

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

PROPOSED CHANGES TO CONTRACT PROCEDURE RULES

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To introduce a series of proposed changes to Contract Procedure Rules for consideration and approval by Council.
- 1.2 The key points in this report are:
 - The mandatory procedures detailing how procurement should be conducted are set out in Contract Procedure Rules (CPRs). CPRs form part of the council's constitution.
 - Changes to CPRs are required to ensure that the council complies with a number of new legal regulations relating to the conduct of public procurement.

2. BACKGROUND INFORMATION

- 2.1 The mandatory procedures governing how the procurement of supplies, services and works should be carried out by officers and elected members are set out in Contract Procedure Rules (CPRs). CPRs form an integral part of the council's constitution.
- 2.2 CPRs were last substantively updated and approved by Full Council on 13 May 2014 (minute 2288 (3) refers).
- 2.3 A number of notable developments affecting public procurement policy have occurred at national and local levels which require adoption through CPRs. The principal development requiring local adoption is the transposition of EU Procurement Directive 2014/24/EU into UK legislation through the Public Contracts Regulations 2015, which came into force on 26 February 2015.
- 2.4 The new regulations have been designed to:
 - provide businesses with easier access to contract opportunities across the public sector at local, national and European market levels;
 - enable employee-led organisations and mutuals to gain experience of running public services prior to full and open competition;
 - encourage shorter, less burdensome procurement processes reducing costs to business and barriers to competition; and
 - provide more flexibility for contracting authorities to follow commercial best practice to achieve better procurement outcomes.
- 2.5 The new regulations also implement recent reforms to public procurement through statute following Lord Young's recommendations as set out in the *Small Business: GREAT Ambition* and *Growing Your Business* reports. The

reforms are primarily intended to promote easier SME access to public procurement opportunities. The reforms include:

- abolition of a pre-qualification stage for procurements below the EU thresholds and a requirement to have regard to guidance on qualitative selection issued by the Cabinet Office for above EU threshold procurements;
- a requirement for contracting authorities to insert provisions in all public contracts to ensure prompt payment throughout the supply chain; and
- a requirement to advertise public sector opportunities in one place (Contracts Finder), and to publish award notices for contracts and call-offs from framework agreements using this medium.

2.6 Moreover in March 2015 the Small Business, Enterprise and Employment Act came into force. The Act introduces a number of additional duties on public bodies in relation to procurement including a requirement to exercise procurement functions in an “*efficient and timely manner*”. The regulations also empower the minister for the cabinet office and the secretary of state to impose new regulations as required and investigate public procurement practices.

3. OPTIONS FOR CONSIDERATION

3.1 In response to the developments outlined above, a number of key changes to CPRs (attached) are now proposed, as summarised below:

- a) A new “Light Touch Regime” procedure has been introduced for certain services where scope for cross-border trading is considered minimal - this primarily covers health, education and social care related services subject to specific classifications. The regime includes a requirement to demonstrate appropriate levels of transparency, competition and equal treatment of bidders. [CPR 10 & CPR 26 refer]
- b) Mandatory minimum timescales for EU Open and Restricted Procedures have been reduced by around a third to align with the new regulations. [CPR 27]
- c) A requirement has been included that all procurement/contract documents must be made available to bidders at the time that the OJEU notice is placed together with new rules on the timescales which must elapse before advertising at national level once an OJEU has been issued. [CPR 27]
- d) There is a requirement that contracts will be broken down into appropriate “lots” to support SME access unless a value for money or other reasoned case exists, which must be documented. [CPR 23 – CPR 27]
- e) Changes to Dynamic Purchasing Systems have been made including removal of the former 4 year maximum time limit and need to place award notices after mini-competitions have been run. Changes have also been made to the set up of new DPS’ and also to call-off processes in line with the new regulations. [CPR 12 & Annex 1c]

- f) A new "Innovation Partnership" procedure has been introduced for use in exceptional circumstances together with changes to the "Negotiated" and "Competitive Dialogue" procedures. [CPR 13]
- g) Revised criteria have been introduced for both the "mandatory exclusion" and "discretionary exclusion" of applicants. [CPR 18]
- h) A requirement to advertise all procurements over £25,000 using the national "Contracts Finder" portal has been added. [CPR 23 – CPR 27]
- i) Instructions have been added that PQQ processes should not be used under the EU threshold. [CPR 23 – CPR 25]
- j) Clarified procedures have been introduced for managing "abnormally low" tenders. [CPR 19]
- k) Clarified rules on managing "material changes" to contracts have been added. [CPR 33]
- l) Further rules on the use and operation of frameworks are given. [CPR 12]
- m) Strengthened provisions for assuring confidentiality and management of conflicts of interest have been added. [CPR 4]
- n) Additional provisions relating to the management of Preliminary Market Consultations (soft market testing) have been inserted in line with the requirements of the public contracts regulations. [CPR 9]
- o) Rules have been clarified for the reservation of contracts to social enterprises, mutuals and "Teckal" companies subject to specific requirements and conditions. [CPR 11]
- p) A requirement now exists to maintain and make available a detailed and contemporaneous report setting out the reasons for decisions taken at key stages. [CPR 27]
- q) Instances where exceptions are required to normal procurement process have been clarified and further defined [CPR 30].

4. ANALYSIS OF OPTIONS

- 4.1 The proposed changes result primarily from new legal requirements.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Financial

The proposed changes will continue to help the council obtain greater value for money from the £120m it spends every year on supplies, services and works.

5.2 Staffing

A council-wide communication message will be issued detailing the key changes. The corporate procurement training programme will be updated and specific briefing presentations will be given to staff with procurement and commissioning responsibilities in June 2015 following approval of the changes by Council at its AGM.

- 5.3 Property & IT
None

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 6.1 An Integrated Impact Assessment has been completed with no adverse findings. The assessment indicated that the proposed changes would provide positive opportunities for SMEs and VCOs.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTEREST DECLARED

- 7.1 Feedback has been sought from the council's Strategic Commissioning & Procurement Group, Legal Services and North East Lincolnshire Council via the PANNEL shared service arrangement. Comments arising from the consultation have been incorporated within the proposed changes.

8. RECOMMENDATIONS

- 8.1 That the proposed changes to Contract Procedure Rules are approved.

DIRECTOR OF POLICY & RESOURCES

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Background Papers used in the preparation of this report:

Full Council Report: May 2014
CPRs (2014)
Draft CPRs 2015
Public Contracts Regulations 2015
Small Business, Enterprise and Employment Act 2015



Contract Procedure Rules

May 2015

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Contract Procedure Rules

INTRODUCTION [This Introductory page does not form part of Contract Procedure Rules]

Contract Procedure Rules (CPRs) are the framework of mandatory procurement procedures that must be followed when the council spends money on the supplies, services and works it needs to deliver services to local people. They are an integral part of the council's Constitution.

ALL council employees, or any authorised person undertaking a procurement or disposal exercise on behalf of the council, must use the CPRs in conjunction with the Corporate Procurement Guidance, which provides a source of practical advice and guidance, and the NLC Finance Manual, or the NELC Financial Procedure Rules as appropriate.

All documents are available for downloading via both councils' intranet sites.

The following are key principles of procurement under the European public procurement regime:

1. Contracting authorities shall treat economic operators equally and without discrimination and shall act in a transparent and proportionate manner.
2. No procurement shall be designed with the intention of excluding it from the scope of the regime or of artificially narrowing competition. Competition is artificially narrowed where a procurement is designed with the intention of unduly favouring or disadvantaging certain economic operators.

If the council fails in this duty, a potential supplier may have justifiable cause for complaint. The council may be required to pay compensation if such a complaint were upheld; in addition, a contract or framework agreement may be rendered ineffective, either in whole or in part, and civil financial penalties may be imposed on the council. Officers and elected members also have a personal responsibility to comply with these CPRs.

The CPRs have five main purposes:

- to help councils obtain value for money so that, in turn, value for money services may be provided to the public;
- to comply with the law governing spending of public money and the policy on transparency regarding council expenditure;
- to provide a legal and auditable framework for the councils' procurement activities;
- to protect council staff and members from undue criticism or allegation of wrong doing and
- to support the delivery of the Joint Corporate Procurement Strategy across the council.

POLICY CONTEXT

"Under the Duty of Best Value, therefore, authorities should consider overall value, including economic, environmental and social value, when reviewing service provision. Authorities also have a statutory duty to consider social value for services above specified procurement thresholds at the pre-procurement stage. Authorities can however apply the concept of social value more widely than this and this Guidance recommends that authorities consider social value for other contracts (for example below the threshold or for goods and works) where it is relevant to the subject matter of the contract and deemed to be beneficial to do so." (Best Value Statutory Guidance, 2015, Department for Communities and Local Government)

The EU rules reflect and reinforce the value for money (vfm) focus of the Government's procurement policy. This requires that all public procurement must be based on achieving vfm, defined as "the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought", which should be achieved through competition, unless there are compelling reasons to the contrary.

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[This page does not form part of Contract Procedure Rules]

PROCUREMENT ALLIANCE NORTH AND NORTH EAST LINCOLNSHIRE

North and North East Lincolnshire Councils established a shared procurement service – *Procurement Alliance North & North East Lincolnshire (PANNEL)*. Its vision is to deliver procurement excellence; service transformation and outstanding value for money across both councils, covering a joint annual non-pay spend of c. £215 million. Where CPRs require consultation etc with, or the approval of PANNEL, the required reference is to the relevant category manager.

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CONTRACT PROCEDURE RULES

1 COMPLIANCE

- 1.1 The procurement of every contract (including contracts awarded via a dynamic purchasing system or framework agreement) entered into by or on behalf of the council or its Maintained Schools, regardless of value or origin of the funding, shall comply with all EU Directives and UK legislation, and with the council's Financial Regulations, Finance Standing Orders, CPRs and the corporate procurement guidance. It is the responsibility of directorate and service leads to ensure compliance with these requirements.

Where a procurement is carried out jointly in its entirety, the liability will be shared. Where it is joint, but not all elements are shared, the parties shall be jointly liable only for the parts that are jointly procured.

Academies are responsible for their own governance and scheme of finance and as such are not subject to by the councils' constitution, nor therefore its Contract Procedure Rules, unless an academy is participating in a wider council procurement.

Where a council is providing procurement services to another public body, the procurement law applicable to that body applies. Where a procurement is for a particular public body (as opposed to where another body is joining a council procurement as an additional contracting authority), the contract procedure rules or standing orders of that body will apply.

The Localism Act 2011 provides that under the 'community right to challenge', the council is to consider an expression of interest (EOI) submitted by a 'relevant body' in relation to providing or assisting in providing a service provided by or on behalf of the council. When the council has decided to run a procurement exercise following acceptance of an EOI, the CPRs must be followed in awarding the contract.

Above the EU threshold, the Social Value Act 2012 requires contracting authorities to consider how to improve the economic, social and environmental well-being of the area served by them through the procurement of services. Social value considerations must always be proportionate to the scale and nature of the contract including any consultation measures.

Above EU threshold the council must maintain an audit trail of specific decisions and verifications which must be available throughout the procurement and after the contract has been awarded.

The council has a duty to run an efficient and timely procurement under the Small Business, Enterprise and Employment Act 2015 to enable SMEs to access public sector contract opportunities.

The CPRs apply to all the supplies, services and works (including service concessions and works concessions contracts) procured on the council's behalf as detailed below:

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CPRs APPLY:	CPRs DO NOT APPLY:
<ul style="list-style-type: none"> Where we procure from external organisations (public, private or voluntary); Where we nominate a sub-contractor or supplier; Where an external organisation is named in a council procurement and has right to access it; Where a service or works concession contract is proposed¹; Development agreements to which the EU procurement rules apply¹; Maintained Schools; Where a third party is procuring on the council's behalf and where the council is the contracting party; The councils' commercial activity where the council is bidding for others' services and The substantial modification of an existing contract unless clearly provided for in the original contract terms or with the approval of the council's Monitoring Officer. 	<ul style="list-style-type: none"> Where requirements are sourced and delivered internally; Academies (unless an academy is participating in a wider council procurement); Where a council acts for another non-regulated body; A contract with a council-owned company or a public body which the council's Monitoring Officer advises falls outside the scope of the EU public procurement regime; (unless it is participating in a wider council procurement) Contracts for the acquisition or disposal of land and buildings¹ and Contracts of employment.

Note 1: Where the acquisition or disposal of land and/or property potentially establishes a works concession contract or a development agreement, timely advice from Legal Services must be sought.

- 1.2 All procurement of services shall comply with the principles of North and North East Lincolnshire COMPACT Code of Good Practice for Funding and Procurement.
- 1.3 No member of the council or officer acting without proper authority shall enter, either orally or in writing, into any contract in the council's name.
- 1.4 Where a partner organisation acts on behalf of the council and needs to purchase or assign goods or services, any such assignment must be undertaken in line with the Contract Procedure Rules unless otherwise exempted in writing by the council either through contract or by the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).

2 PROCEDURAL THRESHOLDS

- 2.1 It is important to ensure that the correct procedure is adopted and where there is a risk of a requirement falling above a threshold, the process for the higher threshold should be applied. Tenders valued within 10% of the EU threshold should be concluded using the EU tender process.

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Where the value of any quotation or tender received, and recommended for acceptance, exceeds the upper threshold of the original procedure by more than 10%, then the procurement must be aborted and re-started in compliance with the CPRs which apply to the new procedural threshold.

- 2.2 The EU thresholds that apply will be those advised by the Cabinet Office as detailed below. The current thresholds set out below are valid from 01 January 2014 until 31 December 2016:

	Supplies	Services	LTR	Works
Public Sector Contracting Authorities (excluding Schedule 1 authorities)	£172,514	£172,514	€750,000*	£4,322,012

* £625,000 nominal amount, the threshold is to be calculated at the time of advertisement using the threshold of €750,000 as set out in [CPR 10](#)

- 2.3 In determining which threshold applies, the whole-life costing (excluding VAT) of the proposed contract or framework agreement must be considered. Purchases must not be disaggregated to avoid the requirements of the CPRs. Any option to extend a contract must also take into account whether the EU thresholds would be exceeded with the extension value included, even if the option to extend is not eventually exercised, and must be approved by the relevant officer depending on the value involved. Where the duration of the contract is unknown or uncertain, its total cost over a **four year** period should be estimated and the relevant procedure then followed to award the contract or conclude the framework agreement.
- 2.4 We are encouraged to consider a wider range of impacts to ensure the cost of switching to a new contracted provision does not create additional ancillary life-cycle cost. The greater the change in approach being considered and the greater the value of the contract the more important it becomes for PANNEL to be consulted to ensure the switching costs do not outweigh the benefits of the intended procured solution.
- 2.5 Where it is possible to predict a number of similar requirements, we must consider the requirements as a whole and tender accordingly. The procured solution must operate based on the aggregated value of the requirements to ensure compliance and maximise value for money.
- 2.6 All monetary thresholds referred to in this document exclude VAT but include all other applicable taxes and charges.

3 PROCEDURE

3.1 Key Decisions and governance requirements

The law and the council's Constitution require Key Decisions to be transparent. Key Decision is defined, and the rules relating to Key Decisions set out, in the Constitution. For ease of reference, both are summarised in the table below.

	North East Lincolnshire	North Lincolnshire
What is considered a Key Decision?	Significant effect on communities of two or more wards or resulting in significant public interest or incurring social, economic or environmental risk where the whole-life expenditure or savings	Refer to Key Decision guidance issued by the democratic services team Plans for procurements over £1m require cabinet member

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	exceed £350,000 or 20% of the project cost	approval
Action:	Notice of the proposed decision should be published by the council 28 days clear before a Key Decision is made and a report for decision produced by the Directorate lead.	Please contact Democratic Services for Key Decision guidance. Outcomes for procurements over £1m are to be reported to cabinet members
When should the Portfolio Holder (NEL)/ Cabinet Member (NL) be consulted by the relevant director?	Decisions with a whole-life expenditure or savings £50,000 - £350,000.	
Action:	Director to update Portfolio Holder	
When can key decisions be taken by an officer with delegated authority?	When Cabinet has delegated authority to make the decision to the officer (subject to adherence to any Calling In period (5 working days))	
Action:	An 'officer decision' record should be completed and returned to Democratic Services.	

3.2 Options Appraisal

The options for satisfying the defined requirement must be fully assessed by conducting an "options appraisal". This analysis will apply equally to supplies, services or works. Where an option to proceed with a competitive procurement exercise has been chosen, having obtained approval from the budget holder and, where applicable, relevant (Assistant) Director (NELC) or Director (NLC) for the business case and budget, the flow chart [Choice of Procedure](#), will determine the appropriate process to be used. Evidence of the options appraisal should be /analysis/budget holder approval should be retained.

NB Where the level of risk is high for a low value contract, a higher value procedure may be adopted.

