

CONTRACT PROCEDURE RULES



Cyngor Bwrdeisdref Sirol

Blaenau Gwent

County Borough Council

Effective 1st January 2022

CONTRACT PROCEDURE RULES

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Table 1: Procurement Thresholds and Procedures for Sourcing Goods, Services & Works

NB: All external procurement related expenditure must be included within Departmental Procurement Plans and have SPB approval prior to being progressed					
Value	Buying £0 - £5,000 (Goods, Services & Works)	Low Value Procurement £5,001 - £25,000 (Goods Services & Works)	Intermediate Value Procurement £25,001 - £75,000 (Goods, Services & Works)	High Value Procurement £75,001 – EU Thresholds* (Goods, Services & Works)	Strategic Procurement Above EU Thresholds* (Goods, Services & Works)
CPR Section	CPR 27.1.1 & Appendix A	CPR 27.1.2 & Appendix B	CPR 27.1.3 & Appendix C	CPR 27.1.4 & Appendix D	CPR 27.1.5 & Appendix E
Method	Request for Quotations (RFQ)	Request for Quotations (RFQ)	Request for Quotations (RFQ)	Invitation to Tender (ITT)	Invitation to Tender (ITT)
Pre tender: Procurement Options Report (Gateway 1 Report)	No	No	Yes (DMT)	Yes (SCCB)	Yes (SCCB)
Selection Method & Number for Goods, Services and Works	Obtain at least 2 verbal or written quotations to demonstrate that value for money is being achieved	Invite at least 3 bidders Consider using Council's Electronic Tendering System Prepare specification and award criteria	Invite at least 4 bidders using Council's Electronic Tendering System Prepare a specification and award criteria Consider Advertising on Sell2wales	Invite tenders using the Councils Electronic Tendering System Prepare a specification and award criteria Consider advertising on sell2wales	Invite tenders in accordance with the Public Contract Regulations Prepare a specification and award criteria
Opened/Received by	Nominated Officer	Nominated Officers x 2	Nominated Officers x 2 or Corporate Procurement Officer	Nominated Officer(s) & Corporate Procurement Officer	Nominated Officer(s) & Corporate Procurement Officer
Records to be completed by	Service Area RFQ details kept on file (T1), authorised by Chief Officer and retained for future reference	Service Area RFQ details recorded on file (T1), authorised by Chief Officer and retained for future reference; Authorised copy forwarded to CPU for inclusion on Contracts Register	Service Area RFQ Award Report; Authorised copy forwarded to CPU for inclusion on Contracts Register Award & rejection letters	Service Area Tender Award Report; Authorised copy forwarded to CPU for inclusion on Contracts Register Award & rejection letters	Service Area Tender Award Report, award & reject letters
Award Approvals: Tender Acceptance Report (Gateway Report 2)	(T1 retained in service area)	(T1 retained in service area and copied to CPU)	Yes (DMT) and copied to CPU	Yes (SCCB) however Contracts in excess of £2m should be referred to CLT**	Yes (SCCB) however Contracts in excess of £2m should be referred to CLT**
Awarded by	Authorised Officer	Authorised Officer	Chief Officer	Chief Officer in conjunction with Corporate Procurement	Corporate Procurement incorporating 10 day standstill
Method of Awarding	Purchase Order	Letter of Award / Contract/Purchase Order	Letter of Award / Contract / Purchase Order	Letter of Award / Legal Contract / Purchase Order	Letter of Award / Legal Contract / Purchase Order

EU procurement thresholds for the public sector effective 1 January 2022 (Inclusive of VAT): Works & Concessions £5,336,937; Goods & Services £213,477; Light Touch Regime £663,540 **Contracts valued in excess of £2,000,000 (Excluding VAT) should be referred to Corporate Leadership Team for consideration with the relevant Executive Member and Leadership and where appropriate reported to the Executive Committee for approval*

Table 2: Waivers, Variations & Progress

All external procurement related expenditure must be included within Departmental Procurement Plans and have SCCB approval prior to being progressed				
Waivers				
Waivers are reserved for exceptional circumstances and will only be considered where good and sufficient reason has been demonstrated.				
A Waiver will not be granted simply on the grounds of convenience or because of inadequate forward planning				
	Low Value Procurement £1 - £25,000 (Goods Services & Works)	Intermediate Value Procurement £25,001 - £75,000 (Goods, Services & Works)	High Value Procurement £75,001 – EU Thresholds* (Goods, Services & Works)	Strategic EU Procurement Above EU Thresholds* (Goods, Services & Works)
Waivers (CPR 10.4)**	Chief Officer	Chief Officer/SCCB	Corporate Leadership Team (CLT). However for contracts in excess of £2m, CLT will consult with the relevant Executive Member and Leadership	N/a
Emergency Waivers (CPR 10.5)***	Chief Officer	Any two of the following: Managing Director, Head of Legal & Corporate Compliance, Chief Finance Officer (S151) and reported to the next CLT	Any two of the following: Managing Director, Head of Legal & Corporate Compliance, Chief Finance Officer (S151) and reported to the next CLT and Executive Committee. Where the value is in excess of £2,000,000, approval is subject to consultation with the relevant Executive Member and Leadership and a report must be presented by the Chief Officer to the next available meeting of CLT and/or Executive Committee as applicable.	
Variations & Progress				
Variations (CPR 51)	Cumulative values not exceeding the lower of £10,000 or 10% of the original contract sum and still within approved budget (CPR 53.1)	Cumulative values exceeding the lower of £10,000 or 10% of the original contract sum and still within approved budget (CPR 53.2)	Cumulative value exceeding the approved budget (CPR 53.3)	Variation being applied for by Corporate Procurement (CPR 53.7)
Approver(s)	Chief Officer	Chief Officer (SCCB Information Report)	SCCB	SCCB / Internal Audit
Progress Reporting (CPR 51.4)	Contracts over £500,000 with a +/- 5% slippage		Contracts over £500,000 with > 50 day over-runs	
Approver(s)	SCCB / Executive Committee / Corporate Overview Scrutiny Committee		SCCB / Executive Committee / Corporate Overview Scrutiny Committee	

*EU procurement thresholds for the public sector effective 1 January 2022 (Inclusive of VAT): Works & Concessions £5,336,937; Goods & Services £213,477; Light Touch Regime £663,540;

**CPR 10.4 - Waivers for Contracts valued in excess of £2,000,000 should be referred to Corporate Leadership Team for consideration with the relevant Executive Member and Leadership and where appropriate reported to the Executive Committee for approval;

***CPR 10.5 Emergency Waivers for Contracts valued in excess of £2,000,000 should be referred to Corporate Leadership Team for consideration with the relevant Executive Member and Leadership;

SECTION 1 – GENERAL CONSIDERATIONS

1 Introduction

- 1.1 These Contract Procedure Rules (CPRs) are made under Sections 135 of the Local Government Act 1972.
- 1.2 Contract Procedure Rules (CPRs) provide a corporate framework for the procurement of all goods, services and works for the Council. The Rules are designed to safeguard the interests of the Council and its employees and to ensure that all procurement activity is conducted with openness, probity and accountability and in accordance with the Council's Constitution, Public Contract Regulations and English Law.
- 1.3 Procurement is the process by which the Council manages the acquisition of all its goods, services and works. It includes the identification of need, consideration of options, the actual procurement process and the subsequent management and review of awarded contracts.
- 1.4 The Council's procurement activities are governed by detailed European and UK legislation. The law requires all Council procurement and contracting to be conducted transparently, fairly and in a non-discriminatory and disproportionate manner. In the event of statutory or other legal requirement exceeding the requirements contained within these CPRs, then statute shall take precedence over any provision within these CPRs.
- 1.5 All references to competitive tenders and quotations within these CPRs shall apply (with such changes as are appropriate) equally to circumstances where the contract involves the receipt of income by the Council or the disposal of any asset or undertaking by the Council, as they do to purchases to be made by the Council, unless specifically stated otherwise.
- 1.6 All Procurement & Commissioning activities must be incorporated into Annual Departmental Procurement Plans (DPP's) and approved by the Strategic Commissioning and Commercial Board (SCCB) in advance of inviting tenders or requesting quotations (CPR11);
- 1.7 All Procurement and Commissioning activities over £25,001 require the engagement of Corporate Procurement;
- 1.8 Tables 1 and 2 at the beginning of this document set out in summary the key requirements that must be adhered to. However, you are strongly advised to refer to the rest of this document for further guidance and to seek the advice and support of Corporate Procurement and where legal issues arise, the advice of Legal Services as required.

2 Basic Principles

2.1 Every contract entered into by the Council (including Schools), shall be entered into pursuant to or in connection with the Council's functions and shall comply with:

- (a) All relevant statutory provisions;
- (b) The relevant European Procurement Directives (the EU Treaty, the general principles of community law and the European Union's Public Contracts Directive (2014/24/EU) implemented by the Public Contracts Regulations 2015 or such other amendment, variation or replacement Regulations in force from time to time (" Regulations");
- (c) The Council's Constitution including these CPRs, the Council's Financial Regulations and Scheme of Delegation.

2.2 All procurement procedures must:

- i. realise value for money by achieving the optimum combination of whole life costs, and quality of outcome;
- ii. be consistent with the highest standards of integrity;
- iii. operate in a transparent manner;
- iv. ensure fairness in allocating public contracts;
- v. comply with all legal requirements including European Union (EU) treaty principles;
- vi. support all relevant Council priorities and policies, including the Medium Term Financial Strategy;

3 Relevant Contracts

3.1 All Relevant Contracts must comply with these CPRs. A Relevant Contract is any arrangement made by, or on behalf of, the Council for the carrying out of works or the provision of supplies or services. These include arrangements for:

- (a) the supply or disposal of goods;
- (b) the hire, rental or lease of goods or equipment;
- (c) the delivery of services, including (but not limited to) those related to:
 - The recruitment of agency staff;
 - Commissioning of social care services;
 - Financial and consultancy services;

- (d) the execution of works
- (e) contracting activities of any partnership for which the Council is the accountable body unless the Council expressly agrees otherwise.

