeeping of all original contracts which have been completed by signature and where the value is below £100,000. For contracts which exceed this figure the contractual paperwork is passed to the Director of Law for sealing as a Deed (and thereafter safekeeping).

2.3. *Chief Officers* are empowered within the terms of these CSOs to delegate to any officer within their Department authority to act on their behalf. However, such delegation will not affect their accountability for actions taken in their name.

2.4. Officers: The *Officer* responsible for purchasing or disposal must comply with these CSOs, *Financial Regulations*, *Code of Conduct* and with all UK and European Union binding legal requirements. The *Officer* must:

- (a) keep the records required by Regulation 84 and CSO 18
- (b) ensure that *Tender* procedures are conducted in accordance with procedures set out in the *Invitation to Tender*.
- (c) also ensure that agents, consultants, and contractual partners acting on their behalf also comply.
- (d) take all necessary legal, financial and professional advice.

2.5. No councillor or officer may accept any form of hospitality from any *Candidate* during a tendering (or similar exercise). Hospitality from suppliers, service providers or contractors who may or may not have current contracts with the Council may only be accepted in accordance with the "*Guidance on Gifts and Hospitality*" which forms part of the Council's Constitution (for Members) and "*Policy and Procedure for: Acceptance of Gifts and Hospitality by Employees* *Guidance on the receipt of gifts, benefits and hospitality*" that is part of the Council's Personnel Procedures (for officers). For both Members and officers the appropriate Register of Gifts and Hospitality should be completed in accordance with this guidance.

### 3. WAIVERS AND EXEMPTIONS

3.1 A prior written waiver to these CSOs<sup>2</sup> may be agreed by the *Appropriate Persons* (as defined in table 3.1 below) if they are satisfied that a waiver is justified because:

- the nature of the market for the works to be carried out, or the goods to be purchased, or the services to be provided has been investigated and is demonstrated to be such that a departure from these CSOs is justifiable; or

<sup>1</sup> Capital-E-Sourcing

<sup>2</sup> Insofar as they relate to the Council's own competition rules governing quotes & tenders. There can be no waiver of legal requirements contained in the Regulations and where such is proposed a justification for the recommendation and risks need to be detailed in the Cabinet Member Report.

- the contract is for works, goods or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
- the circumstances of the proposed contract are covered by legislative exemptions; or
- it is in the Council's overall interest; or
- there are other circumstances which are genuinely exceptional.

A departmental record of the decision approving a waiver and the reasons for it must be kept in accordance with CSO 18.2 or CSO 18.3.

**table 3.1.**

<u>Appropriate Person</u>	<u>Estimated Contract Value</u>
Client Executive Director	Less than £25,000
The appropriate Cabinet Member(s) acting on advice from the Client Director.	£25,000 or more but less than £100,000
The appropriate Cabinet Member(s) and the Leader of the Council	£100,000 or more.

- 3.2 All waivers and exemptions for contracts with an estimated value of £25,000 and more, and the reasons for them, must be detailed in the award report either to the appropriate Cabinet Member(s) or the Cabinet. The report must contain the comments of appropriate Chief Officer, the Executive Director of Finance & Corporate Governance, the *Commercial Director*, and the Director of Law.
- 3.3 Where a prior approval has not been obtained in accordance with CSO 3.1 the reason for non-compliance must be contained in the tender acceptance report.
- 3.4 Each Chief Officer shall take immediate action in the event of breach of these CSOs by reporting this breach to the *Commercial Director*. It will be the responsibility of the *Commercial Director* to determine the nature of the breach and if it is deemed to be serious (e.g. involving a Key Decision) to refer the matter to the *Director of Audit* for investigation with view to identifying the steps to be taken to avoid a reoccurrence.

## 4 RELEVANT CONTRACTS

- 4.1 All *Relevant Contracts* must comply with these CSOs and any statutory provisions.
- 4.2 A *Relevant Contract* is any arrangement made by, or on behalf of, the Council for the carrying out of work or for the supply of goods, materials or services. These include arrangements for:
- the supply or disposal of goods;
  - hire, rental or lease of goods or equipment;
  - execution of works;
  - the delivery of services, including those related to:
    - the recruitment of staff
    - land and property transactions
    - financial and consultancy services; and
  - concessions (services and/or works)
- 4.3 *Relevant Contracts* do not include contracts relating to:
- the employment of staff

- the engagement of Counsel, or
- the engagement of arbitrators, adjudicators or mediators in connection with construction related disputes.
- the acquisition, disposal, or transfer of land (for which Financial Regulations shall apply)
- the making of grants.

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## 5 PREVENTION OF CORRUPTION

- 5.1 The *Officer* must comply with the *Code of Conduct* and the Council's anti-fraud and corruption strategy and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the *Officer* to prove that anything received was not received corruptly.
- 5.2 High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in 5.3.
- 5.3 The *Director of Law* shall ensure that all contract conditions contain robust terms that will allow the Council to terminate a contract where there has been acts relating to fraud, bribery, or corruption as defined under the Bribery Act 2010, and/or section 117(2) of the Local Government Act 1972; and/or have committed an act which is an offence under the Enterprise Act 2002

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## 6 DECLARATION OF INTERESTS

- 6.1 If it comes to the knowledge of a member or an employee of the Council that a contract in which he or she has a pecuniary interest has been or is proposed to be entered into by the Council, he or she shall immediately give written notice to the Chief Executive. The Chief Executive shall report such declarations to the Cabinet or other appropriate committee.
- 6.2 Such written notice is required, irrespective of whether the pecuniary interest is direct or indirect. An indirect pecuniary interest is distinct from a direct pecuniary interest in as much as it is not a contract to which the member or employee is directly a party.
- 6.3 A shareholding in a body not exceeding a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not a pecuniary interest for the purposes of this CSO.
- 6.4 The Chief Executive shall maintain a record of all declarations of interests notified by members and Officers.
- 6.5 The Chief Executive shall ensure that the attention of all members is drawn to the National Code of Local Government Conduct.

## Section 2

### Preparing for tendering

#### 7 PROCUREMENT PRINCIPLES

- 7.1 Unless otherwise agreed by the *Commercial Director*, all procurement exercises that have a competitive element will be undertaken using the Council's e-tender software.
- 7.2 Procurement are defined according to their pre-tender estimates as low value, medium value and high value as set out in *tables 10.2a-d* below
- 7.3 All procurement must be carried out in an open and transparent manner in accordance with *tables 10.2a-d* below. Where a procurement exercise is defined as being of either medium or high value the process shall be undertaken by a *Tender Appraisal Panel* to ensure that the Council receives value for money. Where the Regulations apply (high value tenders) all tendering exercises are to be considered on the most economically advantageous tender received based on pre-published quality and/or price ratio.
- 7.4 Any agreed Council or shared services Gateway review process must be applied to all relevant high value contracts.

#### 8 STEPS PRIOR TO PURCHASE - DEVELOPING THE BUSINESS CASE: PRE-TENDER MARKET RESEARCH AND CONSULTATION

- 8.1 Where an existing contractual arrangement has been approved, no orders shall be placed with any other organisation or new contractual arrangements sought unless:
- (a) there is prior approval from the *Commercial Director* and there are reasonable grounds for doing so; or
  - (b) the contract itself needs to be renewed or
  - (c) an existing contractor or provider has defaulted on a contract. Where a contractor, provider or supplier defaults on a contract, any retention monies held under that contract could be used to raise an order with an alternative provider in the event of such failure.
- 8.2 Where paragraph 8.1 applies the Chief Officer must consider whether they intend to seek
- (a) a new contractual arrangement with an external provider or
  - (b) to provide, deliver and manage the service as an internal function.
- 8.3 Where it is necessary to carry out a tendering exercise, this may be either through -
- (a) calling off from a suitable framework agreement; or
  - (b) tendering for a contract or
  - (c) tendering for a framework agreement that the Council will call off from and is capable of being called off from by other public bodies.
- 8.4 Where 8.3(a) applies, and with the exception of framework agreements let by the Crown Commercial Service, the *Commercial Director* must be formally consulted where the recommendation is to award a contract through a framework agreement awarded by a *Central Purchasing Body*, or another public sector

organisation (e.g. local authority, government department, statutory undertaker or public service purchasing consortium). Before entering into a contract based upon an existing framework agreement or joining a consortium the *Officer* shall:

- (a) provide evidence to the *Commercial Director* that a full, open and proper competitive process has been (or will be) undertaken and that such process complies with all statutory requirements
- (b) consult with the Director of Law on the terms and conditions of the proposed contract to ensure that they do not compromise the Council's interests; and
- (c) comply with the terms of the framework agreement, including the carrying out of any further competition requirements contained in it (e.g. "mini-competition").

