



Contracts Standing Orders

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## Glossary of Terms

In these Contract Standing Orders:

**Approved List** — means a list of suppliers whose basic credentials have been checked. This would normally cover financial stability, compliance with any laws or licences needed to operate, adequate insurance, health and safety policies and the like.

**Best Value** — means the Council's duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Set out in section 3 of the Local Government Act 1999.

**Most Advantageous Tender** — means award criteria based on consideration of price, quality and wider benefits e.g. social value to the Royal Borough

**National Law** — means the Public Contract Regulations 2015 (SI 2015/102) and all other legislation and regulatory requirements in force from time to time which apply to public procurement.

**National Threshold** — means the value in pounds sterling above which the Public Contracts Regulations 2015 apply to a proposed public contract.

**Procurement Forward Plan** — means a list of annual projects or contracts identified for future procurement exercises.

**Scheme of Management** — means a plan providing the director's delegation of authority; showing the names and posts of Council officers, who may seek quotations and tenders, enter into Contracts, place orders and authorise payments on their behalf

## General

### **Introduction**

~~1.1 — These Standing Orders are part of the Council's Constitution and govern all contracts for the supply of services, goods or materials or for the execution of works entered into by the Council.~~

~~1.2 — These Standing Orders apply to all Contracts except for the following types of Contracts:~~

- ~~• Grants that the Council is applying for or issuing.~~
- ~~• Contracts of employment which make an individual a direct employee of the Council;~~
- ~~• Agreements directly associated with the acquisition, disposal, or transfer of assets or land (to which the Financial Regulations shall apply).~~

### **1. Purpose and Principles**

~~1.1 — These Standing Orders are designed to ensure:~~

- ~~• best value for the Council~~
- ~~• non-discrimination and equal treatment~~
- ~~• transparency and accountability~~
- ~~• propriety~~
- ~~• compliance with national (i.e. English) law~~
- ~~• furtherance of the Council's corporate policies (including social value) and procurement strategy.~~

~~1.2 — The Head of Strategic Procurement provides guidance on the matters to be taken into account as part of any procurement process. These Standing Orders regulate the process when a decision has been made to procure externally.~~

### **2. Compliance**

~~2.1 — Every contract made by or on behalf of the Council must comply with National Law, these Standing Orders and the Council's Financial Regulations.~~

~~2.2 — Every person who lets, manages or supervises a contract will:~~

- ~~• — comply with National Law, these Standing Orders and the Council's Financial Regulations;~~
- ~~• — comply with the Council's best value duty (i.e. make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.)~~
- ~~• — consider overall value, including economic, environmental and social value, when reviewing service provision. As a concept, social value is about seeking to maximise the additional benefit that can be created by procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves;~~
- ~~• — seek to promote all relevant and current corporate policies;~~
- ~~• — act in accordance with the highest standards of propriety and proper practice; and~~
- ~~• — ensure that adequate records are kept.~~

~~2.3 — Where there is a conflict between any provision of these Standing Orders and any other part of the Constitution, there shall be a presumption that the more recently amended, inserted or updated part shall prevail.~~

~~2.4 — Any reference in these Standing Orders to the making of any decision or carrying out any procedure as part of the procurement shall be interpreted in a manner consistent with the requirement to comply with relevant national rules where the contract is over the National Threshold.~~

## ~~Delegation to Chief Officers~~

### ~~3. — Delegation~~

~~3.1 — Chief Officers may accept quotations and tenders and enter into contracts as set out in these Standing Orders, subject to the provisions of:~~

<del>Standing Order 5</del>	<del>annual plan and list of contracts</del>
<del>Standing Order 6</del>	<del>key decisions</del>
<del>Standing Order 9.4, 20 and 21</del>	<del>negotiating tenders</del>
<del>Standing Order 28</del>	<del>accepting tenders</del>

~~3.2 — Each Chief Officer will maintain a Scheme of Management, showing the names and posts of Council officers who may seek quotations and tenders,~~

~~enter into Contracts, place orders and authorise payments on their behalf. The scheme will set out the maximum contract value allocated to each member of staff for these purposes. The scheme shall not include the granting of waivers under Standing Order 7.~~

~~3.3 Each Chief Officer will send their Scheme of Management to the Director of Finance before the start of each financial year and within 7 days of making any changes to the Scheme.~~

~~3.4 Officers must declare to their Chief Officer and the Director of Legal & HR any personal interest in a matter they are dealing with, including one which may impinge on their impartiality to apply these Standing Orders. It is a requirement that all Council officers and external advisors complete a Declaration of Interest in prescribed form prior to any involvement in any drafting of tender documents or any involvement in evaluation of applicants or tenderers. In the event that a conflict of interest materialises during the procurement process, officers must additionally notify their Chief Officer and the Director of Legal & HR, in writing, as soon as is reasonably practicable.~~

#### ~~4. Annual Plan and list of contracts~~

~~4.1 As part of the annual budget setting process, each Chief Officer will provide the Director of Finance with a Procurement Forward Plan, which will include the planned procurement activity for the coming year. The Director of Finance will collate the information into an Annual Procurement Forward Plan.~~

#### ~~5. Key decisions~~

~~5.1 Chief Officers must comply with the rules relating to Key Decisions in the Constitution.~~

~~5.2 The Key Decision Appendix is found in Part 4 of the Constitution – Rules of Procedure; Section D – Access to Information Procedures~~

#### ~~Waivers~~

#### ~~6. Waivers~~

~~6.1 Cabinet, the Leader, or any Chief Officer may only authorise a waiver of compliance with these Standing Orders in accordance with this Standing Order 7.~~

~~6.2 — No waiver may be authorised to Standing Orders 2 and 3 or compliance with National Law.~~

~~6.3 — Only Cabinet may authorise a waiver of Standing Orders 4, 5, 6 and 28.~~

~~6.4 — All reports seeking a waiver must include the comments of the Director of Finance, Director of Legal & HR and Head of Strategic Procurement. If the comments recommend that a waiver should not be made, a waiver may only be authorised by Cabinet.~~

~~6.5 — Chief Officers must keep a register of waivers and the reasons they were granted, and must summarise these in a report every 6 months to Cabinet and to Overview and Scrutiny Committee.~~

### **Pre-contract requirements**

#### **7. — Contract value and evaluation criteria**

~~7.1 — Before starting any procurement, the Chief Officer will:~~

- ~~• — estimate and record the value of a proposed contract. The value of Contracts which are subject to these Standing Order is calculated net of VAT and over the total duration of the Contract, including any pilot phases or stages of delivery. The Head of Strategic Procurement will issue guidance which explains how to estimate the value of separate or renewable contracts;~~
- ~~• — during the annual procurement forward planning exercise obtain confirmation from the Director of Finance that the estimated value of the contract is within the approved in the budget prior to commencement of a tender exercise. Where the estimated value of a new procurement exercise is not included in the procurement forward plan, complete a Procurement Initiation Proposal Form (PIP Form) for contracts valued at £100,000 and over in consultation with Director of Finance and Head of Strategic Procurement before the commencement of the tendering exercise~~
- ~~• — produce a Business Case report if the value of the contract is estimated to be £500,000 and over for a services or supplies contract and £1m and over if it is a works contract. The Business Case shall be produced in consultation with Director of Finance and Head of Strategic~~



~~Procurement and submitted to the Corporate Procurement Board for approval. In the case of an urgency, the Business Case can be approved by the Director of Finance.~~

- ~~• ensure the expenditure has been included in approved estimates or in capital or revenue accounts, or has been otherwise approved by the Council.~~

~~7.2 Before starting any procurement which requires competition, the Chief Officer will determine whether the contract will be awarded to the tender which offers the most advantageous tender. In addition, the Chief Officer will determine the outcomes that are required from the procurement in terms of:~~

- ~~• what the contract is to deliver~~
- ~~• the timescales in which outcomes are to be delivered~~
- ~~• how outcomes will support the Corporate Plan~~
- ~~• how the supplier's/contractor's performance will be monitored~~
- ~~• the social value and community benefit that could be delivered~~

~~7.3 Where the contract will be awarded to the most advantageous tender, the Chief Officer will determine the evaluation criteria.~~

## ~~8. Consultation~~

~~8.1 Before purchasing services or supplies which are also provided in house, the Chief Officer will consult the relevant Head of Service and the Head of Strategic Procurement to explore the opportunity of using the existing contract and ensure the Council obtains Best Value.~~

~~9.3 Before engaging consultants for training or development purposes, the Chief Officer will consult the Head of Human Resources.~~

~~9.4 Before negotiating tenders or starting a competitive dialogue in the circumstances set out in Standing Order 20 & 21 respectively, the Chief Officer will consult the Director of Finance, Head of Strategic Procurement and Director of Legal & HR who will determine how negotiations or dialogue should be carried out so as to achieve the purposes set out in Standing Order 2.~~

~~9.5 The Chief Officer will record the outcome of each consultation.~~

## ~~9. Pre tender/ market testing/quotation enquiries~~

~~9.1 Chief Officers may make enquiries of firms before tenders or quotations are invited for all proposed contracts of £25,000 and over in value:~~

- ~~• to establish whether goods, works or services the Royal Borough wishes to purchase are available, and within what price range;~~
- ~~• to establish whether particular firms wish to be invited to tender or quote.~~

~~9.2 In making enquiries:~~

- ~~• no information may be disclosed to one firm which is not disclosed to all those which may be invited to tender or quote;~~
- ~~• no firm may be led to believe that the information they offer will necessarily lead to them being invited to tender or quote, or awarded the contract;~~
- ~~• the Chief Officer will keep a written record, including notes of any telephone calls and meetings and the responses received.~~

## **Competition requirements**

### ~~10. Requirement to consider Social Value~~

~~10.1 The Public Services (Social Value) Act 2012 requires public bodies in England and partly in Wales, to consider the economic, environmental and social benefits of their approaches to commissioning and procurement before the process starts. The Act requires authorities to make the following considerations at the pre-procurement stage: a) How, what is proposed to be procured, might improve the economic, social and environmental well-being of the 'relevant area'; b) How in conducting a procurement process, the Authority might act with a view to securing that improvement and whether to undertake a consultation on these matters.~~

~~10.2 The Chief Officer will use this Act including any updates to it, the Council's Social Value Policy and Social Value Framework to consider social value outcomes which may improve the social, economic or environmental well-being of a relevant area, relevant to what is proposed to be procured. The Chief Officer must only consider those matters to the extent to which it is proportionate and the outcomes of the procurement aligns with the subject matter of the contract.~~

~~10.3 The Chief Officer shall keep records of all the Social Value outcomes delivered by the Supplier on each contract and summarise them on a report every 6 months to the Director of Finance.~~

## ~~11. Contracts not requiring competition~~

~~11.1 Competition is not required:~~

- ~~• where a waiver from compliance with Standing Order 13 is granted under Standing Order 7 on one of the following grounds:~~
  - ~~• where a tendering exercise produced no tenders or inappropriate tenders; or~~
  - ~~• where tendering was discontinued because of irregular tenders.~~
  - ~~• where works supplies or services can be supplied only by a particular economic operator.~~
  - ~~• where the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance,~~
  - ~~• where competition is absent for technical reasons,~~
  - ~~• where the protection of exclusive rights, including intellectual property rights is required.~~
  - ~~• where because of extreme urgency caused by events unforeseeable by the Royal Borough, the time limits for the open, restricted or competitive negotiation procedures cannot be complied with.~~
  - ~~• for contracts for research and development.~~
  - ~~• where additional deliveries by the original supplier are required.~~
  - ~~• for public services contracts following a design contest.~~
- ~~• for contracts valued below National Light Touch threshold with registered providers of social services and health services for individual clients or groups of clients;~~
- ~~• for contracts valued below National Light Touch threshold with registered providers of education for individual pupils with special educational needs;~~
- ~~• to engage Counsel (Barristers).~~

~~Provided that the Chief Officer has the agreement of the Director of Finance, Director of Legal & HR and Head of Strategic Procurement.~~

## ~~13 Contracts valued below the relevant National Threshold~~

~~13.1 Where the estimated value of a contract is £500,000 or more for services or supplies, and £1m if it is a works contract, the Chief Officer will be required to~~

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~~produce a completed business case using the Royal Borough's corporate~~

~~template for reports before commencing any procurement. This applies even if the proposed contract does not require competition in accordance with Standing Order 12.~~

~~13.2 Subject to Standing Order 13.1, Chief Officers may enter into contracts where the estimated value is:~~