4 CONFIDENTIALITY AND CONFLICTS OF INTEREST

- 4.1 No one shall disclose information which has been forwarded to the councils by economic operators and designated as confidential. Please note this is subject to the council's obligations to comply with obligations under the Transparency Code, the Freedom of Information Act 2000 and the Environmental Protection Regulations 2003.
- 4.2 The Councils shall take appropriate measures to effectively prevent, identify and remedy conflicts of interest arising in the conduct of a procurement procedure so as to avoid any distortion of competition and ensure equal treatment of economic operators.
- 4.3 For the purpose of CPR 4.2, a procurement includes:
 - i. preliminary market consultations;
 - ii. developing procurement documentation;
 - iii. deciding on the scope or structure of the procurement;
 - iv. choice of award procedure;

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- v. selection of tenderers;
- vi. award of the contract; and
- vii. contract management.

- 4.3 For the purpose of CPR 4.2, there is a conflict of interest where an officer or other person acting on behalf of the council has a direct or indirect financial, economic or other personal interest which might be perceived to compromise their impartiality and independence.
- 4.4 Potential involvement either directly or indirectly through a related party in an in-house or other bid, where this will be made in competition with the market, is a conflict of interest for the purpose of CPR 4.2.
- 4.5 Conflicts of interest must be documented, and risk assessed accordingly. Records must be available on request and will form part of the Article 84 report for EU level contracts.

5 **IN-HOUSE PROVIDERS**

- 5.1 Where a decision to procure has been made, any in-house provider should be considered as potential providers of the required supplies, services or works, and should be invited to submit bids as part of the competitive process and subject to the same procedures.

6 **TRADING AND SELLING SERVICES**

- 6.1 In all cases where the council proposes to supply services to, or carry out work for external bodies with or without charging, this must be done in line with the councils' commercial/ financial policies as appropriate and:
- prior written advice should be obtained from the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer)(NELC);
 - (NLC only) the process as outlined in [Annex 1a](#).
 - must be followed.
- 6.2 No Service Area or Directorate of the council shall submit a tender or quotation to any other Service Area or Directorate of the council to perform work or supply goods or services that they do not have the capacity to deliver without recourse to external suppliers, except where the proposed external element is of a specialist nature.

7 **LEAD SERVICES**

- 7.1 Directorates or Services Areas undertaking procurement of the following supplies, services or works must be guided by the lead service indicated:

Requirement	Lead Service (NELC)	Lead Service (NLC)
Cleaning Services	Facilities Management Cofely	Community Services
Civil Engineering and non-building construction works	Highways Cofely	Community Services
Building works, accommodation and facilities management where a work permit MUST be obtained	Assets Team; Architectural Consultancy Cofely	Planning and Regeneration
Energy, Fuel & Water	Property Services, Cofely	Community Services
Financial & Leasing Services	Finance	Financial Services
ICT requirements / services	ICT	Business Support

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Legal Services	Legal Services	Legal and Democratic
Leisure	Lincs Inspire Ltd	Customer Services
Printing Services	Print Unit	Print Unit
Commissioning of social or personal care services, and placement activity	People Services	People
Training & Development Services	Human Resources; Learning & Development	Human Resources
Transport Services	Access Services Highways and Transport Cofely	Community Services
Vehicles	Neighbourhood Services	Community Services
Waste Disposal	Neighbourhood Services	Community Services
Public Health	Public Health	Public Health Hub

8 **CORPORATE CONTRACTS**

8.1 Where a Corporate Contract exists for supplies, services or works, it must be used. Only in the following circumstances will a request for exception be considered:

- Availability - The requirement cannot be obtained through a corporate contract;
- Timescale - The requirement cannot be obtained in the required timescale through a corporate contract; or
- Specification - The requirement cannot be obtained with the required specification through a corporate contract.

9 **PRELIMINARY MARKET CONSULTATION**

9.1 Wherever there is:

- an inherent need for consultation;
- a review of economic, social or value for money considerations;
- a new, developing or evolving need to be met or
- a desire for a new approach to service delivery;

The project team should consider the benefits of undertaking preliminary market consultation to engage the local, third sector and commercial market in the development of scope, objectives, specification, evaluation criteria and conditions of contract.

9.2 A flowchart of steps to be undertaken during a preliminary market consultation is set out in Annex 1b. PANNEl should be engaged wherever preliminary market consultation is being considered

9.3 In all preliminary market consultation, full regard should be had to the EU procurement principles of equal treatment, transparency, proportionality and non-discrimination in order to ensure an effective competition can take place once the procurement has commenced.

10 **LIGHT TOUCH REGIME**

10.1 The Public Contracts Regulations 2015 set out a new light-touch regime (LTR) which is a specific set of rules for certain service contracts that tend to be of lower interest to potential tenderers in other European countries. Those service contracts mainly centre around social, health and education services.

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- 10.2 LTR is subject to a threshold of €750,000. A nominal figure of £625,000 has been used, however a pounds Sterling threshold will not be set until January 2016. The LTR threshold will need to be aligned to the Euro in pounds Sterling for each project based on the current exchange rate at the time the requirement is advertised (a 10% variance on the exchange rate is accepted and therefore any contract which falls within 10% of the threshold should follow the LTR procedure).
- 10.3 The LTR route for over threshold contracts includes the advertisement of the contract in the Official Journal of the European Union (OJEU), the publication of a contract award notice and ensuring compliance with the Treaty on the Functioning of the European Union principles of transparency and equal treatment. Time limits are to be reasonable and proportionate and the procurement is to be conducted in conformance with the information provided in the OJEU advertisement. To meet these obligations, the EU open or restricted procedures should be used.
- 10.4 Legislatively, LTR does not require a formal procedure to be followed, but the principles of the Treaty must be, and to this end, an approved exception ([CPR 30.1k](#)) is required to vary from the open/restricted procedure above the €750,000 threshold.
- 10.5 For all LTR contracts valued below the threshold, use the defined processes in sections [CPR 23](#) and [CPR 24](#)
- 10.6 The use of LTR for over threshold contracts must be undertaken on the advice of PANNEL.

11 **RESERVED CONTRACTS**

- 11.1 Certain contracts can be reserved such that the competition is not available to the wider market. The list of 'qualifying organisations' which can be subject to reserved contracts is prescribed and is predominately made up of health, social care or education services. Advice must be sought from PANNEL where there is an intent to reserve a contract.

12 **FRAMEWORK AGREEMENTS, DYNAMIC PURCHASING SYSTEMS & E-AUCTIONS**

- 12.1 A framework is a closed list of lotted providers who have been ranked following a tender exercise. The framework providers are approved for a maximum 4 year period and can be awarded contracts in line with the framework terms. No contractual commitment attaches from the creation of the framework itself.
- 12.2 A dynamic purchasing system (DPS) is a completely electronic system which may be established to purchase commonly used goods, works or services. It must operate for a defined duration. Any DPS is to be established in accordance with the requirements of the CPRs with guidance from PANNEL.
- 12.3 In determining the relative advantages and disadvantages of establishing a DPS, Framework or traditional contract model, the benefits of keeping requirements open to competition over the life of the arrangement must be evaluated. If a framework is not established for over threshold contracts it is required that the tender documentation sets out the justifications.
- 12.4 A framework agreement or Dynamic Purchasing System (DPS) must be considered or accessed where a Service Area or Directorate has an on-going requirement for supplies, services or works of a similar type which, when aggregated, exceed £50,000 a year, but may be considered for lower values where considered beneficial. The framework agreement/DPS is to be established in accordance with the requirements of the CPRs with guidance from PANNEL. Framework agreements/DPS are not supplies or services contracts in themselves, although they are legally binding. A contract and/or purchase order should be raised separately in order to engage the relevant supplier/s when calling off requirements under a framework agreement/DPS.

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- 12.5 Service Areas and Directorates must not disaggregate purchases in order to avoid the CPR requirements. Where advantageous, any purchase of greater than £5,000 should be subject to further competition between **all** suppliers who are a party to the framework agreement/DPS in accordance with the requirements stated by the framework/DPS owner (unless alternative provisions have been agreed). Wherever possible and advantageous, bundling of largely similar requirements should be undertaken to maximise economies of scale.
- 12.6 The use of framework agreements/DPS established by Central Purchasing Bodies or other contracting authorities (as defined by the Public Contracts Regulations 2015) must be on advice from [PANNEL](#) and subject to exception approval under [CPR 30](#).
- 12.7 All framework agreements must comply with the following:
- Maximum length of 4 years
 - Contracting authorities that access the agreement must be identified as a party to it. Estimated value must include all potential call-offs by all contracting authorities
 - Contracts based on the framework must not entail substantial modifications to the terms laid down in the framework
 - Contracts are formed when requirements are called-off under purchase order or a call-off contract.
 - Access, terms, award criteria and procedure for call-off are as per the terms of the framework agreement and must be followed.
- 12.8 The flowchart at - [Annex 1c](#), sets out the process for establishing a DPS and awarding contracts under it.
- 12.9 An Electronic Auction (eAuction) is a commercial tool designed to secure the best and final offer from bidders in a competitive process. Use of eAuctions is not mandatory but the benefits should be considered for procurements of requirements over £50,000.
- 12.10 The process for undertaking eAuctions is set out at [Annex 1f](#).
- 12.11 All awards for contracts valued over £25k must be advertised using Contracts Finder.

13 USE OF THE COMPETITIVE DIALOGUE PROCEDURE, THE NEGOTIATED PROCEDURES AND INNOVATION PARTNERSHIPS

- 13.1 The use of Competitive Dialogue is only applicable for contracts of very significant scale and where the preferred delivery option cannot be determined from preliminary market consultation. Negotiated procedures can only be used in limited circumstances, principally where it is not clear at the outset that the council cannot adequately specify its requirements as they need to be developed with Bidders. Legal advice should be sought. The use of Innovation Partnerships is only applicable for inherently innovative development such as core research or new technical advancement.
- 13.2 The use of these procedures requires approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC); the application of CPRs to the procurement will be modified as required by the Public Contracts Regulations 2015 and approved by Legal Services.

14 CONCESSION CONTRACTS

- 14.1 A concession contract is used where the council engages a third party to provide a service or works, with or without a fee payable by the council. Consideration for the service is in the form of the

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concessionaire being given a right to charge for the services being provided. Advice from PANNEL must be sought before engaging in any procurement relating to a concession contract. Concessions apply to services contracts and works contracts.

15 TECHNICAL STANDARDS & SPECIFICATIONS

- 15.1 Where an appropriate International, European or British Standard Specification or British Standard Code of Practice is in force at the date of the procurement, every specification and contract shall state that all goods and materials used or supplied and all the workmanship shall be at least of the standard required by such Standard or Code of Practice or its equivalent.

16 MANAGEMENT OF DATA

16.1 Data Protection

In situations where personal data or confidential information needs to be shared with the market and the requirements of the Data Protection Act 1998 are likely to be invoked, ensure that the Director of Policy and Resources (NLC) or Team Manager – Information Governance Complaints and Consultation (NELC) are consulted.

16.2 Open Data

All requests for quotation/invitation to tender must indicate the council's obligation to publish commercial and other data provided by suppliers in accordance with Local Government Transparency Code 2014.

17 TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS 2006" AS AMENDED 2014 (TUPE)

- 17.1 Careful consideration needs to be given as to whether TUPE shall apply at commencement of the proposed procurement.
- 17.2 Where a proposed procurement may involve the TUPE transfer of council officers, the advice of the Head of HR and legal services must be obtained prior to the start of procurement.
- 17.3 Any procurement involving the TUPE transfer of council officers must be approved by *Cabinet* on the advice of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).
- 17.4 The application of TUPE should also be considered in respect of staff employed by existing contractor(s) when the council is looking to re procure the service currently provided by such contractor(s). HR guidance should be sought.
- 17.5 An anonymised table of TUPE information and, where relevant pension information, must be available for release with the tender documentation, using the TUPE matrix template. Further information can be shared with interested parties on the successful completion of the appropriate non-disclosure agreement.

18 EXCLUSION CRITERIA AND FINANCIAL APPRAISAL

- 18.1 Minimum standards of financial standing and financial appraisals are subject to the advice of the Director of Policy & Resources (NLC) or the Chief Finance Officer (NELC) but the requirements must not exceed a turnover of twice the contract value except in duly authorised cases. Minimum standards of financial standing should be considered for all contracts where the estimated contract value exceeds the threshold of any relevant EU Directive or UK legislation and/or where other risk is

Contract Procedure Rules

identified, including where there would be a significant effect on the delivery of council services in the event of contractor default or cessation of supply or service.

- 18.2 Where considered appropriate following a financial appraisal of a potential contractor against the council's minimum standards of financial standing, the potential contractor may be required to provide a Parent Company Guarantee (PCG) or a Performance Bond in a form acceptable to the council for the duration of the contract (including any extension period). All financial requirements should be published up front, including the possibility of a Bond/PCG. Any such Guarantee or Bond shall only be required where it is deemed that there is a specific ascertainable risk. Where group company financial information is assessed, a Parent Company Guarantee will be required.
- 18.3 The councils' standard insurance requirements are specified in the councils' standard conditions of purchase. Where the estimated contract value exceeds the threshold of any relevant EU Directive or UK legislation or where specific risks are involved you should refer to the Insurance Manager and [PANNEL](#).
- 18.4 The council's supplier questionnaire template must be utilised for supplier suitability assessments. Pre-qualification questionnaires must not be used for tenders valued below the relevant EU threshold. Supplier suitability can be tested using limited suitability questions. You must refer to PANNEL should you consider excluding a tenderer.
- 18.5 Once launched the council must accept submissions of the information requested in the supplier questionnaire made via the European Single Procurement Documentation, and accept e-certis as a means of proof when certification is requested.

19 TENDER AND QUOTATION ERRORS

- 19.1 Tender errors (including quotation errors) shall be dealt with in accordance with the following paragraphs of rule 19, which shall be included in all Invitations to Tender and Requests for Quotations.
- 19.2 **Compliance**
Any Tenderer who fails to comply with the tender instructions and submission requirements set out in the Invitation to Tender may be deemed to be non-compliant and, subject to the discretion of the council, acting reasonably, may have their tender rejected.
- 19.3 **Late Tender**
No late tender, other than system access errors, shall be considered except with the approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) on the advice of [PANNEL](#).
- 19.4 **YORtender System Access Errors**
Where a tenderer advises that a tender submission deadline may be or has been missed as a result of YORtender being unavailable, [PANNEL](#) should obtain a system report from Due North prior to the council exercising its discretion as to whether to accept or reject the Tender.
- 19.5 **Omissions, Ambiguities and Inconsistencies**
Where there is an omission, ambiguity or inconsistency in a tender (including an arithmetical error), the Council reserves the right to contact the tenderer in writing via YORtender, setting out the ambiguous or inconsistent part and the alternative interpretations of it. The tenderer will be required to identify within an appropriate time limit, via YORtender, which of the interpretations are correct and confirm the appropriate amendments to the tender provided that such requests are made in

Contract Procedure Rules

compliance with the principles of equal treatment and transparency. Where there is an omission, ambiguity or inconsistency in pricing, advice from [PANNEL](#) must be sought.

19.6 Abnormally low tenders

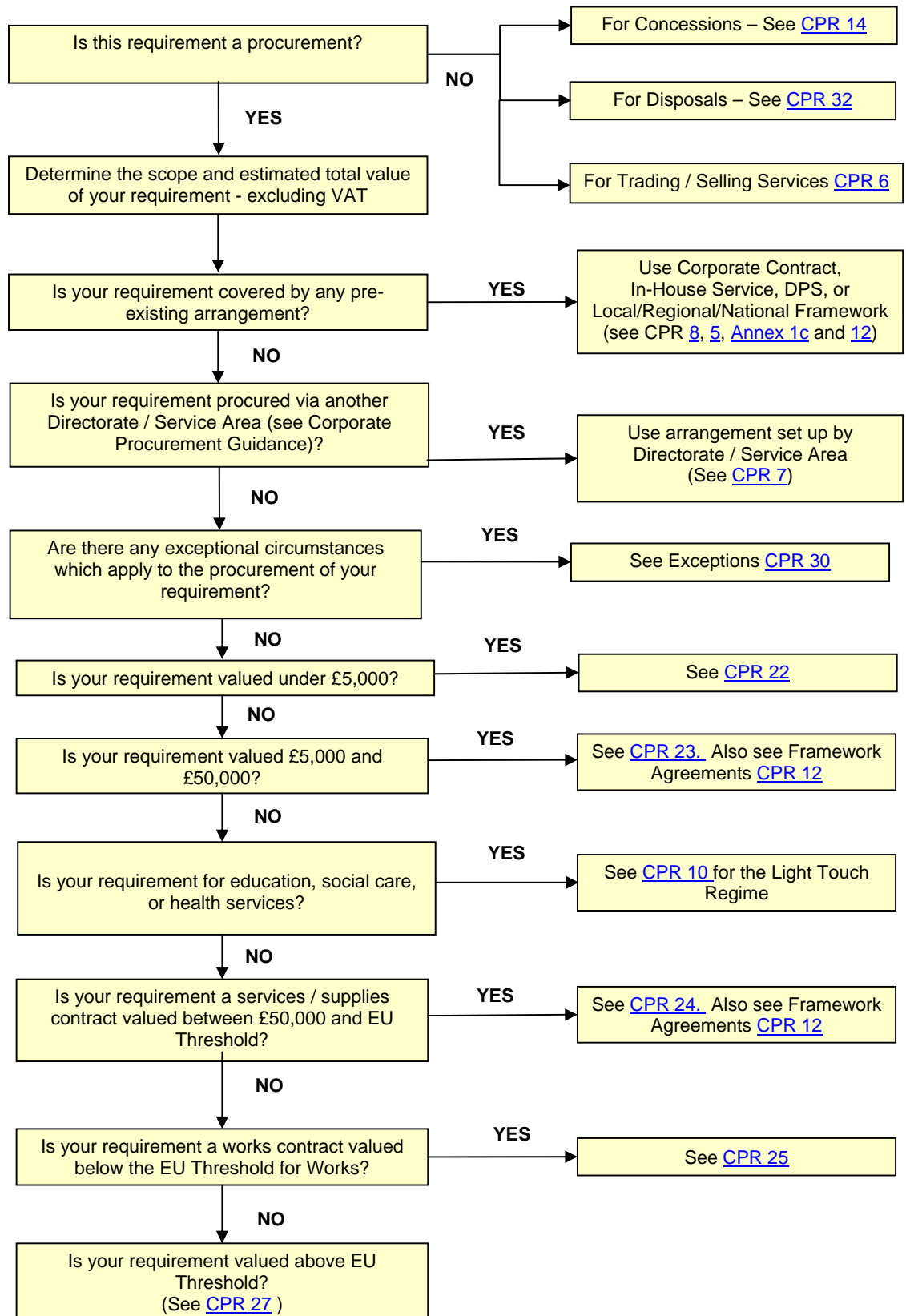
The Councils are required to seek explanation for exceptionally low tenders and may reject the tender where the explanation does not satisfy the concerns.

