

Contract Procedure Rules

Cabinet Member for Regulatory, Housing & Health

Cabinet Member for Finance, Procurement and Revenues & Benefits



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Agenda Item: 16
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Key Decision? No
Local Ward Full Council
Members

Council

1. Executive Summary

- 1.1 Lichfield District Council's Contract Procedure Rules set out the contract and procurement governance arrangements for the Council. They contain the various activities needed in order to establish compliant contracting arrangements and articulate the increasing number of legal, regulatory and governance requirements in a single document to assist users.
- 1.2 The Contract Procedure Rules form part of the Council's Constitution. They apply to every Member and Officer of the Council, and to anyone acting on the Council's behalf.
- 1.3 The Contract Procedure Rules haven't been updated for a number of years and in the intervening years the Council has seen changes itself, there have been updates in relation to procurement and contracting regulations and an in-house Procurement Team has been established.
- 1.4 The Procurement Strategy was approved by Cabinet on 1 December 2020 and the primary focus is on sustainable procurement. The overarching aim is to deliver the Council's Strategic objectives and best value through a straightforward, professional and focussed approach to procurement.
- 1.5 The Procurement Strategy and its related Action Plan therefore included a task to ensure the procurement elements of the Contract Procedure Rules remain fit for purpose. It was therefore considered that now was an appropriate time for a thorough review of the Rules. A revised set of Contract Procedure Rules can be found at **Appendix A**.

2. Recommendations

- Council approves the revised Contract Procedure Rules shown at **Appendix A** for inclusion in the Constitution.

3. Background

What are the Contract Procedure Rules and why are they important?

- 3.1. The Contract Procedure Rules (CPRs) form part of the governance arrangements of the Council and are the rules set by the Council to regulate its internal procedures for the conduct of procurement and contracting activities.
- 3.2. It is vital that procurement and contracting activities are undertaken to ensure that the Council is meeting its legislative obligations as well as delivery value for money outcomes. The purpose of the CPRs is to ensure that all procurement and contracting activities are undertaken in line with legislation and best practice.
- 3.3. The CPRs are in place to protect both the interests of the Council and all those who are involved with carrying out procurement and contracting administration.
- 3.4. The CPRs therefore set out the procedures for procurement and contracting activity within the Council. They include:
 - When they must be applied
 - Pre-Procurement activities
 - Procurement pathways
 - Contract award activities
 - Scheme of delegation
 - Public Contract Regulations 2015 compliance
- 3.5. The CPRs, attached at **Appendix A**, are based on a best practice version as suggested by Chartered Institute of Public Finance and Accountancy (CIPFA) which has then been reviewed and updated to reflect the needs of the Council and recent guidance from central government.
- 3.6. The CPRs should not be seen in isolation, but rather as part of the overall regulatory framework of the Council as set out in the Constitution. They will underpin and complement the directorate procedures.

Who do the Contract Procedure Rules apply to?

- 3.7. CPRs apply to everyone involved in undertaking procurement and contracting activities on behalf of the Council. This includes all employees who procure goods, services or works on behalf of the Council or other bodies where the Council is the lead or accountable body, including the Joint Waste Service with Tamworth Borough Council and the Southern Staffordshire Building Control Partnership whereby Lichfield acts as the lead council.
- 3.8. All Members and Officers have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
- 3.9. The current CPRs fall under the responsibility of the Head of Governance and Performance (Monitoring Officer). With the presence of the in-house Procurement Team reporting into the Head of Finance & Procurement (S151 Officer), the new CRPs have been drafted to move this responsibility to the Head of Finance & Procurement (S151 Officer) to reflect these reporting lines.
- 3.10. The Head of Finance & Procurement (S151 Officer) will be responsible for reporting, where appropriate, any breaches of the new CPRs. Any ambiguity arising from the interpretation of these Rules shall be settled by the Head of Finance & Procurement (S151 Officer) in the first instance and then the Monitoring Officer if required.
- 3.11. There is a waiver or exception process that can be followed where it is not practicable to adhere to CPRs. However, the waiver or exception cannot be applied to procurements likely to exceed the Public Contract Regulations 2015 thresholds or would place the Council in breach of the law with respect to procurement. The Head of Finance & Procurement (S151 Officer) will report on waivers granted under the new CPRs on an annual basis.

Contract Procedure Rules Review Process

3.12. The Procurement Strategy was approved by Cabinet on 1 December 2020 and the primary focus is on sustainable procurement. The overarching aim is to deliver the Council's Strategic objectives and best value through a straightforward, professional and focussed approach to procurement:

- **Straightforward:** to eliminate unnecessary burdens arising from the procurement and to make procurement and payment processes more effective through e-procurement;
- **Professional:** to ensure procurement and contract management skills are well embedded and distributed across the Council.
- **Focused:** to use sound procurement practices and innovative procurement solutions to promote sustainability and best practice, in particular supporting the best use of resources agenda and making use of collaboration and partnership opportunities.

3.13. The Procurement Strategy and its related Action Plan therefore included a task to ensure the procurement elements of the Contract Procedure Rules remain fit for purpose.

3.14. The timing is also significant in that the Finance Procedure Rules have also recently undergone a thorough review.

3.15. For the review of the Contract Procure Rules the following process took place:

- An update of any administrative changes, for instance removal of references to Directors
- Consultation with officers:
 - Monitoring Officer
 - Leadership Team
 - Principal Auditor
 - Governance Manager
 - Governance Officer
 - Insurance Manager
 - Health & Safety Manager
 - Selection of Officers who have been involved in procurement activities in the past 6 months

Summary of Changes

3.16. **Thresholds** - the new CPRs change the thresholds at which different procurement activities are undertaken as well as the inclusion of additional objectives which need to be considered. These changes in particular support the aim of eliminating unnecessary burdens as well as using sound procurement practices.

3.17. Analysis from spend data in 2019/2020 shows that 91% of purchase orders raised were for below £10,000 which represented 23% of total spend. By amending the minimum procurement activity to be undertaken at this level we will reduce the burden on Officers whilst still achieving value for money purchases. **Appendix B** details this analysis further.

3.18. A summary is provided below:

Current CPRs		New Proposed CPRs	
Under £1,000	Use FWA or Best Value	Under £1,000	Seek Value for Money
£1,000 - £75,000	Use FWA or 3 quotations	£1,000 - £9,999	2 quotations or use of other approaches as listed
£1,000 - £75,000	Use FWA or 3 quotations	£10,000 - £74,999	Corporate Contact > FWA/DPS > RFQ Process
£75,000 – PCR2015 Thresholds	Use FWA or 3 Tenders	£75,000 – PCR2015 Thresholds	Corporate Contact > FWA/DPS > ITT Process
Above PCR2015 Thresholds	PCR2015 Procedures	Above PCR2015 Thresholds	Corporate Contact > FWA/DPS > PCR2015 Procedures

Key:

FWA – Framework Agreement (an overarching contractual arrangement established by a third-party such as Crown Commercial Services or Eastern Shires Purchasing Organisation that can be used by the Council to establish its own contract.

DPS – Dynamic Purchasing System (similar to a FWA but new suppliers can join the DPS during its term)

3.19. **Advertising** – the new CPRs include the move towards advertising opportunities where we are running our own procurement activity (such as an RFQ or ITT process). This will open up opportunities to a wider supplier base – including locally based suppliers in line with our Procurement Strategy aim of improving “the visibility of procurement opportunities and improve engagement with local suppliers”.

3.20. **Administration** – the new CPRs introduce clear administrative pathways including a Procurement Initial Plan (used at pre-procurement stage) and detailed approval pathways (used at pre-procurement and contract award stages) to ensure that all relevant aspects of the CPRs and Procurement Strategy are being met. The Procurement Strategy Action Plan includes the development and publication of a fully populated forward looking procurement plan.

Future Policies

3.21. In line with the Procurement Strategy Action Plan task to recognised and embed social value and developing environmental sustainability criteria, the new CPRs include references to a number of policies that have yet to be completed:

- Social Value Policy – including training, skills, education, local supply chains etc.
- Sustainable Procurement Policy – including climate change and environmentally responsible sourcing
- Think Local Policy – including encouraging locally based suppliers to engage in procurement activities

These will be part of the work carried out by the Member Task Group in winter 2021. Once they have been approved, the CPRs will be updated and communications shared with Officers.

Training & Communication

3.22. In line with the Procurement Strategy Action Plan task of enhancing procurement knowledge across the Council, a training and communication plan will be developed in order to ensure that when the new CPRs come into force, Officers are best placed to understand and work in accordance with them and the Procurement Team.

Date for Incorporation into the Constitution

3.23. To enable the above training and communication work to be undertaken it is planned that the new CPRs will come into force no earlier than 1st January 2022.

Alternative Options	Maintain the current version of the Contract Procedures Rules – this would leave the Council at risk of non-compliance to regulations and best practice updates
Consultation	<p>Consultation has taken place with appropriate Officers within the Council and feedback taken into consideration in the final draft CPRs.</p> <p>The Audit & Member Standards Committee (22/09/2021) have reviewed the proposed new CPRs at Appendix A and their feedback has been taken into consideration and the following changes made:</p> <p>D5.8 – insertion of direction to not deliberately underestimate the potential value of a contract in order to use a different Procurement Pathway added</p> <p>D19.1 – reference to the Sustainability Procurement Policy not having been developed yet included</p> <p>Appendix 5 – inclusion of reference than an annual report on the waivers issued will be brought to the Audit & Member Standards Committee on an annual basis (as is the current practice) by the S151 Officer.</p>
Financial Implications	The updated Contract Procedure Rules include a number of updates that will help support the letting of contracts that meet value for money objectives as well as other priorities such as social value, sustainability and using local suppliers. The move towards a planned procurement approach will enable opportunities to obtain cashable and non-cashable savings.
Approved by Section 151 Officer	Yes
Legal Implications	The new Contract Procedure Rules will enable the Council to act in line with current legislation and best practice.
Approved by Monitoring Officer	Yes
Contribution to the Delivery of the Strategic Plan	An up to date set of Contract Procedure Rules will enable us to target our resources to the priorities set out in the Strategic Plan 2020-24.
Equality, Diversity and Human Rights Implications	The new Contract Procedure Rules include reference to the Council’s Modern Slavery and Human Trafficking Statement as well as how to ensure our suppliers are working in line with the Modern Slavery Act.
Crime & Safety Issues	There are no Crime and Community Safety Issues.

Environmental Impact	The new Contract Procedure Rules include reference to the Council's future Sustainable Procurement Policy.
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GDPR/Privacy Impact Assessment	There are no specific implications.
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	<p>The Council does not have in place an approved set of Contract Procedure Rules that have been created in line with best practice or updated to reflect legislative changes.</p> <p>Head of Finance & Procurement (S151 Officer)</p>	<p>Likelihood: Red Impact: Yellow Severity: Red</p>	<p>The Procurement Manger has produced a set of Contract Procedure Rules based on best practice and these form part of the Council's Constitution. These have been reviewed and updated to reflect current needs of Governance and Internal Control Processes, for approval by this Committee and then by Full Council.</p>	<p>Likelihood: Green Impact: Green Severity: Green</p>
B	<p>The Council is at risk of legal challenge relating to procurement and contracting activity.</p> <p>Head of Finance & Procurement (S151 Officer)</p>	<p>Likelihood: Yellow Impact: Red Severity: Red</p>	<p>The Procurement Manger has produced a set of Contract Procedure Rules based on best practice and these form part of the Council's Constitution. These have been reviewed and updated to reflect current needs of Governance and Internal Control Processes, for approval by this Committee and then by Full Council.</p>	<p>Likelihood: Green Impact: Red Severity: Yellow</p>

Background documents	Contract Procedure Rules (current version)
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Relevant web links	
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Lichfield District Council Contract Procedure Rules

Version Control			
Version	Author	Date	Changes
8.2	Clair Johnson	24/09/2021	Updated following A&MS Committee review; changes to D5.8, D19.1 and Appendix 5 (5.1) made. D15.3/15.4 updated in relation to Safeguarding and DPO.

Document Control			
Title	Contract Procedures Rules	Author	Clair Johnson (Procurement Manager)
Version	TBC	Document Status	TBC
Date Approved	TBC	Approved By	TBC
Superseded Version	TBC	Date of Next Review	TBC

Notes to the Reader:

- This document includes an active Table of Contents – by pressing the CTRL button on your keyboard and clicking on a heading you will be taken to that page automatically.
- This document includes cross-references (in [blue](#)) that will take you to specific sections of the document.
- Words with capital letters have definitions included within the glossary at the start of the document.
- This document includes reference to a small number of policies that are currently under development and as such may not have been formally approved by the time these Contract Procedure Rules (CPRs) are approved. Once they have been formally approved these CPRs will be updated and the policies shared with Officers via the Council's Intranet (Brian). Until they have been approved they are not applicable.

<INSERT DATE OF PUBLICATION>

DRAFT

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GLOSSARY

Appendices	The appendices to these Contract Procedure Rules (CPRs).
Approval Pathways	The approval pathways set out at Appendix 1 Approval Pathways .
Area	The administrative area of Lichfield District Council.
Best Value	The Council's duty to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness in accordance with section 3(1) of the Local Government Act 1999 and associated statutory guidance. Synonymous with Value for Money.
Brian Council's Intranet	The Council's intranet website accessible to employees and Council Members.
Cabinet Member	A Council Member who is part of the Cabinet.
Conflict of Interest	A set of circumstances that creates a risk that an individual's ability to apply judgement or act in one role is, or could be, impaired or influenced by a secondary interest.
Contract	An agreement to supply goods/services/works formed when there is an offer by one party and an acceptance of that offer by a second party.
Contract Award Notice	A notice submitted to Contracts Finder or the FTS service to advise interested parties that a Contract has been awarded by the buyer to a named supplier(s).
Contract Notice	A notice submitted to Contracts Finder or the FTS service to advise interested parties of the intention of the buyer to go to market to buy goods/services/works.
Contract Register	The Council's repository for all its current Contracts located in the Council's e-tendering system and published on the Website.
Contracts Finder	The UK Government's website which is used to place notices relating to early engagement, opportunities and contract awards in line with the Regulations.
Corporate Contract	The Council will, at any one time, have a number of Contracts in place that can be used by all departments to provide a variety of goods, services and works. For example, stationery and office supplies, scanning services, window cleaning etc. You can find a list of these on the Contract Register or by checking with the Procurement Team. You MUST speak to the relevant contract manager for the Corporate Contract before using it to make sure you follow the correct process and the overall spend through the Contract does not breach any thresholds.
Council	Lichfield District Council.

