

CHERWELL DISTRICT COUNCIL and SOUTH NORTHAMPTONSHIRE COUNCIL

CONTRACT PROCEDURE RULES

A note on Interpretation: reference to *Council* throughout these Rules refers to both Cherwell District Council and South Northamptonshire Council. Any rules peculiar to Cherwell District Council or South Northamptonshire Council alone are set out in text boxes at the appropriate points.

1 INTRODUCTION

Supplemented by complementary rules in the Council's Constitution, including its Financial Procedure Rules, these Contract Procedure Rules govern the way in which the Council buys works, supplies and services, whether to meet a current need identified by the Council directly or in response to an expression of interest received from a relevant body under the community right to challenge. They also govern the way in which the Council sells the things it owns, and accordingly support the Council's statutory duty to obtain the best price reasonably obtainable in the disposal of assets belonging to it.

More particularly, by establishing clear guidelines for procuring such works, supplies and services, the Rules:

- underpin the essential need for transparency, integrity and accountability in the procurement process; and
- provide the foundation for achieving value for money in pursuit of the aims and objectives stated in the [Joint Corporate Procurement Strategy and Action Plan](#).

2 SCOPE OF CONTRACT PROCEDURE RULES

These Rules (and those complementary rules in the Council's Constitution, including its Financial Procedure Rules) apply to **all** spending on works, supplies and services by the Council. They also apply to the disposal of **all** Council assets.

The Rules also apply whether the Council is dealing on a commercial basis with entities in the private sector or the public sector.

These Rules must also be followed where the Council decides to accept an expression of interest received from a relevant body under the community right to challenge.

Further, the Rules apply to arrangements entered into by the Council in consequence of its having received grant from an outside body to procure a service, or having received income in return for giving another body the right to run a service.

The Rules **do not apply**, however, to contracts of employment or to contracts with Counsel.

Neither do the Rules apply to service level agreements, grant/funding agreements, partnership agreements, memoranda of understanding and similar arrangements **unless** the arrangement involves a financial settlement beyond simple cost recovery.

All contract letting must at all times comply with Public Procurement Legislation (defined in [section 3](#) below) irrespective of local needs or objectives. EU Treaty Principles, in particular, apply to all Council procurement activity, not just to contracts that exceed the relevant EU thresholds (see [section 6](#)).

The Monitoring Officer may amend these Rules where required by statutory change or administrative error.

3 DEFINITIONS

Significant terms or phrases used in this document are defined as follows:

Approved Supplier List means any list of approved contractors, service providers or suppliers, whether established and maintained by the Council in accordance with the procedure set out in [section 26](#) or established and maintained by another public body or recognised private sector compiler of select lists, and approved for use by the Section 151 Officer.

South Northamptonshire Council

Cabinet means the Council's Cabinet.

Contract means an agreement between the Council and any other organisation, including another public authority, made by formal agreement or by issue of a letter of acceptance or official purchase order for Works, Supplies or Services.

Contracts Register means the centrally held Contracts Register providing data to aid the management, administration, scrutiny and audit of all Contracts entered into by the Council with a value exceeding £10,000.

Corporate Contract means an exclusive agreement between the Council and a contractor which facilitates the placing of orders for known quantities of Supplies and Services on standard terms over a predetermined period which, if the total value of all purchases that could be made under the Corporate Contract exceeds the relevant value in the [EU Procurement Thresholds](#) (see [section 5](#) for determining Contract values), must be no more than 4 years. In this context, the agreement and the orders together constitute a single contract (albeit one in which the scope of the Corporate Contract regularly changes as orders are placed and fulfilled). It is this characteristic that distinguishes the arrangement from, but which otherwise shares similarities to, a [Framework Agreement](#)

CPR means the contract procedure rules set out in this document and supplemented by complimentary rules in the Council's Constitution, including its Financial procedure Rules.

Cherwell District Council

Executive means the Council's Executive.

EU means the European Union.

EU Procurement Law means EU Directive 2004/18/EC (consolidated into English law as the Public Contracts Regulations 2006), EU Directive 2007/66 (consolidated into English law as the Public Contracts (Amendment) Regulations 2009), EU Treaty Principles, relevant case law and any subsequent directives or legislation relating to EU procurement.

EU Treaty Principles means the principles of transparency, equal treatment and non-discrimination in the letting of any Contract.

FoI means the Freedom of Information Act 2000, the Environmental Information Regulations 2004, the Code of Recommended Practice for Local Authorities on Data Transparency (September 2011) and any subsequent amendment or legislation relating to information disclosure.

Framework Agreement means an agreement or other arrangement between the Council (whether acting alone or jointly with other public bodies) and one or more contractors which establishes the terms (in particular the terms as to price and, where appropriate, quantity) under which the Council may place one or more orders with the contractor in the period during which the Framework Agreement applies. Until any orders are placed under the Framework Agreement there is no legally enforceable obligation to supply or purchase any Supplies or Services in connection with it. The placing of orders for Works, Supplies or Services through a Framework Agreement (whether established by the Council or by another public body) will satisfy the call for competition provided Value For Money can be demonstrated. In such cases there is no requirement to subject individual orders to competition because a competitive process will already have been undertaken to establish the Framework Agreement under which they are placed. Where it is proposed to establish a Framework Agreement, and the potential value of all orders that could be placed under it may exceed the relevant value in the [EU Procurement Thresholds](#) (see [section 5](#) for determining Contract values) then its term must be limited to 4 years or less pursuant to EU Procurement Law.

ITQ means an invitation to Quote.

ITT means an invitation to Tender (or to negotiate, as the case may be).

JPSG means the Joint Procurement Steering Group comprising a **Core Group** of:

- The Section 151 Officer (as Chair)
- The Monitoring Officer
- The Head of Finance and Procurement (unless represented as Section 151 Officer)

or their nominees, who shall, in relation to Contracts exceeding £150,000 in value or amount, make appropriate determinations at key stages of the procurement lifecycle in accordance with the JPSG Core Group's terms of reference as set out in paragraph 2.1 of [Appendix 1](#), and a **Strategy Group** comprising:

- The Chief Executive
- The JPSG - Core Group and
- Heads of Service invited from those who have undertaken substantial procurement activity over the period since the last Strategy Group meeting
- The relevant Council Member(s) responsible for procurement (to be invited as appropriate and at least annually) and
- Such other Council Members as any of the Core Group may invite on a case by case basis

or their nominees, who shall provide a strategic and scrutiny role in relation to the Council's procurement function in accordance with the JPSG – Strategy Group's terms of reference as set out in paragraph 2.2 of [Appendix 1](#).

Monitoring Officer means the Head of Law and Governance, who is designated as such under Section 5(1) of the Local Government and Housing Act 1989.

Most Economically Advantageous Offer means the offer that is the most economically advantageous from the point of view of the Council taking into account such things as

price, quality, technical merit, aesthetic and functional characteristics, environmental characteristics, potential Social Value, production processes, running costs, cost effectiveness, life-cycle costs, after sales service, technical assistance, delivery date/delivery period and period of completion.

OJEU means the Official Journal of the European Union.