20 PRE AND POST TENDER/REQUEST FOR QUOTATION CLARIFICATION

- 20.1 All clarifications by the council or tenderers must be raised via YORtender. Guidance from [PANNEL](#) is recommended in all circumstances but mandated where the issue, error, omissions or inconsistency is linked to price or potentially creates a material change.

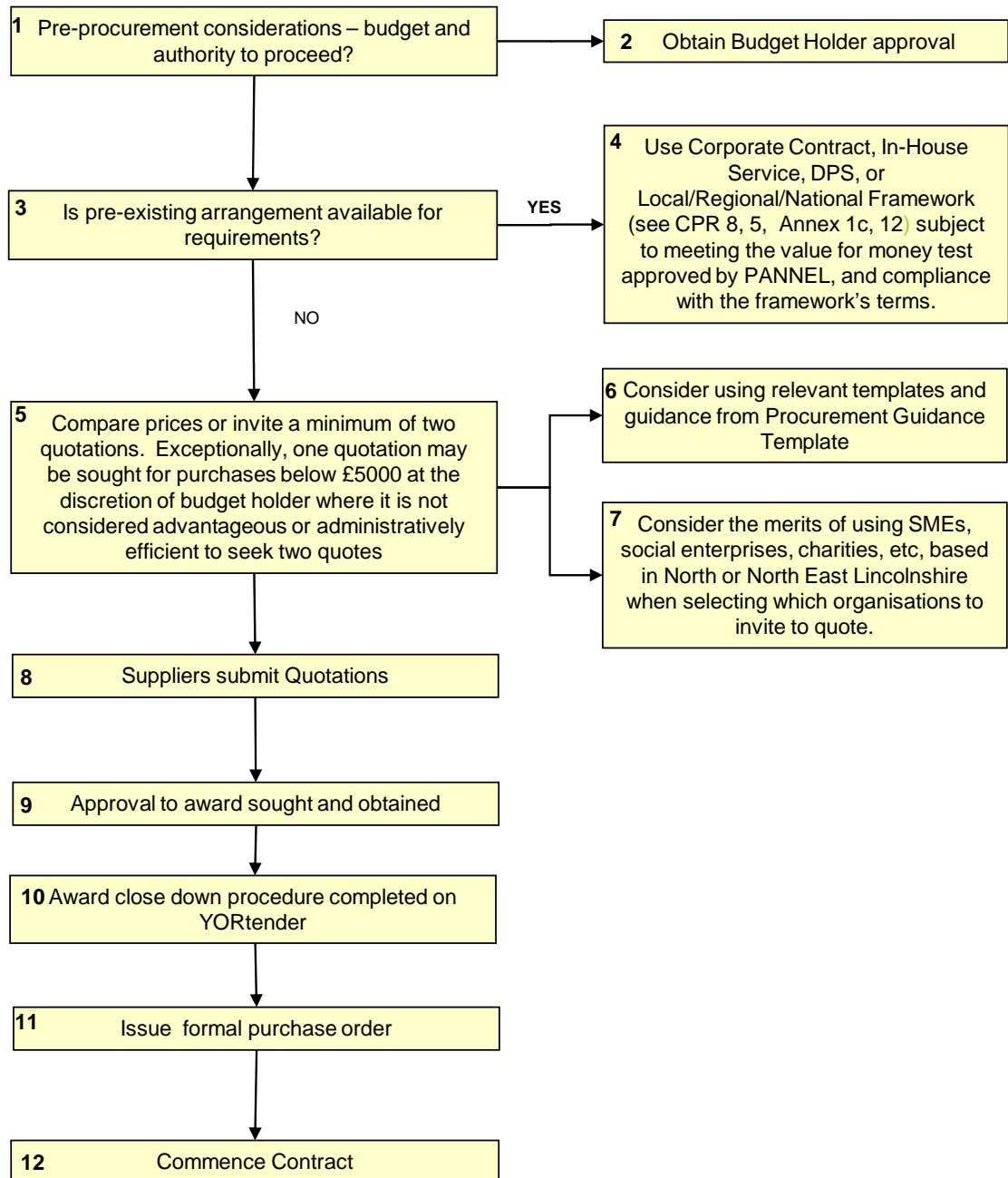
Contract Procedure Rules

21 CHOICE OF PROCEDURE



Contract Procedure Rules

22 SUPPLIES/SERVICES/WORKS CONTRACTS BELOW £5,000



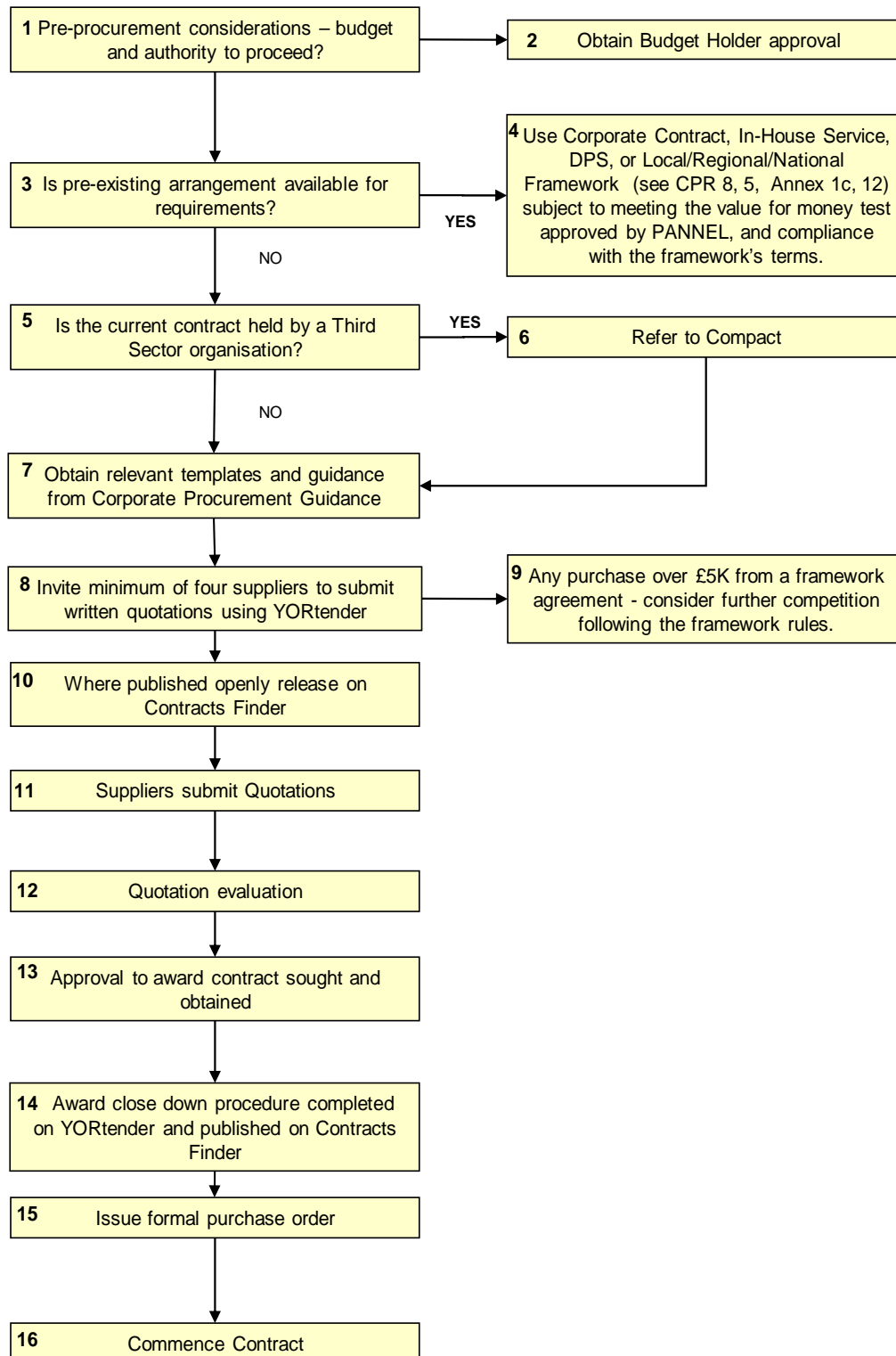
Contract Procedure Rules

22.1 SUPPLIES/SERVICES/WORKS CONTRACTS BELOW £5,000

22.1a Authorisation to Proceed with Procurement
Verify availability of budget and obtain Budget Holder approval.
22.1b Competitive Process
<p>Follow PANNEL's self service guidance on the intranet.</p> <p>Compare prices or seek a minimum of two comparable quotations. Consider the merits of using SMEs, social enterprises, charities, etc, based in North or North East Lincolnshire when selecting which organisations to invite to quote.</p> <p>Exceptionally, for purchases below £5,000 where it is not considered advantageous or administratively efficient, one quotation may be sought at the discretion of the budget holder, otherwise seek approval from <u>PANNEL</u>.</p> <p>Written formats may include fax, e-mail, catalogue and website pages or copies, advertisements or marketing material, price lists, letters, etc.</p> <p>Use of YORtender is optional at this level but is recommended for transparency, audit trail, etc.</p>
22.1c Advertisement
No obligation to advertise.
Optional – YORtender
Any advertisement shall: specify the nature and purpose of the contract, invite expressions of interest in or quotations for its execution, state the last date and time when expressions of interest or quotations will be accepted and comply in all respects with the requirements of the relevant UK legislation.
22.1d Receiving & Opening of Quotations
<p>Within Directorate or Service Area, addressed to the procuring officer or nominee at the address specified by that person for its return.</p> <p>Retain copies of quotations for audit trail.</p>
22.1e Evaluation
<p>Evaluate on the basis of :</p> <p>The lowest compliant quotation where payment is made by the council; or</p> <p>The highest compliant quotation where payment is made to the council, e.g. a concession contract.</p> <p>Compliant means the bid should be fully capable of meeting all fitness for purpose requirements in terms of specification, price, quality, delivery, etc.</p>
22.1f Authorisation to Award
Obtain Budget Holder approval.
22.1g Execution
A formal purchase order shall be issued to and its acceptance acknowledged by the supplier specifying the supplies, services or works and setting out prices and terms of payment (which should be the council's <u>terms and conditions of purchase</u> .)
22.1h Records & Documentation
<p>The Service Area or Directorate shall retain records of the transaction in accordance with the council's approved record management or document retention policy.</p> <p>If advertised on YORtender ensure that the contract is awarded on YORtender using the button on the contracts detail page.</p>

Contract Procedure Rules

23 SUPPLIES/SERVICES/WORKS CONTRACTS £5,000 - £50,000



Contract Procedure Rules

23.1 SUPPLIES/SERVICES/WORKS CONTRACTS £5,000 - £50,000

23.1a Authorisation to Proceed with Procurement
Verify availability of budget and obtain Budget Holder approval.
23.1b Competitive Process
<p>Follow PANNEL's self service guidance on the intranet.</p> <p>Consider:</p> <ul style="list-style-type: none"> • whether the requirement needs to be procured in accordance with the council's <u>Sustainable Procurement Policy</u>; • the benefits of undertaking an <u>Integrated Impact Assessment</u> where there is potential for direct impact upon citizens or officers or a requirement for consultation, and • The use of Lots to facilitate greater access to the opportunity for SMEs. • whether a TUPE risk attaches <p>Seek a minimum of four written quotations using the basic quotation template where considered helpful. Consider giving priority to SMEs, social enterprises, charities, etc, based in North or North East Lincolnshire when selecting which organisations to invite to quote (only where a closed process is being used.) The council's approved Terms & Conditions must be used and the process must be fully managed using <u>YORtender</u> unless administratively burdensome and with the express permission of PANNEL.</p> <p>Where a framework agreement is being used, any purchase greater than £5,000 should be subject to further competition between all suppliers who are a party to the agreement in accordance with the requirements stated by the framework owner (unless alternative provisions have been agreed). Wherever possible and considered advantageous, bundling of largely similar requirements should be undertaken to maximise economies of scale.</p> <p>Requests to use electronic auctions should be referred to <u>PANNEL</u></p> <p>The use of a pre-qualification stage is prohibited below the EU threshold for supplies. A suitability assessment question may be used where essential.</p>
23.1c Advertisement
<p>Mandatory – Open advertisement on <u>YORtender</u> with indicative contract values published. A closed process with pre-determined bidders may be used where administratively expedient and/or given operational urgency or necessity, and then only in accordance with the exception procedure.</p> <p>Quotations valued over £25k which are advertised as an open advert on YORtender must also be advertised on contracts finder.</p> <p>Quotations valued over £25k must be advertised for a minimum of 10 working days</p> <p>Optional – Advertising of open opportunities via web-based media e.g. Twitter, and other health and voluntary sector sites subject to <u>PANNEL</u> advice.</p> <p>Any advertisement shall: specify the nature and purpose of the contract, invite expressions of interest in or quotations for its execution, state the last date and time when expressions of interest or quotations will be accepted and comply in all respects with the requirements of the relevant UK legislation.</p>

