



Contract Standing Orders 2016

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<i>Author/s:</i>	<i>Strategic Procurement Manager</i>
<i>Service Responsible for this document:</i>	<i>Strategic Procurement</i>
<i>Directorate:</i>	<i>Corporate Services</i>
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*Newport City Council
Civic Centre, Godfrey Road
Newport, NP20 4UR*

*Cyngor Dinas Casnewydd
Y Ganolfan Ddinesig
Heol Godfrey, Casnewydd
De Cymru, NP20 4UR*

*Tel/Ffôn: 01633 656656
e-mail/e-bost: procurement@newport.gov.uk*

Table of Contents

Table of Contents.....	3
Definitions and Interpretations	4
1 Introduction	6
2 Excepted Contracts	8
3 Internal Providers.....	10
4 Procurement Planning	10
5 Procurement Tendering Process	10
6 Electronic Tendering.....	12
7 Estimating the Contract Value	12
8 Form of Contract.....	13
9 Framework Agreements.....	13
10 Approved Supplier Lists	14
11 Community Benefits and Wellbeing of Future Generations (Wales) Act 2015	14
12 Amendment to Tenders, Errors and Omissions	15
13 Tender Clarification and Negotiation	15
14 Authorised Award of Tenders/Quotations and Reports	16
15 Variations to Contract.....	16
16 Extensions of Contract Period / Term	17
17 Procurement of Consultants.....	17
18 Procurement by Consultants	17
19 Variant Tenders.....	18
20 Abnormally Low Tenders	18
21 Capital Contracts.....	18
22 Disposal of Assets.....	18

Definitions and Interpretations

In these Contract Standing Orders the following definitions apply:

Approved List	a list of providers that have been selected by the Council through a non-OJEU tendering process, from which the Council may select, by way of a mini competition, to contract with to provide services for the Council.
Authorised Officer	means any officer with delegated responsibility by the Strategic Procurement Manager for carrying out procurement process(es) detailed in these Contract Standing Orders
Chief Officer	means any officer in the following categories of officer, Chief Executive, Corporate Director, Chief Officer and/or, Head of Service.
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 Manager	means an officer responsible for the managing and monitoring of a Contract.
Contracting Authority	means Newport City Council or another public body responsible for the procurement of a Contract or Framework.
Contract Standing Orders	means these Contract Standing Orders.
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 the supply of Goods.
eTenderwales	Electronic Tendering System which Newport City Council uses to conduct all Tendering processes
Framework Agreement	an agreement with one or more Contractors, the purpose of which is to establish the terms (in particular with regard to price and quantity) governing a Contract or Contracts to be awarded during the period for which the framework agreement applies.
Goods	Covers all Goods, Supplies, Substances and Materials that the Council Purchases, Hires or otherwise obtains.
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. The NPS have set up a number of Frameworks and Contracts which NCC have signed up to use.
OJEU/EU Thresholds	means the financial values at which the Public Contracts Regulations 2015 require tenders to be advertised in the Supplement to the Official Journal of the European Union ("OJEU"). These thresholds vary from time to time and can be checked on the OJEC website at www.OJEC.com/thresholds
Procurement	means the process by which the Council manages the acquisition of all its Goods, Services and Works, in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment. It includes the identification of need,

	consideration of options, the actual procurement process and the subsequent management and review of the Contracts.
Procurement Gateway	The procedure that must be followed when procuring goods, works or services over the value of £4k
Procurement Guidance	means the Guidance issued/to be issued from time to time by Strategic Procurement.
Strategic Procurement Manager	means the Manager or any officers under that persons supervision or management who are given delegated authority to carry out any of the obligations, duties or activities required to be performed by that person under these Contract Standing Orders or to act in that person's absence.
Procurement Process	means the procurement process that spans the whole life cycle, from identification of needs, options appraisal, supplier selection, award, and Contract management through to the end of a Contract or the end of the useful life of the asset, or disposal of the asset.
Sell2wales	The Councils approved portal for advertising all quotation & tender opportunities over £4k
Services	includes all services, which the Council purchases or otherwise obtains including advice, specialist consultancy work, agency staff etc.
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.
Variation & Variations	means any alteration to a Contract, including additions, omissions, substitutions, alterations, or changes of any other nature.
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 Contracts Regulations 2015.
Variante Bid	Means an offer/bid which contains variants on the requirements specified by the Council in its procurement documentation.

