

---

**To: Procurement Sub-Committee**

**On: 18 May 2016**

---

**Report by: Director of Finance and Resources**

---

**Heading: The Procurement Reform (Scotland) Act 2014 and the Review of Standing Orders Relating to Contracts**

---

**1. Summary**

- 1.1 The purpose of this report is to seek approval for the existing Standing Orders Relating to Contracts to be revoked and replaced by the revised Standing Orders Relating to Contracts forming the Appendix to this report.
- 1.2 The revised Standing Orders have been developed following a detailed review in light of the Public Contracts (Scotland) Regulations 2015; the Procurement (Scotland) Regulations 2016; the Concession Contracts (Scotland) Regulations 2016; and statutory guidance made under and in terms of the Procurement Reform (Scotland) Act 2014.
- 1.3 Some of the key changes to the Standing Orders Relating to Contracts are:
- The standing orders have been updated to reflect best practice, as well as making the changes required to reflect the new legislation.
  - The full range of procedures available under the new legislation has been included.
  - The rules applying to contracts for social care (and certain other specific services) have been updated.

- All tendering procedures that are subject to the standing orders will now be conducted electronically (unless there are exceptional circumstances).
- Some re-ordering and clarifications have been made.

## 2. **Recommendations**

2.1 The Procurement Sub-Committee is recommended to:

- a) Approve and implement the revised Standing Orders Relating to Contracts forming the Appendix to this report.
- b) Revoke the existing Standing Orders Relating to Contracts; and
- c) Agree that the revocation of the existing Standing Orders and the implementation of the revised Standing Orders shall take effect on the first working day following the expiry of the call-in period.

## 3. **Background**

3.1 The Council is required to have Standing Orders Relating to Contracts in terms of section 81 of the Local Government (Scotland) Act 1973.

3.2 The Standing Orders were last reviewed in 2013 with the current version being approved by Council at its meeting on 28 February 2013. Since then, amendments have been made to reflect changes in job titles and the Council's structure, and to update the EU procurement thresholds which change on 1 January of every second year.

3.3 At its meeting on 25 February, Council delegated authority to the Procurement Sub-Committee to approve the changes required to the Standing Orders Relating to Contracts as a result of this review.

## **Implications of the Report**

1. **Financial** – None
2. **HR & Organisational Development** – None
3. **Community Planning** - None
4. **Legal** – The Standing Orders Relating to Contracts have been reviewed in light of the Public Contracts (Scotland) Regulations 2015, the Procurement (Scotland) Regulations 2016, the Concession Contracts (Scotland) Regulations 2016 and statutory guidance made under and in terms of the Procurement Reform (Scotland) Act 2014.
5. **Property/Assets** – None
6. **Information Technology** - None
7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None
9. **Procurement** – The review of the Standing Orders Relating to Contracts ensures they reflect current best procurement practice as well as meeting the requirements of the legislation and guidance.
10. **Risk** – None
11. **Privacy Impact** - None.

## **List of Background Papers**

- (a) Report to Council on 28 February 2013 on Review of Standing Orders Relating to Contracts
- (b) Report to the Council on 25 February 2016 on The Procurement Reform (Scotland) Act 2014 and the Review of Standing Orders Relating to Contracts.

The background papers will be retained within Finance and Resources for inspection by the public for the prescribed period of four years from the date of the meeting.

The contact officer within the service is: Lynn Mitchell, Managing Solicitor Tel: 0141 618 7163; [lynn.mitchell@renfrewshire.gcsx.gov.uk](mailto:lynn.mitchell@renfrewshire.gcsx.gov.uk)

---

**Author:** Lynn Mitchell, Managing Solicitor Tel: 0141 618 7163



**Standing Orders**  
**Relating to Contracts 2016**

## **INDEX**

1. Introduction
2. Interpretation
3. Suspension, Variation and Revocation of Standing Orders
4. Financial Provisions
5. Equalities and Prevention of Discrimination
6. Form of Contract
7. Valuing the Contract
8. General Powers and Duties of the HOPAC
9. Exemptions and Special Arrangements
10. Publicity for Tenders and Contracts
11. Procedures
12. Restricted Procedure
13. Open Procedure
14. Negotiated Procedure without Prior Publication of a Notice
15. Competitive Procedure with Negotiation
16. Competitive Dialogue Procedure
17. Innovation Partnership
18. Quick Quotes
19. Extensions to Existing Contracts
20. Indicative Total Values of Contracts
21. E-Procurement
22. Opening of Tenders
23. Electronic Auctions
24. Submission of In-House Tenders

25. Technical and Financial Checks
26. Checking of Tenders & Post tender Negotiation
27. Acceptance and Giving Reasons for Decisions
28. Nomination of Sub-Contractor
29. Framework Agreements
30. Dynamic Purchasing Systems
31. Concessions
32. Design Contests
33. Specification of Standards
34. Assignment, Sub-Contracting, Termination and Modification
35. Liquidated and Ascertained Damages
36. Prevention of Collusion and Corrupt or Illegal Practices
37. Health and Safety
38. Schedule of Rates Contracts
39. Sustainable Development
40. Consultants
41. Records and Registers
42. Procurement Strategy and Annual Report

## **Schedules**

1. Contract Strategy Document
2. E U Thresholds
3. Procedure for Contracts below £50,000
4. Guidance on Grants
5. Special Arrangements for Contracts for Social and Other Specific Services and for Health or Social Care Services
6. Tender Report Format





# **Renfrewshire Council**

## **Standing Orders Relating to Contracts**

### **1. Introduction**

- 1.1 These standing orders are made under Section 81 of the Local Government (Scotland) Act, 1973 and shall apply to the making by the Council or on their behalf of all contracts. For the avoidance of doubt, the term “contract” includes any form of agreement, written or unwritten, to which the Council is a party which creates rights and responsibilities for any of the parties involved.
- 1.2 The standing orders are subject to any overriding requirements of:-
  - a) EU Directive 2014/24/EU on public procurement; EU Directive 2014/23/EU on the award of concession contracts; and any Scottish legislation implementing these Directives (the “EU Procurement Rules”);
  - b) the Procurement Reform (Scotland) Act 2014 and all regulations and guidance made under and in terms of that Act (the “Procurement Reform Rules”); and
  - c) the relevant provisions of the Treaty on the Functioning of the European Union particularly the principles of equal treatment, non discrimination and transparency (“the Treaty Principles”).
- 1.3 All contracts let by or on behalf of the Council, regardless of whether any such contracts are otherwise exempt from the application of these standing orders, shall be subject to an obligation on the HOPAC to seek best value for the Council and to be able to demonstrate fairness, non-discrimination, equal treatment and transparency in the contract procedure chosen to all parties having an interest in that procedure.
- 1.4 No tenders shall be invited nor any offer made or accepted until a Contract Strategy Document, in the format approved by the HOPAC as set out in Schedule 1 has been completed. This shall identify whether the requirements can best be met by using an existing contract or Framework Agreement, by a Collaborative Procurement, or by establishing a new contract.
- 1.5 Where there is no suitable existing contract or Framework Agreement, the HOPAC will endeavour to use a Collaborative Procurement provided it is in the best interests of the Council so to do. However, prior to using a Collaborative Procurement, the HOPAC shall enter into a Collaboration

Agreement, the terms of which shall be approved by the Head of Corporate Governance.

- 1.6 All contracts let by or on behalf of the Council are subject to the Council's Financial Regulations.

## **2. Interpretation**

- 2.1 For the purposes of these standing orders the following words and expressions shall have the meanings given to them in this standing order:

- a) any reference to "a signature" or "signed" includes reference to a signature or other form of formal confirmation using electronic means, such as a digital signature, encryption or other formally recognised authority for identification purposes;
- b) "electronic means" means electronic equipment for the processing (including digital compression) and storage of data which is transmitted, conveyed and received by radio, by wire, by optical means or by other electromagnetic means;
- c) "written" or "in writing" means any expression consisting of words or figures which can be read, reproduced and subsequently communicated. It may include information which is transmitted and stored by electronic means.
- d) "the Bulletin" means the bulletin produced by the Director of Finance and Resources for each cycle of board meetings advising elected members and chief officers of the exercise of delegated powers by officers and other operational matters.
- e) "Collaboration Agreement" means the agreement which sets out the roles and responsibilities of all parties participating in a Collaborative Procurement.
- f) "Collaborative Procurement" means the procurement of goods, services or works by Renfrewshire Council in collaboration with one or more Contracting Authorities, as defined by the EU Procurement Rules, with the aim of achieving value for money for the Council through sharing expertise and resources and/or by securing benefits from economies of scale through combined purchasing power.
- g) "Contract Documents" means the documents to be used in any tendering procedure and where different those intended to form part of any contract following on from a tendering procedure. It includes, but is not restricted to, the ESPD, the invitation to tender for or to negotiate a contract, the proposed conditions of contract, the specifications or the descriptions of the goods, services or works required by the Council and any Bills of Quantities and includes any such documents or their

equivalents issued using electronic means.

- h) “Contract Strategy Document” means the document referred to in standing order 1.4 which sets out the procurement strategy for a contract and is agreed jointly between the HOPAC and the Director of the procuring department.
- i) “Council” means the Renfrewshire Council constituted under the Local Government etc. (Scotland) Act 1994.
- j) “the CPU” means the Council’s Corporate Procurement Unit.
- k) “Director of the procuring department” means the Director or Chief Officer of the service for which the contract is required and where the contract is required for more than one service, any one or more of the relevant Directors or Chief Officers.
- l) “ESPD” means the European Single Procurement Document.
- m) “the EU Procurement Rules” is defined in standing order 1.2 a).
- n) “the Threshold” for the purpose of these standing orders refers to the threshold under Article 4 (c) of Directive 2014/24/EU (the threshold for public supply and service contracts awarded by sub-central contracting authorities). The sterling equivalent is currently £164,176 but is recalculated every second year on 1 January of that year. The next change is due on 1 January 2018. Details of the full list of thresholds applying from 1 January 2016 are set out in Schedule 2.
- o) “Health or Social Care Services” means any of the services listed in the Schedule to the Procurement (Scotland) Regulations 2016.
- p) “the HOPAC” means the Council’s Head of Policy and Commissioning or the HOPAC’s nominee.
- q) “Procurement Sub Committee” means the Procurement Sub Committee of the Finance and Resources Policy Board.
- r) “Regulated Contract” means a public contract (other than a public works contract) with an estimated value equal to or greater than £50,000; or a public works contract with an estimated value equal to or greater than £2,000,000 unless the public contract or public works contract is an excluded contract under the Procurement Reform Rules.
- s) “Regulated Procurement” means (i) any procedure carried out by the Council in relation to the award of a Regulated Contract including, in particular, the seeking of offers in relation to the contract and the selection of suppliers; and (ii) the award of a Regulated Contract by the Council.

- t) “Social and Other Specific Services” means the services listed in Schedule 3 of the Public Contracts (Scotland) Regulations 2015.
  - u) “Social Care” means the provision of care services or social work services as defined in sections 47 and 48 and schedules 12 and 13 of the Public Services Reform (Scotland) Act 2010 and the expression “Social Care Contract” shall mean a contract entered into for Social Care.
  - v) “Sustainable Procurement Duty” means the duty of that name under the Procurement Reform Rules.
- 2.2 Any reference to a Director should be taken to include a reference to the Chief Executive and a Head of Service.
- 2.3 Any reference to a statute, other legislation or European Directive shall include reference to any statute, legislation or Directive amending or replacing it.
- 2.4 Any reference to a contract shall include, where the context allows, reference to a sub-contract.

### **3. Suspension, Variation and Revocation of Standing Orders**

- 3.1 These standing orders may be varied or revoked by the Council. Any variation to or revocation of the standing orders will be effective on the first working day after the conclusion of the Council meeting at which it was approved.
- 3.2 These standing orders or any part of them may be suspended by the Procurement Sub Committee in respect of any procurement exercise or contract on receiving a joint recommendation from the HOPAC and the Head of Corporate Governance that there are special circumstances justifying such suspension and that it is in the interests and within the powers of the Council to do so.
- 3.3 The Director of Finance and Resources shall have power to vary these standing orders but only in the following circumstances:-
- a) to reflect changes in job titles, reorganisations of departments and vacancies in posts; or
  - b) to change references to legislation where the legislation is repealed or amended and to insert references to new legislation where the new legislation largely re-enacts the provisions of the repealed or amended legislation; or
  - c) to change the financial values of the E.U. Thresholds where referred to in these standing orders, to implement any changes in these

thresholds.

- d) to amend the Contract Strategy Document set out in Schedule 1.
- e) to amend the diagram set out in Schedule 3 illustrating the procedure to be followed where the estimated value of the proposed contract is less than £50,000.

#### **4. Financial Provisions**

No tender shall be invited or offer made or accepted unless appropriate financial provisions have been made by the Council in terms of the Council's financial regulations or funding is being provided by a third party which has been approved by the Council.

#### **5. Equalities and Prevention of Discrimination**

- 5.1 Tenderers must be asked to produce their equal opportunities policies before they may be shortlisted or recommended for an award of contract.
- 5.2 Before entering into a contract, the HOPAC shall obtain from the contractor an assurance in writing that, to the best of the contractor's knowledge and belief, the contractor has complied with all statutory requirements under the Equality Act 2010 and all previous legislation, regulations and statutory guidance relating to equality matters.
- 5.3 All contracts entered into by the Council shall contain a condition obliging the contractor to comply with all duties arising from the Equality Act 2010.

#### **6. Form of Contract**

- 6.1 Except in circumstances where the HOPAC and Head of Corporate Governance agree otherwise, every contract shall be:-
  - a) in the name of Renfrewshire Council;
  - b) in writing;
  - c) signed by an officer authorised by the Council to sign contracts; and
  - d) subject to the Laws of Scotland.
- 6.2 The Contract Documents in respect of all contracts shall be prepared by the CPU. Use may also be made of Contract Documents prepared by the Scottish Government; the Crown Commercial Service, or any other agency of the UK government; Scotland Excel; other Scottish Centres of Procurement Expertise; other local authorities; and other collaborative

bodies where the Council is eligible to use these Contract Documents and is permitted by the relevant body to do so. It is the HOPAC's responsibility to ensure that the Council is eligible to use the Contract Documents and that these are suitable for the contract.