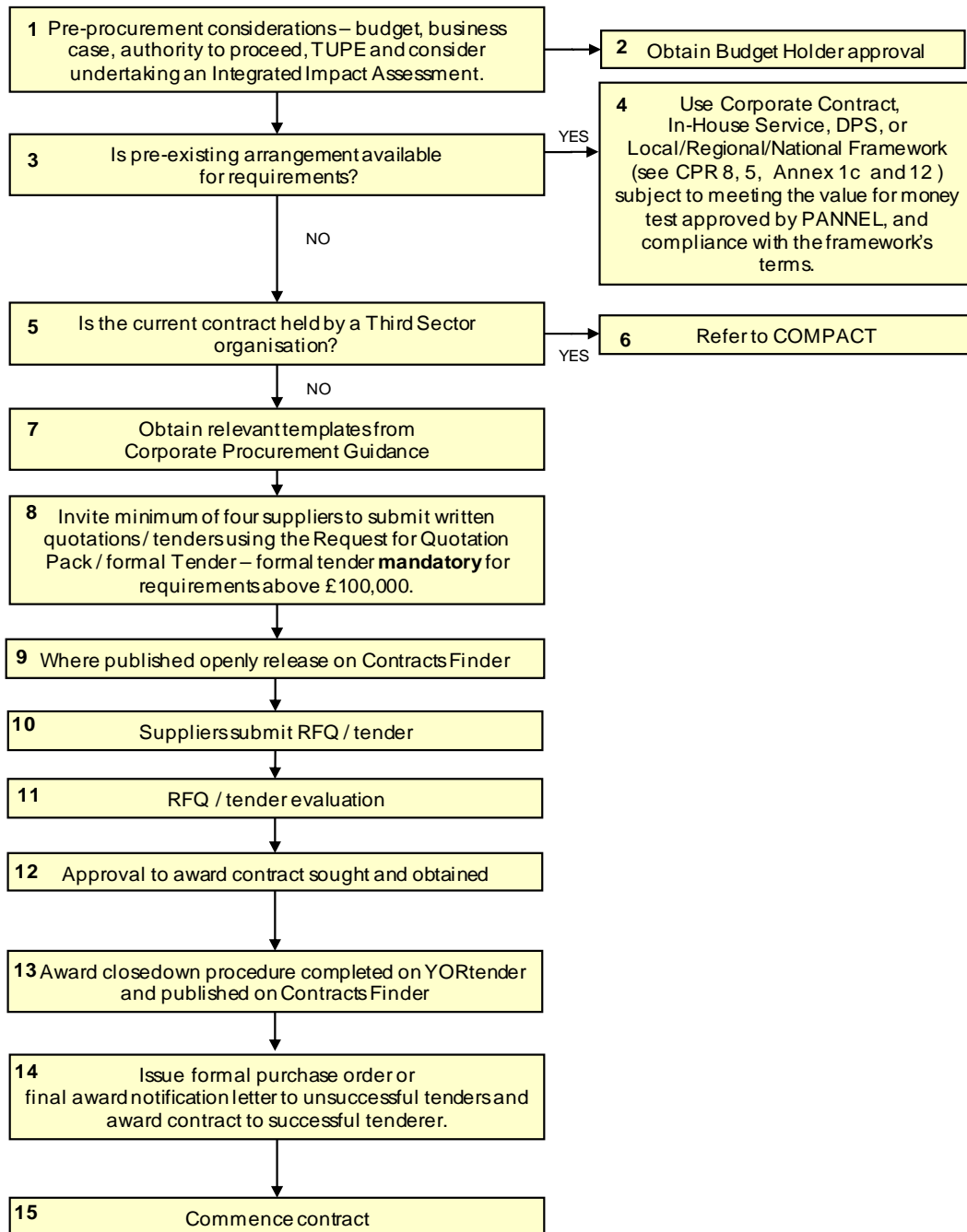
Contract Procedure Rules

23.1 SUPPLIES/SERVICES/WORKS CONTRACTS £5,000 - £50,000

23.1d Receiving & Opening of Quotations
<p>Within the Service Area or Directorate using the <u>YORtender</u> system by an independent person, i.e. a person not associated with the purchase or project.</p> <p>No late tender shall be considered except with the approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) on the advice of <u>PANNEL</u>.</p>
23.1e Evaluation
<p>Evaluate on the basis of :</p> <ul style="list-style-type: none"> • The lowest compliant quotation where payment is made by the council; or • The highest compliant quotation where payment is made to the council, e.g., a concession contract. <p>Compliance means the RFQ should be fully capable of meeting all fitness for purpose requirements in terms of specification, price, quality, delivery, etc.</p> <p>Optionally evaluate using The Most Economically Advantageous Tender (MEAT), and ensure MEAT criteria, sub-criteria, weighting, and scoring guidance are disclosed to tenderers. The final evaluation score given to each tenderer must be the Moderated Score. Refer to <u>CPR 19</u> for guidance on how to manage errors in quotation submissions.</p> <p>The Request for Quotation (RFQ) must state that no tenders or quotes will be considered unless received by the date and time stipulated in the documentation. No tender or quote delivered in contravention of this rule shall be accepted without the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).</p>
23.1f Negotiation
<p>No negotiation with the existing or potential contractors shall be carried out without the approval and guidance of <u>PANNEL</u>.</p>
23.1g Authorisation to Award
<p>Obtain Budget Holder approval.</p> <p>If only one response is received, the written approval of the Director Policy & Resources (NLC) or Assistant Director Law, (Monitoring Officer) (NELC) must be obtained prior to accepting the quotation.</p>
23.1h Execution
<p>A formal purchase order shall be issued to and its acceptance acknowledged by the supplier specifying the supplies, services or works and setting out prices and terms of payment (which should be the council's <u>terms and conditions of purchase</u>).</p> <p>Contracts entered into orally, due to extreme urgency, must be confirmed in writing as above</p> <p>Without publishing, upload evaluation results and approval authorisation onto <u>YORtender</u> to maintain the decision making audit trail.</p> <p>A notification of award must be advertised on Contracts Finder, via YORtender for <u>all</u> contracts valued over £25k.</p> <p>The contract must be awarded using the options available in the contract details module on YORtender. Care must be taken to ensure that the contract details are up to date.</p>
23.1i Records & Documentation
<p>The Service Area or Directorate shall retain records of the procurement exercise and the purchase order including the original signed copy of the contract where applicable, in accordance with the council's approved record management or document retention policy.</p>

Contract Procedure Rules

24 SUPPLIES/SERVICES/WORKS CONTRACTS £50,000 - £172,514



Contract Procedure Rules

24.1 SUPPLIES/SERVICES/WORKS CONTRACTS £50,000 - £172,514

24.1a Authorisation to Proceed with Procurement

It is the Budget Holder's responsibility to ensure the availability of budget and the authority to commit to the expenditure, noting the Key Decisions and governance requirements. It is essential for the whole-life commitment to be considered (assuming all available extensions are exercised) not the annual value of the commitment when securing authority to proceed.

Verify decision making protocols where:

- There are possible council workforce and related TUPE implications, advice from Legal Services and HR must be sought;
- There are potentially significant economic development / sustainability implications and
- There are budget or policy implications.

Full council approval may be necessary.

24.1b Competitive Process

Adhere to the corporate governance frameworks for project management and produce a procurement timetable. Project managers should ensure that any procurement is undertaken in line with the council's agreed project management framework, where appropriate.

Consider, in consultation with PANNEL, whether the requirement needs to be procured in accordance with:

- An Integrated Impact Assessment (where there is potential for direct impact upon citizens / officers.);
- relevant consultation requirements;
- The use of Lots to facilitate greater access to the opportunity for SMEs;
- the SME Concordat;
- the principles of the COMPACT;
- Council Skills Pledge and
- Sustainable Procurement Policy.

Selection of Tenderers

Seek a minimum of four written competitive quotations, openly advertised via YORtender comprising:

- Clear instructions for the submission and pricing of quotations;
- A clear written specification of the request;
- Quotation Reply Forms;
- A Pricing Schedule and
- The approved council Terms & Conditions. Where alternative Terms & Conditions are used, or amendments are made, seek guidance and approval from Legal Services.

Alternatively, an **open** formal tender procedure may be used; a closed process may only be used with the prior approval by Exception with tenders being invited from a minimum of four potential contractors advertising via YORtender. Note that a formal tender procedure is **mandatory** for contract values above £100,000.

The use of a pre-qualification stage is prohibited below the EU threshold for supplies. A suitability assessment question may be used where essential.

Contract Procedure Rules

24.1 SUPPLIES/SERVICES/WORKS CONTRACTS £50,000 - £172,514

Where a framework agreement is being used, any purchase should be subject to further competition following the framework rules. The evaluation criteria and the terms and conditions specified by the framework owner must be used. Wherever possible and advantageous, bundling of largely similar requirements should be undertaken to maximise economies of scale.

The project manager should establish a project team. PANNEL must be contacted to determine the level of involvement required based on an assessment of identified risks.

Where “lowest compliant” is not being applied, the project manager in consultation with the project team must agree a percentage split in the award criteria based on the scope and importance of quality, risk and cost on a project by project basis. However, where the contract is being accessed via a framework, the award criteria set out in the agreement must be followed.

Where the project manager wishes to pursue a cost element of less than 60%, they should refer to PANNEL and then should further seek prior written approval from the Director of Policy & Resources (NLC) or the Assistant Director Transformation (NELC).

The process must be fully managed using YORtender

Requests to use **electronic auctions** should be referred to PANNEL

24.1c Advertisement

Mandatory – YORtender with indicative contract values published tenders which are advertised as an open advert on YORtender must also be advertised on contracts finder. Tenders must be advertised for a minimum of 10 **working** days, but proportionately increased to its complexity.

Optional – Advertising of open opportunities via web-based media e.g. Twitter, and other health and voluntary sector sites subject to PANNEL advice.

Any advertisement shall: specify the nature and purpose of the contract, outline how to submit a compliant tender, state the last date and time when tenders will be accepted and comply in all respects with the requirements of the relevant UK legislation.

24.1d Receiving & Opening of Tenders

Managed using YORtender, kept confidential and opened by an officer of appropriate seniority, who is entirely independent and non-conflicted by the project in question.

No late tender shall be considered except with the approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) on the advice of PANNEL.

Contract Procedure Rules

24.1 SUPPLIES/SERVICES/WORKS CONTRACTS £50,000 - £172,514

24.1e Evaluation
<p>Evaluate on the basis of :</p> <p>The lowest compliant quotation where payment is made by the council; or</p> <p>The highest compliant quotation where payment is made to the council, e.g., a concession contract.</p> <p>Compliance means the tender should be fully capable of meeting all fitness for purpose requirements in terms of specification, price, quality, delivery, etc.</p> <p>Optionally evaluate using The Most Economically Advantageous Tender (MEAT), and ensure MEAT criteria, sub-criteria, weighting, and scoring guidance are disclosed to tenderers. The final evaluation score given to each tenderer must be the Moderated Score. Refer to <u>CPR 19</u> for guidance on how to manage errors in tender submissions.</p> <p>The RFQ/tender must state that no tenders or quotes will be considered unless received by the date and time stipulated in the documentation. No tender or quote delivered in contravention of this rule shall be accepted without the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).</p>
24.1f Post Tender Negotiation
<p>No negotiation with the existing or potential contractors shall be carried out.</p>
24.1g Authorisation to Award
<p>Must be obtained from the relevant (Assistant) Director (NELC) or Director (NLC) where required by the council's Policy and Budget Framework, which must always be applied.</p> <p>At least two tender responses must be received. If only one response is received, the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) must be obtained prior to accepting the quotation/tender.</p> <p>Without publishing, upload evaluation results and approval authorisation onto <u>YORtender</u> to maintain the decision making audit trail.</p>
24.1h Award and Execution
<p>Outcome of Tender Exercise</p> <p>The acceptance of the successful tender is concluded by advising of the outcome of the tender followed by the issuing of a purchase order or formal contract.</p> <p>All tenderers should be advised in writing of the outcome of the tender exercise. A debrief should be provided to unsuccessful tenderers on request with PANNEL guidance.</p> <p>Contract details</p> <p>Every purchase order / contract as a minimum shall be in writing and specify:</p> <ul style="list-style-type: none"> • the supplies or services to be provided and/or the work(s) to be executed; • the price to be paid or the manner in which the price is to be determined together with details of the amount of any discounts or other deductions; • the time within which the contract is to be performed; • the Council's requirements on indemnity and insurance; • for services, an exit strategy for when the contract terminates and • other conditions and terms as set out in the RFQ / invitation to tender.

Contract Procedure Rules

24.1 SUPPLIES/SERVICES/WORKS CONTRACTS £50,000 - £172,514

Signing

All contracts under £100,000 shall be signed by the relevant (Assistant) Director (NELC) or Director (NLC).

All contracts over £100,000 shall be signed by the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy & Resources (NLC), attesting the Common Seal of the council as appropriate.

Contracts entered into orally, due to extreme urgency, must be confirmed in writing as above.

Mandatory- Without publishing, upload evaluation results and approval authorisation onto YORtender to maintain the decision making audit trail. A notification of award must be advertised on Contracts Finder, via YORtender for all contracts

24.1i Records & Documentation

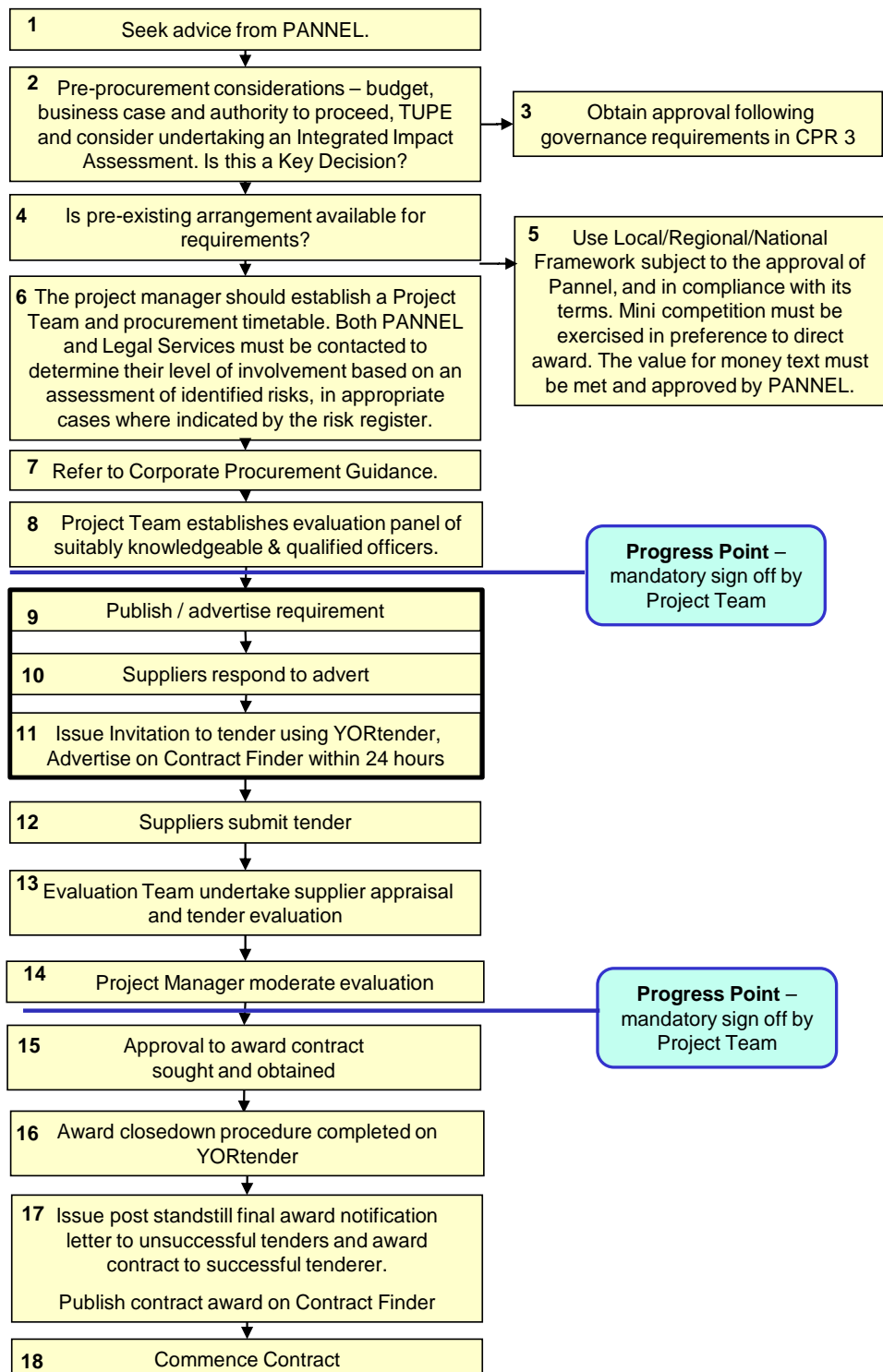
The Service Area or Directorate shall retain records of the procurement exercise, including the original signed copy of the contract if the value is below £100,000, in accordance with the council's approved record management or document retention policy.

Where the contract value is over £100,000, the original signed copy shall be retained by Legal Services.

The contract must be awarded using the options available in the contract details module on YORtender, care must be taken to ensure that the contract details are up to date.

Contract Procedure Rules

25 WORKS CONTRACTS (ABOVE EU THRESHOLD FOR SUPPLIERS/SERVICES AND BELOW EU THRESHOLD FOR WORKS)



Contract Procedure Rules

25.1 WORKS CONTRACTS (ABOVE EU THRESHOLD FOR SUPPLIERS/SERVICES AND BELOW EU THRESHOLD FOR WORKS)

25.1a Authorisation to Proceed with Procurement

Please refer to Lead Services [CPR 7](#).

It is the Budget Holder's responsibility to ensure the availability of budget and the authority to commit to the expenditure, noting the Key Decisions and governance requirements. It is essential for the whole-life commitment to be considered not the annual value of the commitment when securing authority to proceed.

Verify decision making protocols where:

- There are potentially significant economic development / sustainability implications;
- There are budget or policy implications.

Full council approval may be necessary.

25.1b Competitive Process

Adhere to the corporate governance frameworks for project management and produce a procurement timetable. Project managers should ensure that any procurement is undertaken in line with the council's agreed project management framework, where appropriate.

The suite of construction frameworks has been developed to meet the majority of the councils' Works requirements.

Determine in consultation with PANNEL, whether the construction frameworks are appropriate or whether a specific procurement is necessary in accordance with:

- An Integrated Impact Assessment (where there is potential for direct impact upon citizens / officers.);
- relevant consultation requirements;
- The use of Lots to facilitate greater access to the opportunity for SMEs;
- SME Concordat;
- Council Skills Pledge and
- Sustainable Procurement Policy.

Where a specific procurement is necessary, use a formal open tender procedure managed using YORtender. Invitations to tender to comprise:

- Clear instructions for the submission and pricing of quotations;
- A Supplier Questionnaire;
- A clear written specification;
- A Form of Tender including anti-collusion certificate;
- A Freedom of Information Declaration;
- A Pricing Schedule and
- The approved council Terms & Conditions/a standard form of agreement e.g. NEC3 or JCT suite of conditions or where alternative Terms & Conditions are used, or amendments are made, seek guidance and approval from Legal Services.

