

## 4.8 CONTRACT PROCUREMENT RULES

### 4.8.1 Introduction

The Local Government Act 1972 requires the Council to have standing orders for how it enters into Contracts. These Contract Procedure Rules are the standing orders required by the 1972 Act. They form part of the Council's Constitution and are, in effect, the instructions of the Council to officers and members for entering into Contracts on behalf of the Council.

The purpose of these Contract Procedure Rules is to set a framework of clear rule for the procurement and purchase of works, goods and services for the Council and to ensure a system of openness, integrity and accountability, within which the probity and transparency of the Council's procurement process will be beyond reproach or challenge.

Accordingly, these Contract Procedure Rules must be followed for **all** Contracts for:

- the supply of goods to the Council;
- the supply of services to the Council;
- the carrying out of works for the Council;
- to contract under light touch for the Council and  
Concession Contracts.

The Council is also subject to the Public Procurement Legislation. These Contract Procedure Rules provide a basis for true and fair competition for Contracts by providing clear and auditable procedures, which, if followed, will give confidence that the Council has a procurement regime that is fully accountable and compliant with procurement law.

Following the Contract Procedure Rules will also help to ensure that the Council obtains value for money when it buys works, goods or services.

These Contract Procedure Rules are to protect the interests of the Council, its officers and members and the communities of Bolsover District Council.

These Contract Procedure Rules reflect the requirements of the Local Government Act 1972 and the Public Contract Regulations 2015 (as amended), the Procurement Act 2023, and other procurement legislation as amended. In any apparent conflict of meaning or intent, the legislation shall take precedence.

Where procurements commenced before 24 February 2025, the Previous Regulations will apply. These CPRs assume the Procurement Act 2023 applies. However, in relation to Contracts let under the Previous Regulations, officers will need to apply the Previous Regulations– please contact Procurement Services who will be able to advise. References to Public Procurement Legislation should be interpreted as referring to the Previous Regulations where Procurement Services advise that is appropriate.

When undertaking procurements regulated by the Procurement Act 2023, regard should be had to:

- the National Procurement Policy Statement,
- the principles and objectives set out in the Procurement Act 2023.
- the duty to consider how to remove barriers for small and medium sized businesses.
- the requirements to publish notices at each stage of the procurement and during the life of the contract (not all required notices are referred to in these CPRs).
- Cabinet Office Guidance.

## **Definitions of Terms Used in These Rules;**

### **Annual Contracts Forward Plan**

means setting out all proposed Council contracting activity for a financial year. This plan prepared by each of the Service Areas which is shared with Procurement Service to amalgamate;

### **Artificial Intelligence**

means (AI) computer science dedicated to creating systems capable of performing complex tasks that typically require human intelligence, such as reasoning, learning, problem-solving, perception, and decision-making;

### **Authority**

means the appropriate level of authority based on the value of the contract, extension or variation as set out in Appendix 1;

### **Award Letter**

means a formal document that is drafted up to the value of £75,000 when the Councils standard term and conditions are used for the award of contract that is actioned by Procurement Services that notifies a contractor that they have won a contract

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providing specific information such as but not limited to start and end dates of the contract, project details and contract value:

**Below Threshold Tender Notice**

means a notice setting out that a contracting authority intends to award a (below threshold) contract;

**Central Digital Platform**

means the Find a Tender platform where all UK contracting authorities publish information relating to Contracts;

**Concession Contract**

means a Contract as defined in the Public Procurement Legislation;

**Contract**

means the agreement between the Council and a supplier for the supply of works, goods or services including Purchase Orders. Although at law a verbal agreement may be a Contract, Contracts for Bolsover District Council must always be supported by appropriate written Contract documents;

**Contract Award Notice**

means a notice as described in section 50 of the Procurement Act 2023 setting out that the Council intends to enter into a Contract;

**Contract Details Notice**

means a notice as described in section 53 of the Procurement Act 2023 setting out that the Council has entered into a Contract;

**Contract Number**

means the number allocated to the contract by the Procurement Service;

**Contracting Officer**

means any officer who proposes to procure goods services or works;

**Contract Performance Notice**

means the report on supplier performance against KPIs where total contract value is over £5 million which shall report poor supplier performance and any breach of contract in accordance with section 71 of the Procurement Act 2023;

<b>Corporate Contract</b>	means a Contract for the supply of works, goods or services to the Council as a whole rather than for an individual service area. For example, stationery, work wear. Corporate Contracts are generally procured and managed by the Procurement Service;
<b>Council's Financial Regulations</b>	means the Council's Financial Regulations which contain all financial accountabilities in relation to the running of the Council, including the Council budget and Council policy framework;
<b>Cyber Security</b>	mean the practice of protecting systems, networks, programs, and data from digital attacks, unauthorized access, or damage;
<b>Dynamic Purchasing System</b>	means the system referred to and defined in regulation 34 of the Public Contracts Regulations 2015 (as amended);
<b>Dynamic Market</b>	means arrangements defined by the Procurement Act 2023;
<b>E-Procurement System</b>	means In-Tend or successor system or other system used by the Council;
<b>Exception</b>	means an exception to these CPRs as further described in 4.8.44 of these CPRs;
<b>Framework</b>	means a framework agreement under the Previous Regulations or the Procurement Act 2023 as the context requires;
<b>FTS</b>	means the Find a Tender Service which allows supplier to find public sector contracts;
<b>Key Decision</b>	A significant decision which is the responsibility of the Executive or an officer under delegated powers
<b>Light Touch</b>	means the rules and procedures for the light touch contracts set out in section 9 of the Procurement Act 2023;
<b>Local Supplier</b>	means a Supplier based in the Borough of Bolsover.

<b>Members of Staff</b>	means individuals who carry out the day-to-day work of the Council, either on a permanent or a temporary basis, and includes officers, interim post-holders and agency staff but not consultants or suppliers (also referred to as officers);
<b>Monitoring Officer</b>	means the officer designated under section 5 of the Local Government and Housing Act 1989 to monitor the Council's compliance with the law and rules of administration. The Director of Governance and Legal Services is the Monitoring Officer;
<b>Notifiable Below-Threshold Contract</b>	means a Below Threshold Contract which has total value of £30,000 or above;
<b>Open Framework</b>	means an open framework as defined by the Procurement Act 2023;
<b>PAS 91</b>	means the PAS 91: 2013 Construction prequalification questionnaires
<b>PED</b>	means the Procurement Engagement Document: a strategy document laying out the business case for and proposed approach towards a procurement exercise. It also secures the project number, commissions the Procurement Service and Legal Services to support the exercise;
<b>Pipeline Notice</b>	means a notice as described in section 93 of the Procurement Act 2023 setting out specified information about any public contract with an estimated value of more than £2 million in respect of which the Council intends to publish a Tender Notice or Transparency Notice during the reporting period;
<b>Planned Procurement Notice</b>	means a notice informing the market that the Council intends to publish a Tender Notice, as more particularly described in section 15 of the Procurement Act 2023;
<b>Preliminary Market Engagement Notice</b>	means a notice setting out that the Council intends to, or has conducted, preliminary market engagement as more particularly

described in section 17 of the Procurement Act 2023;

**Previous Regulations**

means the Public Contracts Regulations 2006, the Public Contracts Regulations 2015 (as amended) or the Concession Contracts Regulations 2016 (as applicable) as amended from time to time;

**Project Lead**

means the Officer of the Council from the Service Area who will lead on the project;

**Public Procurement Legislation**

means the Public Contracts Regulations 2015 (as amended), Concession Contracts Regulations 2016, the Procurement Act 2023, or other UK legislation affecting public sector Contracts and any amendment, re-enactment or replacement of any of them;

**Purchase Order**

means the Council's official order form for the purchase of works, goods or services;

**Quotation**

means an offer by a Supplier to undertake a Contract of £30,000 or more but less than £75,000 in value;

**Service**

means any service provided to the Council including supplies, works or services as defined in the Public Procurement Legislation;

**Service Manager**

means Officer of the Council who has responsible and overseas activity in the Service Area:

**Social Value**

means activities, approaches and services that help to deliver corporate objectives, in particular measurable benefits to local communities' safety, health, prosperity and quality of life, including:

- Climatic and environmental improvements
- Local economic benefits
- Beneficial impacts on local communities – including furthering equalities and community cohesion;

<b>Subsidy Control</b>	means the legal framework that regulates how public authorities give money to businesses
<b>Supply Chain</b>	means the entire network of organisations, contractors, people, activities, information, and resources involved in the supply of a product, service or works contract to the Council;
<b>SQ</b>	means the selection questionnaire under the Public Contracts Act 2015 (as amended), and the conditions of participation under the Procurement Act 2023 being a standard selection questionnaire, which suppliers have to complete to provide evidence of or self-declare their legal, financial and technical capacity (including their health and safety and equal opportunities policies) to undertake a contract for the Council, in a format approved by the Procurement Service;
<b>Supplier</b>	means a supplier of works, goods or services to the Council;
<b>T&amp;Cs</b>	means the Councils standard terms and conditions of Contract;
<b>Tender</b>	means an offer by a supplier to undertake a Contract
<b>Tender Notice</b>	means a notice informing the market that the Council is commencing a procurement process, as more particularly described in section 21 of the Procurement Act 2023;
<b>Tender Report</b>	means a report which describes the procurement process, any material decisions, the tenderers and their scores and identifies the successful tenderer;

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**Threshold Amount**

means the threshold amount as defined in the Public Procurement Legislation and updated every two years (latest 1<sup>st</sup> January 2026) above which the requirements of the legislation are engaged;

**Transparency Notice**

means a notice as described in section 44 of the Procurement Act 2023 setting out that a contracting authority intends to award a Contract directly without undertaking a procurement;

## General Contract Procedure Rule Requirements

### 4.8.2 Application and Scope

- (1) These CPRs apply to:

All Contracts for the supply of works, goods or services to the Council, regardless of value, including Concession Contracts and Requests for Quotation (RFQ).

Contracts for the engagement of consultants to provide Services to the Council that are part of a discrete piece of work for example, carrying out research, giving advice or managing a project

The nomination of a sub-contractor to a main contractor.

- (2) These CPRs do **not** apply to:

Contracts for the purchase or sale of any interest in land (including leasehold interests).

Contracts for the appointment of individual Members of Staff, including Members of Staff sourced through employment agencies under a Corporate Contract.

Grant agreements, where the Council is giving, subject to a full complaint Subsidy Control assessment (where the Council carries out a procurement using grant monies received, the CPRs will apply).

Supply of works, goods and services **by** the Council.

Individual Placements.

- (3) If a Contract is being procured in collaboration with other local authorities, the Contract Procedure Rules of the lead authority shall apply. Assurance should be sought that the lead authority is compliant with its own contract procedure rules / standing orders. Where the Procurement Act 2023 applies, the Council is jointly responsible with the other local authorities for compliance with legislation.
- (4) E-procurement procedures shall be used wherever possible. Requests for quotations, pre-qualification questionnaires and invitations to tender

should wherever practical be issued to tenderers by electronic means. Where e-tendering is utilised then this must be undertaken by way of the corporate e-tendering system which is managed on the Council's behalf by the Procurement Service.

- (5) Before any tendering exercise is considered, reference must be made to the Council's procurement and equalities guidelines. The Council is committed to dealing fairly with all relevant discrimination groups as defined in the Equalities Act 2010. A failure to take into account special requirements for these groups in a tender would be a significant corporate failure, affecting the reputation and standing of the Council.
- (6) All procurement arrangements must ensure compliance with the Council's responsibility in respect of the Freedom of Information Act, Environmental Information Regulations 2004 and the GDPR, Data Protection Act 2018 and the Data Act 2025.

### **4.8.3 Compliance with Contract Procedure Rules**

- (1) Every Contract entered into on behalf of the Council must comply with:
  - these Contract Procedure Rules (unless an Exception is granted)
  - the Council's Financial Regulations and
  - all relevant UK legislation.
- (2) Each Service Manager is responsible for ensuring that their department complies with these Contract Procedure Rules.
- (3) All Members of Staff and consultants engaged in any capacity to manage or supervise the procurement of any works, goods or services for the Council must comply with these Contract Procedure Rules. Failure to comply with these Contract Procedure Rules may result in disciplinary action and legal proceedings against the Members of Staff and consultants concerned.
- (4) Officers should also pay attention to the Council's Employee Code of Conduct. Non-compliance with these Contract Procedure Rules constitutes grounds for disciplinary action and may be considered gross misconduct.
- (5) No procurement process of any value may be undertaken without an initial assessment of:
  - Need
  - Assured funding
  - A check for conflict with existing Contracts
  - An assessment of savings.

- (6) All Contracts for Goods and Services with a value of £75,000 or more must be initiated with a Procurement Engagement Document (PED) and be supported by the Procurement Service.
- (7) All Contracts for Works with a value of £100,000 or more must be initiated with a Procurement Engagement Document (PED) and be supported by the Procurement Service.
- (8) All Contract extension for Contracts for Good, Service or Works, an extension notification report must be completed and forward to the Procurement Service when the extension has been agreed with the Supplier.
- (9) All contract variations for Contracts for Good, Service or Works, Procurement Service must be advised, and the variation must be completed by Legal Services
- (10) Any Contract decisions having a total value of £75,000 for revenue and £150,000 for capital or more (including any extension period) are Key Decisions to which the Forward Plan and Access to Information Procedure Rules will apply and for which appropriate level of Authority must be sought in accordance with Appendix 1

#### **4.8.4 Partnership Working**

- (1) These CPR's apply, in addition to other procurements, to any proposal for the Council to become involved in a joint venture or partnership, including the monitoring of any such arrangement, if the Council is leading on the procurement process.

Where Partnership arrangements, or working with other public bodies, are used in order to procure goods or provide services then consultation must take place with both the Monitoring Officer, the Head of Finance and Resources and Procurement Manager prior to entering into such arrangements. Such arrangements should only be pursued on the basis that appropriate approval from the Council's statutory officers and from appropriate Council bodies have been secured prior to any formal commitments being given.

#### **4.8.5 Conflict of Interest**

- (1) All Members of Staff must avoid any conflict between their own interests and the interests of the Council. This is a requirement of the Council's Employees Code of Conduct.

This includes:

- 1) Not accepting gifts or hospitality from organisations or suppliers that the Council has any dealings with.
  - 2) Not working for organisations or suppliers that the Council has any dealings with.
  - 3) Notifying a relevant Project Lead and Procurement Services of any links with an organisation or supplier who is tendering or quoting for a Contract with the Council or already has a Contract with the Council.
- (2) The relevant Project Lead and the Procurement Services must ensure that any consultants engaged to act on behalf of the Council enter into a Contract with the Council and sign a declaration. The declaration shall confirm that:
- They have no conflict
  - They will avoid any conflict between their own interests or those of any of their other clients and the interests of the Council; and
  - They will notify the relevant Project Lead and Procurement Service if they have any links with an organisation or supplier who is tendering or quoting for a Contract with the Council or already has a Contract with the Council.
- (3) If an elected member of the Council or a member of staff involved in the procurement or management of a Contract has an interest, financial or otherwise, in a Contract or proposed Contract, they must declare it in writing to the relevant Project Lead and the Procurement Services as soon as they become aware of the interest. An elected member or member of staff who has an interest in a Contract must not take part in the procurement or management of that Contract.
- (4) Before commencing a tendering exercise, the relevant Project Lead and the Procurement Services must identify conflicts of interests or potential conflicts of interest, and the Procurement Service will prepare a conflicts assessment in accordance with the requirements of the Procurement Act 2023.
- (5) Where conflict(s) are identified, the relevant Project Lead must take all reasonable steps to ensure that the conflict(s) does not put the supplier at an unfair advantage or disadvantage in the procurement.
- (6) At each point of publishing one of the following notices, (as defined in the Procurement Act 2023), the relevant Project Lead must advise Procurement Service who must prepare a conflict of interest assessment or review and amend the existing conflicts of interest assessments as necessary:

- Planned Procurement Notice
- Tender Notice
- Transparency Notice
- Dynamic Market notice in relation to the establishment of a Dynamic Market
- Contract Details Notice
- Contract Change Notice.
- Duties of Strategic Directors / Service Managers

### **4.8.6 Prevention of Corrupt Activity**

- (1) A Contract must be capable of being terminated immediately, and any losses to the Council arising from the termination recovered from the Supplier, if the Supplier, or anyone acting on their behalf (with or without the Supplier's knowledge):
- offers, promises or gives a financial or other advantage to any elected member of the Council, any member of staff or any consultant in connection with the Contract.
  - or requests, agrees to receive or accepts a financial or other advantage so that some action in relation to the Contract is performed improperly.

