

1. SCOPE AND APPLICABILITY

Introduction

- 1.1 These Contract Standing Orders (CSOs) apply to all contracts entered into by the Council.
- 1.2 CSOs apply to the procurement of all works, services (including consultants), supplies and the disposal of assets.
- 1.3 The Council is required to adopt CSOs under section 135 of the Local Government Act 1972.
- 1.4 If UK or EU legislation changes in a way which affects these CSOs then that change must be observed until the CSOs can be revised. If there is a conflict between UK or EU legislation and these CSOs then the legislation will take precedence.
- 1.5 These CSOs set out the principles of how the Council will administer contract procurement and management. Officers must comply with the procedures set out in the Council's Procurement [ToolkitGuidance notes](#), which can be found on E-Hub.
- 1.6 Any reference in these CSOs to "the Council" shall refer to a committee or person acting in accordance with delegated authority on behalf of the Council.
- 1.7 Any reference to ~~Procurement Practitioner~~ [Procurement Officer](#) shall refer to any other person referred to in the Procurement [ToolkitGuidance notes](#).

Value of Contracts

- 1.8 In these CSOs references to the value of contracts are exclusive of VAT.
- 1.9 For the purposes of these CSOs, the value of a contract is the total value of the works, supplies or services for the duration of the contract including any contract extensions, variations (including day works or additional activities) and any provision for the indexation of sums to be paid under the contract.
- 1.10 These CSOs apply to all contracts except contracts referred to in CSO 7.
- 1.11 Expenditure must not be sub-divided to avoid the provisions of these CSOs.

2. STATUTORY REQUIREMENTS

- 2.1 Every contract entered into by the Council shall comply with the EU Treaty and any relevant directives of the EU for the time being in force in the United Kingdom together with any UK law and any relevant Council policy.

- 2.2 Where the estimated value of a contract exceeds the relevant EU Procurement Directive threshold then the EU tendering requirements set out in the Public Contracts Regulations 2015 (PCR 2015) must be complied with in conjunction with and in addition to these CSOs. For the purpose of these CSOs, the EU threshold means the threshold set out within the Public Contract Directive as amended from time to time for public supply contracts, public works contracts and public service contracts awarded by local authorities. See Annex A for further details.

3. CONTRACT TERMS

- 3.1 All contracts entered into by the Council shall be in writing utilising the e-procurement system with the exception of the disposal of Council assets, land and property referred to in CSO 9.
- 3.2 Before commencing any tender process or other procurement exercise officers must consider the need to consult with ~~the~~ Procurement Practitioner Officer, their Head of Service and/or the ~~Head of Legal & Democratic Services~~ Chief Legal Officer as necessary who will advise on the conditions of the contract required and the appropriate methods and procedures to be used. The ~~Head of Legal & Democratic Services~~ Chief Legal Officer shall be consulted on any bespoke conditions of contract which might be required. Officers must have regard to all necessary legal, financial, procurement, insurance and other professional advice.
- 3.3 All contracts shall be made on the conditions of contract approved by the ~~Head of Legal & Democratic Services~~ Chief Legal Officer.
- 3.4 All contracts shall:
- (i) contain a specification of requirements and the outcomes to be achieved;
 - (ii) state the price to be paid with a statement of discounts or other deductions;
 - (iii) state the time or times within which the contract is to be performed;
 - (iv) require contractors to comply with all relevant policies of the Council;
 - (v) require a contractor to comply with the provisions of the Human Rights Act 1998 as if it were a public body within the meaning of that act;
 - (vi) require the contractor to indemnify and keep indemnified the Council against all actions, claims, demands, proceedings, damages, losses, costs, charges and expenses whatsoever in respect of any breach of CSO 3.4(v);
 - (vii) require the Council to pay all undisputed invoices within 30 days (subject to any contractual or statutory obligation to pay earlier);
 - (viii) require the Council to consider and verify all invoices submitted by a contractor in a timely fashion; and
 - (ix) require any sub-contract awarded by the contractor to include the provisions of CSOs 3.4(vii) and (viii) and that such terms are passed down the supply chain.

