

MELTON BOROUGH COUNCIL

CONTRACT PROCEDURE RULES

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INTRODUCTION AND PURPOSE

1 Basic Principles

- 1.1 These Contract Procedure Rules set out the rules governing all Melton Borough Council's procurements.
- 1.2 Whether or not a procurement is subject to EU Regulations, it must be conducted in accordance with the basic EU Treaty Principles. This means that all procurements must be carried out in a fair, transparent, equitable and non discriminatory way.
- 1.3 Any changes to the relevant English or European law must be observed until these Rules are revised. If these Rules or the Procurement Toolkit conflict in any way with English law or European law in force in England then that legislation takes precedence.
- 1.4 The strategic advice of the Welland Procurement Unit and, where relevant, Legal Services must be sought during the earliest stages of planning and procurement.
- 1.5 All procurements must realise value for money by achieving the optimum combination of whole life costs and quality of outcome.
- 1.6 These Contract Procedure Rules are designed to ensure that procurements:
 - 1.6.1 achieve value for money for public money spent;
 - 1.6.2 are consistent with the highest standards of propriety;
 - 1.6.3 are allocated in a fair and compliant manner;
 - 1.6.4 comply with all legal requirements and established government and commercial codes of conduct;
 - 1.6.5 support the Council's own corporate aims and service policies;
 - 1.6.6 comply with the Council's Financial Procedure rules, health and safety, equality and environmental sustainability requirements; and
 - 1.6.7 manage the Council's risk effectively.
- 1.7 The Rules have four primary objectives:
 - 1.7.1 To ensure that the Council obtains value for money and fulfils the duty of achieving best value as defined in Section 3 of the Local Government Act 2003.
 - 1.7.2 To ensure that the Council complies with English law and European law in force in England that governs the procurement of Goods, Services and Works.
 - 1.7.3 To establish tendering procedures which when followed should protect Members and Officers of the Council from any allegation of acting

unfairly or unlawfully which may be made in connection with any procurement by the Council of Goods, Services, or Works.

1.7.4 To ensure that any risks associated with entering into the contract are assessed as part of the procurement process.

2 Scope of these Contract Procedure Rules

2.1 These Rules apply to all procurements undertaken by the Council unless any such procurement is expressly excepted under these Rules or is subject to an exemption.

2.2 The Rules apply to all procurement activity including arrangements under which the Council pays or receives money or equivalent value and includes:

2.2.1 the permanent supply or disposal of assets/goods;

2.2.2 execution of works;

2.2.3 the temporary hire, rental or lease of a supply;

2.2.4 the provision of services (including agency contracts for interim or temporary staff, consultancy contracts, contracts with the voluntary sector);

2.2.5 concession contracts (please seek advice from Welland Procurement Unit);

2.2.6 any combination of the above.

2.3 For the avoidance of doubt, these Rules do not apply to the following contracts:

2.3.1 Employment contracts making an individual a direct employee of the Council; or

2.3.2 Land transactions to acquire or dispose of some interest in land (which are covered by Financial Procedure Rules);

2.3.3 Lending or borrowing of money.

3 Exemptions

3.1 Unless a Contract falls within the list of general Exemptions set out in Appendix A, it cannot be exempted from these rules.

3.2 The Exemptions listed here do not apply to procurements subject to the EU Procedure. For procurements valued below the relevant EU Threshold, officers with approval from the Solicitor to the Council and the Head of Central Services may grant formal exemptions which fulfil one or more of the criteria set out in Appendix A.

3.3 A procurement will be considered compliant where another authority/public body is acting as 'lead buyer' and provided that the person(s) awarding the

contract can demonstrate the arrangements comply with the requirements of best value and other applicable legislation, included where relevant the EU Directives. This includes recognised wider public sector arrangements, including for example those let by the Crown Commercial Service or successor organisations etc. A Head of Service will be required to approve such a procurement.

- 3.4 An 'Exemption Request Form' can be found at [Appendix B](#) and when an Exemption is sought this must be submitted to the Solicitor to the Council and the Head of Central Services for initial clearance.
- 3.5 The Solicitor to the Council and Head of Central Services will ensure that a decision on a request for an Exemption is made within five (5) working days of receipt of the relevant form.
- 3.6 An exemption will either:
 - 3.6.1 Be approved by the Solicitor to the Council and Head of Central Services and confirmed with the requesting Officer; or
 - 3.6.2 Held pending a request for further information; or
 - 3.6.3 Rejected stating reasons; or
 - 3.6.6 Referred to the relevant committee for determination if in the opinion of the Solicitor to the Council and Head of Central Services that is required.
- 3.7 If the Exemption is approved, the application form will be endorsed and returned to the relevant department who should keep a copy with the procurement file as supporting evidence.

4 Roles and Responsibilities

- 4.1 The Officer responsible for procurement ("the Officer") must comply with these Rules, the Financial Procedure Rules and all UK and European Legislation in force in England.
- 4.2 The Officer must ensure that agents acting on their behalf also comply with Rule 4.1 above.
- 4.3 The Officer responsible for the contract must comply with the Council Code of Conduct and must not invite or accept any gift or reward in respect of the award of performance of any contract.
- 4.4 The Welland Procurement Unit is the procurement service shared by this Council and other Councils admitted by the Welland Partnership Joint

Committee. The Unit issues guidance and offers assistance on procurement matters to all participating Councils.

- 4.5 The Officer must have regard to current guidance offered by the Welland Procurement Unit and the principles of the Council's Procurement Strategy.
- 4.6 The Officer must establish if an existing approved contract exists before seeking to let another contract. This contract must be used unless there is an overriding reason why not.
- 4.7 Where the Council is procuring through the Welland Procurement Unit, there is no further requirement to seek alternative quotations and tenders. The Contract Procedure Rules for the lead authority adopted by the Welland Joint Committee for any procurement will be applied by the Welland Procurement Unit.
- 4.8 The officer must consult the Welland Procurement Unit prior to commencing any tendering activity where the contract value may be greater than the EU Threshold (see Appendix D).
- 4.9 The Officer should take advice from the Welland Procurement Unit when any employee may be affected by any transfer arrangement, to ensure the relevant issues are considered, including the Transfer of Undertaking Protection of Employment (TUPE), and that Legal/Human Resources advice is obtained before proceeding with the procurement.
- 4.10 If the Welland Procurement Unit is not available to provide advice for any reason, advice should be sought from the Head of Central Services or Solicitor to the Council in the first instance.
- 4.11 Consultants:
 - 4.11.1 An Authorised Officer may only appoint external consultants or advisors providing professional or consulting services if such services are not available within the Council or if Council *Officers* providing them do not have the resources to meet the needs of the service. Where such services are available in-house, the *Authorised Officer* must consult with a Strategic Director or the Head of Service before taking any decision to make an external appointment. Where external legal services are required, the appointment will be managed by the Solicitor to the Council.
 - 4.11.2 The appointment of external consultants and advisors shall be undertaken in accordance with the relevant sections of these Rules and the Procurement Toolkit.

- 4.11.3 External consultants and technical officers engaged to supervise contracts must follow these Rules as applicable and their contracts for services must state this requirement.
- 4.11.4 All contracts for external consultants and advisors shall explicitly require that the consultants or advisors provide without delay any or all documents and records maintained by them relating to the services provided on request of the Officer, and lodge all such documents and records with the appropriate Officer at the end of the contract.
- 4.11.5 The Officer shall ensure that any consultant working for the Council has appropriate indemnity insurance.
- 4.11.6 The officer will also need to complete an employment status check toolkit which can be located from the Human Resources team.

