

# WMPCC Contract Standing Orders

## TABLE OF CONTENTS

PART I Provisions relating to ALL contracts.

PART II Provisions relating to contracts with an estimated value of up to £100,000.

PART III Provisions relating to contracts with an estimated value in excess of £100,000.

PART I: PROVISIONS APPLICABLE TO ALL CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS AND MATERIALS, THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS.

1. INTRODUCTION.
2. APPLICATION.
3. DEFINITIONS.
4. COMPLIANCE WITH STANDING ORDERS.
5. TERMS AND CONDITIONS OF CONTRACTS.
6. NOMINATED AND NAMED SUB-CONTRACTORS.
7. RESTRICTIONS ON CONTRACTS WITH CERTAIN PERSONS.
8. CANCELLATION OF CONTRACTS IN CASE OF CORRUPTION ETC.
9. CENTRAL CONTRACTS.
10. NEGOTIATIONS.
11. VALUE FOR MONEY IN RESPECT OF ALL CONTRACTS.
12. ALTERNATIVE CONTRACTORS.
  
13. LIQUIDATED AND ASCERTAINED DAMAGES.
  
14. SECURITY FOR DUE PERFORMANCE OF CONTRACTS.
  
15. SPECIFICATIONS.
  
16. CIRCUMSTANCES WHERE THREE QUOTATIONS OR TENDERS NEED NOT BE OBTAINED.
  
17. SEALING/SIGNING OF CONTRACTS.
  
18. COMMENCEMENT OF CONTRACTS.

PART II: STANDING ORDERS APPLICABLE TO CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS OR MATERIALS FOR THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS UP TO £100,000 IN VALUE.

19. APPLICATION.
20. CONTRACT VALUES BELOW £10,000.
21. CONTRACT VALUES BETWEEN £10,000 AND £25,000.
22. CONTRACT VALUES BETWEEN £25,000 AND £100,000.

**PART III: STANDING ORDERS APPLICABLE TO CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS OR MATERIALS, THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS OVER £100,000.**

23. APPLICATION.
24. PROCUREMENT PROCEDURE.
25. ADVERTISING OF CONTRACTS
26. OPEN TENDER.
27. NEGOTIATION.
28. ELECTRONIC TENDERING.
29. SUBMISSION OF TENDERS.
30. OPENING AND REGISTRATION OF TENDERS.
31. CHECKING AND ACCEPTANCE OF TENDERS.
32. CAPITAL SCHEMES REPORTING ARRANGEMENTS.

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**PART I - PROVISIONS APPLICABLE TO ALL CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS AND MATERIALS, THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS**

1. INTRODUCTION
  - 1.1 These Standing Orders have been prepared in accordance with the requirements of Section 135 of the Local Government Act 1972.
  - 1.2 They were drawn up jointly by the Chief Executive, Chief Financial Officer, Legal Adviser, and by the Chief Constable, and approved by the PCC on the 22 November 2012
  - 1.3 The main aims of these Standing Orders are to:-
    - a) Outline the manner in which contracts are handled and managed to ensure compliance with all relevant legislation including directives of the European Union.
    - b) Outline the relative responsibilities of the PCC, its Officers, and the Chief Constable in this process
  - 1.4 Although the PCC is responsible for all contracts, it is the aim of these Standing Orders to consent responsibility for the day to day management and control of contracts to the Chief Constable, subject to the provision of these Standing Orders and provided always that the PCC is satisfied that the Chief Constable has adequate systems, procedures, personnel and expertise to discharge these responsibilities.
  - 1.5 The Chief Constable shall manage the tendering and contracting process in accordance with these Standing Orders.
  - 1.6 The PCC shall be the contracting party for the purposes of entering into contracts.
  - 1.7 These Standing Orders are part of the PCC's Operating Framework, including The Scheme of Consents and Delegations, Financial Regulations, Force Financial

Instructions and a Code of Practice on Contract management, and should be read in conjunction with these documents.

- 1.8 In all its procurements the PCC must comply with the EU Treaty based principles of non – discrimination, equal treatment, transparency, mutual recognition and proportionality and these rules are designed to ensure compliance with the same, as outlined in the Public Contracts Regulations 2006(Amended)
- 1.9 These Standing Orders will be kept under review by the Chief Executive(CE), Chief Financial Officer (CFO), Legal Adviser(LA) and Chief Constable to ensure that the working arrangements for both the Authority and the Chief Constable are conducted in accordance with the relevant legislation and latest best practice. They can only be varied with the approval of the PCC.
- 1.10 The financial values identified within these Standing Orders will also be kept under review and updated as appropriate.