- 3.5 Every contract which exceeds £25,000 in value or amount and is for the provision of works, supplies or services other than at one time shall provide for adequate redress in the event of default by the contractor as agreed by the ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#).
- 3.6 Every contract over £75,000 shall:
- (i) provide for liquidated damages to be paid by the contractor where the terms of the contract are not duly performed if financial loss is likely to arise from delay in performing the contract; and
 - (ii) provide that where the cost of purchasing other goods, materials or services exceed the amount which would have been payable to the contractor, this amount shall be recoverable from the contractor.
- 3.7 Every contract shall include a clause allowing the Council to immediately terminate the contract and to recover from the contractor the amount of any loss resulting from the termination of the contract if the contractor shall have offered or given or agreed to give any person any gift or consideration of any kind as an inducement or reward for doing or procuring to be done or for having done or having procured to be done any action in relation to the obtaining of the contract or any other contract with the Council or for showing, procuring to show favour or disfavour to any person in relation to the contract or any other contract with the Council or if like acts shall have been done by any person employed by the contractor or acting on his behalf (whether with or without the knowledge of the contractor) or, if in relation to any contract with the Council the contractor or any person employed by him or acting on his behalf shall have committed an offence under the Bribery Act 2010 or shall have given any fee or reward the receipt of which is an offence under section 117 of the Local Government Act 1972.
- 3.8 Every contract valued at £750,000 or more shall be sealed with the common seal of the Council.
- 3.9 For all contracts under £750,000 the awarding officer may sign the contract on behalf of the Council. See CSO 5.14 for further details.

4. QUALITY ASSURANCE

- 4.1 Requirements for quality and quality assurance shall be included in every contract entered into by the Council.
- 4.2 Where an appropriate British Standard or European Standard specification and/or code of practice issued by the British Standards Institute or equivalent European institution is current at the date of tender every contract, where such a standard is proportionate to the requirements of the specification, shall require that all goods and materials used or to be supplied and all workmanship shall be to a standard not less than the British Standard or European Standard.

5. PROCUREMENT PROCESS

- 5.1 All contracts shall be awarded following the procedures set out in these CSOs or by such other public body's CSOs as provided for in CSO 7.1(ii).
- 5.2 All supplies, services and works will be procured in accordance with the requirements and value thresholds set out in CSO 5.14 unless the procurement falls within an exempt category or a waiver is obtained.
- 5.3 Where an external person or organisation is required to supervise a contract or procurement on the Council's behalf, the relevant Head of Service shall ensure that the external person or organisation complies with the requirements of these CSOs as though that external person or organisation were a Council officer.
- 5.4 Every tender issued shall include such documents as the Procurement ~~Practitioners~~Officer and ~~Head of Finance~~Chief Finance Officer may require. Where procurements are above the EU threshold all procurement documents, including the contract, must be available at the time the contract opportunity is advertised via the Council's e-procurement system. Procurements above £25,000 must be advertised on Contracts Finder within 24 hours of the initial advertisement having been placed via the Council's e-procurement system.
- 5.5 Every tenderer shall be required to accept the specification of requirements and terms and conditions of contract including a certificate of non-collusion (except where Quick Quotes (QQ) is used) and confirm as a minimum that they have answered in good faith the questions in the tender documentation correctly, accurately, in good faith and there is no conflict of interest.
- 5.6 Officers must take such steps as may be required to confirm the identity and bona fides of any prospective contractor and in relation to the transaction generally. This may require compliance with the client identification procedures required by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ~~Regulations 2007~~ or the Land Registry (where applicable). Any suspicions in relation to money laundering must be reported immediately to the Council's ~~Money Laundering Reporting Officer~~Head of Corporate Governance.
- 5.7 All invitations to tender, with the exception of Quick Quotes, must include the criteria and sub-criteria upon which tenders will be evaluated together with the respective weighting to be applied to each.

Framework Agreements

- 5.8 Officers must consider and, where required, use EU compliant contracts and framework agreements already tendered by the Council or those contracts and frameworks procured by other public sector bodies or consortia which are available to the Council.

- 5.9 Where the Council has a tendered contract or framework agreement for a category of supplies, services and/or works, officers must use such contracts or framework agreements for the procurement of relevant supplies, services or works unless they obtain the agreement in writing of the [Head of Finance](#)~~Chief Finance Officer~~.
- 5.10 Where supplies, services or works cannot be obtained through an existing contract or framework agreement, officers must comply with the competition requirements in CSOs 5.14.
- 5.11 Further requirements relating to framework agreements can be found at CSO 5.25 – 5.33.