Partnership means an arrangement involving the Council and one or more organisations from any sector who share the responsibility for agreeing and/or then delivering a set of planned actions and outcomes. The Council may be a major or a minor participant in any such partnership. The CPR does not apply to the creation of any such Partnership but may apply to any activity of the Partnership connected with the letting of Contracts.

Principal Procurement Decision means any key procurement decision affecting any Contract having a total value exceeding £500,000 or which falls to be made for the purpose of responding to an expression of interest received from a Relevant Body exercising its Right to Challenge, or awarding a Contract arising from such expression.

Procurement Manager means the officer with responsibility for the Council's procurement function.

Project Officer means the officer designated by the relevant Head of Service as having responsibility for the planning and co-ordination of any particular procurement project. For the avoidance of doubt, the Project Officer may also be the relevant Head of Service. The Project Officer is accountable for the delivery of the project on time, within budget, and in accordance with all relevant internal procurement rules and Public Procurement Legislation.

Public Procurement Legislation means all relevant external procurement rules and regulations, including the Local Government Act 1988 Part II, the Local Government (Contracts) Act 1997, the Local Government Act 1999, the Local Government Act 2000, the Public Services (Social Value) Act 2012, the Localism Act 2012 and EU Procurement Law (including EU Treaty Principles).

Quotation means a priced bid for the provision of Works, Supplies or Services applicable to procurements between £500 and £100,000.

Relevant Body means a voluntary or community body, a charitable body, a parish council, two or more employees of the Council or such other persons or bodies as may be specified by regulations made by the Secretary of State.

Relevant Service means a service provided in the exercise of any of the Council's functions, either by the Council using its own workforce, or provided on its behalf under a service contract or some other arrangement.

Right to Challenge means the right embodied in the Localism Act 2012 for a Relevant Body to express an interest in providing or assisting in providing a Relevant Service on behalf of the Council.

Section 151 Officer means the officer appointed by the Council for the purposes of Section 151 of the Local Government Act 1972 to administer the financial affairs of the Council.

Services means any undertaking that does not constitute Works or a Supply, and includes a Relevant Service.

Single Source Supplier means a Contract for which there is reasonably only one supplier.

Social Value means the economic, social and/or environmental well-being to which the Council must have regard before commencing an exercise to procure a Contract for the provision of Services to which [EU Procurement Law](#) applies.

Supply means the purchase, hire or lease of any goods or materials (including electricity, substances, growing crops and things attached to or forming part of any land) and their siting or installation where this is incidental to the Supply, and **Supplies** shall be construed accordingly.

Tender means the formal process for obtaining priced bids for Works, Supplies and/or Services and which must be followed for procurements with a value exceeding £100,000.

TUPE Regulations means the [Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#), which preserves the continuity of employment and terms and conditions of employees who are transferred to a new employer in cases where Services are outsourced, insourced or assigned by the Council to a new contractor. Further details are set out in [section 9](#) and in the Government's [Guide to the 2006 TUPE Regulations](#) (published June 2009).

Value For Money means the optimum combination of whole life costs, quality and other benefits.

Works means the construction, repair or maintenance of a physical asset.

CONTRACTS

4 CONFIDENTIALITY

All information supplied by a bidder invited to submit a Quotation or Tender for a Contract shall be treated in confidence except where references are required to be sought for the purpose of establishing a bidder's credentials, or where disclosure is required to meet an obligation contained in the Public Procurement Legislation (such as supplier debriefing following completion of a competitive tender exercise).

This general duty to maintain confidentiality is, however, subject to the Council's [statutory responsibilities](#) under Fol.

Fol does permit non-disclosure of information which is commercially sensitive, and the Project Officer is therefore recommended to instruct any bidder invited to submit a Quotation or Tender to:

- state clearly which, if any, of the information or other material supplied with their Quotation or Tender is commercially sensitive; and
- explain why, in the bidder's own opinion, commercial sensitivity attaches to that information or other material.

However, whilst bidders may specify in their Quotation or Tender that information or other material being supplied to the Council is commercially sensitive and therefore exempt from disclosure, the Project Officer must make bidders aware when inviting Tenders or Quotations that such information shall be regarded by the Council as having indicative value only and that the Council may nevertheless be obliged to disclose such information if an Fol request is received.

Note under Fol that the Council alone is responsible for determining at its absolute discretion whether confidential, commercially sensitive or other information is exempt from disclosure or is to be disclosed in response to a request for information.

5 CALCULATING THE VALUE OF A PROPOSED CONTRACT

When calculating the value of a proposed Contract, the Project Officer should have regard as follows:

- values are total lifetime Contract values, not annual values;
- account must be taken of the potential for exercising any options or any rights of renewal or extension;
- values exclude VAT;
- the estimated value of a Framework Agreement or a Corporate Contract is the total value of all of the purchases which could be made by the Council under that arrangement;
- where a Contract length is unfixed or imprecise, its value shall be assessed on the basis of the amount the Council might spend on it over 48 months;
- where procurement activity is undertaken jointly with another public body, the value of the Contract to each organisation shall be combined for the purpose of determining the applicability of [EU Procurement Thresholds](#) (and the issue of a Contract Notice to OJEU);
- a Contract must not be packaged in such a way that is chiefly intended to evade the point at which any rule in the CPR or the Public Procurement Legislation may bite; and
- consideration should be given to dividing a proposed Contract into Lots to make them more accessible for small and medium enterprises.

6 EUROPEAN PROCUREMENT THRESHOLDS

EU Procurement Law shall be complied with in respect of all Contracts having a value that exceeds the relevant EU threshold for the Works, Supplies or Services being procured (see [EU Procurement Thresholds](#)).

The consequences of failing to do so are severe, whether before a Contract is formally awarded or in the aftermath of that decision:

Before the Contract is Signed the Council:

- Must automatically suspend its award upon receiving, and pending the conclusion of, a legal challenge to that decision.
- May be Ordered to set aside any unlawful decisions taken during the tender process or to amend any unlawful documentation.
- Could be liable to pay damages to any bidder proving loss arising from the Council's actions.
- May be required, by virtue of Part 2 of the Localism Act 2012, to pay all or part of any fine or other EU financial sanction levied against the Government for an infraction of EU Procurement Law in circumstances where the Council has demonstrably caused or contributed to the imposition of that financial sanction.

After the Contract is Signed the Council:

- Could be liable to pay damages to any bidder proving loss arising from the Council's actions.
- May, in any case of serious abuse of EU Procurement Law, be required to cancel its Contract (where a court declares that Contract to be *prospectively ineffective*) and pay a fine.
- May, in any other case, be Ordered to shorten the term of its Contract or pay a fine or both.
- May be required, by virtue of Part 2 of the Localism Act 2012, to pay all or part of any fine or other EU financial sanction levied against the Government for an

infraction of EU Procurement Law in circumstances where the Council has demonstrably caused or contributed to the imposition of that financial sanction.

Given the draconian consequences that may occur for failing to comply with the public procurement regime, the message is clear: "follow the rules".

However, EU Treaty Principles apply to all Contracts, not just to those that exceed the EU thresholds (see, for appropriate guidance, [I&DeA Basic Terms and Concepts - Transparency, Equal Treatment and Non-discrimination](#)).