A statement to this effect must be included in all invitations to Tender or quotes.

- (2) Any elected member of the Council, member of staff or consultant who becomes aware or has reason to believe that a Supplier or potential Supplier has committed one of the corrupt acts referred to in CPR 4.8.6 (1) must report it to the Monitoring Officer and/or the Head of Internal Audit Consortium and the Procurement Manager immediately.
- (3) The attention of officers is drawn to the Council's Employee Code of Conduct. Non-compliance with these Contract Procedure Rules constitutes grounds for disciplinary action and may be considered gross misconduct.

### **4.8.7 Duties of the Service Manager**

A Service Manger must:

- (1) Ensure that all Contracts within their department comply with Contract Procedure Rules, Financial Regulations and all applicable Public Procurement Legislation.

- (2) Plan the procurement of and manage Contracts within their department to ensure that Contracts:
  - Deliver value for money; and
  - Operate effectively, efficiently and economically.
- (3) Make sure that the Council operates within the terms of any Contract for which they are responsible, to ensure that the Council does not breach the Contract.
- (4) Maintain an accurate register of Contracts entered into by their department and ensure these are added to the Council's overall Contracts Register via completing a transparency report and emailing to the procurement service. One off contract for less than £5,000 need not be recorded in the register.
- (5) Keep adequate records and maintain audit trails to evidence compliance with Contract Procedure Rules, Financial Regulations and all relevant legislation in their department.
- (6) Ensure there is adequate budget available to finance all purchasing decisions irrespective of the value and where required, that a Purchase Order is raised on the Council's finance system following a relevant spend approval decision.
- (7) Ensure that contract budgets are monitored and managed, ensuring any additional costs and overspend are approved in accordance with the Financial Regulations and the advertised contract spend.

#### **4.8.8 Preliminary Market Engagement**

- (1) Consider the benefits of engaging with the market prior to the commencement of a procurement and publish a Preliminary Market Engagement Notice when appropriate in accordance with the requirements of the Procurement Act 2023.

#### **4.8.9 Cyber Security and Supply Chain Assurance**

All Project Leads must:

- (1) Treat cyber security as a core procurement risk, proportionate to the contract's risk profile and the potential impact on services, data and residents.
- (2) Apply a risk-based approach at the start of each procurement to identify where specialist ICT / information security input is required, and to determine what assurance is proportionate.

- (3) Build cyber requirements into specifications and evaluation for relevant contracts (for example where suppliers process personal or sensitive information, host systems, connect to our network, or deliver critical services).
- (4) Require suppliers (and relevant subcontractors) to evidence appropriate governance and controls, such as: secure access management, patching and vulnerability management, secure configuration, staff training, and incident management arrangements.
- (5) Include proportionate contract provisions for incident notification, cooperation during incidents, and continuous improvement; for higher-risk contracts, we will consider audit/assurance rights and measurable security service levels.
- (6) Manage cyber risks through ongoing contract management for key suppliers, including periodic review of security performance and material changes in the supplier's delivery model (for example use of new systems, hosting locations, or subcontractors).

#### **4.8.10 Artificial Intelligence Transparency**

All Project Leads must:

- (1) Require suppliers to be transparent about any use of Artificial Intelligence (including generative AI) that is material to: (a) their tender submission, (b) the solution proposed, or (c) delivery of the contract.
- (2) For relevant procurements, include an "AI disclosure" schedule in the tender requiring bidders to set out: where AI is used; which tools/models are used (including subcontractors); what data is used (including any Council data); how outputs are checked and governed; and how risks such as bias, error, security and privacy are managed.
- (3) Where AI is part of the contract delivery, evaluate bidders on their AI governance and assurance arrangements, including human oversight, explainability, testing/monitoring and incident/issue escalation.
- (4) Include proportionate contract requirements so that suppliers notify us of any material changes to their AI use during the contract (for example changes to models, tools, hosting, training data sources, or subcontractors) and cooperate with any required reviews.
- (5) Set clear expectations on data protection and confidentiality when AI is used, including controls to prevent unauthorised disclosure or retention of Council information.

- (6) Use contract management to monitor AI use and performance where relevant, including audit/assurance where proportionate and agreed.

#### **4.8.11 KPI's**

- (1) Include a minimum of 3 Key Performance Indicators (KPIs) in Contracts where required by the Procurement Act 2023 to do so, unless the Service Manager and Project Lead reasonably considers that the Supplier's performance under the Contract could not appropriately be assessed by reference to KPIs.
- (2) For Contracts with a total value over £5 million, at least once annually and on termination of a Contract, assess and publish details of the Supplier's performance under the KPIs on the Central Digital Platform using a Contract Performance Notice.

#### **4.8.12 Contract Performance Notice**

- (1) Issue a Contract Performance Notice when a Supplier has breached a Contract and the breach results in:
  - (i) termination or partial termination of the Contract;
  - (ii) the award of damages, or
  - (iii) a settlement agreement between the Supplier and the Council.

if required by the Procurement Act 2023 to do so. Advice should be sought from Procurement Service in the event of a breach of contract and will action the notice.

#### **4.8.13 Record Keeping**

- (1) Project Lead shall maintain records to explain a decision to award a Contract as required by the Procurement Act 2023.
- (2) Project Lead and / or Procurement Services shall maintain records of any communication between the Council and a supplier prior to the award of a public contract.

#### **4.8.14 Publication of Contracts**

- (1) Publish a copy of the Contract entered into if its total value is more than £5 million (appropriately redacted) as follows:
  - if the contract is a Light Touch Contract, before the end of the period of 180 days beginning with the day on which the Contract is entered into;

- otherwise, before the end of the period of 90 days beginning with the day on which the Contract is entered into.
- This requirement does not apply to Contracts which have been directly awarded on the ground of user choice in accordance with paragraph 15 of Schedule 5 of the Procurement Act 2023.

#### **4.8.15 Notices**

- (1) Issue notices in accordance with the Procurement Act 2023.
- (2) A Service Manger can award Contracts with a total value of up to £75,000 for revenue spend and £150,000 for capital spend and above those amounts where Authority has been delegated to them to do so. Any decision with a value of £75,000/£150,000 and above in total (including options to extend) will be a Key Decision and must be placed on the Forward Plan.

#### **4.8.16 Valuation of Contracts**

- (1) The Project Lead is responsible for each Contract must record an estimated value for the Contract before any offers are sought.
- (2) The value of a Contract is the total amount that the Council expects to pay for the whole Contract term, including any possible Contract extension period, and is:
  - a. Exclusive of VAT for the purposes of Council budget and approval purposes but
  - b. Inclusive of any applicable VAT for the purposes of considering the Threshold Amounts and compliance with Procurement Act 2023.
- (3) The value of a Concession Contract shall be calculated in accordance with Schedule 3 section 3 of the Procurement Act 2023.
- (4) Procurement Services must be consulted to confirm the calculation of the value of a Concession Contract.
- (5) The Service Area must not try to avoid compliance with these Contract Procedure Rules or the Procurement Act 2023 by splitting a procurement for the same or similar works, goods or services into smaller, separate Contracts, except where permitted by the Procurement Act 2023.
- (6) If it will achieve better value for money, Contracts for the same or similar works, goods or services must, where reasonably practicable, be aggregated into a single procurement with Lots where necessary.