5 Partnership and Joint Arrangements

- 5.1 These Rules apply to any proposal for the Council to become involved in a procurement as part of a joint venture or partnership, including the monitoring of any such arrangement. A joint venture or partnership:
- Includes any formal arrangement involving one or more organisations in addition to the Council through which either a specific project or services within any of the functions of the Council are to be provided; and
 - Provides a role for the Council or any of its members or officers in whatever structure is used to deliver the project or services involved (such structures may include but are not limited to, companies, trusts and management committees).
- 5.2 Before any consideration is given to the Council entering into a joint venture with the private sector or a strategic service delivery partnership with any external organisation, the Head of Service concerned must submit information detailing the proposed joint venture or partnership to the appropriate Authorising Officer or Members' body as determined on a case by case basis. They will give consideration to the proposed joint venture in accordance with these Rules and will ensure that a proper Officer/Member group is convened.
- 5.3 Procurement processes for strategic partnerships must include, where relevant:
- 5.3.1 The issue of an information memorandum to prospective bidders setting out the background to the project, the Council's objectives and an outline of the procurement process and timetable, with roles and responsibilities made clear.
- 5.3.2 An invitation to bidders to demonstrate their track record in achieving value for money through effective use of their supply chain, including

the use of small firms, this should continue to be examined as part of the contract management.

5.3.3 The inclusion in invitations to tender (or negotiate) for partnerships a requirement on bidders to support optional, priced proposals for the delivery of specified community benefits which are relevant to the contract and add value to the Community Strategy.

5.3.4 A clear indication of roles and responsibilities, including nomination for the lead authority where appropriate.

COMMON COMPETITION PRINCIPLES

6 Records

- 6.1 Where the total contract value is less than £50,000, the document containing the Request for Quotation as well as the Quotes received from Bidders must be kept as well as:
- A written or electronic record of any exemption and the reasons for it if an exemption has been sought;
 - A written or electronic record of the evaluations carried out and their conclusion; and
 - Written or electronic records of communications with the successful Bidder.
- 6.2 Where the total contract value exceeds £50,000, the Officer must record:
- The method of obtaining Tenders;
 - Any contracting decision and the reasons for it;
 - Any exemption and the reasons for it if applicable;
 - The Award Criteria and their relative importance;
 - Tender documents sent to and received from Bidders;
 - Pre-procurement market research and consultation;
 - Clarification and post tender negotiation (to include minutes of meetings);
 - The Contract documents;
 - Post contract evaluation and monitoring;
 - Written records of communications with Bidders and with the successful Bidder throughout the period of the Contract.
- 6.3 Written records required under Rules 6.1 and 6.2 must be kept in accordance with the Council's Policy on Document Retention.
- 6.4 The risks associated with the procurement should be assessed and a record kept of that assessment.

7 Advertising

- 7.1 For procurements with a value below £50,000 no advertising is required unless the procurement has corporate implications (as identified by the **Chief Officer**) which are perceived to be significant and/or it is to be tendered and is valued at £25,000 or more in which case Rule 7.2 applies.
- 7.2 For procurements valued over £50,000 but below the relevant EU Threshold (see Appendix D) an advertisement must be placed on Contracts Finder/Source Leicestershire and may be subsequently placed on additional

media. If the procurement is likely to be of interest locally, an advert should be placed on the Council website. The advertisement shall contain details of the proposed contract and specify a time limit within which interested parties may express an interest in tendering for the contract. For clarity, quotations valued under £50,000 should not be advertised on the Council website or anywhere else unless corporate implications a set out on 7.1 are identified.

- 7.4 Where the EU Procedure applies, the Welland Procurement Unit is responsible for managing the advertising required under those Directives.
- 7.5 When advertising a Framework Agreement, the advertisement must indicate:
- 7.5.1 that it is a Framework Agreement which is being tendered;
 - 7.5.2 the duration of the Framework Agreement (which must not exceed four (4) years including extensions);
 - 7.5.3 the expected maximum number of suppliers;
 - 7.5.4 the estimated total value of the contracts to be covered by the Framework Agreement; and
 - 7.5.5 the award criteria for choosing suppliers and subsequent criteria for placing orders.

8 Framework Agreements, Dynamic Purchasing Systems and E-Auctions

Framework Agreements

- 8.1 A Framework Agreement is a formal tendered arrangement which sets out terms and conditions under which specific purchases can be made from the successful Bidders in unpredictable quantities and at different times during the Framework Agreement.
- 8.2 Framework Agreements must comply with these Rules, including but not limited to the following:
- 8.2.1 A Framework Agreement must be procured in accordance with the Procurement Thresholds set out in these Rules. The value of the Contract in relation to the Framework Agreement is the estimated maximum value over its lifetime.
 - 8.2.2 A Framework Agreement shall not operate for more than four (4) years except in duly justified and exceptional circumstances.
 - 8.2.3 In any case where a Framework Agreement is in place:
 - 8.2.3.1 subsequent call-offs from that Framework Agreement must not contain substantial amendments to the original terms of that Framework Agreement;
 - 8.2.3.2 orders to be placed against a known price do not require further competition unless required by law;
 - 8.2.3.3 in circumstances where the price was not specified under the Framework Agreement an order can only be placed if quotes have

been requested from all capable suppliers specified in the Framework Agreement, or, if the call-off arrangements for the Framework Agreement have been followed.

- 8.3 Where an Officer wishes to procure a requirement valued over £10,000, he or she should consult the Welland Procurement Unit to check whether an existing Framework Agreement exists. Where the officer wishes to use a Framework Agreement offered by another public sector body, he or she must demonstrate (to a Head of Central Services) that Value for Money will be achieved. Costs of procurement should be included in this consideration.

Dynamic Purchasing Systems

- 8.4 When using a Dynamic Purchasing System, the Council shall comply with the Regulations and Directives which set out the full details of the legal requirements. In order to set up a Dynamic Purchasing System, the Council must first contact the Welland Procurement Unit for support and guidance.

E Auctions

- 8.6 E auctions may be used where appropriate and in circumstances where this approach will provide the Council with value for money.
- 8.7 An electronic auction requires the use of specialised software and tenderer support, and may then be used in these circumstances:
- 8.7.1 Open or restricted procedures stating use of an auction.
 - 8.7.2 Mini competition within a framework if e-auctions were mentioned in the Contract Notice
 - 8.7.3 Competition for contracts to be awarded through a dynamic purchasing system if stated in the Contract Notice; and
 - 8.7.4 Expressions of interest invited in accordance with the selected procedure if the Contract Notice states that an electronic auction will be used.
- 8.8 Before entering into an E Auction, advice and guidance must be sought from the Welland Procurement Unit.

9 Competition Requirements

- 9.1 The Officer must establish the Total Value of the procurement (for the life of the contract including any potential extension period which may be awarded). Where the contract period cannot be calculated, the Total Value should be calculated for a period of four years. For Framework Agreements with no guaranteed commitment, the Total Value will be the estimated value of call offs over the full duration of the contract.

- 9.2 Based on this value, Quotations or Tenders must then be invited in line with the procurement thresholds detailed in these Rules.
- 9.3 The Public Contract Regulations (2015) regulate procurements valued between £50,000 and the EU Threshold for supplies/services. For Contracts valued between those limits, Officers must ensure they take the following actions:
- 9.3.1 The Procurement must be advertised, clause 7.2 provides further detail. In addition, once the Contract has been awarded, an Award Notice must be published, Appendix D contains further detail.
- 9.3.2 Where procurements are valued over the tender threshold, Officers must ensure that an Open (One Stage) tender process is followed with no pre qualification of suppliers permitted. Officers must also ensure that all procurement documentation, including the Specification and conditions of contract, is available at the point the procurement is advertised.
- 9.4 Where the procurement is below £50,000 at least one of the Quotations sought should be from a local supplier where local means within the Council area or sub-region, unless no such supplier exists.
- 9.5 Every procurement valued over the relevant EU Threshold must be supported, where practical, at every stage by the Welland Procurement Unit.
- 9.6 An Officer must not enter into separate contracts nor select a method of calculating the Total Value in order to minimise the application of these Rules.

