



FINAL

CONTRACT PROCEDURE RULES

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SECTION 1 - INTRODUCTION AND PURPOSE

1.1 INTRODUCTION

1.1.1 A contract is a legally binding agreement under which the *Council* receives the benefit of, or incurs liability for, a valuable commodity. This could include:

- Payment of money
- Performance of services
- Execution of work
- Supply of goods or materials

1.1.2 These Contract Procedure Rules (CPR) are intended to ensure that a contract is entered into only in circumstances which can demonstrate:

- Certainty in the terms of the contract
- Consistency in the application of the law and *Council* policy
- Probity

1.1.3 To achieve these objectives these Rules must be followed every time the Council enters into a contract

1.1.4. Contract Procedure Rules are made under section 135 of the Local Government Act 1972. They include provision for competition, and regulate the manner in which procurement and tendering take place.

1.1.5 These Rules apply to all Officers involved in the issuing of Orders or the letting of contracts for works, services and supplies necessary for the delivery of the Council's functions, whether funded from Revenue or Capital sources. They provide a basis for true and fair competition by providing transparent and auditable procedures, which if followed will give confidence that a fully accountable and unimpeachable procurement regime exists within the Council. These Rules also protect the legal position of the Council in respect of compliance with EU and UK law and in its contractual dealings with external suppliers and contractors.

1.1.6 All contracts entered into by the Council are subject to the provisions of the Council's Financial Procedure Rules

1.2 Primary Objectives

1.2.1. The Contract Procedure Rules set out the regulations that must be followed by *the Council* when it procures goods, services and works.

1.2.2 The rules have 4 primary objectives:

- (a) To ensure that the Council obtains *Value for Money* and fulfils the duty of achieving *Best Value* as defined in Section 3 of the Local Government Act 1999.
- (b) To ensure that the Council complies with English law and European law in force in England that governs the procurement of goods, services and works.
- (c) To establish procurement procedures which, when followed, should protect Members and officers of the Council from any allegation of acting unfairly or unlawfully which may be made in connection with any procurement by the Council of goods, services, or works.
- (d) To ensure that any risks associated with entering into the contract are assessed as part of the procurement process.

1.2.3 These Contract Procedure Rules form part of the Council's Constitution.

1.2.4 Officers must follow the 10 Core Values of procurement as listed below.

Core Value 1	Only procure what is necessary to support achievement of the Council's strategic and corporate priorities
Core Value 2	Procure what is most cost effective for the Council as a whole
Core Value 3	Purchase goods, works and services that provide the best combination of value for money and quality outcomes and that meets UK/EU Safety standards.
Core Value 4	Ensure that decisions on procurement are based upon good governance, comprehensive and robust supporting data, analysis of options and assessment of risks
Core Value 5	Treat suppliers fairly and transparently and improve opportunities to do business with the Council
Core Value 6	Take a planned and coordinated approach to procurement and effectively communicate the approach to all stakeholders
Core Value 7	Comply with procurement legislation and best practice
Core Value 8	Minimise costs of buying activities where this is consistent with the achievement of best value for money
Core Value 9	Provide information on what we spend, who spends it and with whom it is spent and ensure that it is routinely available.
Core Value 10	Work in partnership to achieve optimum results, quality outcomes and sustainable delivery of services.

1.3 General Principles

1.3.1 Before any contract is made, there must be:

- (a) The proper authority of the Council in accordance with the processes set out in the Constitution or local scheme of delegation.
- (b) Adequate budgetary provision for the purpose.
- (c) Compliance with the procedure for taking key decisions as provided in the Cabinet Procedure Rules (Chapter 4.3 of Constitution) and the Access to Information Procedure Rules (Chapter 4.6 of Constitution).
- (d) Approval from a Director where that service is already provided by in-house staff.

1.4 Scope of Contract Procedure Rules

1.4.1 These Rules apply to all procurement by the Council unless any such procurement is expressly excepted under these Rules, or subject to a *Waiver* (see para 1.5 and Appendix A)

1.4.2 The Rules apply to all procurement activity including:

- (a) **Spot/Defined Contracts** that are for a defined requirement for a firm price, normally a single purchase of goods or services;
- (c) **Framework Agreements** where the overall terms and conditions and pricing are agreed but the cost of each call-off will vary dependent upon the requirement via a mini-competition or where the costs and terms have been expressed whereby the most economic provider is chosen;
- (d) **Works Contracts** where contracts are let by public authorities for civil engineering and building works and works concession contracts;
- (e) **Services contracts** where contracts are for the provision of a service, includes maintenance contracts.
- (f) Any **consultants** used by the Council shall be appointed in accordance with these Contract Procedure Rules **and the HR policy on the use of consultants;**

- (g) **Partnering Contracts**, which may be developed for specific activities, will also be subject to these Rules and the Partnering rules within the Constitution
- (h) **Income generating contracts**, where the Council is exploiting its physical and/or intellectual assets, or is involved in the provision of services through a joint venture with other public/private sector organisations;
- (i) **Contracts funded by grants**, where the Council is a named as a party to the contract with the contractor. Subject to other grant funding conditions.

1.4.3 If there is any change to English law or European law in force in England, which affects these Rules, then that change must be observed until these rules can be revised. If these Rules conflict in any way with English law or European law in force in England then that legislation takes precedence.

1.4.4 All contracts must be managed in accordance with the *Financial Regulations* relating to contracts, which may be found in the Constitution.

1.5 Exemptions and Exceptions

1.5.1 Unless a Contract falls within the list of general exceptions set out in Appendix A it can only be exempted from these Rules by an application for a Waiver

1.5.2 Any individual provision within these Contract Procedure Rules may be waived, in exceptional circumstances. A waiver of CPRs does **not** allow for the waiver of UK/EU legislation and the risks associated with proceeding in breach of legislation rests with the Director.

1.5.3 The appropriate Director must seek advice from Legal, Audit and the Corporate Procurement Team (CPT) and consult with the relevant Portfolio Holder. Directors must ensure that any Waiver will not breach EU and/or UK legislation before submitting the approved Waiver on the appropriate form to the Corporate Procurement Team for recording, where the proposed Total Value is above £100,000. All such waivers to be reported to Audit Committee

1.5.4 Each Director will be responsible for maintaining records of all requests for a Waiver and the decision made. Copies of all Waivers for proposed contracts below £100,000 (Total Value) shall be forwarded for information purposes to CPT. For proposed contracts above £100,000 (Total Value) they must submit the completed Waiver request to CPT for advice together with all relevant background documentation attached. CPT will provide advice in writing to the relevant Director.

- 1.5.5 CPT, Audit and Legal will use their best endeavour to notify the appropriate Director within 10 working days of the advice in relation to the proposed Waiver request.
- 1.5.6 Circumstances where time is lost through inadequate forward planning will not constitute an exception under these Rules.