- ~~• less than £15,000, by seeking one quotation from local firms in accordance with Standing Order 13.3.~~
- ~~• £15,000 to £25,000 after seeking at least 2 written quotations. This should include two local firms in accordance with Standing Order 13.3~~
- ~~• £25,000 or more but less than the relevant National threshold for a services or supplies contract, and up to £500,000 for works contract, after seeking at least 4 written quotations. Two of the firms to be invited to quote should be from local firms in accordance with Standing Order 13.3.~~

~~The table below provides a summary of the process~~

<del>Value</del>	<del>Minimum number of firms required</del>	<del>Places to source suppliers from</del>
<del>less than £15,000 for services, suppliers and works contracts</del>	<del>One firm</del>	<del>Invite from local firms in accordance with CSO 13.3</del>
<del>£15,000 to £25,000 for services, suppliers and works contracts</del>	<del>Invite at least 2 firms</del>	<del>Invite two from local firms in accordance with CSO 13.3.</del>
<del>£25,000 to below National threshold for services/supplies and up to £500,000 for works contracts</del>	<del>Invite at least 4 firms</del>	<del>Invite at least two from local firms in accordance with CSO 13.3</del>

~~13.3 The Chief Officer shall use the list of local firms which are onboarded on the Royal Borough's e-procurement portal to seek quotes for the provisions of the works, supplies and services sought. Where there is no appropriate local firms available then the Chief Officer will seek quotations from firms which~~

~~are competent and financially stable from neighbouring boroughs first before consider firms from other places.~~

~~13.4 For ensuring transparency, fairness and accountability, contracts valued at £25,000 or more, Chief Officers will ensure that all procurements use the Royal Borough's e-tendering system as prescribed by the Director of Finance and in accordance with procedures issued by the Director of Finance. Any other tendering method may be used only with prior authorisation from the Director of Finance as a request for a waiver in accordance with Standing Order 7. Where e-tendering is used, there is no requirement for hard copies of quotations to be returned. All documentation will be electronic and will be securely accessed and retained on the Royal Borough's e-procurement website.~~

#### ~~14. Contracts valued above the relevant National Threshold~~

~~14.1 Where the estimated value of a contract is above the relevant National Threshold, Chief Officers will invite tenders in accordance with the National Law and will record their reasons for deciding which procedure to use.~~

~~14.2 The Chief Officer in consultation with the Head of Strategic Procurement shall select and follow through the national rules outlined for each procedure for their procurement namely:~~

- ~~a) Open procedure~~
- ~~b) Restricted procedure~~
- ~~c) Competitive procedure without negotiation~~
- ~~d) Competitive Dialogue~~
- ~~e) Innovative Partnership~~
- ~~f) Negotiation without prior publication~~

~~14.3 Further guidance on each of the procedure will be provided by the Head of Strategic Procurement.~~

~~Tendering Approaches/Commercial procurement tools~~

#### ~~15. Tendering from the Approved List~~

~~15.1 This Standing Order applies where the contract is above the National Threshold for Services and Supplies but below the thresholds for Works contract, or where the Chief Officer considers that using the Approved List is appropriate.~~

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~~15.2 Where there is an Approved List e.g. constructionline, Chief Officers will invite at least four tenders from firms within the appropriate category. If there are fewer than 4 firms, Chief Officers will invite tenders from all of them.~~

~~15.3 Chief Officers will invite firms to tender in rotation. However, 1(one) firm may be nominated where it is the existing contractor or has carried out similar work for the Royal Borough.~~

~~15.4 Chief Officers will record how they compiled the tender invitation list and, if fewer than 4 firms are invited to tender, the reasons for this.~~

### ~~16. Framework agreement and call off contracts.~~

~~16.1 Before starting a procurement exercise to conclude a framework agreement, the Chief Officer will consult with the Head of Strategic Procurement to determine if there are other frameworks agreements or existing RBG call off contracts which can be used to meet their requirement.~~

~~16.2 When setting up a new Framework Agreement, the Chief Officer shall determine the estimated value of the Framework Agreement in accordance with CSO 8.1~~

~~16.2 If the Chief Officer wish to consider permitting other contracting authorities to use the Framework Agreement, they will need to ensure the Tender Documents and Framework Agreement are structured to enable this.~~

~~16.3 The tendering process for concluding a framework agreement will follow either the open or restricted procedure as outlined in CSO 18 or 19 respectively and all related principles of concluding a framework agreement as outlined in the Public Contracts Regulation 2015.~~

~~16.4 The tender documents should clearly set out the process to call off from the framework agreement i.e. whether this will be through a direct award, mini competition or both.~~

### Calling off from an external framework agreement

~~16.5 Before starting the process to call off from an external concluded framework agreement, the Chief Officer will consult with the Head of Strategic Procurement. They will advise on whether the proposed framework agreement is compliant, or an alternative framework agreement approved by the Royal Borough already exist and whether it delivers best value.~~

~~16.6—The Chief Officer will ensure that the Framework Agreement has been procured in accordance with the Public Contract Regulations 2015, and will check that required criteria for the Royal Borough to use the Framework Agreement are satisfied.~~

~~16.7—The Chief Officer will ensure that the call off process is compliant with the principles set out in the Public Contracts Regulations 2015 and the guidance provided by the organisation which owns the Framework Agreement.~~

## ~~17—Dynamic Purchasing System~~

~~17.1—Where a Dynamic Purchasing System is considered to be the most suitable solution for procuring the works, goods and services, the Chief Officer will seek guidance on how to set it up, manage the rounds and call offs, from the Head of Strategic Procurement.~~

~~17.2—The process for setting up and awarding contracts from a Dynamic Purchasing System must follow rules set out in the Public Contracts Regulation 2015.~~

## ~~18. Open tendering~~

~~18.1—Where Standing Order 15 does not apply, then unless the Chief Officer considers that using this procedure is inappropriate, tenders will be invited in accordance with the Open tendering procedure as outlined in the Public Contracts Regulation 2015.~~

~~18.2—For works, goods and services contracts, the Chief Officer may publish a prior information notice in Find a Tender Services (FTS) as soon as possible after deciding to proceed with the tendering exercise.~~

~~18.3—The Chief Officer will advertise the proposed contract in a manner best calculated to bring it to the attention of the contractors in the trade or profession. The notice will give details of the contract, say how tender documents may be obtained or inspected and state the last date for receipt of tenders. The Chief Officer will place a notice in FTS at the same time.~~

~~18.4—The Chief Officer will send contract documents to firms via the e-procurement portal within 6 days of request.~~



~~18.5 The last date for receipt of tenders will be at least 35 days from the date of the notice, or at least 15 days where a prior information notice was published.~~

## ~~19. Restricted tendering~~

~~19.1 Where Standing Orders 15 or 18 do not apply, then unless the Chief Officer considers that using this procedure is inappropriate, tenders will be invited in accordance with the Restricted procedure as outlined in the Public Contract Regulations 2015 as follows.~~

~~19.2 For works, goods and services contracts, the Chief Officer may publish a prior information notice in FTS as soon as possible after approving the requirement.~~

~~19.3 For all contracts, the Chief Officer will advertise the proposed contract in a manner best calculated to bring it to the attention of the contractors in the trade or profession. The notice will invite expressions of interest and state the last date for receipt of expressions of interest. The Chief Officer will place a notice in FTS at the same time.~~

~~19.4 The last date for receipt of expressions of interest will be at least 30 days from the date of the notice, or at least 15 days in case of urgency.~~

~~19.5 The Chief Officer will select at least 5 firms to tender. If fewer than 5 firms express an interest, the Chief Officer will invite tenders from all of them.~~

~~19.6 Firms will be given at least 30 days to return tenders, or at least 10 days in case of urgency. These periods will be extended if necessary:~~

- ~~• to allow for extra time to be given to firms to inspect the premises on which the works or services are to be carried out, or~~
- ~~• to inspect documents relating to the contract documents. Reasonable requests for further information relating to the contract documents will be granted, provided the request enables the Council to supply the information not less than 6 days (or 4 days in case of urgency) before the date specified for receipt of tenders.~~

~~19.7 The Chief Officer will record how he/she compiled the tender invitation list and, if fewer than 5 firms are invited to tender, the reasons for this.~~

## ~~20. Competitive procedure with negotiation~~

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~~20.1 Chief Officers may use the competitive procedure with negotiation to award a contract:~~

- ~~• where tendering under Standing Orders 15, 18 or 19 is inappropriate;~~
- ~~• where at the beginning of the procurement exercise, only the minimum requirement to be met by all tenders can be defined and negotiation will be required to award of contract~~

~~20.2 Before negotiating tenders, the Chief Officer will consult the Director of Finance, Director of Legal & HR and Head of Strategic Procurement who will determine how the negotiations should be carried out so as to achieve the purposes set out in Standing Order 2.~~

~~20.3 The Chief Officer will advertise the proposed contract in a manner best calculated to bring it to the attention of the contractors in the trade or profession. The notice will invite requests to be selected to negotiate and state the last date for receipt of requests. The Chief Officer will place a notice in FTS at the same time.~~

~~20.4 The last date for receipt of requests to be selected to negotiate will be at least 30 days from the date of the notice, or at least 15 days in case of urgency.~~

~~20.5 The Chief Officer will select at least 3 firms to tender. If fewer than 3 firms express an interest, the Chief Officer will invite tenders from all of them.~~

~~20.6 The Chief Officer will record how they compiled the tender invitation list and, if fewer than 3 firms are invited to tender, the reasons for this.~~

~~20.7 The terms of the contract must remain substantially unaltered. All tenderers will be invited to amend their tenders, in writing, in such matters as the Chief Officer specifies. All negotiations will be conducted by at least two officers, one of whom is not involved in the contract award. The Chief Officer will keep a written record of all negotiations, including notes of all meetings and the names of all individuals present.~~

## **21. Competitive dialogue**

~~21.1 Chief Officers may use competitive dialogue procedure to award a contract:~~

- ~~• where the nature of the procurement or the risk does not permit prior overall pricing;~~

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- ~~where the nature of the procurement is such that a precise specification cannot be drawn up to permit tendering under Standing Orders 15, 18 or 19;~~
- ~~where the rules of a design contest require the contract to be awarded to one of the successful candidates, provided all successful candidates are invited to negotiate.~~

~~21.2 Before starting a competitive dialogue tender process, the Chief Officer will consult the Director of Finance, Director of Legal & HR and Head of Strategic Procurement who will determine the conduct of the competitive dialogue process to be followed so as to achieve the purposes set out in Standing Order 2.~~

~~21.3 The Chief Officer will advertise the proposed contract in a manner best calculated to bring it to the attention of the contractors in the trade or profession. The notice will invite expressions of interest and state the last date for receipt of expressions of interest. The Chief Officer will place a notice in FTS at the same time.~~

~~21.4 The last date for receipt of expressions of interest will be at least 30 days from the date of the notice.~~

~~21.5 The Chief Officer will select at least 3 firms to participate in the dialogue. If fewer than 3 firms express an interest, the Chief Officer will invite all of them.~~

~~21.6 The Chief Officers shall open a dialogue with firms selected from the assessment of the information provided in response to the qualitative selection stage and invite the successful firms to participate in the dialogue.~~

~~21.7 Following the conclusion of the dialogue, firms shall be asked to submit their final tenders on the basis of the solution or solutions presented and specified during the dialogue.~~

~~21.8 The Chief Officer will record how he/she compiled the tender invitation list and, if fewer than 3 firms are invited to tender, the reasons for this.~~

## **22 Innovation partnership**

~~22.1 Where the aim of the procurement exercise is to develop an innovative product, service or works, then unless the Chief Officer considers that using~~

~~this procedure is inappropriate, tenders will be invited in accordance with the Innovative Partnership procedure as outlined in the Public Contracts Regulations 2015.~~

~~22.2 Before using the Innovative Partnership procedure, the Chief Officer shall ensure that product, service or works being procured, cannot be met by purchasing products, services or works already available on the market.~~

~~22.3 The Chief Officer will consult the Director of Finance, Director of Legal & HR and Head of Strategic Procurement who will determine the conduct of the negotiation during the Innovative Partnership process to be followed so as to achieve the purposes set out in Standing Order 2.~~

~~22.4 The Chief Officer will advertise the proposed contract in a manner best calculated to bring it to the attention of the contractors in the trade or profession. The notice will invite expressions of interest and state the last date for receipt of expressions of interest. The Chief Officer will place a notice in FTS at the same time.~~

~~22.5 The last date for receipt of expressions of interest will be at least 30 days from the date of the notice.~~

~~22.6 The Chief Officer will select at least 3 firms to tender. If fewer than 3 firms express an interest, the Chief Officer will invite tenders from all of them.~~