## **2. APPLICATION**

- 2.1 The provisions in this part of these Standing Orders apply to all Contracts to be entered into by the PCC for the supply and disposal of goods and materials, the provision of services and the execution of works.
- 2.2 The provisions of these Standing Orders shall not apply to procurement undertaken in accordance with regulations under Sections 53 and 57 of the Police Act 1996(mandated supply arrangements and common services.)

## **3. DEFINITIONS**

- 3.1 "Approved Budget" means the budget for any scheme as contained in the approved Capital Programme or approved Revenue Budget which shall include the budget for fees, furniture and equipment and other incidental costs.
- 3.2 "Central Contract" means an agreement for the supply of goods or services arranged by the appropriate officer which is based on expenditure by more than one department of the Force / PCC.
- 3.3 "Appropriate Officer" means any officer who is duly authorised in writing by the Chief Executive or Chief Constable.
- 3.4 "Other Close Relative" shall mean a person cohabiting on a similar basis to a spouse, civil partner, a parent, grandparent, uncle, aunt, son, daughter, grandson, grand-daughter, brother, sister, niece or nephew.
- 3.5 "Contract" means any agreement between the PCC and any other party for the supply or disposal of goods and materials, the provision of services, or the execution of works and shall where the context so admits include sub-contracts.
- 3.6 "Contractor" means any individual or organisation which supplies to the PCC or purchases from the PCC goods and materials or provides services or executes work for the PCC.
- 3.7 "PCC" means the Police and Crime Commissioner and where the context allows is deemed to include reference to a person acting with delegated authority on behalf of the PCC.
- 3.8 "Estimate" and "Estimated Contract Value" means a pre-determined figure representing the probable cost of works, goods, services or materials calculated for tender comparison purposes by a suitably qualified employee of or consultant to the PCC and recorded in writing.

- 3.9 "Negotiation" means discussion on the terms of a Contract including prices (other than competitors' prices) with either an existing or potential contractor with a view to agreeing the most economically advantageous offer.
- 3.10 "Quotation" means an offer in writing made by a prospective contractor to the PCC including any such offer made to a direct service organisation of the PCC.
- 3.11 "Tender" means an offer made by a prospective contractor to the PCC on the PCC's form of Tender in accordance with the procedure set out in Contract Standing Order 29, 30 and 31.
- 3.12 "Framework" means agreement with one or more contractors, the purpose of which is to establish the terms governing a contract or contracts to be awarded during the period for which the framework agreement applies.
- 3.13 "Regulations" means the Public Contracts Regulation 2006, as amended or in force.
- 3.14 For the avoidance of doubt, nothing in these Standing Orders shall be read or construed as permitting an appropriate officer to accept a Tender which is not within approved available resources without the approval of the PCC.
- 3.15 All values referred to in these standing orders are exclusive of VAT.

#### **4. COMPLIANCE WITH STANDING ORDERS**

- 4.1 No exception from any of the provisions of these Standing Orders shall be made otherwise than with the prior approval of the PCC.
- 4.2 A record of any exception to any of the provisions of these Standing Orders shall be maintained by the PCC, which shall specify the circumstances by which the exception shall have been justified.
- 4.3 Any failure to comply with any of the requirements of these Standing Orders shall be reported to the Chief Executive as soon as such failure is discovered. The Chief Executive shall consult with the CFO, the Legal Adviser and the Chief Constable before agreeing with the PCC such actions as he may deem necessary in the circumstances.
- 4.4 The appropriate officer shall ensure that action taken at all stages of the tendering procurement or disposal process shall be with a view to the PCC obtaining the most economically advantageous offer/Tender.
- 4.5 Where any statutory provision, or EU Regulations requires procedures to be followed in the letting of contracts which are inconsistent with the procedures set out in these Standing Orders the requirements of the statutory provisions, , or EU Directive shall prevail (insofar as they are inconsistent) and shall be fully complied with.
- 4.6 Where consultants are appointed to act on behalf of the PCC to prepare and invite quotations / tenders, they shall be provided with a copy of these Standing Orders and of the PCC's Financial Regulations by the appropriate officer and it shall be a condition of the engagement that these Standing Orders and the Financial Regulations are strictly observed.
- 4.7 The Contracts and Procurement Manager shall ensure that a manual of standard procedures is maintained and all appropriate officers shall comply with these standard procedures in the letting of all contracts.
- 4.8 Contracts shall not be packaged in such a way that results in the Estimated Contract Value falling into a lower value band.
- 4.9 In the case of procurements that fall to be dealt with under the European Union procurement directives and the Regulations that implement them in the UK.:

- i. the advice of the Contracts and Procurement Manager must be sought at the outset and all subsequent stages of the Procurement process.
- ii. tenders will be invited in accordance with the requirements of the said directives and Regulations for the time being in force; and
- iii. such directives and Regulations will take precedence over these provisions.

Advice and guidance on whether a particular procurement is subject to the EU Procurement directives can be obtained from the Contracts and Procurement Manager.

## **5. TERMS AND CONDITIONS OF CONTRACTS**

- 5.1 All contracts for the supply or disposal of goods and materials and the provision of services and execution of work shall be in writing and shall contain appropriate terms and conditions as agreed by the Force Solicitor.
- 5.2 Where applicable an appropriate standard form of contract such as those published by the Joint Contracts Tribunal or the Institution of Electrical Engineers shall be used. Any amendments to a standard form of contract which have not been approved by the appropriate body, shall be approved in writing, in advance, by the Force Solicitor.

## **6. NOMINATED AND NAMED SUB-CONTRACTORS**

- 6.1 Where a sub-contractor is to be nominated to a main contractor the procedures contained in these Standing Orders for the letting of contracts shall apply.
- 6.2 Where a sub-contract is to be let to a nominated sub-contractor the appropriate officer shall nominate to the main contractor the sub-contractor whose Tender or Quotation is, in his opinion, the most satisfactory provided that where the value of the subcontract exceeds £20,000 and the Tender or Quotation is other than the lowest received, the circumstances shall be reported to the Tender Acceptance Panel. Where the PCC has authorised the appropriate officer to deal with the nomination by way of Negotiation, the PCC's prior approval to the terms negotiated shall be obtained before the nomination is made.
- 6.3 When sub-contractors are "Named" the selection and/or letting of the sub-contract shall be in accordance with the Standing Orders applicable to the letting of main contracts.

## **7. RESTRICTIONS ON CONTRACTS WITH CERTAIN PERSONS**

- 7.1 No member of the PCC Office or officer nor any company, partnership, or firm in which any member of the PCC's Office or officer is interested nor any employer, nominee, spouse or other close relative of a member of the PCC's Office or officer, shall undertake the execution of works on behalf of the PCC or shall accept an order for the supply or disposal of goods or materials from the PCC or shall provide services for the PCC unless such works or order for goods or materials or services have been offered or secured or provided by competitive Tender or Quotation.

## **8. CANCELLATION OF CONTRACTS IN CASE OF CORRUPTION ETC.**

- 8.1 There shall be inserted in every Contract entered into under Parts II and III of these Standing Orders a clause empowering the PCC to cancel a Contract and recover from the contractor the amount of any loss resulting from such cancellation if the contractor or his/her employees or persons acting on his/her behalf shall have committed an offence under the Prevention of Corruption Acts 1906 and 1916, or the Bribery Act 2010(when in force), or under Sections 117(2) and 117(3) of the Local Government Act, 1972 or any re-enactment thereof.

## **9. CENTRAL CONTRACTS**

- 9.1 Before inviting Quotations or Tenders or entering into Negotiations in respect of any Contract, it must be established whether a Central Contract exists covering the proposals. If one does exist then the Central Contract must be used unless the Contracts and Procurement Manager is satisfied that there are special factors justifying a different course of action. Such special factors shall be recorded in writing and copied to the Contracts and Procurement Manager.

