

# **Forest Heath District Council**

## **West Suffolk Contract Procedure Rules**

### **1. Introduction**

- 1.1 These Contract Procedure Rules (CPRs) have been issued in accordance with Section 135 of the 1972 Local Government Act and adopted by both Forest Heath District Council and St Edmundsbury Borough Council (the Councils) to give consistency to procurement across the two Councils. The meaning of words and expressions in *Italics* are given in Appendix 1.
- 1.2 Procurement is the process by which the Councils manage the acquisition of all their goods, services and works. It includes the identification of need, consideration of options and the actual procurement process.
- 1.3 *Officers* responsible for purchasing on behalf of the Councils must comply with these CPRs. They provide the minimum requirements although a more thorough procedure may be appropriate for specific contracts.
- 1.4 These CPRs provide a corporate framework for the procurement of all goods, services and works for the Council. They are designed to ensure that all procurement activity is conducted with openness, probity and accountability. Above all, these CPRs are designed to ensure that the Councils obtain value for money and the required level of quality and performance in all contracts that are entered into.
- 1.5 These CPRs must be read in conjunction with the relevant Council's *Constitution*, the *Procurement Strategy* and the *Procurement Toolkit*.
- 1.6 The disposal of assets and the acquisition, use and disposal of Land and Buildings are not covered by these CPRs and are to be considered alongside the *Financial Procedure Rules*.
- 1.7 For the purposes of these CPRs there is a requirement for all communication to be in writing except where otherwise specified.

This shall be deemed to include electronic communication, use of *e-procurement* and fax transmissions or hard copy.

- 1.8 In the event of doubt as to the interpretation of the CPRs, take advice from the *Monitoring Officer*.

## **2. Basic principles**

- 2.1 It is essential that the following *EU Treaty Principles* MUST be upheld in any procurement:

- Transparency - contract procedures must be transparent and contract opportunities must generally be publicised
- Equal treatment and non-discrimination - potential suppliers must be treated equally
- Proportionality - procurement procedures and decisions must be proportionate
- Mutual recognition - giving equal validity to qualifications and standards from other Member States, where appropriate.

- 2.2 In addition to the above all procurement must:

- comply with the *Procurement Strategy*, support the Councils' corporate and departmental aims, strategies, policies and procedure
- achieve *Best Value* for public money spent
- be consistent with the highest standards of integrity
- comply with relevant legal requirements
- be undertaken in a timely fashion
- ensure that *Non-commercial Considerations* do not influence any *Contracting Decision*
- be conducted in a sustainable manner, taking environmental impact into account.

## **3. Exclusions**

- 3.1 All *Relevant Contracts* must comply with these CPRs. *Relevant Contracts* do not include:

- the making of grant payments which are covered by the *Financial Procedure Rules*, or
- contracts of employment which make an individual a direct employee of the council, or

- the engagement of Counsel/Advocates or other experts by the Service Manager (Shared Legal) where such engagement falls outside an existing framework for the provision of legal services, or
- contracts where delay will adversely impact on the service delivery of the Council and there is a prior specialised knowledge of a particular building or asset, or
- agreements regarding the acquisition, disposal, or transfer of land. Further guidance must be sought from the *Service Manager (Shared Legal)* or the *Procurement Manager*; or
- the lending and borrowing of money, or
- the purchase or sale by auction or at public fairs and markets, or
- the purchase of works of art or museum specimens, or
- agreements in relation to festivals and arts programming, or
- agreements under s.106 of the Town and Country Planning Act 1990 (as amended).

#### **4. Exemptions**

- 4.1 Where a proposed contract is likely to exceed the *EU Threshold* then there can be no exemption.
- 4.2 Below the *EU Threshold* exemptions must only be sought in exceptional circumstances and all exemptions, being a *Contracting Decision*, must be recorded.
- 4.3 Between £50,001 and the *EU Threshold* any exemption must be approved by the *Officer* and *Assistant Director* in consultation with the *Assistant Director (Resources and Performance)*. The *Officer* must produce evidence to support the request for any exemption. The *Assistant Director* shall prepare a report for the next *Cabinet* to support the action taken. The *Assistant Director* shall keep records of all exemptions granted along with reasons and supporting evidence for such exemptions.
- 4.4 Below £50,000 any exemption must be approved by the *Officer* and *Assistant Director*. The *Officer* must produce evidence to support the request for any exemption. There is no requirement to report. The *Assistant Director* shall keep records of all exemptions granted along with reasons and supporting evidence for such exemptions.