Council Members	The elected councillors who sit on Full Council.
CPRs	These Contract Procedure Rules (including the Appendices).
Dynamic Purchasing System (DPS)	This is similar to a Framework Agreement in that it establishes an agreement with a number of suppliers attached; in contrast to a Framework Agreement it remains open during the term for any supplier to join that meets minimum requirements.
EIR	Environmental Information Regulations 2004.
Financial Procedure Rules	The Council's Financial Procedure Rules, found at Part 4 of the Constitution.
Find A Tender Service (FTS)	The UK Government's website which is used to place notices relating to early engagement, opportunities and contract awards in line with the Regulations. The FTS Service replaced the OJEU service for publishing notices in connection with above PCR2015 Threshold procurement activities.
FOIA	The Freedom of Information Act 2000.
Forward Plan	A list of council decisions for forthcoming months which can be found on the public website.
Framework Agreement	An 'umbrella' agreement that sets out the prices, service levels, and terms and conditions for subsequent call-off orders. See section C5 for further details.
Future Procurement Plan	The Council's published list of future procurement activities found on the Website. The intention is to highlight to potential suppliers forthcoming opportunities. This is a statutory requirement under the Local Government Transparency Code.
General Principles	The General Principles set out at section A2 .
Invitation to Tender (ITT)	The invitation to tender is a set of documents provided to suppliers against which they provide a Tender Submission.
Light Touch Regime (LTR)	The Light-Touch Regime is a specific set of rules for the procurement of certain services that tend to be of lower interest to cross-border providers. It includes certain social, health and education services. The list of services to which LTR applies is covered in section C4 .
Local Locally	Within the Area.
Local Authority Controlled Company	Where a contracting authority sets up a separate legal entity and then awards contracts to that legal entity.
Most Economically	Awarding a Contract for goods/services/works based on a combination of overall cost and quality elements, not just cost alone.

Advantageous Tender (MEAT)	
Officer	Employee of the Council.
PCR2015 Threshold(s)	The financial thresholds detailed within the PCR2015 Regulations and updated from time to time by the Government. See Appendix 3 Procurement Thresholds & Timescales for further details.
Quote Quotation	The response to a request for quotation or a Request for Quotation.
Regulations	The Public Contract Regulations 2015 as updated by the Public Procurement (EU Exit) Regulations 2020 and any other related amendments.
Request for Quotation (RFQ)	A formal procedure to request pricing and/or quality bid from a supplier for goods, services or works below £75,000. Similar to an Invitation to Tender but in a shorter format.
Residents	Means residents of the Area.
Selection Questionnaire (SQ)	A questionnaire used in certain procurement procedures which allows the Council to shortlist the number of suppliers to be invited to tender. Above the PCR2015 Threshold this MUST reflect the Cabinet Office standard Selection Questionnaire and associated guidance. A Selection Questionnaire is NOT permitted for procurement activities valued between £25,000 and the Goods/Services PCR2015 Threshold (see section E4 for further details). Previously this was known as a pre-qualification questionnaire.
Social Value	Described in the Social Value Act as improvements to the economic, social and/or environmental well-being of the Area. The benefits sought could be in the form of social benefits (for example reducing anti-social behaviour), economic benefits (for example increasing local employment), or environmental benefits (for example reducing local congestion).
Social Value Act	The Public Services (Social Value) Act 2012, which requires the Council to consider, pre-procurement, how what it procures might improve the economic, social and environmental well-being of the Area, and how best to use the procurement process to secure that improvement. There is also a duty to consider whether to undertake any consultation in making its decisions.
Standstill Period	A Mandatory 10-day period which MUST be applied to above PCR2015 Threshold procurement activities between the notification to suppliers of the decision to award the Contract and the date of signing/entering into the Contract. The period is intended to give unsuccessful tenderers the opportunity to challenge the award if they wish. The period is longer if notifications are not sent electronically.

Submission	A Tender Submission, Quote or Quotation.
Tender Submission	The response provided by a supplier in relation to an Invitation to Tender.
Think Local¹	The Council's policy to encourage the engagement of Local suppliers in procurement activities.
Third-Party Framework Agreement	An 'umbrella' agreement that sets out the prices, service levels, and terms and conditions for subsequent call-off orders that has been established by a third party organisation such as CCS, ESPO, YPO and is accessible to other public sector bodies to use.
TUPE	The Transfer of Undertakings (Protection of Employment) Regulations 2006. Legislation which protects employment rights of those whose job will be transferred to a new employer upon change of contractor by award of a Contract.
Value for Money (VFM)	The optimum combination of whole-of-life costs and quality (or fitness for purpose) of the goods, works or Services to meet the Council's requirement.
VAT	Value Added Tax.
Website	The Council's public website www.lichfielddc.gov.uk

¹ The Think Local Policy is pending approval – until it has been approved by the relevant committees it is not in force.

Section A. Introduction

A1. Mandatory Compliance

A1.1 Officers **MUST** comply with these Contract Procedure Rules in all instances when buying² goods, services and works on behalf of the Council and failure to comply may result in disciplinary procedures.

A2. General Principles

A2.1 These Contract Procedure Rules (“CPRs”) provide the framework that governs the Council’s procurement of Contracts for goods, services and works.

A2.2 Following these CPRs helps the Council to demonstrate:

A2.2.1 good internal governance;

A2.2.2 stewardship and the proper spending of public monies;

A2.2.3 value for money outcomes; and

A2.2.4 compliance with relevant laws.

A2.3 The purpose of all procurement activity is to:

A2.3.1 achieve Value for Money for the Council and the Residents;

A2.3.2 seek continuous improvement of the Council’s functions having regard to the optimum combination of economy, efficiency and effectiveness in keeping with the Council’s duty to seek Best Value (and Value for Money);

A2.3.3 promote the well-being of the Council’s Residents and Area through the effective functioning of the Council, the efficient use of the Council’s resources, and a focus on the Social Value that can be achieved.

A2.4 The Appendices to these CPRs provide further detail and form part of these CPRs as if they were drafted as one document. Any questions about the application of these CPRs should be directed to the Head of Finance & Procurement (S151 Officer) and/or the Procurement Manager.

A2.5 All figures in these CPRs are exclusive of VAT unless stated otherwise.

A2.6 Heads of Service **MUST**:

A2.6.1 ensure that these CPRs are followed;

A2.6.2 ensure that audit trails are in place for all procurement activity in accordance with these CPRs.

A3. When these CPRs apply

A3.1 These CPRs apply:

A3.1.1 whenever the Council intends to spend money (or provide other payments in kind) under Contracts for goods, services or works;

A3.1.2 to expenditure from either capital or revenue sources;

² Buying, in addition to situations where the Council pays another party in return for goods, services and / or works, can include situations where the Council provides the opportunity for another party to make a profit from goods, services, and / or works even when the Council does not contribute towards them (for more details see [section C9](#)).

- A3.1.3 to concession contracts³ (for further info, speak to the Procurement Team);
 - A3.1.4 to spending of grants⁴ (for further info, speak to the Procurement Team);
 - A3.1.5 to goods for re-sale;
 - A3.1.6 to both Officers and Council Members;
 - A3.1.7 to all bodies where the Council acts as the lead authority.
- A3.2 These CPRs do not apply:
- A3.2.1 to contracts of employment;
 - A3.2.2 to the awarding of grants (for further info, speak to the relevant team's Head of Service)
 - A3.2.3 to acquisitions and disposals of land or buildings (these are covered by the Financial Procedure Rules and the Disposal of Land & Property Assets document [see Cabinet 7 July 2021]) – unless related to a Contract for works, services or goods;
 - A3.2.4 to the seeking of offers in relation to financial services in connection with the issue, purchase, sale or transfer of securities or other financial instruments, in particular transactions by the Council to raise money or capital, including but not limited to Treasury Management;
 - A3.2.5 to internal agreements between departments within the Council;
 - A3.2.6 in the case of individual investments which are not deemed as the purchase of goods or services for the purposes of the Council's CPR's;
 - A3.2.7 to any type of contract excluded under the Regulations.
- A3.3 In exceptional circumstances only, certain exemptions can be approved by following the process set out at [Appendix 5 Exemption to CPRs](#). The persons who are authorised to approve the exemptions are set out in [Appendix 5 Exemption to CPRs](#). Seeking an exemption of these CPRs does not exempt the Council from complying with the General Principles or with general law.
- A3.4 In the event of any issue arising as to the interpretation of these CPRs the matter will be referred to the Head of Finance & Procurement (S151 Officer) in first instance, and if required, the Monitoring Officer whose decision in that regard shall be final.
- A3.5 The Monitoring Officer, in consultation with the Head of Finance & Procurement (S151 Officer), shall also be authorised to make minor changes to the Contract Procedure Rules designed to reflect legislative changes; to update job title or portfolio changes; to remove any inconsistency or ambiguity and/or give effect to any decisions of the Council. The Head of Finance & Procurement (S151 Officer) in consultation with the Monitoring Officer shall also produce guidance and/or protocols to assist in the interpretation of the CPRs.

³ A concession contract is a contract for pecuniary (financial) interest for the execution of works or the provision / management of services by a supplier where the consideration must consist either solely in the right to exploit the services (i.e. to make money from third parties) or in that right together with payment from the procuring body.

⁴ An arrangement will be a grant when one party gives a donation to another party without receiving a benefit in return. The receiving party is not obliged to provide a service. The receiving party can decide not to provide the service but would then have to repay the donation. Further information on grants can be found in the Financial Procedure Rules.

A4. Other Key Documents

A4.1 These CPRs should be read alongside the following:

- A4.1.1 the Council's Procurement Strategy;
- A4.1.2 the Council's Constitution;
- A4.1.3 the Council's Scheme of Delegation;
- A4.1.4 the Council's Financial Procedure Rules;
- A4.1.5 the Council's Social Value Policy;
- A4.1.6 the Local Government Transparency Code;
- A4.1.7 Any policies or guidance issued by Central Government;
- A4.1.8 Any other guidance provided by the Procurement Manager.

A4.2 Anyone undertaking purchasing activity on behalf of the Council (but especially in the context of activities with a value above PCR2015 Thresholds) **MUST** refer to the following documents, where appropriate:

- A4.2.1 the Public Contract Regulations 2015 (as amended);
- A4.2.2 the Public Procurement (EU Exit) Regulations 2020 (as amended);
- A4.2.3 the Concession Contracts Regulations 2016;
- A4.2.4 the Public Services (Social Value) Act 2012;
- A4.2.5 the Bribery Act 2010;
- A4.2.6 the Small Business, Employment and Enterprise Act 2015;
- A4.2.7 the Equalities Act 2012;
- A4.2.8 the Modern Slavery Act 2015;
- A4.2.9 the Data Protection Act 2018;
- A4.2.10 any other relevant legislation.

Section B. Ethics

B1. General

B1.1 Ethics focus on what constitutes right or wrong behaviour. You may come across ethical dilemmas during your work the Council and or during a procurement process.

B2. Codes of Conduct

B2.1 All procurement exercises **MUST** be carried out with openness and transparency and with integrity and fairness to all suppliers.

B2.2 Officers **MUST** conduct themselves in line with the Council's Code of Conduct for Employees including with regards to the receiving of hospitality and gifts and the giving and receiving of sponsorship.

B2.3 Suppliers **MUST** agree to and adhere the Council's Supplier Code of Conduct⁵ – this is included within RFQ/ITT documentation as well as being reference on all Purchase Orders.

B3. Separation of Roles

B3.1 Council Members are the driving force behind policy, strategy and approving the award of contracts over set thresholds. Council Members will not routinely be involved in procurement activity, for example being part of an evaluation panel. Council Members who are privy to confidential information **MUST NOT** disclose that information to any unauthorised party or organisation.

B3.2 Officers involved in the procurement process and dealing with suppliers **MUST** be clear on the separation of client and contractor roles within the Council.

B3.3 Officers who have both a client and contractor responsibility **MUST** be aware of the need for accountability and openness.

B3.4 Officers who are privy to confidential information (for example in Tenders Submissions, Contracts or costs for either internal suppliers **MUST NOT** disclose that information to any unauthorised party or organisation.

B3.5 For further information, see the Council Members' Code of Conduct guidance document and the Council's Code of Conduct for Employees.

B4. Conflicts of Interest

B4.1 Before or during a procurement activity conflicts of interest⁶ (potential, perceived or actual) may occur. It is the responsibility of all Officers, Council Members and third parties involved in a procurement activity to inform the Procurement Manager and or Head of Governance & Performance (Monitoring Officer) as soon as this is identified.

B4.2 Where a conflict (potential, perceived or actual) is identified, it may be decided that the Officer, Member or third party concerned must not take any further part in the procurement process to preserve the integrity of the procedure or a mechanism(s) may be put in place to minimise the any risks if appropriate to do so.

B4.3 For further advice or to report a potential Conflict of Interest contact the Procurement Manager and or Head of Governance & Performance (Monitoring Officer).

⁵ The Supplier Code of Conduct is pending approval – until it has been approved by the relevant bodies it is not in force.

⁶ Examples of conflict of interest include: personal relationship with a member of the supplier's staff (including former Council staff); previously employed by the supplier; holding shares or other financial interest in the supplier.

B5. Corruption

- B5.1 Officers and Council Members **MUST** be aware that it is a serious criminal offence for them corruptly to receive or give any gift, loan, fee, reward or advantage for doing, or not doing, anything or showing favour, or disfavour, to any person in their official capacity.
- B5.2 If an allegation is made, it is for the individual to demonstrate that any such rewards have not been corruptly obtained.
- B5.3 For further guidance, see the Council's Gifts and Hospitality policy on the Council's Intranet (Brian).

B6. Use of Financial Resources

- B6.1 Officers and Council Members **MUST** ensure that they use public funds entrusted to them in a responsible and lawful manner and in accordance with the Council's Financial Procedure Rules.

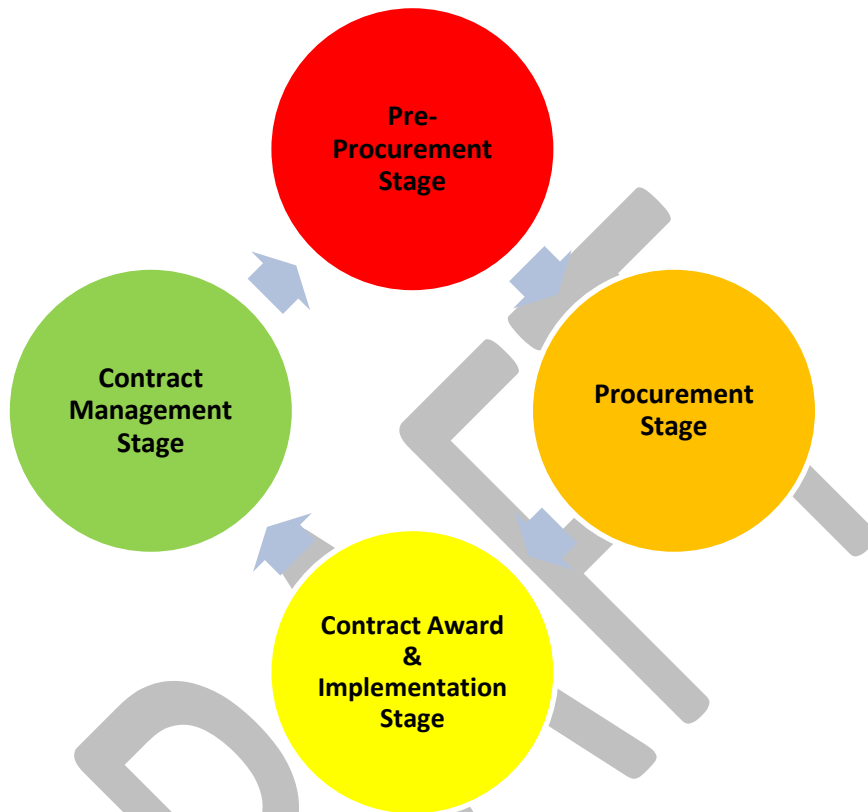
B7. Lobbying

- B7.1 It is recognised that lobbying is a normal and perfectly legitimate element of the process of local governance however it is important that Council Members protect their impartiality and integrity when dealing with external contractors and suppliers.
- B7.2 Council Members **MUST NOT** breach the Council's Code of Conduct by listening to or receiving viewpoints from contractors and suppliers or other interested parties unless they make it clear that they are keeping an open mind. Indicating a bias toward a particular product, supplier or contractor would prejudice impartiality and could lead to a legal challenge against the Council.