#### **4.8.17 SME Participation**

- (1) To facilitate SME participation in awards of contracts consideration should be given to dividing contracts into smaller lots where appropriate. Procurement Services will advise on whether a contract could be divided. Where a contract may be divided the project officer shall consult with a Service Manager. If a decision is taken not to divide a contract into lots, then the relevant Project Manager must maintain a written summary of the reasoning underlying that decision.

#### **4.8.18 Purchasing Through Corporate Contracts Or Frameworks and Collaborative Procurement**

- (1) If there is an existing internal corporate Bolsover District Council, Framework, Open Framework or Dynamic Market for the supply of any works, goods or services, the Service Area must buy through that Contract, Framework, Open Framework or Dynamic Market unless agreed otherwise with the Procurement Services at the time of drafting the PED.
- (2) Where appropriate external Framework Agreements or Dynamic Markets are available, these may be used but must be assessed by Procurement Service before deciding to conduct a tender exercise through them.
- (3) Procurement Services must be consulted on the acceptability of T&Cs before joining or buying from an external Framework, Open Framework or a Dynamic Market.
- (4) The cost of using any external Frameworks, Open Frameworks or Dynamic Markets should always be included in the strategic assessment of this route to market and form part of the business case for using or not using them.
- (5) Any procurement exercise conducted through a Framework, Open Framework or Dynamic Market must follow the procedures set out by Framework, Open Framework or Dynamic Market.
- (6) A decision at the appropriate level will be required to award a Contract procured through consortia, buying groups, Dynamic Markets, Open Frameworks or Frameworks, whether set up by the Council or set up by another public authority.
- (7) Procurement Service must set up an internal Framework, Open Framework or a Dynamic Market.
- (8) Wherever possible and practicable, collaboration with other public authorities or other service areas within the Council should be considered.
- (9) For Contracts, Frameworks, Open Frameworks or Dynamic Markets where the Council is the lead authority, the Contract award will be subject to the

Council's CPRs and governance process, and the use of the Council's e-tendering system.

- (10) For Contracts, Frameworks, Open Frameworks or Dynamic Markets where the Council is *not* the lead authority, but the Council is participating in the procurement, the procurement process and Contract award will be subject to the lead Authority's contract procedure rules / standing orders and governance procedures.
- (11) Contracts, Frameworks, Open Frameworks or Dynamic Markets procured by the Council on behalf of Council owned companies will be subject to the Council's CPRs and governance procedures.

### **4.8.19 Contract Award**

- (1) Written Contracts executed as a deed are required for all contracts having a contract value of £100,000. All commissions, below £100,000 must be concluded by a purchase order award letter or simple contract.
- (2) Contract T&Cs must be approved by Procurement Services.
- (3) Non-standard form Contracts must be drafted by or approved by Legal Services.
- (4) A Purchase Order must be issued for every Contract and the Contract Number where applicable must be referenced.
- (5) The provision of contracted services works or supplies must not begin under a Contract until the Contract has been signed and/or sealed by both parties.
- (6) Contracts which are not required to be sealed must be signed for and on behalf of the Council by an authorised signatory of the Council.
- (7) The minimum levels of cover required under Contract must be:
  - £5 million for employer's liability insurance.
  - £5 million for public liability and products liability insurance.
  - £2 million for professional indemnity insurance.
- (8) Any lower level of insurance cover agreed must be adequate to cover the value and risks involved, following a risk assessment and approval from the Service Manager.

### **4.8.20 Performance Bonds and Guarantees**

- (1) In the case of contracts valued above £100,000 the Procurement Manager shall determine, the degree of security (if any) required to protect the Council from a contractor default. This may be a performance bond or some other form of financial or performance guarantee.
- (2) Where an order is placed with an in-house service and work forming part of that order is sub-contracted to an external company, then the provisions of Rule 4.8.19 (1) will apply.
- (3) All Contracts, bonds, guarantees, agreements or transactions
  - (i) in respect of which there is no consideration; or
  - (ii) which equal or exceed £100,000 in value over the life of the Contract must be executed as a deed under seal in accordance with these Contract Procedure Rules unless otherwise agreed with Legal Services.
- (4) 4.8.17 will *not* apply to Contracts for insurance where the Contract is brought into effect by the issue of a schedule of insurance and policy documents to the Council by the insurer.
- (5) Legal Services may direct that other Contracts must be executed as deeds.
- (6) All Contracts executed as deeds must have the Council's Common Seal (electronically or otherwise) affixed to them and witnessed by an officer of the Council authorised by the Monitoring Officer.
- (7) For every Contract of £5 million or more in total value, the Service Manager and Project Lead with guidance from Legal and Procurement Services must decide, whether the circumstances justify the Council requiring the Supplier to provide a parent company guarantee and/or a bond.
- (8) All parent company guarantees and bonds must be in a form approved by Legal Services.
- (9) Where a performance bond and/or parent company guarantee is required, then the tender documents must provide for this.

#### **4.8.21 Liquidated Damages**

- (1) Any contract which is estimated to exceed £100,000 in value or amount, and is for the execution of works, or for the supply of goods or materials by a particular date or series of dates, shall provide for liquidated damages. The amount to be specified in each such contract shall be determined by a Project Lead in consultation with Legal Services.

#### **4.8.22 Further Information**

Total Value	Method of Contract Formation
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<p>Up to £100,000</p>	<p>The Project Lead concerned must issue a purchase order, award letter or enter into a simple contract made on such terms that have the prior approval of the Director of Governance &amp; Monitoring Officer and be signed by at least one authorised officer</p> <p>the Monitoring Officer (taking into consideration the risks involved) may deem an purchase order or simple contract inappropriate in any particular case, even where the value of the scheme is less than £100,000.00. In this case, the Service Director shall ensure that a formal contract under seal relating to the scheme is made in such terms that have the prior approval of the Monitoring Officer.</p> <p>Procurement Manager can issue an award letter on behalf of the Project Lead for a purchase order to be issued by the service area.</p> <p>Project Lead shall ensure that:</p> <ol style="list-style-type: none"><li>(1) no purchase order or award letter be issued or formal contract made for a scheme which will commit Council to expenditure unless provision exists to finance that expenditure,</li><li>(2) each purchase order or award letter must set out<ol style="list-style-type: none"><li>(i) the nature and quantity of the work, goods, materials or services,</li><li>(ii) the agreed value or price and provisions for payment, any trade or cash discount or allowance, the time, or times, within which such order or contract is to be performed,</li><li>(iii) the quotation or tender including the reference number under which the goods works or services were sought</li></ol></li></ol> <p>(Reference to these documents on a purchase order ensures those specific terms apply to the purchase, rather than the Council's standard purchase order terms of agreement)</p> <ol style="list-style-type: none"><li>(3) (if Procurement Service has not been involved in the process) as soon as possible after any purchase order or award letter has been made the matter must be notified to the Procurement Service for noting on the Contracts Register.</li><li>(4) a scanned copy of every executed formal contract must be provided to the Procurement Manager for storing on the Council's internal system.</li></ol>
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£100,001.00 and above	a formal contract under seal executed by both parties must be completed under the direction of the Monitoring Officer.  Provided that these provisions shall not apply when the selected procurement route is by use of a framework agreement AND the framework terms and conditions provide that documents are to be executed as a simple contract and not as a deed
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### 4.8.23 Before Entering into Contract

(1) Before issuing the RFQ / ITT, the Contracting Officer must:

- Be satisfied that a specification (where appropriate) that will form the basis of the contract has been prepared (the specification should be retained on the appropriate contract file held within the service), and
- Have prepared and documented an estimate of the cost of the contract including, where appropriate, any maintenance and on-going costs (the estimate should be retained on the appropriate contract file held within the service), and
- Ensure that all evaluation criteria have been determined in advance, put into order of relative importance with weightings for each element and published in the tender pack; and
- For contracts where there are clear risks, and for all contracts over £75,000, produce and maintain a documented risk register for the procurement process and for the eventual contractual relationship. As a minimum documentation should be maintained analysing all risks, identifying how they will be managed, and naming responsible officer(s).