1 Introduction

1.1 *These Contract Standing Orders:*

- 1.1.1 Are made under Section 135 of the Local Government Act 1972 and all other powers enabling the Council.
- 1.1.2 Are applicable to all parts of the Council's activities, including any type of sub-contracting, apart from contracts for the acquisition and sale of interests in land and the Excepted Contracts described in section 2 below.
- 1.1.3 Are applicable where the Council is acting as agent for another body unless the principal directs otherwise.
- 1.1.4 Must be adopted by any external Contractors empowered to form Contracts on behalf of the Council and by any person who is not an Officer of the Council engaged to manage a contract on behalf of the Council.
- 1.1.5 Shall apply to the selection of nominated suppliers and nominated Sub-Contractors for goods, works or services covered by prime costs and provisional sums in a main contract.
- 1.1.6 Are not applicable to expenditure between Service Areas, Groups or the use of the Council's Trading Organisations.

1.2 *Key Messages*

- 1.2.1 Any Officers delegated with responsibility for the procurement of Goods, Services (including contracts for consultancy) or Works for or on behalf of the Council (in accordance with the Scheme of Delegation) are affected by these Contract Standing Orders.
- 1.2.2 The funding for all contracts must be in accordance with approved budgets and comply with Financial Regulations.
- 1.2.3 All values referred to in these Contract Standing Orders are exclusive of VAT.
- 1.2.4 Procurement is the process by which the Council manages the acquisition of all its Goods, Services (including but not limited to consultants/consultancy services of any type) and Works of all varieties. It includes the identification of need, consideration of options, the actual tendering process and the subsequent management and review of the contracts. These 'Contract Standing Orders' should be read in conjunction with the guidance available on the Council's Procurement intranet pages and the Council's Procurement Gateway Process. All Procurement activity must be conducted in-line with the Council's Procurement Gateway Process.
- 1.2.5 The 'Gateway' process is mandatory to follow if seeking to commission or procure Goods, Services or Works over £4k in value. The processes are designed to give a consistent, compliant approach to procurement across the authority and enable senior management to have visibility of the Goods, Services and Works being purchased by the Council. The extent and complexity of the 'Gateway Process' is linked to the value of the goods, works or services being purchased – with three processes stepping up in detail.

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- 1.2.6 Procurement by the Council is governed by detailed UK and European legislation. The Law requires all Council procurement and contracting to be conducted transparently, fairly and in a non-discriminatory manner. In the event of statutory or other legal requirement exceeding the requirements contained within these Contract Standing Orders, then statute shall take precedence over any provision in these Contract Standing Orders.
- 1.2.7 Before undertaking any competitive tendering process or before placing any Official Orders on behalf of the Council, Officers **must** make full use of NCC Corporate Contracts and Framework contracts set up by the National Procurement Service (NPS) unless authorised by the Gateway Board under recommendation from the relevant Head of Service, supported by Strategic Procurement.
- For the avoidance of doubt, framework contracts set up by the National Procurement Service **must** be used where they exist and are applicable in the first instance.
- 1.2.8 Guidance on other established Framework Agreements or legally available arrangements can be sought from the Council's Strategic Procurement Section.
- 1.2.9 Details of all Contracts available for use can be obtained from the Council's Procurement Intranet Site or the Council's iProc Purchase to Pay (P2P) system. If unsure, please contact the Procurement Section for guidance.
- 1.2.10 These Standing Orders are not intended as detailed guidance for implementation and they should be read in conjunction with the Council's Constitution as a whole and in particular, in respect of contract payments, the Council's Financial Regulations and the Council's Procurement Gateway Process.
- 1.2.11 The Strategic Procurement Manager shall undertake a formal review of these Contract Standing Orders at least every three years.
- 1.2.12 Any dispute regarding interpretation of these Contract Standing Orders shall be referred to the Head of Law & Regulation and Strategic Procurement Manager for resolution.