1.6 Officer Responsibilities

- 1.6.1 Each Director is responsible for purchasing within their service department and has the responsibility for ensuring compliance with these Rules, the Financial Regulations and all UK and European Legislation in force in England within that department.
- 1.6.2 Through the scheme of delegation this authority may be passed down to officers within each department. Any consultants used to undertake procurement activity must be instructed to follow the Council's Constitution in all matters. The instructing client must sign off any consultant recommendation. See para 1.7
- 1.6.3 An officer or consultant responsible for managing any contract must comply with the relevant sections of the Council's *Code of Conduct* and the Council's Strategy for the Prevention and Detection of Fraud and Corruption and must not invite or accept any gift or reward in respect of the award or performance of any contract.
- 1.6.4 The officer must have regard to current guidance provided by the CPT and Legal Services and the principles of the *Council's Procurement Strategy*.
- 1.6.6 The officer must establish if an existing *Contract* or Framework Agreement exists before seeking to let another contract. This contract or *Framework Agreement* **must** be used unless there is tangible and demonstratable evidence that these arrangements do not provide Value for Money or the goods and/or services therein are not "fit for purpose" for the particular requirement. Where a non-approved contract is requested, the CPT or the Lead Buyer for that category must approve this, prior to any further action being taken.
- 1.6.7 The officer must consult with the CPT prior to commencing any tendering activity where the contract value is anticipated to be greater than the *EU Threshold*. See also Section 2.1.4
- 1.6.8 The officer must ensure that agents, including consultants, acting on their behalf also comply with these rules.
- 1.6.9 The officer must ensure that when any employee or contractor arrangement may be affected by any transfer arrangement, such as the Transfer of Undertaking Protection of Employment (TUPE) that

advice is obtained from the CPT and Legal Services before proceeding with inviting tenders. Officers must consult Pensions and Payroll concerning all TUPE and pension issues before the advert for the contract opportunity is placed as this will affect the financial value of the contract.

1.7 Delegated Authority

- 1.7.1 Any procurement carried out on behalf of the Council may only be undertaken by officers with the appropriate delegated authority to carry out such tasks. This delegation must be included in the current scheme of delegation.
- 1.7.2 A copy of the scheme of delegation must be kept by each Director and reviewed at least annually.
- 1.7.3 The Director of Finance and Resources and the Head of Corporate Procurement shall both have the delegated authority to enter into contractual arrangements on behalf of the Council for all contracts involving the purchase of utilities (i.e. gas, water and/or electricity supply). This delegation shall apply to both individual contracts let between the Council and the utility supplier, and where the Council enters into any framework or consortia agreement for such supplies

1.8 Review and Amendment of Contract Procedure Rules

- 1.8.1 These Contract Procedure Rules shall be reviewed and updated on a regular basis, not less than annually, by CPT in conjunction with Audit and *Contracts Review Group*. Amended Contract Procedure Rules shall be agreed and adopted by the full Council, as recommended by the Audit Committee.
- 1.8.2 The Contract Review Group shall be lead by the Head of procurement and consist of a representative from each Directorate, plus Finance, Risk Management, Equalities and Legal services.
- 1.8.3 These Contract Procedure Rules are underpinned by a series of "Guidance Notes"¹ that set out in detail the Council's policies and procedures on the stages of the Procurement Cycle that **must** be followed.

SECTION 2 - PROCEDURE BY VALUE OF REQUIREMENT

2.1 General Principles

¹ Available on the CPT Intranet page

- 2.1.1. Obtaining Best Value is an underlying principle of these CPRs. The complexity of the procurement procedures that must be followed will vary depending on the value and risk.
- 2.1.2. The Total Value of the procurement is defined as the total anticipated contract/purchase value and this will be calculated as follows:
- (a) Where the contract is a capital or one-off purchase or for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period;
 - (b) Where the purchase involves recurrent transactions for the same type of items, by aggregating the value of those transactions over the contract period, including any allowable extension periods;
 - (c) Where the total contract value over the full duration of the contract (not just the annual value) is uncertain, by multiplying the monthly payment by 48;
 - (d) For Framework Agreements with no guaranteed commitment the contract value will be the estimated value of orders placed/commissions let under the Framework Agreement over the full duration of the contract;
 - (e) Where an in house service provider is involved, by taking into account TUPE workforce matters, redundancy and similar/associated costs;
 - (f) Where a partnering arrangement is to be put in place the total value of the likely partnership.
 - (g) For income generation contracts the Total Value will be the estimated revenue stream payable to the Council over the period of the contract.
- 2.1.3 The value must be calculated in pounds sterling exclusive of Value Added Tax.
- 2.1.4 Contracts must not be artificially under estimated or divided into two or more separate contracts where the effect is to avoid the application of these Contract Procedure Rules or UK/EU Legislation by disaggregation.
- 2.1.5 The Council should make the best use of its purchasing power by aggregating purchases wherever practical.
- 2.1.7 Before a decision is taken to let a contract with an external supplier for the provision of goods, services or works, an assessment must be made by the appropriate Director to utilising internal resources whenever possible to discharge the requirement, bearing in mind value

for money (Best Value). The reason for contracting with an external supplier must be clearly documented on file.

2.1.8 For the purposes of these Rules, the in-house provider also includes any Joint Venture, PPP or other such partnership arrangement that the Council is a member of.

2.1.9 A summary of the process and responsibilities can be found at Appendix B.

2.2 Low Value Transactions

2.2.1. Defined as transactions valued below £10,000 for goods or services, (or below £20,000 for works), which cannot be obtained via an existing Contract **or framework agreement.**

2.2.2 For requirements under £1,000 a quotation confirmed in writing or by email is sufficient. In emergency situations or for spot purchasing from an existing contract the confirmation can be received within 24 hours of a phone order.

2.2.3. A *Written Quotation* must be obtained for requirements between £1,000 and £10,000 (£20,000 for works) before any order is processed and this must specify, in sufficient detail to establish quality and cost:

- (a) The goods, services or works to be supplied;
- (b) Where and when they are to be supplied;
- (c) The value of the transaction;
- (d) The order is made on the basis that the Council's Standard Conditions of Purchase for Goods and Services (short-form) applies in all circumstances²

2.2.4. In the case of Works Contracts a breakdown of labour cost and material cost to be shown on quotation and Consultancy Contracts the use of pre agreed hourly/day rates is acceptable.

2.2.5. Quotations must be priced on a like-for-like basis. Officers must not "distort" the requisite number of quotes to be sought by selecting any firms that are known to be inappropriate, or uncompetitive, or unlikely to respond.

² Available on the CPT Intranet page

2.3 Intermediate Value Transactions below Formal Tender Threshold

- 2.3.1. Defined as transactions for goods or services valued over £10,000 (£20,000 for Works) but below £50,000 that cannot be obtained via an existing contract or framework agreement.
- 2.3.2. The criteria for selecting the most advantageous quotation must be established **and listed in the Request for Quotation** before the written quotations are invited.
- 2.3.3. At least 3 comparable written quotations must be sought using the Council's *Request for Quotation* documentation³.
- 2.3.4. If less than 3 potential *Contractors* can only be identified seek approval to proceed using the Waiver Request Form⁴.

2.4 Call Off from existing Contracts

- 2.4.1. Where the requirement can be satisfied from an existing Contract then the order will be considered an Exception to these rules as long as the call-off arrangements defined within the individual contract are followed or where the original contract can be varied to meet the requirement. However Legal Services must be consulted before invocation of any such variation.

2.5 High Value Transactions

- 2.5.1. Defined as transactions for goods, services or works valued over the formal tender threshold of £50,000 but below the relevant current EU Threshold.
- 2.5.2. The formal tender process applies as set out in Section 3.

2.6 Requirements over EU Threshold

- 2.6.1. Defined as intended purchases for goods, services and works that exceeds the current EU Threshold.
- 2.6.2. Where the anticipated value of the contract exceeds the current EU Threshold⁵ then the formal advice of the CPT must be sought prior to

³ Available on the CPT Intranet page

⁴ Available on the CPT Intranet page

⁵ Available on the CPT Intranet page.

any tendering activity commencing. All planned contracts where the value exceeds the current EU Threshold must be reported to the CPT.

2.6.4. All *EU Notices* **must** be published centrally by the CPT and sufficient time must be built into the planning process for requirements subject to EU Procurement Procedures.

2.6.5. Any tender activity following the EU Procurement Procedures must adhere to the award process defined in the *OJEU Contract Notice* and the *OJEU Contract Award Notice*.

