



# **CONTRACT STANDING ORDERS**

Under Section 135, Local Government Act 1972

July 2015

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## Purpose and Scope

1. The Council is required by Section 135 of the Local Government Act 1972 to make standing orders in respect of contracts for the supply of goods and services or for the execution of works.
2. This Act requires that these Contract Standing Orders (CSO):-
  - a) **secure competition**; and
  - b) regulate the manner in which **tenders** are invited.
3. In addition, the Act allows for exemptions to these CSO.
4. Over and above the Act's requirements, these CSO incorporate Council standards for contracting conduct, specifically:-
  - a) that all contracts be able to demonstrate **value for money**;
  - b) requisite **behaviours** are shown in terms of integrity, fairness and exposure to risk; and
  - c) contracts support Corporate and Service **aims and policies**.
5. Contract Standing Orders apply to all contracts awarded by the Council for works, services and supplies irrespective of the source of funding. They equally apply to contracts awarded by any person, firm or body on behalf of the Council. Exceptions are those listed in 6 below.
6. Contract Standing Orders do not apply to contracts for the:
  - (a) lending or borrowing of money; or
  - (b) employment of an individual as a direct employee of the Council.
7. These CSO are part of the Council's Constitution and must be complied with together with the Council's Financial Regulations. They should be read in conjunction with the Council's Procurement Strategy and Buyer's Guide which set out guidance on the application of and compliance with these CSO. They take precedence over the delegated powers of Members and Officers. **Non-compliance may result in disciplinary action.**

## Securing Competition

### Estimating Contract Values

8. Before advertising any contract, an Officer with appropriate budgetary authority must estimate its value. The value estimated will determine the appropriate procurement route to use whether this be under these CSO or EU Directives / Public Contracts Regulations.
9. The estimated contract value must not be calculated in a way that is designed to avoid exceeding threshold values whether these are CSO or EU thresholds.
10. For the purpose of these CSO, the value of a contract is the expected amount of money that will be received by the contracted person or organisation over the life of the contract and must take into account similar purchases from different Service areas across the Council. Where some of the funding is provided by another organisation, this funding must also be taken into account when estimating the contract value.

### Demonstrating Value for Money

11. Every procurement process and contract must be designed to achieve Best Value for the Council.
12. In these Contract Standing Orders, Best Value means the optimum combination of whole-life costs and benefits to meet the Council's requirement.
13. Before undertaking a new procurement process or awarding a new contract the appropriate Officer of the Senior Management Team or Lead Officer must establish whether the Council's requirement can be met through any existing contract, and ensure that the estimated value can be met from the appropriate budget (capital or revenue).

### Officer Responsibilities

14. Before beginning a contract-letting process, the Officer **must**:
  - (a) appraise the need for the expenditure and its priority;
  - (b) ensure there is budgetary provision for the contract;
  - (c) define the objectives of the contract;
  - (d) identify whether there is an existing Framework Agreement;
  - (e) assess the risks associated with the contract and how to manage them;
  - (f) in conjunction with the Corporate Procurement Unit select the most appropriate procurement method that is most likely to achieve the Council's objectives. This may include considering whether the procurement can be provided by the Council's own staff and resources although value for money considerations will still apply;
  - (g) consult users as appropriate about the proposed procurement method, contract standards, and also performance and user satisfaction monitoring;
  - (h) consider the whole-life costs of the contract;
  - (i) ensure that evidence that the above has been undertaken is available to either the Monitoring Officer or auditors upon request.

- (j) Where the contract is for the provision of services and the value is above EU thresholds complete the Social Value Form (Appendix 10) and include its considerations in the procurement planning.

## Advertising

- 15. Where the total value of the contract is less than £10,000 the Officer may identify potential Candidates using the most cost-effective and reasonable methods. This may include referring to advertising, catalogues, business directories, Yellow Pages, proven track records etc.
- 16. Unless selecting candidates from a Framework Agreement, all contracts over £10,000 must be notified to the Corporate Procurement Unit and will be advertised on Contracts Finder and on the Council's web-site.
- 17. Where the total value of the contract is greater than £10,000 and it is considered that suitable suppliers will be difficult to find then tenders may also be invited by means of an advertisement in one or more trade journals as the Executive Director considers appropriate.
- 18. For all contracts for more than £10,000, Officers must allow at least four weeks from the date of advertising until the deadline for the submission of tenders, or pre-qualification questionnaires when the Restricted Procedure is used. If the contract value is over the relevant EU Threshold the EU regulation time limits apply.
- 19. Guidance on the requirements for advertising in the OJEU are available from either the Corporate Procurement Unit or the Monitoring Officer. Whenever a Contract Notice is placed in the OJEU, the information to be provided in any other publication must not exceed that placed in the OJEU. Under the Public Contracts Regulations 2015, when a Contract Notice is to be placed in the OJEU, no other advert may be placed until at least 48 hours after the despatch of the OJEU Notice.

## Framework Agreements

- 20. Framework Agreements are a formally-tendered arrangement where general terms and conditions are agreed that will apply to individual contracts let during the Framework period. The purpose of a framework is to provide a degree of flexibility and to avoid the need for repeated tenders of a similar nature.
- 21. As there are specific rules that need to be followed for Framework Agreements, all Frameworks must be let in conjunction with the Corporate Procurement Unit.
- 22. The Corporate Procurement Unit maintains a central record of internal Framework Agreements, and will monitor compliance with them. Where a Framework Agreement exists, all Council staff are required to obtain goods or services from the agreed contractor(s)/ supplier(s) on the terms and conditions contained in the Agreement.
- 23. Contracts based on existing Framework Agreements may be awarded by either:
  - 23.1. applying the terms laid down in the Agreement (where such terms are sufficiently precise to cover the particular call-off) to any or all of the suppliers specified within the Agreement without further competition; or

23.2. where the terms laid down in the Agreement are not sufficiently precise or complete for the particular call-off, by holding a mini-competition in accordance with the following procedure:-

23.2.1. inviting all those suppliers within the Agreement that are capable of undertaking the requirements of the contract to submit written quotations;

23.2.2. fixing a time limit which is sufficiently long to allow quotations for each specific contract to be submitted, taking into account factors such as the complexity of the proposed contract;

23.2.3. awarding each contract to the supplier who has submitted the best quotation on the basis of the award criteria set out in the original tender for the Framework Agreement.

24. Frameworks established by a Public Buying Organisation (PBO), such as ESPO, Pro5 or the Crown Commercial Service, are considered as a legitimate procurement route. Indeed, any framework established by a compliant tender procedure, which specified in the relevant OJEU Contract Notice that the framework would be open to our authority or a group of authorities of which we are a part, is a compliant procurement route.

25. To enable the PBO that established the framework to monitor its use, as they are required to do under Public Contracts Regulations, it is essential that we notify the “owner” of an external framework when we intend to use it. Some PBOs will require us to sign an Access Agreement prior to using their framework agreement.