1.3 Purpose - These Contract Standing Orders:

By following the Procurement Gateway Process the Council will;

- 1.3.1 Ensure the achievement of value for money for the Council in the market by ensuring provision for securing appropriate competition at different levels of expenditure.
- 1.3.2 Ensure fullest accountability and compliance at all levels whilst ensuring an adequate audit trail.
- 1.3.3 Ensure that Officers follow proper and fair procedures for the involvement and selection of Contractors.
- 1.3.4 Ensure compliance with UK and EU Procurement Directives and Welsh Government and Council Policy. Ensure that levels of monitoring and training

exist to ensure proper compliance and that these Contract Standing Orders are regularly reviewed to take account of new circumstances.

- 1.3.5 Ensure immediate action is taken in the event of a breach of Contract Standing Orders or the Purchasing Guides within his or her area to keep proper records of all contracts, tenders etc. including electronic data files (where electronic tendering systems are used), minutes of tender evaluation panels and other meetings;
- 1.3.6 Ensure waivers and excepted contracts of any provision of these Contract Standing Orders are recorded and reported to Audit Committee.
- 1.3.7 Ensure proper records of all contracts awarded.
- 1.3.8 Ensure the safekeeping of all original contracts which have been completed by signature and ensuring contracts to be executed under the seal of the Council are provided to Head of Law and Standards for completion within an appropriate timeframe. Sealed contracts are retained by the Head of Law and Regulation.

1.4 Who is affected by these Contract Standing Orders?

- 1.4.1 Any Authorised Officer delegated with responsibility for the procurement of Goods, Services (including contracts for consultancy) or Works for or on behalf of the Council in accordance with the Scheme of Delegation.

2 Excepted Contracts

- 2.1 The following Contracts are exempt from the requirements of these Contract Standing Orders:
 - 2.1.1 Employment Contracts (this exemption does not extend to the recruitment of agency staff or external secondment arrangements).
 - 2.1.2 Contracts relating solely to disposal or acquisition of an interest in land and property.
 - 2.1.3 In a genuine emergency threatening public health, injury to persons or serious and immediate damage to property, an Authorised Officer can take any necessary action to alleviate the threat. This power is limited to the alleviation of the threat and does not extend to any works beyond what is strictly essential.
 - 2.1.4 Tenders invited on behalf of any consortium, associated or other body of which the Council is a Member, but not leading the procurement and provided that the tenders are invited in accordance with the method prescribed by any such body and comply with the Public Procurement Regulations.
 - 2.1.5 Purchase of works, goods or services from a supplier under an acknowledged public sector agreement or a collaborative procurement agreement arranged through another public sector body.
 - 2.1.6 Purchase of works, goods or services from an in-house service provider

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- 2.1.7 Purchase of Works, Goods or Services from an existing contract on the Council's Corporate Contracts Register or NPS (National Procurement Service) Framework agreement, available from Strategic Procurement.
 - 2.1.8 Purchases of between £1 and £4,000. However, officers should provide evidence that the purchase represents value for money in accordance with the Council's Financial Regulations. This may be via a note of cost comparison's or other evidence for internal audit purposes.

