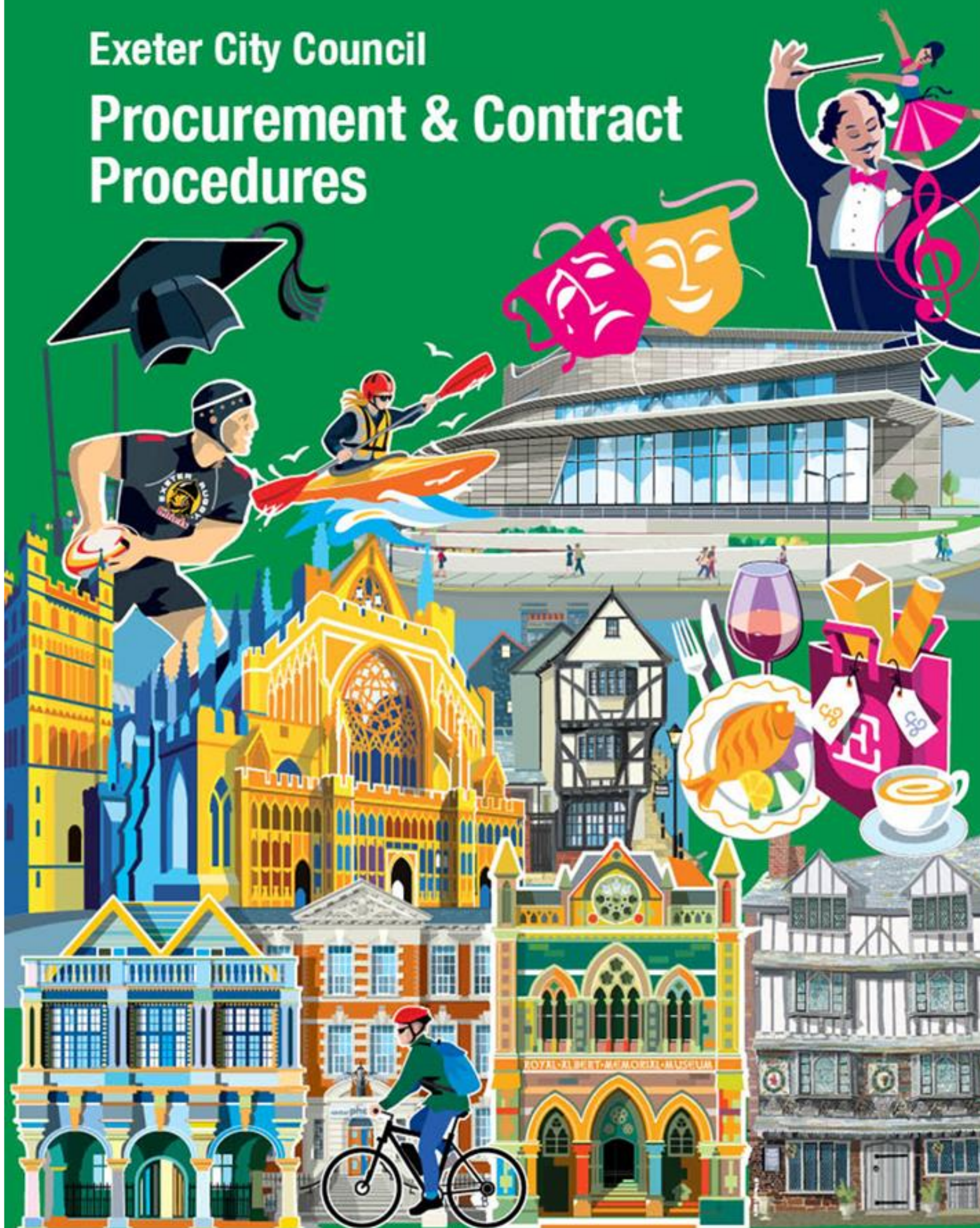

Report: Amendment to Procurement Contract Procedure Rules

Appendix A – Procedural Note: ECC Procurement and Contract Procedures

Exeter City Council Procurement & Contract Procedures



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PART A

SECTION 1:

The Role and Purpose

- 1.1. The Procurement and Contract Procedures (“the Procedures”) form part of the Council’s Financial Regulations within the Constitution) and apply to all Officers employed by Exeter City Council (‘the Council’) or any companies or organisations with the Council’s control. They should be complied with in all cases when the Council expects to spend money with external third-party suppliers in order to provide value for Supplies, Works or Services.
- 1.2. The Procurement Act 2023 is in force from 24 February 2025, and replaces the Public Contracts Regulations 2015. These Procurement and Contract Procedures were amended to reflect the 2023 Act (and Regulations made under the Act), which will apply to all procurements commencing after that date (other than where a Framework is used, and the agreement was entered into prior to 24th February 2025).
- 1.3. The purpose of the Procedures is to:
 - i. Ensure the Council complies with all relevant legal requirements, including but not limited to domestic legislation, UK Procurement Act 2023 (“the Act”)
 - ii. Provide appropriate safeguards and due diligence to support the Council in how it undertakes procurement and commercial activities.
 - iii. Provide accountability, probity and transparency in the Council’s dealings within such activities.
 - iv. Provide clear direction in how procurement and commercial dealings with third party suppliers are to be made.
 - v. Support the policy framework and budget procedures of the Council.
 - vi. Support compliance with the Council’s Constitution, the Employee and Members Codes of Conduct.
 - vii. Promote Value for Money in both how Tendering is undertaken and resulting Contracts are managed.
- 1.4. In addition to the Procedures there are supporting Procedural Notes which shall also be adhered to in relation to third party spend.

SECTION 2:

When do the Procedures apply?

Inclusions

- 2.1 The Procedures shall apply to both capital and revenue expenditure and cover Contracts for Supplies, Works or Services.
- 2.2 Spending includes expenditure incurred by the Council where it is in receipt of and acting as lead organisation funded by external Grants (this includes funding requests or applications) and where expenditure is expected to be made to a third party. In the case of external Grants the Council shall ensure that in addition to the Procedures it complies with any specific Grant funding conditions as outlined by the funding partner, and / or the Subsidy Control Act 2022 (formerly State Aid) .

Exempted Contracts

The Procedures apply in respect of commercial dealings of the Council with third party organisations. However, there are certain situations where it would not be necessary to apply the requirements of the Procedures as defined in Schedule 2 of the Act and include

- i. Appointments outside of the control of the Council, e.g. appointment of external auditors;
- ii. Membership/Subscriptions (not applicable to software licensing) where the Council makes an arrangement to receive goods or services regularly by paying in advance and competition is absent for technical reasons.
- iii. Grant payments from the Council to third parties made in accordance with the council's grants programme.
- iv. Loan payments or loans from the Council to third parties provided on market terms (otherwise Subsidy Control Act 2022 considerations may apply);
- v. Disposal of surplus Goods / Supplies;
- vi. Financial dealings by the Section 151 Officer;
- vii. Employment Contracts;
- viii. Acquisition, purchase, leases (and / or disposal) in relation to land matters, existing buildings or immovable property, provided on market terms.
- ix. Acquisitions for museum collections; collections related material; the work of specific artist(s) or themed exhibitions, all having unique qualities or attributes.
- x. The acquisition, development, production or co-production of material intended for broadcast and a Contract for the broadcast to the public of material.
- xi. Certain 'exempt legal services', including legal representation in judicial proceedings (such as a court) or in a dispute resolution process; pre-litigation advice by a lawyer; services provided by a notary to certify or authenticate documents where that is required legally; or any other legal service where that service is required to be performed by a court or tribunal or by law
- xii. Certain 'quasi in-house awards, arising between the Council and an organization that is connected 'vertically' within the Council, i.e. with a body which has a separate legal personality but is under the Council, for example between a trading company set up by the

Council and the Council or a group of local authorities to fulfil a specific task

- xiii. Certain qualifying 'horizontal' arrangements between the Council and one or more Contracting Authorities (acting together) where the Contract has the aim of achieving public function related objectives and is solely in the public interest.
- xiv. Waivers from the requirement to comply with these Procedures, which may be granted for Below Threshold requirements only. Waivers cannot overcome any prevailing statutory requirements and are to be granted in exceptional circumstances only.

2.3 In cases where these Procedures do not apply, other rules and legislation are likely to apply. The Responsible Officer shall ensure that they adhere to any relevant rules and legislation, and if in doubt must seek advice on those other relevant rules and legislative regulations.

Exceptions to these Procedures - Waivers

2.4 It should be the default position to follow these Procedures in all situations. However, it is recognised that there may sometimes be exceptional circumstances where it may not be possible or in the best interests of the Council to do so.