7 COMMENCING A PROCUREMENT

No procurement shall commence without there being sufficient budget available for the Works, Supplies or Services being procured, or an outside body providing grant for the procurement of Works, Supplies or Services having given a binding commitment to the Council to provide those funds.

Further, for all procurements above £5,000 the Project Officer shall first consider and agree with the Procurement Manager:

- Whether the procurement may be of interest to any other public body such that an invitation to join in the procurement should be extended to that other organisation; and
- a timetable for the project.

Where capital expenditure on Works, Supplies or Services has not already been approved by the Council during its budget setting process, the following written authority is required to be obtained by the Project Officer prior to commencing a procurement process:

Estimated Value of Contract	Authority in Writing (Without Prejudice to Superior Authority)
Up to £150,000	Head of Service or such other officer of the Council as the Head of Service may delegate to undertake such responsibility
Between £150,000 and £500,000	Unanimous decision of the JPSG – Core Group (see reporting process in section 8)
<u>Principal Procurement Decision</u>	Cherwell District Council Executive decision
	South Northamptonshire Council Cabinet decision

Dealing With Expressions Of Interest Received Under The Right To Challenge

The Council has a **duty** to consider any expression of interest received from a Relevant Body wanting to run a Relevant Service on behalf of the Council. The Council shall fulfil that duty as follows.

Where an expression of interest for a Relevant Service is received by the Council, the head of service responsible for the service to which the Relevant Service relates shall:

- inform the Procurement Manager and the Head of Law and Governance of its receipt without delay; and
- forthwith check that it meets the minimum requirements specified in the Localism Act 2012 and accompanying regulations. Expressions of interest must contain:

1	information about the financial resources of the Relevant Body (and the financial resources of any consortium member or sub-contractor with whom the
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	Relevant Body proposes to deliver the Relevant Service)
2	evidence of the Relevant Body's capability to provide or assist in providing the Relevant Service (and the capability of any consortium member or sub-contractor with whom the Relevant Body proposes to deliver the Relevant Service)
3	Information about the Relevant Service sufficient to identify it and the geographical area to which it relates
4	information about the outcomes to be achieved, particularly how the provision or assistance will add Social Value to the Council's area and how it will meet users' needs
5	details about how, in any case where the Relevant Body consists of Council employees, those employees will engage with other employees of the Council affected by the Relevant Service

For each and every expression of interest received, the relevant head of service shall issue the necessary notifications required by the Localism Act 2012 and accompanying regulations in consultation with the Procurement Manager and the Head of Law and Governance, including publication as necessary on the Council's website.

The relevant head of service shall report each and every expression of interest to its Executive or Cabinet as appropriate, and seek recommendation from it to **accept**, **reject** or **modify** that expression as appropriate.

Where recommendation is made to **accept** the expression of interest the Council shall, following notification of the Council's acceptance to the Relevant Body, **proceed to carry out a procurement exercise in respect of the Relevant Service in conformity with the CPR**. It shall also specify in such manner as it thinks fit (which must include publication on the Council's website):

- the **minimum period** that will elapse between:
 - the date of the Council's decision to accept the expression of interest, and
 - the date on which it will begin the procurement exercise for the Relevant Service, and
- the **maximum period** that will elapse between those dates.

An expression of interest may only be **rejected** where:

1	it does not comply with any of the requirements specified in the Localism Act 2012 and accompanying regulations
2	the Relevant Body provides information in the expression of interest which in the opinion of the Council, is in a material particular inadequate or inaccurate
3	the Council considers, based on the information in the expression of interest, that the Relevant Body or, where applicable (a) any member of the consortium of which it is a part, or (b) any sub-contractor referred to in the expression of interest is not suitable to provide or assist in providing the Relevant Service
4	it relates to a Relevant Service where a decision, evidenced in writing, has been taken by the Council to stop providing that service
5	The expression of interest relates to a Relevant Service (a) provided, in whole or in part, by or on behalf of the Council to persons who are also in receipt of a service provided or arranged by an NHS body which is integrated with the Relevant Service; and (b) the continued integration of such services is, in the opinion of the relevant authority, critical to the well-being of those persons
6	the Relevant Service is already provided under Contract to the Council or otherwise the subject of a procurement exercise
7	the Council and a third party have entered into negotiations for provision of the

	Relevant Service, which negotiations are at least in part conducted in writing
8	the Council has published its intention to consider the provision of the Relevant Service by a body that 2 or more specified employees of the Council propose to establish
9	the Council considers that the expression of interest is frivolous or vexatious
10	the Council considers that acceptance of the expression of interest is likely to lead to contravention of an enactment or other rule of law or a breach of statutory duty

Where recommendation is made to **reject** the expression of interest the relevant head of service shall notify the Relevant Body accordingly, giving reasons for that decision, and shall also arrange publication of the notification in such manner as he thinks fit on behalf of the Council, which must include publication on the Council's website.

Recommendation may be made to **modify** an expression of interest **by agreement** with the Relevant Body. The relevant head of service shall notify the Relevant Body of any such recommendation, giving details of the modification sought and the reasons for that decision, and shall also arrange publication of the notification in such manner as he thinks fit on behalf of the Council, which must include publication on the Council's website.

8 ROLE OF JPSG

The PSG – Core Group's terms of reference are set out in paragraph 2.1 of Appendix 1.

To obtain authority to begin a procurement process from the JPSG – Core Group (see Table in section 7) the Project Officer must first report to it on:

- the likely total cost of the project;
- the amount and source of the money earmarked for it;
- the length of the proposed arrangement;
- the procedure to be adopted for achieving effective competition;
- the proposed Tender timetable;
- whether procurement jointly with another public body has been considered;
- a summary of how Value for Money and any service improvement requirements will be achieved;
- how what is being procured might improve the economic, social and environmental well-being of the Council's area;
- how the proposed improvements in economic, social and environmental well-being might be secured;
- whether consultation has been, or is proposed to be, undertaken on the potential improvements themselves or how they might be secured;
- details as to whether TUPE is likely to apply (see section 9); and
- the potential risk to the Council (if any) in undertaking the procurement.

After receiving the report of the Project Officer, the JPSG – Core Group will determine whether and, if so, on what basis the procurement can proceed.

The JPSG – Strategy Group's terms of reference are set out in paragraph 2.2 of Appendix 1.

9 REQUIREMENTS IN RELATION TO TUPE

TUPE, and the interpretation of it, **changes frequently**, and only a brief reference to it is therefore contained within these Rules. The Head of Transformation and / or the Head of Law and Governance can provide further TUPE guidance and advice as necessary or appropriate.

Whenever a new contractor is appointed to take over the provision of an existing Service, employees of the original contractor engaged in the provision of that Service (or the Council, if the Service was provided in-house) may be affected by transferring that Service to another provider. If so, it will be necessary to form a view as to whether TUPE applies, and the advice of the Head of Transformation and the Head of Law and Governance **must** therefore be obtained by the Project Officer before seeking authorisation to commence a procurement project.

If a Contract is likely to involve a transfer of Council staff then it is important that the Project Officer arranges for the Head of Transformation to begin consultation with the relevant employees that will be affected at an early stage. This is good practice and the Council has a statutory obligation to consult under TUPE.