Section C. Procurement Pathways

C1. Procurement Stages

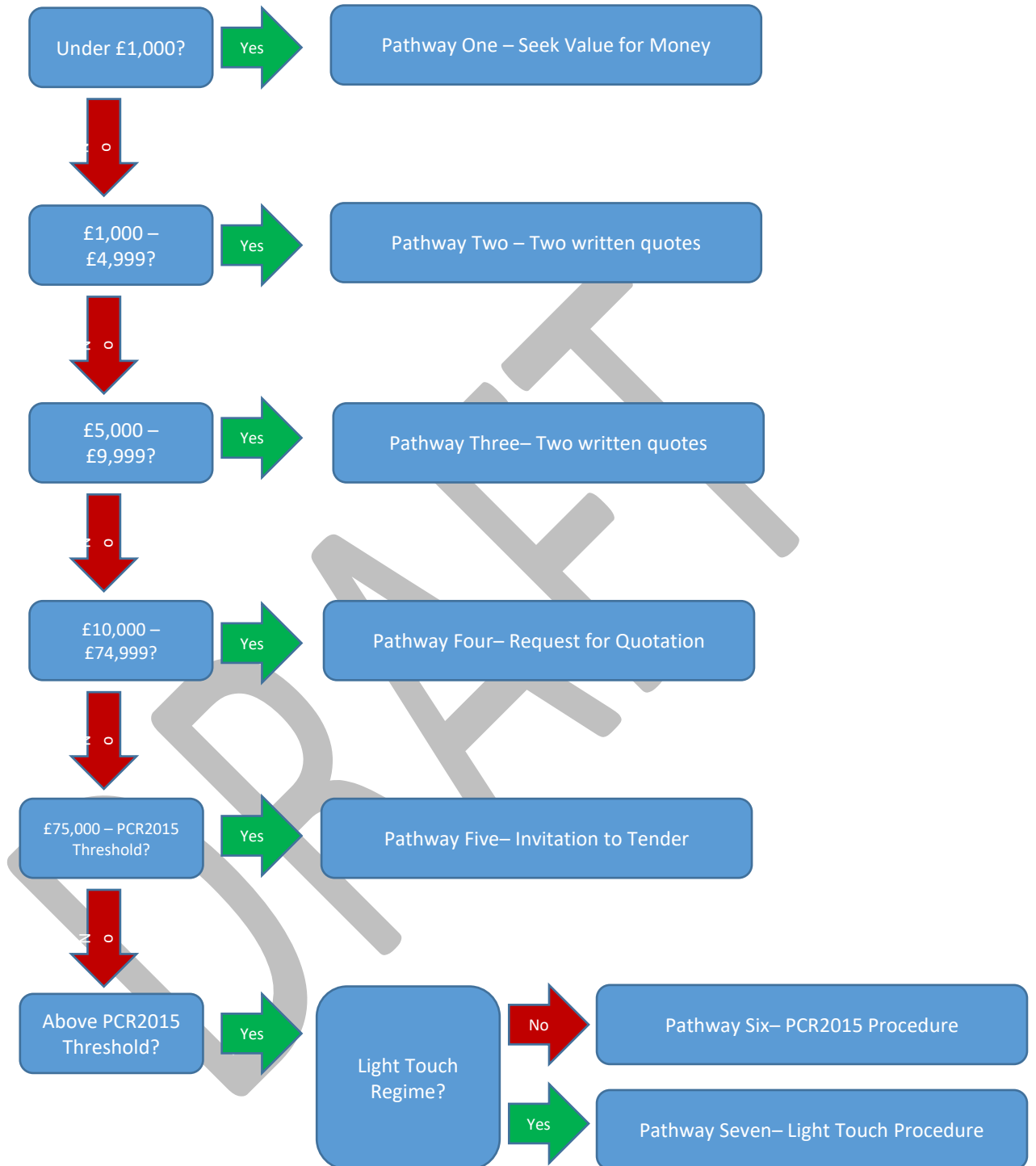
C1.1 The procurement process is made up of 4 primary stages that follow on from each other in a cycle.



- C1.2 **Pre-Procurement Stage** – this covers activities that are needed in order to identify requirements, carry out research, undertake soft-market testing, write the specification, complete spend analysis and obtain any necessary approvals / permissions amongst other steps.
- C1.3 **Procurement Stage** – this covers the advertising of the opportunity, issuing documents to suppliers, answering questions, receiving bids, evaluation, interviews, site visits and preferred bidders are identified amongst other steps.
- C1.4 **Contract Award & Implementation Stage** – this covers the confirmation of the preferred bidder, obtaining any necessary approvals to award the contract, issuing letters and feedback to bidders, observing standstill periods, issuing final contracts for signature, following the signing & sealing process as applicable and then commencing implementation of the contract amongst other steps.
- C1.5 **Contract Management Stage** – this is the time when you ensure that the promises made by all parties to a contract, whether £500 or £5 million, are delivered as agreed; contract management meetings are attended, any concerns and issues raised and addressed in line with the agreed processes, KPIs are monitored, any variations, novations or extensions are sought and documentation is kept up to date amongst other steps. If the requirement is on-going then this stage will lead into another Pre-Procurement Stage; where the requirement is no longer needed the cycle comes to a close once the Contract has expired.

C2. Procurement Pathway Flowchart

C2.1 In order to identify the correct Procurement Pathway please use the flowchart below



C3. Procurement Pathway Descriptions

Pathway One	
Estimated Contract Value ⁷ :	Under £1,000
Step 1	Identify your requirement and get approval from the Budget Manager to start the procurement activity
Step 2	Is there a suitable Corporate Contract already in place? YES – liaise with Contract Manager and proceed to Step 4 NO – proceed to Step 3
Step 3	Source the requirement whilst seeking Value for Money, applying Think Local ⁸ approach and following the Sustainable Procurement Policy ⁹ Use of the Council's e-tendering system is optional Carry out Conflict of Interest Check (see more information below)
Step 4	Obtain written ¹⁰ approval to make the purchase from the appropriate Budget Manager
Step 5	Use a purchasing card to complete the purchase OR Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received
Step 6	Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase
Note: There is also the opportunity to use a Third-Party FWA / DPS for this Procurement Pathway but it is not mandated	
Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4 .	

⁷ Please refer to [section D5](#) for further information on estimating the contract value

⁸ Think Local – until approved this is not in force

⁹ Sustainable Procurement Policy – until approved this is not in force

¹⁰ Email is acceptable

Pathway Two	
Estimated Contract Value ¹¹ :	£1,000 to £4,999
Step 1	<p>Identify your requirement and get approval from the Budget Manager to start the procurement activity</p> <p>You MUST complete a Procurement Initiation Plan if your requirement is complex, high risk or includes the collection/transfer/use of personal data (specialist T&Cs may be needed)</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 5</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party FWA or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 5</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst seeking Value for Money, applying Think Local¹² approach and following the Sustainable Procurement Policy¹³ in line with one of the approved processes below:</p> <ul style="list-style-type: none"> Obtaining at least 2 written Quotes Obtaining pricing from at least 2 on-line stores Undertaking market research that evidences only one suitable supplier and seeking pricing from them Carrying out another process as agreed with the Procurement Manager in advance <p>Use of the Council's e-tendering system is optional</p> <p>Evaluation to be based on MEAT¹⁴ approach</p> <p>Carry out Conflict of Interest Check (see more information below)</p>
Step 5	<p>Obtain written¹⁵ approval to make the purchase from the appropriate Budget Manager</p>

¹¹ Please refer to [section D5](#) for further information on estimating the contract value

¹² Think Local – until approved this is not in force

¹³ Sustainable Procurement Policy – until approved this is not in force

¹⁴ MEAT is Most Economically Advantageous Tender – the combination of quality and price

¹⁵ Email is acceptable

Step 6	<p>Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received</p> <p>OR</p> <p>Where the requirement is specialist, complex or the Council's General T&Cs of Purchase are not suitable, use one of the specialist sets of T&Cs available on the procurement pages of the Council's Intranet (Brian) or from the Procurement Team as well as raising a Purchase Order – this needs to be raised at this point and NOT when the invoice is received</p> <p>ALL consultancy contracts must use specialist T&Cs (see section D10 for further details)</p>
Step 7	Maintain records in line with the Council's Document Retention policy
Step 8	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
<p>Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4.</p>	

Pathway Three	
Estimated Contract Value ¹⁶ :	£5,000 to £9,999
Step 1	<p>Identify your requirement and get approval from the Budget Manager to start the procurement activity</p> <p>You MUST complete a Procurement Initiation Plan if your requirement is complex, high risk or includes the collection/transfer/use of personal data</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 5</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 5</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst seeking Value for Money, applying Think Local¹⁷ approach and following the Sustainable Procurement Policy¹⁸ in line with one of the approved processes below:</p> <ul style="list-style-type: none"> • Obtaining at least 2 written Quotes • Obtaining pricing from at least 2 on-line stores • Undertaking market research that evidences only one suitable supplier and seeking pricing from them • Carrying out another process as agreed with the Procurement Manager in advance <p>Use of the Council's e-tendering system is optional</p> <p>Evaluation to be based on MEAT¹⁹ approach</p> <p>Carry out Conflict of Interest Check (see more information below)</p>
Step 5	<p>Complete the Contract Award Recommendation (template available on the procurement pages of the Council's Intranet (Brian)) and obtain approval to award contract from the appropriate Budget Manager</p>
Step 6	<p>Raise a Purchase Order (linked to the Council's General T&Cs of Purchase) – this needs to be raised at this point and NOT when the invoice is received</p>

¹⁶ Please refer to [section D5](#) for further information on estimating the contract value

¹⁷ Think Local – until approved this is not in force

¹⁸ Sustainable Procurement Policy – until approved this is not in force

¹⁹ MEAT is Most Economically Advantageous Tender – the combination of quality and price

	<p>OR</p> <p>Where the requirement is specialist, complex or the Council's General T&Cs of Purchase are not suitable, use one of the specialist sets of T&Cs available on the procurement pages of the Council's Intranet (Brian) or from the Procurement Team as well as raising a Purchase Order – this needs to be raised at this point and NOT when the invoice is received</p> <p>ALL consultancy contracts must use specialist T&Cs (see section D10 for further details)</p>
Step 7	Submit a request to record a contract to the Contract Register via the link on the procurement pages on the Council's Intranet (Brian)
Step 8	Maintain records in line with the Council's Document Retention policy
Step 9	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
<p>Conflict of Interest Check: You MUST carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the decision making process BEFORE any decision is made. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at section B4.</p>	

Pathway Four	
Estimated Contract Value ²⁰ :	£10,000 to £74,999
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>If not already on the Future Procurement Plan it is optional to submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA/ DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> seeking Value for Money; applying Think Local²¹ approach; following the Sustainable Procurement Policy;²² and applying the Social Value Policy²³ / Social Value Act 2012
Step 5	<p>Seek at least 3 written quotations using the Request for Quotation process at Appendix 7 RFQ Process</p> <p>Use of the Council's e-tendering system is optional where the estimated contract value is between £10,000 and £24,999</p> <p>You MUST use the Council's e-tendering system where the estimated contract value is £25,000 or greater</p> <p>Evaluation to be based on MEAT²⁴ approach</p> <p>Carry out Conflict of Interest Check (see Appendix 7 RFQ Process for more information)</p>

²⁰ Please refer to [section D5](#) for further information on estimating the contract value

²¹ Think Local – until approved this is not in force

²² Sustainable Procurement Policy – until approved this is not in force

²³ Social Value Policy – until approved this is not in force

²⁴ MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 6	Complete the Contract Award Recommendation and obtain approval to award contract from the appropriate Head of Service
Step 7	Provide feedback to the successful and unsuccessful suppliers
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue for signature using the Council's e-signature system²⁵ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for further information on signing & sealing</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	<p>Submit a request to record a contract to the Contract Register via the link on the procurement pages on the Council's Intranet (Brian)</p> <p>OR</p> <p>If using the Council's e-tendering system publish the Contract to the Contract Register</p>
Step 10	If the contract value is £25,000 or greater publish a Contract Award Notice via the Council's e-tendering system ²⁶
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

²⁵ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

²⁶ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Five	
Estimated Contract Value ²⁷ :	£75,000 to PCR2015 Threshold²⁸
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> seeking Value for Money; applying Think Local²⁹ approach; following the Sustainable Procurement Policy³⁰; and applying the Social Value Policy³¹ / Social Value Act 2012
Step 5	<p>Seek at least 3 written Tenders using the Invitation to Tender process at Appendix 8 ITT Process</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT³² approach</p> <p>Carry out Conflict of Interest Check (see Appendix 8 ITT Process for more information)</p>

²⁷ Please refer to [section D5](#) for further information on estimating the contract value

²⁸ See [Appendix 3 Procurement Thresholds & Timescales](#) for current thresholds

²⁹ Think Local – until approved this is not in force

³⁰ Sustainable Procurement Policy – until approved this is not in force

³¹ Social Value Policy – until approved this is not in force

³² MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 6	Complete the Contract Award Recommendation and obtain the appropriate approval to award contract (See Appendix 1 Approval Pathways for further details)
Step 7	Provide feedback to the successful and unsuccessful suppliers
Step 8	Draft a formal contract and ask the Procurement Team to issue it for signature using the Council's e-signature system ³³ (supplier to sign first, the Council to sign second) See section F6 for details on signing contracts Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Council's e-tendering system ³⁴
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

³³ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

³⁴ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Six	
Estimated Contract Value ³⁵ :	Above PCR2015 Threshold (excluding Light Touch Regime)
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • following the Sustainable Procurement Policy³⁶; • applying the Social Value Policy³⁷ / Social Value Act 2012; and • adhering to the Regulations.
Step 5	<p>Follow one of the available procurement procedures as detailed in section E5</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT³⁸ approach</p> <p>Carry out Conflict of Interest Check (see section B4 for more information)</p>
Step 6	<p>Complete the Regulation 85 Contract Award Recommendation and obtain the appropriate approval to award contract (see Appendix 1 Approval Pathways for further details)</p>

³⁵ Please refer to [section D5](#) for further information on estimating the contract value

³⁶ Sustainable Procurement Policy – until approved this is not in force

³⁷ Social Value – until approved this is not in force

³⁸ MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 7	Provide feedback to the successful and unsuccessful suppliers in line with the Regulations and using the Standstill Period as applicable
Step 8	<p>Draft a formal contract and ask the Procurement Team to issue it for signature (only once the Standstill Period has been formally concluded) using the Council's e-signature system³⁹ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for details on signing contracts</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Council's e-tendering system ⁴⁰
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