2.7 Key Decisions

2.7.1. All contracts that exceed £250,000 or which have a significant impact on the local community must be included on the Forward Plan.

2.7.2 All Key Decisions involving the procurement for goods or services must comply with the Council's *Procurement Quality Assurance Review Process*. For works contracts the Council's Procurement Quality Assurance Review Process will apply to those projects that exceed the EU Threshold for Works contracts⁶. This process requires CPT approval at certain key stages of the procurement⁷.

SECTION 3 - COMMON TENDERING PRINCIPLES

3.1.1 In all instances goods, services or works should be obtained via appropriate existing approved arrangements. These include:

- a. in-house services (for example printing and design, facilities management, etc.)
- b. established corporate contracts
- c. an approved list of suppliers maintained by the Council or a formally approved organisation
- d. consortia of which the Council is a member (for example YPO)
- e. approved nationally negotiated contracts (for example those arranged by the Office of Government Commerce)
- f. approved e-procurement solutions
- g. for low-value purchases, Purchasing Cards can be used provided they are not used with the intention of undermining the use of approved or corporate contracts

⁶ Available on the CPT intranet page

⁷ Available on the CPT Intranet page

3.1.2 Orders and payments for goods, services and works shall be undertaken in accordance with Financial Procedure Rules.

3.2 Framework Agreements (Existing Arrangements)

3.2.1 Where the Council is able to call-off from existing Framework Agreements procured by central government agencies, ie OGC, other public sector bodies or the Council itself, then the Council may benefit from using those agreements without entering into a separate procurement.

3.2.2 The CPT and Legal Services must approve the process for establishing and maintaining a Framework Agreement prior to the creation of the Framework.

3.2.3 When procuring from (calling-off) a Framework Agreement the Authorised Officer must adhere to the protocol set out under the existing Framework Agreement terms and should seek advice from CPT and Legal Services if in any doubt.

3.2.4 The requirements to advertise under OJEU for requirements in excess of the EU threshold would have been satisfied by the original OJEU advert for the Framework creation itself.

3.2.5 The RFQ procedure set out at para 2.3 may be used in preference to a formal Invitation to Tender where no other formal process is specified within the terms of that Framework.

3.2.6 Where there are no alternative Framework Agreement holders, then a benchmarking exercise should be conducted to establish Value for Money. Officers should contact CPT for advice when this applies.

3.3. Engagement of Consultants

3.3.1 An authorised officer may only appoint external consultants or advisors providing professional or consulting services if such services are not available within the Council or if Council officers providing them do not have the resources to meet the needs of the service. Where such services are available in-house, the authorised officer must consult with the Chief Officer or Head of Service before taking any decision to make an external appointment.

3.3.2 The appointment of external consultants and advisors shall be undertaken in accordance with the relevant sections of the Procurement Code of Practice.

3.3.3 Consideration should be given to using the Office of Government Commerce's framework contracts for business, professional, and ICT

consultancy services.

3.3.4 External consultants and technical officers engaged to supervise contracts must follow these Rules as applicable and their contracts for services must state this requirement.

3.3.5 All contracts for external consultants and advisors shall explicitly require that the consultants or advisors provide without delay any or all documents and records maintained by them relating to the services provided on request of the authorised officer, and lodge all such documents and records with the appropriate officer at the end of the contract.

3.3.6 The authorised officer shall ensure that any consultant working for the Council has appropriate indemnity insurance.

3.4 Joint Procurement

3.4.1 CPT shall approve any joint procurement arrangements with other local authorities or public bodies including membership or use of purchasing consortia prior to the commencement of any procurement on behalf of the Council.

3.4.2 All joint procurement arrangements shall be compliant with the legislation relating to public sector procurement and shall be open to participation by the Council.

3.5 Advertising

3.5.1 All requirements over £50,000 must be publicly advertised through at least two of the following methods:

- (a) Publication of an OJEU notice, where appropriate;
- (b) Publication on the Council's website;
- (c) Publication in a dedicated contracts publication approved by CPT such as Contrax Weekly;
- (d) Advertisement in the local press;
- (e) Advertisement in a relevant trade journal;
- (f) Publication on the "supply2gov" website (a dedicated web resource for advertising contracts below the EU Threshold).
- (g) Publication on a VCS circulation list or website.

3.5.2 As a minimum all requirements between £10,000 (£20,000 for works) and £50,000 must be advertised on the Council's website.

3.5.3 Once a framework agreement is in place for specific goods, works or services then further global advertising is not needed for those

requirements. Opportunities need only be advertised amongst those on the framework list

- 3.5.4 To facilitate the use of pre-qualification services an annual PIN is to be issued along with trade adverts and the use of Enfield Internet to advertise the intention (with no guarantee of work, expenditure or volume) of individual departments that use pre-qualification services to procure Works and Services. The process, which is scheduled to go live in early 2009 is described further in a guidance note '*Pre-qualification services*'. Officers should contact CPT for further advice and guidance.

3.6 Pre-qualification process

- 3.6.1 Non *EU Notices*, no matter how transacted, must specify a time limit of not less than 10 working days, within which interested parties must express their interest in Tendering.

- 3.6.2 The Council's *Pre-Qualification* Questionnaire must be used ⁸.

- 3.6.3 Evaluation of the PQQ must be undertaken in conjunction with Finance; credit checking must be done on all those expressing an interest. Further financial analysis, dependent on the size/risk of the contract, should be undertaken at this stage to fully test the financial ability of the bidder. A supplier's technical and financial ability to undertake the contract requirements is evaluated at this stage- this cannot be re-tested at the Invitation to Tender stage.

- 3.6.4 After the expiry of the advertised time limit, *Invitations to Tender* should be despatched to a shortlist of interested parties who have demonstrated they have the technical/financial ability to deliver the contract.

3.7 Pre-Tender Market Research and Consultation

- 3.7.1 Officers may review the market for a proposed procurement through discussions with suppliers and other research but may not:
- (a) Base any specification on one Contractor's offering such as to distort competition;
 - (b) Make any indication or commitment to Contractors that their offering may be preferred by the Council;
 - (c) Suggest any procurement route which is not consistent with these Rules;
 - (d) Enter into negotiations about price where a competitive procurement process has yet to take place.

⁸ Available on the CPT Intranet page

3.7.2 Any pre-market research undertaken, including discussions with Contractors and others must be fully documented on file.

3.7.3 Any market research must then be proceeded by a compliant procurement process where there is a business case to proceed.

3.8 Stakeholder engagement

3.8.1 For Housing procurement contracts the Commonhold and Leasehold Reform Act (CLRA) may apply. Where applicable, officers must undertake the required consultation with leaseholders. Leaseholders can nominate Contractors for inclusion on a tender list for specific, below EU threshold, procurement projects. Officers must liaise with Home Ownership Services to clarify the requirements under the CLRA before commencing with any procurement likely to affect Leaseholders.

3.8.2 For all other procurements officers shall ensure that where applicable consultation with stakeholders is undertaken within the appropriate period of the procurement process.

3.9 Pre-Qualification Services

3.9.1 Pre-Qualification Services i.e. Exor and Constructionline, describes the assessment, by a third party organisation of potential suppliers' generic suitability to contract with a Contracting Authority across a range of requirements (effectively an outsourced pre-qualification process although not specific to any one contract requirement). Pre-qualification results in the formal accreditation of those potential suppliers, which successfully complete the process.

3.9.2 Pre-qualification services can be commissioned for vetting of potential suppliers where internal resources are unable to undertake such assessments to assist in the expression of interest process.

3.9.3. Pre-qualification involves suppliers submitting information specified by the Contracting Authority to facilitate its assessment of suppliers' suitability to tender, below EC thresholds, for tenders relating to *Works* capital projects.