(2) Before entering into contract, the Contracting Officer must:

- Be satisfied about the technical capability of such proposed contractor and be satisfied that s/he has the power and authority to enter into the contract; and
- Ensure that these Rules have been complied with, and that the proposed contract represents value for money; and
- For all contracts that exceed £75,000, the Contracting Officer shall undertake appropriate checks to ensure that the proposed contractor has the financial and resource capacity (taking

account of contract value and risk) to perform the contract (unless the contractor has already been subjected to a recent satisfactory financial check). Financial vetting shall be undertaken by a designated financial officer, who shall advise on what, if any, security should be provided by the contractor.

#### **4.8.24 Signatures**

- (1) The Contracting Officer responsible for securing signature of the contract must ensure
- (i) that the person signing for the other contracting party has authority to bind it and
  - (ii) ensure that the signatory is a director or secretary as listed on Company House and
  - (iii) they hold authorisation from the Council i.e. an Executive minute or a formal Delegated Decision or if below the DD limit (£50,000) a written authorisation from the Senior Officer to commit the Council to the contract and such authorisation must be provided prior to the document being submitted for signature by an approved signatory

#### **4.8.25 Sealing**

Where contracts are completed by each side adding their formal seal, the affixing of the Council's seal will be attested by the Monitoring Officer or anyone authorised by the Monitoring Officer together with a Councillor.

An entry of every sealing shall be made and consecutively numbered in an electronic register kept for the purpose. The seal must not be affixed without the authority of the Council, Executive, a committee or under delegated powers. A contract must be sealed where:

- the Council may wish to enforce the contract more than six years after its end; or
- the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services;

or

- where there is any doubt about the authority of the person signing for the other contracting party; or
- the Total Value exceeds £75,000

## 4.8.26 Archiving and Lodgement of Records

The original signed/sealed contract must be recorded on the Contracts Register and stored securely within Legal Services and Procurement Services.

## 4.8.26 Annual Contracts Forward Plan

- (1) The predicted procurement activity for the coming year should be recorded in a planning document (the Annual Contracts Forward Plan) by Service Area in readiness for the start of each financial year and agreed through the Procurement Service.

This supports:

- (i) Procurement Services and Legal Services resource planning.
  - (ii) Compliance with the Pipeline Notice publication process set out with section 93 of the Procurement Act 2023).
- (2) The Annual Contracts Forward Plan will set out all contracting activity for that financial year with agreed resource allocation. Projects submitted after the approval of the Annual Contracts Forward Plan will be considered subject to resource availability and priority given to the approved Annual Contracts Forward Plan.

## 4.8.27 Below Threshold Contracts

- (1) Procurements for Below Threshold Contracts may not restrict submission of Tenders on the basis of a supplier's legal and financial capacity or technical ability. This applies to Below Threshold Contracts for Good and Service with a total value of £207,720 and Light Touch with a total value £663,540 (inclusive of Value Added Tax)
- (2) Paragraph 1 does not apply to Below Threshold Contracts for works and light touch.
- (3) Before inviting the submission of Tenders in relation to the award of a Regulated Below-Threshold Contract, a contracting authority must have regard to the fact that small and medium-sized enterprises may face particular barriers in competing for a contract and consider whether such barriers can be removed or reduced.
- (4) Notifiable Below Threshold Contracts may not be advertised for the purpose of inviting Tenders without first publishing Below Threshold Tender Notice

unless the advert is only for the purpose of inviting Tenders from particular or pre-selected suppliers.

- (5) As soon as reasonably practicable after entering into a Notifiable Below Threshold Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice template must be completed and returned to the Procurement Services for publishing.

#### **4.8.28 Contract Procedure Thresholds**

- (1) For Goods and Services and Light Touch Contracts - These Rules relate to four categories of procurement based on the estimated value of the contract: -

- (a) Up to £5,000
- (b) Above £5,000 to £30,000
- (c) Above £30,001 to £75,000
- (d) Above £75,001 to Threshold
- (e) Over the FTS Threshold

- (2) For Works Contracts - These Rules relate to five categories of procurement based on the estimated value of the contract: -

- (a) Up to £10,000
- (b) Above £10,000 to 30,000
- (c) Above £30,000 to £75,000
- (d) Above £75,001 to £1,000,000
- (e) Above £1,000,001 to Threshold
- (f) Over the FTS Threshold

**Whether the contract is for Goods, Services Light Touch or Works contract the specific rules for each of the above categories is contained in Parts 4.8.28 to 4.8.35 of these rules.**

## **4.8.29 Procurements below £5,000 for Goods and Services and Light Touch Contracts**

### **COMPETITION**

- (1) Competitive quotations require from at least three quotations sought for Contracts of less than £5,000 total value but the Service Area must be able to demonstrate that the Council is receiving value for money and maintain an audit trail of the procurement. Whilst quality and price submissions may be sought, quotations can be sought on a price-only basis.
- (2) The process can be either written or oral and can be undertaken. Evidence must be kept for audit purposes.
- (3) The repeated use of the same Supplier must be avoided, and the process must not be used for the purposes of disaggregation.
- (4) Wherever possible, a Local Supplier should be invited to quote.

### **PURCHASE ORDERS**

- (5) A Purchase Order must be issued for any and every purchase made under such purchasing agreement.

### **AUTHORITY TO ENTER INTO A CONTRACT**

- (6) The Contract shall be based on the Councils standard T&Cs attached to the written correspondence and / or shared with the contractor before the contract is entered into. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Services.
- (7) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed for all contract value of £5,000 and more and returned to the Procurement Services for publishing.

## **4.8.30 Above £5,000 to £30,000 for Goods and Services and Light Touch Contracts**

### **COMPETITION**

- (1) Competitive quotations require from at least three quotations sought for Contracts of above £5,000 but less than £30,000 total value but the Service

Area must be able to demonstrate that the Council is receiving value for money and maintain an audit trail of the procurement. Whilst quality and price submissions may be sought, quotations can be sought on a price-only basis.

- (2) The process must be written and can be undertaken using the Council's approved RFQ process.
- (3) The repeated use of the same Supplier must be avoided, and the process must not be used for the purposes of disaggregation.
- (4) Wherever possible, a Local Supplier should be invited to quote.

### **PURCHASE ORDERS**

- (5) All purchasing agreements must be in writing using the documentation embedded in the RFQ process. A Purchase Order must be issued for any and every purchase made under such purchasing agreement.

### **AUTHORITY TO ENTER INTO A CONTRACT**

- (6) The award of any Contract arising from the process must be approved by the relevant Senior Officer.
- (7) The relevant Senior Officer may authorise the Contracting Officer to approve the award of a Contract arising from the RFQ process. However, a written record of such authorisation must be maintained.
- (8) The Contract shall be based on the Council's standard T&Cs attached to the RFQ documentation. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Services.
- (9) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing

## **4.8.31 Procurements above £30,000 to £75,000 for Goods and Services and Light Touch Contracts**

- (1) Competitive quotations including a quality assessment must be sought for Contracts from above £30,000 to £75,000 total value through the Council's approved RFQ process.
- (2) At least three suppliers must be invited to quote and at least two offers received for evaluation.
- (3) If only one quote is received a record must be kept demonstrating that best value has been achieved.

- (4) The repeated use of the same Supplier/s must be avoided and at least one Local Supplier must be included in the list wherever possible.
- (5) All quotations in this category must be sought on the basis of the most advantageous Tender.
- (6) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
  - Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the SV element of bids must be followed.
- (7) The approval of any award arising from the process must be made by the relevant Senior Officer.
- (8) The relevant Senior Officer may authorise the Contracting Officer to approve the award of a Contract arising from the RFQ process. A written record of this authorisation must be retained
- (9) As soon as practicable after the decision to award the Contract has been made, the Contracting Officer must write to inform the successful and unsuccessful Suppliers of that decision.
- (10) The Contract shall be based on the standard T&Cs attached to the RFQ documentation. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Service.
- (11) If the Contract is Industry Standard or bespoke, Legal Services must action this contract on behalf of the Council.
- (12) The Contracting Officer must comply with the publication of notices requirements set out in Regulation 9 of the Procurement Act 2023 for Below Threshold Contracts.
- (13) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing.