2.5 Where the Procedures cannot be followed, a Waiver must be applied for in accordance with the supporting Procedural Note considering the following:

- i. Arrangements above £25k (ex VAT) shall require formal written authorisation as set out within the Waiver Procedure.
- ii. Waiver requests shall be completed in advance of committing spend. If this is not undertaken, then a justification shall be made as to why this was not the case.
- iii. The Procurement Team shall be engaged prior to the decision to apply any Waiver over £25k to ensure that there is consideration given to the appropriateness of a Waiver and / or alternative courses of actions.
- iv. A formal Waiver does not forgo the other formal requirements or due diligence, for example, to ensure a formal Contract is put in place / Contract variation, proportionate Contract management is undertaken or the obtaining of any formal decision to award the Contract.
- v. Any Waiver granted over the relevant UK Procurement thresholds approves only the anticipated non-compliance with the Council's Procedures and does not have the ability to overcome the statutory requirement of the Act or mitigate the risks associated with non-compliance with national laws and regulations. Should a waiver valued over the relevant UK procurement threshold be required, legal advice must be sought as to the applicability of Section 41 of the Procurement Act (2023) – Direct Award in Special Cases.
- vi. Waivers shall be in line with the supporting 'Procedural Note: Waivers' and 'Delegation to Officers and Deputies' as detailed in the Councils Constitution.

2.6 Where an approved waiver request is at or above £25,000, Procurement shall update the Contracts Register and Find a Tender platform as necessary.

Breaches and non-compliance

2.7 The Procedures are an essential part of the overall Constitution of the Council. Those with responsibility for fulfilling their duties in line with these Procedures are required to maintain ongoing knowledge and awareness to ensure compliance with the Procedures.

- 2.8 In addition, it will be the responsibility of Responsible Officers (including those with line management responsibilities) to address non-compliance swiftly and in the most appropriate way according to the circumstances. Any potential misuse or non-compliance of the Procedures will be recorded by procurement and reported to the Monitoring Officer.
- 2.9 Non-compliance with the Procedures may result in the Council's Disciplinary and Capability Procedure being invoked. In respect of willful, negligent, repeated or other serious breaches this could result in significant sanctions and even dismissal.
- 2.10 Means of reporting concerns can also be raised anonymously in line with the Council's Whistleblowing Policy.
- 2.11 The Procedures do not negate the requirement to follow the Council's formal decision making process, "Delegation to Officers and Deputies" as set out in the Constitution and specific processes enforced by an individual Department or Service.

Prevention of Corruption and Collusion

- 2.12 Officers must only use Council approved budgets for the purchase of Works, Goods and Services which are for the express use of the Council in line with the Officers' Code of Conduct: [Part 5](#) and Section 117 of the Local Government Act 1972: [Local Government Act 1972](#). Elected Members, officers or others engaged with the Council must not use the Council's ordering or payments systems for personal use or benefit.
- 2.13 Members, Officers, and individuals engaged to work for the Council must declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council. in accordance with these Rules, the Financial Regulations and the Officer's Code of Conduct
- 2.14 All Officers have a duty:
- in law to avoid any form of behaviour that might distort or restrict competition or call into question the award of a Contract:
 - to avoid any form of behaviour that might be perceived to restrict competition or call into question the award of a Contract:
 - Shall identify and investigate suspicious bidding patterns: and
 - Shall keep notes of all discussions with candidates bidding for contracts.

SECTION 3:

Guiding Principles

- 3.1 This section sets out guiding principles on what is expected in incurring expenditure on behalf of the Council with third party suppliers is made, and should be applied wherever possible:
- i. To be accountable in how procurement and Contract management is undertaken;
 - ii. Seek Value for Money through competition;
 - iii. Act in a joined-up manner consistent with considering category spend requirements across the whole Council and not in isolation;
 - iv. Seek to obtaining Value for Money and benefit through collaborative arrangements;
 - v. Be fair, non-discriminatory and consistent with suppliers or others in the process and avoid unnecessary burdens or constraints;
 - vi. Be efficient in how processes are applied;
 - vii. Procurement processes should be carried out as cost effectively as possible;
 - viii. Maintain and protect commercial confidentiality where required;
 - ix. Act legally, conforming to the following principles of the Act and UK procurement law and policy:

Delivering value for money
Maximising public benefit
Transparency
Acting and being seen to act with integrity
Equal treatment

and have due regard to the National Procurement Policy Statement.
 - x. Apply an appropriate balance and proportional levels of due diligence to safeguard risks;
 - xi. Ensure required levels of authorisation and governance are applied to enable informed decision making;
 - xii. Procurement decisions are duly planned, consider ongoing costs and Contract management arrangements;
 - xiii. Comply with the expectations of procuring in the public sector;
 - xiv. Have due regard for Council policy and objectives including consideration of how procurement and contract management can deliver relevant and proportionate social value, environment and sustainability opportunities;
 - xv. Maintain the reputation and standards expected of the Council and Public Sector.
- 3.2 The expectation is that these principles are diligently and consistently applied and unless there are clear and evidenced reasons to the contrary. For those with responsibilities in applying the Procedures as intended, they should do so in an informed manner which supports and upholds the guiding principles as set out.

- 3.3 Officers shall comply with the Rules relating to Predecessor Legislation in relation to any procurement exercise, regardless of value that was commenced or awarded prior to 24th February 2025
- 3.4 **Conflicts of Interest**
All Officers, Members and key stakeholders involved in a procurement exercise of the management of the resulting Contract, must have due regard for the Officers' Code of Conduct [Part 5](#) and declare any conflicts of interest, or perceived conflicts of interest relating to the procurement activity.
- 3.5 Where a conflict, or perceived conflict of interest exists, the procurement team, in consultation with legal services, shall consider any appropriate migration(s) required.
- 3.6 The procurement team shall maintain a Conflicts Assessment of all declarations of interest and mitigations in a procurement exercise that is covered by the Act.

SECTION 4:

Roles and responsibilities

Specific responsibilities.

4.1 Specific responsibilities as follows:

Person	Responsibility
Chief Finance Officer / Section 151	Ensuring overall probity in respect of related financial matters, through relevant controls and monitoring.
Monitoring Officer	Acting as the ultimate point of escalation in respect of breaches or non-compliance with the Procedures. Applying the requirements of the Monitoring Officer role diligently in consideration of matters concerning the Procedures.
Head of Legal and Democratic Services	Ultimate point of authorisation in respect of Contract signatory and execution.
Head of Service/ Director	Authorisation in line with levels as set out in the Authorisation Process and Scheme of Delegation as set out in the Constitution. Ensuring awareness and compliance within their respective areas of responsibility. Escalation point to investigate and / or action breaches and non-compliance within the respective area of responsibility and, where necessary, onward escalation to Director / Monitoring Officer.
Procurement Manager	Overall ownership of the Procedures and ensuring that the overall framework for commercial considerations is complied with robustly and effectively. Ensuring compliance with the Council's overarching decision-making responsibilities and providing related guidance. On occasions will also have the same responsibilities as outlined in the Responsible Officer definition.
Elected Members	Ensuring compliance with the Members' Code of Conduct, including in relation to any interests they may have, and any specific responsibilities they have in relation to the Procedures themselves. Make such decisions as are referred to them for determination in relation to these Rules.
Legal Services	Advising on legal matters relating to Contract Terms and Conditions. Point of escalation in relation to formal challenges within procurement or Contract matters.
Portfolio Holder	Maintaining an ongoing awareness of exempted spend. Ensuring accountability is maintained by those Officers with responsibilities for delivery of the Procedures.
Procurement Team	Acting as primary advisory service in relation to public sector procurement, commercial and Contract management matters.

Person	Responsibility
Responsible Officer	<p>This will include the relevant Head of Service and officers carrying out any of the following activities, including:</p> <p>Quoting, Tendering or Contract renewals in line with the Procedures</p> <p>Engaging with the corporate Procurement Team in a timely manner where required (ideally a minimum 3 months prior to requirement to tender; longer for complex/high value requirements).</p> <p>Seeking additional advice from procurement or legal where these Procedures may not apply.</p> <p>Ensuring there is a genuine and legitimate business requirement for the spend and an approved budget and acting with the authority of the budget holder.</p> <p>Ensuring that the appropriate Authorisations have been received in respect of committing spend.</p> <p>Drafting fit for purpose specifications for each procurement which meet the requirements of the procurement and ensuring technical specifications are drafted in line with Government guidance where used</p> <p>Providing justification for any deviation from the approved Sourcing Strategy.</p> <p>Accurately estimating the total Contract value at the start of each procurement.</p> <p>Conducting sourcing / procurement in line with the Authorisation Process.</p> <p>Applying Waivers where appropriate. Implementing Contract management to ensure compliance with the terms and conditions of the Contract.</p> <p>Informing the procurement team of any Below Threshold Contracts that are to be publicly advertised, including adverts published on social media.</p> <p>Reporting matters of breach or non-compliance to Procurement and or the Legal team.</p> <p>Ensuring that the procurement team is notified when a Public Contract is terminated or comes to a natural end through expiry so that a transparency notice can be published in line with the requirements of the Act.</p> <p>Support the preparation of a Conflicts Assessment for procurement processes equal to or above the threshold amount for the type of Contract (unless an exempted Contract) prior to the publication of a tender or transparency notice.</p> <p>Ensure that an appropriate and competent Contract manager is assigned (and named on the Council's Contracts register) to ensure that supplier performance is proactively managed (and reported (via the Procurement team) where required by the Act) throughout the entire Contract period.</p> <p>Comply with these Procedures and the Financial Regulations</p>
Senior Management Board	<p>Maintaining a strategic overview of compliance with the Procedures and overall accountability for non-compliance with the Procedures in their respective areas of responsibility.</p> <p>Instructing relevant changes to ensure compliance and controls remain effective.</p> <p>Authorisation in line with levels as set out in the Authorisation Process.</p>