8.5 Before commissioning the procurement of a new contract or calling off from a pre-existing framework arrangement, an Officer must be satisfied that

- (a) consideration has been given to the requirements of the Public Services (Social Value) Act 2012 in order: (i) to secure wider social, economic and environmental benefits; and (ii) such an approach represents the most economically advantageous solution and can be entered into (without breaching the Regulations); and
- (b) take into consideration any relevant *Purchasing Guides* issued by the Council.

## **8.6 Establishing a Service Review Team & developing a Business Case**

8.6.1 The precursor to any new procurement exercise (which requires a Key Decision) shall be carried out by a Service Review Team (SRT) established by the Client-side Director. The SRT will include the Contract Manager, client-side officers, relevant stakeholders, and engage relevant professional officers (including legal, finance, procurement, IT and HR). It will also commission additional expertise where this is warranted.

8.6.2 The SRT shall take responsibility for managing the requirements of this section dealing with pre-tender market research and consultation, and come to a decision as set out in 8.2.

8.6.3 In accordance with Regulation 84 the SRT must maintain records of all internal and external meetings that determine how the contract is to be packaged.

8.6.4 The SRT will take responsibility for all pre-procurement related activity including development of the Procurement Strategy & Business Case for procurement related exercises that require a Key Decision. (as set out below). The SRT will consider the procurement options detailed in 8.2 above.

8.6.5 The SRT in developing the procurement strategy contained in the Procurement Strategy & Business Case must consider the possibility of working with other boroughs or public bodies on either a regional<sup>3</sup> or sub-regional basis<sup>4</sup>. Only where collaborative procurement is not an option will the SRT recommend procuring exclusively for the Council.

8.6.6 The SRT in developing its Business Case must take into consideration and make reference to the Council's policy requirements for ensuring compliance with the Public Services (Social Value) Act 2012 (as set out in 8.7 below).

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<sup>3</sup> Regionally means within Greater London (or wider – South Eastern England), and in this context any identifiable public bodies may be party to it.

<sup>4</sup> Sub-regionally means public bodies predominately in central and western London

## **8.7 Public Services (Social Value) Act 2012**

8.7.1 The Council has responsibilities under the 2012 Act to ensure compliance with its provisions. Those commissioning services must comply with the Council's Social Value Policy outcomes that seek to deliver :

- More opportunities for local micro-businesses, local small and medium sized enterprises and local third sector organisations; and/or
- More employment and training opportunities for local residents

8.7.2 For works, supply and concession related contracts the principles set out in the 2012 Act must be considered.

8.7.3 Before any procurement process is started, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders

## **8.8 Preliminary market consultations and soft-market testing**

8.8.1 Regulations 40 and 41 allow the Council to seek the views of the market in order to prepare technical specifications and contractual terms and conditions. Consequently the officers responsible for the purchase:

- may consult potential suppliers prior to the issue of the Invitation to Tender in general terms about the nature, level, broad estimated value and standard of the supply, contract packaging and other relevant matters provided this does not prejudice any potential *Candidate*, and
- may, where an existing contract exists, obtain from the current service provider information on service delivery aspects.

8.8.2 Where technical advice on the preparation of contract documentation is sought from any organisation or person(s) who may have a commercial interest in bidding, arrangements must be put in place so not as to prejudice the outcome by distorting competition and/or compromising the equal treatment of all potential Candidates. Where there is the likelihood that the process may be distorted or compromised then advice from the Commercial Director and the Director of Law must be sought. All advice received whether on a verbal or written basis must be recorded in accordance with section 18 below.

8.8.3 Only where consultation referred to above is initiated through the publication of a Prior Information Notice in OJEU, the Council's e-sourcing tool "capitalEsourcing" must be used.

## **8.9 Contract packaging – consideration of letting lots.**

8.9.1 In accordance with Regulation 46 the Council may decide to divide the procurement exercise into separate lots. However, where the decision of the Council is not to subdivide into lots that decision must be recorded in

- (a) the Regulation 84 Report if the estimated threshold equals or exceeds the financial thresholds defined in the Regulations; and/or
- (b) the Procurement Strategy & Business Case.

8.9.2 However, the consideration must not be to enter into separate contracts, nor select a method of calculating the Total Value, in order to avoid the requirements of the Regulations or to minimise the application of these CSOs (otherwise known as disaggregation).

## **8.10 Standards & award criteria**

8.10.1 The SRT must ascertain what are the relevant European or international standards (may be referenced to a corresponding British standard) which apply to the subject matter of the contract. Such standards must comply with Regulation 42. The SRT must conclude those standards that are necessary

properly to describe the required quality. For all high value tenders, the *Commercial Director* must be formally consulted if the SRT decides to use any standard that does not include a European standard.

- 8.10.2 The SRT in developing the Procurement Strategy & Business Case is responsible for ensuring the optimum combination of whole life cost and quality.
- 8.10.3 In accordance with the Regulations all award criteria and sub-criteria relating to the award must be clearly published. The award must only be made using the published criteria and sub-criteria. All levels of criteria may refer only to relevant considerations. These may include: price; quality of service; quality of goods; whole-life running costs; whole life cycle costs; technical merit; delivery date; cost effectiveness; quality; relevant environmental considerations; aesthetic and functional characteristics (including security and control features); safety; after-sales services; technical assistance; partnering arrangements; long-term relationships, and any other relevant matter.
- 8.10.4 Award Criteria & sub-criteria must be designed to secure an outcome giving best value for money for the Council. The Award Criteria must not include:
- (a) *Non-commercial* considerations
  - (b) matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement
  - (c) matters which, as defined by statute, are defined as being anti-competitive.
- 8.10.5 The SRT in developing the Procurement Strategy & Business Case needs to consider special conditions relating to the performance of a contract in accordance with Regulation 70. These may include economic, innovation-related, environmental, social or employment-related considerations.

## **8.11 Procurement strategy and business case**

- 8.11.1 For all contracts with an estimated value of £100,000 or greater Chief Officers, acting on advice from the SRT, are required to develop a Business Case for the forthcoming procurement. The Procurement Strategy & Business Case must address the following matters –
- (a) The service delivery options as set out in 8.2, having considered what procurement method is most likely to achieve the purchasing objectives, including:
    - (i) internal provision (“make decision”); or
    - (ii) external sourcing (“buy decision”); and/or
    - (iii) collaboration (including shared services) with other purchasers, partnering and long-term relationships; and/or
    - (iv) the use of a framework agreement already let by the Council or a framework agreement let by another Central Purchasing Body and which has been awarded on the basis that it can be used by others in particular the Council;
  - (b) appraise the need for the expenditure and its priority
  - (c) the estimated value is a true reflection of the proposed contract value (it must not be over or under inflated as a means of avoiding the requirements of either or both the Regulations or these CSOs);
  - (d) consultation undertaken with service users (as may be appropriate) about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring
  - (e) consider whether it is a “regulated procurement” (as defined by the Regulations) and the proposed/appropriate procurement process, namely:
    - (i) Open; or
    - (ii) Restricted; or

- (iii) Light touch arrangement (applicable only to “Social & other specified services); or
  - (iv) Competitive Dialogue; or
  - (v) Competitive Procedure with Negotiation; or
  - (vi) Innovation Partnership; or
  - (vii) Use of the negotiated procedure without prior publication (direct award); and
- whether this is likely to include an electronic (reverse) auction (but only where (i), (ii) or (v) above have been chosen);
- (f) the outcome of preliminary market consultations (soft market testing) aimed at ensuring the draft specification and the terms & conditions are achievable at realistic costs to the Council.
  - (g) details of the main provisions contained in the draft specification;
  - (h) identify any significant variations to the Council’s standard terms and conditions;
  - (i) the evaluation criteria to be used and the reasoning for the recommendation;
  - (j) take into account any procurement guidance issued by the Procurement Strategy Board, and/or the Commercial Director, and/or the Chief Executive (or any other officer he/she nominates);
  - (k) how the proposed tender documents meet the statutory requirements contained in the Public Services (Social Value) Act 2012 for service contracts and how the same principles may be applied to other contract types (works, supplies and concessions). The Act requires the Council to consider how it can also secure wider social, economic and environmental benefits for the community; and
  - (l) define the objectives of the purchase and, where appropriate, ensure that they meet the requirements of the approved Business;
  - (m) consider, where it is appropriate, the Council’s responsibilities under the Civil Contingency Act in terms of potential emergencies and the continuity of high priority services
  - (n) other statutory legislation relating to the contract.

## **8.12 Procurement Strategy & Business case approval**

- 8.12.1 Except as set out in 8.12.4 below, all Procurement Strategies and Business Cases where the estimated value is £100,000 or greater must be approved by the Cabinet prior to the commencement of any tendering exercise and agreed as a Key Decision.
- 8.12.2 Cabinet reports relating to a Procurement Strategy & Business Case will also set out
- the frequency of interim reports to relevant Cabinet Member(s) on the procurement process (if any); and
  - whether the contract award is reserved for the Cabinet or delegated to the relevant Cabinet Member(s)
- 8.12.3 The *Commercial Director’s* specific agreement must be contained in the Procurement Strategy & Business Case where it is the intention to
- (a) create a framework agreement that other public sector organisations may call off from; and/or
  - (b) use any arrangement other than the open, restricted or light touch procedure (as set out in 8.11.1(e) above).
- 8.12.4 The exception referred to in 8.12.1 above relates to the award of contracts for expenditure in connection with the Council’s obligations under the Local

Government Pension Scheme which are reserved for the Audit Pensions and Standards Committee who will be responsible for approving all Procurement Strategies and Business Cases.

