

Part 4e

Runnymede Borough Council
Contract Standing Orders
Council rules for the Purchase of
Goods, Works and Services

Date

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Introduction

1. Purpose

- 1.1. These Contract Standing Orders (CSOs) form part of the council's constitution. They set out the processes and governance that the council must follow when conducting procurements and/or entering contracts for the supply of goods, works and services including consultants. The term contract also includes arrangements where the council is supplying goods, works or services to a separate legal entity.
- 1.2. The CSOs are intended to support the council's corporate aims and policies, promote good procurement practice, public accountability, prevent corruption and protect against allegations of impropriety.

2. Scope

Type of Contract	Policy/ Law which covers Contracts out of scope
Contracts of employment, which makes an individual an employee of the council or in scope of IR35;	HR / Recruitment policies
Agreements for the acquisition, disposal, or transfer of land	Standing Orders for Acquisition Disposal of Land Property Part 4 Council Constitution
Loans to or from banks or other financial institutions;	Not subject to competition due to their nature
Provision of emergency accommodation as required	Homelessness Act
Local Government Audit services	Appointed persons for the purpose of Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015
Subscriptions to magazines / publications / online resources / professional journals / professional memberships.	Not subject to competition due to their nature
Works orders placed with statutory undertakers	Not subject to competition due to their nature
Grants being given by the council	Governed by Grant Funding – Service Level Agreements
Contracts entered into by or on behalf of Legal Services for the appointment of Counsel and/or External Solicitors and/or Experts	UK Statutory Instruments 2015 No. 102 Part 2 Chapter 1 Section 1 Sub-Section 3 Regulation 10 / Chapter 3 Section 7 Regulation 74

3. General Requirements

3.1. Guiding principles

All procurements, regardless of value should have regard to the following principles:

- Proportionality – measures chosen must be both necessary and appropriate in light of the objectives sought;
- Equal treatment – all bidders to be given equal access to information and not treated favorably in similar situations;
- Transparency - disclosure of selection and award criteria so that contracts are not awarded arbitrarily;
- Mutual recognition – recognition should be given to comparable diplomas, certifications, accreditations and other evidence of formal qualifications.

3.2. Regulations

All purchasing and resulting Contracts made by or on behalf of the council must be made in writing and comply with:

- The Public Contracts Regulations 2015 (as amended), The Concession Contracts Regulations 2016 and The Procurement Act 2023 as and when implemented;
- The Public Services (Social Value) Act 2012;
- Modern Slavery Act 2015;
- Local Government Act 1999 with due regard to Best Value;
- all other applicable statutory provisions and regulations;
- the council's Constitution, Financial Regulations, Scheme of Delegation, Authorised Signatory List and Code of Conduct; and
- all other relevant council policies and guidance.

Where there is evidence of deliberate non-compliance with the CSOs, disciplinary action may be taken.

3.3. Valuation

3.3.1. The value of the contract is calculated with disregard to the funding source (e.g. capital, revenue, sponsorship, donations or grant monies from a third party).

3.3.2. Staff must not deliberately break down a Contract with the intention of disaggregating spend for the purpose of circumventing the appropriate governance.

3.3.3. The Total Value of the Contract should be calculated by reference to the following (where one or more apply, use the higher value):

- a) for fixed term Contracts the total price expected to be paid during the whole of the Contract period, including possible extensions. For example, if the Contract is a fixed term for three years it will be the estimated annual value times by 3; if however the Contract allows for a possible extension of 2 years, the Contract value shall be the annual value times 5 regardless of whether the extension will be utilised or not;
- b) if the Contract involves a series of separate transactions for the same type of item, the 'Total Value of the Contract' is the expected aggregate value of all those known upcoming transactions;
- c) for preliminary work, which may then result in a larger piece of work, it is the value of the scheme in its entirety;

- d) where the Contract period is uncertain, multiply the price expected to be paid each month by 48;
 - e) where the value cannot be estimated for whatever reason, the contract should be treated as above the relevant public procurement threshold.
- 3.3.4. The council's e-Sourcing system – must be used for all procurement exercises with a value in excess of £5,000.00 unless, in exceptional circumstances, a justification not to use it has been approved via a waiver to the CSOs.
- 3.3.5. All Contracts must be let in accordance with these CSOs unless a waiver has been granted.
- 3.3.6. Full threshold details can be found at CSO 4. THRESHOLDS / REQUIREMENTS. Summary of procurement process to be followed according to value for the purposes of these CSOs:
- 3.3.6.1. Up to £5,000.00 – at least one written quote via email.
 - 3.3.6.2. £5,000.01 and £25,000.00 – at least three tenders obtained via a closed tender through the council's e-Sourcing system or less than three if via an open tender is acceptable.
 - 3.3.6.3. £25,000.01 - £100,000.00 - Sourcing Plan to be completed and submitted to Corporate Procurement. At least three tenders obtained via a closed tender through the council's e-Sourcing system or less than three if via an open tender is acceptable.
 - 3.3.6.3. Above £100,000.00 - Sourcing Plan to be completed and submitted to Corporate Procurement; Procurement Board to advise on route to market, the board is comprised of the Head of procurement, the Section 151 Officer, the Corporate Head of Law and Governance or their nominated deputies.