Alternatively a minimum of four formal tenders may be sought using a closed process, subject to approval by PANNEL.

Contract Procedure Rules

25.1 **WORKS CONTRACTS (ABOVE EU THRESHOLD FOR SUPPLIERS/SERVICES AND BELOW EU THRESHOLD FOR WORKS)**

The project manager should establish a project team. Both PANNEL and Legal Services must be contacted for them to determine the level of their involvement required based on an assessment of identified risks.

Where “lowest compliant” is not being applied, the project manager in consultation with the project team must agree a percentage split in the award criteria based on the scope and importance of quality, risk and cost on a project by project basis. However, where the contract is being accessed via a framework, the award criteria set out in the agreement must be followed.

Where the project manager wishes to pursue a cost element of less than 60%, he should refer to PANNEL and then should further seek prior written approval from the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).

Requests to use **electronic auctions** should be referred to PANNEL.

25.1c Advertisement (only applicable if not using the construction frameworks)

Mandatory – YORtender with indicative contract values published tenders which are advertised as an open advert on YORtender must also be advertised on contracts finder.

Tenders must be advertised for a minimum of 10 **working** days, but proportionately increased to its complexity.

Optional –

- advertising of open opportunities via social media e.g. Twitter subject to PANNEL advice
- one or more specialist trade or professional newspapers or journals where appropriate.

Direct marketing of the existence of the opportunity is permissible in order to include organisations that may not ordinarily see the opportunity and to ensure local / regional / national competition.

Any advertisement shall: specify the nature and purpose of the contract, invite expressions of interest in or tenders for its execution; state the last date and time when expressions of interest or tenders will be accepted; and comply in all respects with the requirements of the relevant UK legislation.

25.1d Receiving & Opening of Tenders

Managed using YORtender, kept confidential and opened by an officer who is entirely independent and has no conflict of interest in relation to the project in question.

25.1e Evaluating Tenders (only applicable if not using the construction frameworks)

Evaluate on the basis of:

The lowest **compliant** quotation where payment is made **by** the council; or

The highest **compliant** quotation where payment is made **to** the council, e.g. a concession contract.

Compliance means the tender should be fully capable of meeting all fitness for purpose requirements in terms of specification, price, quality, delivery, etc.

Contract Procedure Rules

25.1 **WORKS CONTRACTS (ABOVE EU THRESHOLD FOR SUPPLIERS/SERVICES AND BELOW EU THRESHOLD FOR WORKS)**

Optionally evaluate using The **Most Economically Advantageous Tender (MEAT)**, and ensure MEAT criteria, sub-criteria, weighting, and scoring guidance are disclosed to tenderers. The final evaluation score given to each tenderer must be the Moderated Score. Refer to [CPR 19](#) for guidance on how to manage errors in tender submissions. The tender must state that no tenders or quotes will be considered unless received by the date and time stipulated in the documentation. No tender or quote delivered in contravention of this rule shall be accepted without the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).

25.1f Post Tender Negotiation

No negotiation with the existing or potential contractors shall be carried out.

25.1g Authorisation to Award

Must be obtained from the relevant (Assistant) Director (NELC) or Director (NLC) where consistent in all respects with council's Policy and Budget Framework and governance requirements for [Key Decisions](#).

At least two tender responses must be received. If only one response is received, the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) must be obtained prior to accepting the tender.

Upload evaluation results and approval authorisation onto [YORtender](#) to provide transparency.

25.1h Award and Execution

Outcome of Tender Exercise

All tenderers must be advised of the outcome of the tender exercise in writing, and the following information must be included in the notice:

- the name of the successful tenderer;
- the award criteria and any sub-weightings used;
- the reasons for the decision, including the characteristics and relative advantages of the successful tender and
- the scores of the successful tenderer and the organisation receiving the notice.

Unsuccessful tenderers may request further debrief.

Contract details

Every contract as a minimum shall be in writing and specify:

- the supplies or services to be provided and/or the work(s) to be executed;
- the price to be paid or the manner in which the price is to be determined together with details of the amount of any discounts or other deductions;
- the time within which the contract is to be performed;
- liability, indemnity and insurance and
- other conditions and terms as set out in the invitation to tender.

Mandatory- Contract award to be published on Contracts Finder

Contract Procedure Rules

25.1 **WORKS CONTRACTS (ABOVE EU THRESHOLD FOR SUPPLIERS/SERVICES AND BELOW EU THRESHOLD FOR WORKS)**

Signing

All contracts over £100,000 shall be signed by the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy & Resources (NLC), attesting the Common Seal of the council as appropriate.

Contracts over £1,000,000 shall be by deed, under the Common Seal of the Council, where the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy and Resources (NLC) so advises.

Contracts entered into orally, due to extreme urgency, must be confirmed in writing as above.

25.1i Records & Documentation

The Service Area or Directorate shall retain records of the procurement exercise, in accordance with the council's approved record management or document retention policy.

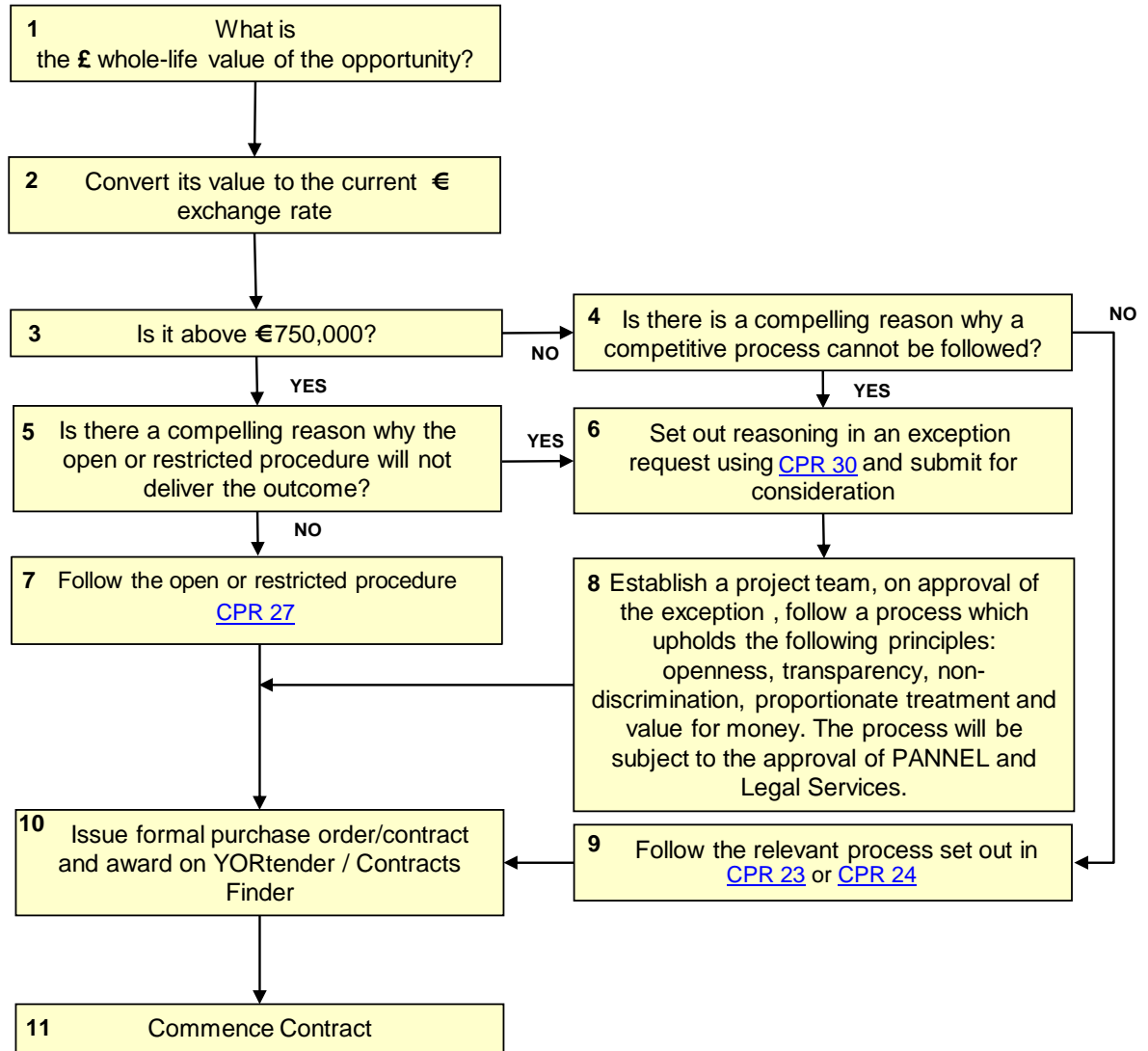
The original signed copy of the contract shall be retained by the Assistant Director Law, (Monitoring Officer) (NELC), or Director of Policy & Resources (NLC).

The contract must be awarded using the options available in the contract details module on YORtender, care must be taken to ensure that the contract details are up to date.

Contract Procedure Rules

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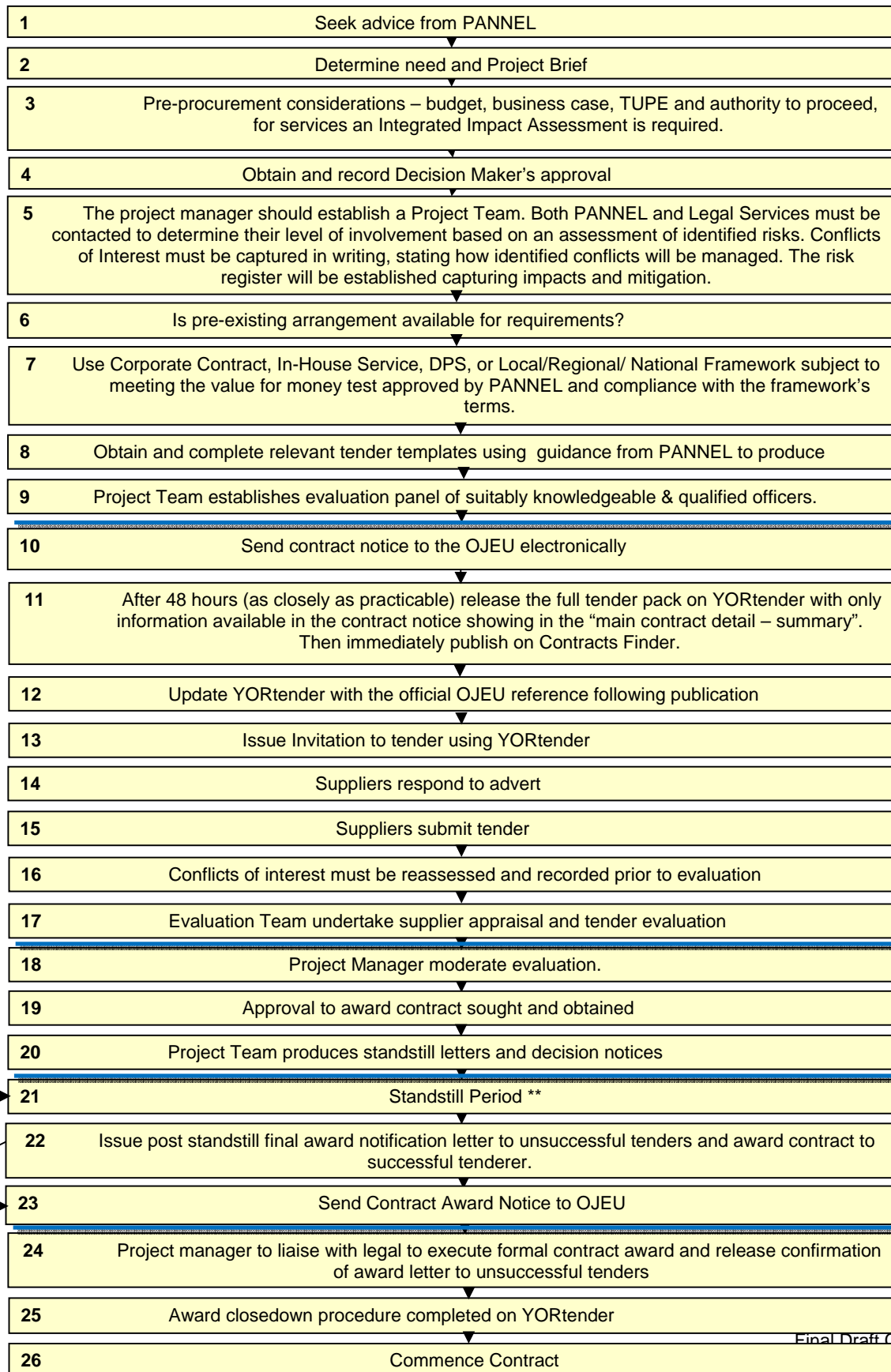
LIGHT TOUCH REGIME



Contract Procedure Rules

27.a SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

Open Procedure



Days stated refer to calendar days

Mandatory Timescales
(assumes electronic process throughout)

Progress Point –
mandatory sign off by Project Team

Minimum 30 Days or 15 Days if published in a PIN*

Progress Point –
mandatory sign off by Project Team

Progress Point –
mandatory sign off by Project Team

Progress Point –
mandatory sign off by Project Team

* Minimum of 15 days if prior information notices have been issued for Supplies or Services provided the PIN appeared at least 52 days and not more than 12 months before the date of despatch of the Contract Notice.

** The date should be 10 days from the notice being sent to all tenderers and candidates. In this context days include weekends and bank holidays but where the last day of the standstill period falls on a non-working day then the standstill period is extended to midnight at the end of the next

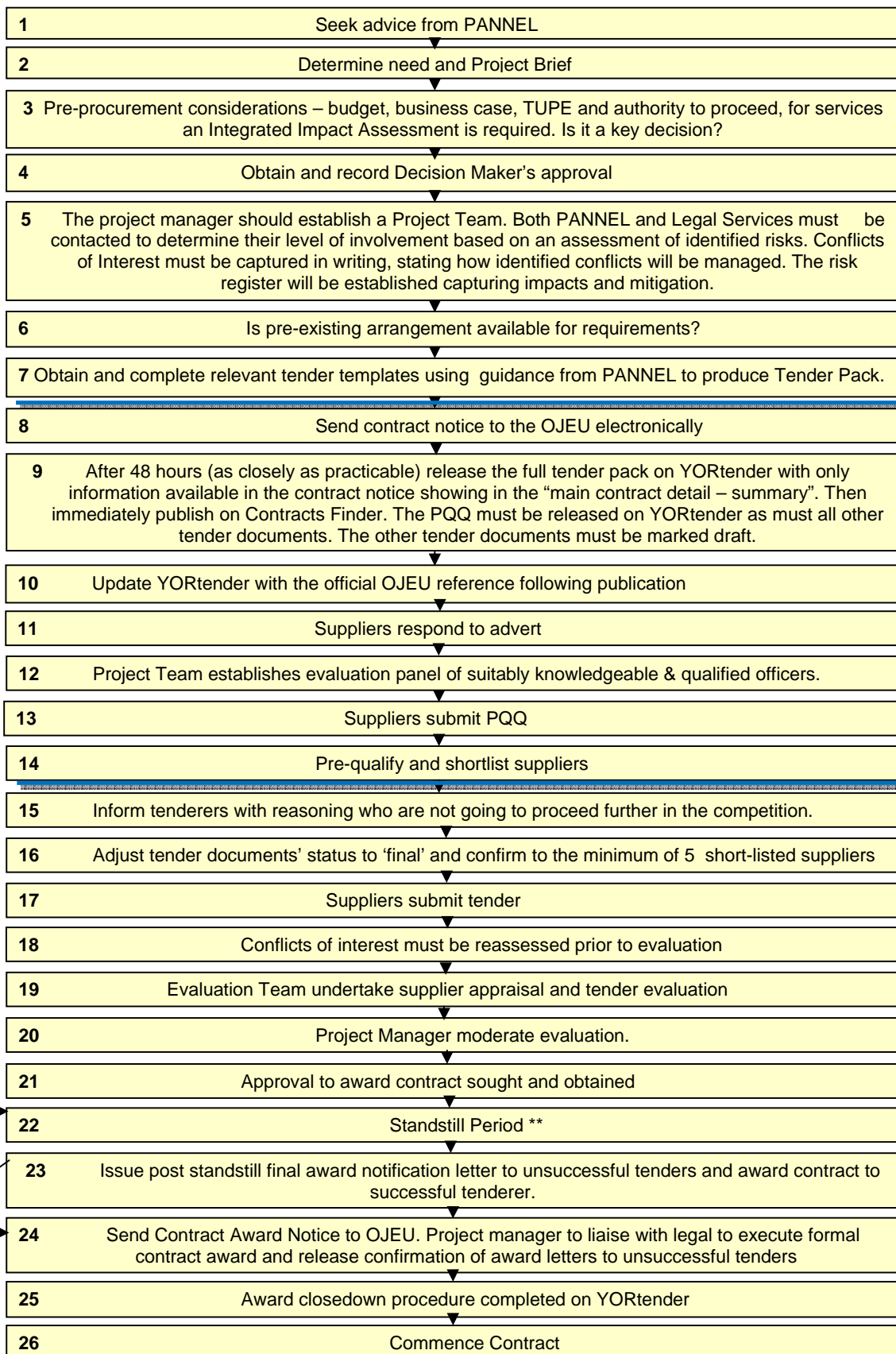
10 Days

Maximum 30 Days

Contract Procedure Rules

27.b SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS Restricted Procedure

** The date should be 10 days from the notice being sent to all tenderers and candidates. In this context days include weekends and bank holidays but where the last day of the standstill period falls on a non-working day then the standstill period is extended to midnight at the end of the next working day.