10 Pre Procurement Market Research and Consultation

- 10.1 The Council may consult potential suppliers prior to the issue of the Invitation to Tender or Request for Quotation in general terms about the nature, level and standard of supply/contract packaging and/or other relevant matters, provided that this does not prejudice any potential Supplier.
- 10.2 When engaging with potential suppliers, the Council must not seek or accept technical advice on the preparation of an Invitation to Tender or Request for Quotation from anyone who might have a commercial interest in the process and where this may prejudice the equal treatment of all potential bidding organisations or distort competition.
- 10.3 In conducting Pre Procurement Market Research, the Council must ensure that:

- 10.3.1 no information is disclosed to one supplier which is not then made available to all suppliers involved in the process or who are subsequently invited to bid;
- 10.3.2 no supplier shall be led to believe that the information they offer will lead to them being invited to quote/tender or awarded the contract;
- 10.3.3 a written record, including any communications made, any notes of any meetings held and the responses and names of individuals present shall be kept by the Officer.

10.4 In undertaking any such activities, the Officer responsible should refer to the guidance in the Procurement Toolkit.

The Public Services (Social Value) Act 2012

10.5 This Act requires contracting authorities to consider at the pre-procurement stage of any service contract and service Framework Agreement (including goods and works contracts procured in combination with services) above EU Thresholds:

- How the proposed procurement may improve the economic, social and environmental wellbeing of an area;
- How the contracting authority may act with a view to securing that improvement in conducting the process of procurement; and
- Whether to undertake any community consultation on the above.

10.6 Appropriate records should be kept of these considerations, including the reason for any decision regarding the matter of community consultation.

PROCEDURES BY VALUE OF REQUIREMENT

11 Procurement Thresholds

Buying Goods and Services

11.1 Goods (including the use of goods) were once described by the UK Treasury as 'anything you can drop on your foot'. However, the definition also includes electricity, gas, heat and water, off the shelf software and the hire of equipment without a driver. Services are defined as anything that isn't either Goods or Works (see below). However, please note that some Services are covered by the new Light Touch Regime and Officers should note the definition below before starting any procurement exercise.

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11.4 below	Procurements at this value are not subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at Rule 6
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11.4 below	Procurements valued above £5,000 are subject to Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between £10,000 and £50,000	None however if advertised or tendered, then contact the Welland Procurement Unit for guidance.	At least 3 quotations should be sought via a one stage process. See Rule 11.5 below.	Procurements valued above £25,000 are subject to The Public Contracts Regulations 2015 and Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between £50,000 and EU Goods/Services Threshold	Advertising and award notices. See Rule 7 and 9.3.1.	A single stage (open) tender is required. See Rule 11.6.	Procurements valued above £25,000 are subject to The Public Contracts Regulations 2015 and Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Over EU Goods/Services Threshold	OJEU Advertising and Award notices.	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

Buying Works

11.2 Works are defined as the execution of building and/or civil engineering works whether or not they are accompanied by other tasks.

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11.4	Procurements at this value aren't subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at Rule 6.
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11.4	Procurements valued above £5,000 are subject to Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between £10,000 and £50,000	None unless advertised or tendered, then contact the Welland Procurement Unit for guidance.	At least 3 quotations should be sought via a one stage process. See Rule 11.5	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 and Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between £50,000 and <u>EU Goods/Services Threshold</u>	Advertising and award. See Rule 7 and 9.3.1.	A single stage (open) tender is required. See Rule 11.6.	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 as well as Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between <u>EU Goods/Services Threshold</u> and the EU Works Threshold	Advertising and award notices are required. Please see Rule 7 and 9.3.1.	A method defined by EU Procurement Regulations.	Procurements at this value are subject to Transparency Regulations and the Treaty of Rome principles but <u>not</u> the full Public Contracts Regulations 2015
Over EU Works Threshold	OJEU Advertising and Award notices	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

Buying Services Covered by the Light Touch Regime

11.3 The EU Procurement Directives 2014 list the services to be covered by a new Light Touch Regime, see Appendix D for the relevant threshold. The full list of services is available from the Welland Procurement Unit but in summary it covers the following:

- 11.3.1 **Health, social and related services:** Domestic help, nursing staff, medical staff, staff for households, home helps, domestic services, social work services, guidance and counselling services.
- 11.3.2 **Administrative social, educational, healthcare and cultural services:** Education and training services, organisation of cultural events. Culture is restricted to events and does not include leisure.
- 11.3.3 **Compulsory social security services**
- 11.3.4 **Benefit services**
- 11.3.5 **Other community, social and personal services:** Including services furnished by trade unions, political organisations, youth associations and other membership organisation services.
- 11.3.6 **Religious services**
- 11.3.7 **Hotel and restaurant services:** Catering, meals on wheels, canteen and cafeteria services. Includes school meals
- 11.3.8 **Legal services:** With some narrow exceptions
- 11.3.9 **Other administrative and government services:** For education, healthcare, housing, etc
- 11.3.10 **Provision of services to the community:** Generally central government services, foreign and diplomatic, defence etc. Not local government
- 11.3.11 **Investigation and security services:** Alarm monitoring, guard services, surveillance services, patrol services. Does not include CCTV
- 11.3.12 **International services**
- 11.3.13 **Postal services**
- 11.3.14 **Other services:** Tyre re-moulding, blacksmiths

Value of Procurement	Notices Required	Procurement Method	Notes
Under £5,000	None	At least one written quotation required. See Rule 11.4	Procurements at this value aren't subject to Regulation but Officers should ensure they achieve value for money and keep the Records required at CSO 6
Between £5,000 and £10,000	None	At least one written quotation required. See Rule 11.4	Procurements valued above £5,000 are subject to Transparency Regulations and will need to be entered on to the Council's Contracts

			Register.
Between £10,000 and £50,000	None unless advertised or tendered, then contact the Welland Procurement Unit for guidance.	At least 3 quotations should be sought via a one stage process. See Rule 11.5	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 and Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between £50,000 and <u>EU Goods/Services Threshold</u>	Advertising and award notices. See Rule 7 and 9.3.1.	A single stage (open) tender is required. See Rule 11.6 below.	Procurements valued above £25,000 are subject to the Public Contracts Regulations 2015 and Transparency Regulations and will need to be entered on to the Council's Contracts Register.
Between <u>EU Goods/Services Threshold</u> and the EU Light Touch Regime Threshold	Advertising and award notices. See Rule 7 and 9.3.1.	A method defined by EU Procurement Regulations.	Procurements at this value are subject to Transparency Regulations and the Treaty of Rome principles but <u>not</u> the full Public Contracts Regulations 2015
Over EU Light Touch Regime Threshold	OJEU Advertising and Award notices	A method defined by EU Procurement Regulations	Refer to Welland Procurement Unit for further support

11.4 At Least One Written Quotation Required

11.4.1 Rules 11.1 to 11.3 (above) define the application of this Rule where the requirement cannot be obtained via an existing approved contract or Framework Agreement.

11.4.2 Whilst obtaining Value for Money remains the primary objective, multiple quotations need not be obtained provided compliance with that objective can be demonstrated.

11.4.3 However, a quotation (written) must be obtained for requirements under £10,000 before any order is processed and this must specify:

- The goods, services or works to be supplied;
- Where and when they are to be supplied;
- The value of the transaction; and
- The Terms and Conditions including Payment Terms.

11.4.4 In the case of Works, the use of pre agreed hourly/day rates is acceptable provided the hourly/day rates do not exceed EU Thresholds.

11.5 At least 3 Quotations Required

11.5.1 Rules 11.1 to 11.3 (above) define the application of this Rule where the requirement cannot be obtained via an existing approved contract or Framework Agreement.

11.5.2 The criteria for selecting the most advantageous quotation must be established before written quotations are invited.