## SECTION 3

### Starting the procurement phase

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## 9 PROCUREMENT PROCESS

### 9.1 Establishing a Tender Appraisal Panel

- 9.1.1 Where a competitive tendering exercise is to be undertaken and the estimated value exceeds the Key Decision threshold a *Tender Appraisal Panel (TAP)* shall be established to take responsibility for managing all aspects of the procurement process.
- 9.1.2 The TAP may be similar in its composition to that of the SRT. It will ensure that the procurement exercise is managed in accordance with existing legislative requirements and the Procurement Strategy & Business Case that has been approved by the Cabinet. Its roles include signing off all final documentation required to undertake a procurement exercise, including evaluations at qualification and/or award stages.
- 9.1.3 The TAP will be chaired by a senior service manager in the client department (or where there are several departments involved, in the department with the highest spend), with a senior sponsor, and include relevant stakeholders (e.g. contract manager). It will consult and engage relevant professional officers in legal, finance, procurement, IT and HR. It will also commission additional expertise where this is warranted. It will be responsible for
- (a) ensuring a contract is put in place in accordance with legal requirements,
  - (b) that it meets required deadlines and service requirements,
  - (c) represents value for money, and
  - (d) it meets the agreed objectives set out in the Procurement Strategy & Business Case.
- 9.1.4 In most instances the TAP will identify and appoint a Project Officer who will be responsible for the day to day running of the procurement exercise. The Project Officer will be a member of the TAP.
- 9.1.5 Before beginning the tendering process, the Project Officer responsible for it must, in a manner commensurate with the complexity and value of the project:
- (a) act on the agreed recommendations set out in the agreed Procurement Strategy & Business Case
  - (b) ensure that there is an estimating process which sets out the initial project estimate, revised estimates and tender estimate being a necessary part of the tender comparison and competitiveness evaluation. Such estimates must reflect current or expected market values and must not be over or under inflated as a means of avoiding the requirements of either or both the Regulations or these CSOs.
  - (c) take into account any procurement guidance issued by the Procurement Strategy Board and/or the Chief Executive (or any other officer he/she nominates).
  - (d) assess the risks associated with the purchase and how to manage them
  - (e) have due regard to the Council's responsibilities under the Public Services (Social Value) Act 2012 and Public Sector Equality Duty arising from the Equality Act 2010 and other relevant legislation;

and confirm that:

- (f) there is Cabinet, Cabinet Member or delegated approval for the expenditure in accordance with *Financial Regulations*; and
- (g) for non-procurement related issues the appropriate approvals, for example, those found in *Financial Regulations* have been complied with.

- 9.1.6 The TAP shall appoint from its ranks the appropriate professional officers (and in most instances this will include the Project Officer) to evaluate expressions of interest or tenders received. These professional officers will individually score the submissions received and award marks (where appropriate) against the pre-published criteria set out in the Procurement Strategy & Business Case. Only those officers that are qualified to evaluate expressions of interest or tender submissions may be invited to do so. The TAP<sup>5</sup> will then consider these individual scores and shall arrive at and agree a consensus score for all criteria. The TAP shall not adopt, as a methodology, an average scoring arrangement.
- 9.1.7 The TAP will keep accurate records of all meetings, retain appropriate documentation and maintain proper records for transparency and audit purposes as set out in Regulation 84 (where applicable) and CSO 18.
- 9.1.8 The TAP will undertake post project reviews where required. It will implement any corporate or shared service requirements including supporting arrangements around any agreed approval processes and participating in any audits.

## 10 PROCESS, ADVERTISING AND APPROVED LISTS

- 10.1 The Regulations require that at the point of advertising the opportunity full disclosure of all contract documents are provided (e.g. specification, terms & conditions, form of tender, & etc).
- 10.2 Officers will use the methods for selecting potential bidders for either quotations or tenders as set out below in the relevant tables. The following thresholds are based upon the Regulations, and all process (including call-offs from frameworks) must be run through the Council’s e-tendering system–

table 10.2a

<b>Requirements for “Supply and Service” Contracts (excluding “Social and Other Specific Services)</b>		
<b>Low value Below £25,000</b>	<b>Medium value £25,000 – to below £164,176</b>	<b>High value £164,176 and greater</b>
<p>Minimal competition requirements.</p> <p>Under £5,000 a single quotation otherwise three quotations. Preference to scouring from local providers.</p>	<p>Framework agreements to be considered, otherwise seek public quotations using the e-tendering system and the Government’s “Contracts Finder” portal</p> <p>(No pre-qualification questions permitted)</p>	<p>Use of an existing framework agreement; or</p> <p>Contract Notice to appear in the <i>Official Journal of the European Union</i>, an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”.</p>

<sup>5</sup> Not the Project Officer acting in an individual capacity

table 10.2b

<b>Requirements for “Social and Other Specific Services”</b>		
<b>Low value Below £25,000</b>	<b>Medium value £25,000 – to below £589,148</b>	<b>High value £589,148 and greater</b>
<p>Minimal competition requirements.</p> <p>Under £5,000 a single quotation otherwise three quotations. Preference to scouring from local providers.</p> <p>Other approved systems may also be used (such as Framework-i).</p>	<p>In the first instance, call-offs from existing framework agreements to be considered.</p> <p>Otherwise seek public quotations using the e-tendering system and the Government’s “Contracts Finder” portal</p>	<p>Use of an existing framework agreement; or</p> <p>Contract Notice to appear in the <i>Official Journal of the European Union</i>, an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”.</p>

table 10.2c

<b>Requirements for Works &amp; Construction related matters - Civic &amp; educational establishments</b>		
<b>Low value Below £250,000</b>	<b>Medium value £250,000 – to below £4,104,394</b>	<b>High value £4,104,394 and greater</b>
<p>For works to civic buildings orders to be placed through the TFM contract (up to £250,000)</p> <p>For works to educational buildings orders to be placed through either the contract with 3BM Ltd or the contract with Amey Community Ltd (TFM contract - up to £250,000)</p> <p><i>or (if not appropriate)</i></p> <p>the use of a suitable framework agreement;</p> <p><i>or (if not appropriate)</i></p> <p>Opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”</p>	<p>In the first instance, call-offs from existing framework agreements to be considered.</p> <p>Otherwise an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”</p>	<p>Use of an existing framework agreement; or</p> <p>Contract Notice to appear in the <i>Official Journal of the European Union</i>, an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”.</p>

table 10.2d

Requirements for Works & Construction related matters - Housing estates & properties		
Low value Below £250,000	Medium value £250,000 – to below £4,104,394	High value £4,104,394 and greater
<p>For HRA properties orders to be placed through Housing Repairs &amp; Maintenance Contract.</p> <p><i>or (if not appropriate)</i></p> <p>the use of a suitable framework agreement;</p> <p><i>or (if not appropriate)</i></p> <p>Opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”</p>	<p>For HRA properties orders to be placed through Housing Repairs &amp; Maintenance Contract</p> <p>Otherwise an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”</p>	<p>Use of an existing framework agreement; or</p> <p>Contract Notice to appear in the <i>Official Journal of the European Union</i>, an opportunity listing on the e-tendering system webpage and publication of a Contract Notice in “Contracts Finder”.</p>

- 10.3 Chapter 3 of the Regulations relating to “Social and Other Specific Services” is subject to a “light touch” regime. The headline services are set out in the Appendix (definitions).
- 10.4 All procurements must be managed using the e-tendering portal. In the absence of a call-off from an appropriate framework agreement an opportunity listing or a contract notice is to be published on the UK Government’s Contracts Finder Portal, the shared services “capitalEsourcing” Portal (or any other Portal that the Council may from time to time use). Publication may also be required in the OJEU and depending upon its complexity the TAP may also recommend placing a notice in a trade journal.
- 10.5 Where there is a statutory requirement for a Contract Notice to be published in OJEU the Regulations set out strict requirements when other publications within England & Wales (as set out in Regulation 52) may appear, one of which is a listing on the Contracts Finder website.
- 10.6 For all other projects having a value of £25,000 or greater but below the appropriate threshold there is a second statutory requirement to ensure that an opportunity listing is sent for publication in Contracts Finder within 24 hours of it appearing in other media (as set out in Regulation 110).
- 10.7 The TAP and appropriate Chief Officer shall be responsible for ensuring that all persons or bodies invited to tender for the supply of goods, services or works to the Council have been suitably assessed and meet the Government’s standards as defined by the Regulations.