4 **Exempt Contracts**

4.1 The following contracts are exempt from the requirements of these CPRs:

- (a) employment contracts (this exemption does not extend to the recruitment of agency staff or external secondment arrangements);
- (b) contracts relating solely to disposal or acquisition of an interest in land and property, for which there is a separate Council protocol;
- (c) contracts for the execution of mandatory works by statutory undertakers;
- (d) advice or instruction of Counsel made by the Head of Legal and Corporate Compliance;
- (e) transactions made in relation to investments and borrowings made by the Chief Finance Officer;
- (f) award of contract for **'emergency'** individual placements and associated support services, which may include but not be limited to; care support, development or advice to individual clients (children or adults), in order to provide for their well-being and safety as made by the Corporate Directors for Education and Lifelong Learning and Social Services in accordance with the Regulations;

NB non-emergency placements are no longer exempt of the Regulations and should be let in accordance with these CPRs and EU 'Light Touch Regime' (CPR27.1.6);

- (g) contracts which have been procured on the Council's behalf:
 - (i) through collaboration with other local authorities or other public bodies, where a competitive process which complies with the CPRs of the leading organisation has been carried out;
 - (ii) by a National or Regional contracting authority where the process followed is in line with the Public Contracts Regulations; or
 - (iii) under the terms of a Strategic Partnership arrangement approved by the Executive Committee;
- (h) the payment of grants to third parties;

5 **Categories**

5.1 These CPRs relate to five categories of procurement based on the estimated value of contracts:

- (i) Up to £5,000 (Buying)
 - (ii) £5,001 to £25,000 (Low Value Procurement)
 - (iii) £25,001 to £75,000 (Intermediate Value Procurement)
 - (iv) £75,001 to European Union (EU) Procurement Thresholds (High Value)
 - (v) Above EU Thresholds (Strategic Procurement)
 - Goods & Services £213,477 inclusive VAT or £177,897 (assuming 20% VAT), and
 - Works £5,336,937 inclusive of VAT or £4,447,447.50 (assuming 20% VAT)
- (Current values are set 1st January, 2022 – 31st December, 2024)

6 **Electronic Procurement and Purchasing**

6.1 Aligned to the Council's continued modernisation agenda, the Chief Finance Officer via Corporate Procurement has implemented a number of electronic procurement systems that should be utilised as corporate solutions to support the cost efficient procurement of goods, works and services;

- (a) E-Procurement (sourcing, tendering and contract management)
 - (i) All Requests for Quotations (RFQ's) with an estimated value above £25,001 and all Invitations to Tender (above £75,001) must be administered electronically via the E-Procurement system.
 - (ii) In addition, consideration should be given to inviting all RFQ's with an estimated value over £5,001 electronically via the E-Procurement system.
- (b) E-purchasing (raising purchase orders)
 - (i) All purchase orders issued for the provision of goods, works and services must be raised electronically via the Council's integrated E-purchasing system (Civica).

6.2 Chief Officers should contact the Corporate Procurement Manager regarding the use of electronic procurement and purchasing solutions.

- 6.3 In exceptional cases, where specific circumstances mean that a procurement process cannot be carried out electronically, permission to conduct a procurement process by alternative means must be obtained from the Chief Finance Officer.

7 Declaration of Interests

- 7.1 No Elected Member, Officer or agent of the Council shall improperly use their position to obtain any personal or private benefit from any contract entered into by the Council.
- 7.2 Elected Members and Employees of the Council shall comply with the requirements of Section 117 of the Local Government Act 1972 and the Elected Members and Officers Codes of Conduct as set out in the Constitution in respect of the declaration of interests in contracts with the Council.
- 7.3 Such interests must be declared to the relevant persons in accordance with the Council's Code of Conduct for Elected Members and Officers, contained within the Constitution, detailing how the conflict has been addressed.

8 Prevention of Corruption – Bribery Act

- 8.1 Bribery is a criminal offence. The Council complies with the Bribery Act 2010. The Council does not and will not, pay bribes or offer improper inducements to anyone for any purpose, nor does it or will it accept any bribes or improper inducements.
- 8.2 Any alleged acts of bribery must be immediately reported to the Chief Finance Officer and Head of Legal & Corporate Compliance so that appropriate action can be taken.

9 Roles and Responsibilities

9.1 Strategic Commercial Commissioning Board

9.1.1 The Strategic Commercial Commissioning Board (SCCB), is an Officer Board which provides strategic guidance to the procurement and commissioning community.

9.1.2 The goal of the SCCB is to:

- i) provide oversight and scrutiny of the Council's commercial activities, primarily Commissioning and Procurement;
- ii) review and approve commercial activities at key stages of the commissioning and procurement lifecycle;
- iii) ensure alignment with corporate priorities and objectives;
- iv) ensure adherence to constitutional requirements for all commercial activities;

9.1.3 The SCCB reserves the right to call in any officer of the Council who has failed to comply with these CPRs.

9.2 Corporate Directors & Chief Officers

9.2.1 Each Corporate Director/Chief Officer is accountable for all Procurement activity in their respective directorates. Their duties are to:

- (a) ensure compliance with the Public Procurement Regulations, Financial Regulations and these Contract Procedure Rules;
- (b) ensure the use of compliant best practice Procurement for their directorate's Procurement activity;
- (c) ensure that Procurement carried out for the execution of Works or the provision of Goods and Services are approved and covered by suitable Council terms and conditions of contract so that the responsibilities of each party are clear. If it is deemed necessary to sign up to any arrangement which deviates from the Council's standard terms and conditions advice should be sought from the Head of Legal and Corporate Compliance and the Corporate Procurement Manager.
- (d) ensure contracts are recorded in the Corporate Contracts Register as held and maintained by Corporate Procurement;
- (e) use their best endeavours to ensure that no Contract commences prior to the Terms and Conditions of Contract being signed and, where necessary, sealed;
- (f) ensure that all Contracts are awarded on the basis of the Most Economically Advantageous Tender (MEAT). Social and environmental criteria must be considered as part of the assessment process, to the extent that they relate proportionately to the subject matter of the Contract and are non-discriminatory;
- (g) identify, evaluate, record and appropriately mitigate risk (e.g. provision of performance bond, parent company guarantee and appropriate payment provisions and termination clauses within Contracts);
- (h) ensure that all Invitation to Tender documents clearly describe the Evaluation Criteria, sub criteria and weightings and that the tender evaluation is based strictly on the published criteria and weightings.
- (i) ensure immediate corrective action is taken in the event of a breach of the Contract Procedure Rules;

- (j) ensure that Contracts are not artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.
- (k) ensure Purchase Orders are raised on the Corporate Financial System prior to procuring Goods, Works and Services, unless an exemption is approved by the Chief Finance Officer;
- (l) ensure that their Directorate supports and facilitates the work of the Strategic Commercial Commissioning Board.

9.3 Authorised Officers

9.3.1 Authorised Officers will comply with these Contract Procedure Rules (CPRs), the Council's Constitution and with all UK and EU legal requirements. Authorised Officers will:

- (a) take all necessary procurement, legal, financial and professional advice, taking into account the requirements of these CPRs;
- (b) keep the records required by Rule 46 of these CPRs in a manner determined by the Chief Finance Officer;
- (c) prior to letting a contract on behalf of the Council, check whether:
 - (i) the Council already has an appropriate contract in place in the Corporate Contracts Register; or
 - (ii) an appropriate national, regional or other collaborative contract is already in place.
 - (iii) Where the Council already has an appropriate contract in place, then this must be used unless it can be established that the contract does not fully meet the Council's specific requirements in this particular case, and this is agreed following consultation with Corporate Procurement.
 - (iv) Where an appropriate national, regional or collaborative contract is available, consideration should be given to using this, provided the contract offers value for money.
- (d) ensure that when any employee, either of the Council or of a service provider, may be affected by any transfer arrangement, then any Transfer of Undertaking (Protection of Employment) issues are considered and Legal and Organisational Development (OD) advice from within the Council is obtained prior to proceeding with the procurement exercise.

(e) ensure that any agents, consultants and contractual partners acting on their behalf also comply.

- 9.4 Failure to comply with any of the provisions of these CPRs the Council's Constitution or UK or EU legal requirements must be brought to the attention of the Managing Director, Monitoring Officer, Head of Internal Audit, or relevant Corporate Director as appropriate. Depending on the nature of the non-compliance this may result in disciplinary action being taken.
- 9.5 Any doubt or uncertainty as to how these CPRs are to be interpreted and any inconsistency between these CPRs and any other Council document shall be referred to the Head of Paid Service, Chief Finance Officer (section 151 Officer) & Head of Legal and Corporate Compliance (Monitoring Officer), whose decision shall be final.
- 9.6 A full review of these CPR's will be undertaken following any substantive change of EU or UK law. In addition, the Chief Finance Officer in conjunction with the Head of Legal and Corporate Compliance is permitted to undertake an annual refresh of the CPRs as required.

10 **Waivers**

- 10.1 Circumstances may arise where permission is required to waive one or more of these Contract Procedure Rules. Waivers are reserved for exceptional circumstances and will only be considered where good and sufficient reason has been demonstrated. A Waiver will not be granted simply on the grounds of convenience or because of inadequate forward planning.
- 10.2 The Council can only waive the rules established by the Council – the Council **cannot** waive UK law or EU Procurement Regulations.
- 10.3 Normally the circumstances under which a Waiver can be considered are:
- i) where grant conditions of funding bodies specify appropriate alternative arrangements;
 - ii) for works, supplies or services which are either patented or of such special character that it is not possible to obtain competitive prices;
 - iii) where relevant UK or EU legislation not otherwise referred to in these CPRs prevents the usual procurement process from being followed.
 - iv) involving such urgency that it is not possible to comply to the full extent of the CPRs such as in cases where contracts need to be awarded to take advantage of late funding opportunities or equivalent appropriate circumstances.
- 10.4 Additionally, these Rules may be waived or varied in an emergency situation which must be first certified on the approved form as an emergency, involving such urgency that it is not possible to comply with the CPRs; a written report must be presented by the Authorised Officer on the nature of the emergency and expenditure

involved. A copy of the signed emergency certificate should be forwarded to the Chief Finance Officer and the Head of Legal and Corporate Compliance.

10.5 Depending upon the estimated value, waivers as defined in Rule10.3 may be considered following receipt of a written report from the relevant Authorised Officer as follows:

- i) Up to £25,000 may be granted by the relevant Chief Officer;
- ii) £25,001 - £75,000 may be granted by the relevant Chief Officer in consultation with the Corporate Procurement Manager;
- iii) £75,001 – Relevant EU Threshold may be granted by Corporate Leadership Team and where the contract value is in excess of £2,000,000, in consultation with the relevant Executive Member and Leadership;

10.6 Waivers as defined with Rules10.4 may be approved/certified following receipt of a written report from the relevant Authorised Officer as follows:

- i) Up to £25,000; may be approved/certified by the relevant Chief Officer;
- ii) £25,001 – £75,000; may be approved/certified by any two (2) of the Managing Director, Head of Legal & Corporate Compliance or Chief Finance Officer (Section 151 Officer) and a report must be presented by the Chief Officer to the next available meeting of Corporate Leadership Team
- iii) £75,001 – Relevant EU Threshold*; may be approved/certified by any two (2) of the Managing Director, Head of Legal & Corporate Compliance or Chief Finance Officer (Section 151 Officer) and a report must be presented by the Chief Officer to the next available meeting of Corporate Leadership Team.