11.5.3 At least three comparable written quotations must be sought; at least one of those quotations should be from a local supplier where local means in the Council area or sub-region. Where fewer than three potential suppliers can be identified, the Officer should keep a written record of the reason and all potential suppliers should be invited to quote.

11.5.4 The Officer shall maintain the Records detailed in 6.1.

11.5.5 Where the requirement can be satisfied by an existing approved contract or Framework Agreement, then the order will be considered consistent with these Rules as long as the Call Off arrangements defined within the individual contract are followed.

11.5.6 Where a requirement is valued over £50,000 it must be advertised in accordance with Rule 7.2 and the requirements of Rule 9.3 taken into account.

11.6 Single Stage (Open) Tender Process

11.6.1 Rules 11.1 to 11.3 (above) define the application of this Rule where the requirement cannot be obtained via an existing approved contract or Framework Agreement.

11.6.2 Tendering under this procedure is 'open' as any Supplier expressing an interest is automatically entitled to submit a Tender.

11.6.3 Tenders should be advertised in accordance with Rule 7.2 and the requirements of Rule 9.3 taken into account.

11.6.4 Officers must ensure that all relevant documents are available at the point the Tender is advertised. These documents will include at least the Specification, Conditions of Contract and weighted evaluation criteria. The Crown Commercial Service mandated Suitability Questionnaire must be used as part of the process, a copy of which can be obtained from the Welland Procurement Unit.

11.6.5 Bidders must be given adequate time to respond, consistent with the level of complexity of the requirement and, except where the industry norm is otherwise, this should be a minimum of 15 working days.

11.6.6 The Contract Award must be authorised according to Appendix F and Rule see 3.11.3

11.7 Two Stage (Restricted) Tender Process

11.7.1 Rules 11.1 to 11.3 (above) define the application of this Rule where the requirement cannot be obtained via an existing approved contract or Framework Agreement.

11.7.2 This process contains two distinct stages, the selection (shortlisting) of suitable Bidders from those expressing an interest (usually via a Pre Qualification Questionnaire) and the Invitation to Tender.

11.7.3 Tenders should be advertised in accordance with Rule 7.2 and the requirements of Rule 9.3 taken into account.

11.7.4 Officers must ensure that all relevant documents are available at the point the Tender is advertised. These documents will include at least the Specification, Conditions of Contract and weighted evaluation criteria.

11.7.5 Bidders must be given adequate time to respond, consistent with the level of complexity of the requirement and, except where the industry norm is otherwise, this should be a minimum of 15 working days.

11.7.6 The Contract Award must be authorised according to Appendix F and Rule see 3.11.3

11.8 Procurements Over the EU Threshold

11.8.1 Where the anticipated value of the contract exceeds the relevant current EU Threshold (see Appendix D for the current EU Thresholds), the formal advice of the Welland Procurement Unit must be sought prior to any tendering activity. Rules 10.5 and 10.6 above should also be considered.

11.8.2 The minimum standards to be applied to such a procurement must be determined before OJEU (and other) advertising takes place; this may involve Members in determining criteria at an early stage.

11.8.3 An OJEU Notice is required for every procurement above the EU Threshold; the Welland Procurement Unit is responsible for placing these notices on behalf of the Council.

COMMON TENDERING PRINCIPLES

12 Standards and Award Criteria/Procedure

12.1 The Officer must ascertain what relevant British, European and International Standards apply and include the standards that are necessary to describe the required quality. The Officer must ensure that the Council does not discriminate in favour of British Standards.

12.2 The criteria must take into account the Council's priorities (particularly those on Equalities and Sustainable Procurement) and can include economic and social considerations, support for the economy or the use of sub contractors. They must be:

- Relevant to the works, services or goods to be provided under the contract; and
- Secure an outcome which will provide Value for Money for the Council.

12.3 Award criteria may include:

- Most Economically Advantageous Tender (MEAT): where considerations other than price are important; or
- Lowest cost (taking into account lifecycle costs): where price is the prime factor; or
- Highest price: where payment is to be received by the Council.

12.4 If using MEAT award criteria, the Officer must define the relevant factors by reference to sub-criteria which may cover factors such as the following, depending on what is to be provided under the Contract:

- Price
- Quality and performance
- Running costs
- Technical merit
- Economic advantage based on past experience
- Delivery date
- Social and environmental considerations
- Aesthetic and functional characteristics
- Safety
- After sales service
- Technical assistance

- Organisation, qualifications and experience of staff assigned to perform the contract
- Other relevant matters
- The risks associated with the contract must be assessed

12.5 The procurement documentation should clearly explain the basis of the decision to the bidding organisations, making clear how the evaluation criteria specified in the process will be applied, how weightings will be distributed etc.

12.6 Award criteria/award procedures must not include:

- Non commercial considerations other than those permitted under the Social Value Act and Public Contract Regulations 2015;
- Matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement.

12.7 The Head of Central Services must be consulted if a procurement with a price weighting of less than 50% is being considered.

13 Invitations to Tender/Quotations

13.1 The Invitation to Tender or Quotation must specify what is to be provided in sufficient detail to enable the submission of competitive offers

13.2 The Invitation to Tender or Quotation must state that the Council is not bound to accept any Quotation or Tender and that late submissions may be rejected (See Para 14.12).

13.2.1 At its discretion, the Council may either waive or insist on strict compliance with any requirement set out in the Invitation to Tender or Quotation. The Invitation to Tender or Quotation will include or be deemed to include such discretion of the Council.

13.3 Invitations to Tender (valued above £50,000) must specify that no Tender will be considered unless it is enclosed in a sealed envelope which bears the word 'Tender' followed by the name of the Contract but with no name or mark which indicates the sender (including a franking mark), unless Rule 13.10 applies. Where a Tender or Quotation is personally delivered to the Council, the Bidder is to be informed to obtain an official receipt noting the date and time of receipt by the Council.

13.4 The Invitation to Tender or Quotation must specify the latest date and time for the return and the name and address to which the returns are to be made.

- 13.5 The Invitation to Tender or Quotation must specify the award criteria and procedure.
- 13.6 The Invitation to Tender must include a Tendering and Canvassing Certificate which the Officer can obtain from Legal Services or the Welland Procurement Unit.
- 13.7 The Invitation to Tender or Quotation should include the contract terms, specification and other supporting documents that will apply to the Contract.
- 13.8 The Invitation to Tender must request that bidders hold their tender open for acceptance for a minimum of 90 days from the date of opening.
- 13.9 The Invitation to Tender must include a statement that the Council does not bind itself to accept the lowest or any other tender.
- 13.10 The Welland Procurement Unit will introduce an Electronic Tendering System and it is expected that Invitations to Tender will be published and Tenders received via that system following its introduction. Procedures for the use of this system can be found in Appendix F and further information in Rules 14.6 to 14.12.
- 13.11 Details of the expected Tenders must be notified to Customer Services or their nominee at least five working days prior to the tender opening.

14 Submission, Receipt and Opening of Tenders/Quotations

- 14.1 Bidders must be given a sufficient period to prepare and submit a proper Tender or Quotation, consistent with the urgency and complexity of the contract requirements. Procurements over the EU Thresholds must abide by the time periods laid out in the Regulations.

Quotations

- 14.2 Quotations between £10,000 and £50,000 must be returned to the relevant Officer.
- 14.3 Quotations and tenders above £10,000 cannot be accepted by fax or other electronic means unless they have been sought in accordance with the Electronic Tendering System detailed at Rule 13.10 above.
- 14.4 It shall be the responsibility of the relevant Officer to keep safe the Quotations above £10,000 until the appointed time of opening. Each quotation must be:
 - 14.4.1 Suitably recorded so as to be able to subsequently verify the date and precise time it was received and opened; and

14.4.2 Adequately protected immediately on receipt to guard against amendments to its contents.

14.5 The relevant Officer must ensure that all Quotations are opened at the same time when the period for their submission has ended. The Officer or their representative must be present. Quotations above £10,000 must be opened in the presence of two officers, one of whom should not be from the service responsible for the purchase.