Person	Responsibility
Contract Manager	<p>Monitoring the overall performance of the Contract in line with the specification, agreed service levels and Contract terms</p> <p>For diarising key dates within the lifecycle of a Contract including without limitation, the dates of reviews, insurance renewals, any Contractual ability to extend a Contract</p> <p>For contacting and liaising with the Procurement team at least three months (and ideally six months) prior to the natural expiry of a Contract to agree a procurement strategy for the extension or renewal of a Contract.</p> <p>Responsible for seeking legal advice before assignments or novations are entered into.</p> <p>For all Contracts at or above Threshold Value, Contract Managers shall, at least annually, consult with and provide to Procurement all relevant information for the publication of a 'Contract Performance Notice'.</p> <p>For all Contracts at or above Threshold Value, the Contract Manager shall also consult with and provide details to Procurement of any changes to a Contract that trigger the need to publish a 'Contract Change notice'.</p> <p>Responsible for updating the Conflicts Assessment for above threshold procurement during the Contract management period as necessary.</p>

PART B

SECTION 5:

Sourcing Strategy

General

- 5.1 The following Sourcing Strategy is based on the assumption that there is a proven need and requirement for the Supplier, Works or Services. The Sourcing Strategy shall be applied when considering how to fulfil a proven need and requirement, and done in the following order of priority:

Step 1: Consideration for the Council to self-deliver the requirements direct by the Council or through a Council formed Company in accordance with Schedule 2 of the Act. ('Teckal Company');

Step 2: Purchasing via established compliant Value for Money Council Contract, Council framework or alternative Council compliant arrangement (e.g. Dynamic Market or Dynamic Purchasing arrangement);

Step 3: Undertaking new procurement process – including Procurement via established alternative Public Sector compliant Value for Money Contract, framework or alternative compliant arrangement (e.g. Dynamic Market or Dynamic Purchasing arrangement);

- 5.2 In considering the Sourcing Strategy and route to market, benefits of collaboration opportunities should be considered, along with overall Value for Money.

- 5.3 Formal option appraisal to be used on arrangements above £100k.

- 5.4 Consideration of these steps should be captured within the Commercial Endorsement Form.

Step 1: Self-delivery or Purchase

- 5.5 Where no current arrangements exist for the provision of the Supplies, Works or Services, a decision shall be taken as to whether the Council should look to self-deliver the requirements, ahead of looking to formally make any arrangements to purchase via a third party supplier(s).
- 5.6 To aid decision making as to whether a procurement process and ultimately a Contract with a third-party supplier is required, consideration shall in the first instance be given as to whether the Council has the skills, capacity, competency and experience to self-deliver the Supplies, Works or Services and if so, whether this can be done in a cost effective manner which ensures Value for Money.
- 5.7 The decision around self-delivery, for example delivery direct by the Council or Council's Teckal company or purchasing via a third-party supplier relationship, shall be taken prior to undertaking a formal procurement process.
- 5.8 The decision around self-delivery or not to shall be proportional to the nature of the anticipated spend and supported by consideration of Value for Money. Typical examples where consideration of direct award may be applied are:
- i. The Council has established a Teckal Company delivering in that similar space.
 - ii. Consideration is taken to establish a new service provision.
 - iii. Provision of Services and Works, less likely the provision of Supplies.
- 5.9 Where a decision is taken to self-deliver the Supplier, Works or Services, through one of the Council's Companies (either established or new) then this should be supported by an appropriate

and proportionate Service Level Agreement to ensure Value for Money is delivered in any arrangement. The reasons around any decisions should be captured for audit and accountability reasons.

Step 2: Purchasing via Council Contract, framework or alternative compliant arrangement (e.g. Dynamic Market or Dynamic Purchasing arrangement or Neutral Vendor arrangement)

- 5.10 In the event where a decision is to purchase or call off from existing compliant Council arrangements, then due regard shall be taken to ensure the purchase / call off conditions under that arrangement are duly applied.
- 5.11 Authorisation levels for the spend are to be in line with the Assurance and Authorisation process as outlined in Procedural Note: Approval to Procure/Award & Quality Assurance
- 5.12 Where it is known, or likely to be known that, the total level of spend is of a certain value, then the approvals should be for the upper estimate for the purchases. It will not be deemed appropriate to place smaller values of spend to circumvent the Authorisation Process, which would likely adversely impact value to be obtained from an aggregated spend approach and also be in breach of the wider procurement directives.
- 5.13 Reference should be made to the procurement team in respect of whether there is an appropriate Council Contract in place on the Contracts Register, In consideration of use of existing Council Contracts or framework agreement it will be important to understand the implications any additional requirements may have on the Contract such as exclusivity clauses, locked in volume discounts, guaranteed minimum values, block payments or framework rebates and to consider the materiality of any additional spend placed through that Contract.

Step 3: Undertaking new procurement process

- 5.14 Commencing a new formal procurement process shall be undertaken where the Council is not deemed to be able to deliver the requirement themselves by making the Supplies, Works or Services, and that the Council does not have any existing commercial arrangements which would otherwise fulfill the requirements.
- 5.15 Undertaking a new procurement will include either the Council conducting and running a new procurement process themselves (e.g. advertising the requirements, supplier engagement, evaluations, award, and Contract), or procurement via established alternative Public Sector Contract, Framework Agreement or alternative compliant arrangement (e.g. Dynamic Purchasing arrangement or neutral vendor arrangement).
- 5.16 For procurement processes with a Total Contract Value above £100,000 (exc VAT), the Officer must conduct the procurement activity in conjunction with a Procurement Officer within the Council's Procurement team.
- 5.17 Prior to commencing procurement or Contracting activity, the Officer must:
- consider options for delivery of the required Goods, Services or Works
 - ensure that there is appropriate Council authority to procure, and sufficient budgetary provision approved and in place

- identify the size, scope, terms and specification of the Goods, Services and Works required
- check whether the Council already has an available and appropriate Contract in place in the Contracts Register, or an appropriate national, regional or other collaborative Contract, Dynamic Market or Dynamic Purchasing System is available for use, by reference to the Procurement team
- check whether the goods, services or works to be supplied could be awarded in lots.
- check whether any employee, either of the Council or of a service provider, may be affected by any transfer arrangement and ensure that any Transfer of Undertaking (Protection of Employment) (“TUPE”) issues are considered, and obtain legal and HR advice
- Prepare a conflicts assessment in relation to the procurement if the estimated Contract value is above the threshold amount for the type of Contract and the Contract is not exempted.
- Generate a risk register including, known risks, which need to be included within the Contract.
- Consider the Key Performance Indicators and measures required to ensure effective supplier performance.
- Consider the insurance the insurance requirements in relation the requirement and seek advice where required.
- Have due regard to the Council’s relevant policy and duties.

Other considerations

- 5.18 Where there is external funding (e.g. external Grant funding) care should be taken to ensure that funding conditions in how spend is made are followed to avoid risks around reclaiming of Grant monies from the funder.

SECTION 6:

Financial levels / thresholds

6.1 The Total Contract Value is calculated as follows:

- a. the maximum total amount payable as estimated by the Council and including any additional options, fees, commissions, lots, renewals and/or extensions together with any estimated costs of decommissioning, disposals or Contract exit, including any amounts already paid.
- b. the estimated value of a Framework Agreement, Dynamic Market or Dynamic Purchasing System shall be the total value of all of the Contracts that may be awarded against that Framework Agreement, Dynamic Market or Dynamic Purchasing System
- c. the value of a Concession Contract shall be the best estimate of the financial value to the Contractor that shall be made over the life of the arrangement.

6.2 The general rules when calculating the Total Contract Value are as follows:

- a. purchases of the same or similar type must be aggregated wherever practicable. The value of the Contract shall not be calculated with the intention of excluding it from the scope of these Procedures.
- b. where there is a common requirement across the Council, the Total Contract Value shall be the aggregate of all purchases across the Council.
- c. a Contract shall not be sub-divided with the effect of preventing it from falling within the scope of these Procedures.
- d. the estimated value shall be calculated as at the moment at which the advertisement is sent or when the Council commences the procurement procedure, whichever is the latter; unless
- e. the estimated value at the point that a Concession Contract to which the Relevant Legislation applies is awarded is more than 20% higher than the previous estimate, in which case the higher value applies.