Where the value is in excess of £2,000,000, approval is subject to consultation with the relevant Executive Member and Leadership; and a report must be presented by the Chief Officer to the next available meeting of Corporate Leadership Team and/or Executive Committee as applicable.

10.7 Wherever a waiver is granted in accordance with CPR10, a copy of the approved Emergency Certificate and Waiver Report must be forwarded to Corporate Procurement for inclusion on the Corporate Contracts Register.

SECTION 2 – PROCUREMENT PLANNING

11 Pre-Procurement Considerations – Annual Departmental Procurement Plans

- 11.1 By the end of March each calendar year, Corporate Directors shall submit to the Strategic Commercial Commissioning Board (SCCB), a completed Annual Departmental Procurement Plan (DPP), detailing all planned procurement and commissioning activities over £5,000 for the forthcoming financial year.
- 11.2 DPPs will be used to by Corporate Procurement to inform the procurement & commissioning forward work programme, to identify collaborative opportunities, to allocate appropriate resources and to ensure all relevant legislative requirements are observed.

12 Budget Approval

- 12.1 No contract shall be let unless the expenditure involved has been included in approved capital or revenue budgets or has been otherwise approved by or on behalf of the Council.

13 External Body Grant Funding

- 13.1 Where a procurement process is funded, in whole or part, by grant funding which has been awarded to the Council by an external funding body, the Chief Officer must ensure that any rules or conditions imposed by the funding body are adhered to, in relation to the requirements of these CPRs.
- 13.2 Where there is any conflict between these CPRs and the rules or conditions imposed by the funding body, the stricter requirement should be followed.

14 Internal Providers

- 14.1 Before commencing a procurement activity, the Head of Service or Authorised Officer shall ascertain whether an in-house service provider is able to carry out the works or service.
- 14.2 Where the in-house provider is able to and has the capacity to undertake the requirements, then the instruction should automatically be allocated subject to approval of the relevant Head of Service and in accordance with any funding terms and conditions and such decisions shall be recorded in writing. If in such a case the relevant Head of Service does not wish to use the in-house provider, then they must seek approval from the Council's Corporate Leadership Team prior to the commitment of the procurement.
- 14.3 Where an in-house service is bidding in competition for the provision of goods, works or services, care must be taken to ensure a fair process between the in-house provider service and external bidding organisations.

15 Estimating Contract Values

- 15.1 All Contract Values should be calculated strictly in accordance with the Public Contract Regulations (PCRs).
- 15.2 The estimated value of a contract/procurement exercise shall be the value of the total consideration, net of VAT, which the Council expects to be payable under the contract.
- 15.3 In determining the value of the contract, the Council shall, where relevant, take account of:
 - (a) Any form of option.
 - (b) The term/period of the proposed contract.
 - (c) Any rights to renew the contract/extend the contract period.
- 15.4 In determining the value of any contract where the actual term of the contract is not specified or uncertain, then the value shall be taken as equating to the value of the annual consideration multiplied by four (4) (i.e. the estimated value over a four (4) year period). Guidance should be sought from Corporate Procurement where assistance is required in estimating contract values.
- 15.5 The Council shall make the best use of its purchasing power by aggregating purchases wherever possible. In particular contracts for supplies, services or works shall not be split (disaggregated), in an attempt to avoid the applicability of these CPRs or the Regulations.

16 Approved Supplier Lists

- 16.1 In circumstances where no other suitable contract arrangement exists, Chief Officers may maintain and operate Select Lists of Contractors or Providers who have met the Council's criteria for invitations to tender. These lists being categorised according to the type of works or services (and contract values) for which each contractor/provider is approved.
- 16.2 Approved lists should only be used following consultation with the Corporate Procurement Manager.
- 16.3 Approved lists must **not** be used where they are prohibited under the Public Contracts Regulations.

17 Framework Agreements and Dynamic Purchasing Systems (DPS)

- 17.1 Framework Agreements are agreements between the Council and one, or three or more providers for the provision of goods, works or services on agreed terms for a

specific period, for estimated quantities against which orders may be placed if and when required during the contracted period.

- 17.2 A DPS is a fully electronic compliant 'Approved List', which in effect operates as an open framework, whereby Economic Operators can apply for and providing they meet the specified suitability criteria, be admitted to the established DPS at any point during its term.
- 17.3 Before committing the Council to any Framework Agreement or DPS, the Chief Officer must seek written approval from the Corporate Procurement Manager.

18 Collaborative Arrangements

- 18.1 When a requirement can be fulfilled through an existing arrangement, put in place by another Organisation and the requirements of the European Procurement Rules have been complied with by that Organisation, the arrangement will be deemed to be in compliance with these CPRs. This includes purchasing through arrangements that have been entered into for example but not limited to Welsh Government, National Procurement Service Wales (NPS), and the UK Government's Procurement Service, Crown Commercial Services (CCS).
- 18.2 Before committing the Council to an arrangement as set out in 18.1, the Chief Officer must seek written approval from the Corporate Procurement Manager.

19 Preliminary Market Consultations

- 19.1 The Council may consult potential suppliers, prior to the issuing of the Invitation to Tender or Request for Quotation, in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided this does not prejudice any potential organisation.
- 19.2 When engaging with potential suppliers, the Council must not seek or accept technical advice on the preparation of an Invitation to Tender or Quotation from anyone who may have a commercial interest in them, and where this may prejudice the equal treatment of all potential bidding organisations or distort competition. Assistance should be sought from the Corporate Procurement Manager where consideration is being given to pre-tender market testing.

20 Community Benefits and Well Being of Future Generations (Wales) Act 2015

- 20.1 The Council is committed to achieving economic, social, cultural and environmental well-being for its residents to ensure a better quality of life for everyone, now and for generations to come.
- 20.2 For all procurements over £25,001 the Authorised Officer **must** consider the economic, social and environmental impact of the project when determining the specification and evaluation criteria to maximise the added value of procurement.

- 20.3 Authorised Officers shall seek guidance from Corporate Procurement and Economic Regeneration colleagues on how best to incorporate economic, social, cultural and environmental well-being benefits into tenders and contracts.

21 Code of Practice

- 21.1 Ethical Employment in Supply Chains: Blaenau Gwent CBC have signed up to the Welsh Government's Code of Practice – Ethical Employment in Supply Chains, and therefore all tenders must consider the principles of the Code when compiling documentation, vetting suppliers and awarding contracts. The overarching principle of the Code is to ensure that workers in public sector supply chains are employed ethically and in compliance with both the letter and spirit of UK, EU, and international laws. The Code covers Modern Slavery and human rights abuses, Blacklisting, False self-employment, Unfair use of umbrella schemes and zero hours' contracts as well as considering paying the living wage. Advice must be sought from Corporate Procurement during tender preparation to ensure processes adhere to the principles of the Code.
- 21.2 Corporate Safeguarding Responsibilities: Blaenau Gwent County Borough Council is committed to ensuring that everyone living within the County Borough is safe and protected and that our statutory responsibilities to safeguard and protect children, young people and adults at risk are effectively met. Advice must be sought from Corporate Procurement during tender preparation, to ensure procurement activities consider our corporate safeguarding responsibilities and adhere to the Corporate Safeguarding Policy.

22 Division of Contracts into Lots

- 22.1 The Council may, where it considers appropriate decide to award a contract in the form of separate lots and may determine the size and subject matter of such lots in accordance with the Public Contract Regulations. Refer to Corporate Procurement for advice and guidance.
- 22.2 Where the Council is developing above EU/UK procurement solutions and has decided not to subdivide a contract into lots, it has a duty to provide an indication of its reasons within the procurement documentation. Refer to Corporate Procurement for advice and guidance.

23 Purchase of Vehicles and Plant

- 23.1 The Chief Officer holding the Council's Vehicle Operator's Licence, shall be responsible for the purchase or hire of vehicles and plant in accordance with these Contract Procedure Rules.

24 Consultants

- 24.1 The Commissioning/engagement of Consultants to work within the Council or to undertake work on behalf of the Council as part of a wider project will be subject to these CPRs and the Council's Financial Regulations;
- 24.2 Where the Council uses consultants to act on its behalf in relation to any procurement, then the Chief Officer shall ensure that the consultants carry out any procurement in accordance with these CPRs. No consultant shall make any decision on whether to award a Contract or who a Contract should be awarded to;
- 24.3 Where the Council uses consultants to act on its behalf in relation to any procurement the consultant must declare any potential conflict of interest that may arise to the Chief Officer prior to the commencement of the procurement process;
- 24.4 Where the Chief Officer considers that such a conflict of interest is significant the consultant shall not be allowed to participate in the procurement process. The Head of Legal and Corporate Compliance should be consulted in such circumstance.

SECTION 3 – PROCUREMENT DOCUMENT PREPARATION

25 Preparing Documentation

- 25.1 It is a requirement to produce all documentation associated with the procurement activity prior to making any offer to the market. This should include:

- a) the Specification, which should contain precise details of the requirements, be easily understood by the bidders and have clearly defined, achievable and measurable inputs, outputs or outcomes;

where appropriate for contracts under £25,000 and for all contracts over £25,001:

- b) A draft contract, including any bespoke terms and conditions that may be required over and above the standard terms and conditions of the form of contract used;
- c) Selection and award criteria (including weightings) and the proposed evaluation/scoring methodology.
- d) Where applicable, a Pre-Qualification Questionnaire (PQQ) to enable a fair and transparent means of creating a shortlist of bidders;
- e) Form of Tender
- f) Tender invitation (instructions), clearly stating the requirement to submit bids electronically, the time and date it needs to be submitted by, along with any other relevant instructions and a clear statement that no bids will be considered that have been submitted other than as instructed;

25.2 Standards

Relevant British, EU and International standards which apply to the subject matter of the contract and which are necessary to properly describe the required quality must be included with the contract.

25.3 Nominated Products

All goods and services should be specified by reference to objective, non-product specific descriptions. Equivalent goods and services are nearly always capable of being specified. However, if this is not possible on the grounds of genuine technical reasons and a particular type of product or service or method of production or delivery has to be stated, then the words “or equivalent” should always be added.

25.4 Contract Terms and Conditions

The Council’s harmonised procurement documents or conditions issued by a relevant professional body will be used. Where there is any deviation from these, the documents to be used must be reviewed by the Head of Legal & Corporate Compliance and the Corporate Procurement Manager prior to being issued. Standard contract terms and conditions and procurement templates are available upon request from Corporate Procurement.

26 Evaluation Criteria

26.1 Evaluation Criteria

- (a) In any procurement exercise the successful bid should be the one which either:
 - (i) offers the lowest price; or
 - (ii) offers the most economically advantageous balance between quality and price (MEAT).

In the latter case, the Council will use criteria linked to the subject matter of the contract to determine that an offer is the most economically advantageous, for example: price, quality, technical merit, aesthetic and functional characteristics, environmental characteristics, running costs, cost effectiveness, after-sales service, technical assistance, delivery date, delivery period and period of completion.