## **10. NEGOTIATION**

The following procedures shall be adopted in all Negotiations:-

- 10.1 A contractor shall not be employed by the PCC on the basis of a negotiated Contract or series of Contracts for more than 3 consecutive years, unless approved by the Tender Acceptance Panel.
- 10.2 Officers conducting negotiations shall be designated in writing in respect of individual contracts by their departmental appropriate officer.
- 10.3 There must be at least 2 officers present, one of which should be the Contracts and Procurement Manager or nominated deputy, and one on at least Management Band 1, in respect of contracts over £100,000 and the Contracts and Procurement Manager or nominated deputy or one officer on at least Management Band 1 Grade , in respect of contracts under £100,000. The FCFO must be invited to attend or be represented at all Negotiations over £100,000 and be given reasonable notice of the commencement of such negotiations.
- 10.4 All officers involved in Negotiations under this Standing Order shall make a declaration, in accordance with Section 117 of the Local Government Act 1972, as to pecuniary interest, in writing, prior to commencement of Negotiations, to their appropriate line manager and no officer with any pecuniary interest in any prospective contractor involved in the Negotiations under this part shall be involved, at any stage, in the Negotiations.
- 10.5 No information concerning a contractor's offer shall be disclosed to other Tenderers or third parties.
- 10.6 A written record of the discussions held with prospective contractors and terms agreed shall be kept and shall be signed by all officers present at the Negotiations.
- 10.7 Before any Contract is entered into the appropriate officer must satisfy himself that the result of Negotiations represents good value for money.

## **11. BEST VALUE IN RESPECT OF ALL CONTRACTS**

- 11.1 The appropriate officer shall in respect of all contracts be obliged to demonstrate if so requested that best value was obtained. Notwithstanding the procedures set out in these Standing Orders in respect of contracts where the estimated contract value is less than £100,000 the appropriate officer may let such contracts in accordance with the procedures contained in Part III of these Standing Orders.

- 11.2 The appropriate officer shall ensure that before any Quotations are sought or Tenders invited an Estimated Contract Value shall be determined which shall not be disclosed to third parties save that an indicative range may be disclosed to contractors who request an indication of the scale of the contract. The Estimated Contract Value shall be recorded in writing and such record shall include the name of the estimator and shall be duly signed by him and retained on the scheme file or on the tender evaluation record.
- 11.3 Where appropriate a Tender evaluation shall be carried out and duly recorded in writing. Such Tender evaluation shall include the procedure contained in Standing Order 25.5. and shall include a comparison with the Estimated Contract Value and a recommendation as to which Tender is considered the most economically advantageous.
- 11.4 In the case where the Estimated Contract Value is over £25,000 three written Quotations or Tenders (or less if there are insufficient contractors available to quote or tender) supported by suitable evaluation of the offers received shall be deemed to be sufficient evidence of value for money. Where the appropriate officer does not deem it reasonable to obtain three Quotations or Tenders he shall record in writing the reasons for his decision.

## **12. ALTERNATIVE CONTRACTORS**

- 12.1 Where contracts are being let for the supply of goods or materials the provision of services or the execution of work which are essential to maintain services it shall be the duty of the Contracts and Procurement Manager to consider whether it would be in the best interests of the PCC to award the Contract to two or more contractors in order to ensure continuity of supply or to maintain competition.
- 12.2 Where an Order is placed with an additional contractor the reasons for placing that work with that contractor shall be recorded in writing.

## **13. LIQUIDATED AND ASCERTAINED DAMAGES**

- 13.1 In all appropriate contracts over £100,000 a clause should be included specifying that liquidated and ascertained damages will be payable by the contractor if the Contract is not completed by the completion date or as amended by any duly authorised extensions.
- 13.2 Any sum assessed for the purpose of paragraph 13.1 shall be calculated by the appropriate officer in a reasonable and justifiable manner to represent a reasonable pre-estimate of all pecuniary losses that shall be incurred by the Authority if the Contract is not completed by the Contract completion date and must be verified by the CFO or FCFO.
- 13.3 The recovery of liquidated and ascertained damages may only be waived with the approval of the CFO or the FCFO.

## **14. SECURITY FOR DUE PERFORMANCE OF CONTRACTS**

- 14.1 Where a contract sum exceeds £500,000 the PCC requires that consideration be given to requiring sufficient security for the due performance of any contract unless otherwise required by statute and the following shall determine general practice :-

- (i) The following shall be sufficient security :-
    - a A surety approved by the FCFO in a sum equal to 10% of the contract price.
    - b A deposit of cash or negotiable bonds to the value of 10% of the contract price.
    - c A deposit by way of charge on the property where the value in the equity after any prior charges is equal to at least 10% of the contract price ; or
    - d Such other security as shall be approved by the CFO, or the FCFO.
  - (ii) The security shall be held until the date of issue of the certificate of practical completion or such other date as may be agreed by the appropriate officer and Force Solicitor.
- 14.2 The provisions of Paragraph 15.1 shall apply to any contract where so determined by the FCFO .