- 6.3 Other than the specification of the contract requirements which shall be decided by the Director of the procuring department, any dispute between officers in the Council regarding the proper form or content of the Contract Documents or any part of them may be referred to the HOPAC, whose decision on the matter shall be final. Any disputes or queries regarding legal issues, including the extent to which the Treaty Principles, the EU Procurement Rules, the Procurement Reform Rules, and/or these standing orders apply to any contract shall be referred to the Head of Corporate Governance, whose decision on such issues shall be final.
- 6.4 All tender documents must clearly state that the Council is a body to whom the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004 apply. This is to ensure that contractors are aware that the Council may be required under the Act to release information to third parties that the contractor may wish to be treated as confidential.

## **7. Valuing the Contract**

- 7.1 The values stated in the standing orders are the total estimated value of the contract concerned and not the estimated annual value of the contract. Where it is likely that a supply of goods or services will be required on a continuing basis over a number of years, for example with maintenance contracts, the HOPAC shall take into account the anticipated duration of the continuing supply when estimating the value of the contract for the purposes of these standing orders. If there is any doubt about the anticipated duration of the continuing supply, the HOPAC shall base the estimate of the value of the contract on a period of 48 months.
- 7.2 It is not permitted to deliberately divide any procurement exercise or disposal into two or more contracts if the intention in doing so is to avoid the application of any financial thresholds in these standing orders the EU Procurement Rules, or the Procurement Reform Rules..
- 7.3 For the avoidance of doubt, the values stated are exclusive of any Value Added Tax that may be levied.

## **8. General Powers and Duties of the HOPAC**

- 8.1 The HOPAC may transfer any power or duty under these standing orders to the Chief Executive, a Director or another Head of Service provided both parties have agreed in writing to the transfer in advance. The HOPAC may

also delegate, in writing, any power or duty under these standing orders to an appropriate officer nominated by the HOPAC.

- 8.2 The HOPAC in consultation with the Head of Corporate Governance may approve guidance notes on tendering procedures for any contract or type of contract let by or on behalf of the Council. Any such guidance notes once approved shall form part of these standing orders and shall be complied with from the date the guidance is issued.
- 8.3 When completing the Contract Strategy Document, referred to in standing order 1.4, the HOPAC shall ensure that duplication of tendering procedures and contracts for the same works, goods and services is avoided and shall check that there is no suitable existing contract for the works, goods or services to be acquired under the proposed contract.
- 8.4 Where a contract is subject to the EU Procurement rules, when completing the Contract Strategy Document referred to in standing order 1.4, the HOPAC shall ensure that consideration is given to whether the contract should be divided into lots. Where it is decided not to divide the contract into lots, the main reasons for that decision shall be indicated in the Contract Documents.
- 8.5 When completing the Contract Strategy Document, referred to in Standing Order 1.4, the HOPAC shall ensure that, in accordance with the Procurement Reform Rules and current Council policy, consideration is given to whether community benefit requirements should be included in the contract.

## **9. Exemptions and Special Arrangements**

- 9.1 Subject to standing order 1, there shall be exempted from the provisions of these standing orders any contract where:-
  - a) The Council is satisfied that there are special circumstances justifying exempting the contract from standing orders or any part of them.
  - b) The total estimated value of the proposed contract is less than £50,000 but the contract shall be let in accordance with the Council's Guidance on "Contracts with a Value of Less Than £50,000", published under standing order 8.2. (A diagram illustrating the procedure to be followed where the estimated value of the proposed contract is less than £50,000 is set out in Schedule 3.)
  - c) In the opinion of the Director of the procuring department, or of the Chief Executive, action is urgently required to prevent danger to life, serious risk to health or damage to property. For the avoidance of doubt, where practicable, the Director or the Chief Executive shall consult with the HOPAC before taking any action under this standing



order and any relevant requirements of the Treaty Principles, the EU Procurement Rules, and the Procurement Reform Rules shall be complied with. In all circumstances where this exemption has been used, the HOPAC shall be notified as soon as reasonably practicable following which a report will be submitted to the Procurement Sub Committee at the first available subsequent meeting detailing both the circumstances justifying use of this exemption and the action taken.

- d) It is a contract of employment. However, this exemption does not apply to contracts with employment agencies for the supply of staff.
- e) The contract comprises the conditions under which an award of grant is made by the Council. However, any such conditions shall be subject to the Council's Guidance on Grants (as set out in Schedule 4) and any question as to the extent to which these standing orders apply shall be referred to the Head of Corporate Governance.
- f) The contract relates to any of the functions being exercised by the bodies listed below, in which case the standing orders relating to contracts for the body letting the contract shall apply:- The bodies for the purpose of this standing order are:-
  - i) the Renfrewshire Valuation Joint Board;
  - ii) the Clyde Muirshiel Park Authority;
  - iii) the Glasgow and Clyde Valley Strategic Development Planning Authority; and
  - iv) Scotland Excel.
- g) The contract is entered into on behalf of the Council by Strathclyde Partnership for Transport acting in their capacity as agents of the Council to secure the provision of school transport. All such contracts will be subject to the procedures of Strathclyde Partnership For Transport although, subject to the agreement of the HOPAC, the Director of Children's Services shall approve the award of all such contracts on behalf of the Council and shall, as soon as reasonably practicable after the award of the contract, submit a report to the Procurement Sub Committee and the HOPAC naming the successful tenderer, explaining the evaluation process undertaken and detailing the value of the successful tender.
- h) The contract relates to the transfer, acquisition or disposal of an interest in heritable property including a licence to occupy or use heritable property.
- i) Where the contract relates to the appointment of junior or senior counsel. However, any such contract must be let in accordance with any relevant requirements of the Procurement Reform Rules.
- i) Subject to any financial or other limits contained in the Council's Scheme of Delegated Functions and/or Financial Regulations, where in



a Director's opinion it is essential that the contract is entered into for the settlement of any claim or litigation raised by or against the Council; such matter to be reported in the next Bulletin.

- j) The contract is being funded by money provided by the government or a public body (including funds from the National Lottery) and the award of that money to the Council is subject to such conditions that make it impractical for the Council to comply with these standing orders in letting the contract. However, in such circumstances, any relevant requirements of the Treaty Principles, the EU Procurement Rules, and the Procurement Reform Rules shall be complied with and the Director of the procuring department shall submit a report to the Procurement Sub Committee explaining the procedure used and why these standing orders could not be complied with. The report shall be submitted in advance of the contract award unless, in the opinion of the HOPAC, the time limit for acceptance or use of the funds makes this impractical. In these circumstances the report shall be submitted to the next meeting of the Procurement Sub Committee.
  - k) The contract is for the commissioning of theatrical, musical, dramatic or other artistic performances, subject to the prior approval of the HOPAC.
  - l) The contract is for the disposal by the Council of surplus or scrap materials and equipment previously used by the Council. However, advice and guidance on any such contracts shall be obtained from the HOPAC and the Head of Corporate Governance.
  - m) The contract is for Social Care and either:
    - (i) a supported person has selected his or her support pursuant to Option 2 and, so far as relating to that option, Option 4, of the Social Care (Self- directed Support) (Scotland) Act 2013; or
    - (ii) the nature of the care package being arranged for a person is unique and cannot be provided for under existing Council frameworks or contracts.
- 9.2 The exemptions under standing orders 9.1 m) (i) and (ii) are subject to any requirements applying under the Procurement Reform Rules and the Chief Officer of Renfrewshire Health and Social Care Partnership in relation to adult Social Care contracts, or the Director of Children's Services in relation to children's Social Care contracts, in consultation with the HOPAC, being satisfied that the contract terms and conditions are acceptable.
- 9.3 These standing orders apply to contracts for Social and other Specific Services and contracts for Health or Social Care Services unless varied by the special arrangements set out in Schedule 5.

## 10. **Publicity for Tenders and Contracts**

- 10.1 The Council is under a duty to ensure that contracts it intends to award are given a degree of advertising which is sufficient to enable open competition and to meet the requirements of the principles of equal treatment, non discrimination and transparency. Contracts that are subject to the EU Procurement Rules must comply with the provisions relating to advertising of contracts in these Rules. For all other contracts the Council must put in place procedures to meet its obligations with regard to advertising those contracts. Accordingly the following procedures shall apply:-
- a) The obligation to advertise tendering opportunities for contracts in terms of this standing order applies only to contracts for supplies or services with a value of £50,000 or more and to contracts for works with a value of £164,176 or more.
  - b) Contracts to which standing order 10.1 a) applies shall be advertised using the Public Contracts website.
  - c) In addition to advertising on the website referred to in standing order 10.1 b), the HOPAC may choose to advertise the contract in any other way such as in trade journals or newspapers.
  - d) The HOPAC shall ensure that the Council's website contains links to the Public Contracts website.
- 10.2 This standing order does not apply where an exemption under contract standing order 9 applies; or use can be made of the Negotiated Procedure without Prior Publication of a Notice under contract standing order 14 ; or the contract is for Social and Other Specific Services or for Health or Social Care Services and one to which Schedule 5 applies,

## **11. Procedures**

- 11.1 Where the estimated value of any contract is likely to equal or exceed the thresholds for the application of the EU Procurement Rules, the HOPAC, taking advice from the Head of Corporate Governance where appropriate, will determine whether the EU Procurement Rules apply and ensure that the various requirements of the EU Procurement Rules and Treaty Principles are followed.
- 11.2 Where it is established that the EU Procurement Rules apply to any contract, the HOPAC will be responsible for determining the appropriate procedure to be followed in terms of those Rules and shall ensure that the contract is advertised, tendered, evaluated and awarded in compliance with those Rules. The tendering procedures under the Rules are not set out in these standing orders. The procedures in standing orders 12 to 18 inclusive may only be used where the Council is not required to use the equivalent procedures in the EU Procurement Rules.

- 11.3 Any contract that is not required to follow a procedure set out in the EU Procurement Rules must be let in accordance with one of the procedures set out in these standing orders and must comply with any guidance issued by the HOPAC.
- 11.4 The procedure to be used, and the reasons for selecting that procedure, shall be recorded in the Contract Strategy Document.
- 11.5 The ESPD shall be used in all procedures.

## **12. Restricted Procedure**

- 12.1 In accordance with the agreed Contract Strategy Document, the HOPAC may approve the use of the restricted procedure which shall be conducted in accordance with this standing order.
- 12.2 Where the HOPAC approves the use of the restricted procedure, a notice shall be issued on the Public Contracts website. In addition the HOPAC may also publicise the contract more widely including placing the notice in one or more national newspapers circulating within Renfrewshire inviting contractors to apply to be selected to tender.
- 12.3 The notice must contain the same information as would be required under the EU Procurement Rules.
- 12.4 All applicants responding to the notice issued in terms of standing order 12.2 shall be required to provide a completed ESPD by the date and time stated in the notice. This date and time shall be determined by the HOPAC taking into account factors such as the complexity of the subject matter of the contract and the time needed to prepare the ESPD.
- 12.5 At the same time as a notice is issued in terms of standing order 12.2, the HOPAC shall make the relevant Contract Documents available electronically.
- 12.6 No contractor may be invited to tender unless they have successfully complied with the technical and financial checks in standing order 25 and have met the criteria to be invited to tender set out in the notice and Contract Documents.
- 12.7 The HOPAC must select a sufficient number of applicants to be invited to tender to ensure genuine competition which must not in any event be fewer than five. Where fewer than five applicants express an interest, all those applicants meeting the minimum evaluation criteria, must be invited to tender.
- 12.8 The HOPAC shall send invitations to tender simultaneously to each applicant selected to tender for a contract and the invitation to tender shall

be accompanied by a link to the Contract Documents which shall have been made available under standing order 12.5.

- 12.9 The invitation to tender shall also include the final date and time for the receipt of tenders by the Council- and the criteria to be used in evaluating the tenders.

### **13. Open Procedure**

- 13.1 In accordance with the agreed Contract Strategy Document, the HOPAC may approve the use of the open procedure which shall be conducted in accordance with this standing order.
- 13.2 Where the HOPAC approves the use of the open procedure, the HOPAC shall issue a notice on the Public Contracts website. In addition, the HOPAC may also publicise the contract more widely including placing a notice in one or more newspapers circulating within Renfrewshire.
- 13.3 The notice must contain the same information as would be required under the EU Procurement Rules.
- 13.4 The date and time stated in the notice by which tenders must be received must be no sooner than 5 working days from the date the notice is published.
- 13.5 At the same time as a notice is issued in terms of standing order 13.2, the HOPAC shall make the relevant Contract Documents available electronically.

### **14. Negotiated Procedure without Prior Publication of a Notice**

- 14.1 The negotiated procedure without prior publication of a notice is only available in very limited circumstances and shall only be used where it is identified as the appropriate procedure in the Contract Strategy Document.
- 14.2 The negotiated procedure without prior publication of a notice may only be used with the prior written approval of the HOPAC and the Contract Strategy Document shall include a full explanation as to why the HOPAC considered it to be appropriate to use that procedure
- 14.3 Where the EU Procurement Rules do not apply, the negotiated procedure without prior publication of a notice may be only be used in the circumstances stated in the Procurement Reform Rules (Regulation 6 of the Procurement (Scotland) Regulations 2016).
- 14.4 Where the EU Procurement Rules apply, the negotiated procedure without prior publication of a notice may only be used on any grounds specified in those Rules.

- 14.5 For the purposes of these standing orders the negotiated procedure without prior publication of a notice means the direct negotiations with a single contractor without competition or further competition with a view to awarding the contract to that contractor or extending an existing contract.
- 14.6 Where the negotiated procedure without prior publication of a notice has been used and the estimated value of the proposed contract is £50,000 or more but does not exceed the Threshold the contract shall be awarded on behalf of the Council by the CPU on the prior approval of the HOPAC.
- 14.7 Where the negotiated procedure without prior publication of a notice has been used and the estimated value of the proposed contract exceeds the Threshold, the contract shall be awarded on behalf of the Council by the Head of Corporate Governance on the prior authority of the Procurement Sub Committee.
- 14.8 In all cases where the negotiated procedure without prior publication of a notice is used, a full written record of all contacts, discussions and communications with prospective contractors shall be kept by the HOPAC.
- 14.9 A minimum of two Council officers, at least one of whom must be from the CPU and of at least Senior Procurement Specialist grade, must be present at all times during any discussions with prospective contractors.
- 14.10 The HOPAC must ensure that records of all discussions with prospective contractors are signed as such by all participants.
- 14.11 The Treaty Principles will be observed at all times during the negotiations.