Where an Authorised Officer can demonstrate good reason, and where the value of such action does not exceed the EU Procurement thresholds, and where Head of Service approval has been obtained via the [Excepted Contracts Form](#), Contract Standing Orders shall not apply to the following:

- 2.1.9 Purchase by auction or at public fairs or markets.
- 2.1.10 Where non-negotiable nationally agreed scales of charges or fees apply to all persons or firms able to provide the services and there are no other selection criteria that are relevant.
- 2.1.11 The purchase of goods, materials or services which are available only from one provider and for which no satisfactory alternative is available.
- 2.1.12 The acquisition of services from artists and performers where the identity and or skills of the artist or performer is the primary consideration. Officers must ensure that the engagement of such artists represents value for money and is an appropriate business decision.
- 2.1.13 The execution of requirements which are of a specialist nature and can be carried out by only one Contractor; and services or supplies which can only be provided by, or on behalf of, a single public utility, statutory undertaking or local authority.
- 2.1.14 Extensions of existing contracts where the extension is in accordance with the terms & conditions, specification, rates and/or prices of the original contract award, notwithstanding existing contract conditions in relation to price variations.
- 2.1.15 First extension of existing contracts where the value of the extension does not exceed the applicable EU threshold and no provision for extension was provided in the original contract award, and where valid reasons can be demonstrated.
- 2.1.16 The execution of works or the purchase of goods or materials necessary for urgent maintenance work to highways, buildings, plant or other assets to prevent rapid and progressive deterioration or to maintain essential services.

Where it has been necessary to procure against 2.1.9 – 2.1.16 above the excepted contract [forms](#) must be reported to the Procurement Gateway Board on a Quarterly Basis. All excepted contracts will also be reported into the Council's Audit Committee on a quarterly basis.

3 Internal Providers

- 3.1** These Contract Standing Orders are the Council's procedure for buying goods and services for the Council. They do not apply to internal purchases or service provision. Where an in-house service provider has declined the opportunity to provide goods, works or services, any subsequent procurement from an external supplier must comply with the principles of these Contract Standing Orders and follow the Procurement Gateway Process.
- 3.2** Where a service area believes the costing provided via an in-house provider does not represent value for money, they may apply to the Head of Finance for authority to waive this requirement and tender the provision. For the avoidance of doubt, the In-house service providers included specifically are as listed in the **"Approved In-House Provider List"**

4 Procurement Planning

- 4.1** In accordance with the Procurement Gateway Process at the end of March each calendar year, Heads of Service shall submit to the Strategic Procurement Manager a completed Procurement Forward Plan detailing the planned procurement activities over £4,000 (new purchasing requirements associated with budget planning for the forthcoming financial year). The Strategic Procurement team will use this information for procurement planning, to identify collaborative opportunities, to allocate appropriate resources and to ensure all relevant legislative requirements are observed. Procurement plans will be under constant review and updated as and when required.

5 Procurement Tendering Process

- 5.1** Procurement Gateway Process
- 5.1.1** For all **Goods, Services and Works** please refer to the Council's procurement gateway process and flowcharts on the [intranet procurement pages](#).
- 5.1.2** The Gateway process is being implemented due to major reforms in EU legislation for procurement, the Introduction of the National Procurement Service for Wales (NPS), and the need to ensure compliance and transparency.
- 5.1.3** The processes are designed to give a consistent approach to procurement across the authority and enable senior management to have visibility of the goods and services being purchased by the Council.
- 5.1.4** The 'Gateway' process is mandatory to follow if seeking to commission or procure goods, services or works over £4k in value.

Note: The below thresholds apply where there is no National Procurement Service Framework, In-House provider, existing contract arrangement or other appropriate framework agreement available., Up to £4k it is necessary only to demonstrate and record that value for money is being achieved.

5.2 Thresholds for Procurement

- 5.2.1 From £4000 to £25,000, requirements should either be sought through the 'Quick Quote' section on www.sell2wales.gov.uk or openly advertised on www.sell2wales.gov.uk. Quotations must either be sought from a minimum of three recognised suppliers in the appropriate market, or previously established competitive sources of supply (Quick Quote), or where limited market knowledge exists and suppliers are unknown, an open quotation must be used. (See [Gateway Process One](#)).
- 5.2.2 From £25,000 to £100,000 all requirements must be openly advertised on www.sell2wales.gov.uk and tendered using the Council's electronic etenderwales tendering system. (See [Gateway Process Two](#))
- 5.2.3 Over £100,000 all requirements must be openly advertised on www.sell2wales.gov.uk and tendered using the Council's electronic etenderwales tendering system. (See [Gateway Process Three](#))