- (b) Issues that are important to the Council in terms of meeting its corporate objectives may be used to evaluate bids. The criteria can include, for example sustainability considerations, support for the local economy or the use of sub-contractors. The bidding organisations’ approaches to continuous improvement and setting targets for service improvement or future savings could also be included. All criteria must relate to the subject matter of the contract, be in line with the Council’s corporate objectives and must be objectively quantifiable and non-discriminatory.

- (c) The procurement documentation should clearly explain the basis of the decision to bidding organisations, making clear how the evaluation criteria specified in the process will be applied, the overall weightings to be attached to each of the high-level criteria, how the high-level criteria are divided into any sub-criteria and the weightings attached to each of those sub-criteria.
- (d) Where a procurement procedure has both selection and award stages, the criteria used at the selection stage should not be used again at the award stage.

SECTION 4 – PROCUREMENT TENDERING PROCESS

27 Competition Requirements/Assets for Disposal

27.1 Competition Requirements

- (a) Where possible, goods, services and works should be obtained via existing approved arrangements including but not limited to:
 - i. In-house services provision
 - ii. Established corporate contracts, framework agreements and/or consortia arrangements
- (b) Where no such approved arrangements exist, the Authorised Officer must establish the total value of the procurement (including whole life costs and incorporating any potential extension periods (CPR15) and invite quotations or tenders in accordance with the following procedures:

27.1.1 Buying (Quotations) – Below £5,000

Authorised Officers should obtain a minimum of two (2) quotations to demonstrate competition and value for money.

A written record of enquiries must be made and retained in a manner approved by the Chief Finance Officer.

- Please refer to Appendix A

27.1.2 Low Value Procurement (Quotations) – Between £5,001 and £25,000

Authorised Officers must invite a minimum of three (3) quotations in order to demonstrate competition and they shall accept the lowest or most economically advantageous quotation.

Consideration should be given to using the Council's E-tendering portal.

A written record of enquiries must be made and retained in a manner approved by the Chief Finance Officer.

- Please refer to Appendix B

27.1.3 Intermediate Value Procurement (Quotations) £25,001 - £75,000

All Procurement and Commissioning activities over £25,001 require the engagement of Corporate Procurement;

Before quotations are invited, a Pre-Tender Procurement Options Report (Gateway 1 Report) must be submitted to the relevant Departmental Management Team (DMT) for approval;

Requests for quotations in excess of £25,001 must be conducted electronically via the Authority's E-tendering system as approved by the Chief Finance Officer.

Hard copy RFQ's may only be considered with the prior approval of the Corporate Procurement Manager.

Authorised Officers should consider advertising the procurement opportunity in accordance with CPR30;

Alternatively, where the opportunity is not subject to open advert, Authorised Officers must invite a minimum of four (4) quotations to demonstrate appropriate competition and they shall accept the lowest or most economically advantageous quotation.

A written record of enquiries must be made and retained in a manner approved by the Chief Finance Officer.

- Please refer to Appendix C

27.1.4 High Value Procurement (Tenders): Between £75,001 and UK Thresholds

Procurement and Commissioning activities require the engagement of Corporate Procurement;

Before tenders are invited, a Pre-Tender Procurement Options Report (Gateway 1 Report) must be submitted to the Strategic Commercial Commissioning Board (SCCB) for approval.

Invitations to Tender must be conducted electronically via the Authority's E-tendering system as approved by the Chief Finance Officer.

Hard copy Tenders may only be considered with the prior approval of the Corporate Procurement Manager.

Invitations to Tender must be sourced via one of the following methods:

- Selective tendering from an appropriate approved list under (CPR16);
 - Sourcing from an existing Framework Agreement (CPR17) or collaborative arrangement (CPR18); or
 - Competitive tendering by open advertisement (CPR30);
- Please refer to Appendix D

27.1.5 Strategic Procurement contracts invited in accordance with UK Procurement Directives

In the case of procurements captured within the European Union Procurement Directives and the Regulations that implement them, the Chief Officer shall consult with the Corporate Procurement Manager to determine the most appropriate procedure for conducting the procurement exercise.

Such Directives and Regulations will take precedence over these CPRs.

Before tenders are invited, a Pre-Tender Procurement Options Report (Gateway 1 Report) must be reported to the Strategic Commercial Commissioning Board (SPB) for approval.

Invitations to Tender must be conducted electronically via the Authority's E-tendering system as approved by the Chief Finance Officer.

- Please refer to Appendix E

27.1.6 Public Contract Regulations – Light Touch Regime

In addition to the established requirements listed with CPR27.1.5, The Public Contract Regulations have introduced a new light-touch regime (LTR), which is applicable to contracts within the social care, health and education sectors. Previously defined as 'Part B' services and exempt from the full Regulations, service requirements defined within Schedule 3 of the PCR's should now be procured in accordance with the LTR and these CPRs (please refer to Appendix F for further details of the effected services).

In the case of procurements that fall within the Light Touch Regime, the Chief Officer shall consult with the Corporate Procurement Manager to determine the most appropriate procedure for conducting the procurement exercise.

- LTR contracts Please refer to Appendix F

28 Reduced number of invitations

- 28.1 For procurements with a value between £5,001 and £75,000, where an Authorised Officer wishes to invite less than the prescribed numbers of organisations to bid, he /she must seek approval from the relevant Chief Officer in consultation with the Corporate Procurement Manager;
- 28.2 For procurements with a value between £75,001 and applicable EU Threshold, where an Authorised Officer wishes to invite less than the prescribed numbers of organisations to bid, he /she must seek approval from the Strategic Commercial Commissioning Board;

29 Assets for Disposal/Tenders Generating Income for the Council

- 29.1 In circumstances where the Council is permitted to sell assets, in line with the disposal policies (such as surplus Land & Property), this will generate income to the Council.
- 29.2 Authorised Officers shall be authorised to dispose of goods and materials surplus to the Council's requirements by whichever means would, in the judgement of the officers, result in the best value for the Council; examples may include;
- auction
 - tender
 - private sale
 - transfer to another service
 - donation to a not for profit organisation
- 29.3 Where a surplus item is likely to raise more than £1,000, the appropriate Head of Service shall be consulted before its disposal. Written tenders should be invited for any item likely to realise more than £5,000.
- 29.4 The Authorised Officer shall accept either the highest price or the most economically advantageous tender dependent on the stipulated award criteria, and keep a record of the tenders received and tender sums, in a manner to be determined by the Chief Finance Officer.

30 Advertising

- 30.1 In accordance with the principles of the Welsh Government's "Opening Doors", The Charter for SME Friendly Procurement, where practical and providing that it

represents best value for the Council, consideration should be given to advertising contracts exceeding £25,001 on the Council's E-Procurement System and the Welsh National Procurement Website (Sell2wales).

30.2 Where the subject matter of the intended contract or where the anticipated audience and their expectations suggests, advertisements and associated documentation must be published bilingually in Welsh and English.

30.3 The Corporate Procurement Manager will be responsible for publishing all notices to ensure compliance with EU treaty principles.

31 Contractor Subsidies and State Aid

31.1 Where it is proposed to provide financial support to a Contractor, or where a Contractor's proposal entails financial support or benefit from the Council or another public body necessary to ensure the continuance of Contracting activity (State Aid), the advice of the Chief Finance Officer/Head of Legal and Corporate Compliance must be sought prior to advertising the opportunity or concluding the Contract.

32 Supplier Selection, Short-listing or Pre-Qualification

32.1 The Council shall only enter into a contract with a Contractor if it is satisfied as to the Contractor's competencies.

32.2 Supplier Selection criteria for shortlisting may include, but not be limited to:

- i. The eligibility of the contractor/provider.
- ii. Financial standing, including provisions for insurance to cover liability
- iii. Technical or professional capability and capacity
- iv. Health & Safety assurances
- v. Environmental /Sustainability licences

32.3 Chief/Authorised Officers should contact the Corporate Procurement Manager in advance of undertaking any form of third party shortlisting or pre-qualification.

33 Contract Terms and Conditions

33.1 Officers shall use their best endeavours to ensure that contracts are entered into on the appropriate set of Council's terms and conditions, which shall be included with each purchase order or invitation to tender. Where this is not possible, variations to the relevant Council terms and conditions and/or the terms and conditions submitted by a contractor must be reviewed by the Head of Legal and Corporate Compliance and/or the Corporate Procurement Manager.

34 Form of Tender/Quotation

34.1 For all procurements over £5,001 a Form of Tender/Quotation must be completed by all tenderers. The Form of Tender/Quotation is a covering document prepared by

the Council and signed by the tenderer to indicate that it understands the tender/quotation and accepts to be bound by the technical response (if applicable), commercial schedule, terms and conditions and other requirements of participating in the exercise.

35 Liquidated damages

35.1 All contracts over £75,001 must state, if the contractor fails to meet the terms of the contract, the contractor is liable for liquidated damages, estimated by the Chief Officer as a genuine pre-estimate of the loss likely to be incurred due to the contractor's default.

36 Security for Performing Contracts

36.1 The Head of Legal & Corporate Compliance and Chief Finance Officer, in conjunction with the Chief Officer, may determine whether security is required from a contractor.

37 Corruption: Cancellation of Contracts

37.1 All contracts must state that the Council will cancel any contract and recover all resulting losses if the contractor or his employees or agents with or without his knowledge:

- (i) Does anything improper to influence the Council to give him the contract;
- (ii) Commits an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972.

37.2 All invitations to tender must be accompanied by a requirement for tenderers to confirm that they have not participated in any form of collusive tendering arrangements with other parties.

38 Form of Contract

38.1 All contracts shall be in a form approved by the Head of Legal and Corporate Compliance.

38.2 Chief Officers should prepare appropriate contract specification documents within one month of the award of the contract and forward to contractors for signing. The contractor should return the signed contract to the relevant Chief Officer within one month of receipt. Persistent failure to meet such deadlines may result in suspension from future procurements.

38.3 No payment shall be authorised until a formal contract is in being, or written authority is given by the Head of Legal & Corporate Compliance to make such a payment.

39 Contract Signature

39.1 Contract agreements must:

- (i) where the contract is in the form of a deed, be made under the Council's seal and attested as required by the Constitution; or
- (ii) where the contract is in the form of an agreement, either:
 - (a) be signed by at least two Officers of the Council authorised as required by the Constitution; or
 - (b) be formalised by the sending of an award letter and the subsequent issuing of a purchase order.

39.2 The Chief Officer should contact the Head of Legal & Corporate Compliance on the use of deeds and agreements to form contracts.