Tenders

14.6 All Tenders of a value greater than £50,000 must be returned to The Chief Executive, Melton Borough Council, Parkside, Station Approach, Burton Street, Melton Mowbray, Leicestershire, LE13 1GH.

14.7 Tenders received by fax or other electronic means will be rejected unless they have been sought in accordance with the Electronic Tendering System detailed in Rule 13.10.

14.8 If submitted by post, all tender documents are to be kept securely in a locked cupboard until after the closing date and time. The cupboard is to have unique key access using 2 keys and 2 people must be present to open the cupboard. Each Tender must be:

14.8.1 Suitably recorded so as to be able to subsequently verify the date and precise time it was received and opened;

14.8.2 Adequately protected immediately on receipt to guard against amendments of its contents;

14.8.3 Recorded in the Corporate Tender Register.

14.9 If submitted through the approved E Tendering system, tenders will only be released following the closing date and time. The Welland Procurement Unit and trained officers from the Council will be responsible for ensuring the procedures detailed in Appendix F are followed.

14.10 The relevant Head of Service must ensure that all Tenders are opened at the same time when the period for their submission has ended. The relevant Officer or his/her representative must be present at the opening as well as another Officer not from the service responsible for the purchase. The other Officer is likely to be the Finance Manager, the Democratic Services Manager or the Solicitor to the Council. These Officers may assign a deputy to be present as an independent officer. For significant contracts, an appropriate Member will also be present.

- 14.11 The opened Tenders must be date stamped and signed by two Officers at the time of opening on the page containing the overall contract value, alternatively on pages containing price information where no overall value is quoted.
- 14.12 Tenders received after the closing date and time or Tenders which are not submitted in accordance with these Rules will be disqualified unless it is agreed otherwise with the Monitoring Officer or the S151 Officer and Solicitor to the Council.
- 14.13 An original version of the successful Tender must be retained for a period of six years from the expiry date of the Contract. Unsuccessful Tenders must be kept for twelve months from the commencement date of the Contract.

15 Clarification Procedures

- 15.1 The Council can ask Bidders for clarification of any details submitted as part of their bid. However, such clarifications must not involve changes to the basic features of the Bidder's submission.
- 15.2 When requesting clarification, the Officer must make reference to the Procurement Toolkit, and if necessary take advice from the Welland Procurement Unit.

Errors in Tenders

- 15.3 The arithmetic in compliant tenders must be checked. If arithmetical errors are found they should be notified to the tenderer, who should be requested to confirm or withdraw their tender. Alternatively, if the rates in the tender, rather than the overall price, were stated within the tender invitation as being dominant, an amended tender price may be requested to accord with the rates given by the tenderer.

16 Evaluation, Award and Debriefing

- 16.1 The evaluation of bids must be conducted in accordance with the evaluation criteria set out in the procurement documents provided to the Bidders without deviation and in line with any guidance contained within the Procurement Toolkit.
- 16.2 Before the contract is awarded the Officer will submit to Finance relevant Financial Information as provided by the potential winning bidder to support a financial assessment. Finance will complete a financial assessment which may include a report from a credit checking agency. Reports from credit

checking agencies are not to be used as the sole basis for exclusion of any tenderer and will be paid for by the procuring team/service.

- 16.3 The Officer must ensure that appropriate budgetary provision exists before any contract is entered into.
- 16.4 All Bidders must be notified of the Award decision simultaneously in writing (via email is acceptable) by the Officer, whether or not their Bid was successful.
- 16.5 A contract may only be awarded by an Officer authorised to make such a commitment on behalf of the Council. Contracts are to be authorised according to the total value of the contract:
 - 16.5.1 Up to £10,000: by an Officer so authorised
 - 16.5.2 Up to £500,000: by the relevant Head of Service
 - 16.5.3 Over £750,000: by the relevant Director
 - 16.5.4 Over £1,000,000: by the relevant Director in conjunction with the relevant **Policy Chair**. Committees may request that they are involved in the decision at any of these levels.
- 16.6 All contracts awarded, must be recorded on the Contract Database by the awarding Officer.
- 16.7 For all Tenders (including those over the EU Threshold) the requirements of the EU Regulations in relation to the information in the Award Notice should be adhered to, these requirements are available in the Procurement Toolkit.
- 16.8 If a Bidder requests in writing a further debrief in relation to the award, the Officer must give the appropriate information within ten working days of the written request.
- 16.9 The confidentiality of Quotations and Tenders and the identity of Bidders must be preserved at all times and information about one Bidder's response must not be given to another Bidder.
- 16.10 The results of the tender evaluation must be retained on the Tender file
- 16.11 Officers will also need to complete the tender register as part of meeting the Councils transparency requirements which is coordinated by Legal Services.

CONTRACTS AND OTHER FORMALITIES

17 Contract Documents

- 17.1 All contracts must be in writing. Where the contract is of a non-complex nature and is for a value up to £50,000, the use of a Purchase Order is an acceptable form of contract. This must make reference to the quotation and

terms agreed and attach a clear specification or description of the subject of the order. Orders can still be raised for contracts in excess of this amount in addition to the formal contract as this will aid commitment accounting and budget monitoring.

- 17.2 Every contract valued over £50,000 must, as a minimum, state clearly in a form approved by the Solicitor to the Council:
 - 17.2.1 That the Supplier must not assign or sub-contract without prior written consent;
 - 17.2.2 Any insurance requirements to include clauses relating to liquidated damages and security bonds;
 - 17.2.3 Ombudsman requirements;
 - 17.2.4 Requirements relating to legislation;
 - 17.2.5 Equalities requirements;
 - 17.2.6 Sustainability requirements;
 - 17.2.7 A right of access to relevant documentation and records of the Supplier for monitoring and audit purposes, if relevant;
 - 17.2.8 Pricing mechanism and arrangements for payment to include a clause stating that the Council will pay valid invoices within 30 days of receipt and specifying a duty on suppliers to do the same for sub contract invoices.
 - 17.2.9 Rights of termination.
 - 17.2.10 A duty on the Supplier to provide such performance management information as may be reasonably required by the Council;
 - 17.2.11 A duty on the Supplier to support the Council in the discharge of its duty under Section 3 of the Local Government Act 1999.
- 17.3 The formal advice of the Solicitor to the Council must be sought prior to award for the following contracts:
 - 17.3.1 Where the total value exceeds £50,000;
 - 17.3.2 Those involving leasing arrangements;
 - 17.3.3 Those which are complex or involve a recognisable risk;
 - 17.3.4 Where it is an extension to an existing contract within its terms that will take the overall value over £50,000;
 - 17.3.5 Where invoice payments are made to finance or factoring companies;
 - 17.3.6 Those involving the transfer of non land assets;
 - 17.3.7 Those involving TUPE or pension arrangements; and/or
 - 17.3.8 Where it is proposed to use the Supplier's own terms over £50,000.
- 17.4 All contracts valued over £50,000 must be concluded or evidenced in writing before the supply, service or work begins except in genuinely exceptional circumstances where the Solicitor to the Council confirms in writing that the contract delivery can begin beforehand.

- 17.5 Where assets are created as a result of a procurement exercise, the lead Officer shall notify the Head of Central Services who is responsible for ensuring the Council's Asset Register is appropriately updated;
- 17.6 Contract documents must be retained for a period of six years from the contract end date and, if under seal, for a period of twelve years.
- 17.7 All contracts or purchase orders with a value over £5,000 need to be recorded on the Contracts Register maintained by Legal Services in accordance with the Transparency Regulations. The procedure to be followed is attached as [Appendix G](#).