3.4. Authorisation

- 3.4.1. Procurement can only commence if there is adequate budget allocation in place and express approval by the relevant Committee (where required) or in accordance with the council's Scheme of Delegation.
- 3.4.2. For procurements with a value in excess of £100,000.00:
 - 3.4.2.1. Contract Managers must seek approval from the relevant Committee for the procurement;
 - 3.4.2.2. if, after evaluation of tender responses, the actual Contract value is greater than that agreed for the procurement or there has been a substantial modification to the specification or terms and conditions of Contract, Contract Managers must request the approval of the procurement outcome at the relevant Committee prior to Contract award notification. The committee approval must include a supplementary budget estimate to cover any additional ongoing costs.

4. Thresholds / Requirements

Total Contract Value (excl VAT)	Receipt of quotes/ tenders	Contract award notice required	Procurement Process Required ¹ :	Procurement lead	Financial assessment required	Type of Contract	Who can authorise / sign the contract
Threshold 1 – £0 - £5,000.00	Via email	No	Minimum of one quote sought (local suppliers should be used where appropriate). Whilst a single quote is the requirement, officers are encouraged to obtain multiple quotes to help demonstrate value for money.	Buying officer	No	Purchase Order Terms and Conditions	Corporate Head of Service
Threshold 2 – £5,000.01 - £25,000.00	Via e-Sourcing system	No	There is no minimum number of returns if the procurement is conducted via an open tender. Alternatively at least three tenders obtained via a closed tender is acceptable.	Buying officer with procurement support	No	Legal to advise on appropriate form of contract	Corporate Head of Service
Threshold 3 – £25,000.01 - £100,000.00	Via e-Sourcing system	Yes	There is no minimum number of returns if the procurement is conducted via an open tender. Alternatively at least three tenders obtained via a closed tender is acceptable when agreed with the Procurement Office.	Buying officer with procurement support	Yes	Legal to advise on appropriate form of contract	Legal to action in accordance with the council's constitution
Threshold 4 – £100,000.00 and above	Via e-Sourcing system	Yes	Procurement to advise on appropriate route to market, Legislated procedure where limit ² exceeded: Goods/Services: £214,904* Works: £5,372,609*	Procurement team	Yes	Legal to advise on appropriate form of contract	Legal to action in accordance with the council's constitution

¹ These processes are required to be followed where a regulation compliant route / process is not being utilised

² *Thresholds as of 1 January 2024. Public procurement thresholds are subject to change every 2 years, any change in threshold levels will be reflected in an update to these CSOs. Please note the threshold amounts should be calculated inclusive of VAT.

5. Transparency

- 5.1. Transparency is key within the public sector; it is required to increase democratic accountability and make it easier for local people to contribute to the local decision-making process and help shape public services.
- 5.2. Officers must ensure that, where required, opportunities and resulting awards are properly advertised and that they comply with all transparency guidance, both internal and external, including but not limited to the Local Government Transparency Code 2015.
- 5.3. Where disclosures are required under the Freedom of Information Act 2000, the onus is on the supplier to provide justification as to why information contained within their bid should be withheld.
- 5.4. All contracts over £5,000 must be published via the council's contracts register on a quarterly basis.
- 5.5. Where a procurement valued over £25,000.00 is advertised, there is legal obligation to publish the opportunity on Contracts Finder.
- 5.6. All contract awards valued in excess of £25,000.00 must also be published on Contracts Finder within 90 days of the contract award.

Pre-Tender Preparations

6. Engaging The Procurement Function

- 6.1. Before beginning a procurement exercise, Contract Managers must:
 - 6.1.1. assess the need for the expenditure;
 - 6.1.2. define the objectives of the procurement;
 - 6.1.3. calculate the total value of the Contract;
 - 6.1.4. ensure sufficient resources will be available (i.e. people with sufficient skills and capacity to manage the Contract once it has been let), and
 - 6.1.5. ensure that the appropriate authority is in place to start the process and that the budget covers the whole-life financial commitment being made (including any Consultant's or other external charges or fees).
- 6.2. A Sourcing Plan should be completed for every procurement in excess of £5,000.00 as soon as the need to purchase goods, works or services arises, this will provide the council with a record of all procurements conducted in excess of £5,000.00. Sourcing Plans for Contracts with a total value above £25,000.00 must be approved by the Procurement Board before proceeding and should be approved prior to committee approval (if required), this will allow the board to input into the procurement exercise.
- 6.3. Contract Managers in collaboration with the Procurement Office must:
 - 6.3.1. where no suitable existing council contracts are available, carry out an options appraisal to decide the best way to achieve the objective, including internal or external sourcing, partnering, and collaborative procurement arrangements with another public authority or government department;
 - 6.3.2. consult users where appropriate about the proposed

Contract standard, performance and monitoring.