40 Review of Tenders and Contracts

40.1 To ensure the integrity of the procurement process:

- (a) all proposed Invitations to Tender, not in compliance with the County Borough Council's harmonised contract documentation or standard terms and conditions issued by a relevant professional body, must be reviewed by the Head of Legal & Corporate Compliance and Corporate Procurement Manager;
- (b) any proposed contract where there is any deviation from the contract terms included in the invitation to tender must be reviewed by the Head of Legal & Corporate Compliance and Corporate Procurement Manager.

41 Submission, Receipt and Opening of Tenders/Quotations

41.1 Tendering periods

Bidding organisations must be given an adequate period in which to prepare and submit a proper quotation or tender response, consistent with the complexity of the contract requirements.

The Public Contract Regulations lay down specific minimum time periods for tenders. The Corporate Procurement Manager must be consulted prior to initiating any EU procurement exercise.

41.2 Quotations (Up to £75,000)

- (a) As in CPR6.1, competitive quotations valued in excess of £25,001, must be administered electronically via the Council's E-tendering system, except where specifically exempt under CPR6.3;
- (b) Request for Quotations (RFQ's) must clearly set out the latest return date and time;
- (c) Late responses will **not** be considered.

41.3 Tenders (£75,000+)

- (a) All tenders, except those which have been approved exempt from electronic tendering, must be administered electronically via the Council's E-tendering system;
- (b) Invitations to tender must clearly set out the latest tender return date and time;
- (c) Late tenders will **not** be considered;
- (d) At least three (3) valid tenders must be received by the stipulated tender return date/time; otherwise a report seeking approval of the appropriate action must be submitted to the Corporate Procurement Manager;

41.4 Electronic Arrangements

- (a) Requests for Quotations and Pre-Qualification Questionnaires which are received electronically via the Council's E-tendering system may be opened by a minimum of two (2) Authorised Officers designated by the appropriate Chief Officer. The system will not allow any quotations to be opened until the allocated return date/time has passed.
- (b) Tenders (in excess of £75,001) which are received electronically via the Council's E-tendering system may be opened by a minimum of two (2) Authorised Officers designated by the Chief Finance Officer and appropriate Chief Officer.

41.5 Hard Copy Arrangements

- (a) In the event that "hard copy" tenders are to be accepted these must be submitted to the Corporate Procurement Manager, sealed, in a plain envelope, without any mark revealing the bidding organisation's identity and clearly and prominently marked with the word 'Tender', followed by the title of the contract.
- (b) All hard copy tenders will be held by the Corporate Procurement Manager until the tender opening date/time has been reached.

- (c) All hard copy tenders for the same contract will be opened at the same time by the Corporate Procurement Manager together with the relevant Chief Officer.
- (d) The Chief Officer must keep a record of all tender sums submitted, showing the gross price of the contract, together with any essential criteria.
- (e) The Chief Finance Officer and Chief Officers may designate Authorised Officers to be present at tender opening.
- (f) In the event that hard copy quotations are to be accepted these must be submitted in a plain envelope marked "Quotation for" followed by a description of the goods, works or services being procured.
- (g) Hard copy quotations may be received directly by Authorised Officers. All quotations must be opened together once the official return date/time has passed and in the presence of at least two (2) Authorised Officers.
- (h) The Chief Officer must keep a record of all quotations submitted, showing the gross price of the contract, together with any essential criteria.

42 Reduced Numbers of Quotations or Tenders

- 42.1 Where the minimum numbers of quotations or tenders stated in these CPRs have not been received, then consideration must be given to the merits of accepting any tender and/or re-running the procurement. If the contract is for a sum of less than £75,000, the decision can be taken by the relevant Chief Officer in consultation with the Corporate Procurement Manager. If the contract is for a sum in excess of £75,001, the decision must be referred to the Strategic Commercial Commissioning Board and considered in any subsequent approval request.

43 Clarification Procedures

- 43.1 The Council can ask bidding organisations for clarification of any details submitted as part of their bid. However, any such clarification must not involve changes to the basic features of the bidding organisation's submission.

44 Evaluation and Checking of Quotations or Tenders

44.1 Evaluation

- (a) The evaluation criteria and weightings must be predetermined and approved in advance of inviting quotations or tenders as defined in CPR26. The criteria cannot be amended once published in the Invitation to Tender (ITT) or Request for Quotation (RFQ) and must be strictly observed (at all times throughout the procurement procedure). Guidance relating to the application of evaluation criteria/weighting may be obtained from Corporate Procurement.

- (b) The evaluation of bids must be conducted in accordance with the evaluation criteria, associated weightings and approved scoring methodology as set out in the ITT or RFQ documentation, as provided to bidding organisations.
- (c) All Contracts, except Contracts where lowest price was predetermined to be the appropriate criterion, must be awarded on the basis of the offer which represents best value for money to the Council (Most Economically Advantageous Tender).
- (d) For each Contract, the Authorised Officer must form an evaluation team (minimum of two (2) suitably qualified and knowledgeable technical officers), with responsibility for evaluating tenders.
- (e) The Authorised Officer must ensure that all records relating to the Tender evaluation must be signed and dated by the relevant evaluation team member and retained for future reference.

44.2 Checking

- (a) The lowest or most economically advantageous tender must be checked for arithmetical errors and any other significant error of principle.
- (b) Where such an error(s) occurs, the tenderer shall be given details in writing (but no other information) and afforded the opportunity of confirming the tender submission as corrected or withdrawing his tender, also in writing.
- (c) Where deemed reasonable and in the best interests of the Council, the Chief Officer shall have the discretion to consider a request from the tenderer to correct genuine arithmetical errors. If the tenderer elects to amend his original tender figure to correct such errors and the corrected tender is still the lowest or most economically advantageous tender, then the tender may be adjusted and the corrected figure recommended for acceptance. If such errors result in a tender sum being reduced, then only the corrected figure may be recommended for acceptance.
- (d) If the first tender is withdrawn, the second lowest or second most economically advantageous tender is to be checked, if necessary, this tenderer must be given a similar opportunity.
- (e) The Managing Director, the Head of Legal & Corporate Compliance and the Chief Finance Officer shall determine whether any exception to the above procedure should be authorised.

45 **Abnormally Low Tenders**

- 45.1 Where as a result of identifying that the overall tendered price or costs raises significant doubts that the Contractor will be able to complete the contract within the contract terms, the Council shall require tenderers to fully explain the price or costs proposed. Where the Council determine the explanation is insufficient or believe

significant doubts as to the Contractors ability to meet the requirements still exist, the Council reserve the right to reject the tender. This must be undertaken in accordance with the Regulations and in consultation with the Corporate Procurement Manager.

46 Records

- 46.1 The outcome of any competitive procurement process must be recorded in a manner as determined by the Chief Finance Officer and Head of Legal & Corporate Compliance;

47 Accepting and Reporting of Quotations

- 47.1 Acceptance of quotations up to £25,000 shall be decided by the relevant Chief Officer following receipt of a T1 report from the Authorised Officer.
- 47.2 Acceptance of quotations with a value between £25,001 and £75,000 shall be decided by the relevant Chief Officer/DMT following receipt of a Procurement Acceptance Report (Gateway 2 report) from the Authorised Officer.

48 Acceptance and Reporting of Tenders (£75,001 and above)

- 48.1 Before accepting any tender, the Chief Officer must submit a Procurement Acceptance report (Gateway 2 report) to the Strategic Commercial Commissioning Board (SCCB), stating:
- (a) a description of the project and the procurement procedure undertaken (including a summary of the evaluation criteria and basis of award);
 - (b) the names and abbreviated addresses of those contractors that accepted the invitation to tender in alphabetical order;
 - (c) where applicable, the rational for excluding any contractor(s);
 - (d) a summary of the tender evaluations
 - (e) details of the amount of all tenders received in ascending order;
 - (f) reasons why any tender has not been opened;
 - (g) the name of the tenderer recommended for acceptance and the amount of the tender.
 - (h) the revenue implications on the budget or the approved capital costs of the scheme, and any further details as required by Financial Regulation 4.

48.2 Additionally, where the procurement is subject to Public Contracts Regulations, contracting authorities are required to maintain the following comprehensive records of procurement activities:

- (a) contract details including value;
- (b) selection decision;
- (c) justification for use of the selected procedure;
- (d) names of bidding organisations, both successful and unsuccessful;
- (e) reasons for selection;
- (f) reasons for abandoning a procedure.

48.3 Where a tender has a cumulative value in excess of £2,000,000 then the SCCB may defer the Procurement Acceptance Report to Corporate Leadership Team (CLT) for approval in consultation with the relevant Executive Member and Leadership; prior to entering into any contractual relationship.

48.4 In circumstances where the Corporate Leadership Team (CLT) in conjunction with the Head of Legal and Corporate Compliance, relevant Executive Member and Leadership, determine that the contract is of such high value and/or complexity that it is deemed appropriate, a report may be prepared for the Executive Committee to consider acceptance of the tender.

48.5 Following approval of a report in accordance with Rule48, the Chief Officer can accept the lowest or most economically advantageous tender in accordance with the approved tender evaluation criteria.

49 Award of Contract and Debriefing of Organisations

49.1 Award of Contract

- (a) The Council is required to notify successful and unsuccessful bidders of the outcome of a procurement process, in writing, in as timely a fashion as possible.
- (b) Where procurement has been subject to the Public Contract Regulations, a mandatory 10-day standstill period, before a contract can be awarded, will need to be included in the procurement timetable. In addition, the Council is required to publish a contract award notice in the Official Journal of the European Union (OJEU) no later than 48 days after the award of contract.
- (c) All communications relating to EU procurements will be issued via Corporate Procurement.

- (d) Decisions on award of contract must be made in accordance with the scheme of delegations in the Council's Constitution.

49.2 Debriefing

- (a) Once the contract award decision has been made, then save for the successful tenderer, all those expressing an interest will receive a standard regret letter containing details of:
 - (i) award criteria and weightings;
 - (ii) score that the tenderer obtained against each of the specified award criteria (where relevant);
 - (iii) name and score obtained by the winning tenderer;
 - (iv) reasons for the decision, including the characteristics and relative advantages of the successful tender;
 - (v) a precise statement in terms of the standstill period;
- (b) If any additional information is to be disclosed to tenderers, this must be agreed in advance with the Corporate Procurement Manager, taking into account the requirements of any legislation relating to the disclosure of information.
- (c) Debriefing is recommended as a means of assisting tenderers to improve their competitive performance.
- (d) For all procurements over £75,001, debriefing will be conducted by the Authorised Officer in conjunction with the Corporate Procurement Manager.
- (e) The list of points where debriefing is required or may be appropriate includes:
 - (i) selection: where the candidate is not selected (short-listed) to take part in the tender process.
 - (ii) award: where the tenderer was not awarded the contract after evaluation of proposals/tender. Such debriefing should never be conducted before the contract award decision is made and all unsuccessful tenderers have been formally notified of the same. It should be made clear that the debriefing process cannot be used to change the choice of a contractor or to re-open the selection process.
 - (iii) any potential supplier is asked to withdraw or withdraws during the Procurement.