3.9.4 Where works to the value of £50,000 and up to the EU threshold are being undertaken on behalf of schools by the Council, schools may nominate an additional Contractor for inclusion on a scheme's tender list.

3.10 The Invitation to Tender

- 3.10.1 The Council's standard *Invitation to Tender* documentation must be used for all tender exercises involving the procurement of goods and services in excess of £50,000⁹. CPT **must** be notified of all tenders issued, in advance of the date of issue.
- 3.10.2 For those procurement exercises involving the procurement of works and works related requirements, the appropriate industry standard Invitation to Tender documentation must be used (e.g. JCT, ICE, NEC). Any amendments to the industry standard terms must be included in the tender pack and drawn to the attention of all bidders. Legal Services must be consulted on the correct form of contract.
- 3.10.3 The relevant Head of Finance must be consulted on the financial and commercial aspects of the tender documents, including the evaluation process.
- 3.10.4 At least 3 Contractors must be invited to Tender, unless there is overriding business or legal justification that this is not required and in these circumstances a Waiver must be sought.
- 3.10.5 The specification and evaluation criteria must take into account the Council's priorities regarding Equality, Sustainable Procurement, Health and Safety and Value for Money.
- 3.10.6 The specification for the requirement must be adequate and fair to allow Tenders to be sought and fit for purpose.
- 3.10.7 There must be an assessment of the quality of both Tenderers and Tenders by pre determined non-discriminatory evaluation criteria and weightings, including whole life cycle cost where appropriate. The pre-determined evaluation criteria and weightings must be included in the appropriate section of the standard Invitation to Tender document (Section 1 – "Instructions to Tenderers")¹⁰.
- 3.10.8 The risks associated with the contract must be assessed and documented on file. Appropriate actions should be taken to ensure that the Council's potential and actual exposure is minimised.
- 3.10.9 A tender file must be maintained to record all matters associated with the tender exercise.
- 3.10.10A timetable setting out the key stages of the procurement should be set out in the appropriate section of the Council's standard Invitation to Tender documentation (Section 1 – "Instructions to Tenderers")¹¹.
- 3.10.11The Council's standard Invitation to Tender documentation should include a copy of the relevant *Standard Contract* ¹². For works related

⁹ Available on the CPT Intranet page

¹⁰ Available on the CPT intranet page

¹¹ Available on the CPT Intranet page

contracts the Council's approved standard industry form of contract must be used. Legal Services must be instructed on the form of contract and any amendments. It is important for the Officer to consider the form of contract to be used to ensure that it is fit for purpose. Where the Officer considers that it is not they must liaise with Legal Services with regards to any amendments required to make it so.

- 3.10.12 The Invitation to Tender must explain how information provided in the Tender will be treated with regard to statutory requirements.
- 3.10.13 For below EU Threshold procurement projects Tenderers must be given adequate time to respond, consistent with the level of complexity of the requirement and, except where the industry norm is otherwise, this should be a minimum of 15 working days.
- 3.10.14 The Invitation to Tender must request that the Tender is submitted in a plain envelope or package bearing the yellow return address label giving only the tender title and opening date. The yellow return address label must not identify the name of the Tenderer. Where the Invitation to Tender is sent electronically to Tenderers, an e-version of the return address label must be included with the Invitation to Tender.¹³
- 3.10.15 Tenderers must be required to hold their Tenders open for acceptance for a minimum of 90 calendar days from the date of opening.
- 3.10.16 Invitations to Tender must include a statement that the Council does not bind itself to accept the lowest Tender or any other Tender.
- 3.10.17 Details of expected Tenders **must** be notified to the CPT and the Council's Post Room at least 5 calendar days prior to the Tender opening date using the Tender Receipt Form¹⁴

3.11 Receipt of Tenders

- 3.11.1 Every reply to an Invitation to Tender must be addressed to the Director of Finance & Corporate Resources using the yellow return address label.
- 3.11.2 Tenders submitted by fax, e-mail or other electronic means will not be considered unless specifically instructed by the Council in the Invitation to Tender. (This embargo may be changed in due course with the deployment of e-commerce.)
- 3.11.3 Tender packets or envelopes received must be date stamped/recorded and locked away until the specified time for their opening.

¹² Available on the CPT Intranet page

¹³ Available on the CPT Intranet page

¹⁴ Available on the CPT Intranet page

3.12 Tender Opening

- 3.12.1 The CPT or their nominee and at least one other officer must be present during the opening of the Tender.
- 3.12.2 The CPT must ensure that all Tenders are opened at the same time when the period for their submission has ended.
- 3.12.3 A record of the Tenders must be logged on the Tender Receipt Form .
- 3.12.4 The opened Tenders must be date stamped and signed by the two officers at the time of opening on the "Tender Monitoring Form"¹⁵Tenders should be opened within 5 working days of the tender closing date. Tenders must be kept securely and strictly confidential before and after opening.
- 3.12.5 Tenderers must be informed that Tenders received after the closing date or tenders not submitted in accordance with these Rules will be disqualified from consideration.
- 3.12.6 Late Tenders received after all the other Tenders have been opened may only be considered where the Director's permission is given. Advice must be sought from CPT or Legal Services.
- 3.12.7 Tenders which do not meet the requirements of contract Procedure Rule 3.12.6 may only be considered if:
- a) the failure to comply is the Council's fault.
 - b) the Tender is late and it is clear without any contact with the Tenderer that the Tender was sent in such a way that in the normal course of events it would have arrived on time.
 - c) the Authorised Officer is notified in advance.
- 3.12.8 A record of the Tender opening must be signed and retained by CPT and the Authorised Officer responsible for the procurement.
- 3.12.9 An original version of the accepted Tender (in full) must be retained in accordance with the Corporate Retention Schedule or for a minimum period of six years from the contract end, and a minimum of twelve years from the contract end date for contracts made under seal.
- 3.12.10 The Form of Tender must be stamped and signed by those present. The officers present must initial every page of a Bill of Quantities or each page of any Schedule to the Form of Tender prepared by the tenderer. Where any alteration is made on such pages (e.g. the use of correction fluid or over-written) a note must be made and a copy of the page made, initialled by those present and kept by the Borough Solicitor's representative. A record of all tenders must be made

¹⁵ Available on the CPT Intranet page

including the name and amount of each tender received. The commencement of the opening and finishing times must be recorded on the form. Those present must then sign this record.

- 3.12.11 Where tenders are not returned, the authorised officer must confirm the reason why a tenderer has decided not to submit a tender. All responses should be kept on file.

3.13 Errors in Tenders

- 3.13.1 The appropriate Head of Service, with the **prior approval of the Corporate Procurement Team**, may permit a Tenderer to correct an error or omission that, in the opinion of the Head of Service, is an obvious one. Any such corrections will be recorded on the tender file.

- 3.13.2 Where financial error is identified in a Tender for works contracts the Tenderer is required to stand by or withdraw their Tender. This is applicable for single stage Tenders or quotes where the evaluation criteria is lowest price. If there appears to be any collusion on pricing between bidders then the Officer must notify Legal Services and CPT immediately.

- 3.13.3 All tenders returned must be checked for arithmetical accuracy. Where examination of tenders reveals arithmetical errors which would affect the tender figure in an otherwise compliant tender, the Lead Officer will correct the error and obtain the tenderer's written confirmation of the arithmetically correct figure. In the case of other errors, the tenderer will be given details of such errors and an opportunity of confirming or withdrawing (but not amending) its tender.

- 3.13.4 For building contracts, errors are to be corrected in accordance with Alternate 1 or Alternate 2 of the NJCC Code of Single Stage Selective Tendering (save that all firms submitting valid tenders must be offered the opportunity to correct arithmetical errors that may be discovered).