7. Declaration Of Interests and Confidentiality

- 7.1. Prior to procuring, officers should confirm that there are no conflicts of interest with regards to the resulting contract (see Annex 1 for examples of conflicts of interest). Where officers become aware of a conflict, they must immediately notify the procurement office.
- 7.2. Where a consultant or external party is involved in a procurement for the council, either inputting into the tender documents or being involved in the tender evaluations, they must first complete and submit Annex 1 – DECLARATION REGARDING CONFLICT OF INTEREST & CONFIDENTIALITY prior to their involvement.

8. Considerations

- 8.1. Existing Contractual Arrangements
 - 8.1.1. Prior to any procurement, officers should ensure that there is not an existing council contract that can be utilised by contacting the procurement office.
 - 8.1.2. Where there is a contract in place, officers must ensure that their requirements are in scope of the contract and that the value of new requirements would not cause the contract value to exceed its acceptable tolerances.
- 8.2. Council Wide Requirements
 - 8.2.1 When procuring, officers should be buying on behalf of the council as a whole and not for specific services, to ensure that spend can be aggregated corporately and to mitigate against having multiple contracts for the provision of the same or similar services / goods or works.
- 8.3. Pre-Tender Market Research and Consultation
 - 8.3.1 Prior to commencing a procurement, officers should ensure that they have an understanding of the market conditions in which they are buying.
 - 8.3.2 Where an officer is not familiar with the market or the goods / works / services which they are buying, they should ensure that they conduct appropriate market engagement that can be used to inform but not bias their procurement approach, this should be done in conjunction with the procurement office.
 - 8.3.3 Contract Managers may seek or accept technical advice on the preparation of a specification from anyone who may have a commercial interest in bidding/tendering for the Contract if it does not prejudice the equal treatment of all potential bidders and distort competition. Records must be kept of this consultation until the expiry of the Contract.
- 8.4 TUPE Implications
 - 8.4.1 Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) apply when an employee of the authority or of a supplier providing a service to the council may be affected by any staff transfer arrangement because of a change in the service provider.
 - 8.4.2 Officers must ensure that any TUPE issues are considered and

the incumbent has confirmed in writing to the authority, before the tender is issued, if TUPE does / doesn't apply.

- 8.4.3 Where TUPE does apply. Officers must ensure they obtain the anonymised TUPE data to be issued with the tender pack.
- 8.4.4 Where TUPE relates to an individual currently or to be employed by the authority, HR should be engaged as soon as this becomes apparent.
- 8.4.5 No TUPE data should be provided to bidders until a signed non-disclosure agreement is received.

9 Collaborative And Partnership Arrangements

- 9.3 In order to secure value for money the council may enter into collaborative procurement arrangements with other local authorities.
- 9.4 In these situations, the contract will be procured in accordance with the constitution of the lead authority. Normal due diligence, council authorisation and sign-off processes will still apply.

10 Waivers And Exceptions

- 10.1 Subject to any legal requirements, any requirement of these CSOs may be waived in exceptional circumstances. The Procurement Office administers the process.
- 10.2 All waivers will be determined in consultation with the S151 Officer and the Corporate Head of Law and Governance, if the grounds for the waiver (thresholds 1-2) are deemed appropriate and urgent, it can be approved by the Head of Procurement who will report it to the S151 Officer and the Corporate Head of Law and Governance.
- 10.3 Where an exemption from competition requirements is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to council services, the relevant officer must report as soon as practicable following the event to the Procurement office (corporateprocurement@runnymede.gov.uk) and one of the following: the Chief Executive, Assistant Chief Executive or the Corporate Head of Law and Governance. Any Contract entered into for these purposes should be the minimum required to remove the immediate risk to persons or property or to reduce the disruption to council services to a manageable level.

Tender Process

11 General

- 11.1 Corporate Heads must in relation to their Service:
 - 11.1.1 ensure all Contract Managers comply with these CSOs, are sufficiently skilled in procurement matters to fulfil the duties of their post and complete any required learning and development.
 - 11.1.2 ensure there are effective Contract management arrangements in place for all Contracts;
 - 11.1.3 provide any information requested by the Procurement office, Assistant Chief Executive or the Corporate Head of Law and Governance regarding their Contracts.

12 Selection / Award Criteria

12.1 For all opportunities the criteria must be stipulated within the tender pack, this includes:

- 12.1.1 The selection / award criteria;
- 12.1.2 The scoring system and weighting to be applied;
- 12.1.3 The minimum scores to be achieved (where appropriate).
- 12.1.4 Selection and Award Criteria must not include considerations or matters which discriminate against suppliers from signatories to the GPA;

12.2 Selection Criteria

12.2.1 Selection Criteria should be used for the purpose of vetting / shortlisting bidders where appropriate. It should be based on relevant memberships / qualifications, financial standing and past experience of delivering comparable goods / services or works.