## **15. SPECIFICATIONS**

- 15.1 To accord with the requirements of European Directives and Regulations, and the desire to obtain the best value for the PCC, when specifications are given in Negotiations, invitations for Quotations or Tenders they are to be performance specifications unless, in the view of the appropriate officer, it is impractical, in which case a proprietary name or description may be used provided it is made clear that equivalents may be permitted.

## **16. CIRCUMSTANCES WHERE QUOTATIONS OR TENDERS NEED NOT BE OBTAINED**

- 16.1 The invitation of a single tender/quotation may only be considered when one or more of the following circumstances apply:
- 16.1.1 The purchase is to be made at or sales effected at an auction, such purchases should require the prior approval of the FCFO .
  - 16.1.2 The execution of works or the purchase of goods or materials required for urgent major incidents or necessary for urgent repairs to buildings or plant, to prevent danger to authorised users or the general public, or to prevent rapid and progressive deterioration, or to maintain essential services.
  - 16.1.3 Work undertaken by Solicitors or Barristers, provided that the fee or rate for payment has been agreed before it begins, and the process is benchmarked and assessed annually.
  - 16.1.4 The items are or relate to proprietary articles or those sold only at fixed prices or the work to be executed consists of repairs to existing proprietary articles and there is no reasonable satisfactorily alternative available from any other source.
  - 16.1.5 Where goods, services or works are obtained through framework or other contractual arrangements established by other police authorities, local authorities, specified public bodies or persons where it represents Best value to the PCC, subject to advice guidance and approval of the Contracts and Procurement Manager. Where Tenders have been invited on behalf of any consortium, association, or similar body of which the PCC is a member provided that the Tenders are invited in accordance with the method prescribed by such body and EU Procurement Regulations, where appropriate.



- 16.1.6 Genuine security considerations make the use of a particular firm essential. i.e. EU Regulation 6.2 exclusion (Secrecy or National Security) where the contract/framework is classified as secret or where the performance of the contract must be accompanied by specific security measures in accordance with the laws, regulations or administrative provisions of any part of the UK or when the protection of the essential interests of the security of the UK require it.
- 16.1.7 There is a genuinely justifiable case to use an existing contractor/supplier to maintain continuity of supply or site experience, where a change of contractor/supplier would cause:
- i. incompatibility with existing goods/installation, or disproportionate technical difficulties in the operation and maintenance of the existing goods/installation.
  - ii. diseconomies, or;
  - iii. significant disruption to operational requirements brought about by unforeseeable events.

It is recommended that the advice of the Contracts and Procurement Manager and Force Solicitor is sought before exercising any of the options above, in particular with regard to the provisions of 16.1.2, 16.1.4, 16.1.6 and 16.1.7. When placing reliance on the exemptions stated above the appropriate officer of the PCC should ensure that the best possible value is obtained for the PCC. In this regard, instances, with a value in excess of £50,000, will be reported to the Joint Audit Committee for information.

## **17. SEALING / SIGNING OF CONTRACTS**

- 17.1 All contracts above £100,000 shall, unless sealed, be signed by the Legal Adviser or the Force Solicitor on behalf of the PCC, or other officer designated by the Legal Adviser.
- 17.2 All contracts between £10,000 - £100,000 shall, unless sealed, be signed on behalf of the PCC by the appropriate officer.

## **18. COMMENCEMENT OF CONTRACTS**

No work included within a contract shall be put in hand unless the Contracts and Procurement Manager / Force Solicitor has notified the appropriate officer that the contract has been entered into..

## **PART II - STANDING ORDERS APPLICABLE TO CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS OR MATERIALS THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS UP TO £100,000 IN VALUE**

### **19. APPLICATION**

- 19.1 This part of Standing Orders applies to contracts for the supply or disposal of goods or materials, the provision of services, and the execution of works where the Estimated Contract Value does not exceed £100,000.

