

PROCUREMENT STANDING ORDERS – GLOSSARY OF TERMS

Agent

A person who has authority to act on behalf of another and consents so to act

Aggregation Rules

Spend per annum x the term of the contract including any extension periods inclusive of VAT at the applicable rates

RFQ

Request for Quotation - the method of approaching the market for a quotation on specified goods, services or works

Call-Off Contracts

Call-Off where a suitable Framework Agreement, Dynamic Purchasing System (DPS) or Dynamic Market has been identified in compliance with the relevant Procurement Legislation

Central Digital Platform (CDP)

The Government's online platform used by contracting authorities to publish all notices, procurement documents and will also be used for supplier registration

Centralised Procurement Authority

A contracting authority which carries out procurement for the purpose of supply of goods, services and works to other contracting authorities

Contract

An agreement between the Council and any other party made by executing a Formal Agreement or issue of a Letter of Acceptance or Official Order for the procurement of all goods, services or works

Contract Extension Period

A pre-determined extension period additional to the initial contract term agreed as part of the contract award, up to a maximum of four years for a Framework

Dynamic Markets – replaces Dynamic Purchasing System (DPS)

A completely electronic system for off the shelf supplies and services, generally available on the market. It is open throughout its duration to any suppliers who have been assessed and found to satisfy the conditions of membership and economic and financial standing requirements, in compliance with the Procurement Legislation.

Electronic Procurement System (EPS)

The process of tendering for works, services or supplies via electronic media and agreed with the Operational Director – Finance

Executive Board

For the purposes of these Procurement Standing Orders means the Executive Board of the Council or Full Council

Frameworks

A contract between a contracting authority with one or more suppliers which provides for the future award of contracts (known as call-off) either following a competitive selection process or an award without competition.

Invitation to Tender (ITT)

The invitation issued by the Council to potential suppliers who may submit a tender for specific goods, services or works

Key Performance Indicators (KPIs)

A factor or measure against which a supplier's performance of a contract can be assessed during the life cycle of the contract, as governed by section 52 of the Procurement Act

Light Touch Regime (LTR)

A specific set of requirements for certain service contracts including certain social, health and education services as set out in the Procurement Act

Liquidated Damages

When the parties to a contract agree to the payment of a certain sum as a fixed and agreed upon satisfaction for not doing certain things particularly mentioned in the agreement, the sum is called liquidated damages

Mandatory Information Questions

Used in the Tender Procedure to ensure that minimum standards and Gateway Questions, relevant and proportionate to the goods, services or works are met by those suppliers submitting a bid to the Council

Matrix

A system under which tenders are evaluated and scored against criteria with agreed weightings.

Most Advantageous Tender (MAT)

The tender that the contracting authority considers best satisfies its requirements and best satisfies the award criteria.

Partnering

A method of procurement involving a relationship between two parties in which they work openly and jointly to achieve common objectives, with defined performance targets. Partnering may be entered into as a one-off project or a collection of projects.

Partnership

A Partnership is an agreement between two or more independent bodies to work collectively to achieve an objective

Performance Bonds

A legal document under which a reputable finance institution agrees to provide the

Council with financial compensation in the event of a supplier breaching its contractual obligations or going into receivership or liquidation

Pipeline Notice

Contracting authorities spending more than £100 million under relevant contracts in the coming financial year have an obligation under procurement legislation to publish a pipeline notice listing all public contracts with an estimated value of more than £2 million for which the contracting authority anticipates publishing a tender notice or transparency notice in the coming 18 months. The notice must be published the first 56 days of the financial year.

Preliminary Market Engagement (PME)

Soft market testing carried out pre-procurement, the contracting authority notifies the market by publication of a PME notice in compliance with the procurement legislation

Procurement

Procurement, in the terms of procurement legislation is defined as the acquisition by means of a public contract of goods, services or works by one or more contracting authorities from economic operators chosen by those contracting authorities, whether or not the goods, services or works are intended for a public purpose

Procurement Risk Assessment

Used to identify any risks relevant and proportionate to the Goods, Services or Works to be tendered / sourced by the Council before an opportunity is published electronically

Social Value

The Public Services (Social Value) Act 2012 requires public authorities to have regard to economic, social and environmental well-being in connection with public services contracts

Sub-contractor

A supplier that provides work or services to a main contractor as part of the contract

Tender

A document prepared by a potential supplier setting out its bid for the work in response to an Invitation to Tender (ITT)

PROCUREMENT STANDING ORDERS (PSO)

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PART 1: STANDING ORDERS WHICH APPLY TO ALL CONTRACTS

1.1 BASIC PRINCIPLES

1.1.1 Applicability of Procurement Standing Orders

These Standing Orders apply to all procurement contracts and are made under section 135 Local Government Act 1972.

For the purposes of these Procurement Standing Orders a contract is an agreement for:

- The carrying out of works for the Council
- The purchase, leasing, or hiring of goods or supplies by the Council
- The supply of consultancy, agency workers and other services to the Council

1.1.2 Purpose of Procurement Standing Orders

Procurement decisions and processes are crucial as they involve the use of public funds. The purpose of Procurement Standing Orders (PSO) is to establish a robust framework for making and implementing procurement decisions, ensuring that the Council:

- Undertakes legally compliant procurement
- Ensues fairness in allocating public contracts
- Achieves best value from its procurement activity
- Demonstrates high standards of integrity
- Safeguards its reputation from any implication of dishonesty or corruption
- Undertakes procurement activity strategically to help deliver corporate priorities

1.1.3 Out of Scope of Procurement Standing Orders

For the avoidance of doubt, Procurement Standing Orders shall not apply to:

- Contracts of employment
- Certain contracts for legal services
- The delegation of function between local authorities
- Certain financial services and debt finance
- Agreements for the sale, disposal or acquisition of land (including leases)
- Other exclusions as amended from time to time within procurement legislation

1.2 LEGAL COMPLIANCE

1.2.1 Applicability

All tendering procedures and contracts shall comply with all legal requirements and no officer or Committee or Board of the Council may seek to avoid them.