6.3 When calculating the estimated value of the Contract to determine whether the Regulations apply, the Contract value estimation should be inclusive of VAT irrespective of any VAT exemptions or recovery rates.

6.4 Where it is not possible to estimate the value of a Contract in accordance with the above, the value must be treated as being above the Threshold Value applicable to the Act.

FIGURE 1 Value Thresholds for New Procurement Arrangements

Value of Contract (exc VAT)	How to procure	How to advertise	Form of Contract
Up to £25k	Min 1 Quotation (3 preferred)	Direct approach to supplier(s)	Purchase Order and standard T&Cs
Between £25k and £100k	Min 3 Quotations	Direct approach and / or advertising (formal tender may be run via the procurement team for complex requirements)	Purchase Order and standard T&Cs
Between £100k and the UK Procurement threshold	Formal tenders	Advertising via Council's Electronic Tendering System	Standard or Bespoke T&Cs
Over UK Procurement threshold	Formal tenders	Advertising via Council's Electronic Tendering System.	Standard or Bespoke T&Cs

NOTE: 1. UK Procurement Thresholds for Supplies, Services and Works (Jan 24 – Jan 26) can be accessed via the following link: [Procurement Policy Note 11/23 – New Thresholds \(HTML\) - GOV.UK \(www.gov.uk\)](#) 2. For the purposes of Quotation it is deemed an estimate as opposed to Tender when it is deemed as a formal offer requiring acceptance.

6.3 Procurement process for Goods, Services and Works Contracts below £25k

- 6.3.1 Where the Council has no suitable existing Contract then three written quotations should be sought where possible. The request for quotations must be accompanied by a basic specification outlining requirements, together with confirmation that the Council's Purchase Order Terms and conditions will apply a minimum of one written quotation must be obtained.
- 6.3.2 Acceptance will be notified to the successful supplier by issue of a Purchase Order. The Purchase Order must refer to the Council's standard terms and conditions of Contract, except for where the complexity of the Contract requires more bespoke terms, in which case the Purchase Order shall make separate reference to these.
- 6.3.3 The Officer must inform Procurement in a timely manner of the Contract details for any Contract made in excess of £5,000, such that a record can be made on the Council's Contract Register, in line with Local Government Transparency Code 2015.

6.4 Procurement process for Goods, Services and Works Contracts over £25k up to £100K.

- 6.4.1 Where the Council has no suitable existing Contract, then a minimum of three written quotations must be sought. The request for quotations must be accompanied by a specification outlining requirements, together with confirmation that the Council's Purchase Order Terms and conditions will apply. A minimum of three written quotation must be obtained which should be retained on file.
- 6.4.2 Acceptance will be notified to the successful supplier by issue of a Purchase Order. The Purchase Order must refer to the Council's standard terms and conditions of Contract, except for where the complexity of the Contract requires more bespoke terms, for example a specific stand-alone Contract in which case the Purchase Order shall make separate reference

to these

- 6.4.3 The Officer must inform Procurement in a timely manner of the Contract details for any Contract made in excess of £5,000, such that a record can be made on the Council's Contracts Register, in line with the Local Government Transparency Code 2015 and a Contract Details Notice posted by procurement where required.

6.5 Procurement process for Goods, Services and Works Contracts over £100k up to Procurement Act Thresholds

- 6.5.1 Where the Council has no suitable existing Contract, Framework Agreement, Dynamic Market or Dynamic Purchasing System is available the Officer is required by these Procedures to invite Tenders through a Competitive Process advertised via the Council's Electronic Tendering System.

The Procurement Documents shall include (but not limited to):

- instructions to candidates and Award Criteria
- the Council's standard terms and conditions of Contract, or bespoke terms unless replaced by Framework Terms and conditions
- form of tender
- the specification
- details of insurance requirements that must be in place at Contract award
- details of proposed Key Performance Indicators and Service Levels
- the pricing schedule
- commercially confidential information
- Conditions of Participation
- any other requirements as mandated by relevant legislation.

- 6.5.2 The successful supplier and unsuccessful candidates shall be notified in accordance with the Relevant Legislation and a Standstill Period observed in line with the requirements of the act.

- 6.5.3 A Purchase Order must be raised in line with the Financial Regulations.

- 6.6 In the event where the Council's preferred route to market is via an established public sector Contract, Framework Agreement or alternative compliant arrangement (e.g. Dynamic Market or Dynamic Purchasing arrangement or Neutral Vendor agreement) there would not be the requirement to advertise the requirements. Any call offs and Contracting via such routes to market shall be in accordance with the public sector Contract or Framework Agreement's terms and conditions.

- 6.7 Where permissible, this will include considerations of direct awards and further competition under the Contract or Framework Agreement.

- 6.8 Prior to any direct award via a Framework agreement above £100,000, a Waiver Form must be completed by the Responsible Officer and authorised by the appropriate Council officers as set out within the 'Procedural Note –Waivers '. All Waivers must be copied to the procurement team.

TABLE 1 Authorisation Levels

Authorisation Levels - Goods, Works and Services	Authorisation Points
Total Contract Value Below £100,000	The Responsible Officer with budget responsibilities in the Service area with the agreement of the appropriate Head of Service, will be responsible for taking a proportional approach to justifying the spend and holding all supporting documentation for audit and reporting purposes. For Contracts in excess of £5k the Responsible Officer must provide details of the Contract as required in the Contracts Register Entry form to the Procurement Team so that these can be published in line with transparency legislation.
£100,000 to UK Procurement Threshold for Goods and Services £100,000 to £499,999 for Works	Appropriate Head of Service / SMB Member in conjunction with the Procurement Manager
Above UK Procurement Threshold for Goods and Services £500,000 and over for Works	SMB Member and Portfolio holder authorisation in conjunction with the Procurement Manager.

6.9 The Authorisation Process shall be applied at the following stages:

- i. Confirmation of business case / Options Appraisal – Authorisation at this stage provides authority to commence with the purchase / procurement process in line with the agreed business case, options appraisal and route to market.
- ii. Confirmation of Award – Authorisation at this stage provides authority to enter into the Contractual agreement with the preferred supplier as a result of the outcomes from the approved purchase / procurement approach.

6.10 Records of authorisation approvals shall be captured on the Approval to Procure/Award Form (formerly called the Commercial Endorsement form).

Contract Signature

6.11 Formalising Contracts and execution (signing or sealing) shall be completed in line with Table 2 below.

TABLE 2 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	

*unless Seal required in line with 6.14 below

- 6.12 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.
- 6.13 Where a Contract is entered into under seal it shall be by way of deed which is effected by applying the Council's seal attested by the appropriate officer under the Scheme of Delegation and Standing Orders. The seal shall not be affixed without the authority of the appropriate decision-maker in accordance with the [Scheme of Delegation](#) and Standing Orders.
- 6.14 A Contract shall be sealed (in line with Procedure Note: Signing and Sealing Contracts) 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. where required by the terms and conditions used, or
 - v. in any other circumstances where it is considered appropriate to do so in consultation with Head of Service - Legal and Democratic Services.
- 6.15 Contracts must be signed by both parties prior to the commencement of the Supply, Work or provision of the Services.

SECTION 7:

Overall approach to be applied

- 7.1 Consideration must be given to the timescales required for any procurement exercise to take place. Where the procurement is to re-Tender this is essential to ensure continual service. Any re-Tendering exercise must comply with the Procedures and the Regulations.
- 7.2 The Councils Electronic Tendering System, shall be used for all Tenders over £100k where actions can be tracked for accounting and audit purposes, and benefits from the relevant encryption and security that comes with the Electronic Tendering System. This shall include:
- i. Issuing Quotations / Tenders
 - ii. Receiving, and opening quotations / Tender submissions
 - iii. Confirming Quotation / Tender intention to award decisions
 - iv. Supplier clarifications and responses

Preliminary Market Engagement

- 7.3 Preliminary market engagement under the Act takes place before the publication of a tender or transparency notice and helps the Council and the market prepare for the procurement. However, this engagement must be conducted in a way that does not give a supplier an unfair advantage or distort competition.
- 7.4 Section 16(1) of the Act lists the permitted purposes of engagement. The permitted purposes are:
- developing the authority's requirements and approach to the procurement;
 - designing a procedure, conditions of participation or award criteria;
 - preparing the tender notice and associated tender documents;
 - identifying suppliers that may be able to supply the goods, services or works required;
 - identifying likely Contractual terms; and
 - building capacity among suppliers in relation to the Contract being awarded.
- 7.5 All officers must take advice from Procurement for all procurement exercises over £100,000 (ex VAT) to ensure that the proposed method of engaging the market does not distort competition and to ensure an appropriate transparency notice is published by the procurement team in line with the requirements of the Act. Written records shall be kept by the officers of any pre-market engagement activity undertaken.
- 7.6 Suppliers consulted during market engagement activities shall only be excluded from the procurement process where there are no other means to ensure compliance with this section in its entirety. Potential candidates must be given the opportunity to prove that their involvement in market engagement activities is not capable of distorting competition.