### **20. CONTRACT VALUES BELOW £10,000**

#### **20.1 CONTRACT VALUES BELOW £2,000**

- (i) The provision of Goods, Services and the execution of Works below £2000 in value do not need a formal written quotation but officers must keep a written record to demonstrate that they have taken the appropriate steps to obtain best value for money and be prepared to justify the method of contractor selection, e.g. appropriate market testing has been completed prior to purchase.
- (ii) Where the supply of goods or materials or the provision of services can be obtained from a centrally agreed contract, Paragraph 9.1 shall apply.

## **20.2 CONTRACT VALUES BETWEEN £2,000 AND £10,000**

- (i) The provision of Goods, Services and the execution of Works within these values must either be ordered from a centrally agreed contract or where there are no existing approved arrangements a minimum of two written quotations must be obtained and evidenced. Officers must also keep a written record to demonstrate that they have taken appropriate steps to obtain best value for money and be prepared to justify the method of contractor selection.
- (ii) Where the supply of goods or materials or the provision of services can be obtained from a centrally agreed contract, Paragraph 9.1 shall apply.

## **21. CONTRACT VALUES BETWEEN £10,000 AND £25,000**

- 21.1 The provision of Goods, Services and the execution of Works within these values must either be ordered from a centrally agreed contract or where there are no existing approved arrangements at least three written quotations must be invited, unless otherwise agreed with the Contracts and Procurement Unit.

Where this is not possible, officers must keep records as to why three were not received. Copies of quotations and reasons for not obtaining three quotations must be forwarded to the Contracts and Procurement Unit for approval.

- 21.2 Where a quotation other than the lowest is recommended for acceptance, the officer should make a written record of the reasons and these should also be forwarded to the Contracts and Procurement Unit for approval. Where the supply of goods or materials or the provision of services can be obtained from a centrally agreed contract, Paragraph 9.1 shall apply.

## **22. CONTRACT VALUES BETWEEN £25,000 AND £100,000**

- 22.1 The provision of Goods, Services and the execution of Works within these values must either be ordered from a centrally agreed contract or the appropriate officer shall invite at least three written quotations, unless otherwise agreed with the Contracts and Procurement Unit.

- 22.2 Officers inviting quotations must send potential contractors the PCC's official quotation envelope, for the return of their quotation to the Contracts and Procurement Unit. Before any invitations to quote are issued, the Contracts and Procurement must be informed of the goods, works and services to be quoted in this manner, the names and addresses of those invited to quote and the time and date quotations are due for return.

The Contracts and Procurement Manager, or his nominated deputy and one other officer will open all the quotation at one time and stamp them with the time and date of opening. No quotation shall be considered if received after the closing time and date. The Contracts and Procurement Unit shall retain written records of all quotations invited and received.

- 22.3 Subject to Standing Order 22.4 below, following analysis where appropriate of quotations by the Contracts and Procurement Unit in conjunction with the officer, a written record must be made detailing the reasons for acceptance of the preferred quotation.
- 22.4 In respect of contracts for the execution of works, this evaluation will be undertaken by the Head of Property Services, who will maintain a written record of the reasons for acceptance of the preferred quotation.
- 22.5 All such contracts which are required to be in writing shall contain standard terms and conditions agreed by the Contracts and Procurement Unit, and such amendments as shall have been approved in writing in advance by the Contracts and Procurement Unit after consultation with the appropriate officer.

**PART III - STANDING ORDERS APPLICABLE TO CONTRACTS FOR THE SUPPLY OR DISPOSAL OF GOODS OR MATERIALS THE PROVISION OF SERVICES AND THE EXECUTION OF WORKS OVER £100,000**

**23. APPLICATION**

- 23.1 This part of Standing Orders applies to contracts for the provision or disposal of goods or materials, the provision of Services and the execution of Works where the Estimated Contract Value is over £100,000.
- 23.2 Where the Estimated Contract Value, for the categories of contract detailed above, exceed the EU Thresholds (applicable at the time) for these categories of contract, the letting of these contracts will be in line with European Directives and Regulations.