Procurement Standing Orders are also designed to ensure compliance with the following:

- Public Procurement Act 2023 (PPA23)
- The Procurement Regulations 2024 (PCR24) and Guidance issued by the Cabinet Office
- Provider Selection Regime Regulations 2023 (PSR) for Health Care Services
- Public Contracts Regulations 2015 (PCR15) (where contracts were procured under these regulations)

1.2.2 Public Procurement Act 2023 (PPA23)

All relevant contracts must comply fully with the requirements of the Procurement Act and the associated regulations as in force from time to time including Procurement Regulations 2024 collectively referred to in this document as the **Procurement Legislation**.

The Council must also have regard to the National Procurement Policy Statement (NPPS) and its objectives and strategic priorities for conducting and delivering public procurement.

1.2.3 Procurement Objectives

The PPA23 sets out some common objectives that all contracting authorities must have regard to in procurement:

- Delivering value for money
- Maximising public benefit
- Sharing information for the purpose of allowing suppliers and others to understand the Council's procurement policies and decisions
- Acting and being seen to act with integrity
- Equal treatment
- Taking reasonable steps not to disadvantage a bidder by treating them differently (where justified)

1.2.4 Value Thresholds

The UK procurement thresholds are the minimum financial values above which public sector organisations must follow specific procedures when procuring goods, services, or works.

Table 1 at the end of Procurement Standing Orders set out the value thresholds compliant with procurement legislation. The value thresholds are updated every two years for Supplies, Services, Works and the Light Touch Regime.

Determination of contract value shall be in accordance with Procurement

Standing Order 1.3.1.

Officers must consult with the Head of Audit, Procurement and Operational Finance to check the relevant value thresholds applicable in compliance with the procurement legislation.

1.2.5 Central Digital Platform (CDP)

The Central Digital Platform is where all UK contracting authorities publish notices and procurement documents in accordance with the new PPA23 and PCR24 relating to procurement.

Contract Detail Notices (CDNs) must be published within the required timeframes for contract awards and call-offs equal to or greater than £25,000 exclusive of VAT for frameworks, Dynamic Markets and Waivers.

1.2.6 Public Services (Social Value) Act 2012

Contracting Authorities are under a statutory duty to consider economic, social and environmental well-being issues at the pre-procurement stage of a public service contract:

- how the economic, social and environmental wellbeing of the local authority area might be improved by the proposed contract
- how in conducting the procurement process, the Council might act with a view to securing that improvement (NB: Only matters that are relevant to what is to be procured can be taken into account and those matters must be proportionate)

Officers shall do so by taking account of the Council's Social Value Policy and by consulting the Head of Audit, Procurement and Operational Finance.

1.3 OFFICER RESPONSIBILITIES

1.3.1 Calculation of Contract Value

Calculation of the contract value for the purposes of Procurement Standing Orders shall be based on the estimate of the value, including Value Added Tax (VAT) of the entire contract and extension options. This includes the aggregate of all payments to be made, or potentially to be made, under the entirety of the contract and for the whole of the predicted contract period, including proposed extensions and options.

In the case of joint purchasing arrangements, the contract value shall be the total value of all potential parties' payments under the contract.

For Frameworks and Dynamic Markets, the contract value must include the total estimated value of all contracts expected to be awarded or called off over the entire term.

No officer, Committee or Board of the Council may seek to divide potential contracts in order to avoid the requirements of this Standing Order or procurement legislation.

1.3.2 Adequate Budget Provision

The relevant officer must ensure that there is adequate provision in the appropriate Capital and/or Revenue Budget(s) before seeking to enter into a contract for the supply of works, services or supplies.

1.3.3 Grant Funding

Irrespective of value, Contracts and Framework Agreements that are subject to grant funding requirements shall be procured in accordance with the grant funding terms and conditions.

1.3.4 Procurement Risk Assessment (PRA)

The PRA must be completed and mandatory criteria selected by the requesting officer when requesting procurement support to undertake a new contract award. The award criteria of the winning bidder will also be published on the Central Digital Platform according to Procurement Standing Order 1.2.5.

1.3.5 Preliminary Estimate Report – Contracts exceeding £5,000,000 in Value

Before initiating a tendering process for a contract exceeding £5,000,000, the Executive Board must receive a written report from the appropriate officer. This report should include an estimated cost for delivering the goods, services, or works in line with the Council's identified needs.

The written report shall specify:

- (i) Budget approval, including budget and grant funding details
- (ii) The whole life cost of the project, including the ongoing revenue costs associated with the project
- (iii) Total contract term, including any extension periods
- (iv) How the supplier is to be selected (in accordance with Procurement Standing Order 1.5.1)
- (v) Identification of potential project risks and controls
- (vi) How the project links with departmental and corporate objectives
- (vii) The business case in support of the proposal, including details of how value for money, transparency, propriety and accountability would be achieved and the position of the contract under the procurement Legislation
- (viii) Identification of at least three Key Performance Indicators (KPIs) for contracts exceeding £5 million, unless the contract is a call-off from a Framework or Light Touch Regime (LTR) or where the contracting authority considers that a supplier's performance cannot be assessed by reference to key performance indicators.