- 3.13.5 Post-tender to post quotation negotiations are not allowed by the public procurement legislation unless the EU negotiated or competitive dialogue processes are being followed.

- 3.13.5 The procurement lead may contact a tenderer or supplier, after close of tenders or quotations and before the contract is awarded, to clarify the tender or quotation but **must** not negotiate any changes to the tender or quotation prices or submission. Where there are multiple bidders, all bidders must be contacted simultaneously to gain clarification; this must be in writing. CPT and Legal Services must be consulted if this occurs.

3.14 Tender Evaluation

- 3.14.1 Tenders must be assessed in accordance with the pre-determined evaluation criteria and weightings. All criteria and sub criteria, weightings and scoring system to be used in the evaluation process MUST be set out in the Invitation to Tender documentation.
- 3.14.2 A team of officers, including finance, must undertake the evaluation process. If the contract involves TUPE then HR and Payroll must be brought into the team. If a consultant leads on the team then an Authorised Officer must sign off their findings.
- 3.14.3 The results of the Tender evaluation must be retained on the tender file.
- 3.14.4 A *Financial Reference* should be taken up for all contracts with an anticipated Total Value of over £100,000, which are not currently on a Framework Agreement, or are sourced under a joint procurement arrangement as set out in para 3.4.
- 3.14.5 The Head of Finance must be consulted on the commercial evaluation of all tenders above £50,000. A finance representative should be on the procurement evaluation panel.

3.15 Negotiation

- 3.15.1 Officers may only carry out negotiations if:
- (a) a Waiver of these rules has been granted;
 - (b) The Tender is to be a single or multiple negotiated Tender (and a Waiver of these rules has been granted);
 - (c) the Tender is above the EU Thresholds and is in accordance with the EU requirements for a Negotiated Tender or a Competitive Dialogue (and a Waiver of these Rules has been granted);
 - (d) they are post tender negotiations in accordance with the rules set out below.
- 3.15.2 Where a competitive tender exercise cannot be carried out in accordance with the Council's Contract Procedure Rules, a single or multiple negotiated tender exercise may only be sought if a Waiver of Contract Procedure Rules has been granted first. This only applies to a requirement below the OJEU threshold. This *Negotiated Procedure*

must only be used in exceptional circumstances and be approved in advance by CPT and Legal Services as a method of procurement.

- 3.15.3 Where the procurement is conducted through either the *Open* or *Restricted Procedures* within the EU Regulations no negotiations are permitted (including post tender negotiations), which may have the effect of distorting competition (for example fundamental changes to aspects of the contract, including prices changes and variations to the Council's requirements).
- 3.15.4 The Council may seek clarification from a supplier on their Tender where appropriate.
- 3.15.5 Post-tender negotiations may only be entered into if the Invitation to Tender documents provide advance notice of this intention and the basis upon which the post tender negotiations will take place. This notification must be clear in the Invitation to Tender documents. Legal Services & CPT must advise on the application of post tender negotiations.
- 3.15.6 The Director must provide written approval for negotiations to be entered into.
- 3.15.7 Negotiations are to be conducted with all Tenderers, unless there are clear reasons for excluding one or more Tenderers. The reasons for any exclusions must be clear and, with regards post tender negotiations, the reasons must have been made clear in the tender documentation.
- 3.15.8 Where dialogue with Tenderers is permitted under the Negotiated Procedure or Competitive Dialogue procedures within the EU Regulations, negotiations shall be conducted by a team of at least two officers, at least one of whom shall be from the CPT unless agreed otherwise in advance by the CPT.
- 3.15.9 Written records must be made and retained of all negotiations.
- 3.15.10 If an officer is in doubt on any negotiations, they should contact CPT and Legal Services for guidance.

3.16 Award of Contracts

- 3.16.1 A contract may only be awarded by an Authorised Officer with the requisite delegated authority to award contracts.
- 3.16.2 All contracts awarded with a value of over £50,000 must be reported to and recorded on the CPT *Contract Register* by the Authorised Officer. Information relating to each contract awarded must be sent to CPT within 28 days of award on the "Contract Register Notification" Form¹⁶.

¹⁶ Available on the CPT Intranet page

3.16.3 Where a contract award represents a Key Decision under the Council's Constitution, then the Council's Key Decision Making process must be used, as described in the Constitution.

3.16.4 For contracts subject to the full scope of the EU Regulations, officers must notify all Tenderers of the intended award of contract, using the "Proposed Award of Contract"¹⁷ form and must allow a minimum standstill of 10 calendar days between notification of a proposed award and entering into a contractually binding agreement. Officers may not make an award of contract, nor make any commitment to award a contract, until this standstill period has expired. The "Standstill" period must not commence until all internal approvals have been finalised.

3.16.5 Officers must inform any economic operator (i.e. supplier, contractor or service provider) that has submitted an offer, has applied to be amongst those selected to tender for or negotiate the contract, or any economic operator who has applied to be party to a framework agreement, of its decision in relation to:

- the award of the contract; or
- the conclusion of a framework agreement.

3.16.6 The contracting authority must do this in writing by the quickest means available, as soon as possible after the award decision has been made, and include details of:

- the award criteria;
- where practicable, the score obtained by the economic operator to receive the notice, and the score obtained by the tenderer to be awarded the contract or to be part of the framework agreement;
- the name of the winning tenderer to be awarded the contract, or to be part of the framework agreement.
- The contracting authority must allow at least 10 days between the date of dispatch of this information (referred to below as 'notice of award'), and the date on which it proposes to enter into the contract, or conclude the framework agreement.

3.16.7 The mandatory standstill period does not apply to below threshold procurements or to procurements otherwise outside the full scope of the EU Directives

3.16.8 It is worth highlighting that for framework agreements, the mandatory standstill period applies at the stage at which a framework agreement

¹⁷ Available on the CPT Intranet page

itself is awarded, but not during subsequent call-offs or mini-competitions within framework agreements.

3.16.9 Where a contract exceeding the EU Threshold has been awarded CPT shall be informed with the details so that a Contract Award Notice can be published in OJEU no later than 48 days after the date of award of the contract

3.16.10 For all purchases over £50,000 a Formal Contract is to be drawn up by Legal Services. The Contract will incorporate the Conditions of Contract included in the ITT and any subsequent variations to this made by the supplier. Three copies of the contract will be sent to the Preferred Supplier to duly sign: one copy will be held by Legal Services, one by the Contract Officer and one by the supplier. Contract Officers must not accept a supplier's terms and conditions without consulting Legal Services and asking them to review the terms and conditions.

3.17 Debriefing.

Debriefing after PQQ selection process

3.17.1 After the Pre-Qualification Questionnaire selection process a letter must be issued to all participants (Candidates) thanking them for their interest and confirming the outcome. The letter should include an offer to debrief. In other cases a debriefing could be of mutual benefit and it would be best practice to make a similar offer. The offer of a debriefing should set out the scope and likely format and should make clear that the process will not be used to change the selection decision or reopen the award procedure.

Debriefing prior to award of contract – (Alcatel) Mandatory Standstill Period

3.17.2 Unsuccessful tenderers may request an accelerated debrief provided it is received by a contracting authority, *in writing*, by midnight of the second working day of the standstill period. The contracting authority must provide this information at least 3 full working days before the end of the standstill period.

3.17.3 Where this is not possible, the standstill period must be extended to allow at least 3 working days between the provision of the feedback, and the date at which the contracting authority proposes to enter into the contract. [You must take care to avoid advising the successful supplier, even verbally, that they are being awarded the contract before the end of Day 10].