## **15 Competitive Procedure with Negotiation**

- 15.1 The HOPAC may choose to use the competitive procedure with negotiation where, in the HOPAC's view, the restricted and open procedures in these standing orders are not appropriate for a contract.
- 15.2 The competitive procedure with negotiation may only be used on one of the following grounds:
- (a) Where the needs of the Council cannot be met without adaptation of readily available solutions;
  - (b) Where the contract includes design or innovative solutions;
  - (c) Where the requirement is complex in nature, in its legal and financial make-up or because of its risks;
  - (d) Where the technical specifications cannot be established with sufficient precision; or

- (e) Where unacceptable or irregular tenders have been received following a restricted or open procedure.
- 15.3 The HOPAC shall ensure that the justification for use of the competitive procedure with negotiation is recorded in the Contract Strategy Document.
- 15.4 Where the HOPAC elects to use the competitive procedure with negotiation, the rules for such a procedure set out in the EU Procurement Rules shall be followed. However, where the EU Procurement Rules would not otherwise apply to the contract, the HOPAC shall determine the timescales that are to apply to the procedure taking into account factors such as the complexity of the subject matter of the contract.
- 15.5 In all cases where the competitive procedure with negotiation is used, a full written record of all contacts, discussions and communications with tenderers shall be kept by the HOPAC.
- 15.6 A minimum of two Council officers, at least one of whom must be from the CPU and of at least Senior Procurement Specialist grade, must be present at all times during any discussions with tenderers.
- 15.7 The HOPAC must ensure that records of all discussions with tenderers are signed as such by all participants.
- 15.8 The Treaty Principles will be observed at all times during the negotiations.

## **16. Competitive Dialogue Procedure**

- 16.1 The HOPAC may choose to use the competitive dialogue procedure where, in the HOPAC's view, the restricted and open procedures in these standing orders are not appropriate for a contract.
- 16.2 The competitive dialogue procedure may only be used on one of the grounds set out in standing order 15.2.
- 16.3 The HOPAC shall ensure that the justification for use of the competitive dialogue is recorded in the Contract Strategy Document.
- 16.4 Where the HOPAC elects to use the competitive dialogue procedure the rules for such a procedure set out in the EU Procurement Rules shall be followed. However, where the EU Procurement Rules would not otherwise apply to the contract, the HOPAC shall determine the timescales that are to apply to the procedure taking into account factors such as the complexity of the subject matter of the contract.
- 16.5 In all cases where the competitive dialogue procedure is used, a full written record of all contacts, discussions and communications with tenderers shall be kept by the HOPAC.



- 16.6 A minimum of two Council officers, at least one of whom must be from the CPU and of at least Senior Procurement Officer grade, must be present at all times during any discussions with tenderers.
- 16.7 The HOPAC must ensure that records of all discussions with tenderers are kept and these must be signed as such by all participants.
- 16.8 The Treaty Principles will be observed at all times during the competitive dialogue.

## **17 Innovation Partnerships**

- 17.1 The HOPAC may choose to use the innovation partnership procedure where, in the HOPAC's view, there is a need for innovative works, products or service which cannot be met by solutions already available on the market.
- 17.2 The aim of the innovation partnership will be the development of the required innovative works, products, or services and the subsequent purchase of the resulting works, supplies, or services.
- 17.3 The estimated value of the works, supplies or services must not be disproportionate in relation to the investment required for their development.
- 17.4 Where the HOPAC elects to use the innovation partnership procedure, the rules for such a procedure set out in the EU Procurement Rules shall be followed. However, where the EU Procurement Rules would not otherwise apply to the contract, the HOPAC shall determine the timescales that are to apply to the procedure taking into account factors such as the complexity of the subject matter of the contract.

## **18 Quick Quotes**

- 18.1 Where a contract is for works, and the estimated value is below the Threshold, the HOPAC may elect to use the quick quote procedure.
- 18.2 The procedures to be followed shall be the same as those set out in paragraph 3 of Schedule 3 to these standing orders, notwithstanding that the value of the contract will be greater than £50,000.

## **19 Extensions to Existing Contracts**

- 19.1 Where the HOPAC considers that an existing contract should be extended and the option to extend is given to the Council in terms of the contract, the HOPAC may authorise the exercise of that option on behalf of the Council provided that the value stated in the report under which approval to award the contract was granted was the estimated total value of the entire contract

including any period of extension.

- 19.2 Where the contract does not make provision for the extension of the contract, the HOPAC shall not extend that contract. However, a new contract may be entered into if the use of the negotiated procedure without prior publication of a notice can be justified in terms of these standing orders in which case the procedure set out in standing order 14 shall be followed.
- 19.3 For the purposes of standing orders 19.1 and 19.2 , an extension of a contract includes the option to increase the amount of supplies, services or works acquired under the contract as well as the option to increase the duration of the contract.
- 19.4 Where in terms of standing order 19.1 and 19.2, the contract does not make provision for the extension of the contract and the initial contract was not let in accordance with the EU Procurement Rules, the total value of the contract including the value of any extension shall not exceed the Threshold.

## **20. Indicative Total Values of Contracts**

- 20.1 Where a contract has been advertised in accordance with the EU Procurement Rules and it becomes apparent to the Director of the procuring department that the indicative total value of the contract as previously reported to the appropriate Board or the Procurement Sub Committee is likely to be exceeded, the Director shall consult with the HOPAC for advice on what action requires to be taken. The HOPAC shall determine, in particular, whether there are any implications under standing orders 19 or 34.
- 20.2 Where a contract has not been advertised under the EU Procurement Rules and the increase in the value of the contract is such that the Threshold is likely to be exceeded, no further orders shall be made under the contract until the Director has obtained advice from the HOPAC on what action requires to be taken.
- 20.3 In all cases the HOPAC will determine what procedures require to be followed in terms of standing order 34 and, where the value of the contract exceeds the Threshold and the estimated net cumulative additional cost is more than the greater of £100,000 or 25% of the approved contract value, the Director shall ensure that a report on the matter is submitted to the next meeting of the Procurement Sub Committee.
- 20.4 The HOPAC shall ensure that a condition is inserted in any such contract to the effect that the indicative total value of the contract cannot be exceeded without the approval of the Procurement Sub Committee or the Director of the procuring service department where the contract has been awarded in terms of standing order 27.3.



## **21. E-Procurement**

- 21.1 This standing order shall apply to any tendering procedure (including for the avoidance of doubt a mini-competition under a framework arrangement) or contract entered into using electronic means.
- 21.2 Unless in exceptional circumstances the HOPAC has agreed otherwise, all procurement exercises or negotiated procedures shall be conducted by electronic means ("e-procurement"), using a system approved by the Council;
- 21.3 The HOPAC must consider whether it is appropriate to impose any specific requirements regarding verification and authentication of the tender submission and the signature of the person making that submission. Any such requirements must be stated in the Contract Documents.
- 21.4 No tender submitted using electronic means will be considered unless it is received in the format requested and prior to the deadline for the receipt of tenders as stated in the Contract Documents and is submitted via the Council approved electronic tender system.
- 21.5 The HOPAC shall ensure that each tender is kept unopened in a single secure electronic mailbox that cannot be opened before the deadline for the receipt of tenders.
- 21.6 The HOPAC shall ensure that insofar as is reasonably practicable the system used does not allow the identity of the contractor submitting the tender to be revealed prior to the tender being opened after the deadline for the receipt of tenders.
- 21.7 The HOPAC shall ensure that for each procurement exercise the system used shall keep and, if required, produce a record showing the time and date of receipt of all tenders received.
- 21.8 The system used must not allow any tenders sent to the wrong address to be received.
- 21.9 Late tenders must be clearly identified as such by the system and shall be recorded as rejected on the system with the tenderer being notified to this effect.
- 21.10 Any questions as to whether a tender is late shall be determined by the HOPAC in consultation with the Head of Corporate Governance.
- 21.11 The HOPAC shall extend the deadline for submission of tenders:

- i) where additional relevant information, although requested by a potential tenderer in good time, is not supplied at least six days before the deadline; or
  - ii) where significant changes are made to the Contract Documents.
- 21.12 The HOPAC may also elect to extend the deadline for submission of tenders where it is considered appropriate to do so.
- 21.13 Where the deadline for submission of tenders is extended by the HOPAC in terms of standing orders 21.11 or 21.12 above, the HOPAC shall notify all potential tenderers of the extension and any tenderers who have already submitted tenders shall be given the opportunity to re-submit their tenders.
- 21.14 This standing order shall also apply to the receipt and custody of tenders for sub-contracts let using electronic means to be performed by nominated sub-contractors.

## **22 Opening of Tenders**

- 22.1 All tenders for a procurement exercise shall be opened immediately one after the other during one session.
- 22.2 A minimum of two officers, one of whom to be an officer of the CPU, shall be present when tenders are opened. The officers present shall complete and sign the record prepared by the HOPAC to show who opened the tenders and who witnessed the process.
- 22.3 The Convenor and Depute Convener of the Finance and Resources Policy Board shall be invited by the HOPAC to each tendering opening session where the estimated value of the contract exceeds the Threshold.
- 22.4 The HOPAC shall keep a record showing the particulars of each tender received; the date and time these tenders were opened; and who was present when these tenders were opened.

## **23 Electronic Auctions**

- 23.1 For the purpose of these standing orders, the expression “electronic auction” means:- A repetitive process involving an electronic device for the presentation of new prices, revised downwards, and/or new values concerning certain elements of tenders, which occurs after an initial full evaluation of the tenders, enabling them to be ranked using automatic evaluation methods.

- 23.2 The HOPAC may authorise the carrying out of an electronic auction where satisfied that it is in the interests of the Council to do so and that the electronic auction is in accordance with the EU Procurement Rules.
- 23.3 The HOPAC may only authorise the carrying out of an electronic auction where he/she is satisfied that the likely benefit of an electronic auction will outweigh the costs of undertaking the electronic auction.
- 23.4 An electronic auction may only be carried out where the possibility of the use of an electronic auction has been stated in the approved Contract Strategy Document and subsequent Contract Documents issued to contractors and, where the EU Procurement Rules apply, in the contract notice published in OJEU.
- 23.5 For the avoidance of doubt, an electronic auction may be used where previous stages of a tendering procedure have not been undertaken using electronic means.
- 23.6 Before the HOPAC may proceed with an electronic auction, a full initial evaluation of the tenders shall have been made in accordance with the award criteria. All tenderers who have submitted admissible tenders shall be invited simultaneously by electronic means to submit new prices and/or new values.
- 23.7 Throughout each phase of an electronic auction the HOPAC shall instantaneously communicate to all tenderers involved at least sufficient information to enable them to ascertain their relative rankings at any moment. The HOPAC may also, at any time, announce the number of participants in that electronic auction. In no case, however, may the HOPAC disclose the identities of the tenderers during any phase of an electronic auction.
- 23.8 Prior to the commencement of any electronic auction, the HOPAC shall intimate to all tenderers involved the date and time fixed for the carrying out of the electronic auction and the proposed duration of the electronic auction together with any proposals for the extension of the duration of the electronic auction.
- 23.9 Any electronic auction will be subject to such additional procedural requirements as the HOPAC considers necessary.

## **24. Submission of In-house Tenders**

Where the Council has invited one of its own in-house services to tender, the other contractors who have been invited to tender shall be advised of this fact as soon as reasonably practicable after it becomes known. In such circumstances, all necessary steps shall be taken to ensure that the principles of fairness, equal treatment, non discrimination and transparency are adhered to.

## **25. Technical and Financial Checks**

- 25.1 No tenderer may be awarded a contract for the supply of goods, materials or services or the execution of works unless following a review of the proposed contractor, the HOPAC is satisfied:-
- (a) in conjunction with the Director of the procuring department as to the technical capability of the proposed contractor; and
  - (b) in conjunction with the Director of Finance and Resources as to the financial standing of the proposed contractor.
- 25.2 The financial standing of proposed contractors shall be assessed using the most up to date Financial Appraisal Guidelines approved by the Director of Finance and Resources.
- 25.3 It shall not be necessary to review the financial standing of proposed contractors where:-
- (a) the HOPAC has ascertained that the estimated aggregate value of the contract and all other current contracts between the Council and the proposed contractor is £100,000 or below; or
  - (b) it has been reviewed in the preceding 12 months from the date of invitation to tender.
- 25.4 Assessment of a tenderer's technical capacity shall include a determination by the HOPAC as to whether:
- (a) the tenderer meets the selection criteria; and
  - (b) any exclusion grounds under the Procurement Reform Rules, or where appropriate the EU Procurement Rules, apply to the tenderer.
- 25.5 The assessment under standing order 25.4 shall be based initially on the ESPD submitted by the tenderer but, at any moment during the procedure, the HOPAC may require the tenderer to submit all or any of the supporting documents where the HOPAC considers this is necessary to ensure the proper conduct of the procedure.
- 25.6 Where a procedure requires a shortlist of participants to be prepared, before a participant may be included on the shortlist the HOPAC shall:-
- (a) verify that the participant whom he/she intends to shortlist meets all relevant criteria; and
  - (b) require the participant to submit such means of proof and supporting documents that the HOPAC considers to be necessary.

- 25.7 Before preparing any report to seek approval to award a contract, except a contract which is a direct award under a framework, the HOPAC shall:-
- (a) verify that the participant who is the proposed contractor meets all relevant criteria; and
  - (b) require the participant who is the proposed contractor to submit such means of proof and supporting documents that the HOPAC considers to be necessary.
- 25.8 Where the HOPAC is unable to verify that a participant meets all relevant criteria, or where a participant fails to submit such means of proof and supporting documents as required by the HOPAC in terms of this standing order 25, the participant shall be excluded from the procedure.
- 25.9 The HOPAC shall keep a record showing the results of each check of the technical capacity and financial standing of proposed contractors.