## Inviting Tenders

26. Where the total value of a purchase is within the values in the first column below, the award procedure in the second column must be followed. At any time, Portfolio Holders may oversee and scrutinise any part of the quotation or tender process. The numbers stated are the minimum requirement.

Total Value	Award Procedure	Receipt and Short-listing
Up to £5,000	At least one written quotation.	Officer and, if desired, the relevant Executive Director
£5,000.01-£10,000	Three suppliers to be invited to submit written quotations.	Officer and, if desired, the relevant Executive Director
£10,000.01-£100,000	Contract advertised on the Council's web site and on Contracts Finder. Three tenders on standard tender forms from candidates who have received a formal Invitation to Tender.	An Officer with appropriate authority within the register of officer financial authorisation levels, the relevant Executive Director or a nominated deputy.
Above £100,000	Contract advertised as above. Four tenders on standard tender forms from candidates who have received a formal Invitation to Tender.	Returned to the Monitoring Officer and evaluated by the Officer and appropriate Executive Director.
Above EU Threshold	Contract Notice placed in OJEU. Five tenders on standard tender forms from candidates who have received a formal Invitation to Tender	Returned to the Monitoring Officer and evaluated by the Officer and appropriate Executive Director.

27. Where it can be demonstrated that there are insufficient suitably qualified candidates to meet the competition requirement outlined in the above table, all known suitably qualified candidates must be invited.

28. Where the total value exceeds the EU Threshold, the Officer must consult the Corporate Procurement Unit to determine the appropriate EU Procedure to conduct the purchase and the time-scales involved.

## Pre-Qualification or Short-listing

29. For contracts below EU thresholds, the use of Pre-Qualification Questionnaires (PQQs) is prohibited in the Public Contracts Regulation 2015. For works contracts the standard PAS91 questionnaire may be used. (This can be downloaded free of charge from the BSI website.) Above EU thresholds only the standard PQQ issued by the Cabinet Office may be used. This means that, in most cases, the "Open" procedure must be used where all those expressing interest in a tender must be sent an Invitation to Tender document.

## Invitation to Tender

30. The Invitation to Tender (ITT) must state that the Council is not bound to accept any tender.
31. The ITT must include the criteria that will be used for the evaluation of tenders and for making the contract award decision. In most cases the criteria will be a mix of price and quality factors. Whenever possible whole life costs of the contract should be evaluated rather than simply any initial capital outlay. Quality criteria must be as objective as possible and the ITT must be clear about how each criterion will be measured. Unless there is a fixed budget / price for the contract, price must account for a minimum of 30% of the evaluation.
32. The ITT must include a specification as per CSO 36 - 40.
33. All candidates invited to tender must be issued with the same information at the same time and subject to the same conditions. The ITT must provide a contact point for queries about the process or the specification. Queries should be submitted by email and any responses that provide additional information or clarification must be circulated simultaneously to all candidates by the same means. Care must be taken during any site visits or other direct contact with candidates to ensure that no information is provided verbally that is not provided to all candidates.
34. The ITT must provide details of the address and deadline for responses and forbid submission by any electronic means (i.e. by fax or e-mail). If the Council invests in a secure electronic tendering system then tenders may be uploaded to this type of system. (It will become a legal requirement to use this type of system for tenders over EU thresholds by October 2018)
35. The ITT shall include the following:-

For all informal quotations over £5,000, candidates must sign the Non-Collusion/ Prevention of Corruption Certificate	
<b>Contracts between £10,000 and £100,000</b>	<b>Contracts over £100,000</b>
Must state the award criteria in objective terms, in descending order of importance and, if possible, provide precise weightings.	Must state the award criteria in objective terms and provide precise weightings.
Must include a Tender Response Form, and a Non-Collusion/ Prevention of Corruption Certificate.	Must include a Tender Response Form, and a Non-Collusion/ Prevention of Corruption Certificate.
Must include a warning regarding the Freedom of Information Act.	Must include a warning regarding the Freedom of Information Act.
Must either include the contract terms or state that a Purchase Order will be issued that will be subject to the Council's standard Conditions of Purchase available on the Council's website.	Must include the contract terms, or an industry standard contract such as JCT for building works.
Must include a warning that the Council will publish details of all payments over £500 and all contracts or purchase orders over £5,000 on its website.	Must include a warning that the Council will publish details of all payments over £500 and all contracts or purchase orders over £5,000 on its website.

	Must incorporate the Council's Whistleblowing Policy.
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A template for the ITT will be available on Insite in the near future.

## Specifications

36. A specification is often defined as "a statement of needs to be satisfied by the procurement of external resources". Its purpose is to present prospective suppliers with a clear, accurate and full description of the Council's needs and so enable them to propose a solution to meet those needs.
37. The supplier's response to the requirement is evaluated to arrive at, depending upon the procurement strategy, either the supplier to be awarded the contract, or those suppliers invited to take part in negotiations. The requirements in the specification subsequently become incorporated in the contract with the successful supplier.
38. Specifications must not be discriminatory or distort potential competition or consist of non-commercial matters. Specific products, sources or processes must not be specified unless this is essential for meeting the Council's requirement and the Specification permits the use or provision of an equivalent product, source or process. Wherever appropriate, a non-discriminatory quality standard should be specified.
39. Specifications (and subsequent contracts) must incorporate any approved contract conditions reflecting legal requirements or the policies of the Council issued from time to time. In addition, the minimum levels of insurance cover set out in Appendix 4 must be incorporated.
40. The specification must be fully prepared before the contract opportunity is advertised and appropriate technical advice must be obtained, when necessary, to ensure that the specification is clear and unambiguous.

## Submission of Tenders

41. There is a proscribed procedure for the submission, receipt and opening of tenders which can be found in Appendix 2 and which must be followed at all times.

## Evaluation, Post-tender Negotiations and Contract Award

42. Appendix 2 also describes the procedure to be followed for evaluation of tenders, post-tender negotiations and contract award.