Performance Bonds

- 17.8 The Officer responsible for the contract must consult the Head of Central Services and the Solicitor to the Council about whether a Parent Company Guarantee or Performance Bond is necessary when a potential supplier is a subsidiary of a parent company and
- the award is based on an evaluation of the parent company and the total value exceeds £250,000; or
 - there is concern about the stability of the subsidiary supplier.
- 17.9 The Council must never give a bond.

Signature

- 17.10 The Officer responsible for signing the contract must have been granted the appropriate authority and ensure that the person signing for the other contracting party has the authority to bind it.
- 17.11 In the case of contracts for commissioning of care services, where the Total Value of the contract is not known, the *Officer* responsible must have been granted authority to enter into commissioning contracts.

Sealing

- 17.12 Contracts must be sealed where:
- 17.11.1 the Council wishes to enforce the Contract for more than six years after its end (e.g. for land or construction works); or
 - 17.11.2 the price paid or received under the Contract is a nominal price and does not reflect the value of the goods or services; or
 - 17.11.3 where there is any doubt about the authority of the person signing for the other contracting party; or

- 17.11.4 where a bond is established on behalf of the contractor(s) or their guarantors; or
- 17.11.5 where required by the parties to the agreement.

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

Contract Formalities

17.13 Agreements must be completed as follows:

TOTAL VALUE	METHOD OF COMPLETION	BY
Up to £15,000	Signature Use of Purchase Order, or Written Contract for complex requirements	Officer with appropriate authority to enter into a contract
Over £15,000 and up to £50,000	Signature Use of Purchase Order, or Written Contract for complex requirements	Head of Service
Over £50,000 and up to £500,000	Signature on Written Contract plus an order as appropriate	Head of Service
Over £500,000 and up to £1,000,000	Signature on Written Contract plus an order as appropriate	Strategic Director
Over £1,000,000	Signature on Written Contract plus an order as appropriate	Strategic Director, once the appropriate Policy Chair has been consulted
Contracts for sealing	Sealing	

18 Prevention of Corruption/Declaration of Interests

Officers

18.1 The Officer responsible for the contract must comply with the Council's Officers Code of Conduct (Part 5 of the Constitution) and must not invite or

accept any gift or reward in respect of the award or performance of any contract.

- 18.2 Officers must avoid giving advice to Members on Members' Code of Conduct issues either immediately before or during a meeting. If Officer advice is required, it is important that adequate time for consideration of that advice is given. The Monitoring Officer should be informed if advice is given to Members if the Monitoring Officer has not been consulted prior to such advice being given.
- 18.3 Officers should have regard to and comply with the Council's Counter Fraud Strategy when procuring goods, services and works.

Members

- 18.4 The decision whether or not to declare an interest is the individual Member's responsibility. See Part 5 of the Constitution.
- 18.5 If it comes to the knowledge of a Member that a contract in which he or she has an interest has been or is proposed to be entered into by the Council and in which respect his or her approval or decision is sought, he or she shall immediately give written notice to the Monitoring Officer.
- 18.6 Members shall have regard to and comply with the Council's Counter Fraud Strategy when involved in the procurement of goods, services and works.

Contracts

- 18.7 All contracts must contain an appropriate clause that provides protection and the right to terminate the contract in the event of a supplier offering any inducement, committing fraud or committing an offence under the Prevention of Corruption Acts or the Bribery Act 2010.
- 18.8 All contracts must contain a clause requiring suppliers to comply with the Council's Counter Fraud Strategy.

19 Contract Management/Variation/Extension/Termination

Contract Management

- 19.1 All contracts over the value of £50,000 and those of a complex nature below this value must have a designated Contract Manager whose name should be notified to the Supplier. This shall be a senior officer of the Council, usually a

Head of Service or Tier 3 Manager. The post designated as Contract Manager shall be defined in the Contract.

- 19.2 The Contract Manager shall be responsible for ensuring that the contractor fulfils his contractual obligations and that payment is made for satisfactory completion of those obligations.
- 19.3 The Contract Manager shall undertake periodic review meetings with the Supplier following an agenda that includes relevant and appropriate topics, for example performance, quality of service, customer satisfaction, payments, contract extension or variation.
- 19.4 The Contract Manager shall undertake an annual review of long term contracts (greater than two years) to ensure that value for money continues to be provided and that contract arrangements are fit for purpose. Where there is flexibility in the contract, improved terms and savings will be negotiated at this annual review.

Variation

- 19.5 In any case where a variation means that the value of a contract would exceed the relevant EU Threshold, or where there is any material change to the contract, the contract must be treated as a new procurement under these Rules. A material change is one which:
- 19.5.1 Would have allowed the admission of other Bidders or the acceptance of another Tender;
 - 19.5.2 Extends the scope of the contract considerably to goods, services or works not initially covered;
 - 19.5.3 Changes the economic balance in favour of the contractor in a manner not provided for.
- 19.6 For clarity, a change will be deemed immaterial if the value of the modification is both below the EU Threshold and below 10% of the original contract value (15% for works) after any contract indexation.

Extension

- 19.7 A contract should not be extended beyond its term unless the contract documents specifically allow for this.
- 19.8 A Framework Agreement shall only be extended if its contract documents allow this and the original term and extension added together do not exceed four years except in exceptional circumstances.

- 19.9 Where a business need has been identified which means that a contract is required to be extended beyond the term permissible in the contract, advice must be sought from the Welland Procurement Unit in the first instance and authority sought from the Solicitor to the Council if such an extension is proposed.
- 19.10 The Officer must be satisfied that such an extension would achieve Value for Money and be reasonable in all relevant circumstances. The Officer must record in writing the reasons for reaching these conclusions.
- 19.11 Where the Contract is subject to Public Contract Regulations and/or EU Regulations and the Contracts Finder/OJEU Notice and contract documentation did not state that the contract may be extended, advice must be sought from the Welland Procurement Unit on how to proceed.

Termination

- 19.13 A contract up to £100,000 must not be terminated unless
- 19.13.1 Advice has been sought from the Solicitor to the Council; and
 - 19.13.2 The relevant Head of Service or Director approves the termination of the contract.
- 19.14 A contract which exceeds £100,000 can only be terminated where written approval has been obtained from the Solicitor to the Council.

Assigning Contracts

- 19.15 A Contract up to £100,000 must not be assigned unless:
- 19.15.1 Advice has been sought from the Solicitor to the Council; and
 - 19.15.2 The relevant Head of Service or Director approves the assignment of the contract.
- 19.16 A contract which exceeds £100,000 can only be assigned where written approval has been obtained from the Solicitor to the Council.

APPENDIX A: GENERAL EXEMPTIONS FROM THE CONTRACT PROCEDURE RULES

- (A) Sole source of supply: where suitable supplies or services are genuinely only available from one supplier (e.g. if a patent, copyright or other exclusive design right exists). Similarly, for a highly specialised/niche supply or service, where for all practical purposes no realistic alternative source of supply exists.
- (B) Reasons of compatibility: if compatibility with existing supplies, equipment or services is essential and where those supplies, equipment or services cannot be sourced from another supplier (e.g. spare parts/components for existing equipment) or where additional units are being purchased to match existing equipment and there is an overwhelming case for matching the existing equipment on the grounds of functionality, aesthetics etc.
- (C) Genuine emergencies: due to a need to respond to events that were beyond the control of the Council (e.g. natural disasters such as flooding or fires) where there is a real and imminent risk to the safety of people or property.
- (D) Urgent situations not of the Council's own making: the urgency must have been reasonably unforeseeable (e.g. an existing supplier going into liquidation, urgently imposed statutory changes etc.) and genuinely be a case of 'time is of the essence'. However, urgency arising from problems of the Council's own making (whatever the cause and regardless of whether it involved previous delays or shortage of resources etc.) shall not in itself justify exemption.
- (F) Procurements which have been registered as Partnerships or Grants.
- (G) Works orders placed with Utility companies, e.g. for re-routing cables or pipe work. The term 'Utilities' does not include telecommunications.
- (H) Procurements of goods, services, or works where the procurement procedure to be followed by the Council is the subject of express legislation.
- (I) Low value purchases made by a Purchasing Card that are subject to guidelines issued on the use of Purchasing Cards.
- (J) Most contracts for the acquisition and disposal of land, property or assets that are covered by separate policies and procedures.
- (K) Call off or orders placed against framework agreements where the procedures defined in the contract for call off are followed.