1.3.6 Procurement Documentation

The relevant officer shall ensure that all contracts and contractual processes comply with the Council's procurement guidance documents, standard contract documentation and Procurement Strategy.

1.3.7 Council Contracts

The relevant officer shall ascertain whether there is an existing Council contract before seeking to procure any goods, services or works. Where such a contract exists, the officer may not enter into a separate contract except with the prior written approval of the Head of Audit, Procurement and Operational Finance.

1.3.8 Performance Bonds and Parent Company Guarantees

The relevant Director shall in respect of all contracts consider the need for a performance bond and/or a parent company guarantee (if applicable) after assessing the following factors:

- (i) Potential risk in the absence of a bond
- (ii) Known technical difficulties associated with the project
- (iii) The period of the contract
- (iv) Any costs associated with provision of the bond

References to a performance bond in these Standing Orders shall be taken to include cash deposits, insurance or such other methods as the Director – Finance may approve and must be recorded by the relevant Director.

1.3.9 Use of Sub-Contractors

The relevant Director shall ensure that the following conditions are met in respect of any sub-contractors used on Council contracts:

- (i) The names and qualifications of any appointed sub-contractors upon which the main contractor places reliance to carry out services shall be notified to and approved by the Council at the commencement of the contract.
- (ii) No change in the sub-contractor(s) appointed by the main contractor to deliver the services shall be made without receiving the prior written approval of the Council.
- (iii) All staff employed by sub-contractors must meet the Council's requirements in terms of experience and qualifications. This requirement equally applies to any staff subsequently replaced.
- (iv) No staff shall be removed or replaced by the main contractor without prior written approval from the Council
- (v) The Council shall have the right, after consultation with the main contractor, to request the removal of any person engaged in providing sub-contracted services under the contract if, in the Council's opinion, their performance or conduct is, or has been, unsatisfactory. In such instances the main contractor shall remove such person and replace them with a suitably qualified person.

1.3.10 Sub-Contractors: Contract Value exceeding the Public Procurement Value Threshold

The use of subcontractors for any contracts awarded by the Council must comply with the value thresholds and any Cabinet Office statutory guidance in relation to the Procurement Selection Questionnaire (PSQ)

for the conditions of participation stage of a new procurement process.

Only those sub-contractors upon which the potential supplier will place reliance to meet the conditions of participation criteria of a new procurement process must complete Part 1 and 2 of the PSQ. This requirement shall be made clear in the procurement documentation.

1.3.11 Works Contracts – Delay and Liquidated Damages

The relevant officer shall take appropriate action in respect of any claim for liquidated damages in the case of works contracts where completion of the contract is delayed.

1.3.12 Breach of Procurement Standing Orders

Any breach or non-compliance with Procurement Standing Orders must on discovery be reported to the Head of Audit, Procurement and Operational Finance who shall undertake any necessary investigations and report the findings to the relevant Executive Director, Director – Finance, Director and Monitoring Officer (Legal and Democratic Services) and Chief Executive, as appropriate.

1.3.13 Prevention of Bribery and Corruption

All officers involved in procurement activity must comply with the Employee Code of Conduct and the Council's Anti-Fraud, Bribery and Corruption Policy. Officers must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the officer to prove that anything received was not received corruptly.

1.4 COLLABORATIVE ARRANGEMENTS

1.4.1 Framework Agreements

- (i) Where a Call-off is proposed under an existing Framework Agreement, that has been established by a Centralised Procurement Authority the Council may consider using that Framework Agreement if:
 - It has been established by an entity, and via a process, which permits the Council to access the Framework Agreement lawfully
 - It is considered to be in the best interest of the Council to access the Framework Agreement
- (ii) Before undertaking a Call-off under any Framework Agreement, thorough due diligence should be undertaken and the relevant Director shall seek advice from the Head of Audit, Procurement and Operational Finance (or nominated officer) to confirm that the Framework can be used and whether or not it is appropriate to do so.
- (iii) Call-offs must be awarded based on the criteria identified in the Framework Agreement, which may make provision for a competitive selection process or award without competition.
- (iv) Subject to the due diligence confirming the suitability of the Framework Agreement, it can be used as a route to market without following the tendering procedures contained in Procurement Standing Orders 1.5.

- (v) Frameworks usually require access agreements to be signed before full access is given to view documents and use the Framework. It is the responsibility of the Director of the service area wishing to use the Framework agreement to sign access agreements and to ensure the lawfulness of its use has been confirmed by Head of Audit, Procurement and Operational Finance.
- (vi) Call-off under a Framework agreement does not remove the requirement to comply with the following Procurement Standing Orders:
 - Procurement Standing Order 1.3.5 in respect of preliminary estimate reports, where the contract value is forecast to exceed £5,000,000 over its duration
 - Procurement Standing Order 1.9 regarding the acceptance of tenders
 - Procurement Standing Order 1.11.4 regarding signed contracts
- (vii) The relevant Director shall ensure that Call-offs with a value equal to or greater than £25,000 exclusive of VAT are published on the Central Digital Platform in compliance with Procurement Standing Order 1.2.5.
- (viii) The relevant Director shall ensure that Call-offs are published on the Council's Contract Register in compliance with 1.12.1.