- 10.8 An open process (no pre-qualification) must be used for projects where the estimated value is £25,000 or greater but less than £164,176.
- 10.9 For recurring low & medium value procurements Chief Officers may consider establishing an Approved List or Dynamic Purchasing System subject to approval from the Commercial Director.
- 10.10 Except for out of hours purchases or minor expenses, no telephone orders are to be placed for goods, works or services, unless otherwise agreed by the *Commercial Director*. For most low value expenditure, and in order to reduce maverick spend, officers are required to raise a purchase order to be placed through the Council's e-Procurement system (or other approved specialist order system).
- 11 COMPETITION REQUIREMENTS FOR PURCHASE, DISPOSAL AND PARTNERSHIP ARRANGEMENTS**
- 11.1 The *Officer* must calculate the estimated *Total Value*. The following procedures apply where there are no other procedures that take precedence. Other procedures may include agency/framework agreements with other public sector organisations (e.g. *Crown Commercial Services*). If in doubt, *Officers* must seek, in writing, the formal advice of the *Commercial Director*.
- 11.2 With the exception outlined in CSO 11.3, the purchasing/competition requirements are set out in table 11.2 (except where a *Framework Agreement, shared service or collaborative procurement is being considered*): where the *Total Value* for a purchase falls within the values in the first column below, the *Award Procedure* in the second column must be followed. Shortlisting shall be approved by the persons specified in the third column.

table 11.2

Maximum Total estimated Value	Competition requirement (in the absence of using a framework agreement or other pre-selection arrangement).	Shortlisting
Under £5,000	One Quotation (confirmed in writing using a designated electronic system), although the duty to obtain value for money still remains.	Not applicable
£5,000 to below £25,000	Invitation to Quote (a minimum of 3 written quotations should be sought <sup>6</sup> using a designated electronic system),	Not applicable
£25,000 to below £100,000	Invitation to Quote. A minimum of 3 written quotations (or tenders) should be sought (using a designated electronic system).  Where advertised using Contracts Finder no pre-qualification permitted, open invitation through the Council's e-tendering system.	Not applicable
£100,000. or more but less than £164,176	No pre-qualification, open invitation through Contracts Finder portal using the Council's e-tendering system.	TAP

<sup>6</sup> If less than 3 quotations are to be obtained prior approval to the suspension of the requirement must be obtained in accordance with section 3 on waivers and exemptions.

Maximum Total estimated Value	Competition requirement (in the absence of using a framework agreement or other pre-selection arrangement).	Shortlisting
£164,176 or greater	Invitation to Tender as set out in CSO 13. A minimum of 5 tenders should be sought, if the <i>Restricted Procedure</i> is used	TAP

- 11.3 The exception referred to in CSO 11.2 relates to the award of contracts relating to expenditure in connection with the Council's obligations under the Local Government Pension Scheme which are reserved for the Audit Pensions and Standards Committee.
- 11.4 Where no pre-existing disposal arrangements are in place (or have been agreed, disposals of assets must be carried out in accordance with Financial Regulations. Usually this will involve the relevant items being sent to public auction (and in most instances contain a reserve value placed on them), except where better value for money is likely to be obtained by inviting Quotations and Tenders. In the latter event, the method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed with the Executive Director of Finance & Corporate Governance.
- 11.5 Providing services to external public sector purchasers must be in compliance with the Local Authorities (Goods and Services) Act 1970 and/or the Local Government Act 2003. Cabinet Member approval must be sought for the provision of services to other public bodies where the value is in excess of £100,000, and a recommendation from Cabinet to the Council is needed for approval to develop a business case for trading with the private sector.
- 11.6 *Best Value* and partnership arrangements are subject to all UK and EU procurement legislation and must follow these CSOs. If in doubt, *Officers* must seek the formal advice of the *Commercial Director* in writing.

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## 12 SHORTLISTING

- 12.1 Shortlisting of candidates applies where (a) expressions of interest have been sought using either the Restricted, or Light Touch, or Competitive Procedure with Negotiation or Competitive Dialogue procedure; or (b) a call-off from a framework agreement is being considered where there are multiple providers.
- 12.2 Pre-qualification arrangements for projects with an estimated value above £164,176 using the Restricted Procedure should be based upon statutory guidance from the Cabinet Office. It normally forms the first part of a two stage procurement process (the information to be sought is always "backward looking"). Information sought at pre-qualification cannot be re-sought (or re-used) at tendering stage. Officers must provide to all applicants a clear & transparent methodology on the selection criteria to be used.
- 12.3 The *Officers* responsible for *Shortlisting* are specified in the table 11.2.
- 12.4 *Shortlisting of Candidates* to be invited to tender must comply with (a) any instructions issued with the pre-qualification questionnaire or (b) the terms of any framework agreement which the Council intends to call off from.
- 12.5 Where pre-qualification is used as a means of selecting the tender list, the shortlisting requirements must comply with the Regulations for all Works, Supply

and Service contracts where the estimated value is above £164,176. For all projects where the estimated value is below the £164,176 threshold no pre-qualification process is permitted.

- 12.6 In accordance with 9.1.6 above the TAP shall arrive at a consensus decision on which candidates to invite to tender.

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### 13 INVITATIONS TO TENDER/QUOTATIONS

13.1 Where a contract is to be awarded on the basis of the *most economically advantageous tender*, tenderers will be informed of the evaluation model and award criteria in the “Invitation to Tenderers” and the subsequent evaluations must be carried out in accordance with them.

13.2 The *Invitation to Tender* shall state that no *Tender* will be considered unless it is received by the date and time stipulated in the *Invitation to Tender*. No *Tender* delivered in contravention of this clause shall be considered.

13.3 All Invitations to Tender shall include the following:

- a) A specification that describes the Council’s requirements in sufficient detail to enable the submission of competitive offers, along with the contractual terms and conditions.
- b) A requirement for tenderers to declare that the tender content, price or any other figure or particulars concerning the *Tender* have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for the purpose of complying with tendering requirements)
- c) A requirement for tenderers to complete fully and sign all tender documents including a form of tender and certificates relating to canvassing and non-collusion. The *Commercial Director* shall agree the appropriate protocols to be used where a tendering exercise is being undertaken using an e-tendering arrangement.
- d) Notification that tenders are submitted to the Council on the basis that they are compiled at the Candidate’s expense.
- e) A description of the *Award Procedure* and, unless defined in a the Contract Notice or other prior advertisement, a definition of the *Award Criteria* in objective terms (including the appropriate weightings)

13.4 The Invitation to Tender or Quotation must state that the Council is not bound to accept any Quotation or Tender.

13.5 All Candidates invited to Tender or quote must: (a) be issued with the same information, (b) at the same time and (c) subject to the same conditions. Any supplementary information must be given on the same basis.

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### 14 SUBMISSION, RECEIPT AND OPENING OF TENDERS

14.1 **Period for Candidates’ response:** *Candidates* invited to respond must be given an adequate period in which to prepare and submit a proper *Quotation or Tender*, consistent with the complexity and/or urgency of the contract requirement. When using the *Restricted Procedure*, Regulation 28 (7) & (8) sets out a statutory period of 30 days for receipt of tenders, although this may be reduced subject to agreement with the tenderers to not less than 10 days.

14.2 Unless otherwise agreed by the *Commercial Director*, all *quotations and tenders* must be received through the Council’s *e-tendering* system (the rules for the

return of paper based quotations and tenders will be determined on an individual basis by the *Commercial Director*).

- 14.3 The *Commercial Director* will be responsible for the opening of all tenders and quotations that have been submitted electronically through the e-tendering system. Only those exceptional tenders that are submitted on paper and have an estimated value in excess of the *EU Threshold* for Supply & Services contracts will be directed to the Mayor's Office to be opened by the Mayor, Deputy Mayor or Chief Whip.
- 14.4 Any quotation or tender received after the date and time for its return cannot and must not be accepted. Late tenderers will be advised that their tender has been rejected because it was received after the date and time scheduled for its return.
- 14.5 The *Officer* must not disclose the names of *Candidates* to any staff not involved in the receipt, custody or opening of *Tenders*.
- 14.6 The electronic opening of tenders shall be carried out by the person appointed by the *Commercial Director* in the presence of an independent client-side witness.

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## 15 CLARIFICATION PROCEDURES AND POST-TENDER NEGOTIATION

- 15.1 Providing clarification of an *Invitation to Tender* to potential or actual *Candidates*, or seeking clarification of a *Tender*, whether in writing or by way of a meeting, is permitted.
- 15.2 In particular post-tender negotiation must not be conducted in an *EU Procedure* where this might distort competition, especially with regard to price. Such negotiation is not permitted under the Regulations. However, Officers (under instructions from a TAP) may seek clarifications from tenderers.
- 15.3 Post-tender clarification must only be conducted in accordance with the guidance issued by the *Commercial Director* and the Director of Law, both of whom who must also be consulted wherever it is proposed to enter into such post-tender clarifications.
- 15.4 Where tenders are received above the approved budget, *the Officer* may consider adjusting the specification and *the Candidates* may be asked to re-cost based on an amended specification in order, to bring the cost within budget. However, where it is identified that there needs to be a fundamental change to the specification (or contract terms), the contract must not be awarded but retendered in accordance with the Regulations.