10 COMPETITIVE PROCESS

(a) Number of Tenders/Quotations to be Invited

This rule 10(a) shall apply unless the call for competition is to be waived in accordance with the procedure prescribed in section 17, or the Council's requirement for Works, Supplies or Services is to be satisfied using an established Framework Agreement or Corporate Contract from which the Council is expressly entitled to benefit.

While a formal competitive tendering exercise may be conducted by the Council in relation to any procurement of any value, such a process shall be undertaken by the Council for all Contracts above £100,000 (see table below).

For Contracts below £100,000, Tenders may not be required and a Contract can be awarded on the basis of Quotations received and evaluated in accordance with Value for Money requirements **PROVIDED** all stages of that exercise are nevertheless recorded in writing sufficient to demonstrate the decisions taken are robust, fair and auditable.

Where there are a sufficient number of organisations suited to bid for a particular Contract, the Council may limit the number of potential bidders from whom it may seek Tenders/Quotations as follows:

Estimated Contract Sum	Minimum Number of Bidders Invited to Tender
Works, Services or Supply Contract exceeding relevant EU Procurement Threshold	Determined in consultation with the Head of Law and Governance, having regard to EU tendering requirements
Works, Services or Supply Contract between £100,000 and relevant EU Procurement Threshold	3 Tenders invited
£10,000 to £100,000	3 written Quotations (unless the proposed Contract is likely to be of interest to enterprises from other EU Member States in which event 3 Tenders meaningfully advertised shall be required in accordance with EU Treaty Principles)
£500 to £10,000	2 Quotations (in writing wherever possible)
Up to £500	Procurement Card, petty cash etc. transaction

(b) Advertising a Contract Opportunity

Where Tenders are required to be obtained (see [section 10a](#)) and:

- the use of an established Framework Agreement or Corporate Contract from which the Council is entitled to benefit is not appropriate or
- the identity of those invited to Tender are not to be determined by reference to an Approved Supplier List ([see below](#))

then the following forms of Contract advertisement shall be considered by the Project Officer:

Estimated Contract Sum	Contract Notice to OJEU	Trade Journal	Council Website	Local Press
Contracts for Works, Services or Supplies <u>above</u> EU Procurement Thresholds	√ (consult Procurement Manager)	√	√	√
Contracts for Works, Services or Supplies <u>below</u> EU Procurement Thresholds	X	Prudent	√	√

Where a procurement project exceeds the [EU Procurement Thresholds](#), the relevant OJEU Notice must be placed in advance of any other advertisement of that Contract opportunity.

For any Contract which does not exceed a relevant value band specified in the [EU Procurement Thresholds](#) the Project Officer may give consideration to inviting bids solely from organisations registered on an Approved Supplier List **PROVIDED** the proposed Contract will not be, in the Project Officer's reasonable opinion, of interest to enterprises from other EU Member States.

(c) [Shortlisting Applicants to Tender](#)

If, in advertising a Contract opportunity, the Project Officer wishes to shortlist organisations prior to inviting Tenders, the Contract advertisement shall state that any person, firm or organisation wishing to express an interest in the Contract must do so by completing and returning to the Council, by a date specified in the advertisement (being not less than 14 days), a Pre-qualification Questionnaire.

All Pre-qualification Questionnaires accordingly received shall be assessed to determine the acceptability, experience, financial standing, capability and capacity of the organisation concerned to deliver the Works, Supplies or Services required.

The Procurement Manager shall have responsibility for co-ordinating such pre-qualification process, including receiving completed Pre-qualification Questionnaires, and, from those considered eligible to bid for the Contract, the Procurement Manager and the Project Officer shall together compile a shortlist of persons, firms or organisations from whom Tenders may be invited. That shortlist shall have regard to the minimum number of Tenders required in accordance with the Table in [section 10a](#).

When the selection process has been completed, the Procurement Manager shall inform unsuccessful applicants that they were not selected to tender, together with brief reasons as to why they were not so selected.

(d) Getting Tenders and Quotations

Where Quotations or Tenders are required, the documentation comprising the ITT or the ITQ shall be based on relevant model documents available from the Procurement Manager.

In either case, the competitive procedure the Project Officer has determined to follow (and which, for openness and transparency, should be recorded in the ITT or ITQ) must be sufficiently structured to ensure the Quotations or Tenders received can be properly compared and evaluated in accordance with Value for Money requirements.

A Tender contest may be conducted by the Project Officer using either the open or restricted procedure. Open tendering means that the opportunity to bid for the Council's Contract shall be open to any supplier who can Tender for the Works, Supplies or Services in accordance with the Council's advertised requirements. In such cases, the Council must consider and evaluate all qualifying bids received. The restricted procedure involves a tender process in which the Council limits the number of prospective tenderers to those who have been shortlisted by it in accordance with the pre-qualification procedure prescribed at section 10(c).

No departure from either the open or restricted tendering procedure, or use of any other procurement procedure permitted by Public Procurement Legislation, shall be permitted without the authorisation of the Section 151 Officer and the Monitoring Officer.

(e) Evaluation Criteria

Any ITT or ITQ must contain details as to the criteria for awarding the Contract to which it relates. That criteria must be robust, fair, auditable, compliant with any relevant Public Procurement Legislation and, for any ITT, weighted wherever possible.

The award criteria may be based on price alone or on that which represents the Most Economically Advantageous Offer received.

Lowest Price

Awards based on price alone do not permit Value for Money considerations and so will only ever be suitable for Supply Contracts of very low value where the Supplies required can be specified in significant detail at the outset and no after sales service or other special requirements are needed in connection with that Supply.

Most Economically Advantageous Offer

Where the Council intends to award a Contract on the basis of the proposal which is the Most Economically Advantageous Offer received, the criteria (and any sub-criteria) to be used in the evaluation shall, as a minimum:

- be pre-determined,
- be listed (in the ITQ) in order of importance,
- be weighted (in the ITT) according to their respective importance (unless, on objective grounds, it is not possible to provide any such weightings),
- be strictly observed at all times throughout the competition for the Contract,
- be framed so as to best achieve any Social Value reported under [section 8](#)
- reflect the principles of Best Value,
- include price,
- be capable of objective assessment, and
- have regard to environmental impact and sustainability considerations relevant to the Works, Supplies or Services being procured.

Where it is possible to apply a scoring matrix to the proposed evaluation criteria, the Contract must be awarded to the tenderer obtaining the highest overall score (i.e., the Most Economically Advantageous Offer) from the evaluation process.

The evaluation must be carried out by a panel consisting of the Project Officer and at least one other officer of appropriate seniority, supported by the Procurement Manager.

Full and complete written records of the evaluation process must be maintained by the Procurement Manager.

(f) Award

Value	Authority to Award
Up to £150,000	Relevant Head of Service to approve Project Officer's award recommendation, detailed reasons for such award to be noted in writing on the Project Officer's project file for audit purposes.
Between £150,000 and £500,000	Unanimous decision of the JPSG – Core Group following the Procurement Manager's submission of a report to it on the outcome of the competition, including the Project Officer's recommendation on Contract award.
Principal Procurement Decision	Cherwell District Council Executive decision.
	South Northamptonshire Council Cabinet decision.