1.4.2 Joint or Partnering Arrangements

- (i) Joint or partnering arrangements between the Council and any other body or bodies shall be subject to the prior approval of the Director and Monitoring Officer (Legal and Democratic Services).
- (ii) Where the Council is working in a joint or partnering arrangement with another body or bodies and, under that arrangement, is the commissioning body, Halton Borough Council's Standing Orders shall apply to contracts entered into under that arrangement.
- (iii) Where the Council is working in a joint or partnering arrangement with another body or bodies and, under that arrangement another body is the commissioning body, the Standing Orders of that other body shall apply to contracts entered into under the arrangement subject to the prior approval of the Director and Monitoring Officer (Legal and Democratic Services). Where the body has no such Standing Orders, the procedures applied by the other body shall comply with the principles and safeguards contained in Halton Borough Council's Standing Orders.

1.4.3 Contracts where the Council acts as Agent

Where the Council acts as the Agent for any other local authority or public body or company these Standing Orders shall apply unless the principal in question instructs otherwise in writing.

1.5 TENDERING PROCEDURES

1.5.1 Tendering Procedure Options

The relevant Director shall select the tendering procedure in consultation

with the Head of Audit, Procurement and Operational Finance or nominated officer. The tendering procedure options are set out at Procurement Standing Orders 1.5.2 to 1.5.5.

1.5.2 Open Procedure

Single stage process under which tenders are invited. All of those who submit their tender by the date specified in the notice must be considered.

1.5.3 Competitive Flexible Procedure (CFP)

The Competitive Flexible Procedure allows contracting authorities to design its own multi-stage procedure, which may incorporate negotiation, dialogue, demonstrations, site visits, presentations this is not exhaustive and all stages are to be relevant and proportionate to the contract.

1.5.4 Dynamic Market (DM)

A Dynamic Market may be used for commonly off the shelf goods, as generally available on the market, meet their requirements. Dynamic Markets shall be operated as a completely electronic process and shall be open throughout specific validity periods of the contract term as set by the contracting authority to any supplier that satisfies the conditions of participation criteria.

There are no restrictions on the term or number of suppliers accepted onto a Dynamic Market. New suppliers that satisfy the participation criteria can be added throughout the lifetime of the Dynamic Market.

1.5.5 Direct Award – In Special Cases

The contracting authority notifies the market that it intends to award a contract without running a competitive procedure in compliance with the procurement legislation.

Direct Award justifications include:

- (i) the contract is for production of a prototype or otherwise novel goods/services
- (ii) only a single supplier can supply the requirement
- (iii) the procurement is for additional/repeated goods, services or works
- (iv) the contract is for a commodity (e.g. raw materials where tendering in the usual way would not be appropriate)

The contracting authority must publish a Transparency Notice in compliance with procurement legislation before confirming the intention to directly award a contract.

1.6 TENDERING PROCESS

1.6.1 Electronic Procurement System (EPS)

Invitations to Tender (ITT) equal to or greater than £25,000 will be issued and received electronically using the Council's approved EPS. Tenders submitted by any other means shall not be considered.

1.6.2 Invitations to Tender

All Invitations to Tender shall include the following:

- (i) A requirement for tenderers to complete fully and sign or otherwise authorise the Form of Tender, which relates to canvassing and non-collusion before submission
- (ii) A specification of the works, services or supplies that are required providing sufficient detail to enable the submission of competitive offers, together with the terms and conditions of the contract that will apply
- (iii) A description of the evaluation and award procedure and details of the award criteria in objective terms and in descending order of importance
- (iv) A statement that the Council reserves the right:
 - (a) Not to accept the lowest, or any, tender
 - (b) To accept the whole or defined lots of the tender without accepting the remainder

1.6.3 Closing Date for Receipt of Tenders

Submissions received after the specified closing date and time will not be considered.

1.7 METHOD OF OPENING TENDERS

1.7.1 Release of Tenders

All electronic tender submissions will be held securely within the Council's EPS. The tenders will only be released once the online seal has been removed as a result of the published closing date and time lapsing.

1.7.2 EPS - User Roles

The Head of Audit, Procurement and Operational Finance will control access and user roles in regard to the Council's EPS.

1.7.3 Tender release process

Tenders shall be opened at one time by an officer nominated by the Head of Audit, Procurement and Operational Finance.

1.8 EVALUATION, ASSESSMENT, MODERATION & CLARIFICATION OF TENDERS

1.8.1 Evaluation and Assessment Criteria

- (i) Tenders shall be evaluated, assessed and awarded on the basis of the value for money they offer to the Council in line with the Most Advantageous Tender (MAT) principles, as determined and documented in advance of tenders being invited.
- (ii) Consideration is to be given to the Public Services Social Value Act 2012 where relevant and proportionate to do so.
- (iii) Tenders shall be evaluated, assessed and awarded in accordance with criteria determined and documented in a matrix and must not be

changed at any time during the process.

1.8.2 Evaluation and Assessment Panel

- (i) Members of the Panel should be identified prior to the issue of the Invitation to Tender documents, to ensure that they are engaged with the process and understand the evaluation criteria.
- (ii) For all contracts above the public procurement value thresholds, evaluation and assessment panels shall consist of a minimum of two Council officers, which should include representation from the client department and/or key stakeholders.
- (iii) All panel members must sign and date a conflict of interest declaration form prior to participating in the procurement process.