12.3 Award Criteria

12.3.1 When determining the award criteria, there are a number of options available, these are:

- 12.3.1.1 Price only (100%) - awarding to the bidder who has satisfied the council's minimum requirements and offered the lowest price;
- 12.3.1.2 Price / Quality (totaling 100%) – awarding to the bidder who has, having satisfied the council's minimum requirements, scored the highest after combining the price and quality scores;
- 12.3.1.3 Quality only (100%) – when the tender is awarded to the highest scoring bidder based on a fixed budget and qualitative criteria only;

12.3.2 Price evaluation – consideration must be given to whole life costs e.g. initial capital expenditure, servicing/support and maintenance, operating costs, consumables, disposal and recycling costs and any other relevant matters;

12.3.3 Quality evaluation - determined by any number of qualitative questions, weighted to the total of overall weighting allocated to quality which must include Social Value/Climate Change and Sustainability. Questions must be relevant, proportionate and specific to the requirement and address areas such as mobilisation, resourcing, Health & Safety, experience and training, relevant environmental considerations, social value, ability to fulfil the requirement in the required timescales and any other relevant matters.

13 Social Value

13.1 The Public Services (Social Value) Act 2012 places a requirement on people who commission, or buy, public services to consider securing added economic, social or environmental benefits for their local area.

13.2 The Act currently applies only to goods and service Contracts over the Public Procurement threshold but should be considered in all procurements where applicable.

- 13.3 Social value should form part of a bidder's commitments at tender stage and should be tailored to the subject nature of the contract being awarded.

14 Modern Slavery

- 14.1 The Modern Slavery Act 2015 was introduced to tackle modern slavery, defined in the act as slavery, servitude, forced or compulsory labour, human trafficking and exploitation.
- 14.2 Officers must ensure that proportionate due diligence is undertaken to certify that council appointed contractors do not participate in modern slavery, either directly or within their supply chains.

15 Insurance

- 15.1 Suppliers bidding for council work must have the relevant insurances in place.
- 15.2 As standard it is expected that officers request evidence of or confirmation that suppliers hold Public Liability insurance of £5m and Employer's liability insurance of £5m (this is a statutory requirement).
- 15.3 These levels reflect the expected minimum but insurance requirements can vary on a case-by-case basis, officers should engage with insurance@runnymede.gov.uk to confirm if different levels are appropriate or if additional insurance such as Professional indemnity, Product liability or Cyber security is required.

16 Low Value Contracts (Threshold 1)

- 16.1 All procurements valued £5,000.00 or below must comply with the principles set out within the CSOs. As a minimum, officers must seek a single quote via email, local suppliers who can meet the council's requirements should be sought in the first instance. Whilst the requirement is a single quote, good practice suggests that multiple quotes should be sought where appropriate.

17 Medium Value Contracts (Thresholds 2 And 3)

- 17.1 For all procurements valued £5,000.00 – £100,000.00, officers must ensure:
- 17.1.1 All bidders invited to tender must be issued with the same information at the same time and be subject to the same conditions.
 - 17.1.2 All tender documents and any supplementary information should be made available by publication on the council's e-Sourcing system.
 - 17.1.3 The tenders must be conducted as a single stage only.
- 17.2 All Invitations to Tender shall include:
- 17.2.1 clear instructions on how and where Tenders are to be submitted, together with the date and time by which they are to be received;
 - 17.2.2 a specification that describes the council's requirements in sufficient detail to enable the submission of compliant and competitive offers;
 - 17.2.3 terms and conditions on which the Contract is let which shall be

- either in the council's Terms and Conditions by issue of a Purchase Order or an alternative Contract appropriate to the procurement;
- 17.2.4 an outline of the method by which any errors discovered in the submitted tenders are to be dealt with.

18 High Value Contracts (Threshold 4)

- 18.1 All procurements in threshold 4 (Over £100,000.00) will be managed by the procurement office in conjunction with the contract manager/service area; procurement will advise of the correct procedure to be used, where the procurement exceeds the Public Procurement Threshold, £214,904.00 (excl VAT) for Goods or Services and £5,372,609.00 for Works, a procedure compliant with the relevant regulations must be conducted.

19. Frameworks

- 19.1 Use of an existing framework
- 19.1.1 Contracts based on the use of an existing compliant Framework Agreement may be awarded in accordance with the terms set out in the Framework User Guidance by either:
- 19.1.1.1 in the first instance, conducting a further competition to demonstrate seeking value for money; or
- 19.1.1.2 a Direct Award to a supplier if there is only one Framework supplier or reopening competition is not advantageous to the council.
- 19.2 Establishing a new framework
- 19.2.1 Where officers are looking to establish a framework, this must comply with all relevant legislation.