All unsuccessful bidders submitting Tenders or Quotations for evaluation by the Council must be informed of the outcome of the competition, including the name of the winning bidder and a brief explanation as to why they were unsuccessful on that particular occasion (for further guidance on *Debriefing*, see [section 10\(g\)](#) below).

(g) Standstill ('Alcatel') Period and Award Notices

Acceptance of any tender governed by EU Procurement Law is subject to a standstill period before any Contract with the preferred tenderer can be concluded. The standstill period (also known as the 'Alcatel' period for the case (Alcatel Austria and Others v Bundesministerium für Wissenschaft und Verkehr (C-81/98)) from which the law emerged) describes the period between communication of the outcome of the tender process to all those who participated in it and the formal conclusion of the Contract and is intended to provide such participants with an opportunity to challenge the award of a Contract (e.g., because the Council has failed to follow the stated/prescribed tender procedure) before the Contract is finally concluded at the end of the standstill. The period is **10 days** if the Council's decision is communicated electronically or **15 days** from despatch if sent by any other means. In either case the standstill must end on a working day. Project Officers are recommended to send decision notices electronically.

The standstill period is triggered only by sending an award decision notice to all those who bid for the Contract which contains an explanation of:

- the criteria used to make the award
- the reasons for the Council's decision, including the characteristics and relative advantages of the successful tenderer
- the scores of both the successful tenderer and the recipient of the notice

- the reasons why the recipient did not meet any technical specification (where applicable)
- the name of the bidder awarded the Contract and
- the date on which the standstill period is expected to end

The requirement to notify bidders in this way, coupled with the sanctions available to them which may arise from any failure by the Council to follow EU Procurement Law (see [Section 6](#)), highlights the need for a robust, fair and auditable evaluation process.

11 INSURANCE

At the commencement of any procurement exercise, the Project Officer and the Head of Finance and Procurement shall together determine the type and level of insurance cover required in relation to a particular procurement. The Project Officer shall ensure the successful bidder has any required insurance cover in place before performance of the Contract begins, and shall further ensure, at appropriate intervals, that such cover is maintained by the Contractor throughout the Contract period.

12 PARENT COMPANY GUARANTEES AND PERFORMANCE BONDS

Before commencing any tendering exercise for a Contract exceeding £150,000 in value of amount, the Project Officer and the Head of Finance and Procurement shall together determine the need for, and value of, any parent company guarantee and/or performance bond necessary in relation to that procurement.

The Head of Finance and Procurement may also require any Contract below £150,000 to be supported by a parent company guarantee and/or performance bond for such amount as the Head of Finance and Procurement may consider necessary or appropriate in all the circumstances.

The Project Officer shall ensure the successful tenderer has any required parent company guarantee and/or performance bond in place before the Contract is commenced.

13 TENDER ADMINISTRATION: PROCEDURE FOR ISSUING, SUBMISSION AND OPENING OF TENDERS

(a) Issuing of tenders

The Project Officer must inform the Procurement Manager of the closing date for the receipt of tenders so that all necessary and appropriate arrangements can be made in respect of their opening (see [section 13c](#)).

All Tenders must be returned by tenderers using the Council's standard Tender return label, which the Project Officer can obtain from the Procurement Manager.

(b) Submitting tenders

All Tenders must be returned to the Procurement Manager in an envelope provided for the purpose. Tenders must not be returned to the Project Officer, a Council Member or to any consultant acting on the Council's behalf.

Every ITT shall state that no Tender shall be considered unless it is returned to the Procurement Manager in the envelope provided by the date and time specified in the ITT.

Tenderers shall be responsible for ensuring their Tender is physically received by the Council by the specified time and date ~ late Tenders cannot be considered for

evaluation or acceptance by the Council in any circumstances, even if the Tenderer asserts their Tender was placed in the post before the return date.

If late tenders are received then these must be retained and endorsed to that effect by the Procurement Manager who will then open them in the presence of the Project Officer. The Project Officer must advise the tenderer concerned that their Tender was received or delivered late to the Council thereby preventing its consideration, and inform them that, unless they require it to be returned to them, the Tender shall be destroyed by the Council after a period of 14 days.

There must be no name or mark on the Tender return envelope indicating the tenderer's identity, otherwise the Tender will be deemed to be invalid.

(c) Opening tenders

Tenders shall be kept secure by the Procurement Manager until they are ready to be opened.

All Tenders for a particular Contract shall be opened together at one time by the Procurement Manager in the presence of the Project Officer and at least one other Council officer of appropriate seniority.

Appropriate Council Members may attend the opening of Tenders on the Council's premises.

No other persons other than those herein specified shall be permitted to attend the opening of Tenders.

Details of all valid Tenders received, and the prices and other pertinent details connected therewith, shall be recorded in the register kept for that purpose by the Procurement Manager, and the register shall be signed by both the Procurement Manager, the Project Officer and all other attendee(s) present at Tender opening.

(d) Abnormally Low Tenders

Where the rates and price(s) submitted by one or more tenderers is prima facie abnormally low or otherwise unrealistic, the Procurement Manager shall ask the tenderers concerned in writing to clarify their Tender proposals within the parameters prescribed by Regulation 30(7) of the Public Contracts Regulations 2006 and shall, with the Project Officer, assess the merits or otherwise of the explanations given before making any recommendation as to approval or rejection of those Tenders as appropriate.

(e) Post Tender Dialogue

Subject to section 14, post Tender discussion with tenderers is only permitted for the purpose of:

- clarifying with a tenderer details of any errors of arithmetic discovered in their Tender in order that they may either confirm or withdraw the Tender or amend it in order to correct those errors; or
- clarifying or supplementing the content of a Tender or the requirements of the Council, and providing that this does not involve discrimination or unfairness to any other entity participating, or who participated, in the Tender exercise.

14 POST TENDER NEGOTIATIONS

The following provisions apply to negotiations with bidders for any Council Contract, and the consequential amendments to Tenders and Quotations, otherwise than in accordance with any formal process permitted by the Public Procurement Legislation.

The Project Officer may negotiate **with the bidder submitting the Most Financially Advantageous Offer** to obtain improvements in terms of price, delivery or content, but the Project Officer shall not alter the original specification unless the budget identified for the procurement is exceeded or the Monitoring Officer and the Section 151 Officer together consider other special circumstances exist, in which case all those persons who originally submitted a Tender for the Contract shall be given an opportunity to re-tender.

Negotiation after receipt of formal Tenders/Quotations and before the letting of a Contract shall not take place without the written authorisation of the relevant Head of Service (in relation to Contracts below £150,000) or the JPSG – Core Group (where the value of the Contract exceeds £150,000) and shall be undertaken in accordance with arrangements approved by the Monitoring Officer and the Section 151 Officer.

Amendments to Tenders and Quotations, once agreed, shall be put in writing and signed by the tenderer.

15 QUALIFIED SUBMISSIONS

Tenders or Quotations must not be qualified or accompanied by statements that might be construed as rendering them equivocal. Any bidder whose submission is found to contain a qualification which would give that organisation an unfair advantage over other participants in the competitive process must be asked either to withdraw the qualification or withdraw the bid. The Monitoring Officer's decision as to whether or not a submission is in an acceptable form will be final.