4.5 Exemptions are likely only to be granted in the following circumstances:

- An unforeseeable emergency involving immediate risk to persons or property, or serious disruption to council services.
- The goods or services are supplied at a fixed price or the prices are wholly controlled by trade organisations and the relevant *Assistant Director* is satisfied that no satisfactory alternative is available.
- The works to be executed consist of repair or supply of parts of existing propriety machinery or plant.
- The items to be supplied consist of goods or services which are currently in use and are required for the purposes of standardisation.
- The specialised nature of the goods, services to be supplied or the works to be executed means that only one suitable supplier has been identified or is available.
- Emergency action is required and/or immediate repairs are required to buildings, structures and other assets damaged by fire, flood or vandalism.
- Unforeseen works where delay will adversely impact on the service delivery for the Council(s).
- For a 'pilot' scheme where goods and services are procured on an experimental basis and considered to be the most appropriate approach for a particular scenario and where 'pilot' scheme is for a clearly defined period not exceeding 24 months and where agreed by relevant *Service Manager* and the *Procurement Manager*.

4.6 If an exemption is sought which is not for any of the above reasons, advice must first be obtained from the *Monitoring Officer* in order to determine whether such an exemption can be applied. Exemptions for reasons not listed above will be acceptable only in exceptional circumstances.

**5. Procurement thresholds and key requirements**

Where the *Total Value* for procurement is within the values in the first column below, the *Award Procedure* in the second column and the key requirements in the third column must be followed:

<i>Total Value (excluding VAT)</i>	<i>Award Procedure</i>	<i>Key Requirements</i>
Up to £1,000	GO GET IT!	<ul style="list-style-type: none"> <li>• If assured of value for money; just buy it from anywhere e.g. ASDA, eBay, Amazon, ARGOS, B&amp;Q, etc.</li> </ul>
£1,001- £10,000	Quick Quotation Procedure (8.2)	<ul style="list-style-type: none"> <li>• Advertising through <i>e-procurement</i> recommended</li> <li>• Invite email or written quotations from minimum three suppliers</li> <li>• No requirement to use Formal Quotation Template.</li> </ul>
£10,001- £50,000	Formal Quotation Procedure (8.3)	<ul style="list-style-type: none"> <li>• Use of <i>e-procurement</i> mandatory</li> <li>• Invite minimum three quotations from three suppliers</li> <li>• Use Formal Quotation Template</li> <li>• Open Procedure recommended.</li> </ul>
£50001- <i>EU Threshold</i>	Formal Tender Procedure (8.4)	<ul style="list-style-type: none"> <li>• Use of <i>e-procurement</i> mandatory</li> <li>• Must always consult the Procurement Manager</li> <li>• Use Formal Tender Template</li> <li>• Open Procedure recommended.</li> </ul>
above <i>EU Threshold</i>	EU Tender Procedure (8.5)	<ul style="list-style-type: none"> <li>• Must always consult the <i>Procurement Manager</i> and the <i>Service Manager (Shared Legal)</i></li> <li>• Use of <i>e-procurement</i> mandatory.</li> </ul>

## **6. Officer responsibilities**

- 6.1 *Officers* responsible for procurement must comply with these CPRs, *Financial Procedure Rules*, the *Officers' Code of Conduct*, and with all UK and European Union binding legal requirements. *Officers* must ensure that any *Agent*, *Consultants* and contractual partners acting on the Councils' behalf also comply.
- 6.2 Before requesting *Quotations* or inviting *Tenders* the *Officer* must:
- Explore whether there is an alternative to buying the goods, services or works.
  - Check with the *Procurement Manager* whether a relevant contract exists before seeking to enter into a further contract; if such a relevant contract exists, this must be used unless there is an auditable reason not to.
  - Check with the *Procurement Manager* whether a suitable *Framework Agreement* is available from any *Contracting Authority* or *Professional Buying Organizations* (e.g. ESPO, GPS, YPO, CBC etc.) before starting a new procurement; where a suitable *Framework Agreement* exists, consideration must be given to procure from it unless there is an auditable reason not to.
  - Confirm that there is member or delegated approval for the expenditure and the procurement complies with the approved policy and scheme of delegation as set out in the *Constitution*.
  - If a *Tender* relates to a contract award which is a *Key Decision*, confirm that all appropriate steps have been taken.
  - See timely procurement, legal, financial, and other professional advice.
  - Confirm that they are authorised to use the *e-procurement* portal or obtain authorisation from the *Procurement Manager*.
  - Have regard to the guidance in the *Procurement Toolkit* and the *Procurement Strategy*.
  - Give consideration to *Contract Management* and prepare a business case if the project is over £50,000 or of *High Risk* or *High Profile*.
  - Keep records of all *Contracting Decisions taken*.
- 6.4 The *Officer* must ensure that timely advice is sought from the *Assistant Director (HR, Legal and Democratic Services)* when any employee either of the Councils or of a service provider may be affected by the Transfer of Undertaking (Protection of Employment) Regulations 2006 (*TUPE*) issues before proceeding with inviting *Tenders* or *Quotations*.