APPENDIX B: EXEMPTION REQUEST FORM

Name of *Officer* seeking Exemption:

Service Area:

Contract Title:

Description of Contract (attach supporting documentation if applicable)

Estimated Total Value of Contract:

Target Contract Start Date:

Date	Justification for Exemption Request	Authorised by Head of Service or Director
		Signed: Name:

This Form should be kept on file as evidence of compliance with Contract Procedure Rules.

LEGAL SERVICES (LS) ACTION

LS AUTHORISED: YES/NO

REFER TO POLICY COMMITTEE: YES/NO

REASON FOR REJECTION (IF APPLICABLE):

SIGNATURE:

PRINT NAME:

DATE:

CENTRAL SERVICES ACTION

HOCS AUTHORISED: YES/NO

REFER TO POLICY COMMITTEE: YES/NO

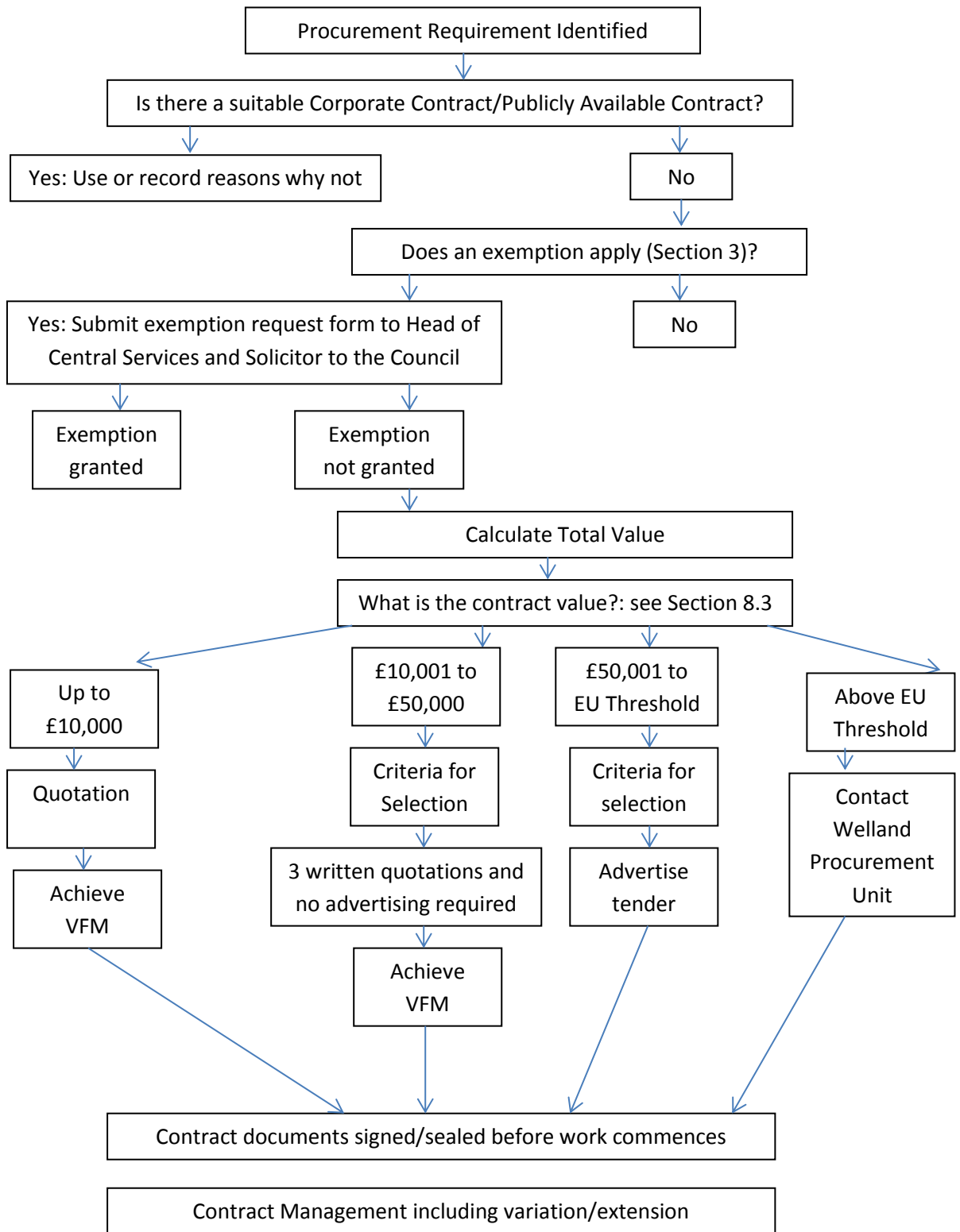
REASON FOR REJECTION (IF APPLICABLE):

SIGNATURE:

PRINT NAME:

DATE:

APPENDIX C: QUICK REFERENCE GUIDE



APPENDIX D: VARIABLE INFORMATION

The following information is subject to change during the currency of these Contract Standing Orders and may be updated as changes occur by the Head of Central Services.

EU Thresholds

From 1st January 2015 to 31st December 2017, the EU Thresholds are:

- Supplies and services: £164,176
- Works: £4,104,394
- Light Touch Regime: approximately £589,148

These values are applicable until the 31st December 2017 and will then be revised. The Thresholds are revised every two years.

Advertising Websites

All procurements valued between £50,000 and the relevant EU Threshold must be advertised on Contracts Finder and Source Leicestershire. To place an advert, contact Clare Ellis (cellis@melton.gov.uk) or any member of the Welland Procurement Unit.

Once the Contract has been awarded, an Award Notice must be published on Contracts Finder and Source Leicestershire. Award notices will be published quarterly in arrears by the Welland Procurement Unit at dates to be announced. Please ensure that you record the following information and collate and return it quarterly to Clare Ellis (cellis@melton.gov.uk) by the date given:

- Name of contractor
- Date contract entered into
- Value of contract
- Whether the contractor is an SME or VCSE.

Welland Procurement Unit

The Welland Procurement Unit works with six councils in the East Midlands and may be contacted as follows:

Tony Hall, Head of Welland Procurement Unit, thall@melton.gov.uk, 07768 915875
Paul Large, Procurement Strategy Manager, plarge@melton.gov.uk, 07769 918574
Clare Ellis, Procurement Standards Manager, cellis@melton.gov.uk, 07876 574944

Procurement Toolkit

More detailed information on undertaking procurements can be found in the Procurement Toolkit.