**24. PROCUREMENT PROCEDURE**

- 24.1 Before any contract is let a detailed project appraisal shall have been undertaken by the appropriate officer in accordance with Standing Orders 24.2 and 24.3.
- 24.2 The project appraisal process shall establish justification for the preferred option and determine priorities. It shall also aim to ensure that all contracts are consistent with the objectives, policies and strategies agreed by the PCC.
- 24.3 The scale of the appraisal will depend on the size of the project and the current cost implications but it should be sufficiently detailed to establish the definition of objectives, the explicit consideration of options and the identification, evaluation and timing of the costs (including future revenue costs) and benefits of each option. Any other considerations including uncertainties should be taken into account.
- 24.4 Contracts shall be let by way of :-
- 24.4.1 A restricted List following Public Advertisement; or
- 24.4.2 A register of prequalified contractors maintained by central government on behalf of all public sector organisations.
- 24.4.3 Open Tender; or
- 24.4.4 Negotiation
- 24.4.5 Electronic Tendering

At the option of the appropriate officer except in the case of a Contract to be let by way of Negotiation which shall be approved by the PCC.

## **25. ADVERTISING OF CONTRACTS**

25.1 This Standing Order shall effect where :-

25.2 Officers shall ensure that, where proposed Contracts, irrespective of their value, might be of interest to potential candidates, a sufficiently accessible advertisement is published. Generally, the greater the potential interest of the Contract to potential bidders, the wider the coverage of the advertisement should be. Examples of where such advertisements may be placed include:the PCC's website

- i. portal websites specifically created for Contract advertisements.
- ii. National official journals, or
- iii. The Official Journal of the European Union (OJEU) / Tenders Electronic Daily (TED)

25.3 Officers must ensure that all proposed Contracts whose total value is above the EU threshold is at a minimum advertised in the Official Journal of the European Union (OJEU) / Tenders Electronic Daily (TED).

25.4. An advertisement is not necessary when awarding a contract through an existing Framework agreement as the contract will have already been awarded via a competitive process.

25.5 Officers are responsible for ensuring that all candidates responding to an advertisement for a relevant Contract are suitably assessed. The assessment process shall establish that the potential candidates have sound:

- i. economic and financial standing.
- ii. technical ability and capacity
- iii. ability to fulfil the requirements of the PCC.

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## **26. OPEN TENDER**

26.1 This Standing Order shall have effect where :-

26.1.1 A Contract is to be let by way of open tender and

26.1.2 The Estimated Contract Value is within available resources.

26.2 In such cases advertising will be conducted by the appropriate Officers of the PCC strictly in accordance with standing order 25.

## **27. NEGOTIATION**

27.1 This Standing Order shall have effect where :-

27.1.1 By virtue of a decision of the PCC a Contract is to be let by way of Negotiation and

27.1.2 The Estimated Contract Value is within available resources.

27.2 In such cases Negotiations shall be conducted by the appropriate officers of the PCC strictly in accordance with Standing Order 10.

## **28. ELECTRONIC TENDERING**

28.1 Requests for quotations (RFQs) and Tenders (ITTs) may be invited and submitted by electronic means provided that:

- Evidence that the transmission was successfully completed is obtained and recorded.
- Paper copies of any documents that cannot be sent electronically are sent by post and paper copies of all documents are sent to suppliers who do not specify an e-mail address for receipt of quotations / tenders.
- RFQs and ITTs may be submitted electronically copies onto a cd-rom, and sent with the paper copies of all invitation documents.
- Forms of quotation / tender not provided electronically, must be submitted on paper, signed in manuscript by an authorised representative of the supplier. Accompanying proposals, including pricing documents, may be submitted on cd-rom with the paper form of quotation / tender.
- The procedure will also include arrangements for e-auctions.
- Electronic tenders are kept in a secure folder under the control of the Contracts and Procurement Manager , which is not opened until the deadline has passed for the receipt of tenders.
- Electronic quotations are kept in a separate secure folder under the control of the Contracts and Procurement Unit, which is not opened until the deadline has passed for receipt of quotations.

## **29. SUBMISSION OF TENDERS**

29.1 Where in pursuance of these Standing Orders invitation to tender is required, every notice of such invitation shall state that no tender will be received except in a plain sealed envelope/package which shall bear the words "Tender" followed by the subject to which it relates and that envelope/package so marked shall be submitted to the Chief Executive on or before the date and time specified in the invitation to tender as being the last time and date for the receipt of tenders. The appropriate officer shall first consult with the Chief Executive to obtain a date for return of tenders.

29.2 Envelopes/packages submitted in accordance with the provisions of Standing Order 30.1 shall remain in the secure custody of the Chief Executive or an officer designated by him/her until the time appointed for their opening.