Competition Requirements

- 5.12 The tables in CSO 5.14 are compiled to take account of the PCR 2015 and the EU thresholds.
- 5.13 All tendering procedures are to be carried out in accordance with the requirements and timescales set out in the Procurement [Toolkit Guidance notes](#) which can be found on E-Hub.

5.14 Competition - Threshold Requirements

This Table provides a quick checklist and guidance for the necessary governance arrangements for authorisations when entering into contracts:

	Contract Standing Orders (revised June 2018) Procedures for Procurement - minimum requirements							
	Aggregate Value over Contract Period £	Check Budget Approval	Minimum No. of Quotations or Tender	Receipt of Quotes or Tender	Timeframe for Quotes or Tender	Audit Trail & Documentation	Contract Requirement	Evaluation/ Approval
Threshold 1	Up to £10,000 Quick Quotes - QQ	Y/N	Up to 3 Quotes	E Mail or Pro Contract	Allow 14 working days	Dedicated folder on Projects Drive	Purchase Order T&Cs	Officer with Delegated Authority
Threshold 2	£10,001 to £25,000 Request for Quotes - RFQ	Y/N	Up to 3 Quotes	Pro Contract <u>Preferably Pro Contract in exceptions (Email in exceptional circumstances)*</u>	Allow 21 Working Days	Pro Contract and folder on Projects Drive	Purchase Order T&Cs	Head of Service/ Officer
Threshold 3	£25,001 to £181,302 RFQ, Invitation to Tender - ITT	Y/N	3 Tenders_ <u>minimum, maximum of 5 Tenders</u>	Pro Contract	Allow 28 Working Days	Pro Contract - Instructions to Tenderers Specification and Scope of work Contract	Advertise on contracts finder JCT/NEC/ Bespoke	Head of Service and Finance
Threshold 4	Over OJEU (£181,302) Standard Selection Questionnaire SSQ ITT	Y/N	5 Tenders	Pro Contract	OJEU timescales apply	Pro Contract - Instructions to Tenderers Specification and Scope of work Contract	Advertise on contracts finder JCT/NEC/ Bespoke	Finance and Appropriate Committee

For below EU threshold procurements (£25k - £181k)

- Minimum of three tenders sought (can be Closed, Restricted or Open)
- For Works related projects Construction line should be used to select shortlist of suitable contractors
- If selecting from a 'Closed' group of suppliers (whether on Framework or not) there is no requirement to advertise on Contracts Finder
- An Open tender (above £25k) must be advertised on Contracts finder.
- All contract awards above £25k must be published on Contracts Finder regardless of whether the opportunity was advertised) or not.
- OJEU Thresholds reviewed annually.

* [see CSO 5.36 for further details of requirements](#)

TABLE 1
SERVICES, SUPPLIES AND WORKS (INCLUDING CONSULTANTS)-
(EXCLUDING SERVICES SET OUT WITHIN SCHEDULE 3 OF THE PCR 2015)

Estimated value	Advertising requirement	Minimum number of organisations to be invited to tender	Tender procedure	Evaluation	Authorisation required for contract award
Under- £5,000£10,000	E-Procurement system	One (but preferably three)	QQ	Officer with delegated authority	Officer with delegated authority
£5,000£10,000 - £24,999	E-Procurement system	At least three	QQ or Request for Quotation (RFQ) if quality weighting is required for evaluation	At least two officers, one of whom not previously involved in the procurement	Head of Service
£25,000— £74,999	E-Procurement system, Contracts Finder, trade journal where appropriate	Five	RFQ	At least two officers one of whom must be a representative from the Finance department	Head of Service in conjunction with a representative from Finance
£75,000— below EU threshold	E-Procurement system, Contracts Finder, trade journal where appropriate	N/A—open procedure to be used	RFQ	At least three officers including one representative from Finance and one from Legal	Head of Service in conjunction with the Director of Finances & Resources
EU threshold— £750,000	OJEU, E-Procurement system, Contracts Finder, trade journal where appropriate	Five	EU compliant—open, restricted, others	At least three officers including one representative from Finance and one from Legal	The Director of Finances & Resources in conjunction with the relevant committee chairman
Over £750,000	OJEU, E-Procurement system, Contracts Finder, trade journal where appropriate	Five	EU compliant—open, restricted, others	At least three officers including one representative from Finance and one from Legal	The relevant committee