## Exemptions

43. Exemptions from these Standing Orders are provided for in the Constitution. An exemption allows a contract to be placed by direct negotiation with one or more suppliers. Exemptions may be granted if they fall within one of the following categories:-
- 43.1. The work to be executed or the goods or services to be supplied constitute the first valid extension of an existing contract, which has been procured through a compliant tender exercise, provided that such an extension has received the necessary budget approval and does not exceed the value of the original contract or the next value threshold. Contracts must not be extended where the total value will exceed the EU Threshold unless originally tendered via an EU procedure and allowed for in the scope published in the original OJEU Contract Notice;
  - 43.2. The work to be executed or the goods or services to be supplied consist of repairs to, or parts for, existing proprietary machinery, where such repairs or parts are specific to that machinery OR upgrades to existing software packages;
  - 43.3. Works, supplies or services are urgently needed for the immediate protection of life or property, or to maintain the immediate functioning of a public service for which the Council is responsible. In such cases the contract must last as long as is reasonably necessary to deal with the specific emergency;
  - 43.4. The Executive Director decides that special circumstances make it appropriate and beneficial to negotiate with a single firm or that a single tender be invited. This will include occasions when it can be established that there is only a single source available or where the Executive Director or his/her designate can demonstrate that best value for the Authority can be better achieved by not tendering.
  - 43.5. Artistic works or performances.
44. Exemptions under these Contract Standing Orders **cannot** be granted if the EU Procedure applies. However, if you consider that there are legitimate reasons to defer a tender that is over the EU threshold then guidance must be obtained from the Monitoring Officer.
45. All exemptions, and the reasons for them, must be recorded using the form in Appendix 9. Exemptions shall be signed by the Officer's Executive Director and approved in writing by a Procurement Officer and by the Monitoring Officer.
46. The Monitoring Officer has the power to make technical amendments from time to time to make these Contract Standing Orders consistent with legal requirements, changes in Council structures and personnel and best practice, after consulting the Assistant Director the Audit Manager and the Corporate Procurement Unit.

## Further Advice and Officer Responsibilities:

### 47. FURTHER ADVICE

Monitoring Officer:	Emma Duncan	01553 616270
Safety & Welfare Adviser:	Dave Clack	01553 616368
Procurement Officers:	Tony Hague	01553 616791
	Martin Gibbs (Trainee)	01553 616248

### 48. OFFICER RESPONSIBILITIES

#### 48.1. Officers

- a) The Officer responsible for purchasing or disposal must comply with these Contract Standing Orders, Financial Regulations and with all UK and European Union binding legal requirements.
- b) The Officer must keep the records demonstrating compliance with 48.1(a) above.
- c) Tender procedures must be conducted in accordance with Standing Orders 26 - 42.
- d) Officers must ensure that agents or Consultants acting on behalf of the Council also comply with the requirements of these Standing Orders. Such agents or Consultants must not make any decision as to whether to award a contract or whom a contract should be awarded to.
- e) Officers must take all necessary legal, financial and professional advice, including advice from the Corporate Procurement Unit.
- f) Consider whether and, if so, in what form it might be prudent to obtain a formal guarantee or warranty from the contractor.

#### 48.2. Executive Directors

Executive Directors must:

- (a) ensure that their staff comply with these Contract Standing Orders.
- (b) keep a **register** of:
  - Tenders received for contracts valued between £10,000 and £100,000.
  - exemptions recorded under Standing Order 43.

#### 48.3. Further details about roles and responsibilities can be found in Appendix 11

## Appendix 1: Definitions

- "Assistant Director" - The designated Chief Finance Officer providing financial advice to the Council
- "Candidate" - Any person or company who asks or is invited to submit a quotation or tender.
- "Code of Conduct" - Either the code regulating conduct of officers issued by the Chief Executive or Executive Director, Central Services or the Code of Conduct for Members as defined in the Council's Constitution.
- "Consultant" - Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the Council has no ready access to the skills, experience or capacity to undertake the work.  
Where a person is employed on a temporary employment contract via Personnel Services or is employed via an Agency, such a person would NOT normally be considered to be a Consultant for the purposes of Contract Standing Orders, but will be considered to be an Officer if the work they do concerns part or all of the contracting process.
- "Contracting Decision" - Any of the following decisions:
  - short-listing
  - award of contract
  - any decision to terminate a contract.
- "Council's Standard Contractual Terms" - A standard form of written contract (available from the Monitoring Officer) or any other written contract approved by the Monitoring Officer. The terms will usually include: -
  - when the Council will have the right to terminate the contract;
  - that the contract is subject to the law as to prevention of collusion and corruption
  - any insurance requirements
  - data protection requirements (if relevant);
  - where agents are used to let or manage contracts, that agents must comply with the Council's Contract Standing Orders relating to contracts, as well as the Council's Financial Regulations;
  - a right of access to relevant documentation and records of the contractor for monitoring and audit purposes (if relevant).
  - details of whether variations to the specification are permitted;
  - that the contractor may not assign or sub-contract without prior written consent
- "EU Procedure" - The procedure required by the European Union procurement regulations where the total value exceeds the EU Threshold. There are essentially five main means of seeking tenders using the EU Procedure: Open; Restricted; Competitive Procedure with Negotiation; Competitive Dialogue and Innovation Partnership. Guidance as to the different time-scales and procedures involved should be obtained from either the Corporate Procurement Unit.

- "EU Threshold" - The contract value at which European Union public procurement directives must be applied, currently £172,514 for the supply of goods or services and £4,322,012 for works contracts (NB figures are from 1 January 2014 and normally change every two years). If in doubt as to which threshold is appropriate or for more up to date thresholds, consult the Corporate Procurement Unit or the Monitoring Officer.
- "Irregular Tender" - A tender that is not sealed, is received after the appointed time for receipt or is in an envelope that has a mark identifying the candidate.
- "Monitoring Officer" - The designated Monitoring Officer, as defined in the Constitution. Currently the Legal Services Manager.
- "Non-Commercial Considerations":
- (a) the terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of, or the other opportunities afforded to, their workforces ("Workforce matters");
  - (b) whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only;
  - (c) any involvement of the business activities or interests of contractors with irrelevant fields of Government policy;
  - (d) the conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons ("industrial disputes");
  - (e) the country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors;
  - (f) any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees;
  - (g) financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support;
  - (h) use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959.
- "Officer" - The officer designated by the relevant Executive Director to deal with the contract in question. A contractor or any person, whether an employee of the Council or not (e.g. an appointed Consultant or agent) who has been designated to manage or supervise, in whatever capacity, on behalf of the Council, is deemed to be an Officer for the purposes of these Contract Standing Orders.
- "OJEU" - An abbreviation of the Official Journal of the European Union which is the advertising medium for the EU. Advertisements, or "Contract Notices" are placed in the publication each day, including weekends. In addition Contract Award Notices are published to inform interested parties of the details of the contract's award.

- "Open Procedure" - All candidates responding to the advertisement are invited to tender.
- "Parent Company Guarantee" - A contract which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a contract with the Council, the Council can require the parent company to do so instead.
- "Performance Bond" - An insurance policy: if the contractor does not do what it has promised under a contract with the Council, the Council can claim from the insurer the sum of money specified in the Bond (often 10% of the contract value). A Bond is intended to protect the Council against additional costs arising from the contractor's failure.
- "Preferred Bidder" - A participant in a tender exercise that comes top in the initial evaluation of the tenders. Further clarification of tender details or checks on the candidate's financial, health & safety or insurance position may be necessary prior to a contract award decision being confirmed.
- "Public Buying Organisation" - Network of public sector organisations that collectively arrange or obtain framework agreements for the procurement of goods or services. For example, Crown Commercial Services, Eastern Shires Purchasing Organisation, Central Buying Consortium and Yorkshire Purchasing Organisation. Where appropriate, EU regulations must have been complied with by the Public Buying Organisation concerned and such bodies are themselves bound by EU Procedures in terms of their own procurement.
- "Quotation" - A written quotation of price and any other relevant matter for contracts valued at less than £10,000. They can be submitted in an informal manner such as a letter or email and can be received and opened by the Officer and, if appropriate, their Executive Director.
- "Record Book" - The log kept by the Executive Director to record details of tenders up to £100,000 relating to his or her service areas
- "Restricted Procedure" - Candidates responding to the advertisement are sent a Pre-Qualification Questionnaire and a "restricted" short-list is then created based on the evaluation of the questionnaire responses.
- "Tender Record Book" - The log kept by the Monitoring Officer to record details of tenders over £100,000.