## **7. Contract formalities**

- 7.1 All *Relevant Contracts* shall be in writing.
- 7.2 Advice from the *Service Manager (Shared Legal)* and the *Procurement Manager* must be sought for the following contract types:
- where the *Total Value* exceeds the *EU Threshold*
  - those involving leasing arrangements
  - where it is proposed to use a supplier's own terms and conditions
  - those involving the procurement of application software with a *Total Value* of more than £50,000
  - agreements involving the development of land for public benefit
  - those that are complex in any other way.
- 7.3 All *Relevant Contracts* shall clearly specify:
- what is to be supplied (i.e. the works, materials, services, matters or things to be furnished, had or done)
  - the provisions for payment (i.e. the price to be paid and when)
  - whether the price stated is inclusive or exclusive of Value Added Tax
  - the time, or times, within which the contract is to be performed
  - the provisions for the council(s) to terminate the contract
- 7.4 Guidance must be sought from the *Service Manager (Shared Legal)* for the terms and conditions that will apply to any contract with a value in excess of £50,000.

## **8. Procedure**

- 8.1 Specification and Award Criteria
- 8.1.1 The *Officer* must prepare a *specification document* that describes the Council's requirements in sufficient detail to enable the submission of competitive offers before starting a procurement process. The *specification document* must include performance targets and/or the criteria for acceptance and must be outcome or output based.

- 8.1.2 Consideration must also be given by the *Officer* to economical, environmental and social benefits of any proposed procurement to include consulting stakeholders where appropriate. Further information is within the *Procurement Toolkit* or advice can be obtained from the *Procurement Manager*.
- 8.1.3 The *Officer* must define *Award Criteria* and any sub criteria that are appropriate to the procurement and designed to secure an outcome giving *Value for Money* for the council. The basic criteria shall be:
- 'Lowest price'
  - 'Most economically advantageous', where considerations such as quality other than price also apply.
- 8.1.4 *Award Criteria* must not include:
- *Non-commercial Considerations*
  - Matters which discriminate against suppliers from the *European Economic Area* or signatories to the *Government Procurement Agreement*.
- 8.1.5 Good practice requires that quoted prices or tendered prices must not be altered without justification. However where there is a risk that a priced document maybe subject to computational errors then the *Officer* must decide, at the time that the specification is agreed, how such errors will be treated and this should be detailed within the Specification. Further information is within the *Procurement Toolkit* or advice can be obtained from either the *Procurement Manager* or the *Service Manager (Shared Legal)*.
- 8.2 Advertisement of quotation or tender opportunities
- 8.2.1 *Officers* shall ensure that a sufficiently accessible advertisement is published to generate the appropriate level of interest in the contract. Examples of where such advertisements may be placed include:
- portal websites specifically created for contract advertisements to include *Suffolk Sourcing* and *Contracts Finder*.
  - *Constructionline* or similar specialist portal websites created for contract advertisements
  - the Council's website



- the Council's Twitter account
- national official journals
- the Official Journal of the European Union (OJEU), Tenders Electronic Daily (TED) (even if there is no requirement within the *EU Procedure*)
- Any other appropriate mechanism in consultation with the *Procurement Manager* and *Service Manager (Shared Legal)*.

8.2.2 The Officer must ensure to give *Bidders* an adequate period in which to prepare and submit a *Quotation* or *Tender* consistent with the complexity of the contract requirement. Advice must be sought from the *Procurement Manager* but the following are recommended:

Quick Quotation	10 Calendar Days
Formal Quotation	28 Calendar Days
Formal Tender	28 Calendar Days
EU Tender	The timescales are prescribed and vary according to procedure utilised

8.2.3 No *Quotation* or *Tender* received after the date and time indicated in the *Request for Quotation* or *Invitation to Tender* shall be accepted or considered, other than exceptional circumstances and the *Officer* must consult with the *Monitoring Officer* and *Procurement Manager*.