5.14—Competition – Threshold Requirements

**TABLE 2
HEALTH, SOCIAL, EDUCATION, RECREATIONAL, CULTURAL,
SPORTING, LEGAL
SERVICES AND CERTAIN OTHER SERVICE CONTRACTS WITHIN
SCHEDULE 3 OF THE PCR 2015**

Estimated value	Advertising requirement	Minimum number of organisations to be invited to tender	Tender procedure	Evaluation	Authorisation required for contract award
Under- £5,000£10,000	E-Procurement system	One (but preferably three)	QQ	Officer with delegated authority	Officer with delegated authority
£5,000£10,000- £24,999	E-Procurement system	At least three	QQ or Request for Quotation (RFQ) if quality weighting required for evaluation	At least two officers, one of whom not previously involved in the procurement	Head of Service
£25,000 – £74,999	E-Procurement system, Contracts Finder, trade journal where appropriate	Five	RFQ	At least two officers one of whom must be a representative from the Finance department	Head of Service in conjunction with a representative from Finance
£75,000 – below EU threshold	E-Procurement system, Contracts Finder, trade journal where appropriate	N/A – open procedure to be used	RFQ	At least three officers including one representative from Finance and one from Legal	Head of Service in conjunction with the Director of Finances & Resources
EU threshold – £750,000	OJEU, E-Procurement system, Contracts Finder, trade journal where appropriate	Five	EU compliant – open, restricted, others	At least three officers including one representative from Finance and one from Legal	The Director of Finances & Resources in conjunction with the relevant committee chairman
Over £750,000	OJEU, E-Procurement system, Contracts Finder, trade journal where appropriate	Five	EU compliant – open, restricted, others	At least three officers including one representative from Finance and one from Legal	The relevant committee

Tender Procedures

- 5.15 All procurement processes must comply with the requirements and thresholds set out in CSO 5.14 and the procedures set out in the Procurement [Toolkit](#) [Guidance notes](#) which can be found on E-Hub.
- 5.16 The open procedure will normally be used for EU threshold procurements.
- 5.17 The restricted, competitive procedure with negotiation, competitive dialogue procedure and the innovative partnership procedure may only be used, or a dynamic purchasing system established, after officers have agreed the appropriateness of the procedure with the [Head of Legal & Democratic Services](#) [Chief Legal Officer](#).
- 5.18 Every procurement process shall be conducted in an equitable, fair, non- discriminatory and transparent manner for each contract.

Permission to Tender

- 5.19 Heads of Service have the authority to commence a tendering process provided there is a business case for the procurement and financial provision has been obtained.
- 5.20 Where the value of the contract is in excess of £750,000, the procurement must be approved by the relevant committee prior to the commencement of the procurement process.

Tendering – Selection of Tenderers

- 5.21 Where the number of organisations expressing an interest in an advertisement is fewer than the number set out in CSO 5.14 then all such organisations applying will be asked to tender subject to meeting the requirements of CSO 5.23.
- 5.22 The Head of Service with permission to tender a contract will be responsible for ensuring audit trail records are completed on the e-procurement system showing how tenderers are selected for each contract and the reasons why they were chosen.
- 5.23 Where contracts are subject to the PCR 2015 and are above the relevant EU threshold, the suitability to pursue a professional activity, the economic and financial standing and technical and professional ability of any contractor or supplier shall be assessed if relevant and proportionate to the contract being procured. Such assessment will take place prior to the contractor or supplier being invited to tender. It is not permissible to use a pre-qualification stage for contracts below the EU threshold although suitability assessment questions may be used provided those questions are relevant to the subject matter and are proportionate as advised by the [Head of Legal & Democratic Services](#) [Chief Legal Officer](#).

- 5.24 Where contracts are subject to the PCR 2015 and are above the EU threshold, in relation to economic and financial standing, the minimum annual turnover that a contractor or supplier is required to have shall not exceed twice the estimated annual contract value except in duly justified cases. Where the minimum annual turnover required exceeds twice the estimated contract value the justification must be included in the report required by PCR 2015 regulation 84(1).