## **26. Checking of Tenders & Post Tender Negotiations**

- 26.1 The HOPAC shall arrange for all tenders to be checked by suitably experienced and/or qualified staff, taking account of the subject matter of the tender and shall, if required by standing order 27.4, prepare and submit a written report in respect of all the tenders received in a form that complies with Schedule 6 to the Procurement Sub Committee and containing a specific recommendation as to the acceptance of the successful tender or tenders and the reasons therefor.
- 26.2 Where the HOPAC considers that a tender may be abnormally low, the procedures in the EU Procurement Rules and, where applicable, the procedures prescribed by the HOPAC shall be followed.
- 26.3 Once the evaluation of tenders has been completed, with the prior written agreement of the Director of the procuring department, the HOPAC may instruct members of CPU staff to enter into post tender negotiations. Post tender negotiations shall only be used in circumstances where the HOPAC has identified a tenderer who has submitted the best price or the most economically advantageous tender to the Council for a contract or part of a contract and is satisfied that there is scope for improvement in the offer received and that such negotiations will be in the best interests of securing value for money or improved terms and conditions for the Council. Post tender negotiations may only be used with that tenderer so identified. The post tender negotiations shall not be used to put other tenderers at a disadvantage or to distort competition.
- 26.4 Where it is considered possible that post tender negotiations might apply, a clear indication will be given to prospective contractors in the instructions to tenderers that post tender negotiations might be considered.

- 26.5 Between the last date and time for the receipt of tenders and the date on which a decision is taken as to which, if any, tender is to be accepted, the HOPAC may instruct members of the CPU staff to contact a tenderer in respect of any contract in cases where such contact may be necessary to validate or clarify the terms of the tender or to effect any necessary adjustments but for no other purpose.
- 26.6 Notwithstanding the other terms of this standing order 26, where examination of the tenders reveals obvious errors or discrepancies which would affect the tender figures, these errors will be dealt with in the following manner:-
- (a) Any obvious arithmetical errors will be rectified by the appropriate officer checking the tenders and the amount of tender shall be held to be the amount of the documents so rectified and the tenderer informed in writing of the corrected amount.
  - (b) Where there is an obvious and genuine error in rates occurring, the tenderer will be given the opportunity of either confirming that they agree to their tender being considered with the error remaining or withdrawing their tender. This procedure must be undertaken in writing. Should the tenderer decide to withdraw their tender, it will not be considered for acceptance. The tenderer must not be given the opportunity to submit an amended tender.
- 26.7 A full written record shall be kept by the HOPAC of all contracts where post tender negotiations have been used and the written record will be retained with the original tender. The written record will include the justification for authorising post tender negotiations, the nature of the negotiations undertaken, the outcome of such negotiations and shall detail any additional terms agreed by the Council.

## **27. Acceptance and Giving Reasons for Decisions**

- 27.1 Where the Council wishes to award a contract following a procurement exercise involving more than one tenderer, the Council shall award the contract to the tenderer that has submitted the most economically advantageous tender based on an evaluation by the HOPAC of the criteria set out in the Contract Documents.
- 27.2 The HOPAC shall in relation to any contract awarded following the evaluation of criteria set out in the Contract Documents, keep a written record showing the assessment of each valid tender against those criteria. The written record shall demonstrate why the successful tender was evaluated as being the most economically advantageous.
- 27.3 In the case of contracts where the value is £50,000 or more but does not exceed the Threshold, the CPU staff who conducted the tendering procedure shall submit a report incorporating the details set out in Schedule



6, to the HOPAC and the Director of the procuring department for approval. If the HOPAC and the Director of the procuring department approve the report and accept its recommendations, the HOPAC shall accept the successful tenders on behalf of the Council.

- 27.4 In respect of contracts where the estimated value exceeds the EU Threshold, the successful tenders shall be accepted on behalf of the Council by the Head of Corporate Governance on the prior authority of the Procurement Sub Committee.
- 27.5 The HOPAC may terminate any procedure at any time up to the award of the contract where instructed to do so by the Director of the procuring department or in any other circumstances where the HOPAC believes that justification exists for that course of action. Where a procedure is terminated, all tenderers shall be informed by the HOPAC of the decision in writing as soon as reasonably practicable.
- 27.6 In accordance with the Procurement Reform Rules, where a participant is excluded from a procedure at any stage before submitting a tender, the HOPAC shall notify the participant in writing and provide reasons as soon as reasonably practicable.
- 27.7 All tenderers shall be informed in writing of the success or otherwise of their tender as soon as is reasonably practicable after the approval of the successful tender and shall be provided with reasons in accordance with the applicable EU Procurement Rules or Procurement Reform Rules. Except in the case of letters issued to successful tenderers by the Head of Corporate Governance in terms of standing order 27.4, the HOPAC shall be responsible for writing to tenderers.
- 27.8 Except in the case of letters issued to successful tenderers by the Head of Corporate Governance in terms of standing order 27.4, where e-procurement has been used, the communication with tenderers in terms of standing order 27.7 above will be undertaken using the Council's e-procurement system.
- 27.9 Where authority has been granted by the Procurement Sub Committee under standing order 27.4 for the acceptance of the successful tenders, the decision will be subject to the Council's call-in procedures as follows:-
- (a) the Procurement Sub Committee's decision shall be delivered in writing to the members of the Council's leadership board within two working days following the meeting of the Procurement Sub Committee, and, subject to standing order 27.8 (b) below, the decision shall not be implemented, and, accordingly no communications under standing order 27.6 shall be issued, until the expiry of a further five working days.
- (b) Until the expiry of the call-in period referred to in standing order 27.8 (a) above, members of the leadership board shall be entitled to submit a notice to require that the decision of the Procurement Sub Committee be not

implemented. Such a notice shall be in writing and shall specify the reason why the decision should not be implemented, either in terms of the correctness of the decision or because of the importance or impact of the decision on the Council. If the notice is signed by a majority of the members of the leadership board, and delivered to the Head of Corporate Governance prior to the expiry of the period of five working days referred to in standing order 27.8 (a) above, the decision which has been subject to the notice, together with the relevant reports, shall be submitted to the next meeting of the leadership board for consideration. The leadership board, shall be entitled to either (a) confirm the decision, in which case it will be implemented, or (b) refer the matter to the next meeting of the Council for determination, or (c) remit the matter to the Procurement Sub Committee for further consideration.

- 27.10 Where the EU Procurement Rules apply and authority has been granted by the Procurement Sub Committee under standing order 27.4 for the acceptance of the successful tenders, no tender shall be accepted until the date when the mandatory standstill period in terms of those Rules has expired and the HOPAC and the Head of Corporate Governance are satisfied that no valid challenge has been received to the contract award decision.

The mandatory standstill period is a period of at least 10 calendar days between the date of dispatch of the letters issued in accordance with the EU Procurement Rules under standing order 27.6 and the date when it is proposed to enter into the contract.

- 27.11 Where, during the mandatory standstill period referred to in standing order 27.9 a valid challenge is made to the contract award decision, the HOPAC, in consultation with the Head of Corporate Governance, shall prepare a report for the next meeting of the Procurement Sub Committee setting out the nature of the challenge made and an explanation as to why the challenge is valid. The report shall also make a recommendation regarding the award of the contract or if the contract cannot be awarded, what further procedure, if any, is required.
- 27.12 All tender reports to the Procurement Sub Committee shall contain a confirmation from the HOPAC that these contract standing orders have been properly observed and shall comply with the tender report format in Schedule 6.
- 27.13 This standing order shall also apply to any contracts initiated by a call-off from a framework agreement. However, where, and to the extent that, the HOPAC considers it appropriate, prior approval for such contracts may be requested at the same time that the establishment of, or participation in, the framework agreement is being recommended to the Procurement Sub Committee.



## **28. Nomination of Sub-Contractor**

Where a contract provides for the nomination of a sub-contractor, the appointment of a nominated sub-contractor shall comply with these standing orders.

## **29. Framework Agreements**

29.1 Where the HOPAC wishes to establish a Framework Agreement (“Framework”) to provide for agreement on the terms for future contracts for the purchase by the Council of goods, services and works, the following requirements shall be complied with:-

- (a) Where the EU Procurement Rules apply, the HOPAC shall establish the Framework in accordance with those Rules.
- (b) In all other circumstances:-
  - i. The suppliers to be invited to tender will be selected from those who have responded to a notice.
  - ii. The notice shall be published in accordance with standing order 10.
  - iii. The notice shall mention:-
    - A) that the Council wishes to establish a Framework;
    - B) a description of the goods, service or works which are to be purchased under the Framework;
    - C) a period being not less than 10 days from the date of publication of the Notice, within which prospective participants may apply to be sent the tender documents; and
    - D) a closing date for expressions of interest to be submitted to the Council.
  - iv at least five suppliers shall be invited to tender. If fewer than five tenderers apply to participate in the Framework, all of those tenderers meeting the selection criteria shall be invited to participate.
- (c) Where a Framework is to be established, the Contract Documents must contain the procedures to be used for the award of contracts under the Framework.
- (d) The establishment of the Framework shall comply with standing order 27.

- 29.2 Where a Framework has been established in accordance with standing order 29.2 the HOPAC may award a contract under the Framework without being required to seek further competition amongst the contractors on the Framework. However, the contract must be awarded in accordance with the terms and procedures for award of contracts laid down in the Framework and in compliance with standing order 27.
- 29.3 Where a Framework has been established but it does not lay down all of the terms of a proposed contract including, for example, where a new item can legitimately be added to the Framework, the HOPAC shall hold a mini competition procedure under the Framework in accordance with standing order 29.4 below.
- 29.4 Any mini-competition procedure in terms of standing order 29.3 shall be conducted in accordance with the procedures laid down in the Framework and the following:-
- a) every contractor on the Framework capable of performing the contract shall be issued with an invitation to take part in the mini competition. All invitations shall be issued at the same time;
  - b) the invitations shall specify the closing date and time for submission of tenders under the mini competition procedure. The time limit fixed for the return of tenders shall take into account factors such as the complexity of the subject matter of the contract and the time needed to prepare a tender, but, in any event, shall be not less than 4 working days from the date the invitations are issued;
  - c) each tender shall be kept confidential until the expiry of the time limit for the receipt of tenders;
  - d) any award of contract shall be made to the contractor or contractors who submitted the best tender or tenders on the basis of the award criteria specified in the Contract Documents based on the Framework documents; and
  - e) any award of contract following a mini competition procedure shall comply with standing order 27.
- 29.5 The HOPAC may elect to enter into contracts (whether through a call-off or by the acceptance of a tender following a mini-competition) under an existing Framework that has been properly constituted by the Scottish Government; the Crown Commercial Service, or any other agency of the UK government; Scotland Excel; other Scottish Centres of Procurement Expertise; other local authorities; and other collaborative bodies where the Council is eligible to use these Frameworks and is permitted by the relevant body to do so.. Any such contracts must be entered into in accordance with the conditions applicable to the relevant Framework and in compliance with standing order 27.

- 29.6 Where a Regulated Contract is awarded following a call-off or mini-competition under a Framework, the HOPAC shall publish an award notice on the Public Contracts website.
- 29.7 Where, in order to participate in an existing Framework of the type described in standing order 29.5 above, the Council is required to enter into a participation agreement or other similar agreement regulating the use of the Framework by the Council, the HOPAC shall have the authority to enter into the agreement on behalf of the Council, subject to the prior agreement of the Head of Corporate Governance.
- 29.8 Standing order 29.6 shall not apply where any fees or charges are payable by the Council to enable participation in an existing Framework of the type described in standing order 29.5 above. In such circumstances, prior approval of the Procurement Sub Committee is required before any participation agreement, or other similar agreement, may be entered into.
- 29.9 In all cases where a participation agreement, or other similar agreement, has been entered into, this shall be reported by the HOPAC to the Bulletin as soon as practicable.

### **30 Dynamic Purchasing Systems**

- 30.1 The HOPAC may elect to establish and use a Dynamic Purchasing System ("DPS") if satisfied that:
- (a) it is in the interests of the Council to do so;
  - (b) the DPS will only be used for commonly used purchases the characteristics of which, as generally available on the open market, meet the Council's requirements; and
  - (c) the costs of the DPS will not outweigh the likely benefits of using the DPS.
- 30.2 Any DPS established under this standing order shall be operated as a completely electronic process and, throughout its period of validity, shall be open for the admission of any suppliers who meet the selection criteria set by the HOPAC.
- 30.3 Where the HOPAC elects to establish and use a DPS, the rules for such a procedure set out in the EU Procurement Rules shall be followed.

### **31 Concessions**

- 31.1 Where the Council intends to grant a services concession contract or a works concession contract ("concession"), the HOPAC shall be responsible

for determining a best estimate of the financial value of the concession which shall be in accordance with the EU Procurement Rules, if applicable.

- 31.2 Based on the best estimate of the financial value of the concession, the HOPAC shall determine the procedures that require to be followed in terms of these standing orders and, where applicable, the EU Procurement Rules.

## **32. Design Contests**

- 32.1 Where the HOPAC considers it appropriate to do so a design contest may be held, which shall be a competitive procedure whereby plans and designs are invited under predetermined rules in terms of which the successful entry selected is awarded a contract.

- 32.2 Where a design contest is to be held, a notice shall be placed on the Public Contracts Scotland portal by the HOPAC in terms of standing order 10.1 (b) and in addition, may be placed in one or more national newspapers circulating in the Renfrewshire area and also in such Trade Journals as the HOPAC may consider necessary. The notice shall state:-

- (a) that a design contest is being held;
- (b) a description of the project;
- (c) the place where a prospective competitor may obtain a copy of the rules; and
- (d) the date not less than 14 days from the date of the publication of the notice by which the prospective competitor must intimate, in writing, their interest in being involved in the contest.

- 32.3 After the expiry of the period specified in the notice, invitations to tender shall be sent to at least three persons selected by the Director. If fewer than three persons have applied and are considered suitable by the HOPAC, then invitations to tender shall be sent to all suitable persons.

Where only one suitable applicant has applied the Director shall decide either to abandon the contest or to negotiate with the sole suitable applicant for the award of the contract using the Negotiated Procedure without Prior Publication of a Notice in standing order 14.

- 32.4 The prior approval of the Procurement Sub Committee is required before a design contest in terms of this standing order is commenced.

- 32.5 For the purposes of these standing orders a design contest means a competition in which the Council:-

- (a) invites the entry of plans and designs;

- (b) establishes rules for the competition under which the plans or designs will be judged by a jury;
- (c) may award prizes; and
- (d) is enabled to acquire the use or ownership of plans or designs selected by the jury.