1.8.3 Evaluation and Assessment Matrix

- (i) The matrix will consist of criteria defined, i.e. price and/or quality marks and scores to reflect what is relevant and proportionate to the award of a contract.
- (ii) Criteria shall have a number of marks allocated to signify to tenderers the relative importance of each criterion.
- (iii) All bids must be scored consistently against a scoring model, details of which must be included in the Invitation to Tender.

1.8.4 Moderation

All scores and notes made by the panel must be recorded in writing and used for reference in the event that further moderation is required.

- (i) The panel will discuss their individual scores with a view to reaching agreement on a moderated score and justifying comments, in consultation the Head of Service Audit, Procurement and Operational Finance or nominated officer.
- (ii) In the event that the evaluation and assessment scores are inconsistent, to determine the award of a contract, the relevant Director and the Head of Service Audit, Procurement and Operational Finance shall agree and maintain a moderation matrix.
- (iii) All notes may be the subject of information requests or legal challenge against the award of a contract. The Head of Service Audit, Procurement and Operational Finance, or nominated officer, shall therefore maintain accurate notes throughout the moderation process.

1.8.5 Errors in Tenders

- (i) If before the date of entry into a contract it is discovered that an error has been made in the tender it shall be dealt with as follows:
 - (a) Engineering Contracts – in accordance with the Guidance Notes produced by the ICE Conditions of Contract Standing Joint Committee.

- (b) Building Contracts – in accordance with the National Joint Consultative Committee for building, Alternative 2.
 - (c) Other Contracts – the tenderer should be given the opportunity of confirming their offer or amending it to correct genuine and obvious errors.
- (ii) Should a supplier elect to amend their offer and the revised tender submission is no longer the highest ranked score, the offer by the (previously) second highest ranked bidder should be examined on the basis of the same rules.
 - (iii) Where the tenderer elects to withdraw the tender under either (a), (b) or (c) above, the next highest ranked tender shall be considered and the same rules shall be applied in considering that tender.
 - (iv) In assessing a tender, the Council is permitted to disregard a tender that offers a price that is considered abnormally low for the performance of the contract. However, before doing so, the Council is required to notify the tenderer that Council regards the price to be abnormally low and give them an opportunity to be able to demonstrate that they can perform the contract at the price tendered. If the tenderer is able to demonstrate that they can deliver the contract for the price submitted, the Council must not disregard them from the process.
 - (v) The above action by the relevant Director in consultation with the Head of Audit, Procurement and Operational Finance shall take place before the date of entry into a contract.

1.8.6 Clarification

- (i) Clarification by the client department can only be requested and responded to via the Council's EPS.
- (ii) Evaluation and assessment scores can only be amended where specific clarification has been requested relating to the award criteria.
- (iii) All clarification questions and returns must be recorded and any amended scores updated by a nominated officer of the Head of Audit, Procurement and Operational Finance in the matrix.

1.9 ACCEPTANCE OF TENDERS

1.9.1 Arrangements for the acceptance of tenders

The arrangements for the acceptance of tenders are determined by the value of the tender proposed to be accepted as set out in Procurement Standing Orders 1.9.2 to 1.9.6.

1.9.2 Acceptance of tender by Director

The relevant Director or delegated officer may accept a tender in the following circumstances:

- (i) A procurement process compliant with applicable procurement legislation has been completed
- (ii) The value of the tender proposed to be accepted does not exceed

£5,000,000

(iii) The tender proposed to be accepted is the highest ranked bidder

1.9.3 Referral of tender acceptance decision to Executive Board

The relevant Director may use their discretion not to accept a tender and refer the decision to the Executive Board. In such instances the procedures described at Standing Order 1.9.4 will apply.

1.9.4 Acceptance of tender by Executive Board

The Executive Board may accept a tender in the following circumstances:

- (i) A report has been presented to the Executive Board containing the following information:
 - (a) The names of the various tenderers;
 - (b) The amount of the tender figures;
 - (c) The amount of the corrected tender figure (if any);
 - (d) The final ranking of the tenders received.
- (ii) The reasons for the proposed acceptance are in line with the published award criteria and evaluation score

Or

A direct award (above procurement value threshold) is to be made, which is supported by use of a Transparency Notice or compliant Call-off via a Framework Agreement, Dynamic Purchasing System or Dynamic Market.

1.9.5 Delegation of tender acceptance decision to Executive Director

Executive Board may delegate authority to accept a tender in excess of £5,000,000 to the relevant Executive Director in consultation with the Director - Finance and the Portfolio Holder. In such instances the procedures described at Procurement Standing Order 1.9.4 (i) and (ii) will apply.

1.9.6 Executive Board 'Call In' Period

Where the Executive Board accepts a tender the 'Call In' period must be in accordance with Standing Orders 1.10.1(ii) (b).

1.9.7 Executive Board – Non-acceptance of a tender

Where the Executive Board decides not to accept a tender recommended for acceptance, the reasons for the rejection must be detailed in the relevant minute including:

- (i) Name of the tender and tenderer(s) being rejected;
- (ii) Reasons for the decision in line with the award criteria.