20. Clarifications / Correspondence

- 20.1 All clarifications must be managed through the e-sourcing portal.
- 20.2 Clarifications must be provided in a timely manner, allowing bidders to accommodate any new information they have received into their bid.
- 20.3 Clarifications should not be used to provide a bidder with information that would give them an unfair advantage over other bidders and will, by default, be shared with all bidders unless the question and answer are specific to the bidder.
- 20.4 For complex procurements, a clarification meeting may be incorporated into the procurement process. This must be agreed with procurement in advance and conducted with all bidders with procurement present.
- 20.5 Other than via procedures with explicit provision, discussions with bidders after submission of a Tender and before the award of a Contract with a view to negotiating adjustments in price, delivery or content are not permitted without the agreement of the Corporate Head of Law and Governance.

21. Tender Returns

- 21.1 Bidders must be given an adequate period in which to prepare and submit a Tender, consistent with the complexity of the requirement.
- 21.2 All Tenders estimated to be worth £5,000.00 or more must be returned in accordance with the system requirements of the e-Sourcing system. Any tender received outside of the e-Sourcing system must be rejected and excluded from evaluation.

22. Evaluation, Due Diligence

- 22.1 Contract Managers are responsible for ensuring that all bidders for a Contract are suitably assessed in accordance with the criteria provided in the tender documentation. The assessment process shall establish that all potential bidders have sound economic and financial standing and sufficient technical ability and capacity to fulfil the requirements of the council.
- 22.2 All contracts valued in excess of £25,000.00 must have a financial assessment conducted as part of the due diligence, prior to entering into a contract.

Award Of Contract

23. Award Of Contract and Debriefing Bidders

- 23.1 Apart from the debriefing required or permitted by these CSOs, the confidentiality of Tenders and the identity of bidders must be preserved at all times and information about one bidders response must not be given to another during the evaluation process.
- 23.2 Buying Managers must ensure that all bidders who submitted a response are informed of the outcome and given the opportunity to seek feedback where appropriate.
- 23.3 If a decision is challenged by an unsuccessful bidder, after the issue of the award decision, then the Contract Manager shall not award the Contract but shall immediately inform the Procurement Office and seek the advice of the Corporate Head of Law and Governance.

24. Contract Sign Off / Scheme Of Delegation

- 24.1 Where a Purchase Order is used as the Contract using the council's Terms and Conditions for values under £25,000.00, the authoriser of the Purchase Order must have the required delegated authority for the Contract value as required by the Financial Regulations.
- 24.2 All other Contracts shall be signed by the council in accordance with the Council, Committee and Administrative Standing Orders.
- 24.3 All Contracts must be concluded formally in writing and signed by both parties before the supply, service or construction work begins, except in exceptional circumstances and then only with the consent of the Chief Executive, Corporate Head of Law and Governance or Assistant Chief Executive.

24.4 The council's Legal Services are responsible for securing signature of the Contract and must ensure with the assistance of the Contract Manager that the person signing for the other contracting party has authority to enter into a legal agreement.

24.5 A Contract should be sealed where:

24.5.1 the council wishes to enforce the Contract more than six years after its end;

24.5.2 there is no consideration or the price paid or received under the Contract is nominal and does not reflect the value of the goods or services.

24.6 Following award of any Contract, in excess of £5,000.00 the Contract Manager must provide Contract information required by the council's Procurement Office for entry onto the Contracts Register which is located on the council's website.

24.6.1 If the Contract has been procured via the e-tendering system, the Contract Manager must provide the Contract Information by entry within the system.

24.6.2 If a waiver to use the e-tendering system has been approved, Contract information must be added to the contracts register on Contract award.

24.7 Contract Documents

24.7.1 All Contracts irrespective of value, shall clearly specify:

24.7.1.1 details of supply/service or work;

24.7.1.2 the price to be paid and the timing/frequency;

24.7.1.3 Contract start and end date including any provision for extension; and

24.7.1.4 liquidated damages (if applicable) and termination provisions.

24.8 The terms and conditions of all Contracts over £5,000.00 must have been either drafted or approved by the council's Legal Services unless using the council's Terms and Conditions fulfilled by a Purchase Order. Standard Form Contracts should be reviewed and updated annually by the Corporate Head of Law and Governance to ensure compliance with any legal changes and that they meet the council's needs.

24.9 Record Keeping:

24.9.1 Contract Managers shall ensure that the following records are kept in accordance with the council's RECORD / DOCUMENT RETENTION & DISPOSAL SCHEDULE.