Outside of the Mandatory Standstill Period

3.17.4 If a request for feedback is received outside of the accelerated time limit, a contracting authority must provide a debrief within 15 days of receipt of the request. There is no need to extend the standstill period in these circumstances.

Below EU threshold procurements

3.17.5 The mandatory standstill period does not apply to below threshold procurements or to procurements otherwise outside the full scope of the EU Directives. This means it does not apply to procurements of Part B services, or to procurements where there is only one tenderer following the extreme urgency provision under the negotiated procedure.

3.17.6 Debriefing unsuccessful potential providers is regarded as good procurement practice and should be offered to those who have expressed an interest and those who have submitted a tender.

3.18 Procurement by non-Council officers

3.18.1 Where the Council uses non-Council Officers to act on its behalf in relation to any procurement, then the Authorised Officer shall ensure that the third parties carry out any procurement in accordance with these Contract Procedure Rules.

3.18.2 All non-Council Officers must sign an agreement not to use information gained during employment with the Council, to gain any commercial or pecuniary advantage in relationship to concurrent or future employment/engagement.

3.18.3 No non-Council officer shall make any decision on whether to award a contract or whom a contract should be awarded to unless specifically empowered to do so in writing by an officer or body authorised to confer that power.

3.18.4 The Authorised Officer shall ensure that the non-Council officer's performance is monitored.

3.18.5 Non-Council officers includes, but is not limited to:

- Consultants
- Main contractors
- Sub-contractors
- External advisors

3.19 Statistical Returns

3.19.1 Each year the CPT shall make a statistical return to central Government for onward transmission to the European Commission concerning the contracts awarded by the Council during the year under the EU Regulations.

3.19.2 CPT will, on a bi-annual basis, provide a detailed report, for statistical and information purposes, to the audit committee for all waivers from these CPRs

3.20 Contract Extension

3.20.1 Any contract which provides for (an) extension(s) may be extended in accordance with its terms subject to any necessary authorisation within the scheme of delegation.

3.20.2 CPT and Legal Services must be informed of any intention to extend a contract. CPT will update the Contract Register accordingly.

3.20.3 Where the terms of the contract do not expressly provide for an extension a Waiver is required and are subject to any necessary authorisation within the scheme of delegation. These should only be extended in exceptional circumstances and advice must be sought from CPT and Legal Services. The Director must be sure that such an extension would not breach UK/EU law in particular with regards to distorting competition.

3.21 Termination of Contract

3.21.1 Early termination of any contract may be carried out by the Authorised Officer in accordance with the terms of that contract. Advice must be sought from the CPT and Legal Services, in the first instance, prior to termination.

SECTION 4 - CONTRACT AND OTHER FORMALITIES

4.1 Contract Documents

4.1.1. All Contracts must be in writing in a form approved by the Borough Solicitor. The Council's suite of *Standard Contracts*¹⁸ must always be used. There are separate Standard Contracts for:

- Supply of Goods

¹⁸ Available on the CPT Intranet page

- Supply of Services
- Supply of Consultancy Services
- Supply of Carriage of Goods by Road in the UK
- Supply of IT supplies and services

For documents relating to Framework Agreements and the subsequent contracts created on call-off.

- 4.1.2 Where the contract is for a Total Value of up to £50,000, the use of a *Purchase Order* is an acceptable form of contract, which must make reference to the Council's Request for Quotation documentation incorporating the Standard Conditions for Goods and Services (short-form). These short-form conditions of contract must only be used for requirements below £50,000.
- 4.1.3 Acceptance of any contract over £50,000 would be the subject of at least a Delegated Authority Report, in accordance with the Council's Scheme of Delegation in line with the Council's Constitution. Any such report must include legal, financial, property, performance and procurement implications.
- 4.1.4 The formal advice of the CPT (who may refer to Borough Solicitor Services) must be sought prior to award for the following contracts:
- where the Total Value exceeds the EU Threshold;
 - those involving leasing arrangements;
 - those which are complex or involve a recognisable risk;
 - where it is an extension or variation to an existing contract that will bring the overall value over the EU Threshold.
 - where invoice payments are made to finance or factoring companies
- 4.1.5. Contract documents must be retained in accordance with the Corporate Retention Schedule or for a minimum period of six years from the contract end date and, if under seal (see para 4.5), for a period of twelve years from the contract end date.
- 4.1.6 The Contract Officer will keep records of all decisions taken and how value for money was obtained. The Contract Officer will keep an electronic Procurement Record, retaining all correspondence and documentation for Audit purposes.

4.2 Contract formalities

- 4.2.1. Contracts must be completed as follows:

TOTAL VALUE	METHOD OF COMPLETION	BY
Up to £50,000 (See 4.1.2)	Signature Use of Purchase Order or Standard Contract for complex requirements	Officer with appropriate authority to enter into a contract (paragraph 4.4).
Over £50,000 but under EU Threshold where sealing is not appropriate (See 4.1.3)	Signature on Standard Contract	Head of Department or Officer with appropriate authority to enter into a contract (paragraph 4.4).
£250,000 or above and contracts having a significant impact on the local community (see 3.13.3)	Signature on Standard Contract & sealed by Legal Services	Key Decision Maker
Over EU Threshold (See 4.1.5)	Signature on Standard Contract & sealed by Legal Services	Head of Department with appropriate authority, once the appropriate Cabinet Member has been consulted.
Contracts for sealing	Sealing	See paragraph 4.5.

4.2.2. All contracts for the supply of goods, services and works must be concluded in writing using the appropriate Standard Contract before the contract commences.

4.3 Letters of Intent

4.3.1 In exceptional circumstances and with the prior approval of the Borough Solicitor, a letter of intent may be issued to allow works/services/supply of goods to commence in advance of contract execution.

4.3.2 The letter must set out the key contract terms - price, duration, etc., and authorises the contractor to carry out work up to a specified value before the formal agreement is signed.

4.3.3 In the case of works contracts a letter of intent in a form approved by the Borough Solicitor is acceptable in order to allow work to commence, although the issue of a formal contract must follow without delay.

4.3.4 Letters of intent are only binding on the Council and the contracting party where the letter expressly states that their Tender has been accepted and the Council agrees to pay them the tender sum. The letter of intent should normally seek to incorporate the terms and conditions of the relevant Council standard contract or relevant industry standard contract (e.g. JCT, ICE, NEC) indicating the Council's intention to enter into a formal, written contract with the contracting party, to carry out the works/services described in the letter, such

work/services to commence on a date specified or at any rate before the parties execute the formal, written contract, until then the contracting parties obligations to the Council shall be governed by the Invitation to Tender documentation.

4.3.5 The wording of the letter of intent should be reviewed by Legal Services prior to issue, to ensure the letter is fit for its intended purpose.

4.3.6 A letter of intent is not a substitute for a formal agreement but can be used as an interim measure until the formal agreement has been signed. The procedure set out in Section 3 shall apply.

4.4 Signature

4.4.1 The officer responsible for signing the contract must have been granted the appropriate authority under the scheme of delegation and ensure that the person signing for the other contracting party has authority to bind it.

4.4.2 In the case of contracts for commissioning of care services, including educational placements and emergency accommodation for the homeless where the Total Value of the contract is not known, the officer responsible must have been granted authority to enter into commissioning contracts.

4.5 Sealing of Contracts

4.5.1 A contract must be sealed where:

- a) the Council wishes to enforce the contract for more than six years after its end (e.g. for land or construction works); 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) a *Performance Bond* is established on behalf of the Contractor(s) or their guarantors; or
- d) it is required by parties to the contract; or
- e) the total value exceeds £250,000.

4.5.2 Where contracts are completed by each side adding their common seal, the affixing must be attested by or on behalf of the Borough Solicitor Services. The Borough Solicitor Services is responsible for the process of sealing contracts.