## Appendix 2: Tender Processes

### SUBMISSION, RECEIPT AND OPENING OF TENDERS

1. Candidates invited to respond must be given an adequate period in which to prepare and submit a proper tender, consistent with the urgency of the contract requirement. At least **four weeks** must be allowed for submission of tenders. The EU Regulations lay down specific time periods depending upon which EU Procedure is used. If in doubt, consult the Corporate Procurement Unit. All candidates must be advised of the deadline date and time, as well as the address to which tenders are to be submitted. This must be the same for all candidates for a contract.
2. All tenders for contracts up to £100,000 must be returned to the relevant Executive Director, or their nominated deputy, in a plain envelope that has been securely sealed and bears the word "TENDER". The envelope must include either the name or a brief description of the contract for which the bid relates but must not include any information whatsoever as to the identity of the person or firm submitting the tender.
3. All tenders for contracts over £100,000 must be returned to the Monitoring Officer in a plain envelope that has been securely sealed and bears the word "TENDER". In addition, the envelope must include either the name or a brief description of the contract for which the bid relates. It is good practice to supply a standard form of label with the ITT for tenderers to attach to their envelope.
4. The Officer must not disclose the names of candidates to any staff involved in the receipt, custody or opening of tenders in advance of them being opened.
5. Tenders submitted electronically (e.g. e-mail or fax) must be rejected, because when the Officer is aware of the name of the supplier and content of the offer they can be open to accusations of communicating that information to other potential suppliers. Envelopes that are not sealed, or which display information which identifies the name of the person or firm submitting the tender, must be rejected for the reason given above and will be considered Irregular Tenders.
6. The Monitoring Officer shall be responsible for the safekeeping of tenders for contracts over £100,000 until opening. Receipt of each tender must be initialled and dated by the receiving officer.
7. Where a tender has been received which is an Irregular tender, the Officer shall, before opening any of the tenders, submit a report to the Executive Director and the Monitoring Officer, giving details of the Irregular tender. If, having considered that report, the Executive Director and the Monitoring Officer both consider that the candidate submitting the Irregular tender has gained no advantage from its irregularity, they may determine to accept it. In this case, they may authorise that it be opened and evaluated together with any other tenders in accordance with Standing Orders 40 and 41. The Executive Director and the Monitoring Officer shall record in writing the reasons why each Irregular tender has been accepted or rejected and sign and date the record in either the Executive Director's, or Legal Services' Tender Record Book or as appropriate for the contract
8. No tender shall be opened until after the date and time appointed for the receipt of tenders for the proposed contract. Tenders must be opened at the same time, in the presence of at least two officers.
  - 8.1. For tenders up to £100,000 the two officers must be designated for the purpose by the Executive Director responsible for the contract to which the tender relates.

- 8.2. For tenders over £100,000 they must be opened by the Executive Director responsible for the contract, to which the tender relates, and the Monitoring Officer or their nominated deputies.
9. Where tenders have been invited for any proposed contract that has been estimated to exceed £100,000, the relevant Portfolio Holder or their nominated representative must be invited to the tender opening.
10. Immediately upon the opening of tenders up to £100,000:
- 10.1. The first page of the tender must be signed by both of the nominated representatives of the relevant Executive Director, with the date and time added;
  - 10.2. The name of each person or firm from whom a tender has been submitted and the amount thereof must be entered in the Record Book. Each contract should be recorded on a separate page, with a heading briefly describing the proposed contract to which the tender relates;
  - 10.3. The relevant page in the Record Book will be ruled off below the last tender entered and the page signed by both of the nominated officers;
11. Immediately upon the opening of tenders over £100,000:
- 11.1. The first page of the tender must be signed by the relevant Executive Director and the Monitoring Officer or their nominated deputies, with the date and time added;
  - 11.2. The name of each person or firm from whom a tender has been submitted and the amount thereof must be entered in the Tender Record Book. Each contract should be recorded on a separate page, with a heading briefly describing the proposed contract to which the tender relates;
  - 11.3. The relevant page in the Tender Record Book will be ruled off below the last tender entered and the page signed by the two officers and countersigned by the relevant Portfolio Holder, whenever the Portfolio Holder is present at the tender opening.
12. If documents are found to be missing from a tender submission, the appropriate candidate should be contacted and afforded the opportunity to submit the missing information by email within 24 hours of the tender being opened. Any candidate who then fails to supply the required information can be rejected on the grounds that they have failed to comply with the requirements of the specification.
13. The relevant Executive Director, or their nominated deputy, should retain opened envelopes until the evaluation processes have been completed. After this they should be retained in accordance with the Council's Retention Policy.
14. If there appears to be an error or omission in a bid or supporting information, the candidate must be invited to confirm or withdraw the bid. Where the error relates to the tendered total sum as calculated from the submitted rates and variable quantities, the bid will be regarded as the total bid and the rate adjusted accordingly. The candidate will be invited to confirm or withdraw the bid and resulting rate. This is to ensure that the subsequent evaluations or Post-Tender Negotiations are undertaken on the basis that initial bids have been submitted on an even basis and to the same specification (but see paragraph 15 below).

## **CLARIFICATION PROCEDURES**

15. After opening the quotation or tender submissions, it may be apparent that one or more of the companies that have submitted bids has misinterpreted the specification. If it is clear that this was as a result of an error or ambiguity in the specification, the Monitoring Officer must be consulted as to whether all contractors should be provided with a revised

specification that identifies and corrects the error or ambiguity and provides them with the opportunity to amend their bid.

## **EVALUATION, POST-TENDER NEGOTIATIONS AND CONTRACT AWARD**

### **Evaluations**

16. Confidentiality of tenders and the identity of candidates must be preserved at all times. Information about one candidate's response must not be given to another candidate. This includes the situation where one part of the Council is a candidate that is being considered for a contract by another part of the Council. In such an eventuality, the two sides of the process must be clearly divided between candidate and client, with no advantage being passed to the internal candidate, in order to be able to demonstrate that the contract has been let on purely objective criteria.
17. Contracts must be evaluated and awarded in accordance with the award criteria notified in the ITT. The decision as to which contractor is successful must be made by an Executive Director, in conjunction with the relevant Portfolio Holder when required by the Council's Constitution.
18. If a presentation or interview is to be part of the evaluation process then the guidelines found in Appendix 3 should be followed.