1.10 AWARD OF CONTRACT

1.10.1 Intention and Award

In respect of contracts having a value of at least the threshold in compliance with the procurement legislation:

- (i) The Director shall ensure full compliance with all legal requirements in relation to debrief of tenderers, in consultation with the Head of Audit, Procurement and Operational Finance.
- (ii) The Council must notify both successful and unsuccessful tenderers of its intention to award and then of the actual award decision in writing as soon as possible after the decision to award the contract has been agreed, subject to any formal legal challenge or 'call-in' during either:
 - (a) The standstill period in compliance with the procurement legislation
 - (b) Executive Board Members 'call-in' period - Five days from date of publication of the relevant minute

1.11 CONTRACTS

1.11.1 Contracts to be in Writing

Every contract shall be in writing and shall be the subject of a formal document prepared or approved by the Director and Monitoring Officer (Legal and Democratic Services) which shall specify:

- (i) The work, services, materials, matters, or things to be furnished, had or done
- (ii) The price to be paid, with a statement of discount or other deductions
- (iii) The time or times within which the contract is to be performed, including any extension clauses

1.11.2 Mandatory Contract Clauses

Every contract shall contain the following requirements:

- (i) **Health and Safety at Work Act 1974**
That the supplier observes and performs any of the Regulations or Codes of Practice made under the authority of the Act and any lawful requirements of the Health and Safety Executive (HSE) in relation to the work to be carried out under the contract.
- (ii) **Insurance**
That the supplier shall be required to verify that it meets the Council's minimum requirements in regard to the type and level of insurance considered appropriate for each contract (employer liability, public liability, product liability, professional indemnity, cyber security etc.).
- (iii) **Forfeiture in case of Bribery or Corruption**
That the Council may terminate the contract and recover any loss suffered if the supplier, its employees or anyone acting on the supplier's behalf:
 - Offers, gives or agrees to give to anyone any inducement or reward in respect of this or any other Council contract (regardless of the supplier's knowledge); or
 - Commits an offence under the Bribery Act 2010 or Section 117(2) of the Local Government Act 1972; or

- Commits any fraud in connection with this or any other Council contract, whether alone or in conjunction with Council members, suppliers or employees.

Any clause limiting the supplier's liability shall not apply to this clause.

(iv) **Modern Slavery Act 2015**

That the supplier undertakes, warrants and represents that:

- (a) Neither the supplier nor any of its officers, employees, agents or sub-contractors has:
- committed an offence under the Modern Slavery Act 2015 (an "MSA offence"); or
 - been notified that it is subject to an investigation relating to an alleged MSA offence or prosecution under the Modern Slavery Act 2015; or
 - is aware if any circumstances within its supply chain that could give rise to an investigation relating to an alleged MSA offence or prosecution under the Modern Slavery Act 2015.

1.11.3 Technical Specifications

Where an appropriate legal requirement or mandate to use either a recognised Standard or Code of Practice exists, every contract shall state the characteristics required of, all goods and materials used or supplied and all workmanship shall be in accordance with that Standard or Code of Practice or equivalent.

1.11.4 Signed Contracts

Contracts with a value not exceeding £1M shall be signed in accordance with Finance Standing Order 3.4.1.

Contracts with a value exceeding £1M shall be signed in accordance with the requirements of Article 15.04 of the Council's Constitution. Such contracts must either be signed by an Officer of the Authority at Director level, together with another Officer of the Authority nominated by the said Director, or made under the common seal of the Council attested by the Director (Legal and Democratic Services) or his/her nominee.

1.11.5 Common Seal of the Council

The Common Seal will be affixed to those documents which in the opinion of the Director (Legal and Democratic Services) should be sealed in accordance with the requirements of Article 15.05 of the Council's Constitution.

1.12 RECORDS

1.12.1 Contract Register

All tender opportunities published on the Council's approved Electronic Procurement System (EPS) will have the contract award details automatically promoted to the online contract register.

Contracts awarded via Frameworks, Dynamic Purchasing systems, Dynamic

Markets / or accessed outside of the Council's approved EPS must be updated manually on the EPS by an officer nominated by the Head of Audit, Procurement and Operational Finance.

1.13 CONTRACT PAYMENTS

1.13.1 Contract payments/settlement

Contract payments / settlements shall be made in accordance with procedures referred to in the Standing Orders relating to Finance. The Council's standard payment terms are 30 days from receipt of invoice.

1.13.2 Instalment Payments

Where contracts provide for payment to be made by instalments the appropriate Director shall maintain suitable records to show the state of account on each contract.

1.13.3 Authorisation of Payments

Payments to suppliers must be authorised by a certifying officer with the appropriate level of delegated financial authority in accordance with Finance Standing Order 3.4.1.

1.13.4 Authorisation of Variations

Contract variations must be documented in writing and approved by the appropriate Director or an authorised certifying officer on their behalf.

1.13.5 Works Contracts – Final Certificate control

In the case of works contracts a final certificate shall not be issued until the relevant Director has, to the extent that it is felt necessary, examined all matters relating to the final account.

1.13.6 Payments before Completion of Formal Contract

For contracts exceeding the UK procurement legislation value threshold, no payment shall be made by the Council to the supplier until the formal agreement has been duly signed by all parties unless specifically authorised by the Director - Finance.

1.14 WAIVER OF PROCUREMENT STANDING ORDERS

1.14.1 Compliance with Procurement Value Thresholds

All waiver requests and approvals shall comply with the UK procurement legislation value thresholds and no officer, Committee or Board of the Council may seek to avoid them.

1.14.2 Emergency Procedures

Where urgent action becomes necessary as a result of some unforeseen emergency, the Chief Executive (or in the absence of the Chief Executive, the nominated deputy) may take such action and these Standing Orders shall be waived to the extent necessary to give effect to such action.

Every use of this Standing Order shall be reported in writing to the next available meeting of the Executive Board.