³⁹ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

⁴⁰ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

Pathway Seven	
Estimated Contract Value ⁴¹ :	Above PCR2015 Threshold Light Touch Regime
Step 1	<p>Identify your requirement</p> <p>You MUST complete a Procurement Initiation Plan and obtain the appropriate approvals needed</p> <p>If not already on the Future Procurement Plan you MUST submit a request to add it (see the Procurement Team pages on the Council's Intranet (Brian))</p> <p>You MUST liaise with the Procurement Team before progressing</p> <p>Add the activity to the Forward Plan in line with the appropriate approvals detailed at Appendix 1 Approval Pathways</p>
Step 2	<p>Is there a suitable Corporate Contract already in place?</p> <p>YES – liaise with Contract Manager and proceed to Step 6</p> <p>NO – proceed to Step 3</p>
Step 3	<p>Is there a suitable Third-Party Framework Agreement or DPS in place?</p> <p>YES – follow the process identified in the Third-Party FWA / DPS and then proceed to Step 6</p> <p>NO – proceed to Step 4</p>
Step 4	<p>You MUST source the requirement whilst:</p> <ul style="list-style-type: none"> • seeking Value for Money; • following the Sustainable Procurement Policy⁴²; • applying the Social Value Policy⁴³ / Social Value Act 2012; and • adhering to the Regulations
Step 5	<p>Agree with the Procurement Manager which LTR procurement procedure is to be followed.</p> <p>You MUST use the Council's e-tendering system</p> <p>Evaluation to be based on MEAT⁴⁴ approach</p>
Step 6	<p>Complete the Regulation 85 Contract Award Recommendation and obtain appropriate approval to award contract. See Appendix 1 Approval Pathways for further details</p>
Step 7	<p>Provide feedback to the successful and unsuccessful suppliers in line with the Regulations and using the Standstill Period as applicable</p>

⁴¹ Please refer to [section D5](#) for further information on estimating the contract value

⁴² Sustainable Procurement Policy – until approved this is not in force

⁴³ Social Value Policy – until approved this is not in force

⁴⁴ MEAT is Most Economically Advantageous Tender – the combination of quality and price

Step 8	<p>Draft a formal contract and ask the Procurement Team to issue it for signature (only once the Standstill Period has been formally concluded) using the Council's e-signature system⁴⁵ (supplier to sign first, the Council to sign second)</p> <p>See section F6 for details on signing contracts</p> <p>Raise a Purchase Order - this needs to be raised at this point and NOT when the invoice is received</p>
Step 9	Publish the Contract to the Contract Register
Step 10	Publish a Contract Award Notice via the Councils e-tendering system ⁴⁶
Step 11	Maintain records in line with the Council's Document Retention policy
Step 12	<p>Ensure the purchase is fulfilled, the order is receipted and the invoice is checked and approved / queried as necessary</p> <p>Invoices to be sent directly by the supplier to invoices@lichfielddc.gov.uk</p> <p>Payment will be made within 30 days as standard in line with the Council's General T&Cs of Purchase</p>
Step 13	Carry out contract management activities throughout the term of the Contract as per detailed within the T&Cs or as detailed at Section G Contract Management Stage

⁴⁵ In certain circumstances the Procurement Manager or Head of Finance & Procurement (S151 Officer) may approve the signing of contract in a different manner

⁴⁶ If approved by the Procurement Manager the Contract Award Notice can be submitted directly via Contracts Finder

C4. Further information on the Light Touch Regime

C4.1 The Light Touch Regime (LTR) applies to a specific range of services if the Contract is valued above the PCR2015 Threshold (see [Appendix 3 Procurement Thresholds & Timescales](#)).

C4.2 The services covered by the LTR as listed below in general:

C4.2.1 Administrative, social, education, healthcare and cultural services

C4.2.2 Benefit services

C4.2.3 Compulsory Social Security services

C4.2.4 Health, social and related services

C4.2.5 Hotel and restaurant services

C4.2.6 International services

C4.2.7 Investigation and security services

C4.2.8 Legal services

C4.2.9 Miscellaneous services

C4.2.10 Other administrative and government services

C4.2.11 Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership organisation services

C4.2.12 Postal services

C4.2.13 Prison related services, public security and rescue services to the extent not excluded pursuant to point (h) of Article 10

C4.2.14 Provision of services to the community

C4.2.15 Religious services

C4.2.16 School Meals and Catering services

If you consider your procurement activity to fall within one of the categories you **MUST** contact the Procurement Team before progressing in order for validation to be undertaken in line with CPV⁴⁷ coding.

C4.3 Under the Light Touch Regime, you **MUST**:

C4.3.1 issue a Contract Notice or Prior Information Notice in FTS;

C4.3.2 follow a transparent and fair procedure which treats potential service providers equally; and

C4.3.3 issue a Contract Award Notice.

C4.4 The Regulations require the Council to:

C4.4.1 give information in the Contract Notice about:

C4.4.1.1 any conditions for participating in the competition (e.g. "selection" criteria);

C4.4.1.2 any time limits for contacting the Council;

C4.4.1.3 the award procedure that the Council will apply;

⁴⁷ CPV means Common Procurement Vocabulary. This is the coding used to identify specific goods, services and works and links to the Regulations,

C4.4.1.4 ensure that any time limits imposed on interested providers are reasonable and proportionate.

C4.5 The Council can choose to apply a procedure that looks similar to one of the procurement procedures (see [section E5](#)) but does not have to.

C5. Further Information on Framework Agreements

C5.1 A Framework Agreement (“FWA”) is an ‘umbrella’ agreement to which one or more suppliers is appointed. Usually, they are used when the exact quantity of goods, services or works required over the period of the FWA cannot be determined. For example, a FWA with one supplier for the provision of office supplies. A FWA establishes the T&Cs which will be used whenever an order is ‘called-off’ against it. FWAs can be established with one supplier or a number in which case often a “mini-competition/further competition” is used to decide which supplier is used each time there is a requirement.

C5.2 They are normally limited to four years in length (particularly those above the PCR2015 Threshold).

C5.3 There is no obligation to buy anything from a FWA and you are not committing the Council to any spend. However, every time you place an order under a FWA, you are entering into a legally binding Contract.

C5.4 You **MUST** seek support from the Procurement Team if you are seeking to establish a FWA.

C6. Further Information on Third-Party Framework Agreements

C6.1 Third-Party Framework Agreement (“FWA”) are FWAs established by other organisations that are open to the Council to use in order to let a Contract. There are specific procedures that have to be followed in order to set-up a Third-Party FWA and these need to be reviewed before we use one to award a contract.

C6.2 Some well-known Third-Party FWA providers are:

C6.2.1 [Crown Commercial Services \(CCS\)](#)

C6.2.2 [ESPO](#)

C6.2.3 [YPO](#)

C6.2.4 [SCAPE](#)

C6.2.5 [Fusion21](#)

C6.2.6 [NEPO](#)

C6.3 There is a list of potential Third Party FWA providers on the Procurement Team pages of the Council’s Intranet (Brian).

C6.4 You **MUST** seek support from the Procurement Team if you are seeking to use a Third-Party FWA.

C7. Further Information on Dynamic Purchasing Systems

C7.1 A Dynamic Purchasing System (“DPS”) is similar to a FWA however whereas a FWA is set once the award has been made and no new suppliers can be added to it, a DPS will allow new suppliers to be added, provided that they meet the objective selection criteria laid out in the original Contract Notice or advertisement.

C7.2 The Council may opt to establish its own DPS where applicable.

C7.3 You **MUST** seek support from the Procurement Team if you are seeking to establish a DPS.

C8. Further Information on Third-Party Dynamic Purchasing Systems

- C8.1 Third-Party Dynamic Purchasing System (“DPS”) are DPS established by other organisations that are open to the Council to use in order to let a Contract. There are specific procedures that have to be followed in order to set-up a Third-Party DPS and these need to be reviewed before the Council uses one to award a contract.
- C8.2 You **MUST** seek support from the Procurement Team if you are seeking to use a Third-Party DPS.

C9. Concession Contract Pathways

- C9.1 A Concession Contract involves a contractual arrangement between the Council and a supplier (the concession holder) where the supplier provides services or carries out works and is remunerated not by the Council paying them, but by being permitted to exploit the services or works. For example, the right to run a staff canteen is awarded to a catering company who keeps any surplus they make from selling food/drinks etc., there is no payment from the host to the catering company for the running of the service.
- C9.2 Where a concession Contract is below the PCR2015 Threshold for concessions then similar pathways to the Procurement Pathways shall be followed – you **MUST** liaise with the Procurement Team at the start to agree a suitable pathway.
- C9.3 Where a concession Contract is above the PCR2015 Threshold for concessions then the procedures detailed in the Concession Contract Regulations 2016 - you **MUST** liaise with the Procurement Team at the start to agree a suitable pathway.

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Section D. Pre-Procurement Stage

D1. General

D1.1 Before commencing any procurement activity, regardless of value, you **MUST** identify your requirement and calculate its estimated contract value.

D2. Check the Contract Register

D2.1 You **MUST** check the Contract Register before you start any procurement activity, in case there is an existing Council Contract which covers your need. Saving time and expense by using an existing Contract will almost always represent Value for Money.

D3. Future Procurement Plan

D3.1 All procurements that have a value of £75,000 and over **MUST** be entered on the Future Procurement Plan which will be published on our Website. This is a requirement of the Local Government Transparency Code. It is optional to include procurements that have a value of below £75,000.

D3.2 To add an entry on the Future Procurement Plan follow the process detailed on the procurement pages on the Council's Intranet (Brian).

D3.3 On an annual basis a copy of the Future Procurement Plan for the next 12-18 months will be presented to Cabinet in order to seek pre-procurement and post-procurement approvals (see [Appendix 1 Approval Pathways](#) for further information).

D4. Procurement Initiation Plan

D4.1 For any procurement activity with an estimated contract value of £10,000 or greater, **OR** where the requirement is complex⁴⁸, high risk⁴⁹ or involves the collection/transfer/use of personal data (any value above £1,000) you **MUST** complete a Procurement Initiation Plan.

D4.2 For any procurement activity with an estimated contract of £10,000 or greater you **MUST** speak with the Procurement Team at this stage.

D4.3 Prior to commencing any procurement activity with an estimated contract value of £10,000 or greater, you **MUST** develop your requirement by researching the procurement and speaking to all relevant parties, obtaining all relevant information. The Procurement Initiation Plan falls out of this research and forms the business case that is approved prior to commencing the procurement.

D4.4 The requirement **MUST** start with an identifiable need which reflects the Council's overall objectives identified within Council, Service and Team Plans. You **MUST** understand the business requirements and how it impacts all levels of the organisation and local community. Consider the relevance of Council policies and procedures and how they have a bearing on the requirement.

D4.5 The Procurement Initiation Plan covers a range of aspects including make or buy, on-going licences/maintenance requirements, price/quality split, needs v wants, and different procurement approaches.

⁴⁸ Complex relates to the chosen procurement pathway, the type of goods, services or works being procured (e.g. non-standard goods, highly specialist services, highly technical works). It can also relate to the contractual set-up required (e.g. tripartite, JCT, NEC4) or similar complexities.

⁴⁹ High risk relates to the market you are procuring from (e.g. high levels of business failure), the goods, services or works being procured (e.g. works that involve asbestos or supporting walls), the wider PR environment (e.g. a highly public project), transfer of personal data or similar risks.

D4.6 Template Procurement Initiation Plans can be found on the procurement pages on the Council's Intranet (Brian).

D5. Budget & Estimate Contract Value

D5.1 Before starting the procurement, you **MUST** have budgetary approval in writing from the budget holder.

D5.2 You **MUST** establish the aggregated monetary value of your requirement early, as this identifies the process that you follow, influences the amount of work you do and indicates the level of interest that will be generated.

D5.3 To estimate the contract value you should look backwards over a number of years to establish what has been spent before and look forwards to understand future requirement and available budgets. You should also take into consideration spend over the whole of the Council and not just your team/department.⁵⁰

D5.4 For Contracts with a term of under 12 months you need to estimate the total contract value and then use this to identify the relevant Procurement Pathway.

D5.5 For Contracts with a term of over 12 months you need to estimate the annual contract value and then multiple this by the proposed term of the contract including any options to extend. For example a contract with an annual value of £30,000 and a term of 3 years plus 1 year will have an estimate contract value of £120,000. If you are uncertain what the term of the contract will be, please contact the Procurement Team for advice.

D5.6 If you underestimate a Contract's estimated value and carry out the incorrect Procurement Pathway you may be required to stop the procurement activity and re-start it using the correct Procurement Pathway. It is not permissible to award a Contract which is above the PCR2015 Thresholds if a non-compliant Procurement Pathway has been followed.

D5.7 Please seek assistance from the Procurement Team if you are unsure of the estimated contract value, need assistance in calculating it or if the estimated contract value is within 20% of the PCR2015 Thresholds (See [Appendix 3 Procurement Thresholds & Timescales](#)).

D5.8 You **MUST NOT** artificially reduce the term of a Contract, underestimate the contract value or split the Contract in order to change the applicable Procurement Pathway. If your procurement activity is for an area of spend that may also affect the wider Council, please contact the Procurement Team for advice.

D6. Key stakeholders & other teams

D6.1 You **MUST** identify the key stakeholders for the project including anyone impacted by the requirement. You should consider doing a Communications Plan for larger projects. You **MUST** be mindful of any Conflict of Interest and take necessary precautions to ensure that if there is a conflict, it is mitigated and/or managed.

D6.2 It may be necessary to obtain legal, HR, procurement and or financial advice prior to, or during, any procurement activity due to its complexity, scope or legal underpinnings. You **MUST** seek advice as soon as practicable; if you are uncertain as to whether advice is needed, please liaise with the procurement Team for advice.

⁵⁰ Where the procurement activity you are leading on covers spend by other teams, please seek guidance from the Procurement Team – a decision will be made as to the most suitable way forward to meet your outcomes and also reflect the needs of the Council as a whole.

D7. Market Analysis & Soft Market Testing

- D7.1 In order to gain a better understanding of the market and the goods, services and works on offer, you may want to carry out soft-market testing.
- D7.2 For procurement activities below the PCR2015 Thresholds, you are able to talk to suppliers before starting the procurement, this may include trialling products, visiting supplier premises or the premises of a supplier's customer (please refer to the Gift & Hospitality Policy if visiting other organisations' sites). This type of pre-procurement engagement or consultation could focus on:
- D7.2.1 What is being purchased?
 - D7.2.2 Is the specification realistic? Is it too ambitious? Not ambitious enough?
 - D7.2.3 What will the process look like?
 - D7.2.4 Do potential bidders have any concerns about timescales, for example?
- D7.3 You **MUST** keep adequate records of market research carried out and ensure that no supplier is favoured, or could be perceived to have been favoured, over any other either during or after the soft-market testing or any subsequent procurement activity.
- D7.4 You **MUST** ensure that any subsequent specification does not favour, or could be perceived to favour, one supplier over any other. Please liaise with the Procurement Team for advice and support.
- D7.5 For above PCR2015 Threshold procurement activities there is a detailed and specific process that must be followed in order to ensure any soft-market testing is carried out in line with the Regulations therefore you **MUST** seek advice from the Procurement Team before commencing.

D8. Supplier conflicts of interest as a result of soft-market testing

- D8.1 If a potential supplier has advised the Council or been involved in the preparation of the procurement procedure (for example providing information for a specification or estimated costings), the Council is expected to take "appropriate measures" to ensure the resulting competition is not distorted by that supplier's pre-procurement involvement. This might include, for example, communicating relevant information to other suppliers/tenderers. The Council cannot exclude a supplier from a procurement unless there is genuinely no other way to ensure that there is equal treatment of suppliers/tenderers in the procurement process.
- D8.2 If you are concerned that this may be, or become, an issue, please speak with the Procurement Team.