24.10 Contract Management, Evaluation and Review

24.10.1 For all Contracts, Contract Managers should:

24.10.1.1 ensure that appropriate risk assessments are in place at all times during the Contract term;

24.10.1.2 for any risks identified as part of the risk assessment, ensure appropriate actions are put in place to manage them;

- 24.10.1.3 regularly monitor performance;
 - 24.10.1.4 regularly monitor compliance with programme, specification and Contract;
 - 24.10.1.5 regularly monitor estimated final cost compared to budgets;
 - 24.10.1.6 regularly monitor any value for money requirements;
 - 24.10.1.7 regularly monitor user satisfaction and risk management;
 - 24.10.1.8 review and action Contract end dates in a timely manner to allow sufficient time to review options for Contract extension or to run a procurement exercise prior to the end date.
- 24.10.2 If any Contract requires a project management role, the Contract Manager must discharge that role or appoint a named person to carry out that role.
- 24.10.3 Officers involved in any construction/building related procurement must check to determine whether the Construction (Design and Management) Regulations 2015 (CDM 2015) apply and comply with those requirements accordingly.

25. Additional Requirements Not Contracted For

- 25.1 There is always the possibility that additional services, goods or works which could not have been reasonably foreseen at the point of tendering may be required.
- 25.2 In the case of Thresholds 1 – 3 this is permitted up to an additional 10% of the original contract value, where;
- 25.2.1 there is sufficient budget;
 - 25.2.2 the need could not have been anticipated;
 - 25.2.3 it is in line with the original scope of the contract; and
 - 25.2.4 it is in the best interests of the council to agree with the existing contractor for the new works, service, or supplies.
- 25.3 In the case of variations to Threshold 4 contracts, officers should consult CSO 26.4 or, where this is not applicable, CSO 10.

26. Payment Authorisation / Stage Payments

In relation to Contracts for building, constructional or engineering work:

- 26.1 payments to contractors on account of Contracts may be made only on a certificate issued by an Officer (or private architect, engineer or other suitably qualified Consultant) authorised by the council to do so. Payments must not be made before Contract documentation has been executed except with the agreement of the Corporate Head of Law and Governance and Assistant Chief Executive (Section 151 Officer).
- 26.2 subject to the provisions of the Contract, every variation must (unless otherwise evidenced to the satisfaction of a duly authorised officer) be authorised in writing by the duly authorised officer (or private architect, engineer or Consultant) or other person who may be nominated for the council under the Contract. The authorisation must state the cost of the variation or, if this is impossible, an enforceable mechanism (such as a schedule of rates) by which the cost will be calculated. If the estimated

cost of the Contract is likely to exceed the authorised budget by more than £1,000.00, the relevant Corporate Head/Director must report this to the relevant Assistant Chief Executive (Section 151 Officer) or, if required, Committee as soon as practicable. Officers should note the need to seek authorisation for additional expenditure from the relevant Committee;

- 26.3 the final certificate of completion of any Contract must not be issued until the duly authorised officer, private architect, engineer or Consultant has produced to the Assistant Chief Executive (Section 151 Officer) a detailed Contract payment proforma in the prescribed form, and has produced all the required documents.

Applicable to all Contracts:

- 26.4 For threshold 4 contracts, where it becomes apparent the total cost will exceed the approved Contract sum by 10 per cent or £25,000.00 (whichever is the less), the relevant Corporate Head must, before payment, submit the final account to the Assistant Chief Executive (Section 151 Officer), who will arrange for its examination and make all such enquiries and receive such information and explanations as may be required in order to be satisfied as to the accuracy of the account. It is the responsibility of the relevant Corporate Head to provide all necessary papers and information for this purpose, to the requirements of the Assistant Chief Executive (Section 151 Officer) and in good order. The relevant Corporate Head must also report on the cost to the relevant Committee, after agreement of the final account;
- 26.5 if a Contract has been awarded on a term or call-off basis, the relevant Corporate Head and Contract Manager must ensure that the cumulative cost is monitored and kept within existing budgets. Any potential overspends will require virements or supplementary estimates are sought in accordance with the Financial Regulations reproduced in this Constitution;
- 26.6 claims from contractors in respect of matters not clearly within the terms of any existing Contract must be referred to the Corporate Head of Law and Governance for consideration of the council's legal liability. Where necessary, the Assistant Chief Executive (Section 151 Officer) must be consulted in respect of the financial considerations before a settlement is reached;
- 26.7 where completion of work or services due under the Contract is delayed beyond the Contract period, the relevant Corporate Head/Director must consult with the Corporate Head of Law and Governance and ensure that any necessary action is taken to claim liquidated damages.

27. Financial Security / Retention / Damages

- 27.1 Adequate financial security and/or a performance bond must be required for all Contracts within Threshold 4 and above in value or where considered necessary by the S151 Officer.
- 27.2 A retention to the Contract sum may be made if the relevant Head of Service determines this to be necessary.
- 27.3 Where liquidated damages are to be included within the contract they should be agreed in conjunction with legal and finance to ensure they are

enforceable.

