
Report: Amendment to Procurement Contract Procedure Rules

Appendix F – Procedural Note: Sealing and Signing Contracts

Procedural Note: Sealing and Signing Contracts

NOTE: This Procedural Note forms part of the Procurement and Contract Procedures and shall be read in conjunction with those Procedures and any associated Procedural Notes

Background

- 1 This Procedural Note outlines the steps to be undertaken in respect of formalising contracts.
- 2 All contracts will be in writing or other approved electronic format.
- 3 All Contracts must be signed by both parties prior to the commencement of the Supply, Work or provision of the Services and dated following sealing/signature by both parties.
- 4 A contract shall be sealed as a deed where:
 - i. the Council may wish to enforce the contract more than six years after its end; or
 - ii. the price paid or received under the contract is a nominal price and does not reflect the value or significance of the Supplies, Services or Works; or
 - iii. the total value exceeds £1,000,000; or
 - iv. in any other circumstances where it is considered appropriate to do so in consultation with the Head of Service – Legal & Democratic Services
- 5 Where it is not required to be sealed, the contract will be signed either by digital or ink signature.

TABLE 1 Contract signature and sealing summary

Total Value	Method of Completion	By Whom
Below £100,000	Purchase Order or standard terms	The Responsible Officer in line with the Scheme of Delegation .
Above £100,000 - below £1million	Signature	
£1million and above or a Key Decision	Sealing	

Overview of the Process

Please contact legal services should you require clarification on whether a contract should be a deed or not.

The Council's Constitution requires that all contracts entered into as a deed are signed/executed by way of attesting the Council's seal.

All contracts that require the Council's seal must be prepared in hard copy, in duplicate and provided to Legal Services together with the confirmation of the authority to seal in the form of the Approval to Procure Award Form and/or the Committee Resolution.

For both signed and sealed contracts, all contract documents must be collated including;

- A copy of the contract
- The suppliers completed tender submission including appendices specific to the contact deliver and pricing schedules

- All plans and drawings. Where it is not possible to print plans and drawings they may be added to the contract by way of Memory Stick accompanied by a clear list of contents. All Memory Sticks must be tested by IT/Strata and the client officer who must retain an electronic file as back up.
- Where standard forms of contract are used for example JCT & NEC, the client must purchase 2 copies to be attached to the final contracts.

Large volume printing should be requested by the Client via the Councils preferred printing arrangement at the time.

SEALING

The client must provide to Legal Services;

- All the contract documents in order with a contents page
- Authority to enter into the contract

The contract will then be bound together and issued by post to the Supplier for signature.

Once the document is returned, it will be sealed by the Council, then dated.

SIGNING

All contract documents must be collated.

The document will be issued electronically to the Supplier for signature.

1. Once the document is returned, it will be signed by the Council, then dated.
2. The date of the signature will not necessarily be the same as the contract start date.

Storage of Contracts

Once the contractual formalities have been completed all original signed copies of contracts over £100k must be sent to the Council's Property Records for safekeeping with the second copy being sent to the supplier. This will be done by Legal Services where the contract has been sealed and by Procurement where the contract has been signed.

A copy of the contract must be held by the named Contract Manager and a scanned copy must also be sent to the Procurement Team.

Contracts must be kept for at least six years from their end date if they were signed; and for at least 12 years from their end date if they were sealed.

TABLE 2 Timescales for Sealing Contracts following Contract Award

Action	Who	Timescale
Provide Contract Documents to Legal Services	Client	Within 5 working days after contract award.
Check Contract Documents are in order and ready for signature/seal.	Legal	Within 10 working days of receiving all Contract Documents.
Respond to any queries from Legal	Client	Within 5 working days of query.
Sending contract out to Supplier for signature/execution including binding the document where necessary	Legal	10 working days from clients' response. <i>Note completion date depends on the return of the contract by the Supplier.</i>
Have contracts signed/ sealed in readiness for completion.	Legal	Within 5 working days after receiving signed contract from the Supplier.
Complete (date) contract.	Legal	Within 5 working days of the Council sealing the contract.
Send Responsible Officer and Procurement confirmation that contract has been completed	Legal	Within 5 working days of completing the contract.

Pass completed contract to Property Records.		
--	--	--