### ~~23. Negotiated procedure without prior publication (Direct Award)~~

~~23.1 Chief Officers may negotiate and award tenders:~~

- ~~• where tendering under Standing Orders 15, 18 or 19 produced no tenders or inappropriate tenders; or~~
- ~~• where tendering under Standing Orders 15, 18 or 19 was discontinued because of irregular tenders.~~
- ~~• where works supplies or services can be supplied only by a particular economic operator.~~
- ~~• where the aim of the procurement is the creation or acquisition of a unique work of art or artistic performance.~~
- ~~• where competition is absent for technical reasons.~~
- ~~• where the protection of exclusive rights, including intellectual property rights is required.~~

- ~~where because of extreme urgency caused by events unforeseeable by the Council, the time limits for the open, restricted or competitive negotiation procedures cannot be complied with.~~
- ~~For contracts for research and development.~~
- ~~where additional deliveries by the original supplier are required.~~
- ~~for public services contracts following a design contest.~~
- ~~For the repetition of similar works or services awarded to the economic operator, to which the Council awarded an original contract within the past three years and this was disclosed at the outset.~~

~~23.2 The Chief Officer will consult the Director of Finance, Director of Legal & HR and Head of Strategic Procurement who will determine the conduct of the negotiation process to be followed so as to achieve the purposes set out in Standing Order 2 and 3.~~

~~23.3 Contracts awarded under this Standing Order must not exceed three (3) years and a notice of the award published on FTS.~~

## ~~24. Selecting tenderers~~

~~24.1 A firm may not be invited to tender or negotiate if:~~

- ~~it is bankrupt, or is being wound up, or is having its affairs administered by a court, or has entered into an arrangement with creditors, or has suspended its business activities, or is subject to court proceedings regarding any of these matters;~~
- ~~it or any of its current directors have been convicted of an offence concerning professional conduct, or have been guilty of grave professional misconduct;~~
- ~~it has not fulfilled obligations relating to the payment of taxes or social security contributions;~~
- ~~it has seriously misrepresented information supplied to the Council;~~
- ~~it is not registered in the professional or trade register of the state in which it is established;~~
- ~~it may otherwise be excluded from tendering in accordance with National Law.~~

~~24.2 Firms will be invited to tender by applying criteria of financial and economic standing and of technical ability. Firms may not be invited to tender on the basis of non-commercial considerations, except for social value consideration or where permissible.~~

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~~24.3 The Chief Officer will record which firms were invited to tender, negotiate, or dialogue, the reasons they were invited and the reasons unsuccessful firms were not invited.~~

~~24.4 The Chief Officer will comply with the relevant National provisions concerning the notification of unsuccessful firms.~~

### ~~25. Inviting tenders~~

~~25.1 Where the estimated value of a contracts is valued at £25,000 or more, Chief Officers will ensure that all procurements use the Royal Borough's e-tendering system as prescribed by the Director of Finance and in accordance with procedures issued by the Director of Finance. Any other tendering method may be used only with prior authorisation from the Director of Finance as a request for a waiver in accordance with Standing Order 7. Where e-tendering is used, there is no requirement for hard copies of tenders to be returned. All tender documentation will be electronic and will be securely accessed and retained on the Royal Borough's e-procurement website.~~

~~25.2 Where the contract will be awarded to the Most Advantageous Tender, the Chief Officer will state the evaluation criteria in the tender documents.~~

~~25.3 Unless a waiver has been granted in accordance with Standing Order 7, all tenders will be submitted electronically. Where such a waiver is in place, all tenders will be submitted on a form approved by the Director of Finance, and addressed to the appropriate Chief Officer.~~

~~25.4 Where the e-tendering system is not used, the Chief Officer will endorse all tender envelopes with the time and date of receipt, and will keep them secure until the time specified for tender opening. Any tender received after the closing date and time for tenders will not be considered for evaluation and will be returned promptly to the tenderer. This will not apply if no eligible tenders have been opened and the Chief Officer is satisfied that there is evidence of posting or hand delivery in time for receipt by the closing date and time in the normal course of events. A late tender may be opened to ascertain the name of the tenderer but no details of the tender may be disclosed.~~

~~25.6 No one may communicate with any firm proposing to tender once the invitation to tender has been posted, or collected by the tenderer. No information relating to that tender process may be disclosed to anyone not involved directly in arranging the contract, except where it is necessary:~~

- ~~for an officer and/or tenderer to carry out an inspection of works, in which case all tenderers must be offered an equal opportunity to carry out an inspection; or~~
- ~~to inform tenderers of a change in the tendering arrangements, including the supply of additional or changed information, in which case all tenderers will be sent the same information at the same time.~~

## **26. ~~Opening tenders~~**

~~26.1 Except where e-tendering procedures apply, all tenders will be opened at the same time and place in the presence of the Head of Strategic Procurement and one other officer designated by him or her.~~

~~26.2 The Chief Officer will record the following details of each tender in a register of tenders:~~

- ~~the closing date and time for the receipt of tenders;~~
- ~~the date and time each tender was received;~~
- ~~the name of each tenderer and the amount of each tender;~~
- ~~the date and time the tenders were opened~~

~~26.3 All persons present at the tender opening will initial each tender, and sign the register as evidence that they were present.~~

~~26.4 Where e-tendering applies, the matters set out in this Standing Order 26 will be dealt with by the e-tendering procedures and recorded electronically~~

## **27. ~~Evaluating tenders~~**

~~27.1 Where a contract is to be awarded to the Most Advantageous Tender, the criteria will be stated in the tender documents, and tenders will be evaluated in accordance with them.~~

~~27.2 Where the lowest tender is valued £500,000 or more, or the contract is considered to be critical, the Chief Officer will:~~

- ~~involve at least one senior officer nominated by the Director of Finance;~~  
~~or~~
- ~~in consultation with Director Finance obtain an independent financial appraisal or consultant;~~

~~The information will be considered by those involved in evaluating the tenders and kept by the Chief Officer.~~

~~27.3 Tenders may be amended to correct genuine arithmetic errors. Otherwise, where errors affect the tender figure in an otherwise successful tender, the tenderer will be given details of the errors and an opportunity of confirming or withdrawing its tender.~~

~~27.4 The Chief Officer may in writing authorise contact with a tenderer in order to clarify any aspect of its tender not falling within Standing Order 27.3, providing such contact does not distort competition.~~

~~27.5 The Director of Finance, Director of Legal & HR and Head of Strategic Procurement will provide advice based on National Law in respect of how to process abnormally low tenders and Chief Officers will comply with that advice.~~

## ~~28. Accepting tenders~~

~~28.1 No tender may be accepted unless the expenditure has been included in approved estimates or on capital or revenue accounts, or has been otherwise approved by, or on behalf, of the Council.~~

~~28.2 Before awarding the contract or accepting a tender, a formal written report using the Royal Borough's corporate template for reports shall be approved by the relevant person authorised to accept tenders. Such report must have comments from Legal, Finance and Procurement.~~

~~28.3 Contracts may be awarded by:~~

- ~~• the Chief Officer if the tender is within budget and below £500,000~~
- ~~• the Chief Officer if the tender is within budget and over £500,000 provided they are the lowest price, or within 10% of the lowest if it is Most Advantageous Tender.~~

~~The table below provides a summary:~~

<del>Functions</del>	<del>Leader (also as lead member)</del>	<del>Chief Officer</del>
<del>Accept tenders within budget and below £500,000</del>		<del>*</del>



## APPENDIX A

<del>Accept tenders within budget and £500,000 and over, provided they are the lowest price, or within 10% of the lowest if it the Most Advantageous Tender</del>		<del>*</del>
<del>Accept all other tenders</del>	<del>*<sup>8</sup></del>	

~~28.4— Following the acceptance of a tender, the Chief Officer will disclose the name of the successful tenderer to an unsuccessful tenderer, provide feedback on their submission and allow the mandatory standstill to expire before entering into a contract with the winning supplier.~~

~~28.4— Chief Officers will keep a register of all contracts awarded by them and provide the relevant information to the Head of Strategic Procurement for the contract to be recorded on the corporate contracts register.~~

~~28.5— For all contracts value above the National Threshold, Chief Officers will send a Contract Award Notice to FTS within 30 days of the award.~~

### **Contracts**

#### **29.— Contract execution**

~~29.1— Every contract where the value exceeds £100,000 will either be made under seal, or will be signed by two officers nominated by the Director of Legal & HR.~~

~~29.2— Every other contract will be in writing and be signed by a Chief Officer or a person whom a Chief Officer has authorised to sign on their behalf.~~

#### **30.— Contract conditions**

~~30.1— Every contract where the value exceeds £100,000 will include terms and conditions of contract approved by the Director of Legal & HR.~~

~~30.2— No tender or quotation shall be invited unless it includes relevant terms and conditions of contract previously approved by the Director of Legal & HR.~~

#### **31.— Contract specifications**

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| APPENDIX A

| & — In consultation with the Lead Member

## APPENDIX A

~~31.1 Chief Officers will ensure contracts specify any appropriate quality, performance, safety and other characteristics describing the requirement.~~

~~31.2 Technical specifications will be defined by reference to relevant National specifications where they exist.~~

~~31.3 Specifications will not refer to supplies of a particular make or source unless:~~

- ~~• the contract requirement justifies it, or~~
- ~~• the contract requirement cannot otherwise be described precisely and intelligibly.~~

### ~~32. Contract performance, monitoring and management~~

~~32.1 A lead contract officer or contract manager must be identified for each contract. Where no lead contract officer is identified, the lead contract officer will be deemed to be the budget holder of the section from which the contract is funded or where there is no budget holder, the lead contract officer will be the Chief Officer.~~

~~32.2 Contract Performance will be measured against the following minimum criteria but may be subject to change:~~

- ~~a. Performance and compliance with specification and contract~~
- ~~b. Cost and any value for money requirements~~
- ~~c. User satisfaction and risk management~~
- ~~d. Equality and fairness~~
- ~~e. Supplier Financial Health Check~~
- ~~f. Supplier Tax Status Check~~
- ~~g. Relevant Due Diligence clarifications including Modern Slavery~~

~~32.3 The Chief Officer shall keep records of performance of contracts value at £100,000 and above, or 'critical' contracts, and produce a summary report 6 months or more frequently if appropriate to the Director of Finance.~~

~~32.4 The Chief Officer will raise incidents of poor performance with the contractor in writing, or at a meeting where notes are made and sent to the contractor. In cases of particularly poor performance, or persistent poor performance, the Chief Officer will consider whether to take formal action under the default provisions of the contract and recommend suspension or exclusion if the contractor is on an Approved List.~~

~~32.5 Chief Officers will comply with any guidance issued by the Director of Finance and Head of Strategic Procurement relating to performance management of contractors.~~

### ~~33. Contract variation during the life of the contract~~

~~33.1 A formal written report approved by the Chief Officer shall be required where any variation decision would:~~

- ~~• extend the contract period by 50% or by more than four calendar months, whichever is the lesser, for service or supplies contracts. For works contracts the contractual process is used to extend the contract for a period of no more than 12 calendar months, and the Chief Officer shall keep a record of these matters; or~~
- ~~• add more than 10% to the estimated value of service or supplies contracts which are above the National Threshold or add 15% to work contracts which are above £1m. The Chief Officer shall keep a record of all changes; or~~
- ~~• increase it from below the relevant National Threshold to above the relevant National Threshold; or~~
- ~~• mean the works, services or goods to be added to or deleted from the contract are substantially different in scope.~~

~~33.2 The value of a variation is calculated by taking the aggregate value of all variations made to the contract and/or in accordance with the applicable National rules where the contract is over the relevant National Threshold.~~

~~33.3 No variation may be made until funding has been identified in accordance with the Council's Financial Regulations.~~

~~33.4 Standing Order 33.1 does not apply in cases of urgency, where the Chief Officer may approve a variation.~~

~~33.5 Comments of the Director of Finance and Director of Legal & HR and Head of Strategic Procurement shall be required on any report recommending a variation to a contract which has a value, whether before or after the proposed variation, that is above the relevant National Threshold.~~

~~33.6 Chief Officers will keep a record of all variations and summarise them in a report every 6 months to Cabinet and to Overview and Scrutiny Committee.~~

**~~34. Nominating products/contractors/suppliers~~**

~~34.1 These Standing Orders will be used where a sub-contractor or supplier is to be nominated to a main contractor. Sub-contractors or suppliers will send with their tender an undertaking to work for the main contractor and to indemnify them in respect of the sub-contracted works or supplies.~~

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## **PART I: GENERAL PRINCIPLES**

### **1. Introduction**

- 1.1 These Contract Standing Orders are part of the Council's Constitution and govern the award of all contracts for the supply to the Council of services, goods or materials or for the execution of works.
- 1.2 The purpose of these Contract Standing Orders is to provide a structure that enables the Council to make purchasing decisions that will:
  - (a) ensure compliance with all applicable legislation;
  - (b) further its corporate objectives;
  - (c) use its resources efficiently;
  - (d) procure the supply of quality services, goods and works for the Council that deliver value for money; and
  - (e) safeguards its reputation from any inference of dishonesty or corruption.
- 1.3 Purchasing by the Council, from planning to delivery, shall incorporate (where appropriate) the principles of sustainability, efficiency, whole life costings and cost savings.
- 1.4 These Contract Standing Orders do not provide guidelines on what is the best way to purchase works, supplies (goods) or services. They set out the minimum requirements that must be followed. Further information and guidance in the form of a Procurement Manual, to which due regard must be given, will be provided by the Procurement Team.