### **33. Specification of Standards**

Where there is a recognised British, European or International Standard applicable to any contract which is current at the date of tender, the Contract Documents shall require that the goods, materials or services to be used or supplied and all workmanship shall at least meet the requirement of that standard.

### **34. Assignment, Sub-Contracting, Termination and Modification**

- 34.1 In every contract, there shall be a provision whereby the contractor shall be prohibited from transferring or assigning to any person or persons whatever, any portion of the contract without the prior written consent of the Council. The HOPAC, in consultation with the Head of Corporate Governance and the Director of the procuring department shall have the power to consent on behalf of the Council to the assignment of a contract.
- 34.2 The sub-contracting of any part of a contract except to the extent permitted in writing by the HOPAC, in consultation with the Head of Corporate Governance shall be prohibited.
- 34.3 The HOPAC may exercise any power on behalf of the Council to terminate any contract or part of a contract or to terminate the Council's participation in a Framework Agreement or to agree to vary or amend the terms of any contract but only following consultation with the Director of the procuring department and the Head of Corporate Governance and subject to them all being satisfied that it is reasonable and in the interests of the Council to exercise that power.
- 34.4 Where it is proposed to modify a contract or framework, the HOPAC, taking advice from the Head of Corporate Governance where appropriate, shall determine whether the proposed modification would require a new procurement procedure. For the avoidance of doubt, modification includes any changes to the scope; terms and conditions; value; or parties to the contract or framework.
- 34.5 Where the HOPAC determines that a modification would not require a new procurement procedure, the procedures under standing order 20 shall be followed.

### **35. Liquidated and Ascertained Damages**

Where the Director of the procuring department and the HOPAC deem it to be appropriate following consideration of the risks involved, the HOPAC shall ensure that the contract provides for liquidated and ascertained damages. The amount to be specified in each such contract shall be determined by the HOPAC and the Director concerned.

### **36. Prevention of Collusion and Corrupt or Illegal Practices**

In every written contract a clause shall be inserted to secure that the Council shall be entitled to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor or the contractor's representative (whether with or without the knowledge of the contractor), shall have practised collusion in tendering for the contract or any other contract with the Council or shall have employed any corrupt or illegal practices either in the obtaining or performance of the contract or any other contract with the Council.

### **37. Health and Safety**

No contract to which these standing orders apply will be accepted unless the contractor satisfies the Council that the contractor is operating health and safety policies which conform to current government legislation.

### **38. Schedule of Rates Contracts**

In every works contract which is a schedule of rates contract, following discussion with the CPU and prior to invitations to tender being issued, the Director of the procuring department shall fix an indicative total value for the contract. The relevant indicative total value shall be set out in any report to the Procurement Sub Committee.

### **39. Sustainable Procurement**

39.1 The Council is committed to sustainable procurement and the HOPAC shall be responsible for ensuring that the Council fulfils its Sustainable Procurement Duty.

39.2 The HOPAC shall , ensure that the Sustainable Procurement Duty is considered in the development of every Contract Strategy Document for a Regulated Procurement, taking into account how the Regulated Procurement can

- a) improve the economic, social and environmental wellbeing of the Renfrewshire area;

- b) facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the Regulated Procurement; and
  - c) promote innovation.
- 39.3 Where improvements in terms of standing order 39.2 a) have been identified in a Contract Strategy Document, the HOPAC shall ensure that the Regulated Procurement is carried out with a view to securing such improvements.

#### **40. Consultants**

- 40.1 It shall be a condition of the engagement of the services of any consultant that:-
  - a) they shall comply with these contract standing orders as though they were officers of the Council.
  - b) that at any time during the performance of the contract the consultant shall, on a request by the Director of the procuring department, produce all records maintained by them in relation to the contract and on completion of the contract transmit all such records to the appropriate Director, if so required.
- 40.2 All contracts for consultancy services must set out clear output targets for performance by the consultant under the contract.
- 40.3 In relation to all contracts for consultancy services, the original Contract Documents shall, after checking, be lodged with the HOPAC.

#### **41. Records and Registers**

- 41.1 The HOPAC shall maintain a contracts register in accordance with the Procurement Reform Rules
- 41.2 Where these standing orders require that records or registers are kept, the approval of the Head of Corporate Governance shall be obtained prior to making arrangements for the disposal of any such records or registers.
- 41.3 The contracts register kept in accordance with standing order 41.1 is to be regarded as a permanent record of the Council and is not to be destroyed or disposed of.

#### **42. Procurement Strategy and Annual Report**

- 42.1 In accordance with the Procurement Reform Rules, the HOPAC shall prepare and publish a procurement strategy setting out how the Council

intends to carry out Regulated Procurements in the next financial year.

42.2 Where the Council's procurement strategy for the current financial year requires to be reviewed, the HOPAC shall make such revisions as are considered appropriate and publish the revised strategy.

42 .3 The HOPAC shall prepare and publish an annual procurement report on the Council's Regulated Procurement activities in relation any financial year as soon as reasonably practicable after the end of that financial year.



# Schedule 1

## Renfrewshire Council Contract(s) Strategy Document

### SECTION ONE – CONTRACT SUMMARY

1.1 CONTRACT DETAILS <i>(to be completed in line with the Contract Strategy Guidance Document)</i>		
Contract Title		
Contract No		
Created By		
Date Created		
Department		
Length of Proposed Contract Period (+ Optional Extension)		
VERSION CONTROL		
Version Number	Controller	Date
1.2 EXECUTIVE SUMMARY		
<p>Consideration should be given to the following when completing the executive summary:            Brief synopsis of what is detailed in the report (no new information should be detailed here)            Key Findings,            Benchmarking and opportunities, options considered,            Recommendations and key actions,            Benefits, Justification and projected savings,            Key risks and resource implications.</p>		
1.3 CONTRACT OBJECTIVE & FORWARD PLAN		
<p>This section should include a summary of the objectives of the contract based on the analysis undertaken prior to the completion of the commodity strategy. A question to consider here is 'What will this contract achieve'</p> <p>This section should also include a summary of the department/customer's strategy and their forward plan to ensure that the commodity strategy and the procurement approach is in line with their future plans. It is important that these are considered as part of the process.</p>		

1.4 FINANCIALS <i>(Information MUST be completed prior to contract strategy sign off)</i>			
Budget Amount:		Estimated Annual Contract Value:	
Cost Centre		Account Code	
Other Funders/Additional Comments:			
1.5 RESOURCES (CROSS FUNCTIONAL TEAM)			
1.5.1 KEY STAKEHOLDER GROUP			
This section should include all key stakeholders details who are involved in the project. Project Owner / Sponsor – Director or Head of Service who are supporting the project. Project Lead – department lead working on the project			
Project Role	Name	Department	Organisation
Project Owner / Sponsor			
Project Lead			
Procurement Lead			
Health & Safety Representative			
Insurance Representative			
Legal Representative			
1.5.2 EVALUATION PANEL			
This section should include all key stakeholders who will be involved in the tender evaluation. Details of the task (roles and responsibilities) must be provided. <i>Officers are reminded that all members of the evaluation panel will be required to sign Annex B Confidentiality Undertaking and Conflict of Interest Declaration, contained within the tender opening procedure.</i>			
Name	Job Title	Department	Task

1.7 PROJECT PLAN			
This section should include all key milestones as discussed and agreed with the key stakeholders.			
Key Milestone	Planned Start Date		Anticipated Completion Date
Project Start / Risk Register ( <i>Appendix B</i> )			
Market Analysis/Scope			
Contract Strategy Completion Date			
Specification Deadline			
Stakeholder Consultation ( <i>e.g Insurance, H&amp;S Levels and Legal</i> )			
Advertisement & Tender Issue Date			
Tender Return Date			
Evaluation & Clarification Completion Date			
CAR/PSC Papers due for Approval by Stakeholders			
PSC Date (if applicable)			
Contract Award Letter and Notice Published			
Implementation Plan	Please reference <i>Appendix A</i>		
Contract Start Date			
Supplier on Site Date ( if applicable)			
Contract Completion Date			

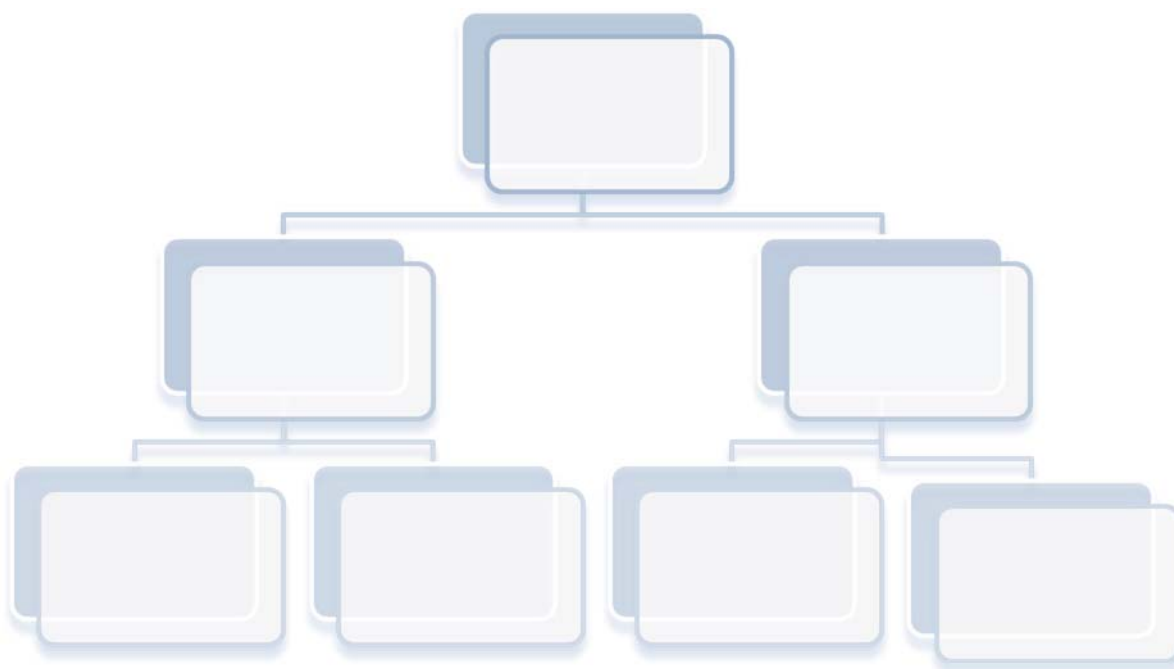
## SECTION TWO – CURRENT CONTRACT INFORMATION

2.1 CURRENT SITUATION/CONTRACT STATUS & SPEND ANALYSIS	
<p><i>This section should include details of the present position (if the project is recurring) and highlight appropriate background information e.g. details of the current contract; start and end dates, incumbent supplier and contract spend. A detailed understanding of the current commodity spend should also be included using spend analysis on the Spikes Cavell Hub. A summary/description of the current contract scope should be provided with any TUPE implications (if applicable) and what the agreed exit strategy is.</i></p>	
New or Recurring Requirement	Choose an item.

If Recurring answer the following regarding the current contract;			
Contract Start Date		Contract End Date	
Duration		Total Value/Spend	
Incumbent Supplier			
Expenditure by Commodity And Any Sub-Commodity (Spikes Cavell Hub can assist)			
Expenditure By Department			
Summary/Description (scope, type of contract, contract owner, supplier etc)			
Political factors affecting the process			
TUPE implications			
Current Exit Strategy			

### SECTION THREE – COMMODITY & SUPPLY MARKET ANALYSIS

3.1 COMMODITY ANALYSIS	
<p>This section should include a summary of the market analysis undertaken as part of the strategy development process. It should detail the current position within the supply market with regards to the goods and/or services required. Market summary template attached for reference. <a href="#">Market Summary Template</a></p>	
Category	
Commodity Summary	
Commodity Tree	
<p>The purpose of this section is to determine the requirement, agree what is in/what is out of scope with key stakeholders. You should start by breaking down the requirement into its sub-commodities and identify the specific products/services within each sub-commodity. Commodity tree template attached for reference. <a href="#">Commodity Tree Template</a></p>	



### 3.2 SUPPLY MARKET STATUS *(inclusive of references)*

A supply market analysis should be undertaken to develop a detailed understanding of key trends, major players, and overall market dynamics that could influence the development of the commodity strategy e.g. route to market, lotting strategy.

Market Summary – *trends, developments and growth*

Market Intelligence summary *(if market intelligence source used)*

Trade Associations

Key suppliers

Profile of suppliers in the market

Financial appraisal of Key Suppliers

Benchmarking Current Cost Against Market				
Has Market Consultation been carried out, if yes please provide details ( <i>Regulation 41</i> )				
3.3 SUPPLY MARKET ANALYSIS				
PORTER'S 5 FORCES				
Porter's 5 forces constitutes a framework which demonstrates buyers/suppliers' relative power in the market place.				
Power of Buyer	Power of Supplier	Threat of New Entrants	Threat of Substitutes	Competition in Industry
Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
SWOT ANALYSIS				
The SWOT Analysis examines environmental factors internal to the organisation (usually classified as Strengths or Weaknesses), and those external to the organisation (classified as Opportunities or Threats).				
Strengths				
Weaknesses				
Opportunities				
Threats				
PESTLEE ANALYSIS				
The PESTLEE analysis is a framework that assesses the external environment which may have an impact on your requirement.				
Political				
Economic				
Social-Demographic				
technological				
Legal				
Environmental				
Ethical				
TOTAL COST OF OWNERSHIP				

Total Cost of Ownership (TCO) is the initial acquisition cost plus ownership/operation and disposal costs. Understanding this will help in identifying areas for improvement internally within the organisation and externally with potential suppliers. A guidance template is attached to help you consider the wider costs associated with the procurement. **Total Cost of Ownership Template**

Acquisition	
Ownership	
Operation	
Disposal	

### 3.4 SUPPLY MARKET RISKS

Summary of Supply Market Risks: <i>(should be transposed into section 8.3)</i>	
--	--

### 3.5 COLLABORATION

This section should detail the collaboration opportunities that could be available for the required commodities and whether they are appropriate to be utilised by the Council. Where a collaborative contract is available then the commodity strategy relating to this contract should be obtained for review.

Collaboration Opportunity	Choose an item.
Lead Authority	
Other Organisations involved	
Details / Justification	

### 3.6 PREVIOUS TENDER EXPERIENCE

This section should detail all lessons learned from the previous tender experience.