Due Diligence

- 7.7 Relevant subject matter experts (e.g. service area teams, Legal Services, Finance, etc.) are to be consulted at appropriate times during the procurement process. (Reference should also be made in relation to the Procedural Note: Approval to Procure/Award & Quality Assurance).

Advertising

- 7.8 The advertising stage is the formal notification of commencement of the procurement, to make potential suppliers and third parties aware of the procurement opportunity. In the event where the route to market is via a formal quotation / procurement then primary means of advertising shall be via the Council's Electronic Tendering System which will be used to support the posting of Contract opportunities and transparency notices (required under the Act) to a central digital platform known as Find a Tender.
- 7.9 Consideration shall also be made to the use of the Council's website and social media, plus where relevant other outlets to ensure the opportunities are suitably publicised.
- 7.10 All documents related to the procurement shall be complete and ready as a formal Tender pack for suppliers at the time of advertising.
- 7.11 Where a decision is taken to purchase or formally procure via an established framework agreement, then there is no requirement to advertise.

Clarification during the process

- 7.12 Clarifications regarding procurement documentation which are received from a Tenderer are to be received and replied to via the Council's E-Tendering portal. Any response to clarification questions raised by Tenderers during the procurement process shall be shared with all Tenderers for the purposes of openness and transparency. Clarification of tender responses is only permitted by a member of the procurement team.
- 7.13 In the event where the clarification and / or the response is commercially confidential to the organisation raising the clarification then the clarification / response should not be shared. In such cases care shall be taken not to adversely advantage or disadvantage any parties.
- 7.14 It should be noted that discussions with Tenderers after submission of a Tender and before the award of a Contract with a view to obtaining adjustments in price, delivery or content (i.e. post-Tender negotiations) shall not be undertaken. Advice should be sought from the Procurement Team in the event of single Quotation / Tender submissions.

Submissions and openings

- 7.15 All Quotations and Tenders for Contracts above £100k shall be managed through the Council's Electronic Tendering system, and it is optional to use the Electronic Tendering System for Contracts below £100k.
- 7.16 All Quotations and Tenders shall be submitted in accordance with requirements set out within in the Invitation to Tender.
- 7.17 All Quotations / Tenders received must be opened together at one time in a suitable place in line with the Authorisation Levels.

- 7.18 Upon opening the Quotations / Tenders received they must be registered and recorded to confirm the following information:
- i. name and address of company submitting Tender;
 - ii. Tender value;
 - iii. date and time of opening;
 - iv. names of the officer present at the time of opening.

Missing, Omitted or late information

- 7.19 If there appears to be an error in the information submitted by the Tenderer, including missing or omitted material, then Procedural Note: Missing and Omitted Materials from a Quotation or Tender shall be followed, and / or Procedural Note: Late Submission as may apply.

Conditions Of Participation

- 7.20 The Conditions of Participation shall be used to assess the Candidate's ability to meet the Council's requirements or minimum standards of suitability, legal status, or financial standing and will be included within procurement documentation for all Contracts over the value thresholds as stated within the Act.
- 7.21 Conditions of Participation must not include;
- Award criteria
 - Non-commercial considerations
 - Criteria that are not related and proportionate to the subject matter and value of the Contract.
- 7.22 Conditions of participation must not set or assess a supplier's suitability to perform the Contract for below-threshold procurements as a way of reducing the number of bidders invited to tender (previously known as 'selection stage' or 'pre-qualification' stage), except where the Contract is a works Contract and has an estimated value of not less than the UK Procurement threshold for Services.
- 7.23 The selection of candidates shall only be on the basis of the Conditions of Participation and the requirements of the Act. The Officer may reject candidates that fail against the mandatory and/or discretionary criteria as detailed within the Conditions of Participation only in conjunction with the Procurement Officer and Legal Services, where relevant.

Evaluations

- 7.24 All submissions received for Contracts above the Total Contract Value of £100,000 shall be evaluated in accordance with the pre-determined Conditions of Participation and Award criteria, as set out in the Procurement Documents/Advertisement by an evaluation panel comprising of three or more appropriately experienced officers wherever possible. Procurement will arrange a moderation meeting for evaluators to agree consensus scores following individual assessment and scoring of submissions.
- 7.25 Evaluations and any resulting award decisions shall be made against the award criteria published at the time of advertisement. In exceptional circumstances award criteria and sub-criteria may need to be varied during the procurement process and where this occurs all potential bidders will be notified of the variations prior to the deadline for the submission of Tenders. Consideration shall be given to extending the submission deadline and / or whether it is appropriate to continue with the process or cancel and recommence as appropriate. Award criteria shall:
- i. Clearly disclose how scores are to be awarded to responses

- ii. Clearly disclose whether and how sub-criteria are to be used
 - iii. Be relevant and proportionate to the subject matter of the Contract
 - iv. Be non-discriminatory
- 7.26 In selecting a preferred supplier, the Council must have due regard to delivering value for money, maximising public benefit, acting and being seen to act with integrity, and equal treatment. In doing so all Contract awards must be based on the Most Advantageous Tender (the "MAT").
- 7.27 In discussion with procurement team, Responsible Officers must ensure the approach used to achieve MAT is by the best means, using a methodology which is relevant and proportionate to the particular procurement being undertaken.
- 7.28 Any commercial information such as prices shall not be shared with the evaluation team until the final scores for all other elements have been collated.
- 7.29 The award process to be followed will depend on the total Contract value.

Award (Above £100k to below UK Procurement Threshold)

- 7.30 The principles of the Regulations shall be considered and applied as appropriate including:
- i. Informing unsuccessful applicant(s) and preferred applicant(s) of the outcomes of the evaluation.
 - ii. Informing the unsuccessful applicant(s) of the characteristics of their bid
- 7.31 Following a voluntary standstill period of 8 working days., a Contract Details Notice shall be issued by the procurement team.

Award (Contract over UK Procurement Threshold Values)

- 7.32 For Contracts over the Threshold Values applicable to the Act the procurement team Officers must apply a mandatory minimum Standstill Period of eight (8) working Days from publication of a Contract Award Notice, before entering into a Contract.
- 7.33 All candidates must be notified simultaneously in writing of the intent to award via issue of an Assessment Summary, prior to publication of the Contract Award Notice which will begin the mandatory Standstill Period
- 7.34 Following the expiry of the Standstill Period, a Contract Details Notice will be published by the procurement team.
- 7.35 Where the value of the Contract is over £5million, a redacted version of the Contract will be published the procurement team in line with the requirements of the Act.

Contract matters

- 7.36 All Contracts will be in writing or other approved electronic format and will specify:
- i. the work, service, Supplies or materials to be supplied;
 - ii. the price, or the basis for determining the price to be paid;
 - iii. all discounts or other deductions;
 - iv. the time or times of performance.
- 7.37 No Contract will provide for payment by the Council in advance of satisfactory performance or delivery unless with the express approval of the Head of Service in consultation with the Chief Finance Officer.
- 7.38 Contracts entered into must be on the Council's terms and conditions, or where procured under a Framework Agreement the Terms as set out under that agreed Framework Agreement, which must be included with each Invitation to Tender (ITT). Exceptions to this rule must be approved by the Head of Legal and Democratic Services via negotiation with the Supplier.
- 7.39 The Responsible Officer must ensure that a job title and suitable person is named as the Contract Manager for all new Contracts. All Contracts must have a named Contract Manager for the entirety

of the Contract and this person is responsible for ensuring that performance is monitored and the terms of the Contract are delivered. The appointed Contract Manager should have the necessary skills and knowledge to manage the Contract.

- 7.40 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. This shall apply also for formal changes, variations and extensions as may apply to the Contract. All formal changes, variation and extensions must be signed off by Legal.
- 7.41 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.
- 7.42 The Procurement Team will maintain a central Contracts register of all Contracts over £5k awarded and these will be published in accordance with the requirements of the Local Government Transparency Code 2015.
- 7.43 Detailed guidance on sealing and signing of Contracts is available via the accompanying Procedural Note.