### **2. Application and Compliance with Contract Standing Orders**

- 2.1 These Contract Standing Orders (CSOs) apply to the purchase by or on behalf of the Council of works, supplies (goods) and services.
- 2.2 These CSOs apply to all contracts including all purchase orders, the proposed award of concession contracts and all types of other contractual arrangement of any value entered into by or on behalf of the Council, except for the specific types of contracts and purchasing methods listed in CSO 2.3 and 2.4:
- 2.3 The following types of contracts fall outside of the scope of these CSOs:



- (a) contracts of employment which make an individual a direct employee of the Council.
  - (b) agreements directly associated with the acquisition, disposal, or transfer of assets or land (to which the Financial Regulations shall apply).
  - (c) engagement of barristers (Counsel); and
  - (d) the allocation of grant funding which is governed under Part 3 of the Constitution.
- 2.4 For the avoidance of doubt, contracts between the Council and an entity with which it has a vertical arrangement as defined by Schedule 2, Part 1 of the Procurement Act 2023 (also known as (“Teckal”) companies) for the main purpose of delivering services to the Council, are governed by these CSOs.

## **2.5 *Financial Parameters and Values***

- 2.5.1 Where monetary figures refer to contract values against which an estimate of contract expenditure is made, the requirements shall not be artificially split to avoid competition, neither shall any other form of disaggregation be accepted for similar purposes.
- 2.5.2 All monetary values referred to within this document are total contract values, including all proposed extensions, not annual values, and exclude Value Added Tax unless otherwise stated.

## **2.6 *Waivers***

- 2.6.1 No waiver may be authorised to the application of CSO 1 or CSO 2 or compliance with the National Law.
- 2.6.2 The process required to waive the requirement for competitive procurement (direct award) is set out in CSO 22 (Award without Competition) and CSO 22.2 (Route 1: Waivers).

## **3. *Regulatory Context***

- 3.1 All purchasing shall be conducted in accordance with Regulatory Provisions which are:
- (a) National Law and all relevant statutory provisions;
  - (b) the relevant and applicable procurement legislation, including:

- (i) the Procurement Act 2023; and
- (ii) the Health Care Services (Provider Selection Regime) 2023 – otherwise known as the NHS Provider Selection Regime

as amended and updated from time to time; and

- (c) the Council's Constitution including these CSOs, the Council's Financial Regulations and Directorate Scheme of Delegation.

3.2 In the event of conflict between the above, the National Law and other UK legislation will take precedence then the Council's Constitution, the Council's Procurement Manual and guidelines, policies and procedures.

#### **4. Purchasing Responsibilities**

4.1 Each Chief Officer shall:

- (a) be responsible for all purchasing undertaken by his/her Directorate;
- (b) be accountable to Cabinet for the performance of his/her duties in relation to purchasing;
- (c) comply with the Council's decision-making processes including, where appropriate, implementing and operating a Scheme of Delegation;
- (d) appoint an Assistant Director with responsibility for overseeing purchasing activity in their specific area and where relevant, acting as an authorised signatory on behalf of their Chief Officer through the Directorate Scheme of Delegation and set out in the Scheme of Management;
- (e) appoint a Responsible Officer to undertake relevant purchasing and contract management activities within the service to which they are assigned; and
- (f) take immediate action in the event of breach of these CSOs by reporting the breach to the Director of Legal Services.

4.2 A Responsible Officer is an Officer with responsibility for conducting purchasing processes or managing contracts for the purchase of works, supplies (goods) or services on behalf of the Council.

- 4.3 A Responsible Officer's duties in respect of purchasing are to ensure:
- (a) compliance with Regulatory Provisions, these CSOs, and to maintain the integrity of the procurement process;
  - (b) compliance with Regulatory Provisions and the Council's obligations relating to declarations of interest (including gifts and hospitality) affecting any purchasing or procurement process;
  - (c) that there is an appropriate analysis of the requirement, timescales, procedure and documentation to be used;
  - (d) that the purchasing process, from planning to delivery, incorporates (where appropriate) principles of sustainability, efficiency, whole life costings and cost savings;
  - (e) compliance with the Council's decision-making processes;
  - (f) that all contracts of £25,000 or more are included on the Council's Contract Register which is maintained by the Procurement Team;
  - (g) that they maintain records of all contracts and purchases below £25,000.
  - (h) that value for money is achieved;
  - (i) that appropriate advice is sought from Legal Services, Finance and Procurement and then followed;
  - (j) that the Council's document retention policy and any requirements on record keeping as set out in these CSOs are complied with;
  - (k) that for tenders above £100,000 a financial evaluation is or has been made of the financial standing of Suppliers as advised by the Director of Finance; and
  - (l) that contracts are managed in accordance with CSO 10, and all relevant details required for publication under the Regulatory Provisions including under the Procurement (Transparency) Regulations 2023 and the Provider Selection Regulations 2023 are supplied to the Procurement Team for publication in a timely and compliant fashion.
- 4.4 It is a disciplinary offence to fail to comply with these CSOs. All employees have a duty to report breaches of the CSOs to their Director.
- 4.5 Any Officer or Member who suspects any misconduct or corruption in relation to the purchase or procurement by or on behalf of the Council of works, supplies (goods) and services must immediately report that suspicion to the relevant Director.

4.6 Each Chief Officer will send their Directorate Scheme of Delegation to the Director of Finance before the start of each financial year and within 7 days of making any changes to the Scheme of Delegation.

## **5. Role of the Procurement Team**

5.1 The Head of Procurement and the Procurement Team will provide advice and guidance to officers within the Council on all aspects of procurement, including routes to market, compliance with legislation and these CSOs and wider strategic ambitions such as achievement of Social Value outcomes.

5.2 The Procurement Team will support the Responsible Officer to ensure contracts specify any appropriate quality, performance, safety and other characteristics describing the requirement and meet all Regulatory Provisions.

5.3 The Procurement Team will be responsible for issuing and managing the eTendering process for all procurements valued at £25,000 or more unless where expressly permitted further to call-off procedures under Approved Frameworks, Dynamic Markets or Dynamic Purchasing Systems.

5.4 All communications the Council has with Suppliers during a tender process, from the commencement of the process until its conclusion, must be managed by the Procurement Team. Any other communication between Suppliers and the Council during a procurement process is not permitted.

5.5 The Procurement Team will maintain the corporate contracts register for all contracts awarded valued at £25,000 and above.

5.6 The Procurement Team will submit all required Transparency Notices to the dedicated electronic portal/s specified by the Cabinet Office as required by the Regulatory Provisions.

## **6. Conflicts of Interest**

6.1 In accordance with Regulatory Provisions, all officers must declare any personal interest in a matter they are dealing with, including one which may affect their impartiality in applying these CSOs.

- 6.2 All officers involved in a procurement process must complete a declaration of interest in the prescribed form prior to any involvement in any drafting of tender documents or any involvement in the evaluation of applicants or Suppliers tender submissions. This also applies to external consultants acting on behalf of the Council.
- 6.3 Specifically relating to contracts within the scope of The National Law, the Procurement Team will prepare a Conflicts Assessment in accordance with Section 83 of the Procurement Act 2023 before issuing a relevant Transparency Notice for any Covered Procurement and keep this under review throughout the process, as required.
- 6.4 In the event that:
- 6.4.1 the Council becomes aware of a conflict of interest during a procurement process; and
  - 6.4.2 the conflict of interest may confer on a potential Supplier an unfair advantage in the procurement process; and
  - 6.4.3 the unfair advantage cannot be removed or otherwise neutralised,

the Council must exclude the Supplier from any further involvement in the relevant procurement process.

## **7. Community Benefits**

### **7.1 Local Suppliers**

- 7.1.1 The Council is committed to Community Wealth Building, and this includes supporting local businesses and services where these can provide best value to the Council and to the borough.
- 7.1.2 Where legally and practically possible, the Responsible Officer shall include local (within the Royal Greenwich Borough boundary) Suppliers in requests for quotations and/or tenders at all values.
- 7.1.3 Details of how local Suppliers will be included in the procurement process shall be evidenced in either the Procurement Strategy Decision or where there is no Procurement Strategy Decision, in the Contract Award Decision.

## **7.2 Social Value**

- 7.2.1 The Public Services (Social Value) Act 2012 requires public bodies to consider the economic, environmental and social benefits of their approaches to commissioning and procurement before the process starts, subject to complying with the Procurement Act 2023.
- 7.2.2 The Responsible Officer shall utilise the Council's Social Value Policy and Social Value Framework, as may be published, to determine suitable outcomes for their procurement exercise in conjunction with support from the Procurement Team.
- 7.2.3 Where the value of the contract is over £100,000 the Responsible Officer shall set out within the Procurement Strategy Decision the Social Value being sought.

## **7.3 Outcome Reporting**

- 7.3.1 Chief Officers shall include within their annual contract management report as set out in CSO 10.3:
- (a) a summary of spend with local Suppliers both directly and through their supply chain;
  - (b) the Social Value outcomes achieved against commitments agreed through the procurement process for all contracts where applicable.

## **8. Corporate Procurement Board**

- 8.1 In order to ensure robust and consistent scrutiny of procurement and contracting processes, the Council has established a Corporate Procurement Board.
- 8.2 The responsibilities of the Corporate Procurement Board are to review and make recommendations to the Chief Officer including, but not limited to, the following matters:
- (a) procurement strategies;
  - (b) contract awards; and
  - (c) contract modifications;

as are set out in these CSOs and where identified by Responsible Officers for review by the Corporate Procurement Board.

## **9. Procurement Decisions**

- 9.1 The processes for approval of procurement activities are set out in these CSOs. Before approval is given, the Responsible Officer shall ensure that all the relevant information is fully documented and recorded in the decision (“Procurement Decision”).
- 9.2 Responsible Officers should seek advice from the Procurement Team regarding the correct documentation to be used to request and record a Procurement Decision.
- 9.3 For the avoidance of doubt, the Approver is the Chief Officer unless all of the following apply:
- (a) the Directorate Scheme of Delegation has been published; and
  - (b) the Directorate Scheme of Delegation includes the specified decision relating to the proposed Procurement Decision; and
  - (c) the Directorate Scheme of Delegation has Delegated the officer postholder authorised to make the specified decision(s) relating to the proposed Procurement Decision.

## **10. Contracts**

### **10.1 General Principles**

- 10.1.1 All purchasing decisions, however small the value, shall be made and evidenced in writing.
- 10.1.2 Confirmation of orders below £25,000 must be accompanied by an authorised Council purchase order in advance of the goods or services being delivered, or where the purchase is made in the case of unavoidable urgency, as soon as practicable thereafter.
- 10.1.3 All contracts of a value of £25,000 or more shall be made in writing in terms approved by the Director of Legal Services, and shall include clauses which set out, as a minimum:
- (a) the nature and extent of, as appropriate, the works, supplies (goods), services, material, matters or things to be carried out or supplied;

- (b) the start date and the time within which the contract is to be performed;
- (c) quality requirements and/or standards which must be met;
- (d) requirements on the Supplier to hold and maintain appropriate insurance;
- (e) what happens in the event that the Supplier fails to comply with its contractual obligations (in whole or in part);
- (f) requirements on the Supplier to comply with all relevant National Law (which includes equalities and health and safety legislation).

## **10.2 Execution of Contracts**

10.2.1 All contract must be in writing and comply with paragraph 10.1 above.

10.2.2 Where the value of a proposed contract:

- (a) is between £25,000 and up to £150,000, the contract must (unless otherwise required to be executed as a deed) be signed under hand by either the Chief Officer or by an Assistant Director where Delegated to do so within the Directorate Scheme of Delegation;
- (b) exceeds £150,000 the contract must be executed as a deed under the Common Seal of the Council attested by at least one officer, or must be signed by two officers nominated by the Director of Legal Services.