Lessons learned by Renfrewshire Council or other local authorities	
--	--

### 3.7 OUTSOURCING OPPORTUNITIES

This section should identify if there is an outsourcing opportunity for the contract and whether this has been considered when the Business Case was developed.

Outsourcing Opportunity	Choose an item.
Details / Justification	

## SECTION FOUR – SUSTAINABILITY & COMMUNITY BENEFITS

### 4.1 SUSTAINABILITY ([Sustainability Test](#))

The Sustainable Procurement Duty outlined in the Procurement Reform (Scotland) Act 2014 requires that an Organisation must think about how they can improve the Social, Environmental and Economic wellbeing of the area in which they operate, with a particular focus on reducing inequality.

Sustainable procurement is concerned with identifying the potential environmental, social and economic aspects that could be incorporated within a procurement process through the development of a relevant specification or through contract Ts and Cs. It can even be achieved through voluntary contract management.

This section should include the potential sustainability areas that are relevant to the goods, services and/or works required and how they might be specified within the procurement process.

#### SUSTAINABILITY SUMMARY

Social Factors	
Environmental Factors	
Economic Factors	

Is there any legislation that could affect this procurement? (E.g. Environmental, Living Wage etc)

Choose an item.

Details / Justification	
-------------------------	--

Do [Government Buying Standards](#) specifications apply to this procurement?

Choose an item.

Details / Justification	
-------------------------	--

Is this procurement suitable as a reserved contract?

Choose an item.

Details / Justification	
-------------------------	--

Are there any diversity issues that need to be considered? E.g. accessibility needs. Religious needs, differing diets etc.

Choose an item.

Details / Justification	
-------------------------	--



## SECTION FIVE – PROCUREMENT PROCESS

### 5.1 OPTION APPRAISAL

This section should describe the strategic options which have been considered and the preferred option to be implemented.

Type of Requirement		
Option	Choose an item.	
Route to Market		Details/Benefits/Risks/Comparisons to other options
Option	Choose an item.	
Procurement Route		Benefits/Risks/Comparisons to other options
Option	Choose an item.	
Lots		Benefits/Risks/Comparisons to other options
Option	Choose an item.	
Suppliers per Lots		Benefits/Risks/Comparisons to other options
Option	Choose an item.	
eAuction		If an eAuction cannot be utilised, please provide reasons
Can an eAuction be utilised?	Choose an item.	

### 5.2 AWARD CRITERIA

This section should detail the award criteria that will be used. The attached guidance document will assist.

Award Criteria (Quality/ Price Ratio)		
Area	Criteria	% Weighting
Scoring Methodology – Quality (1) (Contract Specific)		%
Scoring Methodology – Quality (2) (Contract Specific)		%
Scoring Methodology – Quality (3) (Contract Specific)		%
Scoring Methodology – Quality - Community Benefits	Community Benefit Outcomes offered should the Tenderer be successful in	5%

	being awarded this contract	
Scoring Methodology – Quality - Community Benefits	Tenderers must describe their end to end approach to the delivery of training and skills and how you will adapt this to the needs of Renfrewshire. This should include your approach to identifying and working with recruitment and employability partners, maximising opportunities for new entrants and your approach to involve your supply chain and any sub-contractors as part of this contract.	2%
Scoring Methodology – Quality - Community Benefits	Tenderers must describe your company's approach to supporting and being involved in Community and Corporate Social Responsibility Projects in Renfrewshire and the community projects that you commit to supporting and being involved in as part of this Contract.	1%
Scoring Methodology – Quality - Community Benefits	Tenderers must describe any actions they propose to take to identify and assist SME's, Social Enterprises, Supported Business and Third Sector Organisations during the Contract. This should include any capacity building or business mentoring opportunities.	1.5%
Scoring Methodology – Quality - Community Benefits	Tenderers must provide details of who will be responsible for the achievement and monitoring of the community benefit requirements. How would you apply previous experience to the delivery of community benefits and targeted employment and training?	0.5%
Scoring Methodology – Quality - Fair Working Practices	Tenderer to describe how you will commit to fair work practices for workers (including any agency or sub-contractor workers) engaged in the delivery of this contract.	5%
Scoring Methodology – Price	Tenderers required to provide pricing against issued commercial envelope.	%
<b>5.3 PURCHASE TO PAY</b>		
This section should contain details of the purchase to pay strategy for this procurement process. Consult with P2P team as appropriate.		
PECOS Information	Choose an item.	
Catalogue use	Choose an item.	
Statement Billing	Choose an item.	

E-Invoicing	Choose an item.
Procurement Card Considerations	Choose an item.
Procurement Card Considerations Details / Justification	
Preferred Method of Payment	
Schedule of Payments	

## SECTION SIX - PROPOSED CONTRACT BENEFITS

6.1 PLANNED SAVINGS TARGET			
This section should detail the planned savings target.			
Value	Percentage	Description	Financial Year
Additional Comments:			
6.2 PLANNED CONTRACT BENEFITS – NON – FINANCIAL			
This section should detail the planned non-financial contract benefits such as added value elements			
Description		Comment	

## SECTION SEVEN – CONTRACT AND SUPPLIER MANAGEMENT

8.1 CONTRACT MONITORING ASSESSMENT	
The level of contract and supplier management required depends on the risk, value and complexity of the contract. This will help identify what the level of management to be applied.	
Management Level & Description	Comment
Choose an item.	
8.2 CONTRACT MANAGEMENT CONSIDERATIONS	
Contract management considerations such as; KPIs, resources, communication and exit strategy should be detailed here.	
What set of KPIs are to be used? Details should be provided.	
What are the resource arrangements for contract management?	

What will be the internal and external communication activities/plan?	
What is the exit strategy for the contract? <i>Contract Exit Strategy contained within appendix C must be completed</i>	

## SECTION EIGHT - STRATEGY APPROVAL

This section of the strategy required sign off from the appropriate Manager. The relevant levels are detailed below. Please delete as appropriate.

### CONTRACT VALUE LESS THAN £500,000

Endorsed by <b>Strategic and Commercial Category Manager</b>	
Printed	
Date	
Signed by <b>Departmental Authorised Signatory</b>	
Printed	
Date	
Signed by <b>Strategic and Commercial Category Manager</b>	
Printed	
Date	

### CONTRACT VALUE OVER £500,000

Endorsed by <b>Strategic and Commercial Category Manager</b>	
Printed	
Date	
Signed by <b>Head of Service/Director of Service</b>	
Printed	
Date	
Signed by <b>Head of Policy and Commissioning</b>	
Printed	

Date	
------	--



### **Contract Implementation Plan (Contract)**

**Commencement Date :**

**Cross Functional Project Team :**

[illegible]

## Appendix B - Risk Register

### Contract -

Award letter dated : :

Commencement Date :

**Duration :**



# Risk Register

### Key

<u>Probability/Impact</u>	<u>STATUS</u>
Very Low	P - Probability
Low	I - Impact
Potential	Open
Likely	Closed
High	E - Effect

[illegible]



## Appendix C - Exit Strategy

CONTRACT DETAILS	
Contract Title	
Created By	
Tender Document No/ PID Reference	Project number / ITT number(s)
Date Created	
BREIF DESCRIPTION OF THE NEED FOR EXIT PLAN	
<p>NOTE -: Exit plan will be required where some /all of the following elements occur -:</p> <p>TUPE, Service Continuity, Phased Implementation, Transfer of an Outsourced Service, Continuation of Grant Funded Projects, Transfer and Security of Data, Property Transfer, Costs, Contract Termination, Knowledge and Document Transfer.</p> <p>Please detail you exit strategy/plan below -:</p>	
Key activities and milestones	
Key Milestone	Completion Date
Contract start date	
Optional Extensions	
Contract duration review(s)	
Contract exit strategy implementation meeting with supplier	
Contract review meeting with internal stakeholders	
Contract review meeting with supplier	

Other key dates, for example data hand over, staff transfer, IPR		
Contract handover to Council / new supplier commencement		
Contract end date		
ITEMS TO BE HANDED OVER		
<p>This section must detail all items that must be handed over between all key parties.          Current holders may be the supplier or the Council.          Recipients may be the supplier, the Council, a new supplier or third party beneficiary.  <i>The items listed below are only examples and this must be updated for every contract.</i></p>		
Item	Current Holder	Recipient
Assets such as mobile telephones, laptop etc		
Staff transferring under TUPE		
Data		
Intellectual Property		
Building / land ownership		

## **Schedule 2**

### **EU Thresholds under Public Contracts (Scotland) Regulations 2012 applicable to the Council from 1 January 2014**

<b>SUPPLIES</b>	<b>£164,176</b>
<b>SERVICES</b>	<b>£164,176</b>
<b>WORKS</b>	<b>£4,104,394</b>
<b>SOCIAL AND OTHER SPECIFIC SERVICES</b>	<b>£589,148</b>

**Thresholds will next be reviewed– 1 January 2018**



## **Schedule 3**



**Renfrewshire Council**

### **GUIDANCE NOTE MINIMUM PROCEDURE FOR PLACING ALL CONTRACTS WITH A VALUE OF LESS THAN £50,000**

## Table of Contents

<a href="#">1. Introduction.....</a>	56
<a href="#">2. Contracts between £0 and £9,999.99 (ex VAT) .....</a>	56
<a href="#">3. Quick Quote (£10,000 - £49,999.99 ex VAT).....</a>	57
<a href="#">4. Negotiated Procedure.....</a>	58
<a href="#">5. Extension to Existing Contracts .....</a>	59
<a href="#">Appendix A .....</a>	60
<a href="#">Appendix A-1.....</a>	61
<a href="#">Appendix B .....</a>	62
<a href="#">Appendix C .....</a>	64

## 1. Introduction

- 1.1. This guidance note details the Council's procedures for placing contracts with a total estimated value of less than £50,000, exclusive of VAT but only where no contract exists. Note that the use of existing contracts is mandatory.
- 1.2. Where the Council has a Framework Agreement already in place covering the subject matter of the contract, the contract must be awarded in terms of that Framework Agreement; consult with CPU.
- 1.3. This defines the minimum requirement for any such procurement exercise. However, the HOPAC may decide to follow the Council's Standing Orders relating to Contracts for any contract, regardless of its value.
- 1.4. Expressions used in this Guidance shall have the same meaning as that given to them in the Council's Standing Orders Relating to Contracts, unless this guidance provides a different meaning.

## 2. Contracts between £0 and £9,999.99 (ex VAT)

- 2.1. The following procedures are to be adhered to, subject to the commodity and value of the procurement exercise being undertaken.
- 2.2. Values are not to be deliberately disaggregated to avoid the rules and to bring the expenditure under the thresholds. CPU will carry out random checks.
- 2.3. The HOPAC and/or Director is to seek Best Value for the Council and where applicable, must be able to clearly demonstrate transparency, non discrimination and equal treatment within the chosen tender process and in the award of a contract.
- 2.4. The corporate Purchasing Card (PCard) is to be used as the preferred payment mechanism for all spend under £2000.

### Supplies/Services/Works (excluding professional consultancy)

Title	Threshold	Procedure
Best Value	£0 - £1,999.99 (ex VAT)	Low value tenders can be undertaken at council officers' discretion. A written quotation is not required provided that Best Value principles are observed.
RFQ	£2,000 - £9,999.99 (ex VAT)	Request for Quote (RFQ) carried out by council officers 1. 3 written quotations (including email) from competent suppliers; 2. Where only one supplier exists, see <a href="#">paragraph 4.2</a> below; 3. Where contracts are considered high risk and/or legally complex, consult with CPU; 4. Suppliers to be given at least seven working days to respond; 5. RFQ response to include details of the supplier

		and the price quoted; 6. Written quotations to be retained for a minimum period of 12 months.
--	--	--

#### Professional Consultancy

Title	Threshold	Procedure
See separate "Guidance for the use of Consultants" on Renfo.		

See "procurement process flowchart" at [Appendix A](#).

### 3. Quick Quote (£10,000 - £49,999.99 ex VAT)

- 3.1 Quick quotes are to be carried out by CPU.
- 3.2 The appropriate client/service department is to complete a "Quotation Request" at [Appendix B](#) and forward to the relevant CPU Strategic and Commercial Category Manager for action.
- 3.3 CPU shall invite a minimum of four (4) suppliers to quote, (of which 50% should be local suppliers from the Renfrewshire area) where possible, using the "Quick Quote" facility on the Public Contracts Scotland (PCS) web portal ([www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)), and utilising the guidance provided in the Procurement Journey as best practice.
- 3.4 Suppliers shall be selected from those registered for that category on the PCS web portal and the selection shall not be restricted to existing suppliers.
- 3.5 Where there is less than four (4) suppliers registered, CPU shall carry out a proportionate level of research to encourage new suppliers to register on PCS. Failing that, all qualifying suppliers will be invited to submit quotations. In the event that there is only one qualifying supplier, CPU shall use the negotiated procedure in terms of [paragraph 4](#) below.
- 3.6 A written specification shall be prepared by the appropriate client/service department, which must contain sufficient detail to enable the supplier to determine what is expected in terms of performance of the contract and to enable the Council to monitor the quality of that performance.
- 3.7 As a minimum the specification will incorporate:-
  - 3.7.1 a clear description of what the supplier will be expected to provide under the contract;
  - 3.7.2 information about how the Council will pay for what is to be provided under the contract;
  - 3.7.3 details of the level of service to be provided under the contract, including, but not restricted to, timescales for delivery or performance and any performance measures set by the Council;
  - 3.7.4 the evaluation criteria to be used for the award of the contract;
  - 3.7.5 the terms and conditions applicable to the contract;
  - 3.7.6 the appropriate level of insurance.
- 3.8 The timescale permitted for the return of quotations must be sufficient to allow all of those invited the same opportunity to respond.