7.44 Contract Modification

- 7.45 Any Contract may be extended or varied if the terms of the Contract allow, and the extension or variation is within the parameters of the terms of Contract. Where a modification to the Contract or framework is not expressly provided for in the initial procurement documents and the Contract or framework agreement, the involvement of the Head of Legal and Democratic Service and the Procurement Team is required to assess the commercial and legal implications of any such modification. All modifications shall be in writing and in accordance with the terms of the relevant Contract or framework agreement.
- 7.46 For Contracts above UK Threshold value, advice should be sought from Legal and or Procurement before a modification is made. Where required by the Act, the Procurement team will publish a Contract Change Notice.
- 7.47 Officers shall take advice from the procurement team as to whether to apply a Standstill Period in order to allow the Council to notify the market of proposed Contract changes.
- 7.48 Where a Contract modification would take the value of the Contract over the relevant UK Procurement Threshold, advice must be sought from the Procurement and/or Legal team, before any action is taken.
- 7.49 Contracts may only be terminated after seeking advice from the Procurement Team and the Head of Legal and Democratic Services
- 7.50 Contracts procured under the PCR 2015 (and preceding rules) will be governed by Regulation 72, PCR 2015 where the need for a modification arises.

7.51 Assignment and Novation

7.52 In the event of the Responsible Officer or Contract Manager becoming aware that a Supplier is entering into a change of control, insolvency, bankruptcy, receivership or liquidation the Officer must inform Procurement and Legal Services immediately. The Supplier shall only be permitted to assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof with the prior written consent of the Council. The Council reserves the right to decline a Supplier that is deemed to be not suitable. If a suitable alternative is not identified, the Contract must be re-Tendered.

7.53 Contract Termination by Natural Expiry

7.54 Where a Contract is due to expire naturally, the Contract Manager shall at least three months (ideally six months) in advance of the natural expiry date of the Contract, liaise with Procurement to:

- Ensure that a Contract Termination Notice is scheduled for publication by Procurement and
- Make arrangement for any future procurement exercise and relevant notices to be issued.

7.55 Early Termination of Contract

7.56 The events of default and consequences of breach must be clearly described within the Contract from the outset.

7.57 Early Termination of a Contract should be discussed in advance and agreed with both Procurement and Legal Services following consultation with the relevant Head of Service/Service Director

7.58 The Procurement team shall publish Contract Performance Notices and Contract Termination Notices as required by the Act.

7.59 Contract Management and Performance

7.60 Responsible Officers will ensure that a Contract manager with suitable skills, training or experience is appointed to take responsibility for the delivery of the obligations set out in the Contract.

7.61 Contract Managers should undertake regular supplier resilience checks for over threshold Contracts at least annually and include checks on the suppliers' operational, financial and reputational resilience including business continuity, insurance provision, financial credit rating, identifications and management of key risks.

7.62 If a Contract has a value of £5 million and is not a call-off through another organisation's framework agreement, performance management against agreed key performance indicators shall be reported by the Contract Manager to Procurement annually for publication on Find a Tender as required under the Act.

SECTION 8:

Other Matters

- 8.1 The Procedures as set out are aimed to cover the majority of events and circumstances which may arise in the general dealings of the Council, principally procurement and Contract matters below the UK Procurement Thresholds and the more conventional procedures referenced in the Act.
- 8.2 In the event of the following specific matters, then further advice should be sought where these either apply or are being considered as suitable solutions:
- i. **Concessions Arrangements**, including reference to the Procedural Note: Concessions
 - ii. **Competitive Flexible Procedure** – not an “open procedure” but any other such competitive tendering procedure as the Contract as the Council considers appropriate for the purpose of awarding the public Contract.
 - iii. **Subsidy Control** (Consideration of matters that may provide advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the UK; [Subsidy Control Ac 2022](#))
 - iv. **Reservable/Light Touch Contracts**

SECTION 9:

Strategic

- 9.1 The following Procedural Notes are considered to be strategic and generally apply in application of the Procedures and therefore need to be considered in all situations:

Procedural Note	Approval to Procure/Award & Quality Assurance
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Operational

- 9.2 The following Procedural Notes apply in specific operational situations or circumstances and would need to be applied if / when such situations arise:

Procedural Note	Waivers
Procedural Note	Late Submissions
Procedural Note	Missing and Omitted Materials
Procedural Note	Concessions
Procedural Note	Sealing and Signing Contracts

Term	Description
Act	<i>The Procurement Act 2023 and any subsequent amendments</i>
Approval to Procure/Award	<i>Means the template used to approve the business case, award and Contract variation for a procurement.</i>
Authorisation Process	<i>For the purpose of this document shall mean the formal process as set out in the Procedural Note: Commercial Assurance and Authorisation, and further referred to within these Contract</i>
Award Criteria	<i>The criteria by which the Contract is to be awarded to the successful Supplier</i>
Below Threshold Contract	<i>A Contract with an estimated total Contract value (including VAT) of less than the threshold amount of the type of Contract which may be subject to the obligations in Part 6 of the Act.</i>
Central Digital Platform /Find a Tender Service	<i>The online system provided by the Cabinet Office on www.gov.uk for the publication of notices, documents and other information in relation to the Procurement Act 2023.</i>
Concession Arrangement	<i>Meaning where the provision and the management of services or the execution of works is entrusted to one or more economic operators, the consideration of which consists either solely in the right to exploit the services or works that are the subject of the Contract or in that right together with payment. Note: In the event of applying a Concession the Council's Procedural Note: Concessions shall be applied.</i>
Conditions of Participation	<i>The Council's minimum requirements for a procurement process, details of the proposed requirement and the criteria by which a Candidate is to be assessed as being suitable to deliver the requirements of the Contract.</i>
Conflict of Interest	<i>A personal, professional or financial interest which may be direct or indirect</i>
Conflicts Assessment	<i>An assessment that includes details of (a) conflicts or potential conflict of interest identified in accordance with Section 81 (duty to identify) and (b) any steps the Contracting authority has taken or will take for the purposes of Section 82 (duty to mitigate).</i>
Constitution	<i>The Council's formal constituted governance arrangements which can be found here: Browse - Constitution - Exeter City Council</i>
Contract Award Notice	<i>communicated at the outcome of a procurement and commences an 8 working day standstill period prior to awarding a Contract.</i>
Contract Details Notice	<i>Means the notice detailing the awarded Contract which must be published within 30 days of Contract signature (or 120 days under the light touch regime). The notice must also include a copy of the redacted Contract and KPI information, for any Contracts of £5m+.</i>
Contract Performance Notice	<i>Means the notice required to report (a) annual KPI scores for public Contracts exceeding £5m; and (b) poor supplier performance / breach of Contract (within 30 days of event).</i>
Council	<i>means Exeter City Council and any subsidiary parts</i>
Dynamic Market	<i>A market made of members who meet the conditions for membership</i>
Dynamic Purchasing System (DPS) / Agreement	<i>Means a system (established under the former Public Contract Regulations 2015) that remains open to any economic operator throughout the period of validity of the purchasing system that satisfies the selection criteria.</i>
Electronic Tendering System	<i>Formal recognised dedicated electronic Tendering system for all communication and information exchanges in relation to public sector Tendering with third party suppliers and organisations, including electronic submission and means of communication in accordance with the requirements of the Regulations</i>

Term	Description
Find a Tender Service/Central digital platform	<i>the web-based portal provided for the purpose of publicising Contract opportunities, issuing transparency notices and retaining supplier information.</i>
Framework Agreement	<i>An agreement or other arrangement between one or more Contracting authorities and one or more economic operator which established the terms under which the economic operator will enter into one or more Contracts with a Contracting authority in the period during which the framework agreement applies.</i>
Grants	<i>For the purpose of this document external Grants shall mean a payment to help the recipient (e.g. charity). In return, the grant funder (e.g. the Council) gets no services delivered directly. A grant is usually provided subject to conditions that state how the grant shall be used (for example to support the wider objectives of the public body in promoting the social, economic or environmental well-being of their area). Grant funding is usually preceded by a call for proposals. The grant offer letter will normally set out general instructions as to how this is to be achieved, for example, that children need to be kept entertained by taking them on excursions and have sporting activities.</i>
Invitation to Tender (ITT)	<i>Means the documentation providing details about the Tender that is issued to organisations (Contractors & Suppliers) invited to Tender for a Contract, for the provision of goods, services or works</i>
Light Touch Contracts	<i>The statutory procedure set out in Procurement Act 2023 Section 9 and defined in the Procurement Regulations 2024 at regulation 42 with the Common Procurement Vocabulary codes listed in Schedule 1.</i>
Lots	<i>Term used to describe splitting of main Contract into smaller defined elements, for example to enable smaller suppliers to bid for defined elements of the Contract.</i>
Most Advantageous Tender (MAT)	<i>the tender that the Council considers satisfies their requirements, and best satisfies the award criteria including qualitative, technical and sustainable aspects of a Tender submission as well as price.</i>
Monitoring Officer	<i>Legally appointed officer in line with the Local Government Act 2000, as defined in the Council's constitution. The monitoring officer has the specific duty to ensure that the Council (Officers and its elected Members) maintain the highest standard of conduct, the main roles being: to report on matters believes are, or are likely to be, illegal or amount to maladministration; to be responsible for matters relating to the conduct of Officers and elected Members; and to be responsible for the operation of the council's constitution.</i>
Officers	<i>Those employed members of staff (permanent or interim) representing the Council in official capacity.</i>
Predecessor Legislation	<i>Means the Public Contracts Regulation 2015, the Concession Regulations 2016, the Utilities Contracts Regulations 2016 and the Defence and Security Public Contracts Regulations 2011 that govern procurement exercises commenced prior to 24th February 2024 together and post award processes and procedures, for example Contract extension and variation</i>
Procedures	<i>Shall mean the Procurement and Contract Procedure themselves (encompassing the supporting Procedural Notes)</i>
Procurement Manager	<i>Means the most senior procurement officer within Legal and Democratic Services</i>
Quotation	<i>For the purposes of Quotation is deemed an estimate as opposed to Tender when it is deemed as a formal offer requiring acceptance.</i>
Responsible Officer:	<i>Means the Officer within the Council who is the budget holder and who has direct responsibilities from an operational / client perspective for the goods, works and services.</i>
Scheme of Delegation (Delegation to Officers & Deputies)	<i>Delegated authorities as defined under the Council's Constitution, and in particular part 3(d) the Delegation to Officers and Deputies; (No.3d)</i>