## **10.3 Contract Management and Performance**

10.3.1 The Responsible Officer shall manage the contract effectively and with due regard to quality of service and budget in all cases.

10.3.2 The Responsible Officer shall keep records of contract performance in a format or electronic contract management system as may be agreed by the Director of Finance. Contracts will be measured against the following minimum criteria but may be subject to change:

- (a) Performance and compliance with specification and contract
- (b) Key Performance Indicators
- (c) Cost and any value for money requirements
- (d) User satisfaction and risk management
- (e) Social Value (delivery against targets)



- (f) Equality, Diversity and Inclusion
- (g) Supplier Financial Health Check
- (h) Relevant Due Diligence clarifications including Modern Slavery

10.3.3 Chief Officers shall produce a report on an annual basis summarising the performance against the criteria set out above of their key contracts (over £2M whole life cost) in a format to be agreed and reported to the appropriate Scrutiny Committee.

10.3.4 Specific contract management and reporting requirements that apply individually to the Procurement Act and the NHS Provider Selection Regime are covered in Parts 2 and 3 respectively of these CSOs.

## **11. Transparency Notices**

11.1 Both the Procurement Act and the NHS Provider Selection Regime set out a range of circumstances when it is necessary to publish Transparency Notices relating to the procurement, award and contract management of contracts within the scope of the Procurement Act or the NHS Provider Selection Regime. A list of these notices is included at Appendix I.

11.2 Responsible Officers shall ensure that they maintain records of required transactions including details of contract management performance and contract modifications. The Procurement Team will be responsible for submitting Transparency Notices by the required electronic means.

## **PART 2: CONTRACTS UNDER THE PROCUREMENT ACT**

### **12. Scope**

12.1 The majority of contracts and procurement undertaken by the Council fall within the scope of the Procurement Act. This includes:

- All supplies
- All construction / engineering or works contracts
- Most services with the exception of Health-Related Services within the scope of the NHS Provider Selection Regime<sup>1</sup>.

12.2 Part 2 of these Contract Standing Orders relate to contracts and procurement within the scope of the Procurement Act.

12.3 Part 3 of these Contract Standing Orders covers the requirements of the NHS Provider Selection Regime.

### **13. Pipeline Notices**

13.1 The Procurement Act requires the Council to publish an annual procurement forward plan - a Pipeline Notice within 56 days of the beginning of each financial year. Chief Officers will provide the required information to the Procurement Team by the first week of January in each calendar year for all planned procurement activities in their department for the next 18 months from 1 April in that calendar year.

13.2 The Procurement Team will ensure that the information is collated and supplied in full to each of Finance and Legal Services by the end of January in each calendar year for their respective review and will facilitate its publication in accordance with the requirements.

### **14. Requirements for Covered Procurements<sup>2</sup>**

#### **14.1 Technical Specifications**

14.1.1 Responsible Officers must ensure that when preparing contract documentation, and specifically when designing specifications of requirements, these must refer to performance or functional requirements and do not refer to:

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<sup>1</sup> Contracts within the scope of the NHS Provider Selection Regime are set out in Part 3.

<sup>2</sup> A Covered Procurement is a contract above the relevant National Threshold – see Glossary

- (a) a trademark, trade name, patent, design or type;
- (b) a place of origin, a producer or supplier
- (c) a design, a particular licensing model or a description of characteristics unless a United Kingdom standard applies unless:
  - (i) the standard adopts an internationally recognised equivalent; or
  - (ii) there is no internationally recognised equivalent.

14.1.2 Where there are no other means by which to communicate the requirement accurately, the specification must allow equivalent products or services for which the Responsible Officer can request certification or other evidence that the required standard is met.

## **14.2 Duty to Consider Lots**

14.2.1 Section 18 of the Procurement Act requires the Council to consider:

- (a) whether the goods, services or works to be supplied under the contract could reasonably be supplied under more than one contract; and
- (b) whether such contracts could appropriately be awarded by reference to lots.

## **14.3 Consideration of Barriers to Small and Medium Enterprises**

14.3.1 Section 12 of the Procurement Act requires the Council to have regard to the fact that small and medium-sized enterprises may face particular barriers to participation in procurement processes and consider whether such barriers can be removed or reduced.

14.3.2 Responsible Officers must explain their rationale against the duties set out in CSOs 14.2 and 14.3 in the Procurement Strategy.

## **15. Financial Thresholds and Procedures**

15.1 The table below sets out the rules applying to the choice of purchasing procedure for contracts at the stated threshold values.

15.2 There is a general presumption in favour of competition. The table below sets out the financial thresholds and procedures to be followed

for all procurements within the confines of the Procurement Act<sup>3</sup>. Nothing in these CSOs prohibits the Responsible Officer seeking a greater number of quotations or following an open tender process if this is believed to be advantageous.

<b>PROCUREMENT THRESHOLDS AND PROCEDURES</b>		
<b>Value</b>	<b>Type of Contract</b>	<b>Procedure</b>
<b>Value Below £100,000</b>		
less than £15,000	All	Seek at least one written quotation in advance
£15,000 to less than £25,000	All	Seek at least two written quotations in advance
£25,000 to less than £100,000	All	Seek at least three written quotations in advance
<b>Value of £100,000 and above to National Threshold<sup>4</sup></b>		
£100,000 to less than £1,000,000	Works	Any of the four options as applicable: <ul style="list-style-type: none"> <li>• Below Threshold invitation to tender</li> <li>• Mini Competition or Direct Award from an Approved Framework or Dynamic Market <u>or</u> Dynamic Purchasing System awarded under the Public Contracts Regulations 2015</li> <li>• Seek at least four written quotations (Supplies and Services up to Threshold and Works up to £1,000,000)</li> <li>• Seek at least four written quotations from a construction related Approved List to be advised by the Procurement Team (Works any value up to National Threshold)</li> </ul>
£100,000 to less than the National Threshold	Supplies and Services	
	Light Touch Services	
£1,000,000 and above to less than the National Threshold	Works	

<sup>3</sup> For procurements that fall within the Provider Selection Regime, see Part 3 of these Contract Standing Orders

<sup>4</sup> The National Threshold value is published annually by the Cabinet Office. Please refer to the Council's Intranet Page for the current value or seek advice from the Procurement Team. National Threshold amounts are inclusive of VAT.

<b>PROCUREMENT THRESHOLDS AND PROCEDURES</b>		
<b>Value</b>	<b>Type of Contract</b>	<b>Procedure</b>
<b>Above National Threshold</b>		
All values	All Contracts	Either: <ul style="list-style-type: none"> <li>• Open or Competitive Flexible Tender process in accordance with the Procurement Act procedures; or</li> <li>• Mini Competition or Direct Award from an Approved Framework or Dynamic Market</li> </ul>

## **16. Approval to Proceed - Procurement Strategy Decision**

### **16.1 Value Below £100,000**

#### **16.1.1 Approval**

The process of inviting quotations where the whole life cost of the purchasing requirement is below £100,000 may only be carried out, by the Responsible Officer as authorised by the Chief Officer.

#### **16.1.2 Process**

Where the contract value is £25,000 or more, the Procurement Team will manage the process via the Council's selected eTendering system. The Procurement Team will advise and support the Responsible Officer in the choice of procurement procedure, market and required documentation.

### **16.2 Value of £100,000 and above**

16.2.1 All applications for approvals to proceed to seek quotations or invite tenders for procurement valued at £100,000 or above must be the subject of a Procurement Strategy Decision, set out in the approved format, and submitted in advance to the relevant Approver. The Procurement Strategy Decision shall set out as a minimum the following:

- (a) an appropriate and proportionate business case setting out the requirements and costings;
- (b) the high-level specification detailing the quality required that is proportionate to the priorities of the Council;

- (c) the social value outcomes to be sought as part of the procurement process;
- (d) project and contract management arrangements;
- (e) all other key issues such as data governance, strategic implications for other council services etc., and management or risk as may be appropriate;
- (f) confirmation from Legal Services, the Procurement Team and Finance that they have been consulted and endorse the proposed Procurement Strategy Decision insofar as it gives rise to legal, procurement and finance implications

16.2.2 The Responsible Officer must, in addition, complete a risk assessment of the proposed procurement using the Greenwich Risk Assessment Process (GRAP) and then forward the completed assessment to the Procurement Team who will advise on the proposals and confirm the risk rating as either High Risk or Low Risk, as appropriate.

16.2.4 Where the proposed Procurement Strategy Decision is a Key Decision the approval process shall include compliance with the rules relating to Key Decisions in the Constitution included in the Key Decision Appendix found in Part 4 of the Constitution.

- (a) Rules of Procedure; Section D - Access to Information Procedures including publication and call-in requirements; and
- (b) the Key Decision is taken at this stage and provided no Procurement Strategy Deviation arises, any subsequent report relating to the procurement or award of contract will not be a Key Decision.

16.2.5 The Procurement Strategy Decision may encompass a programme of multiple procurement activities of a similar nature over a period of time where this is beneficial and efficient for the Council. In such cases the Procurement Strategy Decision shall include details of financial impact, procurement process and a date of expiry of the recommended procurement route, which in all circumstances shall be no longer than five (5) years.

### 16.3 Approval Process – Pre-Quote/Tender

Approval to proceed to quotation or tender for procurements valued £100,000 and above will be a Procurement Strategy Decision in accordance with the process set out in the table below.

<b>PROCUREMENT STRATEGY DECISION APPROVAL ROUTE</b>		
<b>Risk</b>	<b>Value</b>	<b>Approver</b>
<b>Non-Key Decision</b>		
Low Risk	From £100,000 to less than £1,000,000	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
High Risk	£1,000,000 and above	Chief Officer following the recommendations of the Corporate Procurement Board
<b>Key Decision</b>		
Low Risk	£1,000,000 and above	Chief Officer subject to the publication and call-in requirements relating to Key Decisions
High Risk	£1,000,000 and above	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions
High Risk with Service Policy Change	£1,000,000 and above	Cabinet following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions

## **17. Approval of Competitive Contract Awards**

### **17.1 Awards below £100,000**

17.1 All procurements of below £100,000 will require the written approval of the relevant Chief Officer unless otherwise Delegated within the relevant Directorate Scheme of Delegation.

### **17.2 Award of £100,000 or more**

17.2.1 Following the conclusion to the quotation or tendering process, the Contract Award Decision will be made following Competitive Award Approval Route A as set out in the table below providing that the procurement is compliant with the relevant Procurement Strategy Decision and is within the Approved Budget.

<b>COMPETITIVE AWARD APPROVAL ROUTE A</b>	
<b>Compliant with the relevant Procurement Strategy Decision and within budget</b>	
<b>Risk</b>	<b>Approver</b>
Low Risk	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
High Risk	Chief Officer

17.2.2 In certain cases the outcome of the procurement process may deliver the most advantageous or only solution at a cost higher than the agreed budget, or there has been a Procurement Strategy Deviation. In either of these cases, the Contract Award Decision will be made in accordance with Competitive Award Approval Route B as set out in the following table:



<b>COMPETITIVE AWARD APPROVAL ROUTE B</b>		
<b>Deviation from Procurement Strategy and/or above budget</b>		
<b>Risk</b>	<b>Key Decision Status<sup>5</sup></b>	<b>Approver</b>
Low Risk	Either Key or Non-Key	Chief Officer
High Risk		Chief Officer following the recommendations of the Corporate Procurement Board.
All Risks	Where the original Procurement Strategy Decision was not a Key Decision but the revised value of the proposed contract award results in the award becoming a Key Decision.	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions.

## **18. Procurement Routes**

### **18.1 Choice of Routes**

18.1.1 The Procurement Act allows for different procurement routes for Covered Procurements and Below Threshold procurements. Responsible Officers shall seek guidance from the Procurement Team as to the appropriate process to use in each circumstance, using the Procurement Thresholds and Processes table set out in CSO 15 as a guide to the minimum requirements.

### **18.2 Below Threshold Routes**

The threshold requirements set out in the table at Section 7 of the Procurement Act sets out the minimum competitive procedures for procurements below the relevant National Thresholds for the purchasing need. In all cases the Responsible Officer may select an enhanced procedure if this is felt to be advantageous.