1.14.3 Non-Emergency Procedures - (not exceeding a value threshold of £100,000)

The requirements of Procurement Standing Orders may be waived by the Head of Audit, Procurement and Operational Finance to the extent necessary.

Every waiver request shall be submitted through the 'I Want Procurement' portal.

1.14.4 Non-Emergency Procedures (exceeding a value threshold of £100,000)

These Standing Orders may only be waived by the Executive Board in exceptional circumstances, including but not limited to the following:

- (i) Where compliance with Standing Orders is not possible
- (ii) Where compliance with Standing Orders is not practicable for reasons of urgency which could not reasonably have been anticipated
- (iii) Where compliance with Standing Orders would result in a clear financial or commercial detriment to the Council
- (iv) Where compliance with Standing Orders would result in the Council having to forego a clear financial or commercial benefit
- (v) Where compliance with Standing Orders is not practicable because the Council's requirements can only be delivered by a particular supplier
- (vi) Where compliance with Standing Orders would be inconsistent with joint and partnership working or special external funding arrangements

1.14.5 Waiver - Supplementary

- (i) In any report seeking waiver of Standing Orders the duly authorised officer shall state:
 - (a) The particular Standing Orders to be waived;
 - (b) The period during which the waiver shall be effective and value for this period;
 - (c) Budget Approval – include Budget and Grant Funding details
 - (d) A business case in support of the waiver which must include details of how the following would be achieved despite the waiver:
 - Value for Money;
 - Transparency, propriety and accountability;
 - Position of the contract under the Procurement Legislation;
 - How the supplier was selected;
 - Identification of potential project risks and controls;
 - How the project links with departmental and corporate objectives;
 - Whole life costs of the project including the revenue costs associated with the project.

- (ii) In cases where formal tendering requirements are waived the relevant officer shall seek advice and guidance from the Head of Audit, Procurement and Operational Finance before submission to Executive Board. This shall be done by using the 'I Want Procurement' portal.
- (iii) The waiver of Standing Orders and the reason(s) for waiver shall be clearly recorded in the minutes of the Executive Board.
- (iv) Where certain Standing Orders are waived, the relevant officer shall comply with the remaining Standing Orders.
- (v) In cases where the waiver request is to seek approval to use an alternative supplier to the one contracted by an existing Council contract, this must be in accordance with Procurement Standing Order 1.3.6.
- (vi) All awards resulting from a waiver of procurement standing orders, with a value equal to or greater than £25,000, will have a contract details notice published on the Central Digital Platform.

1.15 PRE-DETERMINED CONTRACT EXTENSIONS

1.15.1 Acceptance of pre-determined contract extension by Director

The appropriate Director or delegated officer may take such action to approve a pre-determined extension period provided that the following conditions apply:

- (i) Consideration has been given to the relevant commercial and quality elements associated with the contract
- (ii) Appropriate consultation regarding the matter has taken place with the Head of Audit, Procurement and Operational Finance

Contract extensions must be approved through the 'I Want Procurement' portal.

1.16 NOVATION OF CONTRACTS

1.16.1 Background

In a contract novation the original contract is extinguished and is replaced by a new one in which a third party takes up rights and obligations which duplicate those of one of the original parties to the contract. Novation is only possible with the consent of the original contracting parties as well as the new party.

A request to novate a contract may typically be received by the Council when a supplier's business is sold or restructured.

1.16.2 Managing requests to novate a contract

Should a supplier approach the Council asking for approval to novate a contract, the relevant Director shall:

- (i) Inform both the Director - Legal & Democratic Services and the Director – Finance of the novation request. This is regardless of the contract value.

- (ii) Confirm with the Director - Legal & Democratic Services and the Head of Audit, Procurement and Operational Finance that the request to novate the contract complies with the relevant requirements, depending on the governing regime of the contract, and procurement legislation, which determines the extent to which public contracts and Frameworks can be amended without requiring a new tender process.
- (iii) Obtain a written undertaking from the party requesting the novation to confirm that they agree to pay any reasonable costs that the Council incurs in dealing with the request.
- (iv) Confirm the financial standing and suitability of the new party to deliver the contract. It is imperative that proper due diligence is conducted of the new party and its ability to deliver under the terms of the contract to be novated.
- (v) Consider the need to obtain either a performance bond or a parent company guarantee from the new party, especially if has been recently formed/incorporated. If such a bond or guarantee has been obtained a copy should be provided to the Director - Legal & Democratic Services.

1.16.3 Decision-making

The decision as to whether to novate a contract or not is entirely at the discretion of the Council having regard to the individual circumstances of the request. In practice, all requests to novate a contract shall be considered by both the Director – Legal & Democratic Services and the Director – Finance.

1.16.4 Payments to new party

The relevant Director shall ensure that invoices received from the new party to the contract are not paid until the contract novation has been approved formally and implemented (normally a deed of novation is required). Under no circumstances should payments be made to the new party to the contract that relate to a period prior to the novation being approved.

<p>PART 2: STANDING ORDERS FOR CONTRACTS EQUAL TO OR GREATER THAN THE PROCUREMENT VALUE THRESHOLDS</p>

2.1 Application

Part 2 of these Standing Orders shall apply to all contracts with a value equal to or greater than the goods, services or works value threshold (inclusive of VAT).

2.2 Contracts for Goods or Services

Officers must comply with relevant procurement legislation and Part 1 of Procurement Standing Orders.

2.3 Contracts for Social & Other Specific Services

Officers must comply with procurement legislation procurement legislation for those services listed to qualify for the Light Touch Regime.