- 3.9 Once the evaluation process has been completed, CPU shall obtain sign off where appropriate, from the Director, or authorised representative, using the “Contract Authorisation report” at [Appendix C](#), before issuing award letters to suppliers.
- 3.10 Any contract shall be awarded to the supplier/s who has submitted the Most Economically Advantageous Tender (MEAT), taking into account the price offered and the supplier’s response to any quality or other criteria set by the Council.
- 3.11 CPU shall be responsible for writing to the supplier(s) to inform them of the outcome of the quotation.
- 3.12 The contract award is to be published on [www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)

#### **4. Negotiated Procedure**

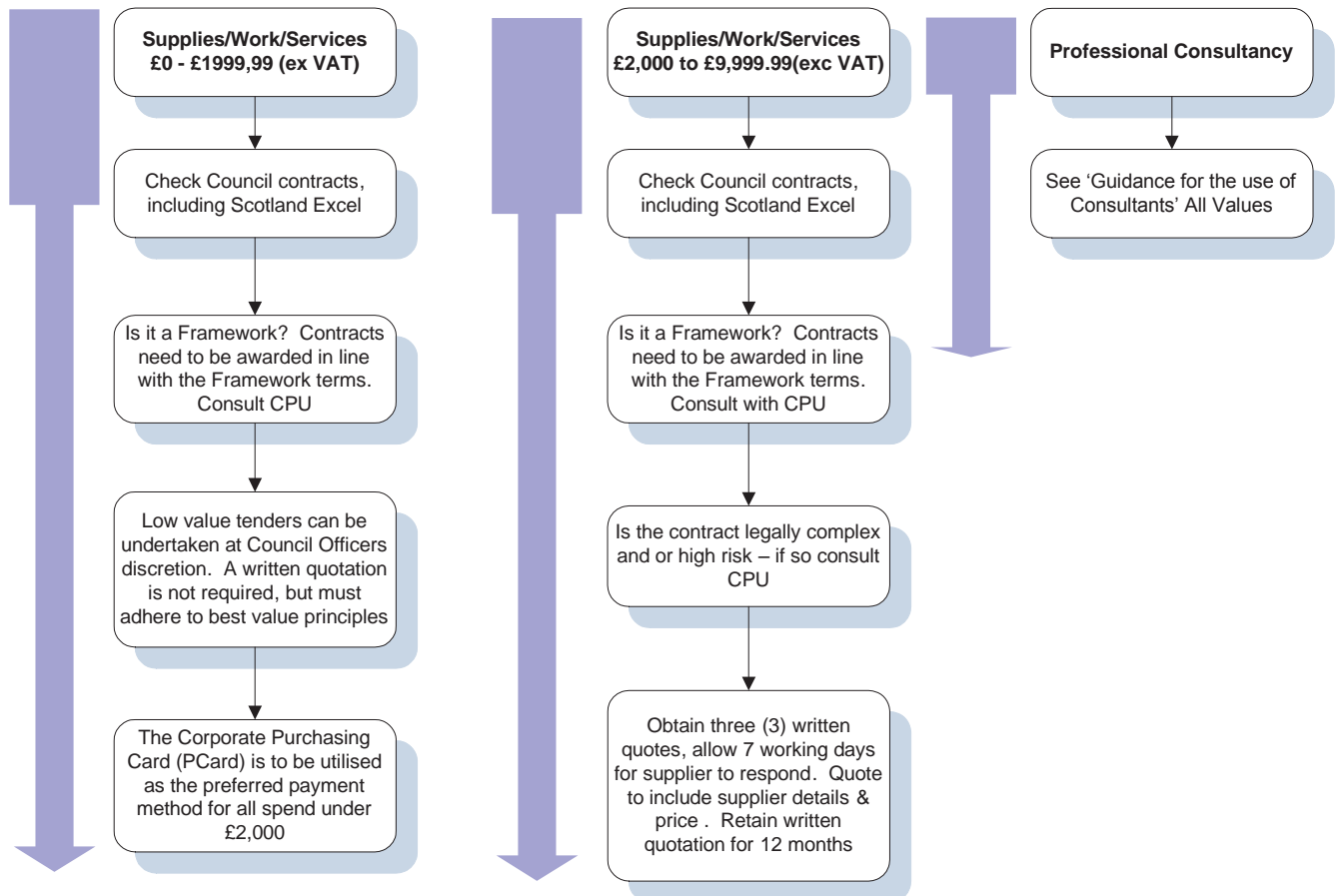
- 4.1 The HOPAC may use the negotiated procedure, but only where the following limited grounds apply:-
- 4.1.1 where as a result of the invitation of competitive tenders, no valid offer or only one valid offer complying with specification has been received; provided always that no significant changes are made to the tender documents that were previously issued; or
  - 4.1.2 where the HOPAC is satisfied that the requirement of the contract is unique or, after research, only one suitable source of supply can be identified; or
  - 4.1.3 where the HOPAC is satisfied that for reasons of technical complexity or compatibility or for reasons connected to the protection of exclusive rights, subsequent deliveries of equipment or goods or the provision of services require to be purchased from the original supplier; or
  - 4.1.4 where in the case of a supply contract, the goods to be purchased or hired are to be manufactured purely for the purpose of research, experiment, study or development, but not when the goods are to be purchased or hired to establish their commercial viability or to recover their research and development costs; or
  - 4.1.5 when (but only if strictly necessary) for reasons of extreme urgency brought about by events unforeseeable by and not attributable to the Council, it is not possible to comply with the procedures in paragraphs 2 and 3; or
  - 4.1.6 where in the case of a services or a supply contract, in the opinion of the HOPAC it is in the interests of the Council to take advantage of particularly advantageous bargain available for a very short period of time at a price considerably lower than normal market prices; or
  - 4.1.7 where pending the letting of a contract (“the main contract”) it is necessary to award a short term contract to cover the period up to the commencement of the main contract. However, the short term contract shall be for a period of no more than three months and shall not exceed £50,000.

- 4.2 For contracts having a value of less than £10,000 (see [paragraph 2.4](#) above), the Director is free to use the negotiated procedure where to do so is in the interests of the Council and represents Best Value.
- 4.3 In all cases where negotiated procedures have been used in terms of this paragraph 4, a full written record of all contacts, discussions and communications with prospective suppliers shall be kept by CPU or the Director, together with a full explanation as to why it was considered it to be appropriate to use the negotiated procedure.

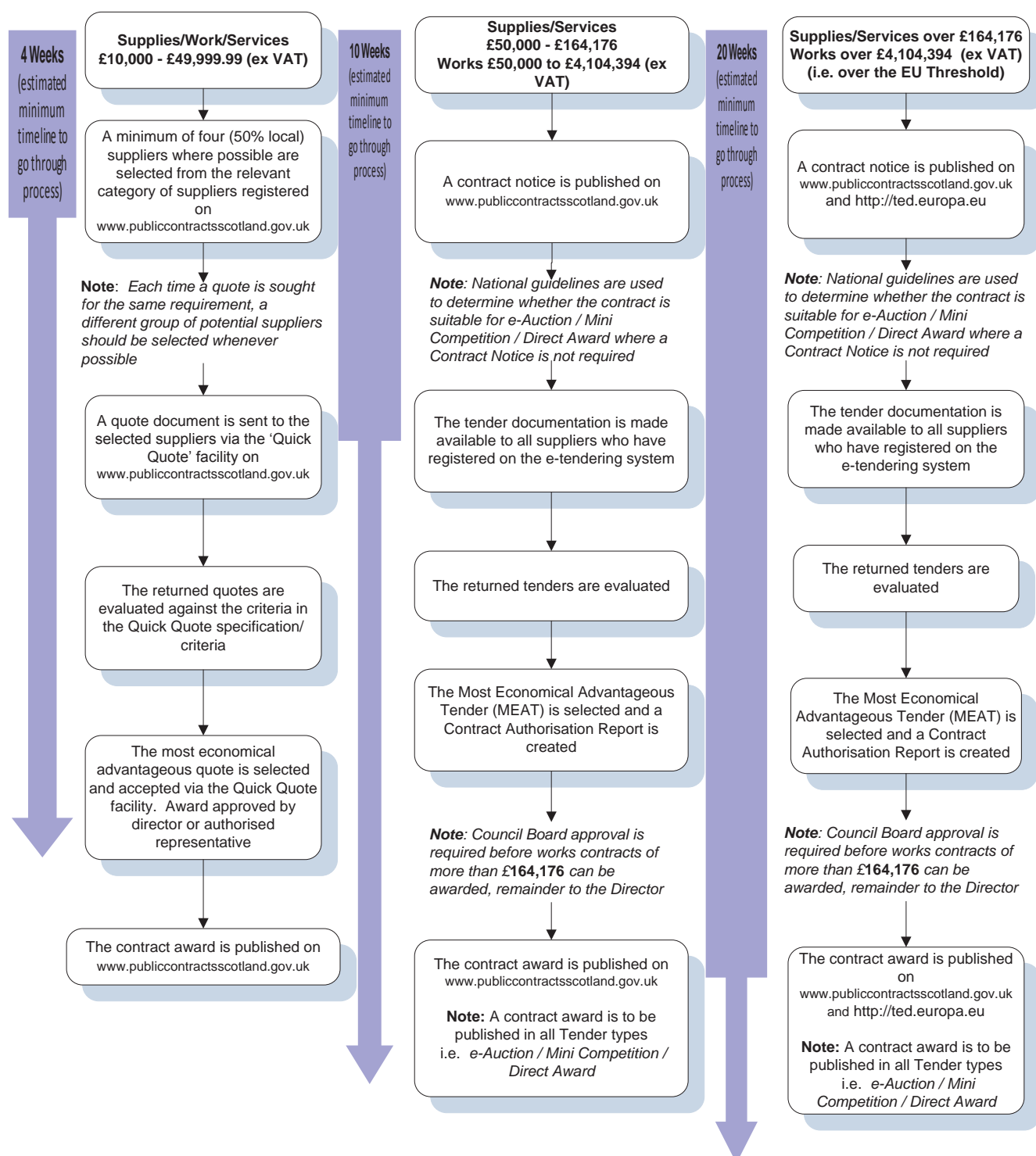
## **5. Extension to Existing Contracts**

- 5.1 Where the Director considers that an existing contract should be extended and the option to extend is given to the Council in terms of the contract, the HOPAC may authorise the exercise of that option on behalf of the Council. For the avoidance of doubt, where the contract does not make provision for the extension of the contract, the HOPAC shall not extend that contract unless the use of the negotiated procedure can be justified in terms of this Guidance and the procedure in [paragraph 4](#) of this Guidance and, where appropriate, standing order 12 of the Council's Contract Standing Orders have been followed.
- 5.2 For the purposes of paragraph 5.1 of the Council's Contract Standing Orders an extension of a contract includes the option to increase the amount of supplies, services or works acquired under the contract as well as the option to increase the duration of the contract.

## Renfrewshire Council Procurement Process To be carried out by Service/Client Department



## Renfrewshire Council Procurement Process To be carried out by CPU



**Quotation Request Form**  
**Spend below £50,000**

**SECTION ONE:**

Contract Name			
Requesting department			
Requesting contact	Print Name: Signature:		
Date created		Latest date for commencement of contract	
Estimated value of requirement		Budget amount	
For I.T purchases only	Departments must discuss I.T. requirements with I.T. department to ensure compatibility with current I.T. systems		
1.2 AUTHORISATION			
Department authorised signature (Grade N or above)	Print Name: Signature:		
CPU authorised signature (Grade K or above)	Print Name: Signature:		

**SECTION TWO:**

New requirement / Based on existing contract Circle as appropriate.			
If based on an existing contract			
Purchase order number			
Historical spend	Annual Spend: Total Spend:		
Period of the original contract		Name of current contractor	

**SECTION THREE:**

<b>1 REQUIREMENT</b>
Please provide a full specification, including quantity, description, delivery required and delivery address along with any special requirements/conditions relating to this quotation exercise.
Please provide a proposal for the evaluation criteria.

<b>4.1 CONTRACT MANAGEMENT</b>			
Once the tender/quotation exercise has been completed the client department must manage the contract which shall include raising of orders and co-ordinating the payment of invoices.			
Nominated client department contract manager		Nominated client department contact details	Phone: Email:
<b>3.2 KNOWN CONTRACTORS</b>			
Please provide details of known contractors that should be encouraged to register on Public Contracts Scotland. Details should also be provided of known local (within the Renfrewshire area) contractors, where necessary			

**SECTION FOUR:**

## Contract Authorisation Report

To: **Enter Name of Director**  
**Director of Enter Name of Dept**

On: **Date**

**Joint Report**  
**by**  
**Chief Executive Services and (Enter Dept)**

**Subject: Enter tender description**

### 1. Summary

1.1 *Should include: An outline of the purpose of the contract, state the reasons for tender, links to any National programmes, "A Commodity Strategy was approved by ..... on .../.../.... " State if Supplies, Works or Services. Programme Reference should also be included where appropriate.*

### 2. Recommendations

2.1 State: The Supplier(s) you wish to award the contract/framework to, Contract number, contract name, contract value and start and end date. Include extension timeframe of contract if applicable.

### 3. Background

- 3.1 Summary: What Process was used eg Quick Quote, where the contract was advertised. If OGC was used, what process was followed thereafter. Were Mini tenders used? Was it an E-auction? Where the restricted process has been used, the report should provide details of the selection process i.e. numbers of expressions of interest, how many PQQs were returned and how many ITTs were issued. Also, state the number of companies to whom ITTs were issued but who failed to submit a bid.
- 3.2 EU Compliance: Confirm any EU legislative routes that were followed, what EU threshold for the Goods, Works or Services being purchased and the timescales involved. Are Part B services a factor?
- 3.3 Standing Order Compliance: state the specific clauses that are being acting upon.
- 3.4 Tender Information: Give details on the evaluation. This should include the number of bids received, the number of compliant / non compliant bids (if non compliant – state why). Use the table below to detail the scoring (Add further rows where more than price and quality were assessed), financial position of winning tenderer and pricing for all bids. Where the lowest bid was not accepted state why. When declaring pricing information in the table below please remember that commercially sensitive information such as labour rates should not be disclosed.

	Supplier A	Supplier B	Supplier C	Supplier D	Supplier E
Price					
Quality					
Delivery					
Total					

- 3.5 Financial: Give detail on the original budget and state the savings against the budge or existing unit cost/benchmark.
- 3.6 Programme reference, where appropriate. e.g. Is the tender part of a Capital programme that has required prior board approval?
- 3.7 Commercial Specifics: Give detail on any bonding arrangements. e.g. Bonds, parent company guarantees, retentions, Insurances.
- 3.8 Where applicable: Statutory approvals obtained. e.g. has appropriate Planning permission been obtained. Are there any other permissions that should be considered?
- 3.9 Where applicable: Council ownership or equivalent of site or buildings.
- 3.10 Where applicable: Conclusions, discussion where necessary. If community benefits will not be delivered state why these where not sought/achieved.