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<sup>5</sup> Where a procurement exercise is a Non-Key Decision at Procurement Strategy Stage it will normally be estimated to be below the Key Decision Value Threshold – “the Value Threshold” (£1,000,000 at March 2024). If the resulting recommended bid value remains below the Value Threshold, then the decision is still Non-Key. However, if the value of the recommended bidder is now above the Value Threshold, the award of the contract becomes a Key Decision. Where the estimate at Procurement Strategy Stage was above the Value Threshold, the Key Decision has already been made.

### **18.3 Above Threshold Routes**

18.3.1 Where procurement is an Above Threshold procurement, the choice of procedures is limited by the Procurement Act to:

- (a) Open Procedure
- (b) Competitive Flexible Procedure
- (c) Competition or Direct Award through an Approved Framework
- (d) Use of Dynamic Markets or an existing Dynamic Purchasing System procured in accordance with the Public Contracts Regulations 2015
- (e) Direct Award in accordance with Chapter 3 of the Procurement Act (CSO 22.3)

18.3.2 The Procurement Team will advise Responsible Officers on the best choice of procedure to be selected for the need.

### **18.4 Pre-Selection Criteria - Above-Threshold Contracts**

For contracts valued above the relevant National Threshold, the Responsible Officer will implement the prescribed selection criteria set out within the Procurement Act as Mandatory or Discretionary Exclusion Grounds in Schedules 6 and 7. The Procurement Team will advise on suitable formats and electronic means of applying these criteria.

### **18.5 Exclusion and Debarment**

18.5.1 Chapter 6 of the Procurement Act sets out the conditions against which a supplier may be excluded or debarred from a procurement process or contract award.

18.5.2 Suppliers to whom the mandatory exclusion grounds apply shall be automatically excluded and those to whom discretionary exclusion grounds apply shall be excludable if in both cases the Council considers the circumstances could arise again.

18.5.3 The Council may also exclude a supplier for improper behaviour if it is felt that this Supplier has:

- (a) failed to provide information requested by the Contracting Authority,

- (b) provided information that is incomplete, inaccurate or misleading,
- (c) accessed confidential information,
- (d) unduly influenced the Contracting Authority's decision-making.

18.5.4 In the case of exclusion for improper behaviour, the Council must allow reasonable opportunity for the supplier to make representations and/or provide relevant evidence to support their application.

## **19. Submission and Opening of Tenders**

19.1 All competitive procurements valued at or above £25,000, whether requests for quotation or invitation to tender shall be submitted and received by the Procurement Team utilising the Council's eTendering system.

19.2 The procurement of apprenticeship placement contracts is excluded from the requirement to use of the Council's eTendering system.

19.3 No tender received after the closing time and date specified for receipt of tenders shall be accepted unless the Council's Head of Procurement is satisfied that there is sufficient evidence of the tender having been dispatched in time for it to have arrived before the closing date and time, or other exceptional circumstances apply, and the other tenders have not yet been opened.

19.4 If it is necessary that the period of time for submitting tenders be extended, this should be communicated to all Suppliers in writing in a fair and equal manner.

## **20. Evaluation of Quotes and Tenders**

20.1 All quotes and tenders shall be evaluated in accordance with evaluation criteria notified in the tender or quotation documentation, in advance.

20.2 Save in exceptional circumstances and subject to approval in advance by the Director of Finance, all Covered Procurements shall be awarded on the basis of Most Advantageous Tender and not the lowest price.

## **21. Standstill Period and Assessment Summaries**

21.1 Where the contract is a Covered Procurement; after award approval in accordance with CSO 17 has been completed and before the Council enters into the contract, the process below must be followed:

1. Assessment Summaries<sup>6</sup> must be issued to all participants in the tender process. These will set out full details of scoring and comments against all scoring criteria included in the evaluation process. For unsuccessful suppliers this must include the scores and comments achieved by the most advantageous tender.
2. A Contract Award Notice must be published
3. A Mandatory Standstill period of eight (8) Working Days beginning on the day the Contract Award Notice is published

21.2 A contract may not be entered into until all of the above has been completed.

## **22. Award of Contract without Competition**

### **22.1 Principles of Direct Award**

22.1.1 Whilst competitive procurement is the preferred route in the majority of cases, there are circumstances where a single source (one quote only) award is the most suitable or the only viable option.

22.1.2 Direct Awards are only permissible where:

- Route 1: a waiver is obtained from the requirements to comply with the competition requirements as set out in the table at CSO 15.2. This only applies to Below Threshold contract awards; or
- Route 2: a contract award complies with the requirements of Chapter 3 of the Procurement Act; or
- Route 3: a Direct Award is permitted under the terms of an Approved Framework

OR

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<sup>6</sup> Assessment Summaries are provided to suppliers to set out their scores against the published criteria, and in case of unsuccessful bidders, why they were not awarded the contract.

Part 3 of these CSOs applies and the Direct Award relates to contracts awarded in accordance with the provisions of the NHS Provider Selection Regime.

22.1.3 For avoidance of doubt, where invitations to tender are advertised on the open market but only one tender submission is received it is permissible, subject to meeting the necessary criteria, to award the contract to the sole tenderer. For the avoidance of doubt, there is no requirement to follow the Direct Award procurement route process because that process only applies if the original invitation to tender had not been advertised on the open market.

## **22.2 Route 1: Waiver (Direct Awards - Below Threshold)**

22.2.1 Responsible Officers must fully document the rationale for the request in the Procurement Decision.

22.2.2 All Procurement Decisions seeking a waiver must include reference to the approval of the use of the waiver on behalf of the Procurement Team, Finance and Legal Services. If approval of the use of the waiver is not given the waiver may only be authorised by Cabinet.

22.2.3 A waiver from having to apply the competitive procurement routes set out in CSO 15 may be granted subject to one or more of the following conditions having been met:

- (a) a competitive exercise produced no tenders or inappropriate tenders;
- (b) a competitive process is inappropriate because there is no market or because there are legal or technical reasons that rule it out;
- (c) the urgency of the procurement justifies a direct award because it outweighs the harm and risks associated with not following a competitive process;
- (d) the need to protect the personal welfare of service users justifies a direct award because it outweighs the harm and the risks associated with not following a competitive process; and/or
- (e) additional deliveries (supplies or services) by the original supplier are required and the total spend remains Below Threshold.

### **22.3 Route 2 - Direct Award - Above Threshold**

22.3.1 Chapter 3 of the Procurement Act sets out certain specific circumstances that an Above Threshold contract may be awarded as a Direct Award.

22.3.2 A Direct Award may be made to Suppliers that are “not excluded” (CSO 18.5) where there is either a need to:

(a) protect human, animal or plant life or health;

OR

(b) protect public order or safety

in accordance with regulations as may be made under Section 42 of the Procurement Act.

OR

(c) no suitable tenders have been received because one of the following applies:

(i) tender/s would be disregarded in an assessment or do not satisfy the Council’s requirements or the award criteria when assessed by reference to the assessment methodology and the relative importance of the published criteria;

(ii) there is evidence of corruption or collusion between Suppliers or between Suppliers and contracting authorities;

(iii) it materially breaches a procedural requirement in the tender notice or associated tender documents;

OR

(d) one or more of the conditions set out in Schedule 5<sup>7</sup> of the Procurement Act is met.

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<sup>7</sup> Direct Award Justifications are set out in Appendix 3

#### 22.4 **Route 3 - Direct Award under an Approved Framework**

Where an Approved Framework satisfies the conditions for award of contract without competition between suppliers as set out in Chapter 4 of the Procurement Act, the Responsible Officer may recommend a Direct Award for approval, ensuring that the rationale for this is clearly set out in the Contract Award Decision and demonstrates best value for the Council.

#### 22.5 **Direct Award Approval Route**

The table below sets out the approval routes for requests to make direct award of contract. The Responsible Officer will undertake the risk assessment (GRAP) for Direct Awards over £100,000. Direct Awards Above Threshold are all considered to be High Risk and therefore approval must be sought from the Corporate Procurement Board.

<b>DIRECT AWARD APPROVALS</b>			
<b>Decision / Risk</b>	<b>Contract Type</b>	<b>Value</b>	<b>Approver</b>
Low Value Direct Award	All	£15,000 or more and less than £25,000	Chief Officer, unless otherwise Delegated in the Scheme of Delegation
<b>NON-KEY DECISION</b>			
<b>Direct Award Route 1 - Waiver Below Threshold</b>			
Direct Award above £25K	All	£25,000 or more and less than £100,000	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
Low Risk	Supplies or Services	£25,000 or more and less than the National Threshold	Chief Officer
	Works	25,000 or more and less than £1,000,000	Chief Officer

<b>DIRECT AWARD APPROVALS</b>			
<b>Decision / Risk</b>	<b>Contract Type</b>	<b>Value</b>	<b>Approver</b>
High Risk	Supplies or Services	£25,000 or more and less than the National Threshold	Chief Officer following the recommendations of the Corporate Procurement Board
	Works	£25,000 or more and less than £1,000,000	Chief Officer following the recommendations of the Corporate Procurement Board
<b>Direct Award Route 2 – Over National Threshold</b>			
High Risk	Supplies or Services	The National Threshold and above to less than £1,000,000	Chief Officer following the recommendations of the Corporate Procurement Board
<b>Direct Award Route 3 – Approved Framework</b>			
Low Risk <sup>8</sup>	All	£25,000 or more and less than £1,000,000	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
<b>KEY DECISION</b>			
<b>Direct Award Route 1 – Waiver Below Threshold</b>			
Low Risk	Works	£1,000,000 and above to less than the Works National Threshold	Chief Officer subject to the publication and call-in requirements relating to Key Decisions
High Risk			Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions

<sup>8</sup> Approved Framework Direct Awards below the Key Decision threshold will be Low Risk unless there are exceptional circumstances, in which case the approval route will be as Route 2.



<b>DIRECT AWARD APPROVALS</b>			
<b>Decision / Risk</b>	<b>Contract Type</b>	<b>Value</b>	<b>Approver</b>
<b>Direct Award Route 2 – Above National Threshold</b>			
High Risk	Supplies or Services	£1,000,000 and above	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions
High Risk	Works	the Works National Threshold and above	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions
<b>Direct Award Route 3 – Approved Framework</b>			
Low Risk	All	£1,000,000 and above	Chief Officer subject to the publication and call-in requirements relating to Key Decisions
High Risk	All	£1,000,000 and above	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions

### **22.6 Direct Awards Register**

The Procurement Team will maintain a register of Direct Awards valued at £100,000 or above.

### **23. Procurement of Personal Social Care and SEND Placements**

23.1 The Chief Officer having responsibility for the provision of personal social care services to individual adults or children and or Special Educational Needs and Disabilities (SEND) placements to children, shall

be able to directly award contracts without the requirement for a formal award report where the following conditions are met:

- (a) the services fall within the definition of “User Choice Contracts” as set out in Schedule 5 of the Procurement Act; and
- (b) where the purchase is required in order that the Council may meet its statutory obligations and the application of these CSOs would prevent or delay the discharge of those statutory obligations.

23.2 The Chief Officer shall, however, maintain written records of decisions made in the award of social care or placement services and make arrangements to ensure that evidence exists to show that all such purchases are systematically reviewed to ensure that they appropriately meet the needs of the user and that they provide value for money in relation to national and local cost indicators.

23.3 All social care or placement services contracts (including the provision of nursing care, residential care, supported living) shall be made in writing, or, where this has not been possible due to urgency, confirmed in writing at the earliest opportunity and in any event within one calendar month of contract commencement. Any subsequent amendment of the contracted services shall similarly be made or confirmed in writing within one calendar month of the change.

23.4 This exemption shall not apply to block, Framework or term contracts for social care or to contracts for other types of goods, services or works; these shall be let in accordance with the general provisions of these Contract Standing Orders. The Chief Officer shall also take all reasonable steps to ensure that the use of collaborative procurement arrangements and the use of block, Approved Framework and term contracts for social care are maximised.

## **24. Contract Management under the Procurement Act**

24.1 For Public Contracts within the scope of the Procurement Act; with the total value over its lifespan of £4,000,000 or more, the Responsible Officer must publish at least three Key Performance Indicators (KPIs) in respect of this contract.

24.2 Performance against the KPIs specified in the contract shall be reported via the Central Digital Platform at least once every 12 months.

Additionally, if in the case performance has not been satisfactory, a Contract Performance Notice shall be published including details of the breach, the action taken to resolve the breach or details of the termination, within 30 days of the breach occurring.

24.3 The Responsible Officer shall ensure that full details of contract modification, early termination and general performance are recorded centrally and notified to the Procurement Team who will be responsible for issuing all Transparency Notices required by the Procurement Act.