Tenderers sought from Framework Agreements

- 5.25 This CSO applies where tenders are sought from either a framework agreement set up in compliance with the PCR 2015, as established by the Council, another public body, a local authority consortium, a national agency which is recognised as carrying out procurement for the benefit of public bodies or another local authority as part of a joint purchasing arrangement of which the Council is permitted to use in accordance with the PCR 2015.
- 5.26 Call offs either by mini competition and/or direct award from a framework agreement must be undertaken in accordance with the rules of the relevant framework agreement. Mini competition and/or direct awards, where required by the relevant framework agreement, must be conducted through the Council's e-procurement system.
- 5.27 Tenders will not be required where a framework agreement is with a single supplier or allows the call off of supply without competition. In such cases officers will need to demonstrate that they have obtained value for money.

Council Framework Agreements

- 5.28 Where there is a frequent occasion to go out for tender for a category of work, supply or service, a framework agreement of organisations may be compiled for the Council.
- 5.29 For a multi-supplier framework, each framework agreement must include a minimum of two suitable organisations. Where the Council has decided to enter into a single supplier framework, a single supplier must be appointed to the single supplier framework.
- 5.30 Each framework agreement shall clearly state the rules for call off by mini competition and/or direct awards of contract under the framework as applicable.
- 5.31 Each framework agreement will be compiled in accordance with the competition requirements set out in CSO 5.14.

- 5.32 The suitability of applicants will be evaluated in accordance with the criteria and sub-criteria stated in the contract documentation and upon the information provided in the applicant's submission to be included on the framework agreement.
- 5.33 Framework agreements may exist for a maximum of four years unless the subject matter of the framework agreement justifies a longer contract period as agreed by the Chief Legal Officer~~Head of Legal & Democratic Service~~.

Submission of Tenders – Electronic Submission

- 5.34 All tenders for the procurement of supplies, services and works will be submitted securely through the Council's e-procurement system. For the avoidance of doubt, the term "tenders" includes Quick Quotes (QQ) and Request for Quotation (RFQ).
- 5.35 For low value procurements (under ~~£5,000~~£10,000), officers may obtain tenders without using the QQ system where it is expedient to do so in consultation with the Head of Service. ~~Prior authorisation must be obtained from the Head of Finance to obtain low value tenders without using the QQ system.~~

- 5.36 ~~Where the contract value is between £10,001 and £25,000, officers should ordinarily use Procontract to procure. The requirement to use Procontract may be waived in exceptional circumstances. Any officer who wants to use e-mail rather than Procontract must obtain the written approval from the Head of Corporate Governance prior to obtaining any quote by e-mail. The procuring officer must provide written justification as to why the use of Procontract should be waived.~~

Submission of Tenders – Paper Submission

- 5.37 Paper tenders shall only be used in below EU level procurements where the e-procurement system is unavailable. The ~~Head of Finance~~Chief Finance Officer will set out the requirements for submitting a paper tender where this is required.

Tender Opening – Electronic and Paper Tenders

- 5.38 Tenders, QQs and RFQs ~~are will be~~ opened through the e-procurement system. ~~within an hour of the time specified in the invitation to tender documentation.~~
- 5.39 No tender, QQ or RFQ received after the time and date specified in the invitation to tender documentation will be considered.
- 5.40 For tenders with a threshold of over £750,000 opening will be carried out by a representative nominated by the Head of Finance. the Procurement Officer who will inform the Key Officers.

5.41 No person shall disclose the value, number or any other detail of the tenders received to any tenderer or anyone not involved in the tender evaluation procedure.

Tender Evaluation

5.42 For low value procurement (under ~~£5,000~~[£10,000](#)) the awarding officer shall evaluate the tenders received.

5.43 For procurement valued between ~~£5,000~~[£10,000](#) and £25,000 tenders shall be evaluated by at least two officers one of whom must not have been directly involved in the procurement previously.