16 VARIANT BIDS

A variant bid is a modified or alternative Tender or Quotation. A bidder may submit a variant proposal in addition to one that conforms to the requirements of the original specification provided:

- express provision is made for this in the ITT/ITQ documentation and any notice or advertisement relating thereto;
- the variant bid is free of qualifications, states all cost implications, identifies all deviations from the project specification or brief and all risks and contingencies and nevertheless complies with the Council's minimum core requirements; and
- the Project Officer does not commit the Council to considering any such bid received.

If a variant bid is considered, it must be evaluated in accordance with the award criteria specified in the ITT or ITQ, and a tenderer may be awarded a Contract on the basis of a variant bid if this meets the Council's minimum core requirements.

17 WAIVERS

The Council does not have the power to waive the applicability of Public Procurement Legislation.

Subject to Public Procurement Legislation, therefore, and in particular to EU Procurement Law (see further section 6), the requirement to seek Tenders or Quotations may be waived as follows:

Value	Authority to Waive
Below £10,000	Head of Service

Above £10,000	Monitoring Officer and Section 151 Officer
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Exceptions where the rules can be waived are set out in Appendix 3.

18 e-PROCUREMENT

Wherever possible, procurement should be undertaken electronically, subject to the existence of appropriate and secure processes and systems.

LG Improvement and Development (formerly the IDeA) has produced guidance on the implementation of electronic tendering solutions, which can be found at <http://www.idea.gov.uk/idk/core/page.do?pagelId=82667> and <http://www.idea.gov.uk/idk/aio/70859>.

This guidance sets out some of the benefits which can be achieved for both public authorities and suppliers from the effective use of electronic tendering (e-tendering) in public procurement. It also offers guidance on implementing e-tendering solutions.

19 COUNCIL TERMS OF CONTRACT

Wherever practicable, model forms of Contract developed or approved for use by the Council must be used as the basis for contracting with any entity to whom is awarded a Contract by the Council.

Where Quotations are to be invited (see [section 10a](#)) and a model Contract is not readily available, and nor has one been prepared by the Head of Law and Governance specifically for use in connection with the relevant procurement, then any Contract entered into by the Council shall be placed on a Council Purchase Order or otherwise approved by the Head of Law and Governance.

Where Tenders are to be invited (see [section 10a](#)) and a model Contract is not readily available, or the Project Officer considers the relevant model is not appropriate given the nature, value and/or complexity of the Works, Supplies or Services wishing to be acquired, then such a Contract shall be in a form prepared and/or approved by the Head of Law and Governance.

20 EXECUTION OF CONTRACTS

Every Contract which exceeds £150,000 in value or amount shall be executed under seal.

Every Contract below £150,000 in value or amount may be executed under seal or may be signed on behalf of the Council by a signatory authorised to do so by the Council's constitution.

21 CONTRACT COMMENCEMENT

As a general rule, the Project Officer shall not authorise performance of any Contract, nor raise any Purchase Order in connection with it, unless and until all of the documents comprising the Contract have been executed by all of the parties to it, unless the Purchase Order itself comprises the Contract (see [section 19](#)).

However, where there are exceptional circumstances requiring a successful tenderer to commence performance of a Contract prior to its execution as a matter of urgency (to avoid delay and increased costs on the Contract), the Project Officer must satisfy the Monitoring Officer and the Section 151 Officer before authorising such commencement that:

- the contractor has confirmed in writing its unequivocal commitment to:

- perform the Contract in accordance with the established terms, and
- execute the document comprising those terms when it is available and to indemnify the Council against any breach of such undertakings;
- any performance bond or parent company guarantee required under the terms of the Contract has been received from the contractor's surety or parent company or the surety or parent company has written to the Project Officer confirming the relevant organisation's agreement to be bound by the terms of such performance bond or parent company guarantee from the date of such communication;
- a certificate of insurance has been received from the contractor's insurers to confirm all requisite insurance cover is in place; and
- the Head of Finance and Procurement has undertaken appropriate financial checks on the contractor to establish its financial capability to undertake the Contract.

22 RECORD RETENTION

All Contracts executed under seal (including the winning Tender and any documentation supplementary thereto) shall be held by the Head of Law and Governance for safe keeping.

All other procurement documentation, including all expressions of interest, Pre-qualification Questionnaires, ITTs, unsuccessful Tenders, Quotations and Contracts executed under hand, shall be held by the relevant Head of Service in accordance with any relevant records management and/or records retention policy adopted by the Council.

For the avoidance of doubt, all unsuccessful Tenders and Quotations and any documentation ancillary thereto shall be kept safe and secure by the relevant Head of Service for a period of 12 months from the date of Contract award whereupon such documents shall be destroyed.

23 CONTRACTS REGISTER

The Contracts Register comprises a corporate record of all "live" Contracts over £10,000 entered into by the Council.

Compilation of a Contracts Register satisfies a key component of the Government's transparency agenda and conforms with its Code on Data Transparency.

Accordingly, all Heads of Service **must** ensure that details of all the Contracts in their service area over £10,000 are entered **promptly** and **accurately** on the Register.

24 CONTRACT ASSIGNMENTS/ NOVATION

There may be occasions when the contractor to whom an award of Contract was originally made gives notice to the Council that it has transferred responsibility for performance of the Contract to another organisation. Alternatively, that other organisation may give notice to the Council that it has taken on the responsibility for the Contract from the original contractor. Or the Council may itself wish to transfer any responsibilities it may have under a Contract to another organisation. In any such circumstances, the Project Officer must seek assurance from the Head of Law and Governance on whether the transfer (i) is compatible with EU Procurement Law (ii) is otherwise permitted under the terms of the relevant Contract and, if so, (iii) the binding documentation needed to formalise the proposed arrangement; and must also arrange for the Head of Finance and Procurement to undertake (in relation to Contracts transferred by an existing contractor) appropriate financial checks on the new contractor to establish its financial capability to undertake the Contract.

25 PARTNERSHIPS AND PARTNERING

Whilst the CPR does not apply to the creation of any Partnership, the CPR will apply to:

- the creation of any other type of collaborative working arrangement which the Council does not define as a Partnership within the meaning set out in the CPR but which may nevertheless embody an ethos of partnership by, for example, the sharing of risk and/or open book accounting; and
- the procurement of any Works, Supplies or Services arising out of or connected with any Partnership with which the Council is involved or such other collaborative working arrangement.

Where the Council is acting jointly with another public body for the procurement of Works, Supplies and/or Services the procurement rules and procedures of the lead organisation effecting that procurement (where that is not the Council) shall apply rather than the CPR. The lead organisation must accordingly confirm that it does have relevant procurement procedure rules that are commensurate with the CPR and that it will ensure these are adhered to. Any such Contract awarded by such lead organisation must however be ratified by the Council in accordance with [section 10\(f\)](#).

26 CREATION OF APPROVED SUPPLIER LISTS BY THE COUNCIL

Any Approved Supplier List to be established by the Council for specified categories, values or amounts of Supplies, Services or Work shall be compiled in the following manner:

- The Project Officer shall liaise with the Procurement Manager in seeking to establish any Approved Supplier List;
- Notices inviting applications for inclusion in the Approved Supplier List shall be published not less than 28 days before the Approved Supplier List is compiled in at least one local newspaper and one trade journal and/or approved website; and
- The Approved Supplier List shall be reviewed at yearly intervals by the Procurement Manager and the Head of Service responsible for its compilation and maintenance.