4.6 Bonds, Parent Company Guarantees and Insurance

- 4.6.1 For every contract, over £250,000 a *Parent Company Guarantee* or *Performance Bond* shall be required unless agreed otherwise with the Director of Finance and Corporate Resources.
- 4.6.2 The Council must never give a bond.
- 4.6.3 For all works contracts, the appropriate Director must notify in writing the Council's insurance officer giving full details of the nature, duration and value of the works being undertaken on any particular project.

4.7 Prevention of Corruption

- 4.7.1 The officer responsible for the contract must comply with the Council Code of Conduct and the Council's Strategy for the Prevention and Detection of Fraud and Corruption and must not invite or accept any gift or reward in respect of the award or performance of any contract. Officers must not enter into discussions with any tenderer or other interested third party during a procurement, unless specifically permitted by the procurement process or by Legal or CPT if not.
- 4.7.2 All clarification received from bidders during a procurement process must be put in writing to the procurement/project lead officer. The question and the response must then be sent to ALL bidders in writing (or by email).
- 4.7.3 All contracts must contain an appropriate clause that provides protection and the right to terminate the contract in the event of a supplier offering any inducement, committing fraud or committing an offence under the Prevention of Corruption Acts.
- 4.7.4 The Council participates in anti-fraud and corruption exercises with other public bodies. In order to do this data is exchanged with such organisations. The data exchange is likely to contain information on our contractors.
- 4.7.5 If an officer becomes aware that any bidder is lobbying a member or officer of the Council then they must report this immediately to the Head of Procurement and Legal Services.

4.8 Declaration of Interests

- 4.8.1. If it comes to the knowledge of a member or an officer 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 Council's monitoring officer and record it on the register of interests.

SECTION 5 – PERFORMANCE & CONTRACT MANAGEMENT

5.1 Performance management

5.1.1 All procurements over the value of £250,000 must include a set of performance standards that must be met throughout the contract. Performance management standards must be inserted into the terms and conditions of contract. Key performance indicators or similar benchmarks of quality should be used where available and appropriate.

5.1.2 All contracts over the value of £50,000 and those of a complex nature below this value must have a designated contract manager whose name should be notified to the Contractor. Likewise, the Contractor must have a designated contract manager whose name is notified to the Council. These resources must be identified and agreed before the contract is awarded.

5.1.3 Regular contract monitoring meetings should be held with the provider and minutes of agreed actions taken. The frequency of the meetings to be dictated by the size of the contract and associated risks.

5.1.4 Performance against contract standards must be monitored and recorded on a regular basis, proportionate to the risk and value of the contract.

5.1.5 Where service improvements are enshrined in the contract these must be evidenced for the annual audit inspection.

SECTION 6 – RISK MANAGEMENT

6.1.1 A full risk assessment should be undertaken on all procurement options available to the Council. These should be documented and owners assigned once an option is selected.

6.1.2 A risk log should be created at the start of the procurement project and managed by the project manager. Risks should be reviewed regularly and appropriate actions taken to manage them. The project sponsor/Director should be kept aware of all risks and provided with a regular report on their status.

6.1.3 The Council's Risk Management section should be consulted on all high value/risk procurement at the commencement of the project.

SECTION 7- ENVIRONMENT/SUSTAINABILITY

7.1.1 The Council is committed to making Enfield a greener and more environmentally friendly place to live and work;

7.1.2 The Council is committed to working towards a 'greener' future, by:

- Taking practical action to reduce, as far as possible, the effect the Council's activities have on the environment;
- Improving the quality of the local environment; and
- Encouraging the people of Enfield to live and work in ways that reduce the borough's effect on worldwide environmental problems, to improve the environment now and protect the future.

7.1.3 The Council's green procurement rules are based on the following principles:

- a) Banning products that damage the environment when an alternative is available.
- b) Promoting products that damage the environment the least.
- c) Understanding that buying environmentally friendly goods and services is part of a process of continuous improvement.
- d) Considering costs such as energy and maintenance when we consider tenders.
- e) Engaging with suppliers who can actively contribute to the reduction in energy use as part of their Contract with the Council.
- f) That all contractors and suppliers can demonstrate commitment to carbon reduction in their operations (insofar as they relate to the particular commission)
- g) That all contractors and suppliers undertake to supply relevant data to the Council to enable the carbon impact to be monitored

SECTION 8- EQUALITIES

8.1 Before starting any procurement, you must make sure that you consider equality issues by completing an equalities impact assessment. This is essential if the procurement outcome will be a service or product that affects the staff or residents of Enfield. The Equalities Impact Assessment will inform the detail of the contract specification.

8.2 Please ensure that answers to the equalities questions contained in the pre qualification questionnaire are fully considered when selecting the most appropriate contractor.

8.3 All bidders must be made aware of their responsibilities under Equalities legislation and provided with the Council's publication 'EQUAL OPPORTUNITIES FOR ALL – THE COUNCIL'S VALUING DIVERSITY AND EQUAL OPPORTUNITIES POLICY - Information for Contractors and Suppliers.

Glossary of Terms

Contract	A contract that has been created in accordance with the Contract Procedure Rules for call off or use by the Council. A list of contracts can be found on the Contract Register available via the Corporate Procurement Intranet site. If in doubt whether a contract is approved or not contact the Corporate Procurement Team (see also Framework Agreement)
Approved Standard	Includes industry standard terms and terms included within

Terms	the Council's Standard Contracts
Authorised Officer	A person with appropriate delegated authority to act on the Council's behalf.
Best Value	Under Best Value, each local authority has a duty to 'make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness' as set out in the Local Government Act 1999. This takes into consideration the 4Cs of Challenge, Compare, Consult and Compete.
Code of Conduct	The code regulating conduct of Officers contained within the Council's Constitution.
Competitive Dialogue	A procedure leading to the award of a contract whereby the Council produces a shortlist through a dialogue with those tenderers who are considered to have appropriate capacity. Based on the solutions discussed, sealed bids are sought from the short listed contractors This procedure is most appropriate for complex procurements where significant input is required from the market to inform the drafting of the specification.
Contract Register	A register located on the Corporate Procurement Intranet containing details of contracts entered into by the Council above the value of £50,000.
Contract Review Group	A policy group chaired by CPT with representation from across the Council charged with the duty of developing and reviewing procurement and contractual issues.
Contractor	Any person or body of persons providing, or seeking to provide, supplies, services or works to the Council.
Corporate Procurement Team (CPT) Council	The CPT is part of the Finance and Corporate Resources Department and is responsible for supporting the Council in its procurement activity. The London Borough of Enfield.
Council's Procurement Strategy	Defines the overall approach to procurement related activity for the Council.
EU Negotiated Procedure	A procedure leading to the award of a contract whereby the Council negotiates the terms of the contract with one or more persons selected by it. The procedure is a complex set of rules, and it is extremely difficult for contracting authorities to meet the requirements to allow the use of this procedure.
EU Notice	Notice posted in the Supplement to the Official Journal of the European Union (OJEU). Includes a Prior Indicative Notice (PIN), a Tender Notice or an Award Notice.
EU Open Procedure	A procedure leading to the award of a contract whereby all interested persons may tender for the contract, duly advertised by notice, i.e. there is no limit on the number of Tenders received nor may the Council consider the suitability of interested tenderers prior to submission of Tenders.
EU Regulations	The EC public procurement directives implemented into UK legislation by virtue of the Public Contracts Regulations 2006.
EU Restricted	A procedure leading to the award of a contract whereby