5.44 For procurement valued between £25,000 and ~~£75,000~~[the OJEU limit](#) tenders shall be evaluated by at least two officers, one of whom must be a representative from the Finance department.

i) ~~5.45~~ For procurement valued above [the OJEU limit](#)~~£75,000~~, tenders shall be evaluated by at least ~~three~~[two](#) officers including a representative from the Finance department [and the relevant committee](#). ~~and a representative from the Legal department.~~

5.46 In all cases tender evaluation shall be carried out in an equitable, fair, non- discriminatory and transparent manner in accordance with the award criteria set out in the tender documentation and the procedures contained in the Procurement ~~Toolkit~~[Guidance notes](#).

5.47 Where a tender contains errors or discrepancies affecting the tender sum or rates the relevant Head of Service may, during the tender evaluation providing no information is given to the tenderer regarding the effect of such action, give the tenderer the option to:

- (i) correct the prices or rate concerned;
- (ii) continue without correcting the prices or rates; or
- (iii) withdraw the tender.

5.48 If a tender is received with an abnormally low price in proportion to the contract requirement the Council officer leading the procurement shall require the tenderer to explain the costs proposed in the tender.

5.49 If, after consulting the tenderer, the officer is not satisfied that the evidence or explanation provided can satisfactorily account for the low level of price or costs proposed, the officer must discuss what action should be taken with the ~~Head of Finance~~[Chief Finance Officer](#).

5.50 Where QQ is used, the tenderer providing the cheapest quote will

be awarded the contract and no qualitative assessment will be undertaken.

5.51 RFQ and EU procurement will be assessed using the most economically advantageous tender (MEAT) approach. MEAT uses both quality and price to evaluate tenders.

5.52 Where MEAT is to be used and prior to the tender being issued, the officer leading the procurement will, in conjunction with the ~~Procurement Practitioner~~ [Procurement Officer](#) or ~~Head of Finance~~ [Chief Finance Officer](#), agree the criteria and weighting against which tenders will be assessed.

Criteria may include:

- (iv) price;
- (v) technical merit;
- (vi) aesthetic and functional characteristics;
- (vii) environmental characteristics;
- (viii) running costs;
- (ix) cost effectiveness;
- (x) after sales service;
- (xi) technical assistance;
- (xii) delivery date, delivery period and period of completion;
- (xiii) agility and ability to respond to contingencies;
- (xiv) customer care;
- (xv) performance standards, quality monitoring and complaints;
- (xvi) accessibility; and
- (xvii) organisation, qualification and experience of staff.

5.53 This list is not exhaustive. Further details concerning MEAT can be found in the Procurement ~~Toolkit~~ [Guidance notes](#).

Post Tender Negotiations

5.54 Officers shall not enter into post tender negotiations with a tenderer in an open or restricted procurement procedure. This principle also applies to QQ and RFQs.

Acceptance of Tenders

5.55 The authority to award contracts is set out in CSO 5.14 and is subject to:

- (i)** the award being made to the cheapest tenderer where QQ is used or the most economically advantageous tender in all other cases; and
- (ii)** all tender award notifications being conducted through the Council's e- procurement system.

Contract Notification and Standstill Period

5.56 All successful and unsuccessful tenderers for a contract must be notified simultaneously and as soon as possible as to the outcome of the tender process via the e-procurement system.

5.57 For all contracts with a value exceeding the EU threshold the council will apply a standstill period for a minimum of 10 days to comply with the PCR 2015. The day of notification is considered day 0. This requirement applies to call offs from framework agreements which exceed the EU threshold.

5.58 For QQs and RFQs telephone debriefs, if requested by tenderers, are permissible.

5.59 Where the standstill period in CSO 5.56 applies, the Council will send a notification to all organisations submitting a tender stating as a minimum the following:

~~ii)~~i) the award criteria;

~~iii)~~ii) the sub criteria weightings;

~~iv)~~iii) the ranking of the tenderer in the tender evaluation; and

~~v)~~iv) the name of the successful tenderer.

5.60 If the decision to award is challenged by an unsuccessful tenderer the contract will not be awarded and the matter shall be referred to the ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#) for advice.

5.61 The advice of the ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#) must be sought in any situation where a face to face debrief is being considered.

Commencement of Work

5.62 No supply of works, supplies or services is to commence until a sufficiently binding contractual arrangement is in place between the Council and the contractor to the satisfaction of the ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#).