5.3 Supplier Selection

- 5.3.1 It must be demonstrated that the appropriately experienced, technically competent, and financially competent Contractors or suppliers have been shortlisted.
- 5.3.2 Care must be taken to differentiate supplier selection criteria for short-listing and entry to tender process from tender award criteria.
- 5.3.3 This demonstration may include, but need not be limited to:
- Eligibility
 - Financial standing, including provisions for insurance and liability
 - Technical or professional capacity and capability
 - Health and Safety
 - Quality Standards including certification by official quality control institutes or agencies of recognised competence and or attesting conformity to quality assurance standards and/or measures
 - Sustainability, including environmental management measures
 - Evidence as to whether they are unsuitable on grounds, e.g., of bankruptcy, criminal conviction or failure to pay taxes.
- 5.3.4 The Welsh Public Sector standard supplier selection template is called the Supplier Qualification Information Database (SQuID). This is the template that the Council use as standard and Authorised Officers in Service Areas will need to complete this template with the assistance of their Procurement Category Manager / deputy's within the Strategic Procurement team of the Council. For all Contracts, it is essential for proof of insurance requirements to be provided. All appropriate insurance levels required must be agreed with the Councils Insurance Department.

5.4 Financial Vetting

- 5.4.1 Financial vetting shall be considered for all tenders in excess of £25k. The assessment as to whether a financial assessment is required will be based on the "**SQUID risk matrix**". Any vetting shall be via a method approved by the Head of Finance for that purpose and be conducted at the selection stage.

5.5 Tender Evaluation

- 5.5.1 The Authorised Officer shall examine tenders in accordance with the predetermined evaluation criteria for the tender and identify tenders that best meet the criteria including value for money.
- 5.5.2 In respect of all tenders where the tender criterion is the most economically advantageous tender, the evaluation criteria or sub-criteria shall as a minimum be listed in the Invitation to Tender documentation in order of importance. Any particular scoring or weighting attributable to any criteria or sub-criteria must be clearly stated. In addition, the criteria shall be strictly observed (and remain unchanged) at all times throughout the evaluation and Contract award procedure. Further information on award criteria and weightings can be obtained from the Strategic Procurement Team.
- 5.5.3 Where tenderers submit “conditional” offers, seeking to add new conditions to the contract the Authorised Officer should notify the tenderer that conditional offers will not be accepted and the tenderer must either withdraw the conditions or withdraw their tender. In the event the tenderer elects to withdraw their tender, their submission will be removed from the evaluation process.

6 Electronic Tendering

- 6.1 All procurements above the value of £4k must be conducted electronically in line with the Council’s Procurement Gateway Process, the Welsh Procurement Policy and The Public Contracts Regulations 2015.
- 6.1.1 The tender process will be conducted electronically by Authorised Officers or Strategic Procurement as determined by the Procurement Gateway Process. All communications related to a tender conducted electronically shall be directed through the appropriate electronic system. No formal communication shall be made outside of the system. *Note: For Quotations undertaken through Sell2wales communication to individual suppliers must only be made via email.*
- 6.1.2 Further information regarding the use of the Council’s eTendering System may be obtained via Strategic Procurement.

7 Estimating the Contract Value

- 7.1 The value of a Contract means the estimated total monetary value over its full duration (not the annual value), including any extensions or other options. Where the duration of a Contract is indeterminate, this should be taken to be the estimated value of the Contract over a period of four years. No procurement may be artificially split to avoid compliance with these Contract Standing Orders and European Union procurement directives.
- 7.2 If it is known that the Contract duration will be longer than four years, then the Contract value will be the total value over the full term of the Contract.
- 7.3 Where the value is, or may be, equal to or greater than the relevant OJEU threshold, the Council should also have regard to regulation 6 of the Public Contracts Regulations 2015.