24.4 Where a Contract Performance Notice indicates serious failure or termination details, the notice shall be approved in writing by the Chief Officer responsible for the service prior to publication.

## **25. Modifications (Variations and Extensions) to existing contracts**

25.1 Where Modifications to existing contracts are made, these must be determined in accordance with the contract terms or agreement of the parties, for a specified period and made in accordance with the principles set out in the relevant legislation.

25.2 All Modifications must be fully documented and approved in advance of the execution of the Modification in accordance with the approvals in the table below.

25.3 Modifications to existing contracts will only constitute a Key Decision in circumstances where:

- (1) the initial procurement process and/or award of contract was not a Key Decision; and
- (2) the financial value of the proposed modification (of if more than one modification has been made the cumulative total value to date of all modification made added to the proposed modification) when added to the unmodified contract value results in the value of the contract following modification meeting the Key Decision threshold; and/or
- (3) the modified contract would meet the first Key Decision criteria

25.4 The table below sets out the requirements for Modifications together with the approvals route. Further guidance on Modifications will be

available from the Procurement Team and set out in the Procurement Manual.

- 25.5 Where the modification is to a contract for works (construction) through an approved Construction Form of Contract that allows for change controls and where the overall value does not exceed the initial budget (including contingency) for the works, no formal report is required.

<b>CONTRACT MODIFICATION APPROVALS</b>			
<b>Description</b>	<b>Contract Type</b>	<b>Conditions</b>	<b>Approver</b>
<b>Modification Category 1: Permitted Variation or Extension</b>			
Contract Extension or scope increase	Services and Supplies	The extension or scope change (e.g. optional service) is clearly set out in the terms and conditions of contract.	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
<b>Modification Category 2: Simple Modifications</b>			
Below Threshold Modification	Supplies or Services	Change in value up to 10% whole life cost over agreed budget or term.	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
	Works	Change in value up to 15% whole project cost over agreed budget	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
Modification of Light Touch Contract	Light Touch Services	Provided no material change in scope or transfer of economic balance in favour of the Supplier	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation

<b>CONTRACT MODIFICATION APPROVALS</b>			
<b>Description</b>	<b>Contract Type</b>	<b>Conditions</b>	<b>Approver</b>
<b>Modification Category 3: Complex Modifications</b>			
All Other Modifications	All	In accordance with permitted modifications within Section 74 and Schedule 8 of the Procurement Act	Chief Officer following the recommendations of the Corporate Procurement Board
<b>Modifications that are Key Decisions</b>			
Any Modification	All	Where the modification is a Key Decision in accordance with CSO 25.3	Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions

25.6 No Modification to increase scope and/or cost may be made until funding has been identified in accordance with the Council’s Financial Regulations.

**25.8 Modifications Register**

The Procurement Team will maintain a register of all Category 3 and Key Decision contract modifications as set out in the table above.

**26. Record Keeping**

26.1 In accordance with Section 98 of the Procurement Act, the Council must keep sufficient records to justify the rationale for awarding or entering into a public contract as defined by section 3 of the Procurement Act.

26.2 This will include all Procurement Decisions and all correspondence between the supplier and the Council prior to the contract being entered into.

26.4 These records shall be maintained for a period of three years post contract award or until the point that a notice is published that there will be no award.

## **PART 3: NHS PROVIDER SELECTION REGIME**

### **27. Scope**

27.1 The NHS Provider Selection Regime (“PSR”) came into force on 1 January 2024 and applies to specific contracts relating to the delivery of health services to individuals as set out below:

<b>CPV<sup>9</sup> Code</b>	<b>Description</b>
85323000-9	Community health services, but only in respect of community health services which are delivered to individuals
85312330-1	Family-planning services, but only insofar as such services are provided to individuals to support sexual and reproductive health
85312500-4	Rehabilitation services, but only insofar as such services are provided to individuals to tackle substance misuse or for the rehabilitation of the mental or physical health of individuals

27.2 Contracts and procurement processes falling within the scope of the PSR will follow different routes to procurements under the Procurement Act. For example, there are no thresholds against which to test the services, and therefore the standard Council Procurement thresholds in CSO 15 do not apply.

27.3 In all cases the Responsible Officer shall engage with the Procurement Team and Legal Services on the suitability and application of the appropriate process to use.

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<sup>9</sup> CPV = Common Procurement Vocabulary. Method of categorising procurement requirements.

## 28. Direct Award Procedure

28.1 The PSR is positive towards the potential for Direct Awards at all levels of contracting. The three Direct Award Procedures are set out in the table below:

<b>PROVIDER SELECTION REGIME DIRECT AWARD PROCESSES</b>		
<b>Process</b>	<b>Value</b>	<b>Criteria for Award</b>
Direct Award Process A	All Values	There is an existing provider for the services and that provider is the only provider
Direct Award Process B		Where patients have a choice of provider and the number of providers is not restricted by the relevant authority
Direct Award Process C		Where the existing provider is satisfying the contract and is likely to satisfy the new contract and the proposed contracting arrangements are not changing considerably from the existing contract

28.2 The Responsible Officer shall seek advice from the Procurement Team on the selection and application of the Direct Award Process.

28.3 Where one of the Direct Award Processes is chosen as the most appropriate, there will be no need for a business case report, however the rationale for the choice of process and award of provider shall be fully documented in the relevant form or report as set out in the request for approval below.

<b>PSR DIRECT AWARD APPROVAL (A, B OR C)</b>		
<b>Risk</b>	<b>Value</b>	<b>Approver</b>
<b>NON-KEY DECISION</b>		
Low Risk	Less than £1,000,000	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
High Risk		Chief Officer following the recommendations of the Corporate Procurement Board

<b>PSR DIRECT AWARD APPROVAL (A, B OR C)</b>		
<b>Risk</b>	<b>Value</b>	<b>Approver</b>
<b>KEY DECISION</b>		
Low Risk	£1,000,000 and above	Chief Officer subject to the publication and call-in requirements relating to Key Decisions
High Risk		Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions.

28.4 The PSR is specific about certain information that shall be retained regarding the process for audit purposes. This information must be included within the report requesting approval.

## **29. Most Suitable Provider and Competitive Processes**

29.1 The PSR also includes provision for a “Most Suitable Provider” and “Competitive” Process which accommodate different levels of comparison and competition.

29.2 The table below sets out the pre-tender and post-tender approvals route for these processes. A Procurement Strategy Decision is required in this case.



<b>MOST SUITABLE PROVIDER AND COMPETITIVE PROCESSES</b>		
<b>PRE-TENDER - NON-KEY DECISION</b>		
<b>Risk</b>	<b>Value</b>	<b>Approver</b>
Low Risk	less than £1,000,000	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
High Risk		Chief Officer following the recommendations of the Corporate Procurement Board
<b>PRE-TENDER - KEY DECISION</b>		
Low Risk	£1,000,000 and above	Chief Officer subject to the publication and call-in requirements relating to Key Decisions
High Risk		Chief Officer following the recommendations of the Corporate Procurement Board and subject to the publication and call-in requirements relating to Key Decisions
<b>CONTRACT AWARD</b>		
<b>Competitive Award Approval Route A</b>		
Compliant with budget and Procurement Strategy	All values	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
<b>Competitive Award Approval Route B</b>		
Above budget and / or deviant from procurement strategy	All values	Chief Officer following the recommendations of the Corporate Procurement Board

### 30. Modifications of Contracts within the PSR

30.1 The following table sets out the conditions and approvals process for modifications within the PSR.

<b>PERMITTED MODIFICATIONS OF PSR CONTRACT</b>	
<b>Condition<sup>10</sup></b>	<b>Approver</b>
<b>Type 1 Modification: Contracts Awarded Under Direct Award Process A or B</b>	
Where the modification does not materially alter the character of the contract	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
<b>Type 2 Modification: Contracts Awarded Under</b>	
<ul style="list-style-type: none"> <li>• <b>Direct Award Process C; or</b></li> <li>• <b>the Most Suitable Provider Process or the Competitive Process; or</b></li> <li>• <b>to contracts originally awarded under the Public Contracts Regulations 2015</b></li> </ul>	
Where the modification meets one or more of the following conditions: (a) It is clearly and unambiguously provided for in the original contract; (b) Optional additional service provision (such as pilot activities or projects) which are covered in the original contract; or (c) It is solely a change in the identity of the provider	Chief Officer unless otherwise Delegated within the Directorate Scheme of Delegation
<b>Type 3 Modifications: Contracts Awarded Under</b>	
<ul style="list-style-type: none"> <li>• <b>Direct Award Process C; or</b></li> <li>• <b>the Most Suitable Provider Process or the Competitive Process; or</b></li> <li>• <b>to contracts originally awarded under the Public Contracts Regulations 2015</b></li> </ul>	
Where the modification meets one or more of the following conditions: (a) It is made in response to factors outside of the control of the Council as long as the contract is not rendered materially different.	Chief Officer following the recommendations of the Corporate Procurement Board

<sup>10</sup> The Conditions for modification approval are set out in detail in Regulation 13 of the Provider Selection Regime.

<b>PERMITTED MODIFICATIONS OF PSR CONTRACT</b>	
<b>Condition<sup>10</sup></b>	<b>Approver</b>
(b) It is attributable to a decision of the Council as long as it does not materially alter the character of the contract and the cumulative change in the lifetime value is below £500K or below 25%.	

30.2 Contracts that do not meet the above criteria may not be modified.

### **31. Urgency**

31.1 There are limited occasions where the Council may need to act urgently and award or modify contracts to address immediate risks to patient or public safety. In these circumstances the Responsible Officer may seek approval for award or modification of contracts as set out in the table below:

<b>PSR Urgency Provisions</b>		
<b>Condition</b>	<b>Additional Requirements</b>	<b>Approver</b>
<p>Where one or more of the following circumstances occur, the Council may award or modify a contract without full application of the PSR procedures:</p> <p>(a) An unforeseen emergency            (b) Urgent quality or safety concerns            (c) An existing provider can no longer deliver the service</p>	<p>The modification or award must be long enough <b>ONLY</b> to manage the emergency and then apply the PSR requirements in full</p> <p>An urgent award notice must be issued</p>	<p>Chief Officer</p> <p>Submitted to the Corporate Procurement Board for noting</p>

### **32. PSR Standstill Period and Representations**

32.1 All contracts awarded under the Provider Selection Regime are subject to a mandatory eight (8) Working Day standstill period.

32.2 The PSR allows for a process of “Representations” to be followed should any provider who might otherwise have been able to deliver the process

believes that the Council has failed to apply the regime correctly and is able to set out reasonable grounds to support its belief and the representation is submitted in writing (which includes electronically) within eight working days of the start of the standstill period.

32.3 The Procurement Team and Legal Services will provide advice on the process to follow should a Representation be received under the PSR. This will include extension of the Standstill Period, the potential for further review by an external “Independent Patient Choice and Provider” panel at the provider’s request and must include maintenance of a full audit trail.

### **33. PSR Transparency Notices and Contract Management**

33.1 Responsible Officers must provide to the Procurement Team all relevant information as required to meet the Transparency Notices requirements relating to procurement and contract award. Transparency Notices relating to the PSR are listed at Appendix 2.

33.2 Whilst contract management reporting is not required under the PSR, Responsible Officers must keep records of contract management details for the annual performance report as set out in CSO 10.