D9. Asset Leasing Type Arrangements

- D9.1 The implementation of the Prudential Code introduced new freedoms for local authorities to pursue various capital and revenue options for the funding of asset acquisitions. It is therefore important to ensure the most cost-effective form of funding is sourced for each acquisition.
- D9.2 Asset leases are to ensure:
- D9.2.1 compliance with the Prudential Code
 - D9.2.2 terms and conditions of leases are appropriate
 - D9.2.3 the lease type arrangement is correctly recorded in the Council's accounts
 - D9.2.4 compliance with the Regulations
- D9.3 Implications if the above objectives are not achieved:

- D9.3.1 non-compliance with the Prudential Code Value for Money requirements and potentially decisions being unlawful or ultra vires⁵¹
- D9.3.2 the cost of leasing the asset is greater than alternative finance options
- D9.3.3 the Council's accounts are incorrectly stated
- D9.3.4 legal challenge as a result of a breach of the Regulations
- D9.4 Key Responsibilities for Council Members and Officers:
 - D9.4.1 to undertake option appraisals to demonstrate that lease type arrangements provide value for money compared to alternative options; and
 - D9.4.2 every Head of Service **MUST** refer all proposed lease type arrangements, within their Services, to the Head of Finance and Procurement (S151 Officer); and
 - D9.4.3 approval **MUST** be obtained from the Head of Finance and Procurement (S151 Officer) for all lease type arrangements.
- D9.5 More information on the Prudential Code can be obtained from www.cipfa.org
- D9.6 Asset leases are treated as supplies Contracts for the purpose of the Regulations and so the Regulations will apply in the normal way.

D10. Types of Contract

- D10.1 You **MUST** identify the correct type of contract that will be used to create the Contract which comes from your procurement activity at Pre-Procurement stage. When considering which type of contract to use, you should consider the subject matter of the contract, its value and the impact of any failure to deliver the requirements by the supplier and, if appropriate, discuss with the Procurement Team.
- D10.2 **Contracts below the PCR2015 Thresholds:**
 - D10.2.1 For the majority of Contracts under the PCR2015 Thresholds it will normally be appropriate to use the Council's standard Terms and Conditions of Contract which are available on the procurement pages on the Council's Intranet (Brian).
 - D10.2.2 For consultancy Contracts it will normally be appropriate to use the Council's standard Consultancy Contract.
 - D10.2.3 It may be more appropriate to use an industry standard form of Contract, such as JCT or NEC or a bespoke Contract drafted for the particular Contract in question.
 - D10.2.4 If the subject matter of the Contract is complex, high risk or involved the collection/use/transfer of personal data please liaise with the Procurement Team.
- D10.3 **Contracts above the PCR2015 Thresholds:**
 - D10.3.1 For Contracts above the PCR2015 Thresholds you should use the Council's standard Terms and Conditions of Contract which are available on the procurement pages on the Council's Intranet (Brian).
 - D10.3.2 It may be more appropriate to use an industry standard form of Contract, such as JCT or NEC or a bespoke Contract drafted for the particular Contract in question.

⁵¹ Ultra vires means acting beyond the powers or authority by which a person or organisation is bound.

D10.3.3 If the subject matter of the Contract is complex, high risk or involved the collection/use/transfer of personal data you **MUST** liaise with the Procurement Team.

D10.4 Use of Third-Party Framework Agreements & Dynamic Purchasing Systems:

D10.4.1 When using a Third-Party Framework Agreement or Dynamic Purchasing System you **MUST** use the contract documents as detailed by the Third-Party. In most cases this will be a pre-agreed set of T&Cs but in some cases there may be a choice (particularly for works related activities) available. Please seek guidance from the Procurement Team when needed.

D10.5 Use of Supplier Terms and Conditions:

D10.5.1 Often Suppliers may try to insist that Contracts are let on their own T&Cs; in general these will be more favourable to the supplier and may limit the rights of the Council throughout the term of the Contract.

D10.5.2 Unless agreed by the Procurement Manager and or Head of Finance & Procurement (S151 Officer) you **MUST NOT** use Supplier T&Cs.

D11. Engagement of Interims and Consultants (Day Rate basis)

D11.1 When considering the engagement of interims or consultants on a 'day rate' basis rather than via an employment contract (payroll) you **MUST** consider whether the engagement falls inside or outside of the IR35 regulations (off-payroll working). The Council may be liable a range of costs including income tax and national insurance payments if the categorisation of the contract is incorrect. You **MUST** seek guidance from the Procurement Team and Finance Team at the start of the project.

D12. Confidentiality

D12.1 The Council has a responsibility to ensure that information provided to suppliers and provided by suppliers is treated confidentially. This is not only good practice but also gives the suppliers confidence that they are being treated fairly and without discrimination. Information provided by the Council is given in confidence to suppliers and those whom they need to consult for the purpose of preparing their response, such as professional advisors or joint bidders.

D12.2 If a Conflict of Interest arises or if at any time during the procurement it is discovered that the supplier has not acted confidentially, the Council may eliminate them from the procurement exercise.

D12.3 Suppliers have the right to state what elements of their Tender Submission they want to remain confidential however under FOIA and EIR the Council **MUST** provide information requested with some exceptions such as commercially confidential items (pricing, intellectual property etc.) which can be redacted from the version published in the public domain. Contractors' cooperation may be needed to ensure the Council complies with requests for information.

D12.4 All contracts **MUST** include a clause permitting the publication of information relating to the contract in line with the Local Government Transparency Code 2015.

D13. Intellectual Property

D13.1 "Intellectual Property Rights" includes patents, inventions, trademarks, service marks, logos, design rights, copyright, database rights, domain names, trade or business names, moral rights, Council data and other similar rights or obligations.

D13.2 Generally speaking, all intellectual property rights in all works or supplies provided under a Contract which are written or produced on a bespoke or customized basis would be owned by the Council and the Supplier should be required to ensure that it allows such ownership.

D13.3 It is expected that any contract will require the transfer of data from the outgoing supplier to the Council or the subsequent supplier (as decided by the Council) in a format of the Council's choosing.

D13.4 However, where the supplier provides existing intellectual property right protected material to the Council under a Contract, it has to warrant it has the right to do so and it fully indemnifies the Council against all loss or liability arising from any third party intellectual property rights claims arising both from such existing material and in relation to any such bespoke work.

D14. Data Protection Act & GDPR

D14.1 The Data Protection Act 2018 ("DPA") relates to the processing of data on identifiable living people and are the legislation that govern the protection of personal data in the UK. All Officers and Council Members are legally obliged to comply.

D14.2 The Council's various Standard Terms and Conditions of Contract contain clauses which state how a supplier must process and store personal data provided to them under a Contract.

D14.3 In certain Contracts, where a supplier is required to process personal data or hold personal information for the purpose of executing the Contract, then Officers **MUST** seek further guidance from the Data Protection Officer.

D15. Specifications

D15.1 For all compliant procurement activities, you **MUST** draft the specification for a Contract upfront, before starting the procurement process.

D15.2 What the specifications look like will vary widely depending on the nature of the Contract. If you are having difficulty drafting a specification for the Contract, guidance is available on the procurement pages on the Council's Intranet (Brian).

D15.3 In addition to the direct requirements detailed in your specification, you should also consider any other requirements such as:

D15.3.1 Construction, Design and Management Regulations 2017;

D15.3.2 Data Protection (for example when sharing customer data held by the Council with a supplier);

D15.3.3 Environmental impacts;

D15.3.4 Health & Safety (for example working from height, public gatherings, hot works);

D15.3.5 Modern slavery;

D15.3.6 Social Value;

D15.3.7 Specialist insurance (for example Contractors All Work, Product Indemnity);

D15.3.8 Transfer of Undertakings in Employment (TUPE);

D15.3.9 Safeguarding

D15.4 You may need to obtain specific advice from the Health & Safety Manager, Human Resources Team, Insurance Manager, Safeguarding Officer, Data Protection Officer, Finance Team, or Legal Team to assist you in developing these part of the specification.

D15.5 For further information please see the procurement pages on the Council's Intranet (Brian).

D16. Minimum Insurance Levels

D16.1 The Council requires all suppliers to meet the minimum insurance levels as stated below.

Type of Cover	Duration of Cover	Minimum insurance level per claim			
		Goods	Services	Goods & Services	Works
Employers Liability	Length of Contract	£5 million	£5 million	£5 million	£5 million
Public Liability	Length of Contract	£5 million	£5 million	£5 million	£25 million
Professional Indemnity	Length of Contract PLUS 6 years (signed as a Simple Contract) 12 years (sealed as a Deed)	N/A	£2 million	£2 million	£2 million
Product Liability	Dependent upon requirement – product guarantee may be required instead. Seek guidance from the Insurance Manager.				
Contractors All Risk (dependent upon location - seek guidance from the Insurance Manager)	Length of Contract/Works	N/A	N/A	N/A	At least contract value

D16.2 The above limits relate to each claim.

D16.3 When starting a procurement activity for a complex, high risk or specialist contract or a contract that involves works you **MUST** confirm insurance levels with the Insurance Manager.

D16.4 It is permissible to amend the limits above where appropriate but approval **MUST** be obtained from the Insurance Manager and Head of Finance and Procurement (S151 Officer) in advance, for example it may be proportionate to reduce the level of Public Liability insurance to a lower level.

D17. Social Value

D17.1 The Social Value Act requires the procurer to consider securing economic, social, or environmental benefits when buying services through what is being bought, and how it is procured.

D17.2 This duty relates to:

D17.2.1 all service Contracts to which the Regulations apply (including those under the Light Touch Regime);

D17.2.2 service Contracts with a works / supplies element that is so incidental that the Contract would ordinarily be considered a services Contract under the Regulations; and

D17.2.3 Frameworks Agreements for such Contracts.

D17.3 The Council **MUST** also think about whether consultation on Social Value matters is needed.

D17.4 In addition to the requirements of the Social Value Act, the Council also has its own Social Value Policy⁵² which covers procurement activities of all values. Please refer to this document for further details.

D18. Modern Slavery and Human Trafficking

D18.1 The Council has a Slavery and Human Trafficking Statement⁵³ in place and takes its responsibilities in relation to the elimination of slavery and human trafficking within its supply-chains and those of its suppliers seriously. You **MUST** consider the risk of these activities being present in the market your procurement relates to and then what additional information you need to request from suppliers as part of your procurement activity.

D18.2 Modern Slavery includes human trafficking, forced labour and bonded labour.

D18.3 Below is an example list of sectors that may be considered at risk of modern slavery related activities within their supply chains:

D18.3.1 Construction and agriculture;

D18.3.2 'Gig-Economy' services (for example window cleaning, cleaning services, delivery services);

D18.3.3 IT Hardware (especially the extraction of rare earth minerals used in the manufacture of component parts);

D18.3.4 Recruitment (especially the use of gang masters or foreign workers);

D18.3.5 Textile production and clothing manufacturing

D18.4 It may be necessary to ask additional questions and seek further information from suppliers as part of the procurement activity due to risk of Modern Slavery being present in any supply chains. For further information see the procurement team pages on the Council's Intranet (Brian) or speak with the Procurement Manager.

D19. Sustainable Procurement Policy

D19.1 The Council has recognised, and is committed to tackling, the climate change emergency. One way of reducing our impact on the environment is through our procurement activity. The Council has its own Sustainable Procurement Policy⁵⁴ which

⁵² Social Value Policy – until approved not in force

⁵³ <https://www.lichfielddc.gov.uk/council/modern-slavery-human-trafficking-statement>

⁵⁴ Sustainable Procurement Policy – until approved not in force

covers procurement activities of all values. Please refer to this document for further details.

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Section E. Procurement Stage

E1. Procurement Documentation

E1.1 The following documentation **MUST** be used as detailed below (templates can be found on the procurement team pages on the Council's Intranet (Brian)):

= mandatory

		These only apply when NOT using a Framework Agreement / DPS (Third Party or the Council's own) ⁵⁵				
Procurement Pathway	Contract Value	RFQ Pack	ITT Pack	Above PCR2015 Pack	Full Contract	Purchase Order
Pathway One	Under £1,000	Optional			Optional ⁵⁶	Optional ⁵⁷
Pathway Two	£1,000 to £4,999	Optional			Optional ⁴²	<input checked="" type="checkbox"/>
Pathway Three	£5,000 to £9,999	<input checked="" type="checkbox"/>			Optional ⁴²	<input checked="" type="checkbox"/>
Pathway Four	£10,000 to £74,999		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Five	£75,000 to PCR2015 Threshold		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Six	Above PCR2015 Threshold			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pathway Seven	Above PCR2015 Threshold – Light Touch Regime			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

⁵⁵ When using a Framework Agreement / DPS (Third-Party or the Council's own) you are to use the documentation that is required in relation to the procedure – normally these will be published on the website relating to the Framework Agreement / DPS or can be requested via email

⁵⁶ Use of a Purchase Order only is permitted if the Council's General T&Cs of Purchase are suitable

⁵⁷ Use of a purchase card is also permitted

E2. Request for evidence from suppliers

E2.1 You **MUST** provide potential suppliers with all the information they need to understand the requirement but not overload them with unnecessary information or requests for documentation during a procurement activity. For example, it would be proportionate to ask suppliers to confirm that they meet minimum insurance requirements within the RFQ/ITT pack and then seek copy certificates from the preferred supplier only at contract award stage.

E3. Publication of documentation/information

E3.1 For above PCR2015 Threshold procurement activities, the Regulations require the Council to make all the procurement documents available electronically from the published date of the Contract Notice. Procurement documents include the proposed T&Cs as well as specification, Supplier Questionnaire (SQ) and ITT Pack. This means that all documentation **MUST** be drafted before the Contract Notice is issued.

E3.2 The Council considers it good practice to apply this rule to all procurement activities, whether or not above the PCR2015 Threshold.

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E4. Below PCR2105 Threshold – Part 4 Obligations

E4.1 The PCR2015 Regulations contain a section (Part 4) which relates to activities below the PCR2015 Thresholds. The table below provides a summary of these requirements – further information can be found in [Appendix 6 Part 4 of the Regulations](#).

Procurement Pathway	Contract Value	Using Contracts Finder to advertise opportunity ⁵⁸	Use of Pre-Qualification Stage	Contract Award Notice on Contracts Finder ⁵⁹
Pathway One	Under £1,000	Optional	Not permitted	Optional
Pathway Two	£1,000 to £4,999	Optional	Not permitted	Optional
Pathway Three	£5,000 to £9,999	Optional	Not permitted	Optional
Pathway Four	£10,000 to £74,999	Optional (over £25,000 – please see footnote 58 below)	Not permitted	Under £25,000 – Optional £25,000 and above - Mandatory

⁵⁸ Where the contract value is £25,000 or over, and you advertise an opportunity in any way (including on the Council website or Social Media accounts), then you **MUST** place an advert on Contracts Finder via the Council's e-tendering system. This does not include where you call off from one of the Council's Framework Agreements, Third-Party Framework Agreements, Dynamic Purchasing Systems (Council or Third-Party).