8 Form of Contract

- 8.1 Every contract where the value or amount of the contract does not exceed £25,000 shall be in writing in a form approved by the Head of Law and Regulation.
- 8.2 Every contract that exceeds £25,000 but does not exceed £100,000 shall be signed by the Head of Service. Contracts between £100,000 and £250,000 shall be signed by the Head of Law and Regulation.
- 8.3 Every contract that exceeds £250,000 in value shall be made under the Seal of the Council.
- 8.4 All contracts shall be recorded using the information from the Procurement Gateway form on the Council's Corporate Contracts Register maintained by Strategic Procurement.

9 Framework Agreements

- 9.1 All Framework Agreements must be awarded, set up and managed strictly in accordance with the Public Contracts Regulations 2015.
- 9.2 Framework Agreements can be used where the Council wishes to contract for the provision of goods, services or works without conducting multiple procurement exercises.
- 9.3 Established framework and consortia arrangements endorsed by Strategic Procurement and by the National Procurement Service (NPS) for use by the Council shall be mandatory. On occasion, it may be deemed that the framework agreement would not provide best value – this will need to be proven and approved by Strategic Procurement.
- 9.4 The Framework Agreement may include within its terms a requirement for a further competition exercise between those Contractors who are parties to the Framework Agreement. These shall be tendered in accordance with the terms of the Framework Agreement itself.
- 9.5 Where the Council is able to call off from existing Framework Agreements procured by Central Government Agencies, purchasing consortia or other Local Authorities or Public Bodies, then the Council may benefit from using those frameworks without entering into a separate procurement exercise. Where such Framework Agreements contain a number of different Contractors able to provide a particular category of goods or services, a further competition exercise between those Contractors must be carried out.
- 9.6 Any Framework Agreement identified by a Service Area shall be notified to Strategic Procurement by the Authorised Officer and must be approved by the Procurement Manager in order to ensure suitability, legal compliance and value for money. Upon approval, Strategic Procurement can incorporate the Framework Agreement onto the Council's Contract Register.
- 9.7 Any joint procurement arrangements with other Local Authorities and/or Public Sector Bodies including membership or use of any consortia must be approved

by Strategic Procurement to ensure suitability, legal compliance and value for money.

- 9.8 The term of a Framework Agreement must not exceed four years and, while a Framework Agreement may be entered into with one Contractor, where a Framework Agreement is concluded with several Contractors, there must be at least three in number.

10 Approved Supplier Lists

- 10.1 In circumstances where no other suitable contract arrangement exists for the purchase of Services or Works on a regular basis, and where approval is granted by Strategic Procurement, an Approved List of Suppliers may be maintained by a Service Area.

This Standing Order shall have effect where:-

- 10.2 a Head of Service, or Authorised Officer maintains an approved list of suppliers to be invited to tender for contracts for the supply of Works or Services of specified categories or
- 10.3 where Strategic Procurement has approved the use of an external approved list maintained by a third party.

Lists maintained by the Council

- 10.4 The List shall be compiled and maintained in accordance with these Contract Standing Orders, and the Council's Procurement Gateway Process.
- 10.5 Approved Lists must be established in consultation with Strategic Procurement and must be listed on the Council's Contract Register.
- 10.6 In establishing and using an Approved List, the procedure detailed on the Strategic Procurement Intranet Site must be followed.

11 Community Benefits and Wellbeing of Future Generations (Wales) Act 2015

- 11.1 The Council is committed to achieving economic, social and environmental well-being for its residents and implementing Community Benefits and meeting the requirements of the Wellbeing of Future Generations (Wales) Act 2015 so as to ensure a better quality of life for everyone, now and for generations to come.
- 11.2 For all procurements over £25k, the Authorised Officer must consider the Economic, Social and Environmental impact of the project when determining the specification and evaluation criteria, and potential for community benefits to maximise the added value of the procurement.
- 11.3 Authorised Officers shall seek guidance from Procurement and the Council's Community Development section on any decision whether to incorporate Community Benefits.