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## 16 EVALUATION AND AWARD OF CONTRACTS

- 16.1 In accordance with 9.1.6 above the TAP will take responsibility for the evaluation of all tenders received and the arrival of the final consensus scores.
- 16.2 In accordance with statutory requirements contained in the Regulations, the confidentiality of *Quotations*, *Tenders* and the identity of *Candidates* must be preserved at all times, and information about one *Candidate's* response must not be given to another *Candidate*. Where questions are received prior to the return of tenders, then the Project Officer shall anonymise both the question(s) and response(s) and forward to all tenderers for information, unless the questions are tenderer-specific.
- 16.3 In accordance with 13.1 above. where a contract is to be awarded on the basis of the *most economically advantageous tender* received, the evaluations must be

carried out in accordance with the pre-published evaluation model and award criteria.

- 16.4 Regulation 56(4) provides the Council with discretion to accept tenders that appear to be incomplete or erroneous or where specific documents are missing. These omissions and or errors **must** be resolved in order to evaluate all tenders on an equal and transparent basis
- 16.5 The arithmetic in compliant *Tenders* must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested explain the discrepancy. Such a discrepancy may, in certain circumstances, be acceptable under Regulation 56, otherwise the tender must be required to confirm or withdraw their tender . Alternatively, if the rates in the *Tender*, rather than the overall price, were stated within the *Invitation to Tender* as being dominant, an amended *Tender* price may be requested to accord with the rates given by the tenderer.
- 16.6 The Council has a statutory duty under Regulation 69 to investigate any tender that appears to be abnormally low. Where the tender recommended for acceptance is more than 15% below the budget a report to the Cabinet Member shall be required explaining the reasons for the difference and confirm that the contractor has provided written confirmation that they are able to fulfil the contract for their tendered sum.
- 16.7 *Chief Officers* shall ensure that submitted tender prices or rates are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily. Details of correspondence needs to be kept on the project file, and this information needs to be recorded in decision award reports (to Chief Officers, Cabinet Member Decisions or Cabinet Reports).
- 16.8 As soon as possible after the contract has been awarded the Council must send a contract award notice to the *Official Journal of the European Union*. In accordance with the Regulations this must be done within 30 days. The only exception is any contract that is below the EU threshold.

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## 17 CONTRACT AWARD

### 17.1 Below £25,000

- 17.1.1 Where the value of the contract is below £25,000 the award decision shall be taken by the Chief Officer.

### 17.2 £25,000 to below £100,000

- 17.2.1 Where the value of the contract is £25,000 but below £100,000 the award decision shall be taken by the appropriate Cabinet Member.

### 17.3 £100,000 to below £5,000,000

- 17.3.1 In normal circumstances and where (a) the actual contract value is less than £5,000,000; and (b) falls within or is within a 10% tolerance of the estimated value set out in the Procurement Strategy & Business Case, the award decision will be delegated to the appropriate Cabinet Member(s).
- 17.3.2 Where 17.3.1 (b) does not apply the award decision is reserved for the Cabinet.
- 17.3.3 In 17.3.1 the term “normal circumstances” means an automatic delegation unless the Cabinet decide that they wish to reserve the award decision to the Cabinet.

## **17.4 £5,000,000 or greater**

17.4.1 Where the value of the contract is £5,000,000 or greater the award decision shall be taken by the Cabinet.

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## **18 RECORDS AND DEBRIEFING CANDIDATES**

### **18.1 Regulated procurements**

18.1.1 The Regulations 83 & 84 provides a statutory framework for the retention of contract documentation and a requirement to develop a contemporaneous report detailing the decisions taken during all procurement processes above the thresholds.

### **18.2 Unregulated procurements**

18.2.1 Where the *total value* is less than £25,000, it is a requirement that the following documents must be kept:

- invitations to quote and Quotations received
- a written record of:
  - any exemptions which apply and reasons for them
  - the reason, if the lowest price is not accepted
  - all communications with the successful *Candidate*.

18.2.2 Where the *total value* is £25,000 or greater but below the statutory thresholds in Part 2 of the Regulation, the *Officer* is encouraged to record, where applicable, the following information -

- pre-tender market research (if any)
- the subject-matter and value of the contract, framework agreement or dynamic purchasing system;
- where applicable, the results of the qualitative selection and reduction of numbers
  - the names of the selected candidates or tenderers and the reasons for their selection;
  - the names of the rejected candidates or tenderers and the reasons for their rejection;
- the name of the successful tenderer and the reasons why its tender was selected and, where known—
  - the share (if any) of the contract or framework agreement which the successful tenderer intends to subcontract to third parties, and
  - the names of the main contractor's subcontractors (if any);
- where applicable, the reasons why the contracting authority has decided not to award a contract or framework agreement or to establish a dynamic purchasing system;
- where applicable, the reasons why means of communication other than electronic means have been used for the submission of tenders;
- where applicable, conflicts of interests detected and subsequent measures taken.
- clarification (and where appropriate post-tender negotiation) (to include minutes of meetings)
- the contract documents
- post-contract evaluation and monitoring
- written records of communications with *Candidates* and with the successful *Candidate(s)*.

### **18.3 Record retention – both Regulated and Unregulated procurements**

18.3.1 Written records required by this CSO must be kept for six years (12 years if the contract is under seal) after the final settlement of the contract.

18.3.2 Documents which relate to unsuccessful *Candidates* should be kept for a minimum period of 12 months, provided there is no dispute about the award (these may be microfilmed or electronically scanned or stored by some other suitable method).

### **18.4 Debriefing of candidates – Regulated procurements**

18.4.1 Where a tendering exercise is regulated by the provisions of the Regulations *Candidates* must be simultaneously notified (in writing) and as soon as possible after any decision has been made in connection with their exclusion from the process or the outcome of the award decision is known. The process is set out in Regulation 55 and must be strictly adhered to.

18.4.2 Where the Council has applied a quality-price award criteria it has a statutory duty to inform the unsuccessful candidates of the relative advantages of the successful tenderer. This is usually carried out as part of the statutory cooling-off period after the award decision has been made. For tenders that are subject to the Regulations there are strict rules that the Council must comply with and advice on their application must be sought from the *Commercial Director* and/or the *Director of Law*.

18.4.3 The process shall be communicated in writing only and at no time will any officer of the Council be engaged in a verbal debrief with the unsuccessful candidates.

### **18.5 Debriefing of candidates – Unregulated procurements**

18.5.1 Where a tendering exercise is not regulated by the Regulations and where a *Candidate* requests in writing the reasons for a *Contracting Decision*, the Officer must give the reasons in writing within 15 working days of the request

### **18.6 Contracts Register**

18.6.1 All contracts that have a value of £5,000 or greater must be published in the Council's Contracts Register in accordance with the Transparency Regulations 2015 and the Local Government Transparency Code 2015 published by the Department for Communities & Local Government.

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## **SECTION 4**

### **Documentation & other formalities**

#### **19 CONTRACT DOCUMENTS**

19.1 All *Relevant Contracts* shall be in writing, and in a format approved by the *Director of Law*.

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

- the works, goods, materials or services to be carried out, furnished or provided (description and quality)
- the price or rates to be paid, together with a statement of any discounts or other deductions (amount and timing) which apply, and
- the time, or times, within which the contract is to be performed
- all other contractual terms, which will be based upon:
  - the Council's standard terms & conditions (for quotations); or

- standard terms and conditions issued by a relevant professional body (e.g. JCT or NEC in relation to construction related works); or
- bespoke terms & conditions drafted by the Director of Law.

19.3 In addition, every Relevant Contract of purchase over £50,000 must also as a minimum state clearly:

- that the contractor may not assign or sub-contract without prior written consent of a Chief Officer (and where it is a “sub-contract”, written consent of a contract administrator)
- any insurance requirements
- health and safety requirements
- ombudsman requirements
- Freedom of Information Act obligations
- Civil Contingencies Act 2004 requirements
- data protection requirements, if relevant
- that charter standards are to be met, if relevant
- equalities and other diversity related requirements
- (where agents are used to let contracts) that agents must comply with the Council’s CSOs relating to contracts
- a right of access to relevant documentation and records of the contractor for monitoring and audit purposes, if relevant.

19.4 Where it is proposed to use a supplier’s own terms, the agreement of the Director of Law must be sought in relation to any terms and conditions which differ from the Council’s standard terms.