### **Post-Tender Negotiations**

19. Post-tender negotiation means negotiations with any candidate after submission of a tender and before the award of the contract with a view to obtaining an adjustment in price, delivery or content. It must not be conducted in an EU Procedure where this might distort competition particularly with regard to price, except where the EU Procedure permits this. For contracts being let using an EU Procedure, post-tender negotiations must not be conducted without the prior approval, in writing (email), of the Monitoring Officer.
20. Where post-tender negotiation results in a fundamental change to the specification, or the contract terms, the contract must not be awarded but must be re-tendered.
21. Post-tender negotiations must be conducted by a Procurement Officer, together with a representative nominated by the Executive Director responsible for the contract area.
22. Detailed notes must be kept of the meetings and these notes must be capable of being incorporated into the contract, to clarify what was meant in the specification.
23. Post-tender negotiation must only be conducted in accordance with the guidance set out in paragraphs 19 – 22 above.

### **Contract Award**

24. All candidates must be notified simultaneously, and as soon as possible, of any contracting decision. For contracts where the total value exceeds £10,000:
  - 24.1. The notification must be in writing, either by email or post;
  - 24.2. In all cases the following information should be given to unsuccessful candidates:
    - 24.2.1. their overall score
    - 24.2.2. the name and overall score of the successful candidate
    - 24.2.3. the approximate value of the contract

- 24.3. For contracts let using an EU Procedure the following additional information should also be given to unsuccessful candidates:
- 24.3.1. their score for the individual criteria used in the evaluation
  - 24.3.2. the score of the successful candidate for the individual criteria used in the evaluation
  - 24.3.3. the reasons for the individual scores
- 24.4. It is good practice to provide the additional information in 24.3 above in all cases regardless of contract value.
- 24.5. Unless authorised by the Monitoring Officer, no further information should be given to unsuccessful candidates.
25. For all contracts let using an EU Procedure, a statutory standstill period of at least 10 days must be provided for between communicating the contract award decision and the successful contractor signing the contract, in order to allow the decision to be challenged by unsuccessful candidates.

### **Retention of Documents**

26. Where the Total Value is below EU Thresholds, the following documents must be kept:-
- 26.1. any relevant Exemption Forms;
  - 26.2. a copy of the advertisements placed on the Council's website and on "Contracts Finder";
  - 26.3. the Invitation to Tender, including the Specification and the Award Criteria;
  - 26.4. all quotations or tenders received;
  - 26.5. details of the evaluation of the quotations or tenders, demonstrating reasons if the lowest price is not accepted;
  - 26.6. minutes of any clarification or post-tender negotiation meetings;
  - 26.7. written records of communications with the successful contractor or an electronic record if a written record of the transaction would not normally be produced.
27. Where the Total Value exceeds EU Thresholds the following documents must be kept, in addition to those listed in paragraph 26 above: -
- 27.1. a copy of the OJEU Contract Notice;
  - 27.2. a copy of the Social Value Form (for services contracts)
28. Written records required must be kept in accordance with the Council's Retention Policy.

## Appendix 3: Presentations and Interviews as Part of the Selection Process

If a formal interview or presentation is to be sought from some or all the candidates:

- (a) Careful consideration needs to be given as to how the interview or presentation process will benefit and be incorporated into the evaluation methodology. Careful consideration of the questions, and who is to put them to the Candidates involved is required;
- (b) If the interview panel is to comprise Members, the Members concerned should be involved in the process of deciding upon the information required from the candidates involved.
- (c) Normally, at least two candidates should be invited to make presentations or attend interviews. Moreover if tenders submitted have been rejected to enable a presentation stage to take place then unsuccessful candidates must be notified. Ordinarily a presentation stage should be explained in the ITT.
- (d) They must be held before the contract is awarded;
- (e) All candidates invited to attend for interview or provide a presentation are to be considered as equals ahead of the interview/ presentation, with no preferred bidder being identified;
- (f) Consideration needs to be given as to how (or if) new information, not previously presented by the candidates, is to be incorporated into the evaluation model. The ITT must clearly state whether the presentation will account for a defined part of the evaluation scoring by itself or, whether information from the presentation may be used to modify initial scoring based solely on the written tender.

## Appendix 4: Insurances

### Introduction

1. There has been a continuing debate about the level of insurance that the Council asks contractors to have, and the level that the contractors say they are able to obtain in the market, although that can sometimes be read as how much they are willing to pay for insurance.
2. The Council has a variety of contracts. They vary from substantial contracts for building and environmental improvement schemes, to quite small building works. A contract can be for a large redevelopment scheme, such as the Walks or NORA, to a contract for software.
3. This Appendix gives guidance to staff when requesting insurance for public liability and professional indemnity.

### The risks involved in a contract

4. The level of insurance should relate to the risks of the contract. The risks are the likelihood of an incident happening and the potential impact. The table below is intended as a guide to assessing the likely impact:

		<b>IMPACT</b>	
		Property	People
<b>High</b>	Value of building and/ or assets are in excess of £5m and damage could affect more than 25% of the building or assets.	and/ or	More than 5 people (members of the public and / or staff) would be put at risk of death or major injury.
<b>Medium</b>	Value of building and/ or assets are in excess of £2m and damage could affect more than 25% of the building or assets.	and/ or	More than 2 people (members of the public and / or staff) would be put at risk of serious injury.
<b>Low</b>	Value of building and/ or assets are in excess of £1m and damage could affect more than 25% of the building or assets.	and/ or	One or no persons (members of the public and / or staff) would be put at risk of serious injury.
<b>Trivial</b>	Value of building and/ or assets are less than £1m.	and/ or	No-one, other than the contractor, could reasonably be expected to be put at risk of injury.

The appropriate level of insurance

5. The normal insurance that is required is £5m but contractors have often asked if a lower level is acceptable. It is likely that a contractor has obtained a higher level (£5m) just for the Council contract, which could be seen as anti-competitive.
6. £10m may be required for larger projects such as the Walks, or NORA.
7. Using the simple risk matrix shown below the appropriate level of insurance can be decided:

		Likelihood		
		Remote	Unlikely	Could happen
I M P A C T	High	£5 million	£5 million	£10 million
	Medium	£2 million	£5 million	£5 million
	Low	£2 million	£2 million	£5 million
	Trivial	£1 million	£2 million	£5 million

Practical guidance

8. The usual contractor's insurance will be £5m. However where Executive Directors consider the risk to be high they should consult with the Accountant responsible for insurance to decide which level is appropriate taking into account the risk, likelihood and impact. If the Executive Director considers the risk to be low and warrants a reduced insurance level (£2 million or less), this will need to be agreed with the Accountant responsible for insurance.
9. The Executive Director and the Accountant will consider:
  - 9.1. Whether the proposed value of cover is appropriate
  - 9.2. The insurance is valid for the dates of the contract
  - 9.3. Any exclusions from the policy that might cause concern are considered
10. In the event of any dispute on the level of insurance to be taken, the final decision will rest with the Assistant Director.
11. The decision as to the level of insurance required needs to be taken early in the contract-letting process, in order to ensure that the subsequent documentation (e.g. Pre-qualification questionnaire, draft/ specimen contracts) is consistent and refers to the agreed limit, as this may affect the prices included within the contract.