## Appendix I: Transparency Notices

### AI.1 Procurement Act

Notice	Details	Mandatory?
<b>Planning Stage</b>		
Pipeline Notice	Publish information on potential future procurements they expect to conduct that year (where the estimated contract value exceeds £2 million for the particular contract)	Yes
Planned Procurement Notice	Similar to the current Prior Information Notice (PIN), may be published to inform the market that a public body intends to publish a Tender Notice at a future date.	No
Preliminary Market Engagement	Published when a public body chooses to carry out preliminary market engagement. Under the current regime, details of a preliminary market engagement would typically be included in a PIN but the new regime splits this into two separate notices.	Yes
<b>Procurement Stage</b>		
Tender Notice	Renamed “contract notice” which must be published to commence a competitive procurement and invite tenders.	Yes
Transparency Notice	Required when a Direct Award is made	Yes
Below Threshold Tender Notice	Published prior to advertising a 'notifiable' below-threshold contract, which, in the case of central government is a contract with a value of £30,000 (inc VAT) or more and less than - £213,477 (inc VAT)	Yes
<b>Contract Award and Execution</b>		
Contract Award Notice	Published when a public body intends to make a contract award (i.e. following conclusion of the procurement but before the contract has been executed).	Yes
Procurement Termination Notice	Published if the Council wishes to abandon a procurement which has been initiated.	Yes if applicable

<b>Notice</b>	<b>Details</b>	<b>Mandatory?</b>
Contract Details Notice	Published within 30 days of contract execution (30 days following publication of the Contract Award Notice or 120 days for Light Touch Contracts)  Where the contract has a value exceeding £2M a copy of the contract must also be published.	Yes
Below Threshold Contract Details Notice	As above, as soon as reasonably practicable.	Yes for notifiable awards
<b>Contract Performance</b>		
Contract Change Notice	Published when an above-threshold modification is made to a contract. No publication is required if the intended modification neither increases nor decreases the value of the contract by 10% or less (in the case of goods or services contracts), or 15% or less (in the case of works contracts).	If applicable
Contract Performance Notice	Publish information relating to achievement against KPIs, performance in general including poor performance. Also includes any breaches of contract.	Yes for contracts of £2,000,000 or more
Payments Compliance Notice	Published when a public body makes a payment under a contract, or when a payment becomes payable. These notices must be published within 30 days of the last day of the reporting period (quarterly)	Yes
Contract Termination Notice	Published within 30 days of contract termination (natural expiry or otherwise)	Yes

## AI.2 NHS Provider Selection Regime

<b>Notice Type</b>	<b>Direct award process A</b>	<b>Direct award process B</b>	<b>Direct award process C</b>	<b>Most suitable provider process</b>	<b>Competitive process</b>
Clear intentions: Publish the intended approach in advance				Yes	
Clear intentions: Publish a notice for a competitive tender					Yes
Communicating decisions: Publish the intention to award notice			Yes	Yes	Yes
Confirming decisions: Publish a confirmation of award notice	Yes	Yes	Yes	Yes	Yes
Contract modification: Publish a notice for contract modifications	Yes	Yes	Yes	Yes	Yes

## **Appendix 2: Schedule 5: Above Threshold Justifications Direct Awards**

### **1. Prototypes and development**

The public contract concerns the production of a prototype, or supply of other novel goods or services, for the purpose of

- (a) testing the suitability of the goods or services,
- (b) researching the viability of producing or supplying the goods or services at scale and developing them for that purpose, or
- (c) other research, experiment, study or development.

### **2. Single suppliers**

- (a) The public contract concerns the creation or acquisition of a unique work of art or artistic performance;

OR:

- (b)(i) due to a particular supplier having intellectual property rights or other exclusive rights, only that supplier can supply the goods, services or works required, and
- (b)(ii) there are no reasonable alternatives to those goods, services or works.

OR:

- (c)(i) due to an absence of competition for technical reasons, only a particular supplier can supply the goods, services or works required, and
- (c)(ii) there are no reasonable alternatives to those goods, services or works.

### **3. Additional or repeat goods, services or works**

The public contract concerns the supply of goods, services or works by the existing supplier which are intended as an extension to, or partial replacement of, existing goods, services or works in circumstances where:

- (a)(i) a change in supplier would result in the Contracting Authority receiving goods, services or works that are different from, or incompatible with, the existing goods, services or works, and



- (a)(ii) the difference or incompatibility would result in disproportionate technical difficulties in operation or maintenance.

OR

- (b)(i) the existing goods, services or works were supplied under a public contract that was awarded in accordance with a competitive tendering procedure within the period of five years ending with the day on which the transparency notice is published, and
- (b)(ii) the tender notice or any tender document in respect of that earlier contract set out:
  - (1) the Contracting Authority's intention to carry out a subsequent procurement of similar goods, services or works in reliance on this direct award justification, and
  - (2) any other information specified in regulations under section 95.

#### **4. Commodities**

The public contract concerns goods purchased on a commodity market.

#### **5. Advantageous terms on insolvency**

The award of the public contract to a particular supplier will ensure terms particularly advantageous to the Contracting Authority due to the fact that a supplier, whether or not the one to whom the contract is to be awarded, is undergoing insolvency proceedings – ie. if the supplier has:

- (a) become bankrupt or, in Scotland, the estate of the supplier has been sequestrated,
- (b) become subject to insolvency or winding-up proceedings,
- (c) had its assets subject to administration or receivership, including by a liquidator or court,
- (d) entered into an arrangement with its creditors,
- (e) become subject to a petition or application for any such procedures or arrangements, or
- (f) in any jurisdiction, been subject to a procedure or an application that corresponds to any procedure or application mentioned in this section.

**6. Urgency**

Where the goods, services or works to be supplied under the public contract are strictly necessary for reasons of extreme and unavoidable urgency, and as a result the public contract cannot be awarded on the basis of a competitive tendering procedure.

Note that urgency is unavoidable if it is not attributable to any act or omission of the Contracting Authority and could not have been foreseen by the Contracting Authority.

**7. User choice contracts**

User choice contracts are specified as “Light Touch” and also are supplied for the benefit of a particular individual where the Contracting Authority would, in awarding a contract for their supply, be required under an enactment to have regard to the views of the individual, or a person providing care to the individual (their “carer”), in relation to who should supply the services.

Direct award can be made when:

- (a) the individual to whom the services are to be supplied or their carer has expressed a preference as to who should supply the services, or the nature of the services to be supplied is such that only one supplier is capable of providing them, and
- (b) the Contracting Authority considers that it is not in the best interests of the individual to carry out a competitive tender

## GLOSSARY OF TERMS

Term	Definition
Above Threshold	A procurement for a contract at or above the relevant National Threshold specified for Works, Supplies or Services. This applies only to the Procurement Act.
Approved Budget	The maximum budget available for a competitive procurement exercise as set out within the Procurement Strategy Decision at the Procurement Strategy stage.
Approved Framework	An internal or external Framework for specific services that has been approved by the Head of Procurement and the Director of Legal Services for use within the Royal Borough.
Approved List	A list of suppliers whose basic credentials have been checked. This normally relates to construction contract lists such as Constructionline for works contracts.
Approver	The Chief Officer unless all of the following apply:  (a) the Directorate Scheme of Delegation has been published; and (b) the Directorate Scheme of Delegation includes the specified decision relating to procurement; and (c) the Directorate Scheme of Delegation has Delegated the officer postholder authorised to make the specified decision relating to procurement.
Assessment Summaries	Detailed responses provided to Suppliers setting out the results of the procurement process. This only applies to Above Threshold contracts and replaces the “Standstill Letter”
Award without Competition (also known as a Direct Award)	See the Glossary definition of “Direct Award” below
Below Threshold	A procurement process and/or a contract where the whole life cost falls below that specified as the National Threshold for those Services/Supplies/Works. This applies only to the Procurement Act

<b>Term</b>	<b>Definition</b>
Best Value	The Council's duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Set out in section 3 of the Local Government Act 1999
Central Digital Platform	The Central Government online reporting platform for contract and procurement information.
Competitive Flexible Procedure	A Covered Procurement that includes a number of different stages in accordance with Section 20 (2)(b) of the Procurement Act
Construction Form of Contract	Industry standard contract such as JCT or NEC that is commonly used for construction and engineering contracts.
Contracting Authority	A body as defined by section 2 of the Procurement Act
Covered Procurement (also called "Above Threshold" or a "Public Contract")	A procurement where the whole life costs is above the relevant National Threshold for services/supplies/works. This applies only to the Procurement Act.
Contract Award Decision	The decision to award a contract, either as following a competitive process, or as a Direct Award without competition.
Direct Award (also known as Award without Competition)	<p>Award of contract where only one quotation/tender has been sought for the specific requirement. This can be through a Framework where Direct Awards may be permitted, or outside, in accordance with the rules set out.</p> <p>It is not a Direct Award where the requirement was competitively tendered, but only one bid was received.</p>
Delegated	means the Chief Officer has delegated their power to make a decision, seek quotations and tenders, sign contracts, place orders and authorise payments, to an officer or officers as identified in the Directorate Scheme of Delegation.

<b>Term</b>	<b>Definition</b>
Directorate Scheme of Delegation	<p>A scheme setting out the Chief Officer’s delegation of authority in relation to Contract Standing Orders which identifies:</p> <ul style="list-style-type: none"> <li>(a) the Assistant Director(s) authorised to sign contracts on the Chief Officer's behalf under CSO 10.2, and</li> <li>(b) which Directorate officer postholders to whom the Chief Officer has Delegated the power to make decisions, seek quotations and tenders, place orders and authorise payments.</li> </ul>
Dynamic Market	A form of electronic “Approved List” under the Procurement Act. This replaces the provision for a Dynamic Purchasing System under the Public Contracts Regulations 2015.
Dynamic Purchasing System	An electronic “Approved List” set out in the Public Contracts Regulations 2015. Existing Dynamic Purchasing Systems procured before October 28 <sup>th</sup> 2024 will remain active for their lifetime.
Framework	A contract between a Contracting Authority and one or more suppliers that provides for the future award of contracts without any guarantee of the volume of supplies by a Contracting Authority (or contracting authorities where they act collectively) being given to the supplier or suppliers.
Greenwich Risk Assessment Process “GRAP”	Format for determining whether a procurement (and its outcome) is “Low Risk” or “High Risk”. Must be completed for all procurements valued above £100,000
High Risk	Outcome of the GRAP where applying a range of criteria indicates that the proposed procurement is high risk
Low Risk	Outcome of the GRAP where applying a range of criteria indicates that the proposed procurement is low risk

<b>Term</b>	<b>Definition</b>
Most Advantageous Tender	Award criteria based on consideration of price, quality and wider benefits e.g. social value to the Royal Borough.
Modifications	Variations, extensions or other changes to any Contract.
National Law	The Procurement Act, the NHS Provider Selection Regime and all other legislation and regulatory requirements in force from time to time which apply to public procurement.
National Threshold	The value in pounds sterling above which the contract is a Public Contract. This value includes VAT for the purpose of determining the threshold.
NHS Provider Selection Regime or “PSR”	The NHS Provider Selection Regime 2023 – implemented in accordance with the Health Care Services (Provider Selection Regime) Regulations 2023.
Open Procurement Procedure	A single stage tendering procedure in accordance with Section 20 (2)(a) of the Procurement Act.
Pipeline Notice	A list of annual projects or contracts identified for future procurement exercises. These are also called either the Procurement Forward Plan or Procurement Pipeline
Public Contract	Any contract or Framework for the supply, for pecuniary interest, of goods, services or works to a contracting authority which has an estimated value of not less than the threshold amount for the type of contract - ie. "Above Threshold".
Procurement Act	The Procurement Act 2023.
Procurement Decision	The process for approval of procurement activity, as set out in CSO 9.
Procurement Manual	A procurement guidance manual issued by the Director of Finance that sets out the requirements for procurement and contracting activity by the Council.
Procurement Strategy	The business case for the procurement, setting out what is intending to be purchased, why it is needed, how

Term	Definition
	much (approximately) will be spent and how the procurement will be undertaken.
Procurement Strategy Decision	A document in an approved form seeking approval to a Procurement Strategy allowing the progress to seek quotes or follow a competitive procurement process. A Procurement Strategy Decision only becomes effective when a decision on its content has been formally made in accordance the appropriate Council decision-making process.
Procurement Strategy Deviation	Where a competitive procurement has taken place but it does not meet all the conditions agreed in the Procurement Strategy. For example, use of a different Framework or a change in the evaluation criteria.
Procurement Team	Officers authorised by the Director of Finance to provide advice, support and guidance on procurement within the Council, as set out in CSO 5.
Regulatory Provisions	All current legislation governing the activities set out within these Contract Standing Orders as set out in CSO 3 and as may apply.
Responsible Officer	The Officer authorised by the Chief Officer to be responsible for leading the procurement and or contract management of a particular requirement.
Service Policy Change	Where there is a requirement to agree a new service policy or amendment to an existing service policy, post consultation, that would result in a Key Decision being taken.
Social Value	<p>The obligation on the Council to consider:</p> <ul style="list-style-type: none"> <li data-bbox="587 1675 1417 1850">(a) how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and</li> <li data-bbox="587 1872 1334 2000">(b) how, in conducting the process of procurement, it might act with a view to securing that improvement.</li> </ul>

<b>Term</b>	<b>Definition</b>
Social Value Framework	A document setting out the Council's ambition and objectives to be achieved through Social Value
Social Value Policy	The Council's policy to implement its Social Value obligation
Supplier	Procurement Act terminology – means supplier, provider, contractor, bidder and/or tenderer.
Transparency (Notices or Requirements)	Sets of information on procurement and contracting required to be published by electronic methods set out in the Acts for both the Procurement Act and the PSR.
Working Day	A day of the week excluding Saturday, Sunday and public holidays in England and Wales.