**19.5 Contract formalities**

19.5.1 Contracts and agreements shall be entered into in accordance with the following table - table 19.5.1 - (subject to delegated financial limits)

table 19.5.1

<b>Contract value or notional value attached to the agreement</b>	<b>Procedure</b>
Below £50,000	Contract or agreement to be signed by the <i>Officer’s</i> Line Manager, providing there is delegated authority from their Chief Officer, otherwise to follow the procedure below.
£50,000 and above but below £100,000	Contract or agreement to be signed by the Chief Officer (or their nominated deputy in accordance with CSO 2.3), otherwise to follow the procedure below.
£100,000 and above	Contract or agreement to be executed by the Director of Law as a Deed and stored by Legal.

19.5.2 Where:

- (a) for operational reasons a Chief Officer considers it appropriate for a contract or agreement to be entered into on the basis of a Deed; or
- (b) the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services; or
- (c) where there is any doubt about the authority of the person signing for the other contracting party

the Director of Law will arrange for the document to be sealed on behalf of the Council.

19.5.3 The person responsible for executing a contract or agreement must ensure that the person(s) signing it on behalf of the contractor, supplier or service provider is empowered to do so.

- 19.5.4 The execution of a contract as a Deed shall be carried out by the Director of Law on behalf of the Council and by the Contractor in accordance with the relevant legal provisions. The Council's seal must not be affixed without the authority of the Cabinet (or Cabinet Member or Chief Officer acting under delegated powers).
- 19.5.5 For all contracts where the actual contract value is £100,000 or more, the relevant contract documentation must be concluded (including the formal exchange of contracts) before its commencement. In exceptional circumstances, and then only with the written consent of the *Director of Law*, may a contract commence on the basis of an exchange of correspondence.

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## **20 MODIFICATION TO CONTRACTS**

- 20.1 Any reports that seek variations to either a Regulated or Unregulated contract that equates to a proposed change in value of +/-10% or more if it relates to a service or supply function or +/-15% in respect of works must be referred to the Director of Law and the Commercial Director.
- 20.2 Where a modification or variation to a contract is to be made that will not have service delivery impacts to users or residents then this may be agreed by a Chief Officer providing that there are no increased costs to the contractual value.
- 20.3 Where there will be an increase in the contract value then the decision is reserved to the
- (a) relevant Chief Officer where the total value of variation or variations is below £25,000 (subject to appropriate budgetary provision);
  - (b) relevant Cabinet Member where the total value of the variation or variations is £25,000 or greater but does not exceed £100,000 (subject to appropriate budgetary provision); or
  - (c) the Cabinet where the total value of the variation or variations is £100,000 or greater.
- 20.3.1 Regulated contracts**
- 20.3.2 For contracts to which Part 2 of the Regulations apply (those above the statutory thresholds) any modifications may only be made in accordance with Regulation 72.
- 20.3.3 Unregulated contracts**
- 20.3.4 Modification to contracts to which Part 4 of the Regulations apply (those below the statutory threshold) may be considered in exceptional circumstances, but only where the modification or successive modifications do not increase the total contract value so that it exceeds the statutory thresholds. Regulation 72 may be used as a guide in determining whether or not to modify these contracts.
- 20.3.5 Where minor variations are required to construction or highways related works that are covered by contingency sums within a contract sum they may be authorised by a Chief Officer subject to compliance with Financial Regulations.
- 20.4 Contract termination provisions**
- 20.4.1 Where there is a requirement to prematurely terminate a contract (or part of a contract) the decision shall be made by
- (a) The Executive Director where the contract value is less than £25,000
  - (b) The appropriate Cabinet Member where the contract value is £25,000 or greater but less than £100,000
  - (c) The Cabinet where the value is £100,000 or greater.

## 21 PARENT COMPANY GUARANTEES AND BONDS.

- 21.1 Where a *Candidate* is a subsidiary of a parent company, and:
- there is some concern about the stability of the Candidate; and/or
  - the Total Value exceeds £250,000, and/or
  - award is based on evaluation of the parent company,
- the *Officer* must consult the Executive Director of Finance & Corporate Governance about the use a *Parent Company Guarantee*.
- 21.2 There is no requirement for the *officer* to obtain a *Bond* from a *Candidate*. The Council will self-insure all contracts where significant risks are identified to 10% of the *Total Value*.

## SECTION 5

### Special procedures

## 22 ENERGY PROCUREMENT

- 22.1 Due to the volatility of the energy market, prices of electricity, gas, oil & petroleum fluctuate on a daily basis and the sums quoted require immediate acceptance. In order to achieve the best value for the Council all decisions relating to energy procurement including the award and/or the variation of contracts may be approved by the Executive Director of Finance & Corporate Governance and the Director for Building & Property Management. All decisions relating to the award of or variation of energy related contracts will be reported to the Cabinet for information purposes only.

## 23 APPOINTMENT OF CONSULTANTS & COUNSEL

- 23.1 The engagement of consultant architects, engineers and surveyors or other professional consultants including Counsel shall be subject to completion of a formal letter, contract of appointment or brief. Consultants shall be required to provide evidence of and maintain professional indemnity policies to the satisfaction of the relevant *Chief Officer* for the periods specified in the respective agreement. Consultants shall be selected and commissions awarded in accordance with the procedures detailed within these CSOs and as outlined below in table 23.1, but quotations and tenders are not required for arbitrators, adjudicators or mediators in connection with construction related disputes, or for counsel (see 4.3 above).

table 23.1

Total Estimated Fee	Method of Selection
Less than £5,000	One <i>Quotation</i> (confirmed in writing). .
£5,000 but less than £100,000	Three written <i>Quotations</i>
£100,000 but less that the EU thresholds	Three tenders
Above the EU threshold	The provisions of the Regulations will apply.

## **24 ARRANGEMENTS FOR SOCIAL AND OTHER SPECIFIC SERVICES**

24.1 Contracts that relate to *Social and Other Specific Services* are regulated under the provisions contained in Chapter 3, Section 7 of the Regulations and can be let under a “light touch regime”..

24.2 Under Regulation 76 the Council must determine the procedures that are to be applied, but these must be sufficient to ensure compliance with the general principles of transparency and equal treatment of those expressing an interest in a contract and those invited to tender. The procedure to be used shall be outlined in the Business Care (refer to CSO 8.5 above) and spelt out in the published tender documents.

### **24.3 Social Care, Spot Purchasing of Domiciliary Care and Residential and Nursing Care**

24.3.1 The Council has certain statutory duties to provide, or arrange to provide, practical help or care services to individuals within the community or in a residential setting. Such arrangements may be made through existing framework agreements that the Council can call-off from.

24.3.2 Domiciliary care services and residential and nursing care may be spot purchased or called off through the use of existing framework agreements for people whose needs cannot be met through the commissioned services or service directly provided by the Council itself.

24.3.3 The Council will maintain information on Domiciliary Care Providers and Providers of Residential and Nursing Care placements that can be used for the spot purchase of care services through framework agreements. Such providers will have met the minimum national standards laid down by the Care Quality Commission.

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## **SECTION 6**

### **Contract management**

## **25 MANAGING CONTRACTS,**

25.1 Chief Officers and/or Heads of Service in sponsoring departments are to name contract managers for all new contracts. All contracts must have a named Council contract manager for the entirety of the contract.

25.2 Contract managers must follow the *Purchasing Guides* (and any other procedures determined from time to time by the *Procurement Strategy Board*).

## **26 RISK ASSESSMENT AND CONTINGENCY PLANNING**

26.1 A business case must be prepared for all procurements which involve a Key Decision. Provision for resources for the management of the contract, for its entirety, must be identified in the business case.

26.2 For all contracts with a value of over £100,000, contract managers must:

- undertake appropriate risk assessments that have considered service continuity, health and safety, fraud and Information management risks;
- maintain a risk register during the contract period;
- ensure appropriate contingency measures are in place for identified risks;
- escalate high risks to the senior leadership or management team

## **27 PAYMENT**

- 27.1 In accordance with Regulation 113, the Council will pay undisputed invoices to contractors within 30 days. It shall also require prime contractors to pass on no less favourable payment terms to their sub-contractors than they receive from the Council.
- 27.2 Tenderers will be required to demonstrate how they will allow the Council to monitor how they pay their sub-contractors.

## **28 POST-CONTRACT MONITORING, EVALUATION AND REVIEW**

- 28.1 All contracts which have a value higher than the EU Threshold limits, or which are *High Risk*, are to be subject to monthly formal review with the contractor. The review may be conducted quarterly if permitted by the *Commercial Director*.
- 28.2 In relation to all contracts that are considered to be with a value higher than the EU Threshold limits and/or which are considered to be of High Risk, the *Procurement Strategy Board* may review them with a view to an audit to be undertaken in relation into their management.
- 28.3 During the life of the contract, the Officer must regularly monitor and report on -:
- a contractor's performance;
  - the regularity of meetings held with the Contractor;
  - risk management and any issues arisen (for example, reported fraud, information loss or breach of security, service continuity (credit worthiness), significant health and safety incidents) that have identified and how these are being addressed;
  - compliance with specification and contract costs and identifying as early as possible any potential over-spends;
  - any Best Value requirements;
  - user satisfaction and risk management; and
  - the data quality and supplier information ensuring that it is fit for purpose.
- 28.4 Where the Total Value of the contract exceeds £100,000, the Officer must make a written report evaluating the extent to which the purchasing need and the contract objectives were met by the contract. This should be done normally when the contract is completed. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to re-letting of the subsequent contract.