## Appendix 5: Contract and Other Formalities

### CONTRACT DOCUMENTS

1. Every purchase must have either an Official Order, created through the Council's POP system, or the Council's standard Form of Contract. For contracts with a total value over £100,000 a formal contract must be used and must be sealed and signed by the Monitoring Officer.
2. Procedural and legal advice of the Monitoring Officer must be sought for the following contracts:
  - (a) those involving leasing arrangements;
  - (b) those which are complex in any other way;
  - (c) when it is proposed to use the supplier's own terms or conditions.

### Contract formalities

3. Contracts shall be completed as follows:

<u>Total Value</u>	<u>Method of Completion</u>	<u>By</u>
Up to £100,000	Evidenced in writing as described in 1 above	POP order authorised at the level appropriate to the value or, formal contract signed by the relevant Executive Director or by the Monitoring Officer.
Above £100,000, or below this amount if required by the Monitoring Officer.	In writing under seal	See below

4. For all contracts, no contractor or Consultant will commence work on a contract until they have met the following conditions, unless agreed otherwise in writing by the Monitoring Officer:-
  - 4.1. the contract has been concluded formally in writing in a form approved by the Monitoring Officer, except in exceptional circumstances, and then only with the written consent of the Monitoring Officer;
  - 4.2. Where relevant or required for the contract and, the Monitoring Officer has received a Parent Company Guarantee or Performance Bond and Deed of Warranties in a form approved by the Monitoring Officer;
  - 4.3. The Monitoring Officer has received proof that the contractor has the necessary insurance cover;
  - 4.4. The Officer has obtained approval of the Contractor's Health and Safety Policy & Procedures from the Council's Safety and Welfare Adviser except for supply only "goods" contracts.
  - 4.5. Note: An award letter or letter of intent is not considered to be a contract for the purpose of this clause. Such letters must state that their content does not amount to a formal acceptance of the tender and that there is no intention to create a legal relationship pending the execution of the formal contract. The letter must be approved by the Monitoring Officer.

## **Signature**

- 4.6. The Monitoring Officer must ensure that the person signing for the other contracting party has the authority to bind it.

## **Sealing**

- 4.7. Where contracts are completed by each side adding their formal seal, the fixing of the Council's seal must be witnessed by or on behalf of the Monitoring Officer or the Executive Director for Central Services, or otherwise in accordance with the Council's Scheme of Delegation. Every Council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the authority of Cabinet, the Portfolio Holder or an Executive Director acting under delegated powers. A contract must be sealed where:

- 4.7.1. the Council may wish to enforce the contract more than six years after its end; or
- 4.7.2. the total value exceeds £100,000; or
- 4.7.3. the Monitoring Officer requires that the contract needs to be sealed, where the amount is less than £100,000.

## **PERFORMANCE BONDS AND PARENT COMPANY GUARANTEES**

- 4.8. The Officer must consult with the Assistant Director and the Monitoring Officer in respect of all tenders where the total value exceeds £250,000 as to whether a Performance Bond and/ or Parent Company Guarantee or other similar security is required.
- 4.9. A record must be kept of the decision made after the consultation referred to in 4.8 above.

## **PREVENTION OF CORRUPTION**

- 4.10. The Officer must comply with his/her Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract. Council members must comply with the Councillors' Code of Conduct.
- 4.10.1. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal or removal from office and is a criminal offence.
  - 4.10.2. If any Officer or elected Member of the Council, who is involved in any way with a procurement process, has an interest themselves or has a close family member who has an interest in a candidate for the Contract which is the subject of that procurement they must declare the interest in writing to the relevant Executive Director.
  - 4.10.3. Attention is drawn to the Council's Whistle-blowing Policy, which is incorporated into the Staff Handbook and is available on the Council's website and Intranet and applies to all staff, Members, contractors and consultants.
  - 4.10.4. Officers and Members must be aware of the Bribery Act 2010, which introduced four offences of bribery as detailed in Section 2.2 of the Anti-Fraud and Anti-Corruption Strategy.
- 4.11. All Candidates for any contract with a total value greater than £5,000 must sign the Council's standard Non-Collusion and Prevention of Corruption Certificate when submitting either a quotation or a tender.
- 4.12. The Non-Collusion and Prevention of Corruption Certificate must be appended to any formal contract and form part of the "contract documents".

## Appendix 6: Contract Management, Monitoring and Evaluation

1. During the life of the contract the designated Officer must actively manage and monitor the contract/ contractor in respect of:
  - 1.1. performance
  - 1.2. compliance with the Specification and contract
  - 1.3. cost
  - 1.4. any requirements to improve Value for Money
  - 1.5. user satisfaction and risk management
  - 1.6. and in accordance with any corporate guidance.
2. Where the total value of the contract exceeds £100,000 the designated Officer must produce a written Contract Management Plan covering, as a minimum, routine information flows between the Council and the Contractor, the frequency of operational and formal review meetings and the attendees for those meetings, Key Performance Indicators (KPIs) and the target levels for those KPIs.
3. Minutes should be kept of all contract review meetings along with a report of recent KPI levels. Particular attention should be given to any failure to fulfil the specification and, where default procedures are provided in the contract these should be used to encourage prompt rectification of service or quality failures.
4. In the case of long-term contracts the Officer must manage contract development. This may be changes to service requirements, working with the contractor to reduce costs or improve value for money or other amendments.
5. Where the total value of the contract exceeds £250,000, the Officer must make a written report evaluating the extent to which the purchasing need and the contract objectives were met by the contract and the contracting processes (including the application of these Contract Standing Orders). This should normally be done when the contract is completed and will provide feedback to officers and Members as to the success or otherwise of the contract and the contracting processes.
6. Where the contract is to be re-let, a provisional report should also be available early enough to inform the approach to letting the subsequent contract. Consideration should be given to necessary changes to the specification for the next contract and possible changes to the contract award criteria.
7. The Officer should aim, where practicable, to ensure that payments made by the principal contractor to sub-contractors are made on time. (NB It is a legal requirement that all Council contracts include a clause requiring sub-contractors to be paid within 30 days).

## Appendix 7: Land and Property Transactions

1. This applies to acquisitions and disposals of property and land and to leases for a fixed term of more than seven years.
  - 1.1. All valuations and negotiations in respect of transactions shall be carried out under the supervision of the Property Services Manager or a properly qualified Member of the Royal Institution of Chartered Surveyors or equivalent appointed by the Council.
  - 1.2. All valuations prepared for the purpose of a transaction must be accompanied by evidence of the values of comparable properties in the locality.