6 CONTRACT MANAGEMENT

6.1 The relevant Head of Service will maintain accurate and proper records of all contracts for which he/she is responsible

6.2 The relevant ~~H~~head of Service shall be responsible for ensuring that all contracts for which he/she is responsible are properly performed and managed.

Variations to Contracts

6.3 Where a contract is varied by addition to, omission from or amendments to, such variations must be made promptly in writing noting that any variations must fall within the scope of the original contract.

6.36.4 All variations issued must include the scope and an estimate of the value of the variation and the method by which the final value of the variation will be determined. Where tender clarifications occur between the invitation to tender and the award, all such variations must be captured on the e-procurement system.

6.46.5 Where the total value of the contract including any variation is not more than £25,000 and the Council has an approved budget for this amount, the relevant Head of Service may agree the variation. In all other circumstances the Council's s151 officer's written approval must be obtained.

6.56.6 Where contract variations generate a lower contract value and no significant change to the contract specification is envisaged, no such authorisations are necessary.

Contract Storage and Audit

6.66.7 As soon as possible, the relevant Head of Service must ensure that the original signed contract is passed to the Legal department for storage.

6.76.8 As soon as possible after completion of the procurement, the relevant Head of Service must inform the [Procurement Practitioner](#) [Procurement Officer](#) of all contracts which must be registered on the Council's contracts register.

6.86.9 The relevant Head of Service must ensure that all relevant paperwork relating to the tender, the tender opening procedure, the tender evaluation and award of contract is retained, for at least 6 months, in case of legal challenge or for audit purposes.

7 EXEMPTIONS FROM TENDERING

7.1 These CSOs apply to all procurement undertaken by the Council unless the procurement is below the EU threshold and falls within one of the following categories:

- (i) call offs from framework agreements which have been tendered in accordance with the PCR;
- (ii) where effective competition is prevented either by government control or by the supplies or services being proprietary and/or are sold only at a fixed price;

- (iii) an extension to an existing contract which contains express provisions as to the extension of that contract and provided those conditions are followed. The extension must be agreed in advance, in writing by the Head of Corporate Governance prior to the contract being extended.
- (iv) the Council is acting as an agent for another organisation and is acting in accordance with that organisation's CSOs;
- (v) employment contracts;
- (vi) disposal or acquisition of land (see CSO 9); and
- (vii) legal advice and expert witnesses.

8 WAIVER

- 8.1 The requirement for the Council to conduct a competitive procurement process for contracts in excess of ~~£5,000~~£10,000 but below the EU threshold may be waived in exceptional circumstances by the a Director or Chief Executive, Head of Corporate Governance, Chief Finance Officer, Chief Operating Officer or Chief Legal Officer.
- 8.2 All waivers from CSOs are to be:
- (i) fully documented; and
 - (ii) the subject of a written report in an approved format which is submitted in advance to the ~~Monitoring Officer~~Head of Corporate Governance and s151 officer for approval and shall include the reasons why the waiver is sought.
- 8.3 All decisions on whether or not to grant a waiver must take into account:
- (i) probity; and
 - (ii) best value for money principles.
- 8.4 Applications for waivers which are as a result of poor contract planning will rarely be considered genuinely exceptional.
- 8.5 The relevant Head of Service will inform the relevant committee when a waiver has been granted and an annual report setting out the waivers granted will be presented to the ~~Audit, Crime & Disorder and Scrutiny Committee~~Leadership Team.

9 DISPOSAL OF LAND AND OTHER ASSETS

Disposal of Land and Property

- 9.1 All land and property which is considered to be surplus to the Council's service requirements must be notified to the [Head of Legal & Democratic Services](#)~~Chief Legal Officer~~ who will be responsible for the disposal or other reallocation of such land and property in accordance with the Council's Asset Management Strategy.