Contract Procedure Rules

27.1 SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

27.1a Authorisation to Proceed with Procurement

It is the Budget Holder's responsibility to ensure the availability of budget and the authority to commit to the expenditure, noting the Key Decisions and governance requirements. It is essential for the whole-life commitment to be considered not the annual value of the commitment when securing authority to proceed.

Verify decision making protocols where:

- There are possible council workforce and related TUPE implications, advice from Legal Services and HR must be sought;
- There are potentially significant economic development / sustainability implications and
- There are budget or policy implications.

Full council approval may be necessary.

Written evidence of authority to proceed will be required.

Risk assessments and conflict of interest assessments with recorded corrective actions are required at this stage.

27.1b Competitive Process

Adhere to the corporate governance frameworks for project management and produce a procurement timetable. Project managers should ensure that any procurement is undertaken in line with the council's agreed project management framework, where appropriate.

Consider, in consultation with PANNEL, whether the requirement needs to be procured in accordance with:

- The use of Lots to facilitate greater access to the opportunity for SMEs (justification must be cited in the tender documentation in instances where lots have not been used);
- the SME Concordat;
- the principles of the COMPACT;
- Council Skills Pledge;
- Sustainable Procurement Policy and
- Public Services (Social Value) Act 2012.

For all services procurements over EU threshold, an Integrated Impact Assessment must be completed to comply with the Public Services (Social Value) Act 2012 and relevant consultation requirements, prior to commencement to inform the specification and evaluation criteria.

EU Procedure

Seek advice from PANNEL and determine the EU procedure to be used.

The council's standard approach is to use Open Procedure. The following procedures may only be used on the advice of PANNEL:

- Restricted Procedure;
- Creation of a Framework;
- Access to a Framework, subject to exception approval under [CPR 30](#)
- Dynamic Purchasing System and
- Reverse Auction.

The following procedures may not be used except with approval of Director of Policy & Resources (NLC) or Assistant Director Law, (Monitoring Officer) in accordance with [CPR 13](#)

Contract Procedure Rules

27.1 SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

- Competitive Procedure with Negotiation.
- Competitive Dialogue Procedure
- Innovation Partnership Procedure

An accelerated procedure due to substantiated urgency

All OJEU Notices, (PINs, Contract Notices and Award Notices), must be approved and released by PANNEL.

Prior Information Notices (PIN) may be used to enable preliminary market consultation; a Contract Notice must be used as the call for competition.

Where a Supplier Questionnaire is required, the council's standard template must be used. Assessment must follow PANNEL guidance.

Use a formal tender procedure, and manage the process fully using YORtender.

The invitation to tender must comprise:

- clear instructions for the submission and pricing of tenders;
- background information;
- A clear written specification;
- reply forms:
 - supplier questionnaire;
 - form of tender and non-collusion certificate;
 - freedom of information declaration;
 - pricing schedule;
 - method statements;
- Terms & Conditions provided by Legal Services.

Where a restricted procedure is used, tenders must be invited from a minimum of five potential contractors. The distinction between selection criteria used to assess tendering organisations and award criteria used to evaluate the strength of the tender proposal must be entirely separate and remain so throughout the process.

The invitation to tender must state that no tender will be considered unless it is received by the date and time stipulated in the tender documentation. No tender delivered in contravention of this rule shall be accepted without the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).

The project manager should establish a project team. Both PANNEL and Legal Services must be contacted for them to determine the level of their involvement required based on an assessment of identified risks.

The project manager in consultation with the project team must agree a percentage split in the award criteria based on the scope and importance of quality, risk and cost on a project by project basis. However, where the contract is being accessed via a framework, the award criteria set out in the agreement must be followed.

Where the project manager wishes to pursue a cost element of less than 60%, he should refer to PANNEL and then should further seek prior written approval from the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC).

Contract Procedure Rules

27.1 SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

27.1e Advertisement
<p>Mandatory OJEU contract notice approved and issued via <u>PANNEL</u>.</p> <p>After publication of the OJEU notice followed by release on YORtender advising indicative contract values and publication on Contracts Finder, then:</p> <p>Optional –</p> <ul style="list-style-type: none"> ▪ Advertising of open opportunities via social media e.g. Twitter and other health and voluntary sector sites subject to <u>PANNEL</u> advice ▪ One or more specialist trade or professional newspapers or journals where appropriate. ▪ Direct marketing is permissible, after publication of the OJEU notice, to include organisations that may not see the opportunity to ensure local / regional / national competition. <p>The contract notice should be sent to the OJEU. 48 hours later, the tender should be released on YORtender with all tender documents being made available and only information available on the contract notice showing in the “main contract details – summary” on YORtender. Having published on YORtender immediately publish on Contracts Finder, remaining consistent with the contract notice text.</p> <p>Once the OJEU has published the contract notice, update YORtender with the official reference number.</p> <p>Any supplementary advertisement, (e.g. trade press) of the opportunity may only be published once the Contract Notice has been published in the OJEU and must not include additional information than is available in the Contract Notice or PIN.</p> <p>Any advertisement shall: specify the nature and purpose of the contract, invite expressions of interest in or tenders for its execution; state the last date and time when expressions of interest or tenders will be acceptable; and comply in all respects with the requirements of the relevant EU Directive or UK legislation.</p>
27.1f Receiving & Opening of Tenders
<p>Managed using <u>YORtender</u>, kept confidential and opened by an officer who is entirely independent and has no conflict of interest in relation to the project in question.</p>
27.1g Evaluating Tenders
<p>Evaluate tenders using The Most Economically Advantageous Tender (MEAT), and ensure MEAT criteria, sub-criteria, weighting, and scoring guidance are disclosed to tenderers. The final evaluation score given to each tenderer must be the Moderated Score. Refer to <u>CPR 19</u> for guidance on how to manage errors in tender submissions.</p> <p>Conflict of interest assessments of the evaluation team are required at this stage.</p> <p>Where a tenderer has been excluded from the competition at any stage mid-evaluation, the tenderer must be informed in an expedient manner. Equally any requests for clarification from such tenders must be responded to within 15 days of the request: such letters to be approved following the standstill mechanism.</p>
27.1h Post Tender Negotiation
<p>No negotiation with the existing or potential contractors shall be carried out.</p>

Contract Procedure Rules

27.1 SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

27.1i Authorisation to Award

Must be obtained from the relevant (Assistant) Director (NELC) or Director (NLC) where consistent in all respects with council's Policy and Budget Framework and governance requirements for [Key Decisions](#).

At least two tender responses must be received. If only one response is received, the written approval of the Director of Policy & Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC) must be obtained prior to accepting the tender.

Without publishing, upload evaluation results and approval authorisation onto [YORtender](#) to maintain the decision making audit trail.

27.1j Standstill Period

All tenderers, and any candidates, including those who have already received notification of their rejection (for example, at PQQ stage), must be advised of the preferred tenderer status in writing, using [YORtender](#). The following information must be included in the notice or pre-standstill award and decline letters:

- the name of the successful tenderer;
- the award criteria and any sub-weightings used;
- the reasons for the decision, including the characteristics and relative advantages of the successful tender;
- the reasons why the recipient did not meet the technical specification, if applicable;
- the scores of the successful tenderer and the organisation receiving the notice and
- the length of the standstill period, and anticipated end time and date.

Standstill letters must give sufficient, clear reasons, making any debrief unnecessary.

All standstill letters must be approved by [PANNEL](#), and signed by Legal Services.

Following this notification, a mandatory minimum 10 calendar day standstill period must be observed prior to final award. The period commences on the day following *electronic* issue of the pre-standstill award letters and must end on a working day. If a legal challenge is received do not award the contract and seek legal advice.

If the award is a [Key Decision](#), then

- Notice of the Key Decision should not precede issue of the standstill letters;
- It may not be implemented by final contract award until after the 5 day notice period.

Contract Procedure Rules

27.1 SUPPLIES/SERVICES/WORKS CONTRACTS ABOVE EU THRESHOLDS

27.1k Execution
<p>Contract details</p> <p>Every contract as a minimum shall be in writing and specify:</p> <ul style="list-style-type: none">• the supplies or services to be provided and/or the work(s) to be executed;• the price to be paid or the manner in which the price is to be determined together with details of the amount of any discounts or other deductions;• the time within which the contract is to be performed;• the Council's requirements on indemnity and insurance;• for services, an exit strategy for when the contract terminates and• other conditions and terms as set out in the RFQ / invitation to tender. <p>Signing</p> <p>All contracts over £100,000 shall be signed by the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy & Resources (NLC), or his / her nominated representative.</p> <p>The Common Seal of the council shall be attested as appropriate and upon advice from Legal Services.</p> <p>Contracts over £1,000,000 shall be by deed, under the Common Seal of the Council, where the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy and Resources (NLC) so advises.</p>
27.1l OJEU Award Notice
<p>Contract award must be announced by means of a Contract Award Notice in OJEU transmitted no later than 30 calendar days after the date of the post-standstill award letter. This is the responsibility of <u>PANNEL</u>. An award notice must also be placed on Contracts Finder</p>
27.1m Records & Documentation
<p>The Service Area or Directorate shall retain records of the procurement exercise by maintaining the Article 84 report, in accordance with the council's approved record management or document retention policy. The project manager will ensure this decision record is uploaded, but not published, on YORtender.</p> <p>The original signed copy of the contract shall be retained by the Assistant Director Law, (Monitoring Officer) (NELC) or the Director of Policy & Resources (NLC).</p> <p>The contract must be awarded using the options available in the contract details module on YORtender, care must be taken to ensure that the contract details are up to date.</p> <p>The award recommendation award approval and Article 84 report must be retained.</p>

28 REPORTING OF TENDERS

28.1 PANNEL will:

- Publish details of all contracts let over £5,000 on a monthly basis to comply with the Transparency code of practice guidelines
- report annually on all contracts let over £5,000 in the previous 12 months
- report quarterly on all consultancy contracts let (NLC only)

Contract Procedure Rules

29 **PREVENTION OF CORRUPTION & THE BRIBERY ACT 2010**

- 29.1 Requests for quotations and invitation to tenders must inform prospective tenderers of the council's whistle blowing policy
- 29.2 All contracts must contain a clause to the effect that the council will be entitled to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if:
- the contractor, his employees or agents, shall have offered or given or agreed to give to any persons any gift or consideration of any kind as an inducement or reward in any way relating to the contract or any other contract with the council; or
 - in relation to any contract with the council, the contractor, his employees or agents, shall have committed any offence under the Prevention of Corruption Acts 1889 to 1916, Section 117 of the Local Government Act 1972 and the Bribery Act 2010.
- 29.3 The Bribery Act 2010 has created the following new offences that can have particular relevance for the award of public contracts:
- bribing a person to induce or reward them to perform a relevant function improperly;
 - requesting, accepting or receiving a bribe as a reward for performing a relevant function improperly;
 - failing to prevent bribery

NELC - <http://www.nelincs.gov.uk/council/the-council-as-an-organisation/anti-fraud-framework/bribery-act-2010/>

NLC - <http://www.northlincs.gov.uk/your-council/about-your-council/policy-and-budgets/fraud/>

30 **EXCEPTIONS**

- 30.1 With the approval of:
- The Director of Policy and Resources (NLC) or the Assistant Director Law, (Monitoring Officer) (NELC);
 - The Assistant Director Business Support (NLC) for contracts of value up to £50,000; there may, where permitted by the Public Contracts Regulations 2015, be exceptions to the requirements of the CPRs in the following circumstances:
- a. Where important urgent repairs are required to maintain and ensure efficient and continuous service delivery due to the breakdown, or other failure, of buildings, plant, appliances, machinery or ICT equipment or software. Where the urgent repair relates to a repairs & maintenance item, and where the value exceeds £5,000, a retrospective request for exception is acceptable.
 - b. Where renewals, repairs and upgrades to buildings, plant, appliances, machinery, vehicles or ICT equipment or software can only be efficiently carried out and most economically supplied with regards to time, cost and speed of delivery by the original contractor or supplier (or their successors or other sole specialists).
 - c. Where urgent alternative arrangements are required to maintain the delivery of critical services due to the failure of an existing service provider or supplier.
 - d. Where an emergency situation exists as defined in the council's Emergency Plan.

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- e. When the council is properly required to adopt other procedures by a Government body or the council is procuring subsidised public transport services.
- f. Works orders placed with utility companies (e.g. for re-routing cables or pipework).
- g. Where there is only one potential supplier of the required supplies, services or works due to market factors and/or service exigency.
- h. Where the use of a recognised regional or national framework arrangement will provide the most cost effective procurement solution.
- i. Where contracts are extended beyond their specified term.
- j. Where exceptionally it is not expedient to undertake an open process below £100k.
- k. Where exceptionally above the EU LTR threshold variations to the open and restricted procedure are required.
- l. Where there are other exceptional circumstances.

30.2 In all instances a written request for exception, clearly documenting the reasons, must be notified in advance to the approving officer before the exception can be actioned. A standard form should be completed for NELC, which is optional for NLC.

31 COMMUNITY RIGHT TO CHALLENGE

- 31.1 The Localism Act provides relevant bodies with the right to challenge the running of local authority services where they believe they could do this differently or better.
- 31.2 Corporate guidance has been produced on the management of challenges received under the Act. An overview of the process for managing challenges is under [Annex 1d](#).

32 DISPOSAL & WRITE-OFF OF ASSETS (EXCLUDING LAND & PROPERTY)

- 32.1 A disposal request form must be completed for disposals under £50,000, approved by authorised officers and forwarded to [PANNEL](#) to be actioned based on the information provided. Items over £50,000 will require cabinet member (NLC) / portfolio holder (NELC) consultation.

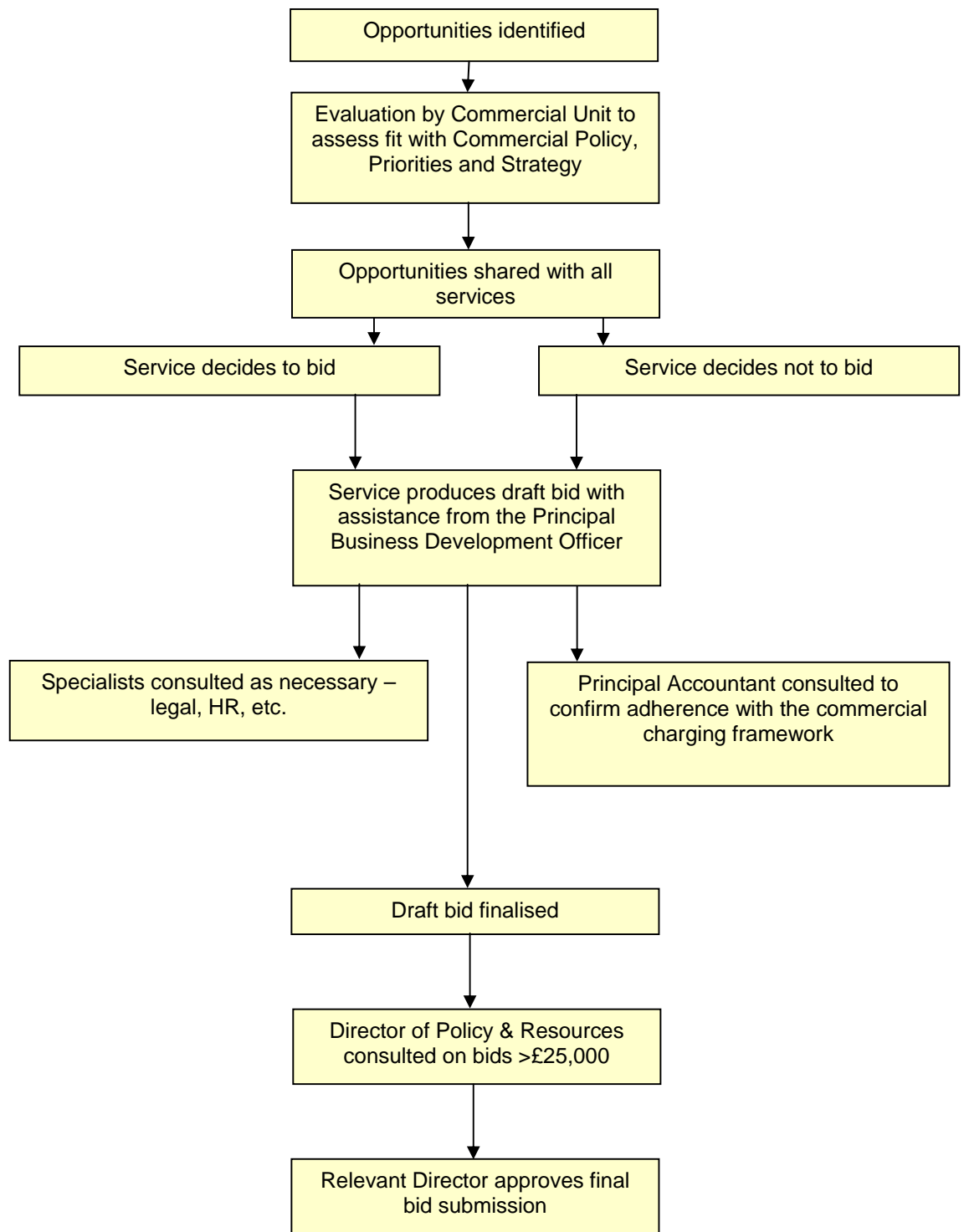
The process for disposal is detailed in [Annex 1e](#).