⁵⁹ Applies whether the award is a result of an RFQ / ITT (or other procedure), use of a Framework Agreement or DPS (Council or Third Party)

Procurement Pathway	Contract Value	Using Contracts Finder to advertise opportunity ⁵⁸	Use of Pre-Qualification Stage	Contract Award Notice on Contracts Finder ⁵⁹
Pathway Five	£75,000 to PCR2015 Threshold	Mandatory	Not permitted ⁶⁰	Mandatory

E4.2 For information a summary of the same for Above PCR2015 Threshold is provided below:

Procurement Pathway	Contract Value	Using Contracts Finder to advertise opportunity ⁶¹	Use of Pre-Qualification Stage	Contract Award Notice on Contracts Finder ⁶²
Pathway Six	Above PCR2015 Threshold	Mandatory	Optional – use Crown Commercial Services' standard Selection Questionnaire	Mandatory
Pathway Seven	Above PCR2015 Threshold – Light Touch Regime	Mandatory	Optional – use Crown Commercial Services' standard Selection Questionnaire	Mandatory

⁶⁰ For Works contracts above the PCR2015 Threshold for Goods/Services but below the PCR2015 Threshold for Works the standard Selection Questionnaire or the PAS91 questionnaire can be used.

⁶¹ Where the contract value is £25,000 or over, and you advertise an opportunity in any way (including on the Council website or Social Media accounts), then you **MUST** place an advert on Contracts Finder via the Council's e-tendering system. This does not include where you call off from one of the Council's Framework Agreements, Third-Party Framework Agreements, Dynamic Purchasing Systems (Council or Third-Party).

⁶² Applies whether the award is a result of an RFQ / ITT (or other procedure), use of a Framework Agreement or DPS (Council or Third Party)

E5. Procurement above the PCR2015 Thresholds

- E5.1 You **MUST** seek the support of Procurement Team **BEFORE** you undertake any procurement that is above the PCR2015 Threshold (even when planning on using a Third-Party Framework Agreement).
- E5.2 Below are listed the main choices of procurement procedure and the other routes available when carrying out a procurement activity above the PCR2015 Threshold where a Third-Party Framework Agreement is not being used.
- E5.3 Main Choices of Procedure:
 - E5.3.1 Open Procedure
 - E5.3.2 Restricted Procedure
- E5.4 Other Procedures:
 - E5.4.1 Competitive Procedure with Negotiation
 - E5.4.2 Competitive Dialogue
 - E5.4.3 Innovation Partnership
 - E5.4.4 Negotiated Procedure without Prior Publication
- E5.5 Techniques:
 - E5.5.1 Framework Agreements
 - E5.5.2 Dynamic Purchasing Systems
 - E5.5.3 Electronic Auctions
 - E5.5.4 Electronic Catalogues
- E5.6 Lots:
 - E5.6.1 If you do not divide the Contract up into lots, you **MUST** explain why in the Contract Notice or procurement documents.

E6. Use of “Variant Bids”

- E6.1 In certain circumstances, you may want Tenderers to be able to submit “variant bids” in addition to a main Tender Submission which is wholly compliant with the published specification. In order to allow this, the Contract Notice (where used) and RFQ/ITT must state the minimum requirements to be met by the variants and specific requirements for their submission.
- E6.2 You **MUST** ensure that the award criteria can be applied to variants meeting those minimum requirements as well as to conforming wholly compliant Tenders which are not variants. Only variants meeting the minimum requirements laid down by the Council shall be taken into consideration.
- E6.3 If you are considering allowing variant bids you **MUST** seek guidance from the Procurement Team prior to any documents or adverts being published/issued.

E7. Capability & Financial Checks

- E7.1 You **MUST** ensure that any supplier interested in doing business with the Council has both the technical capability and the financial capacity to be able to perform the Contract.
- E7.2 Below PCR2015 Thresholds
 - E7.2.1 Below the PCR2015 Threshold you **MUST NOT** use a Selection Questionnaire (previously known as a pre-qualification questionnaire) to shortlist tenderers. You can ask “suitability assessment questions” that are

relevant to the subject matter of the contract and are proportionate. These can relate to minimum standards of suitability and capability. Template supplier questionnaires are available on the procurement team pages on the Council's Intranet (Brian).

E7.3 Above PCR2015 Thresholds

E7.3.1 Procurements above the PCR2015 Thresholds **MUST** use one of the procedures described in [section E5](#). This includes procedures which use a Selection Questionnaire (previously known as a pre-qualification questionnaire) to shortlist candidates before inviting Tenders.

E7.3.2 When using a Selection Questionnaire, you **MUST** use the Cabinet Office Standard Selection Questionnaire. This includes the government standard questions on financial standing.

E7.4 Financial Checks

E7.4.1 For all contracts over £10,000 you **MUST** obtain a credit check from the Finance Team. For all contracts over £10,000 you **MUST** obtain a financial appraisal from the Finance Team; this will be tailored to each contract dependent upon value, supplier stability, market maturity and financial risks.

E8. Evaluation Criteria

E8.1 When carrying out a procurement activity above PCR2015 Threshold, you **MUST** include the evaluation criteria and the weightings on the Contract Notice itself, or in the procurement documents. This means that you **MUST** have agreed the evaluation criteria for the procurement activity before the Contract Notice is issued.

E8.2 The Council considers it good practice to apply this rule ([E8.1](#) above) to all procurement activities, whether or not above the PCR2015 Threshold.

E8.3 Evaluation **MUST** be based on the "Most Economically Advantageous Tender" approach. This can be made up of criteria such as:

E8.3.1 price or cost (including using life-cycle costing)

E8.3.2 the best price-quality ratio (considering qualitative, environmental and/or social aspects linked to the subject matter of the Contract), including:

8.3.2.1 quality - technical merit, aesthetic and functional characteristics, accessibility, design for all users, social, environmental and innovative characteristics and trading and its conditions;

8.3.2.2 organisation, qualification and experience of staff assigned to performing the Contract (where this can have a significant impact on the level of the performance of the Contract);

8.3.2.3 after-sales service and technical assistance, delivery conditions such as delivery date, process and period, or period of completion.

E8.4 Template scoring matrices are available on the procurement team pages on the Council's Intranet (Brian).

E9. Return of submissions

E9.1 Regardless of value, you must treat all submissions received from suppliers fairly and in a non-discriminatory manner.

E9.2 Where permitted in the Procurement Pathways, you may receive submissions via email. You must keep these secure and ensure that no information is shared with other bidders as a result of receiving a submission ahead of the agreed deadline.

- E9.3 When using the Council's e-tendering system, you **MUST** follow the process as set out in the system and any guidance as detailed on the Procurement Pages of the Council's intranet site (Brian).
- E9.4 In special circumstances it may be permissible to receive Submissions in hard-copy (either in full or in half) – you **MUST** seek advice and approval from the Procurement Manager in advice of starting any procurement activity that may require this adaption.

E10. Late Submissions

E10.1 Submissions made after the stated response deadline **MUST** be referred to the Procurement Manager for review. Submissions received after the deadline will usually only be accepted in exceptional circumstances if the procurement activity is below the PCR2015 Threshold and

E10.1.1 the other Submissions have not been opened and there is no material advantage given to the supplier is accepting the late Submission; or

E10.1.2 there has been a failure of the Council's e-tendering system; or

E10.1.3 the failure to comply is the fault of the Council; or

E10.1.4 Other justifiable reason as authorised by the Procurement Manager.

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Section F. Contract Award & Implementation Stage

F1. Contract Award Recommendation Report

- F1.1. For all procurement activities between £10,000 and the PCR2015 Thresholds, a Contract Award Recommendation Report **MUST** be completed and signed by the appropriate Officer(s).

F2. Regulation 85 Contract Award Recommendation Report

- F2.1. For all procurement activities above the PCR2015 Thresholds a Regulation 85 Contract Award Recommendation Report **MUST** be completed and signed by the appropriate Officer(s).

F3. Approval to Award the Contract

- F3.1. The Contract Award Report / Regulation 85 Contract Award Report **MUST** be formally approved by the appropriate Officer or Council Member as detailed in [Appendix 1 Approval Pathways](#). In certain circumstance this may require for formal Member Decision, Cabinet Report or Council Report to be undertaken. Please seek guidance from Democratic Services in relation to timescales and report formats.

F4. Notifying Suppliers

- F4.1. Once the appropriate approval to award has been obtained, you can then notify the suppliers or the outcome of your procurement activity.
- F4.2. There are strict rules for above PCR2015 Threshold procurements on how to debrief suppliers including a Mandatory 10-day Standstill Period prior to confirming Contract award. You **MUST** liaise with the Procurement Team when undertaking this activity due to the detailed legal requirements involved.
- F4.3. If the supplier requests a face to face debrief, it is normal and courteous to do this where the Contract is complex, of high value and/or has taken a long time to complete, so long as you do so in a transparent and non-discriminatory way.
- F4.4. For all below PCR2015 Threshold procurement processes it is recommended to provider suppliers with feedback on their Quotation/Tender Submission – see the procurement pages on the Council's Intranet (Brian) for guidance and template letters.

F5. Publications

- F5.1. For Contracts above the PCR2015 Thresholds, you **MUST** submit a Contract Award Notice to be published on the FTS Service, this can be done via the Council's e-tendering system.
- F5.2. For Contracts above £25,000 you **MUST** submit a Contract Award Notice to be published on Contracts Finder this can be done via the Council's e-tendering system.
- F5.3. You **MUST** update the Contract Register; if you have used the Council's e-tendering system this can be done directly, if not submit a request via the link on the procurement pages on the Council's Intranet (Brian).
- F5.4. You **MUST** file documents in line with the Council's Document Retention Policy (see [Appendix 4 Document Retention](#)).

F6. Contract Signing and Sealing

F6.1. Once the supplier(s) have been notified of the outcome of the procurement activity, and any mandatory Standstill period has expired without challenge, you can proceed to signing and or sealing the Contract(s).

F6.2. There are two ways in which a Contract can be executed ('signed'):

F6.2.1. **Simple Contract** – not executed as a deed, statutes of limitations⁶³ lasts for 6 years after the end of the Contract.

F6.2.2. **Sealed as a Deed** – executed as a deed, statutes of limitations lasts for 12 years after the end of the Contract.

F6.2.3. The table below details when you can use each approach based on contract value. Where the option to either sign or seal is available, you **MUST** seek guidance with the Procurement Team or the Democratic Services Team as to which approach is most appropriate.

Maximum Contract Value	Simple Contract		Sealed as a Deed	
Under £1,000	Yes	Signed by Budget Manager ⁶⁴	No	N/A
£1,000 to £9,999	Optional		Optional	Made under Common Seal attested by 1x Officer and 1x Cabinet Member
£10,000 to £74,999	Optional	Signed by Head of Service	Optional	
£75,000 to PCR2015 Threshold*	Optional	Signed by Head of Service and 1x Other ⁶⁵	Optional	
Above PCR2015 Threshold*	No	N/A	Yes	

* The PCR2015 Threshold for Goods/Services applies for all contract types (goods, services and works) for this table.

⁶³ The statute of limitations is the timescale within which any legal challenge can be brought in relation to the Contract.

⁶⁴ The Budget Manager must have the correct Authorised Signatory level in place – these can be check on the Council Intranet (Brian)

⁶⁵ Other – can be another Head of Service or the Chief Executive

F7. The Council's Contract Register

F7.1. The Council's Contract Register is available through the Council's e-tendering system and records and stores information on the Council's Contracts.

F7.2. It provides:

F7.2.1. key information to Officers on existing current and expired Contracts;

F7.2.2. limited information to the general public (including start and end dates, Contract value, and key contact details);

F7.2.3. information on Contracts to allow Officers to retender in good time.

F8. Recording Contracts on the Contract Register

F8.1. Recording of Contracts on Contract Register is mandatory for all Contracts valued above £5,000 (unless an exemption is applicable) in line Local Government Transparency Regulations.

F8.2. It is recommended that any Contract regardless of value, where a formal contract is used (instead of only a Purchase Order), is recorded on the Contract Register.

F8.3. You **MUST** keep the information on Contract Register up to date, for example if:

F8.3.1. a Contract is extended;

F8.3.2. the key contact for a Contract changes (e.g. if an Officer leaves).

F8.4. In order to add a record to the Contracts Register or amend a record please contact the Procurement Team for support.

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Section G. Contract Management Stage

G1. General

G1.1. The level of contract management appropriate for each Contract will vary dependent upon the value, term, risk and complexity of the Contract. The table below provides guidance as to the level needed based on value alone as a guide:

Contract Value	Contract Management
Under £10,000	Level 1 – light touch; ensure contract is delivering what was agreed; address any concerns in a timely fashion; monitor any KPIs
£10,000 to £74,999	Level 2 – ensure contract is delivering what was agreed; periodic meetings if appropriate; address any concerns in a timely fashion; monitor any KPIs
£74,999 to PCR2015 Threshold	Level 3 – monitor that the contract is delivering what was agreed; regular minuted meetings; agree action plans for improvements; monitor any KPIs
Above PCR2015 Threshold	Level 4 - monitor that the contract is delivering what was agreed; regular minuted meetings; agree action plans for improvements; monitor any KPIs;

G1.2. Specifically in relation to works contracts, 'snagging' must be identified and signed off by the Council before moving to formal final completion which will begin any defect liability period.

G1.3. Following contract award you **MUST** put into place the agreed contract management controls and measures as per the Contract. You **MUST** review the Contract regularly to ensure the Contract achieves its objectives and future benefits.

G1.4. You **MUST** establish processes for recording the receipt of goods and progress of work, reviewing performance reports etc.

G1.5. You **MUST** put in place both formal and informal communications to manage the relationship, as appropriate.

G1.6. During the term of the contract you should capture the views of the service users/interested stakeholders, including feedback to them on the service performance, so that this can be shared with the supplier as necessary and, in cases of negative feedback, any improvement actions agreed.

G2. Reviews

G2.1. You **MUST** undertake regular reviews of the Contract to ensure that it is still achieving the objectives and goals as identified at pre-procurement stage as well as the requirements in the contract documentation.

G2.2. You **MUST** monitor and report on any Social Value requirements included within the Contract.

G3. Continuous Improvement

- G3.1. You should review your success against your original plans, i.e. did you achieve the outcomes you set out to achieve and do you understand what contributed to or prevented success?
- G3.2. You should share your learning with colleagues, service users and stakeholders to ensure you are continuously improving your processes and skills.
- G3.3. Reflect on the views of service users/stakeholders when reviewing whether the commissioning and procurement plans were successful.

G4. Contract Extensions and Variations/Amendments

- G4.1. Contract extensions and or variations / amendments can only happen in particular circumstances where they are already allowed for within the Contract or where they do not amount to a change of requirement.
- G4.2. You **MUST** contact the Procurement Team before proceeding with any contract extensions, variation or amendment.

G5. Contract Extensions

- G5.1.1. If an extension clause has been included in the Contract, then it is permissible to extend but this should only be done if it represents value for money to extend and if the performance of the supplier warrants it.
- G5.1.2. For below PCR2015 Threshold Contracts where there isn't an option to extend the contract included, it is possible to seek approval from the appropriate Officer / Council Member (see [Appendix 1 Approval Pathways](#) for further details) to extend the contract where it is possible to demonstrate it is value for money and the performance of the supplier warrants it.
- G5.1.3. It is not possible to extend an above PCR2015 Threshold Contract where an extension clause has not been included.
- G5.1.4. A formal contract extension must be issued, unless detailed otherwise in the Contract.
- G5.1.5. You **MUST** seek support from the Procurement Team in order to carry out the extension.