28. The Council as a Supplier

- 28.1 Where the council is contemplating providing works, goods or services to external organisations, the Corporate Director of Resources and the Corporate Head of Law and Governance must be consulted.
- 28.2 Contract Managers shall produce robust business cases for the council acting as a supplier which fully takes into account the costs to the council of delivering the goods, works or services concerned. The financial viability of such business cases must be approved by the Chief Executive and Section 151 officer.
- 28.3 Contract Managers shall liaise with the council's Insurance Officer to ensure any potential liabilities are sufficiently covered by the council's insurance policies.
- 28.4 Where the proposed Contract value is likely to be funded by a supplementary estimate outside of the annual planning cycle, before tenders are prepared, the Chief Executive, Assistant Chief Executive and the Corporate Head of Law and Governance must jointly approve the business case (unless the Chief Executive Officer has expressly agreed that no Business case is required) including:
- 28.4.1 confirming the council can legally enter into the Contract;
 - 28.4.2 accepting the legality of the charging arrangements; and
 - 28.4.3 approving the terms and conditions of the proposed Contract.

Contract Management

29. Management

- 29.1 It shall be a condition of engagement by the council of any person (not being an officer or member of the council) to supervise a Contract that they shall act in full accordance with these CSOs when supervising the Contract as if they were an officer of the council.
- 29.2 It is the procuring officers' responsibility to ensure that there is a robust Contract management plan in place that is proportionate to the scale and scope of the Contract, this should include, but is not limited to:
- 29.3 regular documented Contract reviews;
 - 29.4 clear procedures on the reporting and escalation of Contract failings;
 - 29.5 identification of contacts responsible for the Contract within each organisation;
 - 29.6 capturing of performance data.

30. Extension

- 30.1 All contracts must be extended in line with the provisions of the contract.
- 30.2 All extensions must be determined well in advance of them being

actioned and be completed in conjunction with the Legal department.

- 30.3 Any extensions or variations to a Contract where there is no provision for them may only be made in accordance with CSO 27.

31. Expiry

- 31.1 It is the responsibility of officers to properly manage their contracts and allow sufficient time to review the service prior to a contract expiring, this opportunity should be used to assess whether the service is still required, if any changes are required and to allow sufficient time for the re-procurement of the contract if required.

32. Termination

- 32.1 If a Contract is proposed to be terminated prior to its maximum duration for whatever reason, the advice of the Corporate Head of Law and Governance must be sought in the first instance.

33. Novation And Assignment

- 33.1 The council may agree to the novation or assignment of a Contract if suitable due diligence of the Contractor has been carried out and the prior written approval of the Head of Service and Corporate Head of Law and Governance has been obtained.

Definitions

Agent	A person or organisation acting on behalf of the council.
Award Criteria	The criteria on which the award of a Contract is based following an evaluation of Contract tenders in a procurement procedure. Award criteria must be focused on the tender and not the bidder (which will already have been assessed for suitability at the qualification step against the relevant Selection Criteria).
Award Procedure	The procedure for awarding a Contract.
Bidder	Any person who asks or is invited to submit a Quotation or Tender.
"Code of Conduct"	The "Code of Conduct for Staff" (See Part 5 Council's Constitution).
Consultant	Someone engaged for a specific length of time to work to a defined project brief with clear outcomes to be delivered, and who brings specialist skills or knowledge to the role.
Contract	In this context, means an agreement between parties for the supply of goods, services or works on terms and conditions, which are intended to be enforceable through law.

Contracts Finder	A central website maintained by Government on which public sector tender opportunities above £25,000.00 (exclusive of VAT), and which are advertised by the council, are required to be published.
Contract Managers	Those officers authorised to carry out the day to day activities required to let and manage a Contract.
Framework Agreement	A framework agreement is an 'umbrella agreement' that sets out the terms (particularly relating to price, quality and quantity) under which individual Contracts (call-offs) can be made throughout the period of the agreement.
Invitation to Tender	An Invitation to Tender (ITT) is sent to bidders inviting tenders for works, goods or services.
In-Tend	The council's e-Sourcing system which must be used for all procurement exercises with a value of £5,000.00 excluding VAT or more.
Local Authority Consortium	A collection of Local Authorities who collaborate around the purchase of goods, services or works.
Non-Commercial Considerations	<p>The following is a non-exhaustive list of Non-Commercial Considerations:</p> <ul style="list-style-type: none"> (a) the terms and conditions of employment by contractors of their workers or the composition of the arrangements for the promotion, transfer of or the other opportunities afforded to, their workforces ("workforce matters"); (b) any involvement of the business activities or interests of contractors with irrelevant fields of Government policy; (c) the conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons ("industrial disputes"); (d) the country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of, contractors; (e) any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees; (f) financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support; <p>Workforce matters and industrial disputes, as defined in paragraphs (a) and (d) cease to be non-commercial considerations for the purposes of s17(5) Local Government Act (LGA) 1988 and part 1 of the LGA 1999 (Best Value); or where there is a transfer of staff to which the Transfer of undertakings (Protection of Employment) Regulations 2006 ("TUPE") may apply.</p>