### Acquisitions

2. No freehold or leasehold interest in land may be negotiated or acquired until an Officer with delegated powers as defined in the Council's Scheme of Delegation has obtained:
  - 2.1. A description of the property or land;
  - 2.2. Any information which may affect the value of the property or land including, where appropriate, reports of structural or potential contamination;
  - 2.3. The proposed purchase price or rent level, supported by any relevant evidence of comparable transactions;
  - 2.4. Any other terms and conditions.

### Disposals

3. Except as provided under paragraph 4 below land or buildings owned by the Council shall not be leased or sold other than on terms approved by persons with delegated powers as defined in the Council's Scheme of Delegation, setting out as appropriate in any particular case:
  - 3.1. an inspection report describing the property or land and its physical characteristics and development constraints;
  - 3.2. a report on title by the Monitoring Officer;
  - 3.3. any information from the Council's records or those of statutory undertakers which would affect the property or land's value or development potential, including any information concerning contamination or possible contamination resulting from the previous use of the land;
  - 3.4. an assessment of the potential for the use of the site or property by the Council;
  - 3.5. an assessment of the development potential of the property or land by the appropriate Council Planning Officer;
  - 3.6. an assessment of the value of the land or property being sold and a comparison between the assessed value and the price being sought from the potential purchaser, including details of any consideration, land exchange, or other pertinent fact as to the price or value of the land or property;

- 3.7. recommendations on the following:
  - 3.7.1.issues that need to be resolved before marketing the property or land can proceed;
  - 3.7.2.the method of disposal;
  - 3.7.3.the title to be transferred;
  - 3.7.4.the price the Council must receive along with the "asking" and "reserve price";
  - 3.7.5.whether legal and other costs must be recovered from the prospective purchaser and if so an estimate of their amount;
  - 3.7.6.the appointment of external advisers or agents;
  - 3.7.7.whether negotiations must proceed with a special purchaser.
4. These requirements shall not apply to the letting of the Council's industrial or commercial property or other short-term letting.
5. All disposals of property or land owned or leased by the Council shall be by one of the following methods:
  - 5.1. Private Treaty
  - 5.2. Public Auction
  - 5.3. Formal Tender
6. In the event that it is decided to dispose of property or land by way of a tender then so far as it is practicable the procedures laid down in Contract Standing Orders continue to apply.

## Appendix 8: Non-Collusion Certificate

I/ We certify that:

- a) The prices, specifications and all matters relating to the enclosed Tender/ Quotation have been arrived at independently, without consultation, communication, agreement or understanding for the purpose of restricting competition, as to any matter relating to such prices, specifications and all other matters, with any other person or Organisation;
- b) Unless otherwise required by law, the prices and other information which have been quoted in the Tender/ Quotation have not knowingly been disclosed, directly or indirectly, to any other person or Organisation, nor will they be so disclosed;
- c) No attempt has been made or will be made to induce any other person or firm to submit or not to submit a Tender/ Quotation nor to withdraw or amend a Tender/ Quotation which as either already been or is intended to be submitted for the purpose of restricting competition;
- d) No attempt has been made directly or indirectly to canvass any Councillor or employee of the Borough Council of King's Lynn and West Norfolk or anyone acting on its behalf concerning the award of the contract which is the subject of this invitation to tender.

In addition, no person acting on behalf of or representing the Company has:

- a) offered, given or agreed to give to anyone any inducement, gift or reward in respect of this or any other Council contract (even if I/ we do not know what has been done);
- b) committed an offence under the Prevention of Corruption Acts 1889 to 1916 (or any amendments of them) or Section 117(2) of the Local Government Act 1972 or the Bribery Act 2010; or given any fee or reward, or solicited or accepted any form of money, or taken any reward, collection or charge for performing the Works, other than bona fide charges previously approved in writing by the Council;
- c) committed any fraud in connection with this or any other Council contract whether alone or in conjunction with Council members, contractors or employees. I/ we accept that any clause limiting my/ our liability shall not apply to this clause.

The Council's Whistle-blowing Policy is incorporated into this contract in order to reinforce the above requirements and encourage anyone involved in the contracting process to come forward if they have concerns as to the propriety of the Council's contract-letting processes.

I understand that the Council may cancel the contract with me/ the Company if there is evidence of any failure on my/ our part to comply with any of the above and, if necessary, take legal action against me.

**Signed:**

**Name:**

**Date:**

**Position:**

**On behalf of:**

(Company Name)

## Appendix 9: Exemption Form

### RECORD OF THE EXEMPTION FROM OF THE REQUIREMENTS OF CONTRACT STANDING ORDERS

Contract name/ description:	
Contract Sum:	£
Anticipated date of Commencement of Contract:	
Anticipated date of completion of Contract:	
Contract Supervisor:	
Brief Contract Details:	
Reason(s) for being exempt from the requirements of Contract Standing Orders (i.e. details of which paragraph(s) in Standing Order 42 apply) :	
Signed _____ Executive Director	
Approved: _____ Procurement Officer Date:	Approved: _____ Monitoring Officer Date:

## Appendix 10: Social Value Form

### Public Services (Social Value) Act 2012

Procurement of .....

How could the services above contribute to improvements in the following aspects of the Council's area?	What action is necessary to encourage or achieve these outcomes?
Economic well-being?	
Social well-being?	
Environmental well-being?	
How could the procurement of this contract contribute to improvements in the following aspects of the Council's area?	What action is necessary to encourage or achieve these outcomes?
Economic well-being?	
Social well-being?	
Environmental well-being?	

Signed ..... Date ..... Officer's Name .....

**In order to comply with the Act, the Officer responsible for the procurement must complete this form and retain it in the contract file. The Officer must also ensure that the actions listed are included in the procurement process.**

## Appendix 11: Officer Roles and Responsibilities

### 1. All Officers

All Officers involved in procurement and contract management activities are required to familiarise themselves with, and adhere to, the Council's contract standing orders and financial regulations, ensuring that at all times:

- Public money is spent in a way that achieves value for money
- Procedures are followed consistently with the highest standards of integrity
- There is fairness, openness and transparency in the award of contracts
- All legal requirements are adhered to
- Non-commercial considerations do not influence any contracting decisions
- Decisions support the Council's corporate and service aims and policies
- Decisions comply with financial regulations, the Council's Procurement Strategy, health and safety requirements and competition requirements
- It can be demonstrated that the Council's interests have not been prejudiced nor exposed to unnecessary/unacceptable risks
- Comprehensive records are maintained
- Information is supplied to Procurement to enable compliance with Government transparency requirements

*All to attend the 'Introduction to Effective Procurement' course*

### 2. Procurement Team

Role:

The role of the procurement team is to provide a central contact/advice service to all Council Officers undertaking procurement activities. The team will provide professional advice and guidance, and practical assistance, on all aspects of the procurement process, in particular ensuring adherence to contract standing orders for contracts of a value in excess of £10k (currently). The role of the Procurement Officers is to provide a support service to Clients.