Term	Description
Senior Management Board (SMB)	<i>The overall Senior Management Team for the Council, including the Chief Executive and Directors.</i>
Services	<i>Contracts, or Tenders for Contracts, which have as their object the provision of services.</i>
Service Level Agreement	<i>An agreement setting out expectations on service levels and responsibilities between the Council and one of its "own" stand alone service providers such as Teckal company</i>
Sourcing Strategy	<i>The Sourcing Strategy relates to the approach to be applied in relation to whether a procurement is to be carried out or not, as detailed in Section 5 of these Procedures.</i>
Standstill	<i>the minimum 8 working day period commencing on the publishing of the Contract Award notice and the date of Contract award</i>
Supplies	<i>Contracts, or Tenders for Contracts, which have as their object the provision of supply of goods.</i>
Supplier	<i>Independent third party organisations to the Council who are either providing supplies, works or services to the Council via Contracts, or who would have interest in doing so.</i>
Tender	<i>Formal process in which the Council seeks the supply of supplies, works or services from third party suppliers (inc. voluntary organisations)</i>
Teckal	<i>Teckal" being a company which within certain parameters benefits from Contracts for works, services or supply from its controlling Contracting Authority, e.g. the Council, without having to go through a competitive Tender process).</i>
Tenderer	<i>A third party supplier who is engaged in providing a response to the Council's requirements via a Quotation / Tender process.</i>
Threshold (UK Procurement Threshold)	<i>The financial value of a proposed requirement based on the Total Contract Value which if met or exceeded required the procurement exercise to be undertaken in accordance with the Act, or such other relevant legislation as may apply.</i>
Total Contract Value	<i>The calculation of the overall estimated value of a requirement, inclusive of VAT where applicable, any proposed extensions to a proposed Contract, recurring requirements and any directly associated requirement, for example, the ongoing maintenance and/or support for a proposed requirement.</i>
Value for Money	<i>National Audit Office (NAO) uses three criteria to assess the value for money i.e. the optimal use of resources to achieve the intended outcomes:</i> <ul style="list-style-type: none"> <i>• Economy: minimising the cost of resources used or required (inputs) – spending less;</i> <i>• Efficiency: the relationship between the output from goods or services and the resources to produce them – spending well; and</i> <i>• Effectiveness: the relationship between the intended and actual results of public spending (outcomes) – spending wisely.</i>
Works	<i>Contracts, or Tenders for Contracts, which have as their object the provision of Works (e.g. construction / demolition).</i>

Appendix A – One Page Summary of the Procurement and Contract Procedures

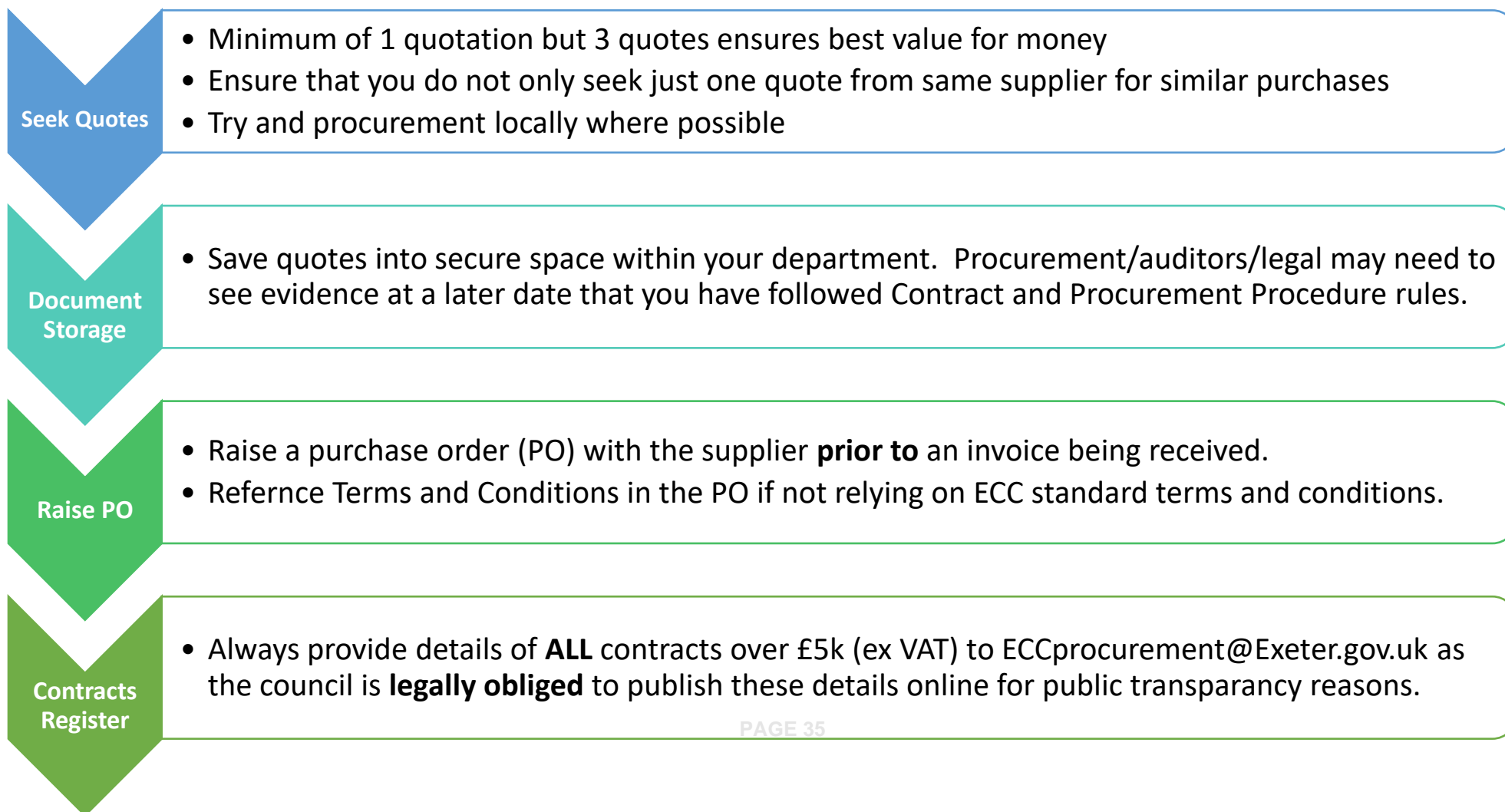
Details of all contracts awarded over £5,000 (ex VAT) **must be reported to procurement** for inclusion on the Council's Contracts Register (the Council is legally required to make this information publicly available).