G6. Contract Variations

- G6.1.1. Contract variations are risky and can trigger the need for a new procurement exercise. For above PCR2015 Thresholds, the Regulations set out the changes that can be made to a Contract which has a contract value above the PCR2015 Thresholds.
- G6.1.2. Where a contract variation is sought, the appropriate Officer / Council Member must provide approval (see [Appendix 1 Approval Pathways](#) for further details).
- G6.1.3. When considering a contract variation for a capital project, you **MUST** refer to the section in the Finance Procedure rules on capital programmes and ensure those regulations are adhered to.
- G6.1.4. You **MUST** seek advice from the Procurement Team before making any Contract variation.

G7. Contract Termination

- G7.1. Early termination **MUST** be approved by the Head of Service, Head of Finance and Procurement (S151 Officer) and Procurement Manager. It is important to note that some Contracts may carry financial consequences to early termination.
- G7.2. Contracts may be terminated early by agreement prior to the expiry date of the Contract and in accordance with the termination provisions set out in the Contract.

G8. Transferring a Contract between parties (novation)

- G8.1. During the term of a Contract, either party may wish to transfer their rights and obligations to another party. This is called novation. It can occur where one supplier is acquired by another supplier (e.g. a takeover) or where a supplier is dividing up into several companies to form a group.
- G8.2. It is important to make sure that any novation is undertaken in line with the Contract and documented accordingly.
- G8.3. If you are approached by a supplier in relation to a novation – or if they inform you that they have been taken over or changing their name, you **MUST** liaise with the Procurement Team and or the Legal Team for advice.
- G8.4. A formal deed of novation **MUST** be completed before the transfer of rights takes place if the Council agrees to the change.

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Appendix 1. Approval Pathways

'**Budget Manager**' in the tables below means the officer assigned responsibility to manage the income and expenditure for a defined cost centre

'**MTFS**' – Medium Term Financial Strategy. Please liaise with the Finance Team to confirm if a contract falls within the approved version

Cabinet Member Approval / Head of Service Approval /Budget Manager Approval must be in writing

Cabinet Member Decision – formal process with decision notice published and subject to 5 day call-in period; must also have been published on the Forward Plan

IMPORTANT NOTES:

Cabinet Member Decisions, Cabinet Reports and Council Reports will need to be added to the Forward Plan at least 28 days before the decision date. For more information please liaise with the Governance & Performance Team.

Estimated Contract Value - under £75,000

Pre-Procurement - Approval to commence the process		
Maximum estimated contract value (including any options to extend) and must be within the approved MTFS budget parameters		
Under £1,000	£1,000 - £9,999	£10,000 - £74,999
Budget Manager Approval	Budget Manager Approval	Head of Service Approval
If the contract is NOT within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required before progressing with the procurement activity		
If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you MUST liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required		
Post-Procurement - Approval to award the contract		
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS		
Under £1,000	£1,000 - £9,999	£10,000 - £74,999
Budget Manager Approval	Budget Manager Approval	Head of Service Approval
If the contract value is <u>now</u> above £75,000 but is <u>within</u> the budget parameters of the approved MTFS a Cabinet Member Decision is required (unless it is a policy decision where Cabinet approval will be required) you MUST liaise with the Procurement Team if this circumstance applies		

...Estimated Contract Value - under £75,000 cont.

Contract Extensions / Variations					
Did the maximum estimated contract value include the proposed extension / variation?					
Yes		No			
		Add together the maximum estimated contract value and the value of the extension/variation (= new maximum estimated contract value) (further information on estimating contract values can be found at section D5)			
Maximum estimated contract value remains under £75,000 and still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value remains under £75,000 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value remains under £75,000 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value remains under £75,000 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value between £75,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value between £75,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters
Head of Service Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing	Head of Service Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing	Cabinet Member Decision is required (unless a policy decision where Cabinet approval is needed) you MUST liaise with the Procurement Team if this circumstance applies	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing

Estimated Contract Value - £75,000 to £399,999

Pre-Procurement - Approval to commence the process	
Maximum estimated contract value (including any options to extend) must be within the approved MTFS budget parameters	
£75,000 to £399,999	
Was the contract included in the Annual Future Procurement Plan and approved by Cabinet?	
Yes	No
Approval to commence already in place – no further action needed	Cabinet Member Approval
If the contract is NOT within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required	

If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you **MUST** liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required

...Estimated Contract Value - £75,000 to £399,999 cont.

Post-Procurement - Approval to commence the process	
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS	
£75,000 to £399,999*/**	
Was the contract included in the Annual Future Procurement Plan and approved by Cabinet?	
Yes	No
Cabinet Member Decision	Cabinet Member Decision
<p>*If the contract value is <u>now above</u> £399,999 but is <u>within</u> the budget parameters of the approved MTFS Cabinet approval is needed – you MUST liaise with the Procurement Team if this circumstance applies</p> <p>**If the contract value is <u>now above</u> £399,999 and <u>outside</u> the budget parameters of the approved MTFS a report to Cabinet with recommendations to Council to approve a supplementary budget is needed – you MUST liaise with the Procurement Team if this circumstance applies</p>	

...Estimated Contract Value - £75,000 to £399,999 cont.

Contract Extensions / Variations					
IMPORTANT – You MUST liaise with the Procurement Team if the contract value was or is now above the PCR2015 Thresholds before proceeding					
Did the maximum estimated contract value include the proposed extension / variation?					
Yes		No			
		Add together the maximum estimated contract value and the value of the extension/variation (=new maximum estimated contract value)			
Maximum estimated contract value remains £75,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value remains £75,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value remains £75,000 - £399,999 and still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value remains £75,000 - £399,999 but now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value £400,000 and above but still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value £400,000 and above but now <u>outside</u> the approved MTFS budget parameters
Cabinet Member Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies	Cabinet Member Decision is required (unless a policy decision where Cabinet approval is be needed) You MUST liaise with the Procurement Team if this circumstance applies	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies	Cabinet Approval	Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing You MUST liaise with the Procurement Team if this circumstance applies

Estimated Contract Value - £400,000 and above

Pre-Procurement - Approval to commence the process	
Maximum estimated contract value (including any options to extend) must be within the approved MTFS budget parameters	
£400,000 and above	
Was the contract included in the Annual Future Procurement Plan and approved by Cabinet?	
Yes	No
Approval to commence already in place – no further action needed	Cabinet Approval
If the contract is NOT within the budget parameters of the approved MTFS then a report to Cabinet with recommendations to Council to approve a supplementary budget is required.	
If as a result of the procurement process the maximum estimated contract value is greater than initially expected, you MUST liaise with the Procurement Team before proceeding as a different procurement and or approval pathway may be required.	
Post-Procurement - Approval to commence the process	
Contract value remains within the same threshold banding as identified at pre-procurement stage and is still within the budget parameters of the approved MTFS	
£400,000 and above	
Was the contract included in the Annual Future Procurement Plan and approved by Cabinet?	
Yes	No
Cabinet Member Decision	Cabinet Approval (unless Pre-Procurement Cabinet Report delegation the approval to award to the Cabinet Member; if so, a Cabinet Member Decision is required)
If the contract value is now outside the budget parameters of the approved MTFS a report to Cabinet with recommendations to Council to approve a supplementary budget is needed – you MUST liaise with the Procurement Team if this circumstance applies	

...Estimated Contract Value - £400,000 and above cont.

Contract Extensions / Variations			
IMPORTANT – You MUST liaise with the Procurement Team if the contract value was or is now above the PCR2015 Thresholds before proceeding			
Did the maximum estimated contract value include the proposed extension / variation?			
Yes		No	
		Add together the maximum estimated contract value and the value of the extension/variation (=new maximum estimated contract value)	
Maximum estimated contract value still <u>within</u> the approved MTFS budget parameters	Maximum estimated contract value now <u>outside</u> the approved MTFS budget parameters	New maximum estimated contract value still <u>within</u> the approved MTFS budget parameters	New maximum estimated contract value now <u>outside</u> the approved MTFS budget parameters
Cabinet Member Approval	<p>Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing</p> <p>You MUST liaise with the Procurement Team if this circumstance applies</p>	<p style="text-align: center;">Cabinet Approval</p> <p>You MUST liaise with the Procurement Team if this circumstance applies</p>	<p>Report to Cabinet with recommendations to Council to approve a supplementary budget and contract extension / variation is required before progressing</p> <p>You MUST liaise with the Procurement Team if this circumstance applies</p>

Appendix 2. Contract Minimum Requirements

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e-tendering system ⁶⁶	Enter on contract register / contract award notice
Pathway One Under £1,000	Use Corporate Contract OR seek VFM ⁶⁷ and apply Think Local approach	Purchasing card OR Purchase Order (the Council's General T&Cs of Purchase)	No	Optional	Contracts register: No Contract Award Notice: No
Pathway Two £1,000 to £4,999	Procurement Initiation Plan if complex, high risk or includes personal data Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM and apply Think Local approach Minimum of 2 written Quotes	Purchase Order (the Council's General T&Cs of Purchase) OR Specialist T&Cs especially if personal data involved or consultancy	Optional	Optional	Contracts register: No Contract Award Notice: No
Pathway Three £5,000 - £9,999	Procurement Initiation Plan if complex, high risk or includes personal data Use Corporate Contract OR	Contract award Recommendation required Purchase Order (the Council's General T&Cs of Purchase) OR	Optional	Optional	Contracts register: Yes Contract Award Notice: No

⁶⁶ If you are using a Third-Party Framework Agreement / DPS any they require you to use their system then this takes priority over using our e-tendering system

⁶⁷ VFM means Value for Money

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e-tendering system ⁶⁶	Enter on contract register / contract award notice
	Use Third-Party Framework Agreement OR Seek VFM and apply Think Local approach Minimum of 2 written Quotes	Specialist T&Cs especially if personal data involved or consultancy			
Pathway Four £10,000 - £74,999	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local approach and Social Value policy Minimum of 3 written quotations via RFQ	Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system	Optional	Under £25,000: Optional £25,000 and above: Mandatory	Contracts register: Yes Contract Award Notice: Under £25,000: No £25,000 and above: Yes
Pathway Five £75,000 – PCR2015 Threshold	Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement	Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND	Mandatory	Mandatory	Contracts register: Yes Contract Award Notice: Yes

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e-tendering system ⁶⁶	Enter on contract register / contract award notice
	<p>OR Seek VFM, apply Think Local approach and Social Value policy Minimum of 3 written tenders via ITT</p>	<p>MUST use e-Signature system</p>			
<p>Pathway Six Above PCR2015 Threshold</p>	<p>Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement OR Seek VFM, apply Think Local approach, Social Value policy and adhere to Regulations Use appropriate procedures as per Regulations</p>	<p>Reg 85 Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND MUST use e-Signature system</p>	<p>Mandatory</p>	<p>Mandatory</p>	<p>Contracts register: Yes Contract Award Notice: Yes</p>
<p>Pathway Severn Light Touch Regime – above PCR2015 Threshold</p>	<p>Procurement Initiation Plan required MUST liaise with Procurement Team Use Corporate Contract OR Use Third-Party Framework Agreement</p>	<p>Reg 85 Contract award Recommendation required Purchase Order AND Standard / Specialist T&Cs especially if personal data involved or consultancy AND</p>	<p>Mandatory</p>	<p>Mandatory</p>	<p>Contracts register: Yes Contract Award Notice: Yes</p>

Procurement Pathway Contract Value	Minimum purchasing requirements	Minimum contract requirements	Enter on Future Procurement Plan	Use of council e-tendering system ⁶⁶	Enter on contract register / contract award notice
	<p align="center">OR</p> <p>Seek VFM, apply Think Local approach, Social Value policy and adhere to Regulations Use appropriate procedures as per Regulations</p>	<p>MUST use e-Signature system</p>			

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Appendix 3. Procurement Thresholds & Timescales⁶⁸

TYPE OF CONTRACT	THRESHOLD 01/01/2020 - 31/12/2021
Works Contracts and Concession Contracts	£4,733,252
Supplies and/or (most) Services (for Local Government)	£189,330
Social and other specific Services (Light Touch Regime applies)	£663,540
Small Lots – Works	£884,720
Small Lots – Supplies / Services	£70,778

Procedure	Selection stage	Tender stage	If electronic tender used	Tender following PIN	Tender by agreement	Urgency
Open Procedure	N/A	35 days	30 days	15 days	N/A	15 days
Restricted Procedure	30 days	30 days	25 days	10 days	At least 10 days	15/10 days
Competitive Procedure with Negotiation	30 days	30 days	25 days	10 days	At least 10 days	15/10 days
Competitive Dialogue	30 days	N/A	N/A	N/A	N/A	N/A

The timeframes above are **MINIMUM** number of days from date the notice is sent. It is recommended you allow 3 extra days to allow for notice publication.

⁶⁸ The UK Government will review these thresholds in 2021 – any amendments will be provided in an update to these CPRs

Appendix 4. Document Retention Guidelines

Retention Classification	Retention Period
Contracts under seal	12 years from Contract end This includes all Contract and related documents (specifications, drawings, certificates, Contract instructions and all relevant correspondence including ITTs, Tender Submissions etc.)
Contracts not under seal	6 years from Contract end This includes all Contract and related documents (specifications, drawings, certificates, Contract instructions and all relevant correspondence including ITTs, Tender Submissions etc.)
Unsuccessful Tenders and Quotes	3 years or length of contract (whichever is longer) from the award of Contract
Abandoned Tenders and Quotes	3 years from the date of abandonment
Purchase files	MUST be kept up to date at all times within the Council's e-tendering system and Contract Register

Appendix 5. Exemption to CPRs

1. Contracts below the PCR2015 Thresholds

- 1.1. Specific Officers may approve exemptions to these CPRs (to the extent that it is lawfully able to do so) in genuinely urgent situations and/or where there is a sound legal, financial or Value for Money reason (see [section 4](#) below).
- 1.2. A CPR Exemption Form **MUST** be completed and submitted for approval to the relevant Officer.
- 1.3. The CPR Exemption Form is available via a link on the procurement pages on the Council's Intranet (Brian).
- 1.4. The following are considered acceptable reasons for seeking an exemption:
 - 1.4.1. quantifiable and significant cost and efficiency savings can be achieved through seeking an alternative route;
 - 1.4.2. reasons of extreme urgency mean that normal time limits cannot be met, including as a result of unforeseen emergency or disruption to Council services;
 - 1.4.3. the Council would otherwise be exposed to immediate and significant financial, legal or reputational risk that has been identified in the relevant risk register;
 - 1.4.4. only one Contractor is objectively able to provide the works, services or supplies in question, for example where the supplier has exclusive Intellectual Property, artistic or other rights, is a monopoly or where the goods bought are for re-sale (in which case the exemption **MUST** be to the number of Quotes / Tenders that are sought);
 - 1.4.5. additional or new services, supplies or works are required which, through unforeseen circumstances, were not included in an existing Council Contract and are necessary for the completion of the Contract and/or cannot be carried out separately.
 - 1.4.6. new works or services/supplies are required which are a repetition of works, services/supplies carried out under the original Contract, provided they are required within 1 year of the original Contract.
 - 1.4.7. goods are required as a partial replacement for or addition to existing goods or installations and obtaining them from another source would result in incompatibility or disproportional technical difficulties in operation or maintenance.
 - 1.4.8. the Council has the benefit of a Local Authority Controlled Company under regulation 12 of the Regulations, and exercises over the company concerned a control which is similar to that which it exercises over its own departments and, at the same time, that company carries out the essential part of its activities with the Council's control.
 - 1.4.9. Any other circumstances deemed eligible by the Head of Finance & Procurement (S151 Officer) and Procurement Manager.