2.4 Contracts equal to or greater than the procurement legislation value for Works Threshold

Officers must comply with relevant procurement legislation and Part 1 of Procurement Standing Orders.

2.5 Tendering Procedures

Tendering procedures shall comply with the procurement legislation. The relevant Director shall select the tendering procedure in consultation with the Head of Audit, Procurement and Operational Finance or nominated officer in accordance with Procurement Standing Order 1.5.1.

PART 3: STANDING ORDERS FOR CONTRACTS BELOW THE PROCUREMENT VALUE THRESHOLDS

3.1 Application

Part 3 of these Standing Orders shall apply to all below threshold contracts inclusive of VAT.

3.2 Competition Requirements

For all Below Threshold contract opportunities, Request for Quotations (RFQs) will be invited as outlined below in compliance with procurement legislation

3.3 Value equal to or greater than £25,000

- (i) The route to market is to be agreed in consultation with the Head of Audit, Procurement and Operational Finance prior to any request for quotations being sought.
- (ii) Electronic award notification will be issued by an officer nominated by the Head of Audit, Procurement and Operational Finance via the Council's EPS, when an electronic invitation has been published to open competition via the Council's EPS.
- (iii) Details of the opportunity and award will be published on the Central Digital Platform by an officer nominated by the Head of Audit, Procurement and Operational Finance in compliance with Procurement Standing Order 1.2.5.

3.4 Value less than £25,000 exclusive of VAT

For procurement activity less than £25,000 in value, the relevant Director shall ensure that efforts are made to achieve value for money.

- (i) Proof of written quotation(s) is retained in order to demonstrate that the Council has sought to achieve best value
- (ii) The chosen supplier is selected by reference to objective criteria, such as technical ability and value for money
- (iii) A record of the decision should be retained
- (iv) Appropriate and proportionate checks are undertaken to ensure that the selected supplier meets the Council's requirements, e.g. relevant accreditation, financial standing, insurance cover, safeguarding and data protection requirements

3.5 Aggregation of Low Value Purchases – exclusive of VAT

For goods, works, and services valued under £25,000, the aggregated spend over at least four years must be considered. Officers must assess the total expenditure based on recurring purchases of the same nature. If the aggregated value exceeds £25,000, Procurement Standing Order 3.2 must be followed.

Compliant Procurement Routes

The following tables illustrate the compliant procurement routes in regard to:

- Procurement procedures
- Waivers
- Pre-determined extension of contracts
- Collaborative arrangements

It is important to note that:

- The Public Procurement Act 2023 (PPA23) and Procurement Regulations 2024 (PCR24) went live on 24 February 2024. These regulations apply to all procurements above the UK procurement value threshold from that date.
- PPA23 and PCR24 are not retroactive. The Public Contracts Regulations 2015 (PCR15), which previously governed procurement activity in the UK, will continue to apply to agreements created before 24 February 2025. This means that if a contract is awarded through a commercial agreement established before 24 February 2025, and complies with PCR 2015, that compliance will remain unchanged until the contract expires or is replaced.

Procurement Legislation Value Thresholds 2024/25*

*Note: Value Thresholds are reviewed every two years and apply from January to December.

Category of Spend	Value Threshold £ (Exclusive of 20% VAT)	Value Threshold £ (Inclusive of 20% VAT)
Supplies and Services	179,086	214,904
Works	4,477,174	5,372,609
Light Touch Regime <i>(i.e. Social Care, Education, Security, Postal Services etc.)</i>	552,950	663,540

Procurement procedures

Value of expenditure	Procedure	Standing Order
Up to £25,000	Written quotations to be retained	3.3
£25,000 up to Value Threshold	Request for quotes	3.2
Exceeding Value	Formal tender in compliance with PCR 2015 via Electronic Procurement System	2.1
Exceeding £5,000,000	Preliminary estimates report to Executive Board Performance Monitoring – details of 3 KPIs relied upon for performance and contract management.	1.3.5
Up to £5,000,000	Tender acceptance by Director	1.9.2
Exceeding £5,000,000	Tender acceptance by Executive Board Executive Board members' 'Call-In' period – Five day standstill from publication date of minutes	1.9.4

Waivers

Circumstances of waiver request	Approval	Standing Order
Emergency	Chief Executive	1.14.2
Non-emergency exceeding £100,000	Executive Board	1.14.4
Non-emergency up to £100,000	Head of Audit, Procurement and Operational Finance	1.14.3
Use of alternative supplier where a corporate contract is in existence	Head of Audit, Procurement and Operational Finance	1.3.6

Pre-Determined Contract Extensions

Value of expenditure	Procedure	Standing Order
Equal to or exceeding £25,000	Approval by the appropriate Director in consultation with the Head of Audit, Procurement and Operational Finance	1.15.1

Collaborative Arrangements

Type of arrangement	Procedure	Standing Order
Framework	Requires prior consultation with the Head of Audit, Procurement and Operational Finance	1.4.1
Joint or partnering arrangements	Requires prior approval of the appropriate Director and the Monitoring Officer (Legal and Democratic Services)	1.4.2

Expenditure – Finance Standing Orders (FSO)

The following table summarises the Council's delegated authorities to certify accounts, invoices, orders and expenditure vouchers:

Limit (£)	Officer	Standing Order
Over £1,000,000	Chief Executive / Executive Director	FSO 3.4
£1,000,000	Director / Corporate Director	
£100,000	Heads of Service and other specified post holders	
£10,000	Other specified managers	
£1,000	Other nominated officers	