## APPENDIX - Glossary of Defined Terms

<u>Defined term</u>	<u>Definition/description</u>
<b>Appropriate Persons</b>	<p>A person who has the delegated powers to waive the provisions of these CSOs. For a contract that has an estimated value of:</p> <ul style="list-style-type: none"> <li>• <u>less than £25,000: the appropriate person will be the Chief Executive or Executive Director or Director</u></li> <li>• <u>£25,000 or more but less than £100,000: the appropriate Cabinet Member(s)</u></li> <li>• <u>more than £100,000: the appropriate Cabinet Member(s) and the Leader of the Council.</u></li> </ul>
<b>Approved List</b>	<p>A list of approved service providers (maintained by an <i>Appropriate Person</i> at a departmental level) who have expressed an interest in carrying out small scale professional services (usually below <i>EU Threshold</i> (for services). An Approved List is usually set up for a specific period of time and purpose following a public advertisement placed in a local newspaper and on the Council's internet. Admission to the Approved List shall be on the basis that the Council's minimum requirements in terms of finance, references, Health &amp; Safety, diversity and environmental considerations are met. The Approved List shall not contain details of schedules of rates and admission shall be free (in accordance with section 21 of the Local Government Act 1988).</p>
<b>Award Criteria</b>	<p>The criteria by which the successful quotation or tender is to be selected.</p>
<b>Award Procedure</b>	<p>The procedure for awarding a contract as specified in CSO 17</p>
<b>Best Value</b>	<p>The duty on local authorities to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness, as implemented by the Council.</p>
<b>Business Case</b>	<p>A document used to obtain management commitment and approval for investment in business change, which alters the way that suppliers are selected and goods and services are purchased. It provides a framework for planning and management of this change and ongoing identification of risks. The viability of the resulting project will be judged on the contents of the business case.</p>
<b>Bond</b>	<p>A form of "insurance policy". If the contractor does not do what it has promised to under a contract with the Council, the Council can claim from the insurer which provided the bond 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 the contractor's failure.</p>
<b>Cabinet</b>	<p>The executive committee of the Council</p>
<b>Cabinet Member</b>	<p>One of 9 executive councillors reporting to the Cabinet, having the following</p>

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
	responsibilities & portfolios: the <ul style="list-style-type: none"> <li>• Leader of the Council,</li> <li>• Deputy Leader of the Council</li> <li>• Cabinet Member for Children and Education,</li> <li>• Cabinet Member for Commercial Revenue and Resident Satisfaction</li> <li>• Cabinet Member for Economic Development and Regeneration</li> <li>• Cabinet Member for Finance</li> <li>• Cabinet Member for Health and Adult Social Care</li> <li>• Cabinet Member for Housing,</li> <li>• Cabinet Member for Social Inclusion</li> <li>• Cabinet Member for Environment, Transport &amp; Residents Services</li> </ul>
<b>Cabinet Office</b>	The Cabinet Office has responsibility for all public sector procurement within the UK. It works with key government departments (H M Treasury and the Department for Communities and Local Government (DCLG)) along with other interested public sector organisations to provide procurement advice.
<b>Candidate</b>	“candidate” means any person or organisation and defined as an economic operator that has sought an invitation to tender (or submit a quotation) or has been invited to take part in a restricted procedure, in a competitive procedure with negotiation or in a negotiated procedure without prior publication, in a competitive dialogue or in an innovation partnership;
<b>Central Purchasing Body</b>	As defined in the Public Contracts Regulations 2015, being another contracting authority which - <ul style="list-style-type: none"> <li>(a) acquires goods or services intended for one or more contracting authorities; or</li> <li>(b) awards public contracts intended for one or more contracting authorities; or</li> <li>(c) concludes framework agreements for work, works, goods or services intended for one or more contracting authorities.</li> </ul>
<b>Chief Officer</b>	The “Chief Executive”, in respect of the Chief Executive’s office. Otherwise the definition relates to the most senior officer in a department of the Council
<b>Code of Conduct</b>	The code regulating conduct of officers issued by the Director of Human Resources.
<b>Commercial Director</b>	The Director of the Council having overall responsibility for the Council’s procurement functions.
<b>Competitive Dialogue Procedure</b>	To be used in specific situations set out in Regulation 30
<b>Competitive Procedure with Negotiation</b>	To be used in specific situations set out in Regulation 29

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>Constructionline</b>	A list of preferred providers who have expressed an interest in carrying out mostly construction and engineering related works and have registered their details on a national database maintained by the Department for Business, Enterprise and Regulatory Reform.
<b>Consultant</b>	Someone employed for a specific length of time to work to a defined project brief, with clear outcomes to be delivered, who brings specialist skills or knowledge to the role. To be used only where the Council has no ready access to employees with the necessary skills, experience or capacity to undertake the work.
<b>Contract</b>	A binding agreement made between two or more parties, which is intended to be enforceable at law.
<b>Contract Notice</b>	An “advertisement” published in accordance with these CSOs seeking expressions of interest from candidates to tender for works, supplies or services. The Contract Notice must be published on the Council’s website and may appear in a local paper, and/or a trade or professional journal. A Contract Notice must be published in the <i>Official Journal of the European Union</i> (OJEU) where the EU thresholds are exceeded.
<b>Contracting Decision</b>	Any of the following decisions: <ul style="list-style-type: none"> <li>• withdrawal of invitation to tender</li> <li>• whom to invite to submit a quotation or tender</li> <li>• shortlisting</li> <li>• award of contract</li> <li>• any decision to terminate a contract.</li> </ul>
<b>CSO[#] and CSOs</b>	CSO[#] refers to a specific Contract Standing Order [where the “hash” symbol (#) will be substituted for a specific paragraph number] and CSOs means these Contract Standing Orders.
<b>Deed</b>	This is a legal term relating to a type of contractual arrangement. The execution of a contract as a “Deed” extends the statute of limitations from 6 years to 12 years.
<b>Director of Law</b>	The Director of the Council having overall responsibility for the provision of legal advice in relation to all procurement matters.
<b>Discrete Operational Unit</b>	A unit: <ul style="list-style-type: none"> <li>• to whom the decision to purchase (and budget) has been devolved</li> <li>• for the sole use of whom a purchase is intended, and</li> <li>• which takes a purchasing decision independently of any other part of the Council.</li> </ul>
<b>Dynamic Purchasing System</b>	Defined in the <i>Public Contracts Regulations 2015</i> as a type of Approved List where framework prices have been provided. A dynamic Purchasing System must remain open to new applicants and is designed to enable “mini-competition” exercises to be carried out.

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>e-procurement.</b>	A term for electronic procurement or purchasing. It refers not just to the purchasing process but encompasses a range of technologies that allows procurement processes such as the issue and receipt of tender documents, the issue of purchase orders and the receipt of invoices to occur electronically.
<b>e-procurement system</b>	The Civica AFP or Agresso system approved for use by the 151 Officer for the issuing of orders and the receipt of invoices by the Council.
<b>e-tendering</b>	A computer based system run through the “CapitalESourcing” portal designed to: <ul style="list-style-type: none"> <li>• undertake the tasks of advertising the requirement for goods or services, registering suppliers, and issuing and receiving tender documents via the internet</li> <li>• assist in the evaluation of responses to an invitation to tender.</li> </ul>
<b>EU</b>	the European Union
<b>EU Directive</b>	Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts.
<b>EU Procedure</b>	The procedure required by the <i>EU Directive</i> (and the Public Contracts Regulations 2015) where the Total Value exceeds the <i>EU threshold</i>
<b>EU Threshold</b>	The threshold at which the <i>EU Directive</i> must be applied. If the Total Value is expected to exceed this amount, the <i>EU</i> procedure must be followed. (Until 31 December 2015 the thresholds are £164,176 (€200,000) for the supply of goods or services, for special and specific services £589,148 (€750,000) and £4,320,220 (€5,000,000) for building and engineering works contracts.)
<b>Financial Regulations</b>	The financial regulations approved by the Council and issued by the Section 151 Officer.
<b>Framework Agreement</b>	A contractual arrangement (let in accordance with Regulation 33 of the Public Contracts Regulations 2015) that can be up to 4 years in duration and provides for the Council to place individual orders for goods, or services.
<b>High Profile</b>	A high-profile purchase is one that could have an impact on functions integral to Council service delivery, should it fail or go wrong.
<b>High Risk</b>	A high-risk purchase is one which presents the potential for substantial exposure on the Council's part, should it fail or go wrong.
<b>High Value</b>	A high-value purchase is where the value exceeds the EU Threshold values.
<b>Invitation to Negotiate</b>	Invitation to negotiate documents in the form required by these CSOs.