Disposal of Other Council Assets

- 9.2 Assets may be declared as being surplus to requirements by a Head of Service who shall assess the value of the assets using such expert assistance as they consider necessary and to dispose of the asset in accordance with this CSO.
- 9.3 The value of an asset shall be the estimated price for which the asset might reasonably be expected to be sold to a willing purchaser in the open market. Similar assets declared surplus to requirements at or about the same time shall be aggregated in value.
- 9.4 Assets having no realisable value or where the costs of disposal is likely to likely to exceed the price received may be disposed of as waste provided that the assets shall be recycled wherever reasonably practical and financially viable.
- 9.5 Assets with a value of ~~£5,000~~[£10,000](#) or less may be sold for the best price possible.
Such assets may be advertised on internet based marketplaces (such as EBay). Where such sites are used, the ~~Head of Finance~~[Chief Finance Officer](#) will nominate a single council officer to be responsible for the disposal of assets using this method.
- 9.6 In the case of assets valued above ~~£5,000~~[£10,000](#), disposal shall be carried out by inviting bids for the assets through the open procedure or auction.
- 9.7 Council officers or members are not permitted to purchase any Council assets.
- 9.8 Assets which require secure disposal such as computers, tablets, mobile telephones and any other equipment containing personal or confidential material must be disposed of only to an approved contractor. The relevant Head of Service ~~on~~ in the case of IT equipment, the Head of ICT, must ensure that the personal information or confidential material is destroyed and documentation confirming this must be obtained from the contractor and retained by the Council.

~~9.89.9~~ Where items have to be written off and disposed of the write off must be approved in accordance with the following limits:

- (i) for items valued up to ~~£5,000~~[£10,000](#) Head of Service in consultation with the ~~Director of Finance & Resources~~[Chief](#)

- (ii) [Finance Officer](#); for items valued between ~~£5,000~~[£10,000](#) and £20,000, ~~Director of Finance & Resources~~[Chief Finance Officer](#) in consultation with the relevant committee chairman; and
- (iii) for items valued over ~~£1~~[20,000](#) the relevant committee.

10 OTHER PROVISIONS

Work for Third Parties

- 10.1 The ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#) must approve the contractual arrangements for any work carried out by the Council for third parties or external bodies.

Partnerships

- 10.2 Partnerships with other local, public, private, voluntary and community sector organisations will be entered into subject to the approval of the relevant committee who shall agree:
- (i) the terms of reference; and
 - (ii) where appropriate, a scheme of delegation to officers to operate within the partnership.
- 10.3 Unless specifically agreed by the relevant committee, partnership arrangements shall only be entered into in accordance with the provisions of these CSOs.
- 10.4 The heads of terms for all partnership arrangements shall be approved by the relevant committee and full terms and conditions by the relevant committee and the ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#).
- 10.5 The ~~Head of Legal & Democratic Services~~[Chief Legal Officer](#) shall be responsible for ensuring that adequate arrangements for governance are set up within each partnership entered into. Such arrangements shall include provisions for arranging contracts with external bodies.

Council Members and Contracts

- 10.6 No member shall have authority to enter into any contract on behalf of the Council.
- 10.7 No member shall have authority to issue any instruction or variation to a contractor of the Council.

ANNEX A

EU THRESHOLD LEVELS

The financial thresholds are amended on a regular basis, generally every 2 years. The current thresholds set out below are valid from 1 January 2018 to 31 December 2019.

		Supplies	Services	Works
A	Local authorities	£181,302,641.76 €21,000,000	£181,302,641.76 €21,000,000	£4,551,413,104.394 €5,548,000,225,000
B	Social and other specific services (sch 3 PCR 2015)	N/A	£589,148,615,278 €750,000	N/A

Note: The threshold for social and other specific services in row B of the table above is a higher threshold as the European Commission decided that these services are not likely to attract cross-border interest and this gives local authorities flexibility in procuring these services. Whilst in the past services were divided into Part A and Part B services this distinction no longer exists and instead there are services which are subject to the full extent of the regulations and other services which are subject to the light touch regime.

The new threshold in row B for social and other specific services applies to procurements of the following services:

Health, social and related services;
 Administrative social, educational, healthcare and cultural services;
 Compulsory social security services;
 Benefit services;
 Other community, social and personal services including services furnished by trade unions, political organisations, youth associations and other membership services;
 Religious services;
 Hotel and restaurant services;
 Some legal services;
 Other administrative services and government services;
 Provision of services to the community;
 Some prison related services, public security and rescue services;
 Investigation and security services;
 International services; and Postal services.

Where the officer is seeking to procure any of the above services you should contact a Procurement Practitioner Procurement Officer in order to check if the service falls within one of these areas and is therefore subject to the higher threshold set out in row B.