27 CONTRACT VARIATIONS

Any variation to a concluded Contract for Works, Supplies or Services (including an extension to the length of any such Contract or a replacement of the original contractor) (**‘the Variation’**) is only permissible if the Variation:

- demonstrably represents Value For Money or is otherwise in the Council’s best interest to progress, and
- can be funded from an approved budget, and
- entails no diminution in any Social Value identified at the commencement of the Contract, and
- does not affect a Service in relation to which an expression of interest has been received under the Right to Challenge which either remains to be considered by the Council or which the Relevant Body does not intend to revive, and

either the Variation **is not substantial** because it:

- is evidenced in writing and authorised in accordance with a clear, precise and unequivocal review clause or option of sufficient specificity set out in the Contract as originally agreed, or
- does not exceed in value the [EU Procurement Thresholds](#) and is below 5% of the price of the original Contract, or
- is intended to give effect to a universal or partial succession to the position of the original contractor following corporate restructuring or insolvency

or the Variation is substantial but it:

- arises from circumstances which the Council acting diligently could not foresee, and
- does not alter its overall nature or scope, and
- does not increase the price by more than 50% of the value of the original Contract.

Any variation outwith these requirements shall fall to be considered and approved by the Monitoring Officer and the Section 151 Officer.

28 CONTRACT MANAGEMENT

Heads of Service shall be responsible for the management of all Contracts within their service area (and, for the purpose of this and the following paragraphs in section 28, "Contract" shall include all and any collaborative working arrangements of the type described in section 25).

Contract management is the active monitoring and control of all aspects of the relationship between a contractor and the Council, the aim of which is to ensure the effective delivery of the Works, Supplies and/or Services the subject of the Contract to the agreed price and standard and which is consistent with all legal requirements and financial propriety.

For Contracts within their service area exceeding **£100,000** in value or amount (including any such Contract let in connection with a Partnership with which the Council is involved, whether or not the Council let that Contract) Heads of Service shall produce a report to the Procurement Manager at the end of each financial year documenting:

- the quality of any Supplies or Service provided under any such Contract;
- any problems, issues or disputes (whether in relation to non-performance or otherwise) that arose or which have arisen in respect of any such Contract during the previous financial year;
- whether the contractor has performed the Contract on time and within budget, giving reasons for any delays or cost overruns;
- whether any Social Value perceived at the outset of the procurement has been realised;
- any variations and/or changes to the Contract effected during the previous financial year; and
- where appropriate, proposals for managing the end of the Contract.

Such report shall be considered by the Head of Law and Governance and the Head of Finance and Procurement who may make appropriate recommendations on the subject matter of or matters arising from such report.

The Project Officer shall have day to day responsibility for the administration of a particular Contract.

A résumé of the roles and responsibilities of Project Officers, Heads of Service and Directors is set out in Appendix 2.

29 TERMINATION

No dispute shall be settled, and no Contract shall be cancelled, without the advice of the Head of Law and Governance and the Head of Finance and Procurement having first been sought as to the legality of any such step and the financial implications arising therefrom.

DISPOSAL OF ASSETS

30 PROCEDURE FOR THE DISPOSAL OF COUNCIL ASSETS

Where the estimated value of an asset is **£50,000** or more, or where the full Council or Cabinet so determines, disposal of that asset shall, unless a valuer with relevant qualifications has certified that an alternative method of disposal would better achieve the Council's aims and objectives, be conducted in one of the following ways using approved agents if appropriate:-

- **Sale by Tender**

- **Ad-hoc Tenders** - At least 14 days notice to be given in such local newspapers circulating in the Council's area and/or in such national journals as the relevant Head of Service considers desirable stating the nature of the asset and inviting tenders for its purchase and stating the last date when tenders will be accepted; or
- **Approved List** - Public notice to be given in respect of a particular transaction in the manner described in Rule 4.1.1 above inviting applications from interested persons to be placed on a list to be approved by the full Council or Cabinet from which prospective purchasers shall be selected and invited to submit tenders.

- **Sale at a Named Figure**

An assessment of the value of the asset shall be made by a valuer with relevant qualifications. The relevant Head of Service shall issue particulars of the asset and the price to all enquiring persons. Details of the asset shall be publicly advertised on at least one occasion and, in the case of land or property, a sign board erected upon the site.

- **Invited Offers**

The asset shall be advertised in accordance with the rules for Sale by Tender but no figure shall be placed in the particulars and interested parties shall be asked to make offers for consideration by the Council. In order to give guidance to prospective purchasers a minimum figure may be quoted where appropriate.

- **Sale by Public Auction**

Properly qualified and experienced auctioneers shall be commissioned to act on behalf of the Council in offering for sale by auction assets in the Council's ownership.

COMPLIANCE

31 STANDARDS OF CONDUCT AND OBSERVANCE OF RULES

All employees involved in the award or the potential award of any Contract or the disposal or potential disposal of any asset shall:

- act with integrity and honesty; and
- exercise all fairness and impartiality; and
- comply with these Contract Procedure Rules; and
- respect the Officer's Code of Conduct; and
- observe any policy adopted by the Council on measures to combat bribery and corruption

and shall report instances of suspected fraud and other irregular activity connected with such award or disposal under any whistleblowing policy adopted by the Council.

ANY MANIFEST OR MATERIAL DEPARTURE FROM THESE RULES OR THE OFFICER'S CODE OF CONDUCT OR ADOPTED ANTI-BRIBERY POLICY IS A DISCIPLINARY OFFENCE.

PROCUREMENT STEERING GROUP

TERMS OF REFERENCE

1. INTRODUCTION

1.1 **JPSG** means the Procurement Steering Group comprising a **Core Group** of:

- The Section 151 Officer (as Chair)
- The Monitoring Officer
- The Head of Finance and Procurement (unless represented as Section 151 Officer)

or their nominees, and a **Strategy Group** comprising:

- The Chief Executive
- The JPSG - Core Group and
- Heads of Service invited from those who have undertaken substantial procurement activity over the period since the last Strategy Group meeting.
- The relevant Council Member(s) responsible for procurement (to be invited as appropriate and at least annually) and
- Such other Council Members as any of the Core Group may invite on a case by case basis

or their nominees.

1.2 The JPSG – Core Group may transact its business electronically.

The JPSG – Strategy Group shall meet quarterly. It may otherwise transact its business electronically.

2. TERMS OF REFERENCE OF THE JPSG

2.1 The function of the JPSG – Core Group is to:

- Consider and, if appropriate, authorise the undertaking of any procurement between £150,000 and £500,000 in estimated value or amount, and
- Consider and, if appropriate, approve the award of all Contracts between £150,000 and £500,000 in value or amount.

2.2 The function of the JPSG – Strategy Group is to:

- Perform a strategic and scrutiny role in relation to the Council's commissioning programme and all matters relating to the Council's contracting policy,
- Provide a forum for Project Officers to discuss policy development, seek strategic advice and raise questions, issues and problems with Contract policy,
- Define and spread best-practice as it relates to contracting and Contract management and monitoring,
- Provide advice to Officers as appropriate on contracting issues, and
- Advise Members and the Chief Executive on the need for any revision to the CPR, including changes to financial thresholds.