### **4.8.32 Procurements above £75,000 up to the Threshold Amount for Goods and Services and Light Touch Contracts**

- (1) The Procurement Service must be made aware of all tenders in this value range, must review and approve the PED and provide support throughout the Tender process.
- (2) A competitive Tenders must be sought for Contracts of £75,000 or more in total value (up to the Threshold Amount) and must be exercised entirely through the Council's E-Procurement System.
- (3) A single-stage tender process should always be undertaken unless there is strategic justification for an alternative procurement procedure to be followed.
- (4) The Selection Criteria (SQ) should be included as part of the supplier assessment and selection process.
- (5) The SQ and PAS 91 should not be used as part of the supplier assessment process unless there is a strong business case supporting the proposal to do so.
- (6) Opportunities in this range of values must be advertised solely through the Council's e-tendering portal, and the Central Digital Platform must be used.
- (7) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
  - Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the SV element of bids must be followed.
- (8) All Tenders must be assessed on the basis of Most Advantageous Tender (MAT). The Procurement Act 2023 provides that MAT includes lowest-price assessment where this is the better option for the authority.
- (9) The Tender award may only be made once the evaluation process has been completed and the panel's recommendation has been approved by Procurement Service, on the basis of a full Tender Report submitted.
- (10) Tender outcome letters must be issued to all bidders as soon as possible after the decision to award the Contract has been approved.

- (11) Whilst a standstill period is not a regulatory requirement, a voluntary standstill period may be observed, and tenderers should be advised accordingly. If a voluntary standstill period has been proposed within the Tender documentation, then it must be observed. 8 working days is an advisory period for a voluntary standstill period
- (12) Contracts up to the Threshold Amount between £75,000 to threshold are required to be sealed.

#### **4.8.33 Procurements below £10,000 for Works Contracts COMPETITION**

- (1) Competitive quotations require from at least two quotations sought for Contracts of less than £10,000 total value but the Service Area must be able to demonstrate that the Council is receiving value for money and maintain an audit trail of the procurement. Whilst quality and price submissions may be sought, quotations can be sought on a price-only basis.
- (2) The process can be either written or oral and can be undertaken. Evidence must be kept for audit purposes.
- (3) The repeated use of the same Supplier must be avoided, and the process must not be used for the purposes of disaggregation.
- (4) Wherever possible, a Local Supplier should be invited to quote.

#### **PURCHASE ORDERS**

- (5) A Purchase Order must be issued for any and every purchase made under such purchasing agreement.

#### **AUTHORITY TO ENTER INTO A CONTRACT**

- (6) The Contract shall be based on the Councils standard T&Cs attached to the written correspondence and / or shared with the contractor before the contract is entered into. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Services.
- (7) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing.
- (8) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed for all

contract value of £5,000 and more and returned to the Procurement Services for publishing.

## **4.8.34 Procurements above £10,000 to £30,000 for Works Contracts**

### **COMPETITION**

- (9) Competitive quotations require from at least two quotations sought for Contracts of above £10,000 to £30,000 total value but the Contracting Officer must be able to demonstrate that the Council is receiving value for money and maintain an audit trail of the procurement. Whilst quality and price submissions may be sought, quotations can be sought on a price-only basis.
- (10) The process must be written and can be undertaken using the Council's approved RFQ process.
- (11) The repeated use of the same Supplier must be avoided, and the process must not be used for the purposes of disaggregation.
- (12) Wherever possible, a Local Supplier should be invited to quote.

### **PURCHASE ORDERS**

- (13) All purchasing agreements must be in writing using the documentation embedded in the RFQ process. A Purchase Order must be issued for any and every purchase made under such purchasing agreement.

### **AUTHORITY TO ENTER INTO A CONTRACT**

- (14) The award of any Contract arising from the process must be approved by the relevant Senior Officer using the sign-off section of the RFQ documentation.
- (15) The relevant Senior Officer may authorise the Contracting Officer to approve the award of a Contract arising from the RFQ process. However, a written record of such authorisation must be maintained.
- (16) The Contract shall be based on the Councils standard T&Cs attached to the RFQ documentation. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Services.
- (17) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing.

### **4.8.35 Procurements above £30,000 to £75,000 for Works Contracts**

- (1) Competitive quotations including a quality assessment must be sought for Contracts from £30,000 to £75,000 total value through the Council's approved RFQ process.
- (2) At least three suppliers must be invited to quote and at least two offers received for evaluation.
- (3) If only one quote is received a record must be kept demonstrating that best value has been achieved.
- (4) The repeated use of the same Supplier/s must be avoided and at least one Local Supplier must be included in the list wherever possible.
- (5) All quotations in this category must be sought on the basis of the most advantageous Tender.
- (6) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
  - Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the SV element of bids must be followed.
- (7) The approval of any award arising from the process must be made by the relevant Senior Officer.
- (8) The relevant Senior Officer may authorise the Contracting Officer to approve the award of a Contract arising from the RFQ process. A written record of this authorisation must be retained
- (9) As soon as practicable after the decision to award the Contract has been made, the Contracting Officer must write to inform the successful and unsuccessful Suppliers of that decision.
- (10) The Contract shall be based on the standard T&Cs attached to the RFQ documentation. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Service.
- (11) If the Contract is Industry Standard or bespoke, Legal Services must action this contract on behalf of the Council.

- (12) The Service Area must comply with the publication of notices requirements set out in Regulation 9 of the Procurement Act 2023 for Below Threshold Contracts.
- (13) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing.

#### **4.8.36 Procurements above £75,000 up to £1,000,000 for Works Contracts**

- (1) Competitive quotations including a quality assessment must be sought for Contracts above £75,000 to £1,000,000 total value through the Council's approved RFQ process.
- (2) At least four suppliers must be invited to quote and at least two offers received for evaluation.
- (3) If only one quote is received a record must be kept demonstrating that best value has been achieved.
- (4) The repeated use of the same Supplier/s must be avoided and at least two Local Supplier must be included in the list wherever possible.
- (5) All quotations in this category must be sought on the basis of the most advantageous Tender.
- (6) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
  - Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the social value element of bids must be followed.
- (7) The approval of any award arising from the process must be made by the relevant Senior Officer.
- (8) As soon as practicable after the decision to award the Contract has been made, the Contracting Officer must write to inform the successful and unsuccessful Suppliers of that decision.
- (9) The Contract shall be based on the standard T&Cs attached to the RFQ documentation. If deemed necessary, these T&Cs may be amended in consultation with Legal Services or Procurement Service

- (10) Legal Services must action this contract on behalf of the Council.
- (11) The Contracting Officer must comply with the publication of notices requirements set out in Regulation 9 of the Procurement Act 2023 for Below Threshold Contracts.
- (12) As soon as reasonably practicable after entering into a Contract, if the Procurement Service has not been involved in the Procurement a Contract Details Notice or Transparency Report template must be completed and returned to the Procurement Services for publishing.

#### **4.8.37 Procurements above £1,000,000 up to Threshold for Works Contract**

- (1) The Procurement Service must be made aware of all tenders in this value range, must review and approve the PED and provide support throughout the Tender process.
- (2) A competitive Tenders must be sought for Contracts of £1,000,000 or more in total value (up to the Threshold Amount) and must be exercised entirely through the Council's E-Procurement System.
- (3) A single-stage tender process should always be undertaken unless there is strategic justification for an alternative procurement procedure to be followed.
- (4) The Selection Criteria (SQ) should be included as part of the supplier assessment and selection process.
- (5) The SQ and PAS 91 should not be used as part of the supplier assessment process unless there is a strong business case supporting the proposal to do so.
- (6) Opportunities in this range of values must be advertised solely through the Council's e-tendering portal, and the Central Digital Platform must be used.
- (7) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
  - Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the SV element of bids must be followed.
- (8) All Tenders must be assessed on the basis of Most Advantageous Tender (MAT). The Procurement Act 2023 provides that MAT includes lowest-price assessment where this is the better option for the authority.