## **9. Award procedure and detailed requirements**

### **9.1 Go get it! (Up to £1,000)**

9.1.1 Where the estimated value of goods, works or services to be supplied is less than £1,000 the *Officer* must be satisfied that the arrangements made secure the best available terms for the Council.

### **9.2 Quick quotation procedure (£1,001- £10,000)**

9.2.1 All requests for a *Quotation* where the contract has a value of under £10,000 shall be subject to the Councils' *Standard Terms and Conditions* unless other terms and conditions have been approved by the *Service Manager (Shared Legal)*.

- 9.2.2 *Officers MUST be able to evidence that Quotations were sought from at least three suppliers.*
- 9.2.3 *Officers are encouraged to use e-procurement portal as this adheres to the EU Treaty Principles.*
- 9.2.4 *If e-procurement has not been used then the Officer must ensure that:*
- *The date and time of receipt of each Quotation is suitably recorded*
  - *The details of the Quotation are not disclosed to any interested party*
  - *There are no changes or amendments to the Quotation after submission*
  - *All Quotations are evaluated at the same time and that each Bidder is simultaneously advised in writing of the outcome.*

### **9.3 Formal quotation procedure (£10,001- £50,000)**

- 9.3.1 *The Request for a Formal Quotation shall be issued through the e-procurement portal utilising the standard template available in the Procurement Toolkit and shall specify the supplies, services or works that are required together with the appropriate terms and conditions of contract as agreed with the Service Manager (Shared Legal) and will state that no Formal Quotation will be considered unless it is received by the date, time and method stipulated.*
- 9.3.2 *All organisations invited to provide a Quotation must be issued with the same information at the same time and subject to the same conditions.*
- 9.3.3 *A minimum of three Formal Quotations shall be invited where the Officer is satisfied that competitive Quotations will be received from those three. Where the Officer is unsure of the market, consideration may be given to using an open process provided the Officer is satisfied that this will not generate an excessive volume of responses.*
- 9.3.4 *Providing clarification of a Request for a Quotation to a Bidder is permitted and is provided for within e-procurement.*

9.3.5 The *Officer* must consult with the *Procurement Manager* concerning the allocation of roles within *e-procurement*. It is recommended that the designated openers must include at least one lawyer on behalf of the *Service Manager (Shared Legal)*.

9.3.6 For the receipt and opening of a *Formal Quotation* there must be strict compliance with the requirements of *e-procurement*.

#### **9.4 Formal tender procedure (£50,001- EU Threshold)**

9.4.1 All procurement above £50,000 shall be conducted in accordance with advice from the *Procurement Manager* and shall be undertaken as an Open Tender Procedure using e-procurement system.

##### **9.4.2 Open tender procedure**

9.4.2.1 The *Invitation to Tender* shall be issued through the *e-procurement* portal and shall specify the supplies, services or works that are required together with the appropriate terms and conditions of contract as agreed with the *Service Manager (Shared Legal)*. It will also state that no *Tender* will be considered unless it is submitted via the *e-procurement* portal.

9.4.2.2 All organisations invited to provide a *Tender* must be issued with the same information at the same time and subject to the same conditions. All dialogue with *Bidders* during the process must be dealt with using the *e-procurement* portal.

9.4.2.3 Utilising the standard template available in the *Procurement Toolkit*, all *Invitations to Tender* shall include a *Form of Tender*, and other documentation as advised by the *Service Manager (Shared Legal)* or the *Procurement Manager*.

9.4.2.4 Providing *clarification* of an *Invitation to Tender* to *Bidder* is permitted and is provided for within *e-procurement*.

9.4.2.5 For the receipt and opening of a *Tender* there must be strict compliance with the requirements of *e-procurement*.

- 9.4.2.6 The *Officer* must ensure that there is approval from the *Assistant Director* before awarding any contract above the tender threshold.

## **9.5 EU (European Union) Tender Procedure (above EU Threshold)**

- 9.5.1 All procurement above the *EU Thresholds* shall be conducted in accordance with advice from the *Service Manager (Shared Legal)* and the *Procurement Manager* and shall be undertaken using *e-procurement*. Provisions, such as those relating to the receipt and opening of *Tenders*, must be followed exactly in accordance with the legislation.
- 9.5.2 All transactions exceeding the *EU Thresholds* must be conducted in accordance with EU procedures and must be advertised in the Official Journal of the European Union (OJEU) which is available for contractors in all member states to see and respond to. Strict rules govern the process in relation to timescales, descriptions and selection procedures and these are in addition to these Contract Procedure Rules. Breaches of *EU Procurement Rules* are subject to harsh penalties for the Contracting Organisation. Advice must be sought from the *Procurement Manager* and the *Service Manager (Shared Legal)* in all circumstances where there is a likelihood of the *EU Thresholds* being exceeded. Further information regarding *EU Procurement Rules* is available within the *Procurement Toolkit*.