33 MODIFICATION OF CONTRACTS

- 33.1 Under limited circumstances, the Public Contract Regulations permit contract modifications during their term. Advice should be sought from PANNEL and Legal Services.

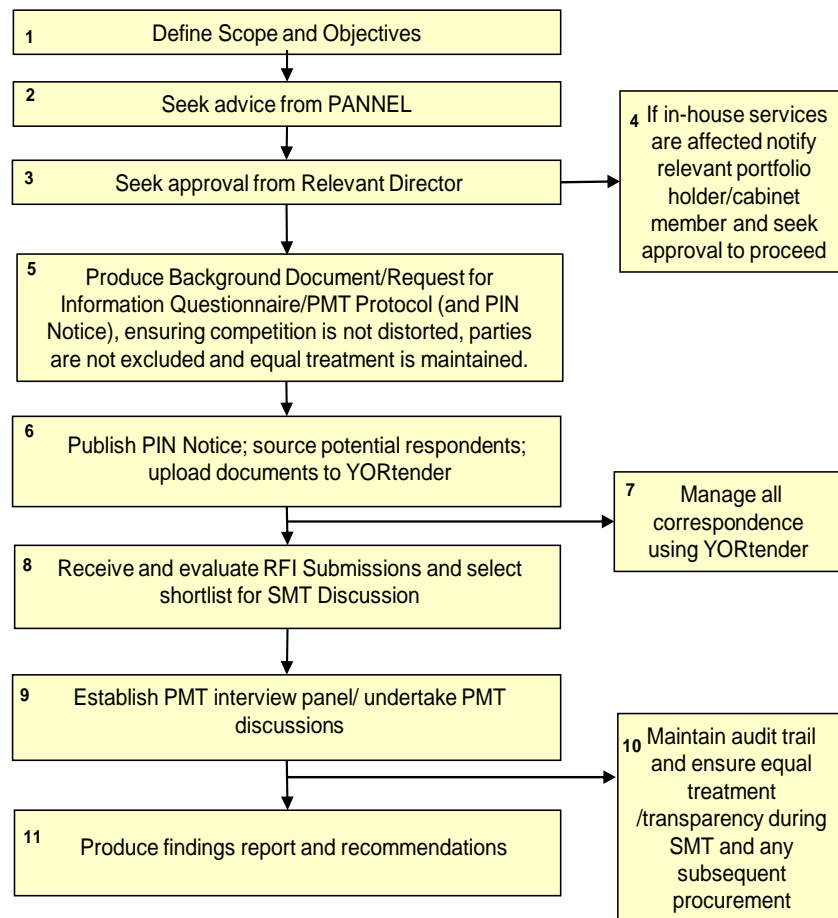
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ANNEX- 1a – COMMERCIAL PROCESS – NORTH LINCOLNSHIRE ONLY



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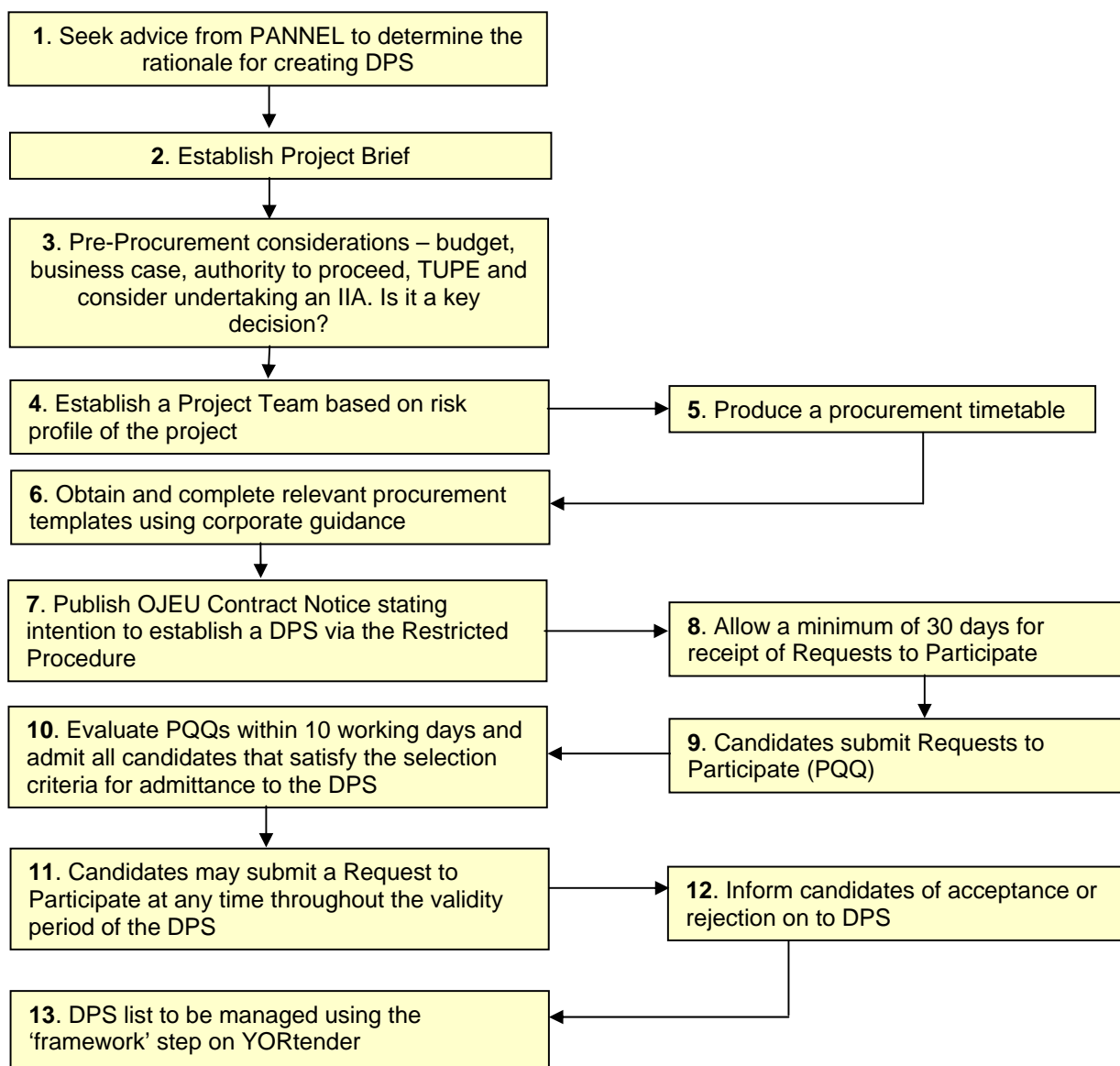
ANNEX- 1b – PRELIMINARY MARKET CONSULTATION



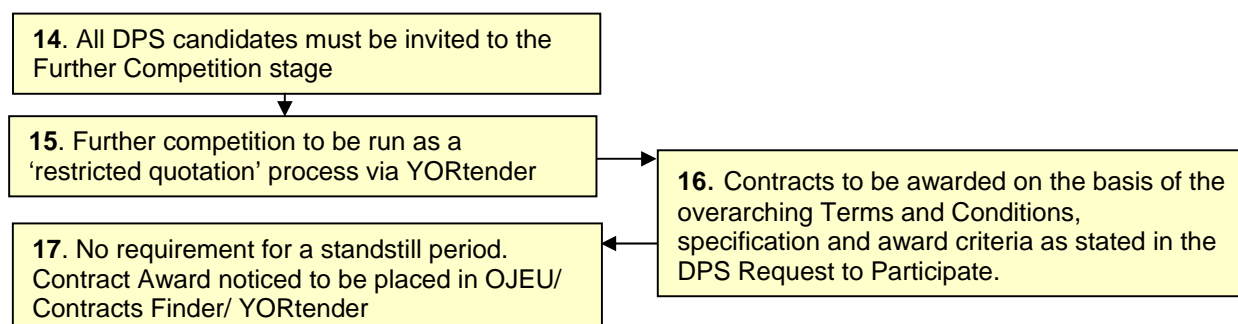
Contract Procedure Rules

Annex 1c- DYNAMIC PURCHASING SYSTEMS

Stage 1 Establishment of DPS

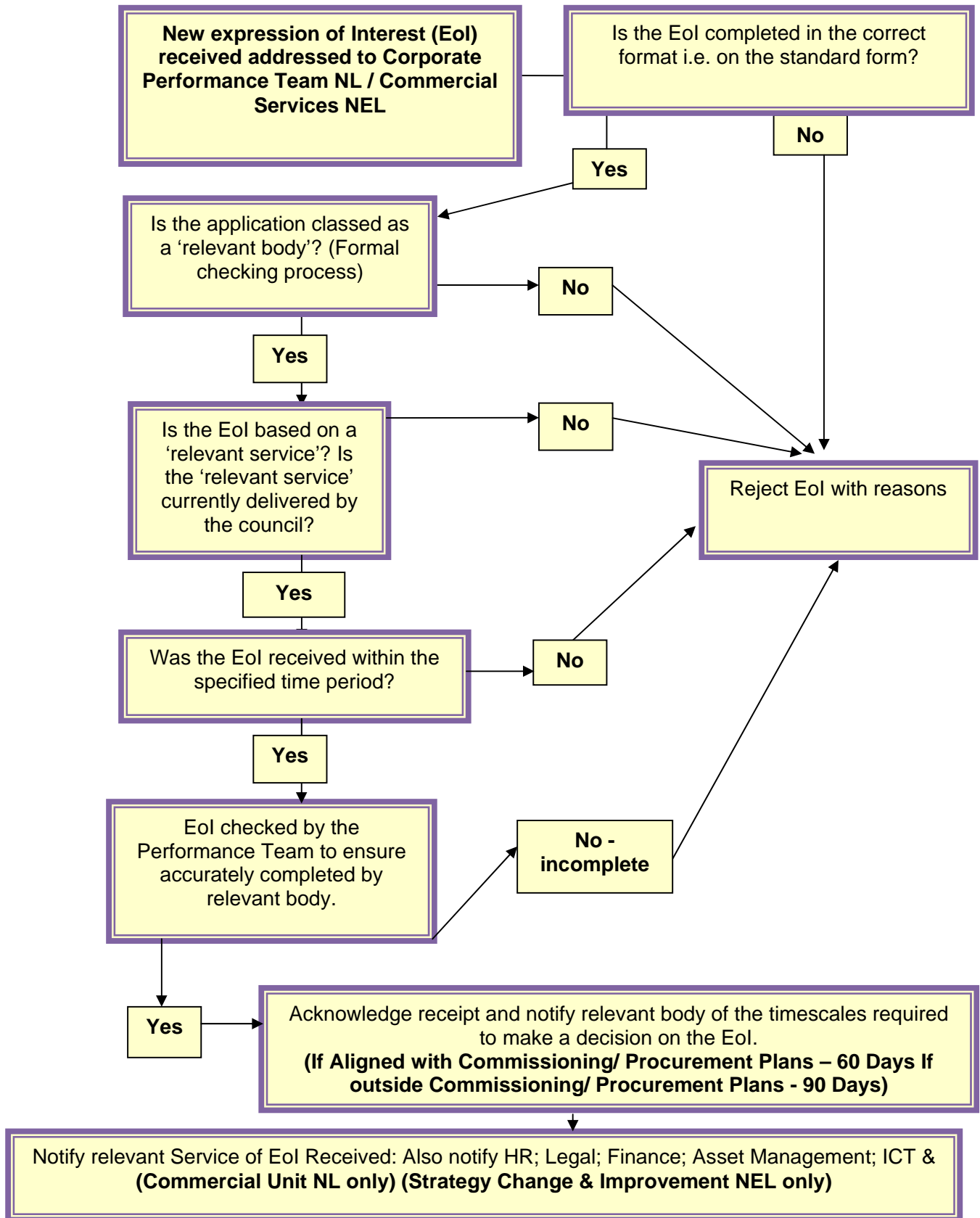


Stage 2 – Further Competition

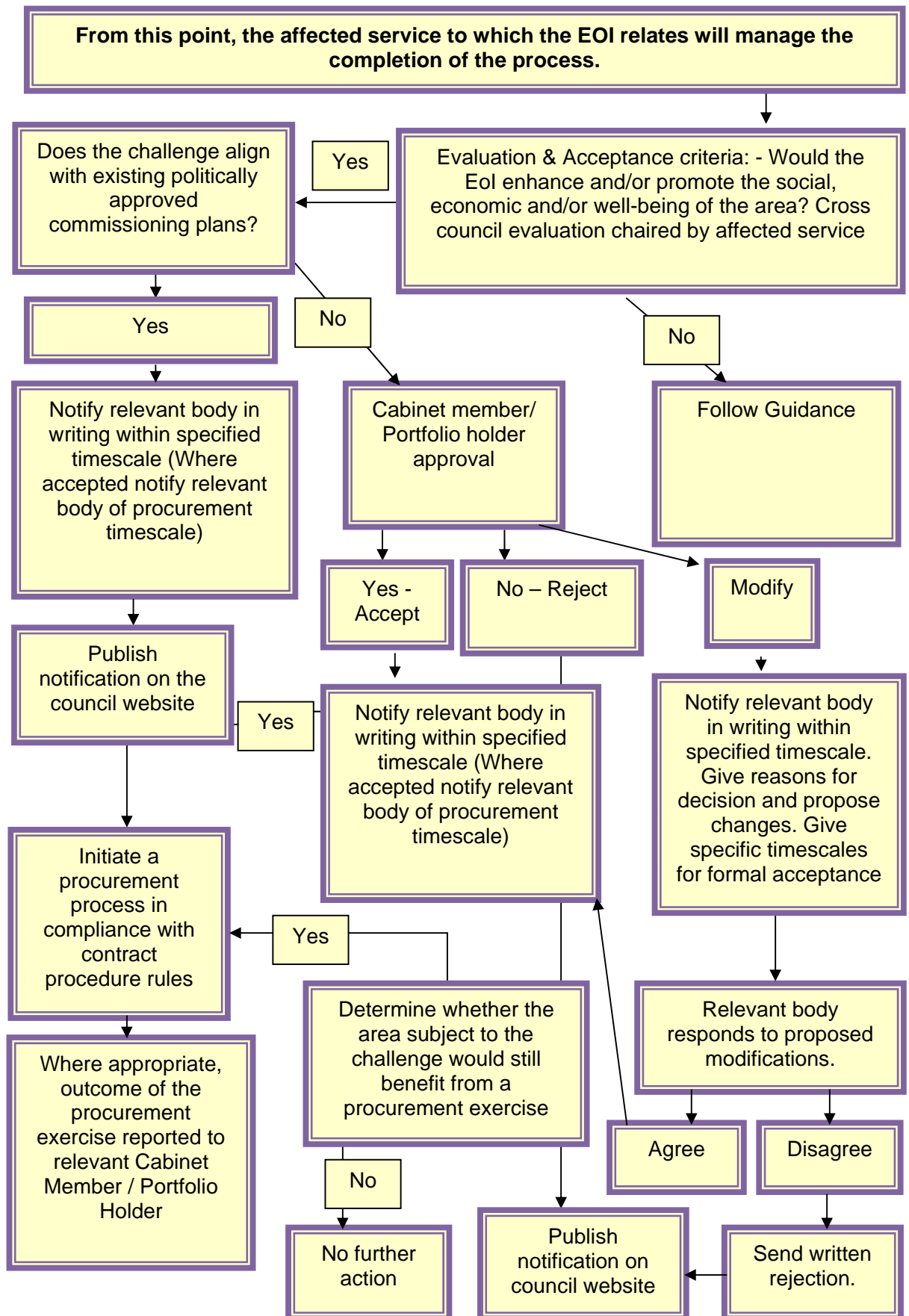


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Annex 1d- COMMUNITY RIGHT TO CHALLENGE EXPRESSION OF INTEREST PROCESS MAP