12 Amendment to Tenders, Errors and Omissions

- 12.1 As a general rule, no adjustment or qualification to any tender(s) is permitted. Only where approval has been obtained from Strategic Procurement, errors found during the examination of tenders shall be dealt with as follows:
- 12.1.1 Where the error contained in a tender appears to be a genuine mistake by typing, printing or arithmetic, or appears to be an eTenderwales technical issue, the tenderer shall be given details of the error(s) and shall be given the option to either agree to the tender being corrected or withdrawing the tender. This rule also applies where the genuine mistake may have been made by the Local Authority.
- 12.1.2 The tenderer will be given up to 3 working days to respond.
- 12.1.3 If confirmation from the tenderer is not received within 3 working days, the tender will be withdrawn.
- 12.1.4 Invitation to Tender documents must state how errors in Tenders will be dealt with.
- 12.1.5 All correspondence must be in writing.
- 12.1.6 No request to amend a Tender after the time fixed for receipt shall be accepted.

13 Tender Clarification and Negotiation

- 13.1 An Authorised Officer may seek clarification of the information provided (or not provided) by a Tenderer only where this is necessary to aid understanding. The types of clarification will generally be:
- Where a Tenderer has made an accidental omission such as not including a relevant certificate;
 - Where *ALL* Tenderers responding have misinterpreted a question;
- 13.1.1 The Contracting Authority will not seek clarifications from individual Tenderers where a question has been misinterpreted and/or poorly answered (this will include where a Tenderer has not followed the format of the Invitation To Tender and/or submitted standard text in place of a fully informed written answer) and other submissions received, fully interpreted and answered in full the same question. A clarification of this nature would not be permissible due to the Tenderer having a second chance at providing information which would alter the evaluation, and be unfair to other Tenderers.
- 13.1.2 If, for any reason, it is necessary to amend the Specification after Tenders have been received, a new Tender process shall be undertaken.
- 13.1.3 Where procurement is conducted pursuant to the Public Contracts Regulations 2015 through either the open, restricted procedures, advice should be sought from Strategic Procurement. The Authorised Officer may seek clarification from tenderers where appropriate in consultation with Strategic Procurement.

- 13.1.4 Where procurements do not exceed the Public Contracts Regulations 2015 thresholds, if it is in the Council's interest to do so to achieve value for money Strategic Procurement may authorise negotiations. Strategic Procurement will also establish the timescales for said negotiation procedure. Such actions must not distort competition. At all times during the procurement process the Council shall ensure that all tenderers are treated in accordance with the principles of the European Treaty.

14 Authorised Award of Tenders/Quotations and Reports

- 14.1 The Council shall only award a Contract where it represents best value for money. A Contract shall only be awarded using the pre-determined tender evaluation criteria and weightings. Where a tender is to be evaluated on price only, the Contract must be awarded to the Tenderer submitting the lowest price.
- 14.2 A Contract may only be awarded by an officer with the required approval to award contracts in accordance with the Council's Scheme of Delegations. For all Procurements valued at above £3,000, the decision to award a Contract shall be made using the Council's Procurement Gateway Process.
- 14.3 Where a Contract has been tendered and advertised on the Sell2Wales website, the Council shall publish a Contract Award Notice on the Sell2Wales website as soon as possible after the decision to award the Contract has been taken.
- 14.4 Where Procurement is conducted pursuant to the EU Procurement Directives and UK Regulations that implement them the Authorised Officer must allow the statutory standstill period prior to issuing a final award and shall publish a contract award notice in the Official Journal of the European Union no later than 30 days after the date of award of the Contract or such other requirements or time limits as are set out in the Regulations. An official EU Tender report in-line with Rule 84 of the Public Contracts Regulations 2015 must also be submitted.

15 Variations to Contract

- 15.1 Whether or not it is a requirement of the Contract, every variation (whether having a financial implication or not) will be authorised in writing by the appropriate officer(s). The Authorised officer will keep detailed records of any such variation and any variation of a financial matter shall be open to inspection by the Head of Finance. The authorisation will be issued before the variation is placed.
- 15.2 For variations approved by a Authorised Officer, the Contract Manager shall monitor at least monthly the overall level of variations approved to gain assurance that they are correct and appropriate.
- 15.3 Any variation to the original Contract must be in the best interests of the Council and of continued delivery of services.