29.3 An officer receiving tenders shall indicate on the envelope the date and time of its receipt and shall issue a written receipt if so requested.

29.4 Tenders submitted to the Chief Executive after the date and time specified in the invitation to tender shall not be considered.

## **30. OPENING AND REGISTRATION OF TENDERS**

- 30.1 Subject to Standing Order 31 below, tenders submitted in accordance with Standing Order 29 shall be opened at one time by the Chief Executive or an officer designated by him/her at his/her offices in the presence of the appropriate officer or an officer designated by him/her. Subject to Standing Order 31 below, tenders submitted in accordance with Standing Order 29 shall be opened at one time by the Chief Executive or an officer designated by him/her at his/her offices in the presence of the appropriate officer or an officer designated by him/her.
- 30.2 The tenders shall be initialled and dated immediately by the Chief Executive or his/her designated officer present when the tenders are opened, and countersigned by a second officer present.
- 30.3 The occasion for the opening of tenders shall take place at the same time as has been stated as being the closing date and time for submitting tenders, or on such other date and time, normally within 48 hours, to be determined by the Chief Executive .

The Chief Executive or an officer designated by him/her shall at the time the tenders are opened record in a book kept for the purpose :-

- 30.4.1 The nature of the goods or materials to be supplied or the works to be executed or the services to be supplied;
- 30.4.2 The name of each person by or on whose behalf the tender was submitted;
- 30.4.3 The date and time of receipt of each tender as recorded on the envelope;
- 30.4.4 The date and time of the opening of the tenders;
- 30.4.5 The names of all persons present at the opening of the tenders; and
- 30.4.6 The tender figures (except where some other method is provided for in these standing orders).
- 30.5 Where in the opinion of the Chief Executive the recording of the amount of the tender in a book would be impracticable (e.g. tender of rates and tenders where the tender total calculated by the contractor is based upon notional quantities) the appropriate tender documents shall be either :-
- 30.5.1 Copied by a person authorised by the Chief Executive immediately; or
- 30.5.2 Where immediate copying is, in the opinion of the Chief Executive impracticable, retained in a safe place by the Chief Executive until such time as the documents are photocopied.
- 30.6 The photocopies shall thereafter be kept in a safe place by the Chief Executive.

## **31. CHECKING AND ACCEPTANCE OF TENDERS**

### **31.1 RECOMMENDATIONS AND ACCEPTANCES OF TENDERS**

- 31.1.1 Unless a contract is awarded under 'the most economically advantageous' criterion (see clause 31.1.5) a tender which is other than the lowest or highest respectively if payment is to be made by / to the PCC can be recommended for acceptance by the appropriate officer. Such a recommendation for acceptance must be endorsed by the Tender Acceptance Panel, comprising the FCFO , the Contracts and Procurement Manager and a representative of the CFO. The appropriate officer must then submit a written report on it to the PCC, specifying the action taken in awarding the contract to other than the lowest tenderer.
- 31.1.2 In all cases of contracts with a value in excess of £1,000,000 following the formal tendering process, the appropriate officer will submit a report to the PCC seeking their approval to award the contract to the specified contractor.

- 31.1.3 The acceptance of a tender by or on behalf of the PCC shall be notified in writing by the Force Solicitor to the tenderer submitting the tender.
- 31.1.4 Where examination of a tender reveals any error or omission the tenderer submitting the tender shall be informed and given an opportunity either of confirming or withdrawing the tender, provided that in these instances of an arithmetical error, the tenderer shall be given the opportunity to correct the said arithmetical error.
- 31.1.5 If the basis of the evaluation is 'most economically advantageous', the criteria for evaluation must be set out in the initiation to tender, in descending order of priority, with the weightings to be given to them as stipulated in EU Procurement Directives.

## **32. CAPITAL SCHEMES REPORTING ARRANGEMENTS**

- 32.1 Progress on each capital scheme in excess of £1,000,000 should be reviewed by the appropriate officer against milestones determined by the PCC. Following this review, progress reports should be submitted by the appropriate officer to the PCC.
- 32.2 A post completion review of each capital scheme in excess of £1,000,000 shall be undertaken by the appropriate officer when total out-turn costs have been determined. Such review shall comprise a comparison of the out-turn costs with the Approved Budget and consideration of whether the scheme met its objectives. The results of the review shall be reported to the PCC.