*Enter appendix/reference text here – if none, then delete this sentence*

**\*To be signed for all spend between £50,000 to EU Threshold**

This report has been authorised by:

**Director or Head of Service**

*Enter Name*

and

**Category Manager**

*Enter Name*

Signed:

**\*To be signed for all spend between £10,000 to £50,000**

This report has been authorised by:

**Authorised Signatory** *(Note: an authorised signatory is an individual who has the delegated authority to approve the spend from the respective service department and is listed on the RC authorised signatory database)*

and

**Category Manager**

*Enter Name*

Sign:

**\*Delete box as appropriate**



*(Author: enter details - an appropriate name and telephone number/e-mail address should be included so that the officer specified will be able to be contacted in relation to the report and to receive a copy of the action note following the meeting).)*



## Schedule 4

### Guidance on Grants

#### What is a grant?

A “grant” is a donation paid by the Council to an organisation to be used for a specified purpose which the Council wishes to support to help meet the Council’s strategic objectives and benefit the community.

In effect, a grant is a gift of financial assistance from the Council with conditions attached. The attached conditions must be either grant conditions approved by the Council or grant conditions required to be included by an organisation providing funding for the purpose of the grant. Whereas these conditions impose limits and instructions on how the grant may be used, they do not set out the precise details of any services to be provided nor do they prescribe how the specified purpose will be achieved. Grants are different from loans in that there is no expectation that any part of the grant will be repaid provided the conditions of grant are complied with. If the conditions are breached, the Council’s only remedy is to demand that the grant be repaid.

#### What procedures require to be followed when a grant is being provided?

The Council has approved grant conditions and procedures for grants. No grant shall be paid unless these procedures are followed and a binding agreement is in place setting out conditions that apply to the grant. Any questions regarding these procedures and terms and conditions must be referred to legal services.

#### Do the EU Procurement Rules apply to grants?

There are some circumstances in which a grant might be viewed as a public services contract for the purposes of the EU procurement Rules. The EU Procurement Rules set out the detailed procedural rules that apply to the purchase of works, services and supplies by the Council. Under the rules, a “public services contract” is defined as “a contract, in writing, for consideration (whatever the nature of the consideration) under which a contracting authority engages a person to provide services”.

Therefore, these rules do not apply to straightforward grants. However, distinguishing between contracts, to which the rules would apply, and grants, to which they do not, is often difficult, for example, where the Council directs what, or

how, services are to be provided or derives any benefit from them. Where there is any doubt, advice must be obtained from legal services.

### What about State Aid?

Even where the EU Procurement Rules do not apply, the rules on state aid are an important consideration. These are a complex set of rules which prohibit subsidies being paid by public bodies, such as the Council, which could confer any unfair advantage on an organisation or distort competition within the EU. An example would be where the council gives a sum of money to only one of a number of local organisations who provide a service to the community, without there being any competition for that funding. The other organisations could claim that there has been an unfair subsidy paid to the organisation that was given the grant because they too could have provided the service if they had been given the opportunity.

There are some limited exceptions and financial limits below which funding is not considered to be state aid but, broadly, for a grant to be classed as state aid, the following four criteria require to be met:-

- It must be granted by the state or through state resources (payments by the Council would be included in this).
- It provides an economic advantage to an undertaking or a group of undertakings.
- It distorts, or has the potential to distort, competition. and
- It has the potential to affect trade.

A breach of the state aid rules could have serious consequences for the Council. Therefore, any concerns about whether a grant could be considered state aid must be referred to legal services.

### Is a competitive process needed where neither the EU Procurement Rules nor the rules on State Aid apply?

In some circumstances, such as where only limited funding is available or if applicants for grant funding have similar purposes, a competitive application process may be appropriate to determine how funding should be allocated whether or not the EU Procurement Rules or the rules on state aid apply.

As it is a public body, the Council has certain duties when dealing with grants. It must act in a fair, transparent and consistent manner and all potential grant recipients must be treated equally.

## Schedule 5

### **Special Arrangements for Contracts for Social and Other Specific Services and for Health or Social Care Services**

Unless varied by the special arrangements set out in this Schedule 5, the foregoing standing orders apply to contracts for Social and Other Specific Services and contracts for Health or Social Care Services. The special arrangements are as follows:

#### A. Procedures for the Award of Contracts for Social and Other Specific Services

- A.1 Where a contract is for Social and Other Specific Services and the estimated value of the contract is equal to or greater than the threshold for Social and Other Specific Services, the HOPAC shall follow the relevant procedures for such services set out in the EU Procurement Rules and the Procurement Reform Rules.

#### B. Procedures for the Award of Contracts for Health or Social Care Services

- B.1 Where a contract is for Health or Social Care Services and the estimated value of the contract is less than the threshold for Social and Other Specific Services, instead of using the procedures set out in the foregoing standing orders, the HOPAC may elect to follow the procedures set out in the Procurement Reform Rules. In such circumstances, the HOPAC in conjunction with the Chief Officer of Renfrewshire Health and Social Care Partnership in relation to contracts for services for adults, or the HOPAC in conjunction with the Director of Children's Services in relation to contracts for services for children, may decide, that offers shall not be sought for example where:
- (a) it can be demonstrated that the contract is of no interest to service providers in other EU member states; and/or
  - (b) the total sum to be paid under the contract is so low that service providers located in other EU member states would not be interested in bidding for the contract; and/or
  - (c) the service is of such a specialised nature that no cross-border market of suitable service providers exists; and/or
  - (d) advertising the contract would result in the loss of a linked service; and/or
  - (e) the services required by a service user can best be provided by the service user's existing service provider.

B.2 Where a decision is taken under paragraph B.1 above that offers shall not be sought, the HOPAC and the Chief Officer of Renfrewshire Health and Social Care Partnership in relation to contracts for services for adults or the HOPAC and the Director of Children's Services in relation to contracts for services for children Social Care contracts shall agree if and how the contract shall be advertised.

B.3 Where a decision is taken under paragraph B.2 above not to advertise the contract, the Negotiated Procedure without Prior Publication of a Notice set out in standing order 14 shall be followed.

C. Guidance from the Scottish Government

C.1 Subject to standing order 9.3, contracts for Health or Social Care Services shall be procured in accordance with the Scottish Government's Guidance on the Procurement Reform (Scotland) Act 2014 and Guidance on the Procurement of Care and Support Services 2016 (Best-Practice) issued under Scottish Procurement Policy Note SPPN 7/2016(as such may be amended or replaced).

C.2 In the event of any conflict between these standing orders and the Guidance referred to in paragraph C.1 above, the Guidance shall prevail.

C.3 Any legal issues arising from the Guidance referred to in paragraph C.1 above shall be referred to the Head of Corporate Governance in accordance with standing order 6.3.

D. SCSWIS and other Mandatory Registration

D.1 All Contractors providing Health or Social Care services to the Council must be registered with Social Care and Social Work Improvement Scotland (SCSWIS) (commonly known as the Care Inspectorate) and/or any other regulatory bodies relevant to the service provided.

E. Review of Decisions

E.1 Any decision taken under paragraph B.1 or B.2 shall be reviewed at regular intervals by the HOPAC and the Chief Officer of Renfrewshire Health and Social Care Partnership in relation to adult Social Care contracts or the HOPAC and the Director of Children's Services in relation to children's Social Care contracts.

## Schedule 6 Renfrewshire Council

Report to: **Procurement Sub Committee**

On: **Select date here.**

By: **Enter name and title here.**

Concerning: **Enter description here.**

### I. List of Background Papers

- (1) **Background Paper 1 or delete row if not used**
- (2) **Background Paper 2 or delete row if not used**
- (3) **Background Paper 3 or delete row if not used**

The foregoing background papers will be retained within Enter department name for inspection by the public for the prescribed period of four years.

The contact officer within the department is **Enter contact name and title.**

### II. Consultation Checklist

Implications	None	Minor	Significant	Officer Consulted
Financial	✓			
IT	✓			
Legal			✓	Must Consult Legal
HR and Organisational Development	✓			
Property	✓			
Health and Safety	✓			
Equal Opportunities	✓			
Procurement			✓	Must Consult CPU
Risk	✓			
Other Departments	✓			
Community/Council Plan	✓			

The appropriate officers within the relevant departments have been consulted and have approved the contents of the report for their own interest.

### III. The following Community Planning Partners have been consulted in the preparation of this report.

Partner Organisation	Officer Consulted

### IV. The following forums have been/are to be\* consulted on the contents of this report: disability, ethnic minorities, carers, elderly, youth, tenants \*

### V. An equality impact assessment has been carried out/is not required\* in terms of the Council's scheme.

VI. This report has been authorised for inclusion in the agenda of the above meeting by:

**Enter name of Director or Head of Service      and      Enter name of Convenor (Convener)**

Signed

\* delete as appropriate

# Renfrewshire Council

**To: Procurement Sub Committee**

**On: Enter date of Sub Committee meeting**

**Joint Report  
by  
Enter submitted by names (CPU &Dept)**

## Contract Authorisation Report

### 1. Summary

- 1.1 Should include: An outline of the purpose of the contract, state the reasons for tender, links to any National programmes, "A Commodity Strategy was approved by ..... on .../.../...." State if Supplies Works or Services. Programme Reference should also be included where appropriate.

### 2. Recommendations

- 2.1 State: The Supplier(s) you wish to award the contract/ framework to, Contract number, contract name, contract value and start and end date. Include extension timeframe of contract if applicable.

### 3. Background

- 3.1 Summary : What Process was used (Open, Restricted, Negotiated.), where the contract was advertised. If a framework was used, if so what process was followed thereafter. Were Mini tenders used? Was it an E-auction? Where the restricted process has been used, the report should provide details of the selection process i.e. numbers of expressions of interest, how many PQQs were returned and how many ITTs were issued. Also, state the number of companies to whom ITTs were issued but who failed to submit a bid.
- 3.2 EU Compliance : Confirm any EU legislative routes that were followed, what the EU threshold for the Goods Works or Services being purchased and the timescales involved. Are Part B services a factor?
- 3.3 Standing Order Compliance: state the specific clauses that are being acted upon.
- 3.4 Tender Information: Give details on the evaluation. This should include the number of bids received, the number of compliant / non compliant bids (if non-compliant – state why). Use the table below to detail the scoring (Add further rows where more than price and quality were assessed), Financial position of winning tenderer and pricing for all bids. Where the lowest bid was not accepted state why. When declaring pricing information in the table below please remember that commercially sensitive information such as labour rates should not be disclosed.



	Supplier A	Supplier B	Supplier C	Supplier D	Supplier E
Price					
Quality					
Total					

- 3.5 Financial: Give detail on original budget and state the savings against the budget or existing unit cost/benchmark.
- 3.6 Programme reference, where appropriate. e.g. Is the tender part of a Capital programme that has required prior board approval?
- 3.7 Commercial Specifics: Give detail on any bonding arrangements. e.g. Bonds, parent company guarantees, retentions, Insurances.
- 3.8 Where applicable: Statutory approvals obtained. e.g. has appropriate Planning permission been obtained. Are there any other permissions that should be considered?
- 3.9 Where applicable: Council ownership or equivalent of site or buildings.
- 3.10 Where applicable: Conclusions discussion where necessary If community benefits will not be delivered state why these were not sought/achieved.

---

## Implications of this report

1. **Financial Implications**  
– Savings and details of the Financial Appraisal on the winning bidder
2. **HR and Organisational Development**  
– e.g. TUPE
3. **Community Plan/Council Plan Implications**  
Enter any detail concerning SME bids at this stage. e.g. partnering arrangements with SMEs and winning bidder. Also detail any positive outcome from community benefit clauses included in the tender.
  - Wealthier and Fairer Smarter - Enter description
  - Healthier - Enter description
  - Safer and Stronger - Enter description
  - Greener - Enter description
  - Developing our Organisation - Enter description

**4. Legal Implications**

– This should be covered in the Background section in detail but in particular the risk of challenge should be covered here.

**5. Property Implications**

– Enter description

**6. Corporate services Implications**

– If the tender relates to a purchase that will impact IT strategy. i.e. Software purchases that require hosting and server space

**7. Equal Opportunities Implications**

*(Please select the statement applicable to the recommendations contained within this board report and delete remaining statements)*

(a) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website. (Report author to arrange this).

(b) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. Some negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. Mitigating actions are detailed in section XXX of this report. A full copy of the Equality Impact Assessment undertaken is available from the report author. Following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored. (Report author to arrange this).

The results of the assessment will be published on the Council's website

(c) The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. Some negative impacts on equality groups or potential for infringement of individuals' human rights have been identified and not all can be fully mitigated. Despite the potential for adverse impact it is believed that it is reasonable and proportionate to take the action recommended in the report and a full explanation for this decision is contained within section XXXX of this report.

In addition mitigating actions that have been identified are detailed in section YYY of this report. A full copy of the Equality Impact

Assessment undertaken is available from the report author. Following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored.

The results of the assessment will be published on the Council's website. (Report author to arrange this).

**8. Health and Safety Implications**

– Enter description

**9. Procurement Implications**

– Enter description

**10. Risk Implications**

– Enter description

**11. Privacy Impact** – enter details – reference *should be made to the corporate Privacy Impact Assessments (PIAs) procedure that PIAs should be conducted, by all Services, in circumstances where policies and decisions have implications for the use of personal and/or sensitive personal information held by the Council. Advice is available from the Principal Information Officer*

---

**List of background papers**

(a) Background Paper 1 (delete row if not used or add further rows if required or state 'none')

The foregoing background papers will be retained within (*Enter service name*) for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is (*enter contact name, title, telephone number, and e-mail address*)

*The inclusion of background papers is based on a legislative requirement. Background papers are those which the officer responsible for the report considers contain information upon which the report was based and which that officer has relied upon to a material extent in preparing the report.*

*The only things which are exempted are published works and documents which contain exempt information or confidential information. The officer responsible for the report must prepare a list of background papers. That list and a copy of all the documents on the list then requires to be kept open for inspection by the public for a period of four years from the date of the meeting.*

---

Enter reference text here (**author:** Enter name / phone number of author here.)

## Appendix 1

- delete page / section if not required