Procedure	only persons selected by the Council may submit Tenders for the contract, duly advertised by notice, i.e. the contract is advertised, where prospective Tenderers are screened before being invited to tender (“selective tendering”).
EU Threshold	The financial threshold at which EC public procurement directives must be applied if expected to be exceeded by the Total Value.
Financial Reference	A financial risk assessment of the finances of a company, parent or group of organisations in order to establish their liquidity, profitability, stability and capability to support a contract of the value required. This service is available through a credit reference agency such as Dunn and Bradstreet – please refer to CPT for advice.
Financial Officer	The most senior officer representing the Director of Finance and Corporate Resources designated by him to provide financial advice to the Chief Officer.
Financial Regulations	The Financial Regulations contained within the Constitution
Framework Agreement	An agreement with suppliers whose purpose is to establish the terms governing contracts to be awarded during a given period, in particular with regard price and quality. It allows the Council to make specific purchases (call-offs) from a supplier to provide goods, services or works in accordance with the terms of that agreement.
Invitation to Tender	A formal written invitation to at least 3 suppliers to provide sealed bid offers for goods, services or works on the Council's standard terms for requirements over £50,000
Key Decision	All Contracts that exceed £250,000 (Total Value) or which have a significant impact on the local community and are subject to a Key Decision Report in accordance with the Council's Constitution
Officer	Council employee as defined in the Constitution
OJEU	Official Journal of the European Union
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 or for the parent of the subsidiary company to pay the Council's reasonable costs/losses (including damages) for the Council having to procure a third party to meet the promises under the Contract with the Council.
Performance Bond	An insurance guarantee 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 a level of cost arising from the supplier's failure
Pre-qualification	A process to determine a shortlist of potential suppliers on the basis of general economic and technical criteria in

	accordance with the EU regulations on the use of the restricted procedure. The evaluation must be limited to that of the technical/financial ability of the bidder and must not include evaluation of tender related matters.
Procurement Quality Assurance Review	A 5 stage review process conducted by CPT at defined stages of the procurement to ensure compliance with the CPRs and relevant competition/procurement legislation. It is mandatory for higher value procurement exercises.
Purchasing Cards	A Corporate Purchasing Card has been introduced for the purchase of low value goods and services.
Purchase Order	An order placed through the SAP or local approved procurement system
Request for Quotation	A formal written invitation to at least 3 suppliers to provide written quotations for goods, services or works on the Council's standard terms for requirements between £5,000 and £50,000
Standard Contracts	Contract documents that are approved by the Borough Solicitor for use by the Council. These include the Council's standard contracts for goods, services, consultancy services and carriage of goods. They also include standard contracts used by industry for Works related contracts (e.g. JCT, ICE, NEC),
Tender Tenderers	A written response to an Invitation to Tender. Suppliers who have been invited to submit a tender to the Council.
Total Value	The whole of the value or estimated value (in money or equivalent value) for a group of similar commodities or services, in accordance with Best Value: <ul style="list-style-type: none"> • whether or not it comprises several lots or stages across the Council as a whole • whether or not it is to be paid or received by the Council as a whole or separate departments within the Council
Value for Money	The optimum combination of through life cycle cost and quality (or fitness for purpose) to meet the user's requirement
Waiver	A formal request in writing made by a Director to exempt the proposed requirement from the Contract Procedure Rules in exceptional circumstances.
Written Quotation	Must be in letter, fax or email and must be addressed personally, containing pricing information and delivery details for requirements between £1,000 and £10,000. Printouts of catalogues are not written quotations.

APPENDIX A

GENERAL EXCEPTIONS FROM CONTRACT PROCEDURE RULES

These Contract Rules apply to all Goods, Services and Works purchased by the Council, with the following exceptions:

- (a) Procurements of goods, services, or works where the procurement procedure to be followed by the Council is the subject of express legislation.
- (b) Low value purchases made by a *Purchasing Card* that are subject to guidelines issued On the Use of Purchasing Cards and the Low value procurement strategy.
- (c) Works or services procured in an emergency because of a need to respond to events that were beyond the control of the Council (e.g. natural disasters such as flooding or fires) as long as any expenditure in excess of **£5,000** is reported to the CPT within 1 week using the Waiver Request Form available from the Corporate Procurement Intranet site. Any contract entered into by the Council under this Exemption must not be for a term of more than 6 months.
- (d) Contracts for the acquisition and disposal of land or property that are covered the Property Procedure Rules and Financial Regulations.
- (e) Contracts for employment for staff, except where an agency is used to supply the staff.
- (f) Works orders with utility infrastructure providers, e.g. Gas Mains.
- (g) Call-off or orders placed against Contracts or Framework Agreements where the procedures defined in the contract for call-off are followed.
- (h) Any contract which has had an exemption agreed in accordance with rule 1.3.
- (i) The disposal of Council Assets that are covered by the Property Procedure Rules and Financial Regulations.
- (j) Care or Education placements including educational placements and emergency accommodation for the homeless for individual service users/pupils that are not covered by a Council Framework Agreement.

CONTRACT PROCEDURE RULES SUMMARY

Value of Contract	Quotation/Tender Process	Who	Contract Documentation	Approval
Goods, Services and Works up to £1,000 see 2.2	At least one quote, confirmed in writing	Service Area	Issue by Purchase Order or use of Purchasing Card	By Authorised Officer
Goods and Services between £1,000 and £10,000 see 2.2	Obtain quotation prior to issue of Purchase Order	Service Area	Issue by Purchase Order or use of Purchasing Card	By Authorised Officer
Works orders up to £20,000 see 2.2	Obtain written quotation prior to issue of Purchase Order/Contract	Service Area	Issue by Purchase Order and use of Industry Standard terms.	By Authorised Officer
Goods and, Services between £10,000 and £50,000 see 2.3 (Works between £20,000 and £50,000)	Obtain at least 3 comparable written quotations For goods and services use the "Request for Quotation" form	Service Area	Issue by Shortened Terms and Conditions of Contract	By Authorised Officer
Goods, Services and Works that can be satisfied from an existing approved contract see 2.4	Follow call-off procedure within contract	Service Area	Follow call-off procedure within contract	By Authorised Officer
Goods, services and works contracts between £50,000 and EU Threshold see 2.5	Follow Tender process – Section 3	Service Area	Written form of contract approved by the Borough Solicitor (i.e. appropriate Council Standard Contract). Completed under seal if appropriate. See 4.4 and 4.5.	By Authorised Officer
Goods and Services over EU Threshold see 2.6	Formal review of requirement with CPT prior to proceeding. All EU Notices to be published centrally by CPT. Contracts which have a significant impact on the local community represent a Key Decision and must be published on the Forward Plan. For Goods and Services that represent a Key Decision the Council's Procurement Quality Assurance Process must be followed, and the procurement is subject to approval at key stages of its life by CPT, before it can proceed to the next stage of the procurement	Service Area to review with CPT	Written form of contract approved by the Borough Solicitor (i.e. appropriate Council Standard Contract). Contracts over £250,000 to be under seal. See 4.4 and 4.5.	By Authorised Officer. A Key Decision must be made by a Key Decision Maker in accordance with the Constitution
Works contracts anticipated to be over £250,000 in value see 2.6	Formal review of requirement with CPT prior to proceeding. The Council's Procurement Quality Assurance Process must be followed, and the procurement is subject to approval at key stages of its life by CPT,	Service Area to review with CPT	Written contract, complete under seal as appropriate. See 4.4 and 4.5.	- ditto -

Works contracts over EU Threshold	before it can proceed to the next stage of the procurement. All EU Notices to be published centrally by CPT. Must be included on the Forward Plan			
	Formal review of requirement with CPT prior to proceeding. All EU Notices to be published centrally by CPT. Must be included on the Forward Plan	Service Area to review with CPT	Written contract, complete under seal as appropriate. See 4.4 and 4.5.	- ditto -