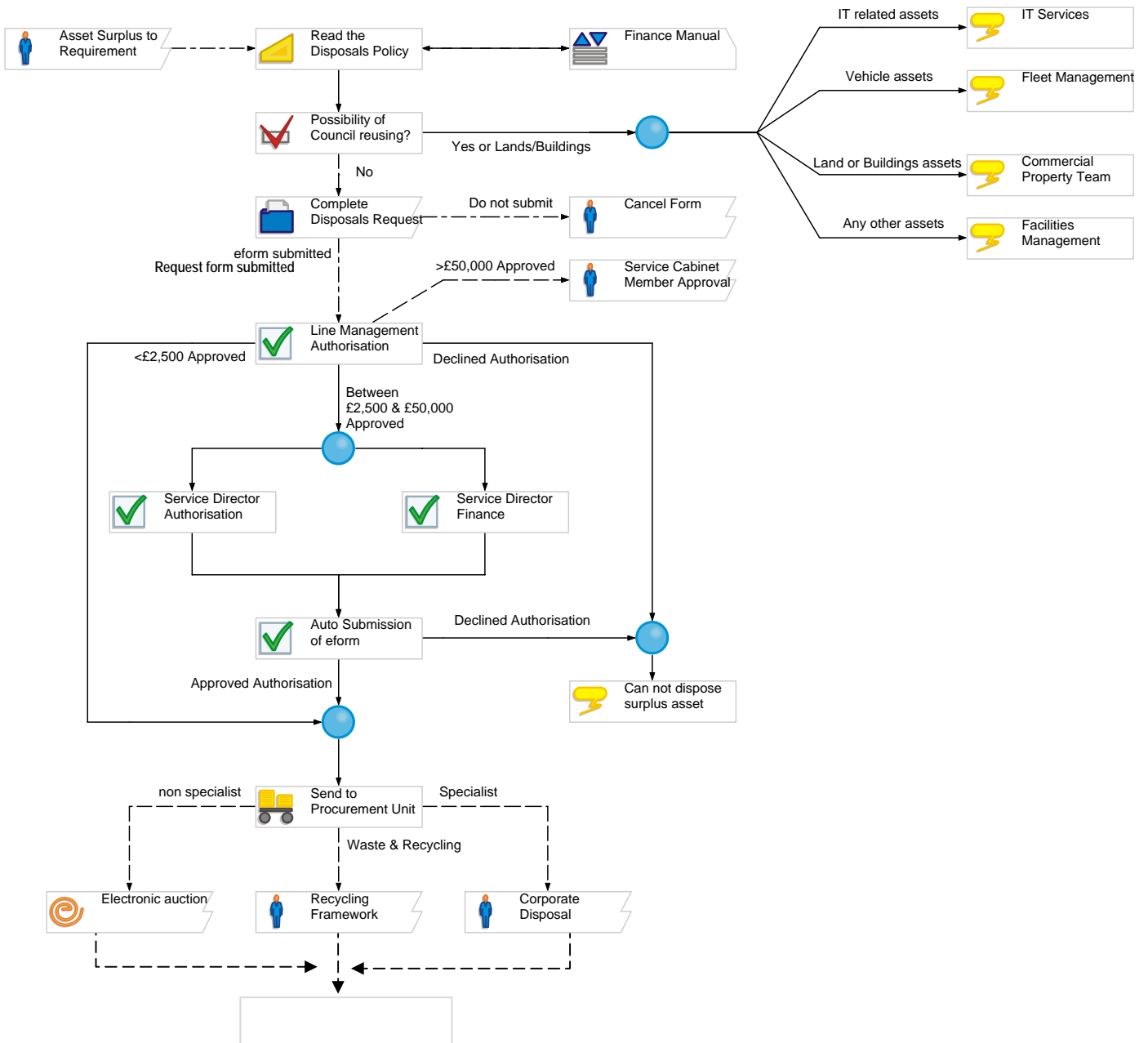


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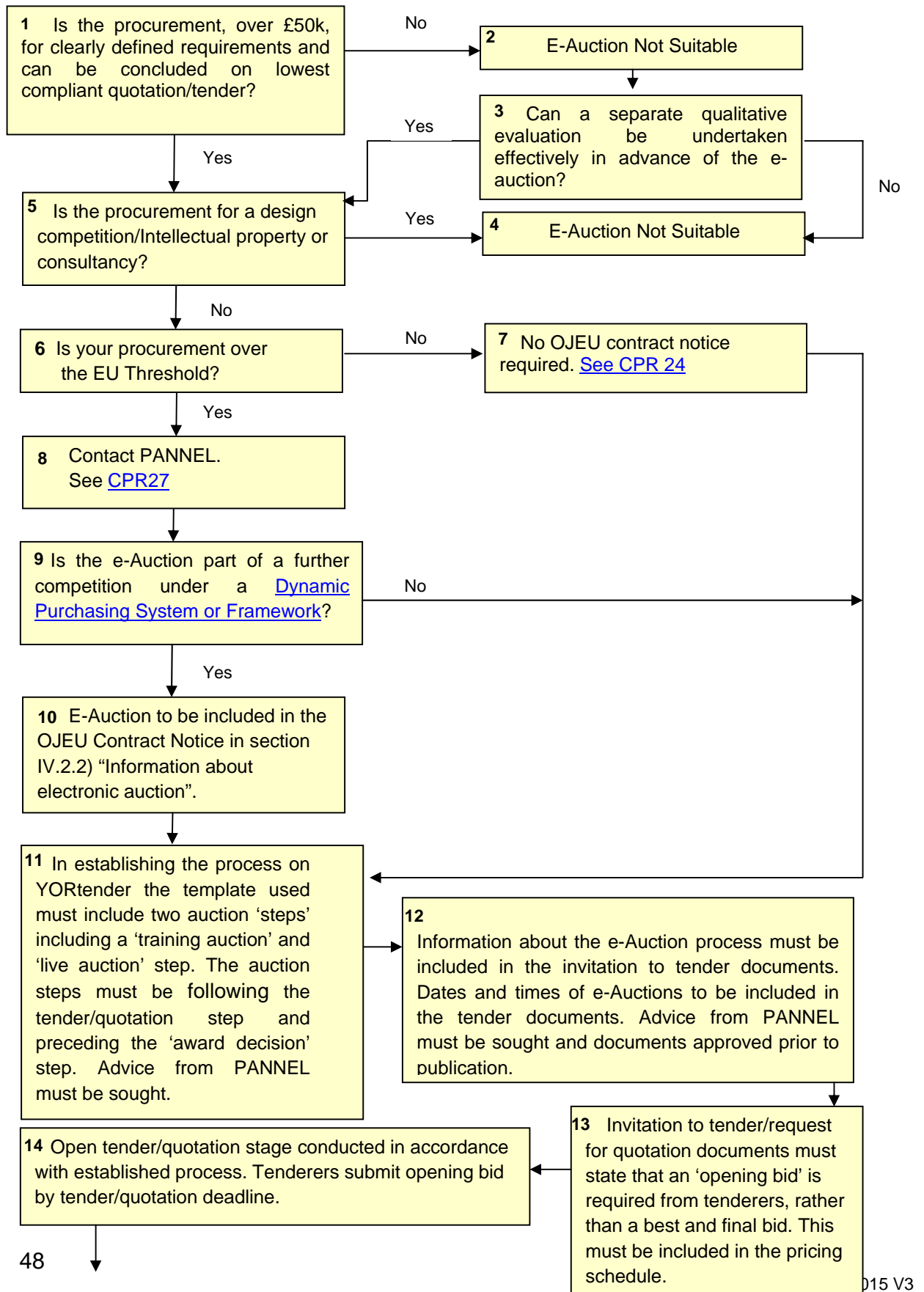
Contract Procedure Rules

Annex 1e- DISPOSAL AND WRITE OFF OF ASSETS

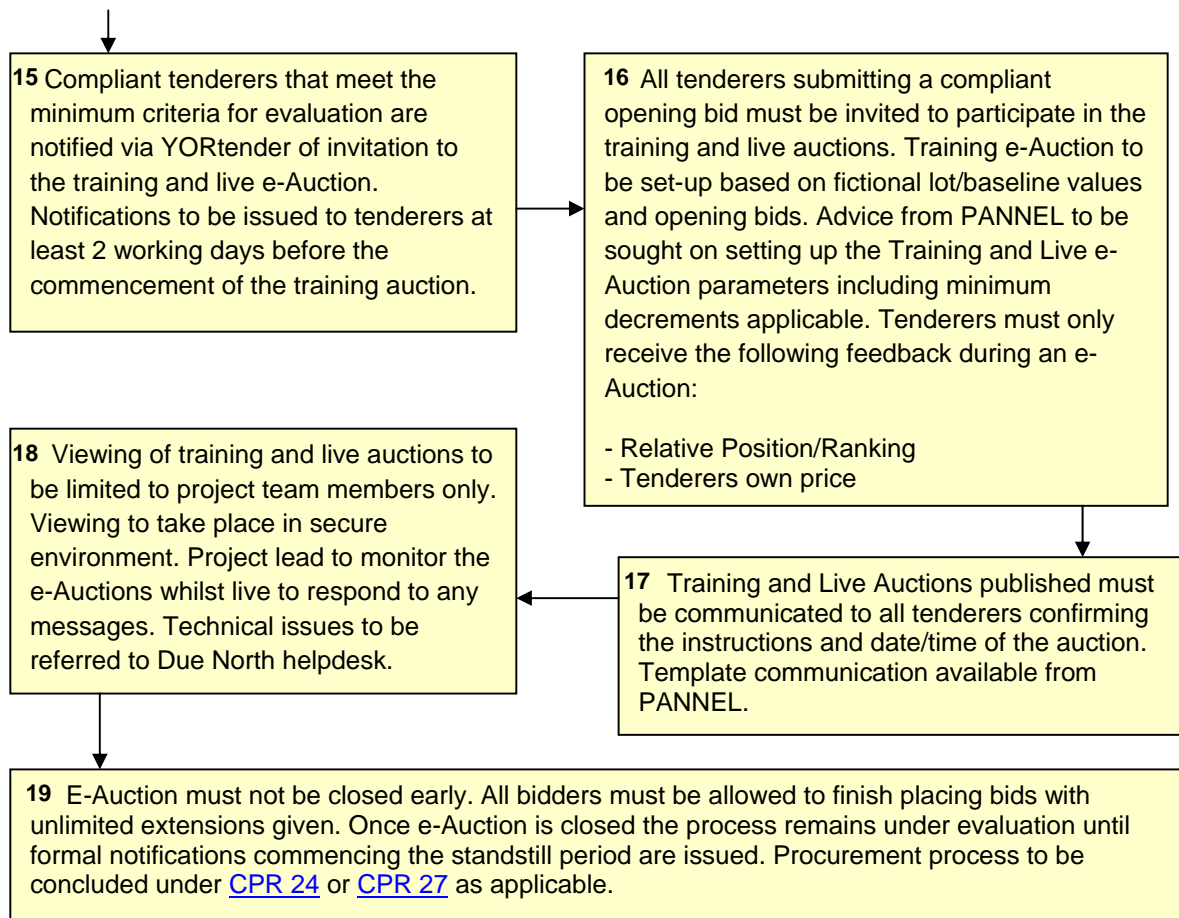


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Annex 1f- E-AUCTION PROCESS



Contract Procedure Rules



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Annex 1g

DEFINITIONS AND GLOSSARY

Academy	A school that is directly funded by central government and independent of local authority control
Aggregation	The identification of similar purchases made and combined aggregated requirements over a specified period of time
Appropriate Officer	Member of staff who has delegated authority to conduct procurement exercises
Approved List	A list of suppliers/providers who have already been approved as suppliers to the council
Article 84	Is Article 84 of the Public Contracts Regulations 2015 which sets out the decisions made throughout the procurement process which must be recorded and retained
Budget Holder	The manager with responsibility for the budget concerned and with delegated authority to award the contract
Cabinet Member	Elected member of the council who is responsible for the Cabinet Portfolio under which the service area sits
Category Manager	Officer responsible for the development of a category plan and to oversee procurement activity within the category
Central Purchasing Bodies	A contracting authority (as defined by the Public Contracts Regulations 2015) providing centralised purchasing activities and ancillary activities
Closed Tender Process	A number of providers are selected by the council to be invited to participate in the tender opportunity as opposed to being “open” where anyone can submit an offer.
Cofely	Cofely Workplace Limited, NELC's Regeneration Partner
Commissioning	The process of specifying, securing and monitoring services to meet people's needs at a strategic level. An ongoing process, it deals with whole groups of people, which distinguishes it from the process of buying individual services.
Constitution	The set of legal, administrative and legislative principles by which the council is governed, especially in relation to the rights of the people it governs.

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Contract	Document setting out various particulars for the provision of supplies, services and works
Contracts Finder	A online database which enables suppliers to search for contract opportunities valued over £10,000, across the nation and sectors.
Corporate Plan	The document by which the council sets out its priorities and objectives, and how it will achieve them
Corporate Procurement Guidance	Intralinc (NLC)/Intranet (NELC)-based pack self-service guidance and templates
Corporate Procurement Strategy	The document by which the council's Strategic Procurement Unit sets out its priorities and objectives, and how it will achieve them
Councils	North East Lincolnshire Borough Council and North Lincolnshire Borough Council
CPR	Contract Procedure Rule
Director	Officer who is responsible for a Directorate or grouping of services of the council
Directorate	An area of the council that is responsible for specific service delivery
Disaggregation	The splitting down of requirements into lower value packages
Mandatory & Discretionary Exclusion	Grounds to exclude tenderers from participating
e-Certis	e-Certis is a guide to the different documents & certificates required from companies tendering for public contracts in any EU country
Electronic auction	Price based procurement auction performed online following evaluation against non-price criteria. Usually a reverse auction where tenderers repetitively lower their prices.
ESPD	European Single Procurement Document consists of a self-declaration as preliminary evidence of certification
EU	European Union
Framework Agreement	An overarching agreement with a supplier where prices, specifications and terms are pre-agreed, but where there is no obligation to purchase. Requirements are "called off" as and when required over a specified timeframe.

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ITT	Invitation to Tender
Key Decision (NELC)	Definition available at http://www.nelincs.gov.uk/council/policies-and-strategies/governance-and-democracy/constitution/ (section 4(9(b)))
Key Decision (NLC)	Definition available at http://www.northlincs.gov.uk/NR/rdonlyres/5245A9A5-F8C1-482D-A8E4-9E7CDD95E4AB/49138/NLCCConstitution2016.pdf (section B13.03)
Lowest Compliant	Of all offers, compliant with the essential criteria of the specification, this is the lowest priced offer: specification-compliance being the first factor to determine.
LTR	Light Touch Regime
Maintained School	Primary and secondary schools funded by central government via the local authority, not charging fees to students.
MEAT	Most Economically Advantageous Tender
Moderated Score	For each criterion or response considered under an evaluation, the evaluation team agrees one score for the said criterion (not an average or an aggregated score across the evaluation team members)
Monitoring Officer	The Monitoring Officer ensures the lawfulness and fairness of council decision making and serves as the guardian of the council's Constitution and the decision-making process. Responsibilities include advising the council on the legality of its decisions, providing guidance to councillors and officers on the council's Constitution and its powers and assisting the Standards Committee in its role of promoting and maintaining high standards of conduct and probity within the council.
NELC	North East Lincolnshire Council
NLC	North Lincolnshire Council
OJEU	Official Journal of the European Union
Option Appraisal	The assessment of options in order to establish the most viable or feasible course of action
PANNEL	Procurement Alliance North & North East Lincolnshire
PIN	Prior Information Notice

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PQQ	Pre-Qualification Questionnaire
Priorities	The areas that the council or PANNEL believes are important in order to deliver services to citizens
Procurement	The process of acquiring supplies, services and goods from third parties
Project Team	A project team should include somebody technically proficient in the subject matter and usually includes: project manager, PANNEL officer finance officer, HR officer, legal officer and any other expertise required to deliver the outcome.
Purchasing Consortia	A group of organisations joining together for the shared purpose of purchasing supplies, services or works
Relevant Bodies	A group of organisations defined in the Localism Act 2011, specifically voluntary and community organisations, charitable organisations, a group of two or more council employees, parish and town councils.
RFQ	Request for Quotation
Risk Management	The identification of potential risks and the arrangement of contingency plans to manage or minimise those risks
SME	Small and Medium sized Enterprises
SME Concordat	A nationally recognised procurement agreement to encourage a mixed range of suppliers to help develop and stimulate a varied and competitive marketplace
Threshold Level	Sets out the amount of money (or contract value) by which different procurement procedures are followed
TSO	Third Sector Organisation. A non-governmental organisation which principally reinvests its surpluses to further social, environmental or cultural objectives
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006 (SI No.2006/246) as amended or re-enacted from time to time
Value for Money	Obtaining the most economical, efficient, and effective solution
VAT	Value Added Tax
Whole Life Cost	The calculation of the estimated value of a procurement based on the total amount payable, net of VAT, as

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estimated by the contracting authority, including any form of option and any renewals

YORtender

Supplier Contract Management System (or equivalent e-tendering system) web portal by which the council effectively advertises and manages quotations and tenders