- (9) The Tender award may only be made once the evaluation process has been completed and the panel's recommendation has been approved by Procurement Service, on the basis of a full Tender Report submitted.
- (10) Tender outcome letters must be issued to all bidders as soon as possible after the decision to award the Contract has been approved.
- (11) Whilst a standstill period is not a regulatory requirement, a voluntary standstill period may be observed, and tenderers should be advised accordingly. If a voluntary standstill period has been proposed within the Tender documentation, then it must be observed. 8 working days is an advisory period for a voluntary standstill period.
- (12) Contracts up to the Threshold Amount between £1,000,00 to threshold are required to be sealed must be signed for behalf of the Council Legal Services.

#### **4.8.38 Procurements from Over Threshold for Goods, Service, Works and Light Touch Contract**

- (1) The full requirements of the relevant procurement regulations must be observed for all tenders that exceed the Threshold Amounts.
- (2) The choice of procedure should take account of the complexity, cost and nature of the Contract. The procedure should be proportionate and not place unnecessary burdens on bidders.
- (3) The support of the Procurement Service must be sought for all tenders exceeding the £75,000 total value for Goods and Service and Light Touch, £1,000,000 total value must review the PED.
- (4) The rules relating to exclusion of suppliers set out in the Procurement Act 2023 must be carefully followed and advice should be sought from Legal Services and the Procurement Service if an exclusion is being considered. Excludable and excluded suppliers should be submitted for addition to the centrally published debarment list on the Central Digital Platform.
- (5) The procurement must be exercised through the Council's e-tendering system.
- (6) The Tender Notice or other advertisement inviting Tenders must not be published until the relevant Senior Officer or Executive (as appropriate) has made the decision to invite and evaluate Tenders and the decision has been recorded in writing on the appropriate decision form.
- (7) For all Tenders, an SQ, as appropriate, must be used as part of the bidder assessment and selection process

- (8) The number of tenderers must provide an adequate level of competition. The reasons for any shortage of bidders and the grounds for proceeding with the tender exercise must be recorded.
- (9) All Tenders must be assessed on the basis of Most Advantageous Tender ("MAT"). The Procurement Act 2023 provides that MAT includes lowest-price evaluations where this is the better option for the authority.
- (10) The evaluation criteria used should be linked to the subject matter of the contract. The criteria should be clear, measurable and specific and must not break the rules on technical specifications in the Procurement Act 2023. The criteria should be a proportionate means of assessing tenders, having regard to the nature, complexity and cost of the Contract.
- (11) All procurement for Contracts with a total value of £75,000 or more must include Social Value in the evaluation model:
- Social Value must have a minimum weighting of at least 10% and where appropriate seek to include a higher weighting
  - This weighting should come from the quality element of the evaluation model
  - Corporate guidance on seeking and evaluating the SV element of bids must be followed.
- (12) The Tender award may only be made once the evaluation process has been completed and the panel's recommendation has been approved by Procurement Service, on the basis of a full Tender Report submitted.
- (13) For contracts with a total value of £75,000 (revenue) or £150,000 (capital) or above, the decision to award a Contract is a Key Decision and the award proposal must be progressed via the Forward plan.

### **4.8.39 Evaluation Process**

- (1) Formal RFQ's or ITT will be managed via the Councils e-Tendering portal and will be involved in the evaluation process.
- (2) All members of the evaluation panel will be identified before the RFQ / ITT deadline.
- (3) A conflict-of-interest document will be issued to all evaluation panel members.
- (4) If no conflict is found and individual scorecard and all bids will be shared will shared with the nominated evaluation panel.
- (5) Each bid should be scored in accordance with the scoring matrix issued in the RFQ / ITT documents and provide reason to why the score has been allocated.

- (6) Individual scorecards to be return to the Procurement Service before the moderation meeting is held.
- (7) Moderation meeting to be held where all evaluators meet to discuss and agree on the final score and justification are to be transparent and documented.

#### **4.8.40 Tender Award**

- (1) For all formal RFQ and ITT Contracts require a report including the evaluation panel's recommendation must be produced in a format approved by the Procurement Service.
- (2) The decision to award the Contract must be made in accordance with CPR's.
- (3) Tender Reports must be sent to the Procurement Service and the decision-maker before the decision to award the Contract is made. The Tender Report must be marked " EXEMPT ".
- (4) The recommendation to the decision-maker to award the Contract must include the name of the successful tenderer, the length of the Contract and any options for extension and the price or estimated price of the Contract.
- (5) Assessment summaries must be issued to all tenderers as soon as possible after the decision to award the Contract has been made, taking call-in procedures and standstill period requirements into account. A Contract Award Notice and a Contract Details Notice must also be published in accordance with the Procurement Act 2023.

#### **4.8.41 Contract Management**

- (1) Within ten days of the date of the Contract, if the total value of the Contract is worth £5,000 or more, the Service Area must notify the Procurement Service to add the details of the Contract onto the Council's Contracts register and the Central Digital Platform if the total value of the Contract worth £30,000 or more inclusive of VAT.
- (2) The Contracting Officer shall be the Contract manager for the day-to-day responsibility for managing the Contract
- (3) The relevant Senior Officer must consult Procurement Services and Legal Services for consideration of the Council's legal position with regards to:
  - Contractor poor performance
  - Before any Contract is to be terminated or suspended,
  - In the event of a claim for payment not clearly within the T&Cs of Contract,

- Before making any deduction from payments due to a Supplier or withholding payment from a Supplier, or
  - Before making any extension to a Contract or variation of the scope of a Contract.
- (4) To ensure value for money and competition, no Contracts except Dynamic Markets may run for more than ten years.

#### **4.8.42 Contract Performance**

- (1) The Contract Manager must monitor the overall performance of the contract in line with the specification, agreed service levels and contract terms.
- (2) If the value of the contract is £5,000,000 or over, at least once every twelve months during the term of the contract and on termination of the contract, the Contract Manager must assess performance using the standard rating system against the published KPIs and publish a Contract Performance Notice on the Central Digital Platform.
- (3) If the supplier has breached the contract and the breach results in:
- Termination (or partial termination of the contract),
  - The award of damages, or
  - A settlement agreement between the supplier and the Council
- a Contract Performance Notice must be published by the Procurement Service within 30 days of the relevant breach on the Central Digital Platform.
- (4) Whether a contract expires or is terminated, the Contract Manager must advise the Procurement Service who will publish a Contract Termination notice within 30 days of that expiry/termination.

#### **4.8.43 Contract Extension**

- (1) Procurement Service must be notified of all extensions to a Contract to ensure that the relevant notices are issued through the Central Digital Platform.
- (2) Subject to conditions stated herein, these CPRs will permit an extension to an existing Contract where the extension is permissible under the Public Procurement Legislation.
- (3) If the Contract is above the relevant Threshold Amount and an extension is permitted within the contract terms, it must be established that the extension will deliver best value.
- (4) All extensions must be evidenced in writing in accordance with the Contract with the benefit of advice from the Procurement Service.

- (5) In all instances where an extension is not permitted within the contract terms but is permitted by Public Procurement Legislation the Service Area must consult with Procurement Service.
- (6) If a Contract extension is sought where the circumstances are or appear to be in breach of these CPRs, then an Exception must be sought.
- (7) Any notice requirements relating to extensions under the Public Procurement Legislation must be complied with.

#### **4.8.44 Contract Modification**

- (1) If the value of the contract is £5,000,000 or over a redacted copy of the modified contract must be published via an updated Contract Details Notice on the Central Digital Platform.

#### **4.8.45 Contract Termination**

- (1) On expiry, end term or termination of a contract, the Contract Manager must advise the Procurement Service who will publish a Contract Termination notice within thirty days of that expiry/termination.

#### **4.8.46 Exceptions**

- (1) An Exception to the Contract Procedure Rules is a permission to let a Contract without complying with one or more areas listed below.
  - Any contract between the Council and an entity controlled by the Council where more than 80% of the activities are carried out on behalf of the Council.
  - Any contract between the Council and another Contracting Authority where the contract has the aim of achieving public function related objectives and is solely in the public interest and where no more than 20% of the activities are intended to be carried out for other reasons.
  - The acquisition of land or buildings.
  - The acquisition, development, production or co-production of material intended for broadcast and a contract for the broadcast to the public of material.
  - A contract for the provision of arbitration, mediation or conciliation services or any service relating to an employee disciplinary or grievance matter.
  - A contract for any legal services (including those relating to judicial or other dispute resolution proceedings).