2. Contracts above the PCR2015 Thresholds

- 2.1. It is illegal to use an exemption when the value of the Contract is above the PCR2015 Threshold. You may need to consider other procurement routes, for example, using a Third-Party Framework Agreement or using the Accelerated procedures as permitted within the Regulations.

3. Use of exempt organisations or establishment of shared services

- 3.1. Where the Council has the option to use an exempt organisation, for example one that falls under the “Teckal”⁶⁹ or “Hamburg”⁷⁰ provisions or establishing a shared service with another local government authority, and it is identified as the preferred route as a result of the Procurement Initiation Plan, cost comparison and bench-marking, then a CPR exemption is automatically applied so long as it presents the value for money and meets the requirements of the procurement and is approved by the Head of Finance & Procurement (S151 Officer) and Procurement Manager.

4. Approval of CPR Exemption Forms

- 4.1. The table below details who is authorised to approve a CPR Exemption:

Estimated Maximum Contract Value	Approved by
Under £10,000	Procurement Manager ⁷¹
£10,000 - £74,999	Head of Finance & Procurement (S151 Officer) ⁷²
£75,000 – PCR2015 Threshold	<u>Within MTFS budget parameters:</u> Chief Executive ⁷³ in consultation with the Cabinet Member where appropriate <u>Outside of MTFS budget parameters:</u> Report to Cabinet with recommendations to Council to approve a supplementary budget and exemption is required

- 4.2. It is not possible to issue a CPR Exemption for contracts valued at over PCR2015 Thresholds. The Regulations do include procedures for use in urgent or emergency circumstances – you **MUST** liaise with the Procurement Team if this is applicable.

5. Reporting of CPR Exemptions

- 5.1. The Head of Finance & Procurement (S151 Officer) will report on an annual basis to the Audit & Member Standards Committee the details of the CPR Exemptions approved in the previous financial year.

⁶⁹ *Teckal Srl v Comune di Viano and Azienda Gas-Acqua Consorziale (AGAC) di Reggio Emilia (Case C-107/98) [1999] ECR I-8121* (Teckal). The Teckal principles have been codified in regulation 12 of the PCR2015 Regulations.

⁷⁰ *Commission v Germany (Case C-480/06) [2009] ECR I-4747 (Hamburg case)*. The Hamburg principles have been codified in regulation 12 of the PCR2015 Regulations.

⁷¹ In the absence of the Procurement Manager, the Head of Finance & Procurement (S151 Officer) or the Chief Executive can approve this level of CPR Exemption

⁷² In the absence of the Head of Finance & Procurement (S151 Officer) the Chief Executive can approve this level of CPR Exemption

⁷³ In the absence of the Chief Executive the Head of Finance & Procurement (S151 Officer) and the Monitoring Officer can jointly approve this level of CPR Exemption

Appendix 6. Part 4 of the Regulations

1. Below the PCR2015 Threshold - Using Contracts Finder to Advertise Contracts

- 1.1. If you are going to advertise an opportunity over the value of £25,000, then you **MUST** place an advert on Contracts Finder first via the Council's e-tendering system (or via Contracts Finder directly if agreed by the Procurement Manager) **BEFORE** you place any other adverts (including social media posts).
- 1.2. When you advertise on Contracts Finder, you **MUST** offer unrestricted and full direct internet access free of charge to any relevant Contract and procurement documents and specify in the notice the internet address where those documents can be accessed.

2. Selection Questionnaire

- 2.1. You **MUST NOT** use a Selection Questionnaire (previously known as a pre-qualification questionnaire) for Contracts below the PCR2015 Threshold unless it is for a Works contract which has a value of over the Goods/Services PCR2015 Threshold.
- 2.2. You can ask "suitability assessment" questions that are relevant to the subject matter of the procurement and are proportionate. These questions should relate to information and / or evidence you need to ensure that the candidate meet requirements and / or minimum standards for:
 - 2.2.1. suitability;
 - 2.2.2. legal status;
 - 2.2.3. financial standing.

3. Below the PCR2015 Threshold - Using Contracts Finder to Publish Contract Award Notices

- 3.1. You **MUST**, within 30 days of the contract being signed publish a Contract Award Notice via Contracts Finder for any Contract with a value over £25,000. This includes any call-off from a Framework Agreement or Third-Party Framework Agreement and DPS.

Appendix 7. Request for Quotation (RFQ) Process

1. The following RFQ process relates to **Step 5 of Pathway Four £10,000 - £74,999**

Starting from Step 5 of Pathway Four £10,000 - £74,999		
£10,000 - £24,999	£25,000 - £74,999	
Prepare RFQ pack Templates are available on the Procurement Team pages of the Council's Internet (Brian) (See section 2 below for more information)		
Advertisement⁷⁴ Prepare information and decide on routes (including social media)		
Advertising on Contracts Finder is optional in addition to any other methods of advertising	You MUST advertise on Contracts Finder in addition to any other methods of advertising used	
Do you want to issue the RFQ using the Council's e-tendering system ?		
YES	NO	MANDATORY
Use e-tendering system to issue RFQ (speak to Procurement Team)	Use email to issue the RFQ	Use e-tendering system to issue RFQ (speak to Procurement Team)
Publish advertisements (always publish Contracts Finder first)		
Issue RFQ packs to suppliers that request a copy (the e-tendering system can do this automatically)		
Answer any clarification questions received within deadline (see section 2.1 below for more information)		
Open responses once deadline has passed		
Conflict of Interest check needed where suppliers bidding not previously known (see section 3.3 below for more information)		
Carry out evaluation process keeping records of scores and reasoning (see section 5 below for more information)		
...return to Step 6 of Pathway Four £10,000 - £74,999		

⁷⁴ All opportunities are to be advertised unless agreed otherwise in advance by the Procurement Manager; if not being advertised, a closed list of suppliers will be invited to participate with at least 3 suppliers invited in line with the Think Local policy. The Conflict of Interest check is to be carried out before the RFQ packs are issued.

2. RFQ Pack

- 2.1. On the Procurement Team pages of the Council's Intranet (Brian) there are RFQ Pack templates for use in this level of procurement activity. They will provide you with the standard questionnaire templates as well as an instructions and specification document. You **MUST** use these templates, following any guidance documents provided, unless the Procurement Manager agrees otherwise in advance (in writing).

3. Clarification Questions

- 3.1. During the time when the RFQ is 'live' suppliers are able to ask clarification questions in relation to the procurement activity (we suggest you include a deadline after which questions cannot be asked). You **MUST** keep a record of the questions asked and the answers provided (the e-tendering system will do this for you automatically). Where a supplier asks a question where the answer is relevant to all suppliers, then you **MUST** anonymise the question (removing any information or data that may identify who asked it) and then share both the question and answer with all suppliers.
- 3.2. When you are running an open process (i.e. where any supplier during the timescale stated can get a copy of the RFQ documents and submit a response) it is recommended to keep a Q&A log (anonymised) that can be shared with suppliers when they request the RFQ pack to ensure that information is shared fairly regardless of when a supplier requests the pack.
- 3.3. If you are in any doubt as to whether a question should be shared or not, please seek advice from the Procurement Team.

4. Conflict of Interest Check

- 4.1. You **MUST** carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the procurement process (including evaluation stage) **AFTER** the submissions have been received but **BEFORE** any evaluation is undertaken. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).
- 4.2. Where a closed supplier list procedure has been approved by the Procurement Manager the Conflict of Interest check **MUST** be carried out **BEFORE** the RFQ packs are issued to suppliers. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).

5. Evaluation

- 5.1. You will need to undertake the evaluation process for each submission received in a fair and non-discriminatory manner. You will need to complete a marking sheet (templates are available on the Procurement Team pages on the Council's Intranet (Brian) – you may need to adjust them to meet the criteria used for your procurement activity). You **MUST** ensure that there are supporting comments for all scores provided and records kept in line with the document retention rules at [Appendix 4 Document Retention Guidelines](#).

Appendix 8. Invitation to Tender (ITT) Process

- 1. The following ITT process relates to **Step 5 of Procurement Pathway Five £75,000 to PCR2015 Threshold.**

Starting from Step 5 of Pathway Five £75,000 – PCR2015 Threshold...
Prepare ITT pack Templates are available on the Procurement Team pages of the Council’s Internet (Brian) (See section 2 below for more information)
Advertisement⁷⁵ Prepare information and decide on routes (including social media)
You MUST advertise on Contracts Finder in addition to any other methods of advertising used
Use the Council’s e-tendering system to run the process
Answer any clarification questions received within deadline (see section 2.1 below for more information)
Open responses once deadline has passed
Conflict of Interest check needed where suppliers bidding not previously known (see section 3.3 below for more information)
Carry out evaluation process keeping records of scores and reasoning (see section 4.1 below for more information)
...Return to Step 6 of Pathway Five £75,000 – PCR2015 Threshold

2. ITT Pack

- 2.1. On the Procurement Team pages of the Council’s Intranet (Brian) there are ITT Pack templates for use in this level of procurement activity. They will provide you with the standard questionnaire templates as well as an instructions and specification document. You **MUST** use these templates, following any guidance documents provided, unless the Procurement Manager agrees otherwise in advance (in writing).

3. Clarification Questions

- 3.1. During the time when the ITT is ‘live’ suppliers are able to ask clarification questions in relation to the procurement activity (we suggest you include a deadline after which questions cannot be asked). You **MUST** keep a record of the questions asked and the answers provided (the e-tendering system will do this for you automatically). Where a

⁷⁵ All opportunities are to be advertised unless agreed otherwise in advance by the Procurement Manager; if not being advertised, a closed list of suppliers will be invited to participate with at least 3 suppliers invited in line with the Think Local policy. The Conflict of Interest check is to be carried out before the RFQ packs are issued.

supplier asks a question where the answer is relevant to all suppliers, then you **MUST** anonymise the question (removing any information or data that may identify who asked it) and then share both the question and answer with all suppliers.

3.2. When you are running an open process (i.e. where any supplier during the timescale stated can get a copy of the ITT documents and submit a response) it is recommended to keep a Q&A log (anonymised) that can be shared with suppliers when they request the ITT pack to ensure that information is shared fairly regardless of when a supplier requests the pack.

3.3. If you are in any doubt as to whether a question should be shared or not, please seek advice from the Procurement Team.

4. **Conflict of Interest Check**

4.1. You **MUST** carry out a conflict of interest check with all officers (and any third-parties or Council Members) that will be involved in the procurement process (including evaluation stage) **AFTER** the submissions have been received but **BEFORE** any evaluation is undertaken. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).

4.2. Where a closed supplier list procedure has been approved by the Procurement Manager the Conflict of Interest check **MUST** be carried out **BEFORE** the RFQ packs are issued to suppliers. If any conflicts (potential, perceived or actual) identified then you must follow the process detailed at [section B4](#).

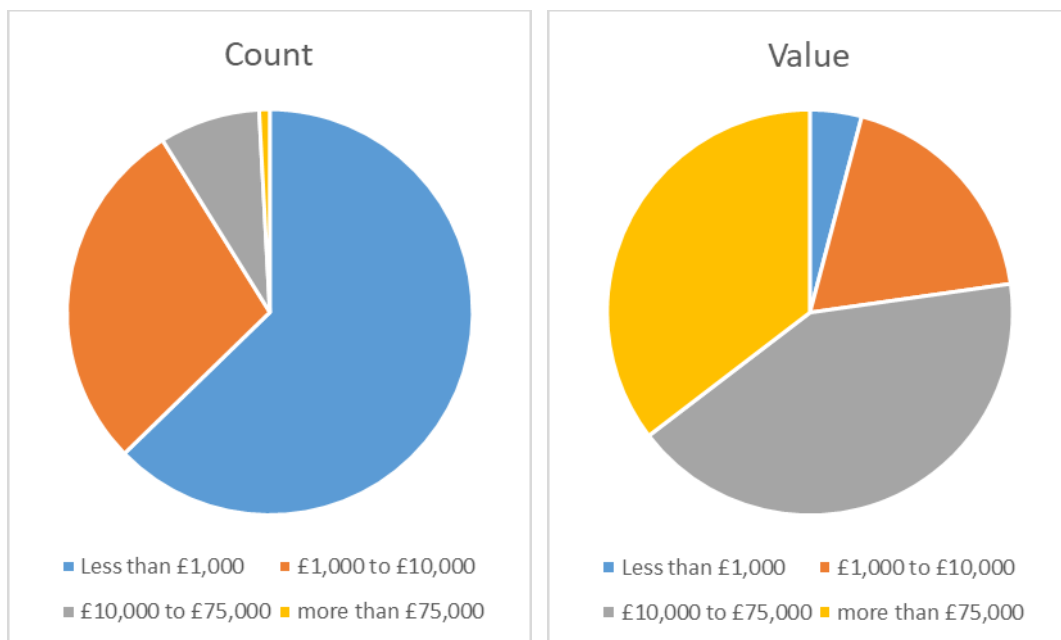
5. **Evaluation**

5.1. You will need to undertake the evaluation process for each submission received in a fair and non-discriminatory manner. You will need to complete a marking sheet (templates are available on the Procurement Team pages on the Council's Intranet (Brian) – you may need to adjust them to meet the criteria used for your procurement activity). You **MUST** ensure that there are supporting comments for all scores provided and records kept in line with the document retention rules at [Appendix 4 Document Retention Guidelines](#).

**Information on changes to the threshold for 'formal' procurement activity
Increasing the threshold from £1,000 to £10,000**

In **2019/20** we raised the following Purchase Orders (PO)¹:

PO Range	Count		Value	
£0 to £999	1555	63%	£494,769.54	4%
£1,000 to £9,999	704	28%	£2,238,648.88	19%
£10,000 to £74,999	199	8%	£5,034,303.30	42%
more than £75,000	21	1%	£4,254,135.42	35%
Grand Total	2479		£12,021,857.14	



The above spend includes circa £2.8 million of capital spending.

Based on the data above, by changing the lower threshold in the Contract Procedure Rules (CPRs) we will be making it less onerous to compliantly make a purchase / let a contract under £10,000 which accounts for 91% of the volume of purchase orders and 23% of spend value.

Under the current CPRs for activities between £1,000 and £10,000, officers are directed to use a third party framework agreement or seek 3 quotations; my recommendation in the new CPRs is that this changed to a range of approaches including:

- Obtaining at least 2 written Quotes
- Obtaining pricing from at least 2 on-line stores
- Undertaking market research that evidences only one suitable supplier and seeking pricing from them
- Carrying out another process as agreed with the Procurement Manager in advance

Note: This summary has been based on the spend data currently available; we are currently identifying additional information which needs to be collected in order to provide more detailed data in future.

¹ Procurement related – excludes purchase orders for grants, pensions, rent, business rates etc.