- (f) If the award of a contract is subject to the EU Public Sector Procurement Directive, there must be a standstill period of a minimum of 10 calendar days between communicating the award decision to all tenderers and conclusion of the contract.

50 Contracts Register

- 50.1 The following contracts shall be recorded on a central contracts register hosted on the council's approved E-Procurement system and administered by Corporate Procurement:
 - i) all new contracts over the value of £5,001 (low value procurement and above;
 - ii) frameworks or other corporate or collaborative purchasing arrangements accessed by the Council;
- 50.2 It is the responsibility of the Chief Officer to ensure that their staff complies with CPR50 and that the information provided includes as a minimum:
 - i) contract title
 - ii) contract scope
 - iii) total contract value
 - iv) start and expiry dates
 - v) extension options
 - vi) details of whether the contract is a one-off or expected to be renewed
 - vii) copies of associated approval reports (DMT/ SCCB / CLT etc.)

51 Statistical Returns

- 51.1 Each year the Council must make a statistical return to the UK Government for onward transmission to the European Commission concerning the Contracts awarded during the year under the Public Contract Regulations.
- 51.2 The Corporate Procurement Manager is responsible for this statistical return and shall make the necessary arrangements for information to be collected annually.

SECTION 5 - CONTRACT MANAGEMENT

52 Contract Management/Monitoring

- 52.1 Once awarded, all contracts must have an appointed Contract Manager who will be responsible for all day-to-day aspects of the Contract.
- 52.2 The day-to-day management of the contract shall include monitoring in respect of:
 - (i) performance

- (ii) compliance with specification and contract terms
- (iii) cost
- (iv) any value for money/best value requirements
- (v) user satisfaction
- (vi) risk management
- (vii) compliance with these CPRs (i.e. reporting of progress/variations etc.)

53 Progress and Variations

- 53.1 A Chief Officer can approve interim variations to a contract when this has a **cumulative** value not exceeding £10,000 or 10% of the original sum whichever is the lower.
- 53.2 When a variation to a contract is required which will have a cumulative value exceeding £10,000 or 10% of the original contract sum, but is still within the specific approved budget for the contract, the Chief Officer shall present a detailed progress report to the Strategic Commercial Commissioning Board for information rather than approval.
- 53.3 When a variation is required which will have a cumulative value exceeding the specific approved budget for the contract, this shall not be accepted until the Strategic Commercial Commissioning Board has approved a progress report presented by the Chief Officer.
- 53.4 The appropriate Chief Officer will complete and submit contract progress reports to the Strategic Commercial Commissioning Board, Executive Committee and the Corporate Overview Scrutiny Committee on an exception basis comprising;
- (a) Contracts over £500,000 when a plus or minus 5% slippage occurs.
 - (b) All contracts over £500,000 which over-run by 50 working days.
- 53.5 The Corporate Overview Scrutiny Committee may refer contract reports to the appropriate Scrutiny.
- 53.6 All approved variation or progress reports, must be copied to Corporate Procurement for inclusion on the corporate contracts register.
- 53.7 Where a variation is being applied for by Corporate Procurement in relation to a corporate arrangement, then the application must also be scrutinised by Internal Audit, to ensure the robustness of the procedure.

54 Contractors Claims

54.1 Claims from or against contracts must be considered by the Chief Officer in consultation with the Head of Legal & Corporate Compliance and Chief Finance Officer before any decision is made and CPR 53 applies to any payment of a claim as if it was a variation.

55 Assignments and novation

55.1 Any contracts subject to potential assignment and/or novation must be referred to Head of Legal and Corporate Compliance at the earliest possible opportunity.

56 Termination of Contract

56.1 For any contract exceeding £75,001 in value, early termination must be approved by the Head of Legal & Corporate Compliance and Chief Finance Officer. Contracts with a lesser value may be terminated early by agreement prior to the expiry date or in accordance with the termination provisions set out in the contract, following consultation with the Head of Legal & Corporate Compliance.

57 Contract End

57.1 At an appropriate point, but generally at least three (3) months prior to the contract end date, the contract manager should review whether or not the contract needs to be renewed, either in its current or an amended form.

57.2 If there is no further requirement for the contract, the existing contract may be allowed to lapse. However, some contracts may require more active decommissioning. It is the responsibility of the contract manager to ensure that contracts are appropriately decommissioned and that sufficient time is allowed to achieve this.

57.3 Where there is a requirement for a contract to be renewed, then the contract manager (or other Authorised Officer) shall commence the re-procurement as set out in these CPRs.

SECTION 6 – DEFINITIONS, INTERPRETATIONS AND FLOWCHARTS

In these Rules the following definitions apply:

Approved List	A list of suitable prospective Contractors/Suppliers approved for the purposes of the supply of goods or services or the execution of works;
Authorised/Delegated Officer	Means the holder for the time being of any post named in the Scheme of Delegations as having delegated powers and duties in respect of the procurement concerned;
Award Criteria	The criteria used by the Council to evaluate the Bidders tender against the needs identified within the specification to determine the successful tender. Such criteria may comprise for example – a) Price, or total cost; b) Quality including technical merit, aesthetic and functional characteristics, accessibility, design for all users, social, environmental and innovative characteristics and trading and its conditions; c) Organisation, qualification and experience of staff assigned to performing the contract, where the quality of the staff assigned can have a significant impact on the level of performance of the contract (and not already evaluated at PQQ stage); or d) After-sales service and technical assistance, delivery conditions such as delivery date, delivery process and delivery period or period of completion;
Bidder(s) / Tenderer(s)	Economic Operators who are actively involved in a procurement process;
Call Off Contract	A contract awarded in accordance with the terms of an established framework (either direct award or following a further mini-competition);
Chief Officer	Means any Officer in the following categories of Officer, Managing Director, Corporate Director, Chief Officer and/or Head of Service;
Code of Conduct	The Code regulating the conduct of Officers and Members as set out in the Council's Constitution;
Community Benefits	Clauses which can be used to build a range of economic, social, or environmental conditions into the delivery of public contracts. Mandatory on all contracts with a value greater than £1m, but encouraged, on contracts above £5,001;
Competitive Dialogue Procedure	Is an EU compliant process for dealing with complex public contracts, where the delivery for the supply of goods, works or services is unknown and needs to be resolved through negotiation with suitable providers. Legal justification is required;

Conflict of Interests	An actual conflict, or a potential conflict, between the pecuniary or personal interests of an officer and the duties that the officer owes to the Council;
Consultant(s)	Someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role, and where the Council has no ready access to employees with skills, experience or capacity to undertake the work;
Contract	Means any form of agreement (including, without limitation, official purchase orders) for the supply of goods, provision of services or carrying out of works;
Contract Award Notice	Formal notice placed on Sell2Wales and, if appropriate, OJEU giving particulars on the date the contract was awarded, the award criteria, the number of offers received, the name and address of the successful tenderer(s), and the price or price ranges paid. Contract award notices must be sent not later than 48 days after the contract in question has been awarded;
Contract Notice	Formal advert placed on Sell2Wales and, if appropriate, OJEU notifying potential suppliers about a contract opportunity;
Contractor	Means any contractor, supplier or provider with whom the Council enters into a contract for the carrying out of works, provision of services or supply of goods. Include in-house provision, and where appropriate, the relevant Sub-Contractor;
Contract Value	For the purposes of calculating the thresholds under these CPRs, the value of a contract is the estimated total value payable by the Council to a contractor over the terms of the contract, including allowable extensions. In the case of indefinite contract periods, the term of the contract is assumed to be 4 years;
Contracts Register	A central contracts register hosted on the Council's approved electronic system and administered by Corporate Procurement;
Corporate Contract	A contract let or approved by the Corporate Procurement Team to support the Council's aim of achieving Value for Money;
Corporate Procurement Team	The Council's central procurement unit charged with providing strategic direction and advice to secure Value for Money in the Council's procurement and commissioning activities;
CPR's	These Contract Procedure Rules;
Debriefing	Providing feedback to bidding organisations in terms of strengths and weaknesses of their proposals;
Dynamic Purchasing System (DPS)	A fully electronic compliant 'Approved List', which in effect operates as an open framework where Economic Operators

	can join at any point while the DPS is open, and they meet the Suitability Criteria.
Electronic Procurement Portal	The Council's electronic system for conducting procurement activity;
Electronic Procurement/Tendering	The procurement of all goods, services and works conducted using the Council's approved electronic system. (EtenderWales);
Electronic Auction	A repetitive process involving an electronic device for the presentation of new prices, revised downwards, and/or of new values concerning certain elements of tenders, which occurs after an initial evaluation of the tenders, enabling them to be ranked using automated evaluation methods.
EU	European Union
EU Public Procurement Directives	Rules and regulations set by the European Union with regard to procurement for public sector organisations and apply to the public works, supplies (goods) and service contracts.
EU Thresholds	EU and Government Procurement Agreement thresholds for advertisement of goods, works and services contracts as advised by the Government.
Evaluation Criteria	The publishing of detailed objectively quantifiable award criteria and sub criteria linked to the subject matter of the contract together with their weighting and the method by which you will evaluate them in the contract documents. They may include but are not limited to: Quality, price, technical merit, functional characteristics, environmental characteristics, running costs, life cycle costs, cost effectiveness, after-sales service and technical assistance, delivery date and delivery period or period of completion, security of supply, and interoperability and operational characteristics;
Evaluation Panel	A group of relevant Officers of the Council, or appropriate stakeholders, who have the technical knowledge and experience to evaluate bids received in response to a procurement exercise;
Executive	The Council's Executive as defined in the Constitution;
Framework Agreement	Means an agreement between the Council and/or other public bodies and one or more Contractors where the volumes to be delivered are not set out at the outset but which establish terms (including price) and standards under which the Contractor will enter into a Contract to provide Goods, Works and/or Services;
Goods	Covers all goods, supplies, substances and materials that the Council purchases, hires or otherwise obtains;
Grant and Grants	A sum of money paid or to be paid by the Council to a third party, and in respect of which the Council does not require the grantee to provide the Council with any Services, or Goods or carry out any Works for the Council's direct benefit.