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>Invitation to Tender</b>	Invitation to tender documents in the form required by these CSOs
<b>Innovation Partnership</b>	To be used in specific situations set out in Regulation 31
<b>Leader, the</b>	The Leader of the Council and Chair of the Cabinet.
<b>Line Manager</b>	The officer's immediate superior or the officer designated by the appropriate chief officer to exercise the role reserved to the line manager by these CSOs.
<b>London Councils</b>	London Councils is a cross-party organisation, funded and run by all the councils in Greater London to work on their behalf regardless of political persuasion.
<b>Market, the</b>	The term "the market" is used as a means of describing organisations outside the Council that provide works, services or supplies that the Council may wish to buy.
<b>Negotiated Procedure without prior publication</b>	Used in exceptional circumstances. Refer to Regulation 32
<b>Nominated Suppliers and Nominated Subcontractor</b>	Those persons or organisations specified in a main contract for the discharge of any part of that contract.
<b>Non-commercial Considerations</b>	Matters designated as such under section 17 of the Local Government Act 1988, i.e.: (a) 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. (b) Any involvement of the business activities or interests of contractors with irrelevant fields of government policy. (c) 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. (d) 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. (e) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees. (f) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support. (g) Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984
<b>Official Journal</b>	The official publication maintained by the European Commission for the

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>of the <i>European Union</i></b>	purposes of publishing Contract Notice and Contract Award Notices (also known as <i>OJEU</i> )
<b>OJEU</b>	See – <i>Official Journal of the European Union</i>
<b>Open Procedure</b>	An <i>EU Procedure</i> under which all candidates are invited to bid in response to a Contract Notice.
<b>Parent Company Guarantee</b>	A contract which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the Council, under the terms of the guarantee, can require the parent company to do so instead.
<b>Procurement Strategy Board.</b>	An Officer Board that is made up of professional officers involved in the procurement function as well as departmental representatives. Its role is to provide strategic direction on procurement related issues, monitoring contractual renewals, procurement training of staff, and advice to secure <i>value for money</i> in the Council's procurement activities.
<b>Project Officer</b>	The officer designated by the <i>Chief Officer</i> (and appointed by the SRT and/or TAP) to deal with the Contract in question.
<b>Protected Characteristic</b>	See <i>Public Sector Equality Duty</i> in this list
<b>Purchasing Guides</b>	The suite of guidance documents, together with a number of standard documents, forms and templates, which supports the implementation of these Contract Standing Orders. The guidance is published on the Council's intranet and internet
<b>Public Sector Equality Duty</b>	<p>The Public Sector Equality Duty (effective from 5 April 2011) covers the following groups (Protected Characteristics):</p> <ul style="list-style-type: none"> <li>• Age</li> <li>• Disability</li> <li>• Gender reassignment</li> <li>• Pregnancy and maternity</li> <li>• Race</li> <li>• Religion or belief</li> <li>• Sex (gender)</li> <li>• Sexual orientation</li> <li>• Marriage and civil partnership (not always relevant to the duty)</li> </ul> <p>Those subject to the public sector equality duty must, in the exercise of their functions, have due regard to the need to:</p> <ul style="list-style-type: none"> <li>• Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.</li> <li>• Advance equality of opportunity between people who share a protected characteristic and those who do not.</li> <li>• Foster good relations between people who share a protected</li> </ul>

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>Public Sector Equality Duty - continued</b>	<p>characteristic and those who do not.</p> <p>The Act states that meeting different needs involves taking steps to take account of disabled people's disabilities. It describes fostering good relations as tackling prejudice and promoting understanding between people from different groups. It states that compliance with the duty may involve treating some people more favourably than others.</p>
<b>PQQ or Pre Qualification Questionnaire.</b>	An application form use for admission to an <i>Approved List</i> or in response to a <i>Contract Notice</i> for a <i>Select List</i> .
<b>Prior Indicative/ Information Notice.</b>	A notice that is published in <i>OJEU</i> advising <i>the market</i> of the intention to start tendering within the next 12 months. It may be used to seek the views from interested parties on proposed packaging arrangements.
<b>Public Contracts Regulations 2015.</b>	Statutory Instrument SI 2015/112 Public Contracts Regulations effective date 26 February 2015 (which implements the <i>EU Directive 2014/24/EU</i> into UK law).
<b>Quotation</b>	A quotation of price and any other relevant matter (without the formal issue of an invitation to tender). (The contract will be subject to the Council's standard terms and conditions.)
<b>Relevant Contract</b>	Contracts to which these <i>CSOs</i> apply.
<b>Restricted procedure</b>	Two stage process defined in the Regulations that involves a pre-qualification assessment of all candidates responding to a Contract Notice prior to deciding who will be invited to tender.
<b>Select list</b>	<p>A tender list compiled following expressions of interest received from external organisations who have responded to an:</p> <ul style="list-style-type: none"> <li>• Advertisement appearing in a local news-paper and/or trade journal (if considered appropriate); and/or</li> <li>• Publication on the Council's website; and/or</li> <li>• <i>OJEU</i> Contract Notice (except for non-priority [Part B] services – a Voluntary <i>OJEU</i> Contract Notice may be considered), if the estimated value is above <i>EU threshold</i></li> </ul>
<b>Shared services</b>	Means a joint working arrangement between the Council and other local authorities (for example, the Royal Borough of Kensington & Chelsea and Westminster City Council).
<b>Shared Services Procurement Protocol for Joint Contracts.</b>	The Protocol requires officers responsible for procurement to explore the opportunity for collaboration as a matter of course and seek direction from the relevant Service Director where this is considered not to be in the best interest of the Council.
<b>Shared Services</b>	This is a set of mandatory rules agreed by the councils that share services

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
<b>Procurement Code.</b>	and which shall be followed by all service directorates in conducting all procurement and contracting activity above agreed financial thresholds.
<b>Shortlisting</b>	Where <i>Candidates</i> are selected: <ul style="list-style-type: none"> <li>• to quote or bid, or</li> <li>• to proceed to final evaluation.</li> </ul>
<b>Social and Other Specified Services</b>	High level definition contained Schedule 3 of the Regulations <ul style="list-style-type: none"> <li>• Health, social and related services</li> <li>• Administrative social, educational, healthcare and cultural services</li> <li>• Compulsory social security services</li> <li>• Benefit Services</li> <li>• Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership organisation services</li> <li>• Religious services</li> <li>• Hotel and restaurant services</li> <li>• Legal services, to the extent not excluded by regulation 10(1)(d)</li> <li>• Other administrative services and government services</li> <li>• Provision of services to the community</li> <li>• Investigation and security services</li> <li>• International services</li> <li>• Postal services</li> <li>• International services; and</li> <li>• “Miscellaneous” Services</li> </ul>
<b>Supervising Officer</b>	The <i>Line Manager’s</i> immediate superior.
<b>TAP</b>	-see <i>Tender Appraisal Panel</i> .
<b>Tender documents</b>	Documents issued by the Council specifying what it wishes to purchase, the contractual terms and conditions for the tender and instructions for responding with bids.
<b>Tender</b>	A <i>tenderer’s</i> proposal submitted in response to an invitation to tender.
<b>Tender Appraisal Panel (TAP)</b>	A panel constituted to manage all tendering processes (as defined in CSO 7.6).
<b>Tender Record Book</b>	The log kept by the Mayor’s Secretary to record details of tenders. (made up of the tender opening forms)
<b>Tenderer</b>	‘tenderer’ means an economic operator that has submitted a tender
<b>Total Value</b>	The whole of the value or estimated value (in money or equivalent value) for

<b><u>Defined term</u></b>	<b><u>Definition/description</u></b>
	<p>a single purchase or disposal excluding VAT.</p> <ul style="list-style-type: none"> <li>• Whether or not it comprises several lots or stages.</li> <li>• To be paid or received by the Council or a <i>discrete operational unit</i> within the Council.</li> </ul> <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 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 scheme or contracts which may be awarded as a result.</p> <p>(e) For nominated suppliers and sub-contractors, the total value shall be the value of that part of the main contract to be fulfilled by the <i>nominated supplier or sub-contractor</i>.</p> <p>(f) Where an in-house service provider is involved, by taking into account redundancy and similar/associated costs.</p>
<b>Trade advertisement</b>	Suppliers or services providers who have placed advertisements in reputable trade journals, magazines and publications (including local Yellow Pages, Thompson Directory, & etc).
<b>UK</b>	United Kingdom
<b>Value for money</b>	Value for money is not the lowest possible price; it combines goods or services that fully meet the Council's needs, with the level of quality required, delivery at the time you need it, and at an appropriate price.