16 Extensions of Contract Period / Term

- 16.1 The decision to extend the contract period (term) may only be made before the original expiry date, where it is in accordance with the terms and conditions of the original Contract. The relevant Head of Service must authorise any extension of contract using the excepted Contracts form. The value of any extended term shall be assessed and recorded within the excepted Contracts form as part of the extension procedure.
- 16.2 The decision to extend a Framework Agreement may only be made before the original expiry date, where the extension is in accordance with the terms and conditions of the original Contract. Strategic Procurement must take all such decisions to extend framework arrangements. The aggregate term of the Framework Agreement must not exceed 4 years in-line with the EU Regulations.
- 16.3 Where the terms of the Contract and or original procurement exercise do not expressly provide for extension then such Contract may only be extended in exceptional circumstances, where legislation permits and value for money issues have been addressed. Such decisions shall be made by the relevant Head of Service in consultation with Strategic Procurement and the Contract Manager.

17 Procurement of Consultants

- 17.1 For the avoidance of doubt, the appointment of consultants shall be made in accordance with the requirements of these Contract Standing Orders.

18 Procurement by Consultants

- 18.1 Where the Council uses consultants to act on its behalf in relation to any procurement, then the Head of Service shall ensure that the consultants carry out any procurement in accordance with these Contract Standing Orders.
- 18.2 All decisions must be made in accordance with the Council's Scheme of Delegations and are subject to the Council's Procurement Gateway Process.
- 18.3 No consultant shall make any decision on whether to award a Contract or who a Contract should be awarded to outside of the Procurement Gateway Process.. The Head of Service shall ensure that the consultant's performance in relation to procurement is in accordance with these Contract Standing Orders and all statutory procurement obligations.
- 18.4 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 Head of Service prior to the commencement of the procurement process or at such time that the Contractor becomes aware of such a potential conflict of interest. Where the Head of Service considers that such a conflict of interest is significant, the consultant shall not be allowed to participate in the procurement process.

Note: it is the Council, as the Contracting Authority, which is responsible for all actions and decisions of consultants in relation to the conduct of procurements,

therefore there need to be proper governance procedures in place to manage and monitor consultants appropriately.

19 Variant Tenders

19.1 Variants tenders may be considered where this was indicated in the Invitation to Tender documentation. This must be in accordance with the Public Procurement Regulations 2015 and in consultation with Strategic Procurement.

20 Abnormally Low Tenders

20.1 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 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 Public Procurement Regulations 2015 and in consultation with the Strategic Procurement Manager.

21 Capital Contracts

21.1 In the case of capital contracts, the appropriate Head of Service must ensure that the scheme is in the approved capital programme before inviting tenders in accordance with the Procurement Gateway Process.

21.2 For awarded contracts the Head of Service and Head of Finance must be made fully aware of the implications of a major change in the specification of a project in both financial and operational terms, and be made fully aware of all other significant decisions affecting the project. At the first indication or identification of a significant potential overspend of either £25k or 10% of the contract value (whichever is the lowest), the appropriate Head of Service and Head of Finance shall be notified. This must be reported to the Audit Committee via the Head of Finance.

22 Disposal of Assets

22.1 Heads of Service 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

22.2 Where a surplus item is likely to raise more than £5,000, the appropriate Head of Service shall be consulted before its disposal. Written tenders should be invited for any item likely to realise more than £10,000. Vehicle and Plant assets should be disposed of via the Head of Streetscene and IT assets should be disposed of via the Head of People and Business Change. In the event that

a Head of Service determines that goods are beyond their economic useful life and therefore of no value, they should arrange for recycling as appropriate or disposal as waste. Appropriate records of disposal should be maintained and where assets are maintained on an Asset Register, the appropriate Head of Service should be informed to update the register.