	The Grant may be conditional (i.e. obligation to spend the Grant in a particular manner, to account for that spend and repay the Grant if the Grant conditions are breached);
Income Contract	Means any Contract that the Council enters into that generates income for the Council or by their operation establish a right for a Contractor or a third party to generate an income;
Invitation To Tender	A key document within the Procurement Documentation which must contain or reference, the instructions for Bidders, specification, evaluation model and other relevant materials to allow the procurement activity to be concluded successfully;
Joint Commissioning	Where the Council jointly with one or more local authorities or public bodies, enters into a contract;
Light-Touch Regime	Means the parts of the Public Contract Regulations which apply to the procurement of Contracts for 'social and other specific services' (defined at Schedule 3 of the Regulations) that are deemed to be of lower interest to cross-border competition;
Lowest Cost	In relation to a tender means the lowest price if payment is to be made by the Council, and the highest price if payment is to be made to the Council and, in either case, refers to a tender which conforms to the Council's tendering requirements;
Monitoring Officer	The officer designated by the Council as its Statutory Monitoring Officer as required under Section 5 of the Local Government and Housing Act 1989;
Most Economically Advantageous Tender	The most economically advantageous tender to the Council determined by criteria which may include quality, price, technical capacity, delivery period and or period of completion etc.
National Procurement Service (NPS)	The National Procurement Service (NPS) for Wales has been set up to enable the Welsh public sector to collaborate more closely in procuring goods and services;
OJEU	The Official Journal of the European Union in which all high value public sector contracts in the EU are advertised;
Open Procedure	Involves accepting applications and tenders from all interested parties;
Pre-Procurement Report	The report required to be presented to the respective board and approved prior to commencing any procurement or commissioning activity;
Pre-qualification	This procedure allows the Council to restrict the number of applicants (tenderers) to whom it issues an invitation to tender. The Council is permitted to shortlist applicants by using specified short-listing criteria including economic/financial standing, capacity and capability,

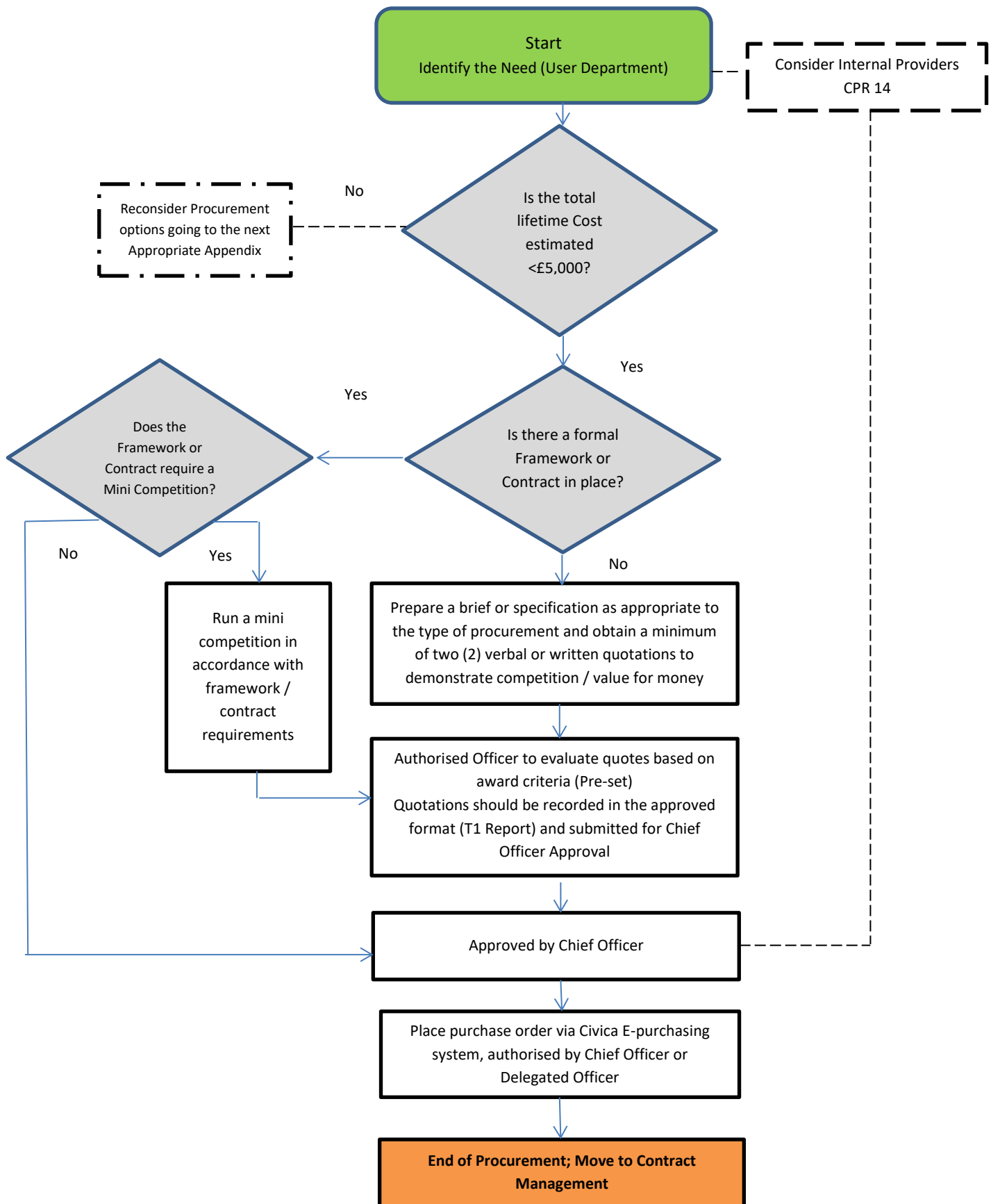
	management, equal opportunities, sustainability and health and safety;
Procurement	Means the process by which the Council manages the acquisition of all its goods, services and works. It includes the identification of need, consideration of options, the actual procurement process and the subsequent management and review of the contracts;
Procurement Acceptance/Contract Award Report	The report required to be presented to the respective board and then signed off by the scheme of delegation to seek authority to award a contract, extend a contract or seek a waiver to these CPRs;
Procurement Strategy	A corporate document that outlines the Council's approach to procurement and commissioning and sets out the organisations associated aims and objectives;
Purchase Order (Electronic)	An electronic order raised and authorised via the Council's P2P system;
Quality	Fitness for purposes when judging against the standards specified in the contract;
Quotation	A formal offer to supply or purchase goods or materials, execute works or provide services (including consultancy), at a stated price based on the Council's terms and conditions (£1 - £75k);
Regulations	Means the Public Contracts Regulations 2015 (as amended) and/or the Concession Contracts Regulations 2016 (as applicable) as supplemented by the EU Directives on the procurement of Goods, Works, Services and Concessions and as amended and supplemented by the European Court of Justice (often referred to as the 'EU procurement rules');
Restricted Procedure	This procedure allows the Council to restrict the number of applicants (tenderers) to whom it issues an invitation to tender. The Council is permitted to shortlist applicants by using specified short-listing criteria including their economic/financial standing, capacity and capability, management, equal opportunities, sustainability and Health and Safety;
Selection Criteria	A component of the evaluation process set out to assess the Bidders suitability to provide the requirements identified in the ITT. This is not an evaluation of how they will provide the requirements requested, more an evaluation of their organisation's intrinsic ability to provide those services. Selection / Suitability Criteria may only relate to: a) Suitability to pursue a professional activity b) Economic and Financial standing c) Technical and Professional ability;
Sell2Wales (National Procurement Web-site)	The Welsh public sectors approved portal for advertising all quotation & tender opportunities over £25k;

Services	Includes all services which the Council purchases or otherwise obtains, including advice, specialist consultancy work, agency staff etc.
Short-listing	The process of selecting bidders who are to be invited to quote or tender or to proceed to final evaluation;
Specification	A document which sets out the detailed requirements and scope of goods, services or works to be provided by the supplier. The specification should be written in a contractually enforceable manner;
Strategic Commercial Commissioning Board	The board that is responsible for providing strategic guidance to the Council's internal procurement and commissioning community.
Standstill Period	<p>The standstill period is a 10-day pause between contract award decision and the formal award of the contract. The standstill is a legal requirement which the Council must comply with. It applies to all procurements covered by the full scope of the EU Procurement Directives.</p> <p>The period allows unsuccessful bidders to obtain more information on the award of the contract. Unsuccessful bidders can take appropriate action if they believe they have been treated unfairly. The period is also known as the "Alcatel Period". Alcatel was the name of the European case which brought about the change in the law.</p>
Tender (Above £75k)	A formal offer to supply or purchase goods, or materials, execute works or provide services (including consultancy), at a stated price based on the Council's terms and conditions;
Tenderer/Tenderers	Individual, individuals, partnerships, companies or other bodies invited to submit quotes/tenders/prices for providing the Council with services, supplying goods or carrying out works;
TUPE	The Transfer of Undertakings (Protection of Employment) Regulations together with any European Council Directives including but not limited to the Acquired Rights Directive 2001/23/EC, as amended from time to time.
Value	Values 'up to' a figure include that exact figure, but excluding Value Added Tax (VAT);
Value for Money	The optimum combination of whole-life costs, price, quality and benefits to meet the Council's requirement. Such a term equates to the EU procurement requirement of "most economically advantageous" offer as well as the duty of Best Value as defined by the Local Government Act 1999 as amended from time to time.
Variation	Means any alteration to a contract, including additions, omissions, substitutions, alterations, or changes of any other nature;
Waiver	An exception from strict compliance with Contract Procedure Rules granted in accordance with CPR10;