**Key Responsibilities:**

- **To provide advice on Contract Standing Orders and their application to varying scenarios presented by Clients. To include advice/guidance on the correct approach to be followed based on the value of the contract to be awarded, and on the type of contract that can be awarded in different situations.**
- **To assist the Client in producing documentation required during the procurement process (such as pre-qualification questionnaires (if appropriate), invitation to tenders, evaluation spreadsheets)**
- **To ensure that the requirements of Contract Standing Orders and EU tendering legislation is adhered to**

General Responsibilities:

- To assist the Client with writing the specification for the product/service to be procured
- To work with the Client to determine the award criteria for the contract
- To place adverts/contract notices on the Council's web-site and Contract Finder or OJEU (as appropriate)
- To send documentation to those suppliers who respond to contract notices

- To receive and respond to queries from potential suppliers and bidders, agreeing responses with client departments
- Assist with PQQ evaluations (when requested)
- To undertake the financial evaluation of PQQ's for contracts over OJEU threshold
- To follow up references (as required) To organise tender opening
- To support the Client Officer with other aspects of tender evaluation as may be required
- To organise, attend and produce minutes for, post-tender interviews/negotiations
- To notify successful and unsuccessful bidders of the outcome of the tender exercise
- To pass relevant documentation to Legal Services to enable contracts to be drafted
- To ensure all post tender procedures are fully complied with (eg. Responding to queries from unsuccessful bidders)
- To keep records as appropriate within the procurement team
- To monitor expenditure on contracts once awarded
- To ensure compliance with framework contracts across the organisation
- For contracts in excess of £100k, to work with Contract Managers in discussions regarding contract variations to ensure contract standing orders are adhered to

*All to attend the 'Specification Writing and Selection of the Successful Contractor' course*

### **3. Client Officer**

Role:

The role of the Client is to undertake a range of duties and provide specialist professional/technical knowledge to the procurement process to ensure that the Council achieves the best possible outcome when new service(s)/product(s) are procured. NB. These responsibilities are to be adhered to irrespective of the value of the contract.

#### **Key Responsibilities:**

- **To liaise with the procurement team as required to ensure all activities undertaken comply with the Council's contract standing orders and financial regulations. To include seeking advice/guidance on the application of these policies as required**
- **To produce the documentation required during the tendering and evaluation process**
- **To undertake a thorough evaluation process to ensure the selection of the best possible solution for the Council's requirements**

General Responsibilities:

*For all contracts:*

- To alert the procurement team at the earliest opportunity when the need for new contracts arise
- If required, to prepare and obtain agreement from the appropriate body for, the business case leading to a decision to procure a particular service/product(s). To include ensuring there is sufficient budgetary provision for the proposed expenditure
- To produce the detailed specification for the service/product(s) to be procured
- To determine the criteria upon which the tenders will be evaluated
- To work with the procurement team on the evaluation of PQQ's (if used) and tenders
- To lead selection interviews or a meeting with the preferred supplier (as appropriate)
- To keep an accurate record of decisions made at each stage of the tender process, including the records defined in contract standing orders
- To provide the procurement team with response to questions/queries which may be raised by potential, successful and unsuccessful bidders at any stage of the tender process

- To determine the key performance indicators against which performance of the contract can be monitored
- To develop a working knowledge of existing framework contracts and to liaise with the Procurement Officers to ensure existing contracts are utilised where possible to maximise savings for the Council

*For contracts of a value less than £10k:*

- To produce the invitation to quote
- To contact the successful bidder and award the contract
- To contact unsuccessful bidders and advise them of the outcome of the process

*For contracts of a value in excess of £10k:*

- To provide information to the procurement team to enable the tender to be advertised
- To liaise with the procurement team regarding the production of the invitation to tender
- To assist with tender opening
- To evaluate the tenders received
- To produce a shortlist of bidders for interview or identify a preferred supplier (as appropriate)
- To determine, in consultation with the procurement team, the award of the contract
- To liaise with / advise the Procurement unit on agreed variations to the contract
- To ensure that any and all contract variations have been documented and where necessary the correct authorisation gained.

*All to attend the 'Specification Writing and Selection of the Successful Contractor' course*

#### **4. Contract Manager**

NB. The Contract Manager may or may not be the same person undertaking the 'Client' role.

Role:

The Contract Manager is responsible for the day-to-day management of the contract awarded as the result of a tendering exercise. This involves monitoring performance, providing feedback, developing, and maintaining, an effective relationship with the supplier and ensuring the effective ongoing administration of the contract to ensure the required outputs/outcomes are achieved with maximum benefit for the Council. NB. These responsibilities are to be adhered to irrespective of the value of the contract.

#### **Key Responsibilities:**

- **To be responsible for the monitoring and reporting of performance against the contract specification and budget, including maintaining key performance indicators**
- **To co-ordinate and chair regular contract review meetings – at which both past performance (good and bad) will be discussed and future targets may be set, and maintaining records of the discussions held at the meeting**
- **To ensure that the Council continues to achieve best value throughout the term of the contract**

General Responsibilities:

- To work with the Client Officer to obtain a good working knowledge of the contract specification, contract budget and required outputs/outcomes and to ensure a clean handover with the successful bidder prior to the commencement of the contract
- To allocate sufficient time, particularly at the start of the contract, to manage the contract effectively

- To ensure regular operational meetings/dialogue is held with the contractor
- To identifying, at an early stage, any sub-standard performance and take steps to address this – gaining commitment from the contractor to resolve the problem within an agreed timescale. To escalate to the procurement team if performance fails to improve
- To regularly review any risks identified within the contract, referring any concerns to the procurement team
- To lead any discussions regarding potential contract variations, seeking advice from the procurement team before any such agreements are made. NB. For contracts where the variation will exceed £10k or 10% of the contract value to raise the potential need for contract variations with the procurement team at an early stage to ensure their involvement in any subsequent discussions and ensure contract standing orders are adhered to. If not the Client Officer, this officer must ensure that they are authorised to make the types of variations being discussed prior to meeting with the contractor / supplier and keep the client officer updated on what is being agreed.
- To authorise invoices in connection with the provision of services/goods arising from the contract and to raise issues/queries regarding invoices with the contractor
- To develop and maintain effective working relationships with the contractor
- To manage any issues which arise during the performance of the contract, such as changes to requirements, conflicts of interest, dealing with unforeseen events
- To obtain, where relevant/appropriate, feedback from service users to assist with feedback to the contractor
- To work with the contractor, and procurement team where appropriate, to develop mutually advantageous continuous improvement opportunities

*All to attend the 'Effective Contract Management' course*