3. PROCEDURES FOR THE JPSG

- 3.1 The JPSG – Core Group and the JPSG – Strategy Group shall both be chaired by the Monitoring Officer or his/her nominee.
- 3.2 The Procurement Manager shall convene all meetings of the JPSG – Core Group and the JPSG – Strategy Group, and at least two working days before such meeting the Procurement Manager shall send to every member an agenda and copies of all reports.
- 3.3 Members of the JPSG – Core Group and the JPSG – Strategy Group, or their nominees, shall attend any meeting of them when requested to do so.
- 3.4 Minutes shall be made by the Procurement Manager of the proceedings of the JPSG – Core Group and the JPSG – Strategy Group.
- 3.5 Any business of the JPSG – Core Group and the JPSG – Strategy Group may be transacted electronically.

4. PERSONNEL, PROPERTY AND INFORMATION TECHNOLOGY MATTERS

- 4.1 Every report to the JPSG – Core Group which has information technology implications shall be referred to the Head of Finance and Procurement before the report is considered.
- 4.2 Every report to the JPSG – Core Group which has staffing implications shall be referred to the Head of Transformation before the report is considered.
- 4.3 Every report to the JPSG – Core Group which has land and property implications shall be referred to the Head of Regeneration and Housing before the report is considered.

ROLES AND RESPONSIBILITIES

Directors:

- Oversee procurement activity within their Directorate and;
- Ensure the requirements of the CPR are upheld at all times.

Heads of Service

- Ensure there is sufficient budget available for the Works, Supplies and/or Services to be acquired by their Project Officer;
- Ensure that the procurement proceeds in all respects in conformity with the CPR;
- Authorise procurement projects and Contract awards affecting their service with a value below £150,000 (excepting any such project authorisations or Contract awards as may arise from the Right to Challenge, which shall fall to be made by the Council's Executive or Cabinet, as appropriate);
- Respond to expressions of interest received under the Right to Challenge, and issue relevant notifications as appropriate;
- Report to the Executive or Cabinet as appropriate seeking recommendation to approve, reject or modify any expression of interest received under the Right to Challenge;
- Record on the Council's Contracts Register the detail of all Contracts exceeding £10,000 that are awarded in connection with their service area;
- Manage all Contracts within their service area;
- Waive the call for competition (in accordance with the procedure prescribed in [section 17](#)) in relation to procurements below £10,000;
- Produce yearly Contract management reports to the Procurement Manager in accordance with [section 28](#);
- Sign Contracts below £100,000 on the Council's behalf; and
- Review, in conjunction with the Procurement Manager, any Approved Supplier List created by the Council for their service area under [section 26](#).

Project Officers

- Plan and co-ordinate specific procurement projects;
- Obtain all necessary authorisations (whether from their Head of Service, the JPSG – Core Group, Cabinet or Executive, as the case may be) prior to progressing any stage of a procurement project;
- Draw up or revise Contract specifications;
- Ensure the Contract forms chosen for use in connection with the procurement are fit for their intended purpose;
- Collate and assemble all tender documentation;
- Preserve the confidentiality inherent in any competitive process, particularly in relation to tender evaluation reports, working papers and minutes of meetings;
- Undertake competitive processes, particularly bid evaluations, in such a way as to ensure all bidders are treated fairly and equally;
- Prepare reports to Cabinet or Executive (as the case may be), the JPSG – Core Group, the JPSG – Strategy Group or Service Heads as appropriate;
- Ensure all necessary permissions are concluded before their Contract begins;
- Administer and monitor their Contracts on a day to day basis to ensure compliance with the specified standards;
- Ensure from time to time that information held on the Contracts Register is fully up-to-date; and

- Manage and maintain any Approved Supplier List created by the Council for their service area in conjunction with the Procurement Manager.

GROUNDS ON WHICH COMPETITION CAN BE WAIVED

1. The rules respecting the requirement to run a competition for Works, Supplies or Services in this CPR may be waived, and a Contract may be awarded directly to a contractor, supplier or service provider (as the case may be) of such Works, Supplies or Services without competition, in any of the specific cases and circumstances laid down in paragraphs (2) to (5) of this Appendix 3. In any other cases, the use of this procedure is not allowed.

2. A competition may be waived for the award of a Contract for Works, Supplies or Services in any of the following cases:

- (a) where no bid or no suitable bid or no requests to participate or no suitable requests for participation have been submitted in response to an open or a restricted competition, provided that the initial conditions of the Contract are not substantially altered.

A bid shall be considered not to be suitable where it is irrelevant to the Contract, being incapable, without substantial changes, of meeting the Council's needs and requirements as specified in the procurement documents.

A request for participation shall be considered not to be suitable where the contractor, supplier or service provider concerned shall or may be excluded pursuant to [Regulation 23 of the Public Contracts Regulations 2006](#) or does not meet the selection criteria for participation set out by the Council;

- (b) where the Works, Supplies or Services can be supplied only by a particular contractor, supplier or service provider for any of the following reasons:

(i) the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance;

(ii) competition is absent for technical reasons;

(iii) the protection of exclusive rights, including intellectual property rights;

The exceptions set out in points (ii) and (iii) only apply when no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement;

- (c) insofar as is strictly necessary for reasons of extreme emergency brought about by events unforeseeable by, and not attributable to, the Council acting diligently.

3. A competition may be waived for the award of a Contract for Supplies:

- (a) where the products involved are manufactured purely for the purpose of research, experimentation, study or development; however, any Contract awarded pursuant to this provision shall not include quantity production to establish commercial viability or to recover research and development costs;

- (b) for additional deliveries by the original supplier which are intended either as a partial replacement of supplies or installations or as the extension of existing supplies or installations where a change of supplier would oblige the Council to acquire supplies having different technical characteristics which would result in incompatibility or disproportionate technical difficulties in operation and

maintenance; the duration of any such Contract as well as that of recurrent contracts shall not, as a general rule, exceed three years;

- (c) for supplies quoted and purchased on a commodity market;
 - (d) for the purchase of supplies on particularly advantageous terms, from either a supplier which is definitively winding up its business activities, or the liquidator in an insolvency procedure, an arrangement with creditors, or a similar procedure under national laws or regulations.
4. A competition may be waived for the award of a Contract for Services where the Contract concerned follows a design contest organised in accordance with EU Procurement Law and is to be awarded, under the applicable rules, to the winner or one of the winners of the design contest; in the latter case, all winners must be invited to participate in the negotiations.
5. A competition may be waived in connection with the procurement of new Works or Services consisting in the repetition of similar Works or Services entrusted to the contractor or service provider to which the Council awarded the original Contract, provided that such new Works or Services are in conformity with a basic project for which the original Contract was awarded. The basic project shall indicate the extent of possible additional Works or Services and the conditions under which they will be awarded.

As soon as the first project is put up for competition, the possible use of this procedure shall be disclosed and the total estimated cost of subsequent Works or Services shall be taken into consideration by the Council when calculating the total cost of a procurement in accordance with section 5 of the CPR.

This procedure may be used only during the three years following the conclusion of the original Contract.