## **10. Collaborative arrangements**

- 10.1 In order to secure *Value for Money*, the Council may enter into collaborative procurement arrangements. The *Officer* must consult with the *Procurement Manager* in these circumstances.
- 10.2 All procurement made via a local authority procurement consortium or a *Professional Buying Organisation (PBO)* are deemed to comply with these CPRs and no exemption is required. However, procurements above the *EU Threshold* must be let under the *EU Procedure*, unless the consortium has satisfied this requirement already by letting their contract in accordance with the *EU Procedures* on behalf of the Council and other consortium members.

10.3 Any contracts entered into through collaboration with other local authorities or other public bodies, where a competitive process has been followed that complies with the CPRs of the leading organisation, will be deemed to comply with these CPRs and no exemption is required. However, advice must be sought from the *Procurement Manager*.

#### 10.4 Framework agreements

10.4.1 A *Framework Agreement* may be entered into with one provider, or, where an agreement is concluded with several organisations, there must be at least three providers. Advice must be sought from the *Procurement Manager* when a *Framework Agreement* is being considered. Contracts based on *Framework Agreements* may be awarded by either:

- Direct Call Off - applying the terms laid down in the *Framework Agreement* (where such terms are sufficiently precise to cover the particular call-off) without reopening competition, or
- Mini Competition - where the terms laid down in the *Framework Agreement* are not precise enough or complete for the particular call-off, by holding a mini competition.

#### 10.5 Dynamic purchasing systems (DPS)

10.5.1 A DPS is a completely electronic process. The DPS is open to any economic operator who meets the selection criteria and submits an indicative *Tender* that is found compliant. The *Contracting Authority* invites the *Bidders* admitted to the system to submit a *Tender* within a reasonable time limit.

### **11. Records and safekeeping**

11.1 It is essential that for every Procurement exercise a record is kept by the *Officer*. Where *e-procurement* has been used then the system retains the records from after the *Request to Quote* or *Invitation to Tender* has been issued up to the Contract Award.

11.2 Where the *Total Value* does not exceed £50,000, the following records must be kept:

- *request to Quote and Quotations* (including name of *Bidder* and price)
- any exemption and the reason for them
- any *clarification* question and the answer
- *Award Criteria* if the award is most economically advantageous
- details of how the *Quotations* were stored before opening
- when and how the *Quotations* were opened
- written records or communications with the successful *Bidder* or an electronic record if written record of the transaction would normally not be produced.

11.3 Where the *Total Value* exceeds £50,000 the *Officer* must record:

- the method for obtaining bids
- pre-tender market research
- any *Contracting Decision* and the reasons for it
- any exemption together with the reasons for it
- the *Award Criteria* in descending order of importance and any sub criteria
- the *Invitation to Tender* sent to and received from the *Bidder*
- *clarification* and post-tender negotiation (to include minutes of meetings)
- the contract documents
- post-contract evaluation and monitoring
- communications with the *Bidder* and with the successful contractor throughout the period of the contract.

11.4 Records which relate to an unsuccessful *Tender* must be kept for a minimum period of one year from the start of the Contract.

11.5 *Contracting Decisions* and Post Tender Negotiation with the successful *Bidder* must be retained for one year after the term of the contract has expired whilst all other records must be retained for 6 years after the term of the contract has expired unless the Contract is under seal when they must be retained for 12 years after the term of the contract has expired.

11.6 Details of all *Renewable Contracts* (regardless of value) are and shall be held on a register by the *Procurement Manager* to include:

- the title of the contract and reference number

- the parties to the contract
  - the name of the service and contract manager primarily responsible for the contract
  - the estimated total value of the contract or the estimated annual spend or budget
  - the start date, end date, review dates and any date to which the contract may be extended
  - the procurement method to include details of any *Framework Agreement*.
- 11.7 The original executed and completed copy of all contracts over the value of £50,000 and all contracts over the *EU Threshold* shall be passed to the *Service Manager (Shared Legal)* for safe-keeping.
- 11.8 *Assistant Directors* shall be responsible for the safekeeping of all other contracts falling within their designated functions.
- 11.9 *Officers* shall provide the *Procurement Manager* with a scanned copy of any completed contract as soon as practicable.