Open Procedure	A one-stage procurement where there is an open advert and any potential supplier can access and submit a tender to be evaluated.
Public Procurement Threshold	The Contract value at which the Public Procurement Procedure must be applied.
Purchase Order	A document sent from the council as a buyer to a supplier with a request for an order, indicating types, quantities and agreed prices for products, services or works. Once the order is accepted by the seller it becomes a Contract binding on both parties. The council's Terms and Conditions will govern the terms of the supply of goods and services ordered under a Purchase Order unless a standard form or bespoke Contract has been entered into prior to the issuing of the Purchase Order
Quotation	A written quotation of price and goods/services or works to be provided.
Runnymede Borough Council Terms and Conditions	The council's Terms and Conditions for the supply of goods, services or works using Purchases Orders. Suppliers accepting Purchase Orders are deemed to have accepted the terms and conditions. A copy of the Terms and Conditions can be found on the council's website at https://www.runnymede.gov.uk/tandcs .
Selection Criteria	The criteria by which bidders are chosen to be invited to submit Quotations or Tenders.
Selection Questionnaire (SQ)	Prequalification questionnaire only to be used for procurements in excess of £214,904.00 incl VAT
Shortlisting	The process of selecting bidders who are to be invited to submit quotations or tenders or to proceed to final evaluation.
Sourcing Plan	A document to be completed by all officers who wish to buy anything with a value of £5,000.00 or more which will identify the correct route to market for the exercise. For purchases or Contracts with a value greater than £25,000.00 the document must be submitted to the Procurement function for review and sign off prior to commencing a procurement exercise.
SPD	Single Procurement Document – can be submitted in place of the Selection Questionnaire in a Find a Tender Service procurement exercise and must be accepted.
Suitability Criteria	In a single stage procurement the objective criteria, such as financial standing and professional ability, by which tenders are assessed to determine whether they proceed to be evaluated.
Tender	A bidder's proposal on price and quality submitted in response to an Invitation to tender.
Total Value of	The amount payable under the Contract to be used to select the

theContract	procurement procedure; excluding VAT.
TUPE" Transfer of Undertakings (Protection of Employment) Regulations	Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the council are transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a 'contracting-out' or competitive tendering process) and where the individuals involved in carrying out the work or service are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.

DRAFT

Annex 1 –Conflict Of Interest & Confidentiality Declaration

TENDER PARTICIPANT

Name:	Title:
Tel:	E-mail:
Procurement Exercise:	
Organisation:	

Conflict of Interest

Conflict of Interest refers to situations in which personal interests (which may include financial interests) may compromise, or have the appearance of, or potential for, compromising professional judgement and integrity and, in doing so, the best interests of the Council. Examples of conflicts of interest include: *(This is not an exhaustive list)*

- Having a financial interest (e.g. holding shares or options) in a potential bidder or any entity involved in any tendering consortium
- Having a financial or any other personal interest in the outcome of the evaluation of any tender evaluation process
- Being employed by (as staff member or volunteer) or providing services to any potential bidder
- Being a member of a potential bidders management/executive board
- Receiving any kind of monetary payment or non-monetary gift or incentive (including hospitality) from any bidder or its representatives
- Canvassing, or negotiating with, any person with a view to entering into any of the arrangements outlined above
- Having a close member of your family (which term includes unmarried partners) or personal friends who falls into any of the categories outlined above
- Having any other close relationship (current or historical) with any potential bidder

It is the individual's responsibility to ensure that any and all potential conflicts are disclosed to the Council in writing prior to them becoming involved in any procurement process. Individuals will be excluded from the procurement process where the identified conflict is in the Council's opinion material and cannot be mitigated.

Option 1: "I do not have any conflicts of interest that prevent my full and unprejudiced participation in this procurement exercise. I also declare that I will inform the Council immediately, should my circumstances change in any way that effects this declaration."

Signature

Date

Option 2: "I do have a conflict of interest that may prevent my full and unprejudiced participation in this procurement exercise. The nature of this conflict of interest is described below:

I also declare that I will inform the Council as soon as is practicable, should my circumstances change in any way that effects this declaration."

Signature

Date

Confidentiality

In the course of your duties in relation to the above Procurement Exercise, you may use, have knowledge of, or access to, information which is confidential to the service or the Council. It is a term of your participation in the Procurement Exercise that this confidentiality must be respected. Confidential information must not be published or divulged other than to an authorised person. In cases of doubt about what is confidential or who is authorised, you should consult the relevant Council project lead.

You may only disclose the Council's Confidential Information to your employees, agents, consultants and contractors who are directly involved in the provision of elements of the Procurement Exercise and who need to know the information, and you must ensure that any of the above to whom you disclose the information are aware of and will comply with these obligations to confidentiality.

Neither you nor your employees, agents, consultants and contractors must use any of the Council's Confidential Information received other than for the purposes of this Procurement Exercise.

I have read the above information and I agree to comply with the obligations to confidentiality.

Signature

Date

*Completed forms must be sent to Corporate Procurement
corporateprocurement@runnymede.gov.uk*