- A contract of employment and other contracts with individuals appointed to the Council.
  - A contract for the provision of research and development services where the services are intended to be for the benefit of the public and the contract does not also include for the provision of goods or works or production of tools or industrial processes for manufacture.
  - Expenditure incurred directly as a result of an insurer led arrangement.
  - Membership/Subscriptions (not applicable to software licensing) where the Council arranges to receive goods or services regularly by paying in advance and competition is absent for technical reasons.
  - Any award of grants of money, but such awards must be made in accordance with the Grant Funding Agreement, Subsidy Control, Council's Financial Procedure Rules and wider Constitution
- (2) An Exception to Contract Procedure Rules is *not* required in the following circumstances:
- Placing an order under an existing Corporate Contract or single Supplier Framework or Open Framework or a Framework or Open Framework where direct awards are permissible under their respective rules.
  - As part of a partnering Contract that contemplates a series of Contracts with a single supplier, provided the entire series has been duly authorised as appropriate for its value
  - Where legislation or compliant Frameworks, Open Frameworks, Dynamic Purchasing Systems and Dynamic Markets requires the Council to let a Contract in a manner that deviates from these Contract Procedure Rules: or
  - Placing an order under an arrangement, of which the Council is an affiliate, which has gone through a legally compliant competitive process.

#### **4.8.47 Direct Award Under the Procurement Act 2023**

- (1) In special circumstance a direct award can be made under the Procurement Act 2023

Direct award justification does apply.

Key justifications include:

- Single Source: Only one supplier can satisfy the requirement due to unique artistic performance, exclusive intellectual property rights (e.g., software patches), or technical reasons (e.g., interoperability/safety).

- Extreme Urgency: Strictly necessary for "extreme and unavoidable urgency" that could not have been foreseen.
  - Prototypes & Development: Procuring novel goods or services for research, experiment, or testing purposes (early stages only).
  - Repeat Goods/Services: Buying additional or replacement goods from an existing supplier to avoid disproportionate technical difficulties.
  - User Choice: Specifically for personal social care where an individual or their carer has a legal right to choose the supplier.
  - Defence & Security: Certain contracts for deployment outside the UK or to maintain operational readiness.
  - Protection of Life, etc. A new "safety valve" power allowing the Council to make regulations for direct awards to protect human, animal, or plant life, or to protect public order or safety.
  - Switching from a Failed Procedure. If a competitive tender fails to produce any "suitable" tenders, an authority may switch to a direct award
- (2) Applications must be made in writing via a direct award application and be signed by the relevant Senior Officer and Contracting Officer. Applications must include the Exception that is requested and the justification for the Direct Award.
- (3) Only the Monitoring Officer and the Procurement Manager or authorised deputies, can authorise the direct award of a contract under the Procurement Act 2023.
- (4) Procurement Service to issue a contract award notice through the Central Digital Platform and a mandatory 8 working days standstill period applies after the publications of this notice but before the contract is signed.
- (5) Where an Exception is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Council services, Monitoring Officer and the Procurement Manager or authorised deputies, following consultation may authorise the recommendations of the Exception immediately.
- (6) No mandatory standstill is required for awards based on extreme urgency or protection of life.
- (7) The Procurement Service must keep a register of all Exceptions to Contract Procedure Rules.

## Appendix A - Financial Thresholds and Aggregation Rule

### For Goods and Service and Light Touch Contract Thresholds

Contract Value		Process	Award Procedure based on	Contract Opportunity Publication/Route	Documentation	Award Notification
From	To					
£0.00	£5,000	Oral or Written Quotations	Minimum of 2 Oral / Written Quotation	No mandatory procurement involvement	Service Area identifying need to record details on quotation. Council Ts&Cs must be accepted	Complete Transparency Report and send to Procurement Service - Contracts Register for contracts over £5,000
Above £5,000	£30,000	Written Quotations	Minimum of 3 Written Quotation	No mandatory procurement involvement	Service Area identifying need to record details on quotation. Council Ts&Cs must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register

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<b>£30,001</b>	<b>£75,000</b>	Written RFQ	Minimum of 3 Written Quotation	Advise to be obtained from Procurement Services before commencing procurement.	Procurement RFQ Document. Must be based on a written specification provided to the supplier by the Council. Quotation may be delivered by e-mail or provided through an electronic RFQ system. Council Ts&Cs must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award
<b>£75,001</b>	<b>Threshold</b>	Formal RFQ	Open RFQ Process	Issue via the Councils e-Tendering Portal and Central Digital Platform	Mandatory Procurement Service involvement. Advertised in via the Council e-Tendering portal. Central Digital Platform. Council Ts&Cs, or bespoke contract must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award - Exercise voluntary 8 Day Standstill Period
<b>Threshold</b>	<b>Above</b>	Formal ITT	Open ITT RFQ Process	Issue via the Councils e-Tendering Portal and Central Digital Platform	Mandatory Procurement Service involvement. Advertised in via the Council e-Tendering portal. Central Digital Platform. Council Ts&Cs, or bespoke contract must be accepted. Specialist publication if appropriate	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award - Exercise the mandatory 8 Day Standstill Period

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## For Works Contract Thresholds

Contract Value		Process	Award Procedure based on	Contract Opportunity Publication/Route	Documentation	Award Notification
From	To					
<b>£0.00</b>	<b>£10,000</b>	Oral or Written Quotations	Minimum of 2 Oral / Written Quotation	No mandatory procurement involvement	Service Area identifying need to record details on quotation. Council Ts&Cs must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register for contracts over £5,000
<b>Above £10,000</b>	<b>£30,000</b>	Written Quotations	Minimum of 2 Written Quotation	No mandatory procurement involvement	Service Area identifying need to record details on quotation. Council Ts&Cs must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register
<b>Above £30,000</b>	<b>£75,000</b>	Written RFQ	Minimum of 3 Written Quotation	Advise to be obtained from Procurement Services before commencing procurement.	Procurement RFQ Document. Must be based on a written specification and all supporting documents provided to the supplier by the Council. Quotation may be delivered by e-mail or provided through an electronic RFQ system. Council Ts&Cs, Industry Standards or bespoke contact must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award
<b>Above £75,000</b>	<b>£1,000,000</b>	Written RFQ	Minimum of 4 Written Quotation	Advise to be obtained from Procurement Services before commencing procurement.	Procurement RFQ Document. Must be based on a written specification and all supporting documents provided to the supplier by the Council. Quotation may be delivered by e-mail or provided through an electronic RFQ system. Council Ts&Cs, Industry Standards or bespoke contact must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award

<b>Above £1,000,000</b>	<b>Threshold</b>	Formal RFQ	Open RFQ Process	Issue via the Councils e-Tendering Portal and Central Digital Platform	Mandatory Procurement Service involvement. Advertised in via the Council e-Tendering portal. Central Digital Platform. Council Ts&Cs, or Industry Standard or bespoke contract must be accepted.	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award - Exercise voluntary 8 Day Standstill Period
<b>Threshold</b>	<b>Above</b>	Formal ITT	Open ITT RFQ Process	Issue via the Councils e-Tendering Portal and Central Digital Platform	Mandatory Procurement Service involvement. Advertised in via the Council e-Tendering portal. Central Digital Platform. Council Ts&Cs, or Industry Standard or bespoke contract must be accepted. Specialist publication if appropriate	Complete Transparency Report and send to Procurement Service - Contracts Register - FTS Contract Award - Exercise the mandatory 8 Day Standstill Period

**NB The Contract Value shall be calculated as follows:** The estimated or proposed contract value is the value or consideration for the contract as a whole (not an annual value) and any contract with an option to extend the contract period will be valued to include also any provision for such extended period (e.g. a three year contract with an option to extend for a further two years will be valued as the consideration for a five year contract).