## **12. Evaluation, award of contract, and debriefing bidders**

- 12.1 Apart from the debriefing required or permitted by these CPRs, the confidentiality of *Quotations*, *Tenders* and the identity of *Bidders* must be preserved at all times and information about one *Bidder's* response must not be given to another *Bidder*.
- 12.2 Contracts must be evaluated and awarded in accordance with the *Award Criteria*. During this process, *Officers* shall ensure that submitted prices are compared with any pre-process estimates and that any discrepancies are examined and resolved satisfactorily.
- 12.3 The arithmetic in compliant *Quotations* or *Tenders* must be checked. If computational errors are found in the lowest or most economically advantageous bid, then advice must be sought from the *Service Manager (Shared Legal)* before they must be notified to the *Bidder*. Further the *Request to Quote* or *Invitation to Tender* must be reviewed to ascertain the procedure in these circumstances.
- 12.4 *Officers* may accept *Quotations* and *Tenders* received in respect of proposed contracts, provided that they have been sought and

evaluated fully in accordance with these CPRs and they do not exceed the budget provision. Only the successful *Bidder* will be subject to the appropriate *Financial Vetting*.

- 12.5 Where the *Total Value* is above the *EU Threshold*, the *Officer* must notify all *Bidders* simultaneously and as soon as possible of the intention to award the contract to the successful *Bidder*. The *Officer* must provide unsuccessful *Bidders* with a period of at least ten days in which to challenge the decision before the *Officer* awards the contract. If the decision is challenged by an unsuccessful *Bidder*, then the *Officer* shall not award the contract and shall immediately seek the advice of the *Service Manager* (*Shared Legal*).
- 12.6 The *Officer* shall debrief in writing all those *Bidders* who submitted a *Tender* about the characteristics and relative advantages of the leading *Tenderer*. No information, other than the following, must be given without taking the advice of the *Procurement Manager* or the *Service Manager* (*Shared Legal*):
- how the *Award Criteria* were applied
  - the prices or range of prices submitted, in either case not correlated to *Bidders'* names.
- 12.7 If a *Bidder* requests in writing the reasons for any *Contracting Decision* (to include those deselected in any pre-tender shortlisting process) the *Officer* must give the reasons in writing within 15 days of receipt of the request. Guidance must be sought from the *Procurement Manager*.

### **13. Post-tender negotiation**

- 13.1 Post-tender negotiation means discussions with a *Bidder*, or a number of *Bidders*, and can be a useful tool in making improvements to Quotations or Tenders. It can ensure that the Council obtains true value for money by purchasing an acceptable finished product at a competitive but fair market price, within the time stipulated. It can also ensure that potential suppliers have no illusions or misunderstandings as to their exact obligations under the terms of any contract. Further Guidance is available within the Procurement Toolkit.



- 13.2 Advice must be obtained from the *Service Manager (Shared Legal)* prior to entering into any Post-Tender Negotiations. Where post-tender negotiation results in a material change to the specification (or contract terms) the contract must not be awarded and must be re-tendered.
- 13.3 Negotiations must not take place unless the Formal Quotation or Tender specifically reserves the right to do so. Any negotiations will occur following the closing date for receipt of Quotations or Tenders but before award of the contract.

**Glossary of Terms**

<b>Agent</b>	A person or organisation acting on behalf of the Council or on behalf of another organisation.
<b>Award Criteria</b>	The criteria by which the successful Quotation or Tender is to be selected.
<b>Award Procedure</b>	The procedure for awarding a contract.
<b>Best Value</b>	The duty, which Part I of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the council. [See also Value for Money].
<b>Bidder</b>	Any person, firm or organisation who asks to be or is invited to submit a quotation or Tender.
<b>Bond</b>	An insurance policy in the form of either a Performance <i>Bond</i> or a Guarantee <i>Bond</i> : 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 <i>bond</i> . A <i>bond</i> is intended to protect the council against a level of cost arising from the contractor's failure.
<b>Cabinet</b>	The Council's <i>Cabinet</i> as defined in the Constitution.
<b>Cabinet Member</b>	A member of the <i>Cabinet</i> to whom political responsibility is allocated in respect of specified functions.
<b>Clarification</b>	A request for information from a bidder during the process. The information, if supplied, is to be provided to all Bidders.  Alternatively additional information to be supplied to all Bidders during the process.
<b>Constitution</b>	The legally binding constitutional document approved and adopted by the council which:

	<ul style="list-style-type: none"> <li>• allocates powers and responsibility within the council and between it and others</li> <li>• delegates authority to act to the <i>Cabinet</i>, Committees, Portfolio Holders, Director or Assistant Directors and Officers</li> <li>• regulates the behaviour of individuals and groups through rules of procedure, codes and protocols.</li> </ul>
<b>Consultant</b>	Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, <u>and</u> where the council has no ready access to employees with the skills, experience or capacity to undertake the work.
<b>Contract Award</b>	Process by which the successful bidder and the unsuccessful bidders are advised of the outcome of the evaluation.
<b>Contract Register</b>	The register to be kept and maintained by the Procurement Manager recording details of all renewable contracts entered into by the council.
<b>Contracting Authority</b>	An authority that has established a Framework Agreement that is available for use by other organisations within the Public Sector.
<b>Contracting Decision</b>	<p>Any decisions which impacts on either the procedure or the outcome of the process to include:</p> <ul style="list-style-type: none"> <li>• withdrawal of Invitation to Tender</li> <li>• whom to invite to submit a Quotation or Tender</li> <li>• shortlisting</li> <li>• award of contract</li> <li>• termination of a contract.</li> </ul>
<b>E-procurement</b>	A secure means to store and transmit Expressions of Interest, Invitations to Tender and other documentation in relation to Tenders (e.g. to receive queries from Candidates, and to issue Tender <i>clarifications</i> , Invitations to Submit Outline and Detailed Proposals, and Best and Final Offers), and then to receive and manage Tenders

	electronically via the Internet. Any process used must be compliant with HMG Information Security Standards, the requirements of the Manual of Protective Security and all UK legislation relevant to the processing of information.
<b>EU Procedure</b>	The procurement procedure required to be followed by the EU where the Total Value exceeds the EU Threshold.
<b>EU Threshold</b>	The contract values at which the EU public procurement directives apply, as amended from time to time.
<b>E U Treaty Principles</b>	The principles enshrined within the various Treaties. Although these apply directly to all procurement activity above the E U Threshold, they should apply, as a matter of good practice, to all procurement regardless of value.
<b>European Economic Area</b>	The members of the European Union, and Norway, Iceland and Liechtenstein.
<b>Financial Procedure Rules</b>	The council's financial regulations incorporated within its <i>Constitution</i> .
<b>Financial Vetting</b>	The process by which Officers appointed by Assistant Director (Resources and Performance) review the information supplied by the Bidder or Bidders to establish their financial suitability.
<b>Formal Quotation</b>	To process of obtaining a quotation using the e-procurement portal. Officers can either invite a number of suppliers to submit Bids or, alternatively, use the open process whereby the project is advertised generally and any supplier can submit a bid.
<b>Framework Agreement</b>	An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged. Examples of Framework Agreements include those awarded by the

	Government Procurement Service and others.
<b>Government Procurement Agreement</b>	The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the European Economic Area are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway, Aruba, Hong Kong, China, Liechtenstein and Singapore.
<b>Government Procurement Service</b>	Government Procurement Service (formerly Office of Government Commerce Buying Solutions).
<b>Assistant Director (HR, Legal and Democratic Services)</b>	As identified in the <i>Constitution</i> or another officer of the Council nominated by the Assistant Director (HR, Legal and Democratic Services) for the purposes of these Contract Procedure Rules and in a specific procurement exercise.
<b>Assistant Director (Resources and Performance)</b>	As identified in the <i>Constitution</i> or another officer of the Council nominated by the Assistant Director (Resources and Performance) for the purposes of these Contract Procedure Rules and in a specific procurement exercise.
<b>Assistant Director</b>	An Assistant Director as identified in the <i>Constitution</i> or another officer of the Council nominated by one of these to act in the capacity of Assistant Director for the purposes of these Contract Procedure Rules and in a specified procurement exercise.
<b>High Profile</b>	A high-profile procurement is one that could have an impact on functions integral to council service delivery should it fail or go wrong.
<b>High Risk</b>	A high-risk procurement is one which presents the potential for substantial exposure on the council's part should it fail or go wrong.
<b>High Value</b>	A high-value procurement is where the value exceeds the EU Threshold.
<b>Invitation to Tender</b>	Invitation to tender documents in the form required by these Contract Procedure Rules.