Value of Contract (Ex VAT)	How to procure	How to advertise	Form of Contract	Documentation	Sign Off	Application of Waivers
Up to £25k	Min 1 Quotation (3 preferred)	Direct approach to supplier(s)	Purchase Order and standard T&Cs	N/a	N/a	No formal Waiver form required (although Responsible Officer (RO) required to have suitable evidence to justify decision for audit / transparency purposes).
Between £25k and £100k	Min 3 Quotations (formal tender can be considered for complex requirements)	Direct approach and / or advertising (consult procurement if advertising).	Purchase Order and standard T&Cs	N/A	Head of Service – responsible for taking a proportional approach to justifying the spend and holding all supporting documentation for audit and reporting purposes.	Waiver form required - RO and Head of Service / SMB representative for the Service area sign off. Completed form MUST be forwarded to: ECCprocurement @Exeter.gov.uk to be logged on the Council's Waivers Register.
Between £100k and the UK Procurement threshold for Goods and Services Between £100,000 and £499,999 for Works .	Formal tenders	Advertising on Find a Tender	Standard or Bespoke T&Cs <£1million – signed (normally) >£1million – sealed	Approval to Procure/Award	Appropriate Head of Service/ SMB Member in conjunction with the Procurement Manager	Waiver form required (including direct award via framework) - Up to UK threshold for Goods and Services and value stated for works – Authorised by Head of Service/ relevant SMB member, and Procurement Manager
Over UK Procurement threshold for Good and Services £500,000 and over for Works	Formal tenders	Advertising on Find a Tender	Standard or Bespoke T&Cs >£1million - sealed	Approval to Procure/Award	SMB Member and Portfolio holder authorisation in conjunction with the Procurement Manager SMB will advise if a report needs to be presented to Executive/Council for approval.	Waiver form required – Authorised by Director / SMB member for the Service area, Portfolio Holder and Procurement Manager

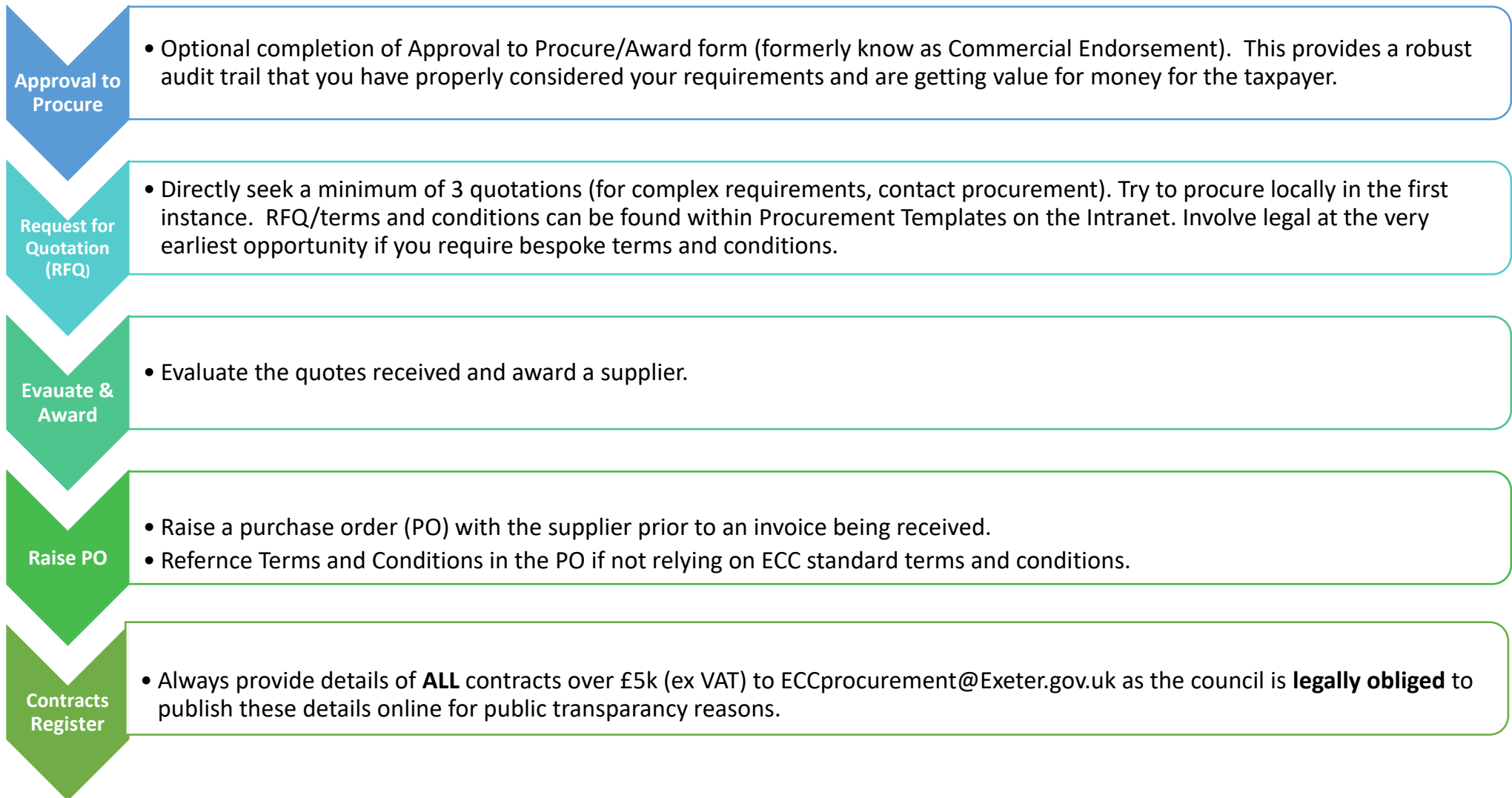
Appendix B – High level summary of procurement process by contract value

Note – officers must **not** disaggregate expenditure to avoid “getting around” any spend threshold e.g. raising multiple orders to the same supplier for what is fundamentally the same requirement.

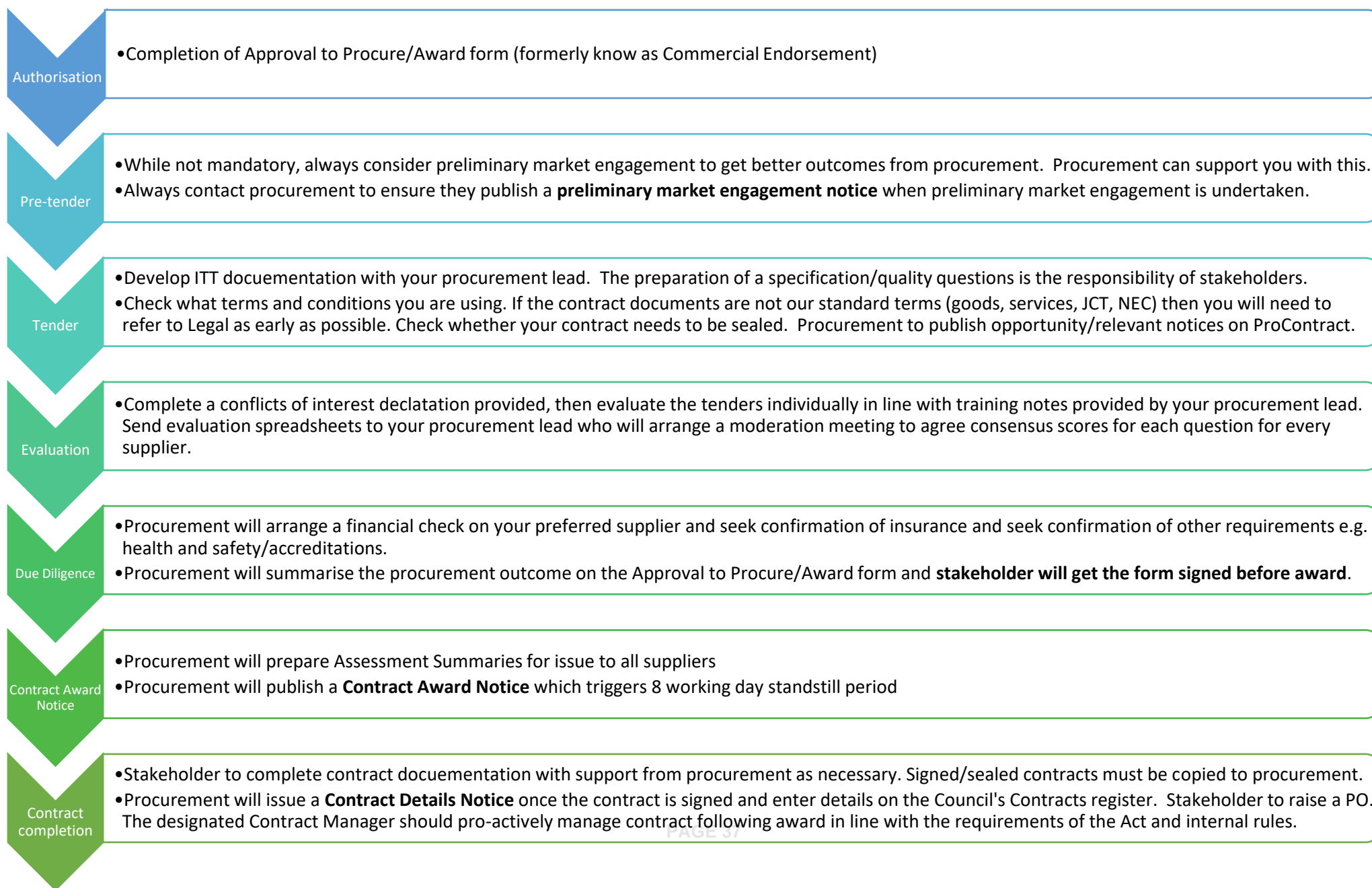
Flow Chart for Purchases £0 - £25K (ex VAT)



Flow Chart for Purchases £25K - £100K (ex VAT)



Flow Chart for Purchases £100,000 + (ensure requirement is on the procurement forward plan)



Flow Chart for Competitive Flexible Procedure, an optional procedure to be used for procurements above UK Procurement Threshold