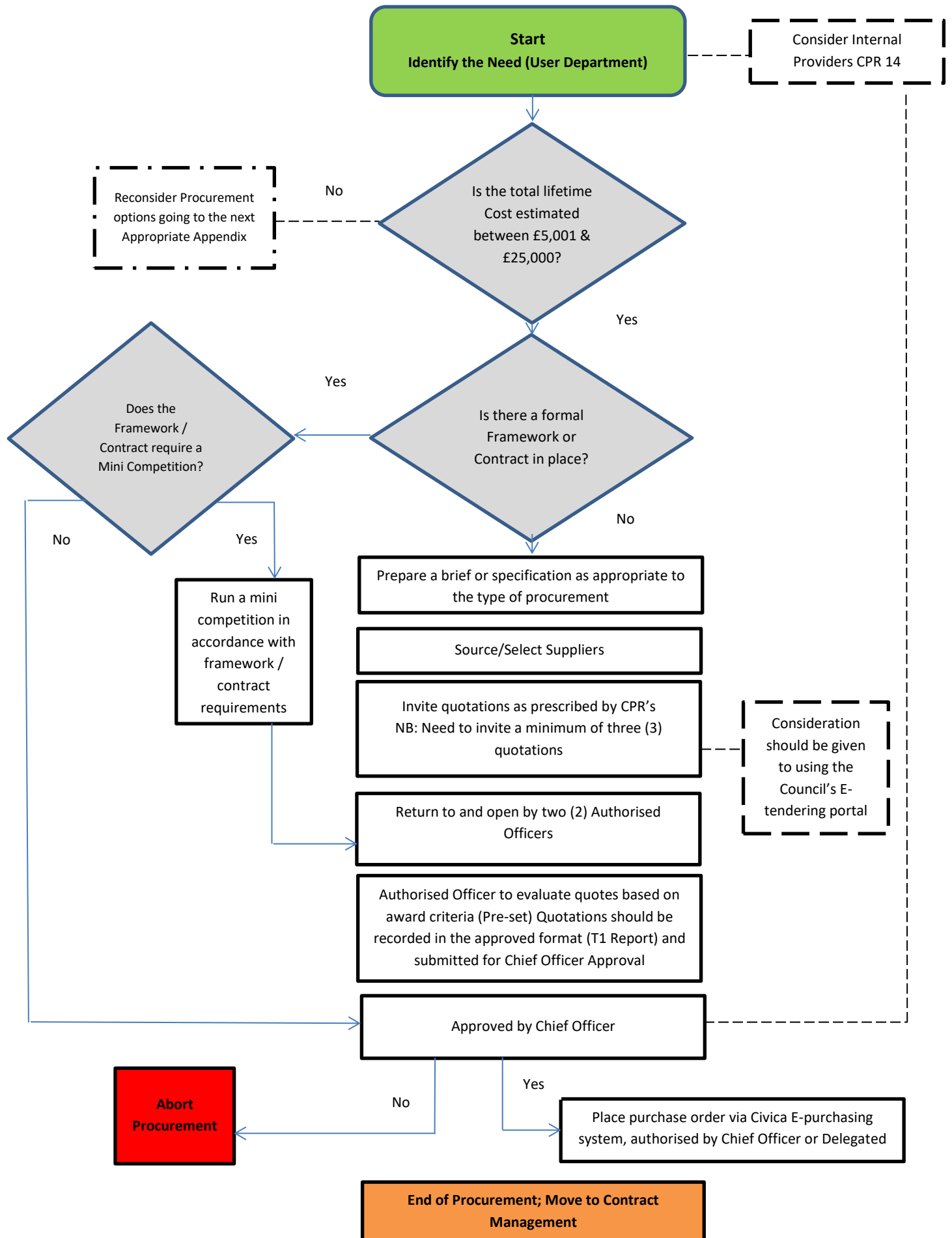
Whole Life Cost	Whole Life Costing is a technique to establish the total cost of ownership. It is a structured approach that addresses all the elements of this cost and can be used to produce a spend profile of the Goods, Work or Service over its anticipated lifespan;
Works	Includes all works of new construction and repairs in respect of physical assets (buildings, roads, etc.) including all those activities constituting works for the purposes of the Public Contract Regulations 2015;

Appendix A: Low Value Buying / Purchasing Up to £5,000

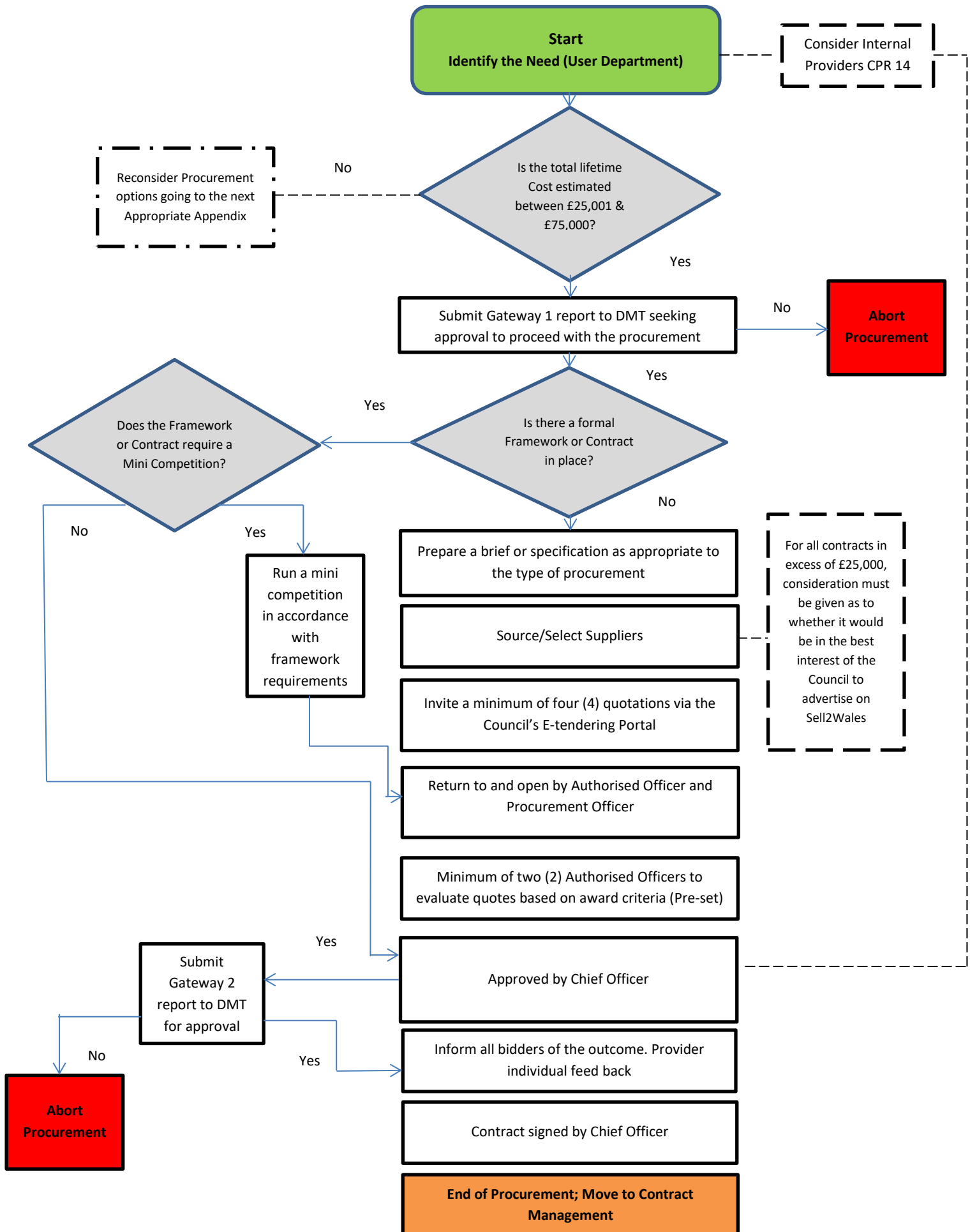
Estimating the contract value should always take into account the provisions of CPR15



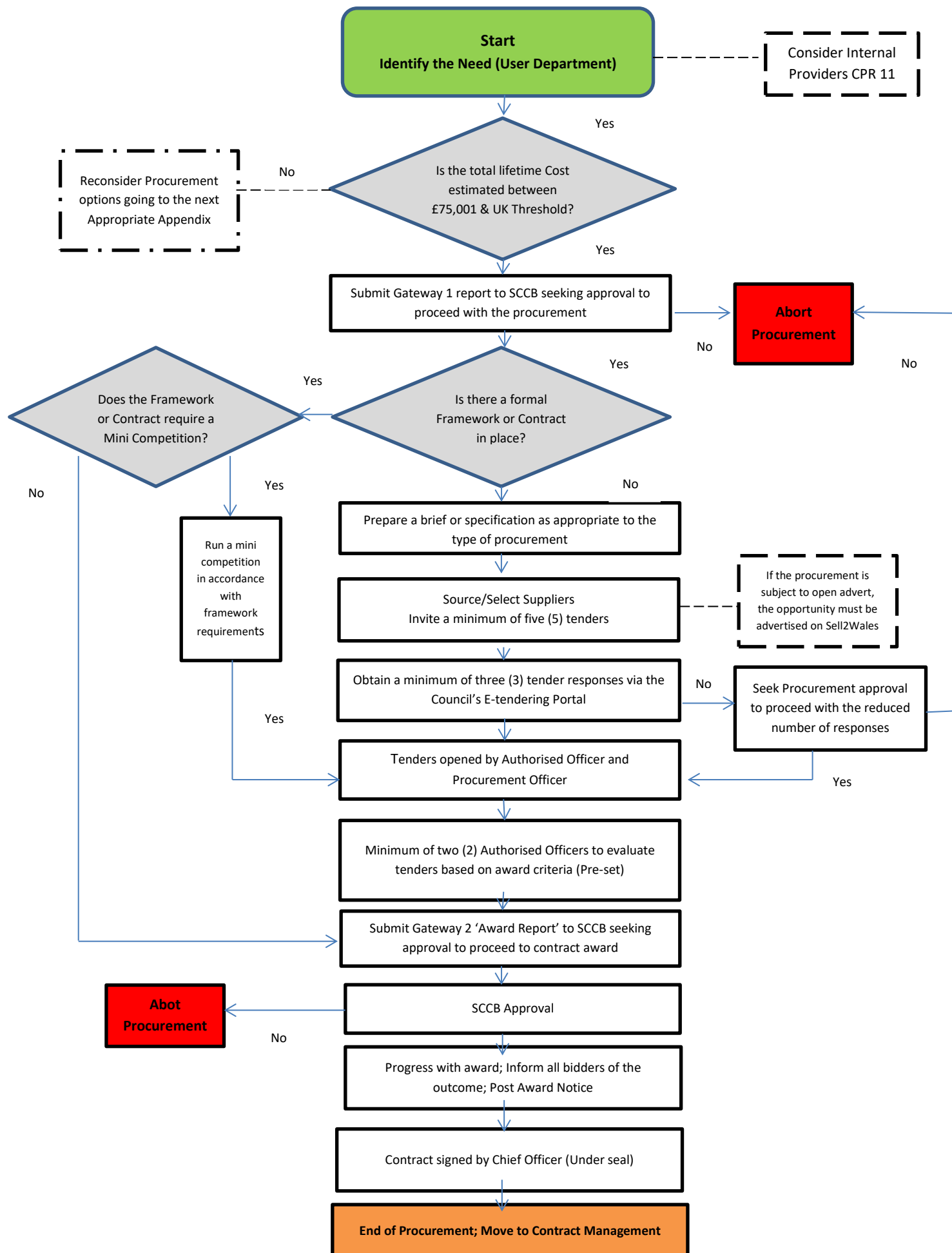
Appendix B: Low Value Procurement (Quotations) – Between £5,001 & £25,000
Estimating the contract value should always take into account the provisions of CPR15



Appendix C: Intermediate Value Procurement (Quotations) – Between £25,001 & £75,000
Estimating the contract value should always take into account the provisions of CPR15



Appendix D: High Value Procurement (Tenders) – Between £75,001 & UK Thresholds
(£177,897for Goods and Services or £4,447,447.50 for Works)



Appendix E: Strategic Procurement (Tenders) – Above EU Thresholds (£177,897 for Goods and Services or £4,447,447.50 for Works)