<b>Key Decision</b>	Decisions that are defined as key decisions in the Constitution.
<b>Line Manager</b>	The Officer's immediate superior or the Officer designated by the Director or Assistant Director to exercise the role reserved to the line manager by these Contract Procedure Rules.
<b>Monitoring Officer</b>	As identified in the <i>Constitution</i> .
<b>Nominated Suppliers and Sub-Contractors</b>	Those persons specified in a main contract for the discharge of any part of that contract.
<b>Non-commercial Considerations</b>	<p>Considerations which may either be brought to the attention of the officer and may be within his own knowledge but have no significance when evaluating a potential bidder. To include:</p> <ul style="list-style-type: none"> <li>• 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').</li> <li>• 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.</li> <li>• Any involvement of the business activities or interests of contractors with irrelevant fields of government policy.</li> <li>• 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').</li> <li>• 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.</li> </ul>

	<ul style="list-style-type: none"> <li>Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.</li> <li>Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support.</li> <li>Use or non-use by contractors of technical or professional services provided by the authority under the Building Act 1984.</li> <li>Workforce matters and industrial disputes, as defined in paragraphs (a) and (d), cease to be non-commercial considerations to the extent necessary or expedient to comply with <i>Best Value</i>; or where there is a transfer of staff to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply.</li> </ul>
<b>Officer</b>	The officer designated by the Assistant Director to deal with the contract in question.
<b>Officers' Code of Conduct</b>	The joint Officers' Code of Conduct adopted by both councils and regulating conduct of Officers, as incorporated into the <i>Constitution</i> .
<b>Parent Company Guarantee</b>	A contract which binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with the Council, the Council can require the parent company to do so instead.
<b>Post Tender Negotiations</b>	In limited circumstances negotiations can take place with Bidders after the evaluation process has been completed and prior to the Contract Award.
<b>Procurement Manager</b>	The Officer appointed by the Assistant Director (Resources and Performance) to provide Procurement advice across the Councils.
<b>Procurement Strategy</b>	The document setting out the council's corporate approach to procurement and key priorities.

<b>Procurement Toolkit</b>	The suite of internal guidance documents, together with a number of standard documents and forms, available on the intranet, which supports the implementation of these Contract Procedure Rules.
<b>Professional Buying Organisation</b>	An organisation established by one or more authorities for the sole purpose of setting up Framework Agreements thereby enabling collaborative purchasing.
<b>Quick Quotation</b>	A simplified quotation process whereby a number of quotations are sought from at least 3 suppliers without using the e-procurement portal.
<b>Quotation/Quote</b>	A quotation of price and any other relevant matter (without the formal issue of an Invitation to Tender). See also <b>Quick Quotation</b> and <b>Formal Quotation</b> .
<b>Relevant Contract</b>	Contracts to which these Contract Procedure Rules apply.
<b>Renewable Contract</b>	Contracts which are for repeatable purchases of Goods or Services or Works and are not one-off purchases.
<b>Request for Quotation</b>	Request for Quotation documents in the form required by these Contract Procedure Rules.
<b>Service Manager</b>	The Line Manager's immediate superior.
<b>Service Manager (Shared Legal)</b>	As identified in the <i>Constitution</i> .
<b>Shortlisting</b>	The process of selecting Candidates who are to be invited to quote or bid or to proceed to final evaluation.
<b>Specification</b>	A clear description of the requirements under the Contract. The amount of detail will vary according to the value and complexity of the purchase.
<b>Standard Terms and Conditions</b>	The terms and conditions agreed by the Council as being applicable in all contracts as an alternative to either bespoke Terms and Conditions or the Terms and Conditions of the other Party to the Contract or



	Agreement.
<b>Tender</b>	A Candidate's proposal submitted in response to an Invitation to Tender.
<b>The Public Contracts Regulations 2006</b>	The Public Contracts Regulations 2006 (SI 2006 No. 5), as amended or replaced from time to time.
<b>Total Value</b>	<p>The whole of the value or estimated value (in money or equivalent value) for a single procurement or disposal calculated as follows:</p> <ul style="list-style-type: none"> <li>(a) where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the period</li> <li>(b) where the procurement involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months</li> <li>(c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48</li> <li>(d) for feasibility studies, the value of the scheme or contracts which may be awarded as a result</li> <li>(e) for Nominated Suppliers and Sub-contractors, the total value shall be the value of that part of the main contract to be fulfilled by the Nominated Supplier or Sub-contractor.</li> </ul>
<b>TUPE</b>	<p>Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006 No. 246): subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the Council is transferred from one organisation (e.g. private contractor or local authority in-house team) to another (e.g. following a contracting out or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to</p>

	<p>enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.</p>
<b>Value for Money</b>	<p>Value for money is not the lowest possible price; it combines goods or services that fully meet the council's needs, with the level of quality required, delivery at the time the council needs it, and at an appropriate price.</p>