APPENDIX E: GLOSSARY

Agent	Any person or organisation acting on behalf of the Council or on behalf of another organisation.
Approved List	A list of suppliers/providers who have already been approved as suppliers/providers to the Council.
Assign / Assignment	Transfer of a contractual benefit to another party.
Award Criteria	The criteria stated in the Quotation / Tender by which the successful Bidder is to be selected.
Bidder	Any person / organisation who asks for or is invited to submit a Quotation / Tender.
Call Off	A specific requirement which can be met under the terms of a Framework Agreement and which is issued under the terms of that Framework Agreement to form a contract.
Concession Contract	Concessions are broadly similar to "normal" contracts between contracting authorities/entities and suppliers, but with one key difference: the consideration in a concession contract consists in the right to exploit the work, or services, that are the subject of the contract, or that right to exploit together with a payment. Examples of concessions might include car parks built on local authority-owned land, or toll roads and toll bridges.
Corporate Contract	A contract let by the Council.
Council	Melton Borough Council.
Destruction of Records Policy	The Council's policy on the appropriate length of time documents relating to tenders, quotations and contracts need to be retained either in hard or electronic copy.
Dynamic Purchasing System	A completely electronic system of limited duration which is established by the Council to purchase commonly used goods, works or services; and is open throughout its duration for the admission of Suppliers who satisfy selection criteria specified by the Council and who submit an indicative tender to the Council, or body operating the system on its behalf and who comply with the Specification.
Exemption	Approval given by the relevant Head of Service or Committee of the Council as appropriate to exempt an Officer or Officers from adhering to these Contract Standing Orders.
EU Procedure	The procedure required by the EU for awarding contracts where the value exceeds the EU Threshold.
EU Procurement	Regulations which are given force of law in the UK through the Public Contracts Regulations 2015 as amended and any

Regulations	successor regulations which specify in detail the procedures by which public authorities shall undertake their procurement.
EU Threshold	The contract value at which the EU Regulations must be applied. See Appendix 2.
European Economic Area	The members of the European Union and Norway, Iceland and Liechtenstein.
Financial Health Check	A financial risk assessment of the finances of a company, parent or group of organisations in order to establish their liquidity, profitability, stability and capability to support a contract of the value required.
Financial Regulations	The Financial Regulations outlining the Officer's responsibilities for financial matters as detailed in the Constitution.
Framework Agreement	A formal tendered arrangement which sets out terms and conditions under which specific purchases can be made from the successful Bidders in unpredicted quantities at different times during the term of the Framework Agreement.
Goods	Goods which are covered by the EU Procurement Regulations if they meet the relevant value threshold.
Government Procurement Agreement	The successor agreement to the General Agreement on Trade and Tariffs. The main signatories other than those in the European Economic Area are: USA, Canada, Japan, Israel, South Korea, Switzerland, Aruba, Hong Kong, China and Singapore.
Group Manager	All Group Managers and the Strategic HR Director
Invitation	Invitation to Tender or Quotation in the form required by these Contract Standing Orders.
Light Touch Regime	Refers to those social and other specific services covered by Part 2, Chapter 3, Section 7 of the Public Contract Regulations 2015.
Non Commercial Considerations	<p>Except as provided, the following matters are non commercial considerations:</p> <p>a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces ("workforce matters").</p> <p>b) Where the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only</p>

- c) Any involvement of the business activities or interests of contractors with irrelevant fields of Government Policy
- d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons (“industrial disputes”).
- e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors
- f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees
- g) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support
- h) The use or non use by contractors of technical or professional services provided by the authority under the Building Act 1984
- i) Workforce matters and industrial disputes, as defined above, cease to be non commercial considerations to the extent necessary or expedient to demonstrate value for money or where there is a transfer of staff to which TUPE applies.

Officer	An Officer of the Council, who is the Officer responsible for undertaking a purchase and for the administration of the completed contract to include ensuring compliance with its terms and conditions and implementation of any required variation.
OJEU Notice	Notice (advertisement) posted in the Official Journal of the European Union including a PIN, a Contract Notice or Award Notice.
PIN	A Prior Information Notice. A PIN can be published before the procurement starts, when a requirement is above EU Thresholds, and makes it possible to reduce the time needed to complete a competition.
Parent Company Guarantee	A contract which binds the parent of a subsidiary company as follows – if the subsidiary company fails to do what it has promised under a contract with the Council, the Council can require the parent company to do so instead.
Performance Bond	An insurance policy: if the Supplier does not do what it has promised under a Contract with the Council, the Council can claim from the Bondsman the sum of money specified in the Bond (10% of the contract value). A Bond is intended to protect the Council against a level of cost arising from the

	Supplier's failure.
Procurement Toolkit	A guide for procurers giving advice on how to procure goods and services in accordance with the Council's constitution and procurement legislation.
Publicly Available Contract	A contract let by a public purchasing organisation such as ESPO, Crown Commercial Service on behalf of the Council
Quotation	A quotation of price and any other relevant matter.
Senior Leadership Team	The Chief Executive, Directors, Group Managers and the Strategic HR Manager
Service Contracts	Contracts let by public authorities for services as defined in The Treaty of Rome which is for anything other than civil engineering and building works and works concession contracts.
Shortlisting	Where Bidders are selected to quote or bid or proceed to full evaluation.
Supplier	Any person or organisation, including companies or other bodies of persons providing, or seeking to provide, supplies, services or works to the Council.
Tender	A Bidder's proposal submitted in response to an Invitation.
Terminate(d)	To end a contractual arrangement.
Total Value	<p>The whole of the value or estimated value (in money or equivalent value) of the Contract, calculated as follows:</p> <ul style="list-style-type: none"> a) Where the contract is for a fixed period, by taking the total price to be paid or which might be paid during the whole of the contract period. b) Where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions over the coming 12 months. c) Where the contract is for an uncertain duration by multiplying the monthly payment by 48. d) For nominated Suppliers and sub-contractors, the Total Value shall be the value of that part of the main contract to be fulfilled by the nominated Supplier or sub-contractor.
TUPE	<p>These regulations apply to the transfer of an economic entity or service provision change. Where TUPE does not apply, public bodies should refer to the Cabinet Office Statement of Practice ("COSOP").</p> <p>TUPE is to protect employees by:</p> <ol style="list-style-type: none"> 1. Prohibiting dismissals because of the transfer (but redundancies are permitted)

2. Maintaining most of their terms and conditions
3. Restricting changes to terms and conditions of employment made because of a transfer
4. Providing the right to be informed and / or consulted

Value for Money

Is not necessarily the lowest price, it combines goods or services that fully meet the needs with the level of quality required, delivered at the time needed and at an appropriate price.

Welland Procurement Unit

The Welland Procurement Unit is the Welland Partnership procurement service shared by the Council and other Councils. The Welland Procurement Unit issues guidance and offers assistance on procurement matters to all participating councils.

Works Contract

Contracts let by public authorities for civil engineering and building works and works concession contracts.

APPENDIX F: E TENDERING PROCESS

1. Tenders published via the E Tendering system must be returned electronically via that system. Only in exceptional circumstances, such as where 3D models are required, will paper submission be permitted.
2. Once the bidder has submitted their Tender it remains inaccessible in a locked electronic tender box until after the closing date and time for the procurement has passed.
3. Once the closing date and time has passed, the Welland Procurement Unit officer supporting the procurement in question will see that there are tenders to verify (open).
4. The Welland Procurement Unit Officer will then access the system and remove the electronic seal from the procurement. The received tenders are now listed but require individual verification.
5. On time responses: the Welland Procurement Unit officer will accept all on time responses and release them.
6. Late responses: the Welland Procurement Unit officer will liaise with the Council's identified lead officer (please see below) to determine whether such responses should be accepted or rejected – this will depend on the individual circumstances (as it does with the opening of paper submissions).
7. Verified responses will then be released into the E Tendering system.
8. The Welland Procurement Unit Officer will email the identified lead officer from the Council advising that the tenders are available to be downloaded.
9. It will then be the responsibility of the Council to download their tenders, log their receipt and ensure copies are made available to evaluation panel members as appropriate. Please note that Councils can develop local procedures if more than one officer is required to be present for the downloading and logging of tenders, or if a Member is required to be present etc.

Notes

An e tendering system allows for the tender documents to be circulated to bidders online, for those bidders to ask questions and get responses online and then for the submission of tenders online. The system contains a full audit trail functionality for the procurement, including the 'opening' of tenders, and this can be accessed on request by any member of the Welland Procurement Unit

The Due North system, along with other public sector e tendering systems, has to meet stringent requirements for security, confidentiality and data protection.

Detailed advice is available to Suppliers on how to use the system both to download and upload tender documents, in addition Due North provide a supplier helpline should further support be required.

APPENDIX G: CONTRACT REGISTER PROCESS