

Eden District Council

Resources Portfolio

13 May 2022

Biennial Review of Procurement Procedures

Portfolio:	Resources Portfolio
Report from:	Assistant Director Finance & HR
Wards:	All Wards
OPEN PUBLIC ITEM	

1 Purpose

1.1 To present the Council's Procurement Procedures for approval.

2 Recommendation

It is recommended that the appended Procurement Procedures 2022 be approved.

3 Report Details

3.1 The proposed Procurement Procedures 2022 is attached to this report as Appendix 1.

3.2 The practice of the Council is to seek approval of the Procurement Procedures every 2 years from the Resources Portfolio Holder.

3.3 The Procurement Procedures were last updated in 2020.

3.4 No major changes are proposed to the procedures, however the following updates/changes have been made:

- Changed format to enable auto-numbering and contents page for ease of reference
- Changed the order to follow the natural process for ease of use
- Removed/Changed references to EU legislation and OJEU
- Updated for any changes in titles/roles due to restructure

4 Policy Framework

4.1 The Council has four corporate priorities which are:

- Sustainable;
- Healthy, safe and secure;
- Connected; and
- Creative

4.2 This report meets the Sustainable corporate priority

5 Consultation

5.1 As an update to the previous procedures, no consultation has taken place.

6 Implications

6.1 Financial and Resources

- 6.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2019-2023 as agreed at Council on 7 November 2019.
- 6.1.2 There are no direct proposals in this report that would reduce or increase resources, however, adherence to the Procurement Procedures should result in effective procurement, resulting in control or reduction of costs for the Council.

6.2 Legal

- 6.2.1 Advice on the Procurement Strategy was sought from our Procurement Advisors, Cirrus Purchasing Ltd who have provided advice on current procurement legislation. This has not resulted in any changes required to these Procedures except for the changes due to Brexit.

6.3 Human Resources

- 6.3.1 There are no Human Resources implications arising out of the proposal.

6.4 Environmental

- 6.4.1 The Procurement Procedures consider Environmental concerns as part of the tender/bids qualitative criteria (section 6.3.3). There are no direct effects on carbon emissions and ecosystems.

6.5 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	Equality and Diversity is addressed in the qualitative categories of assessment of bids and tenders (section 6.3.3).
Health, Social Environmental and Economic Impact	There are no Health, Social, Environmental and Economic impacts.
Crime and Disorder	There are no crime and disorder impacts.
Children and Safeguarding	There are no children and safe guarding implications

6.6 Risk Management

Risk	Consequence	Controls Required
Risk that the Council does not comply with government requirements	Risk of legal challenge	The Procedures are aligned with the Procurement Strategy which has been matched to legal requirements

Risk	Consequence	Controls Required
Risk that Council implements an approach to procurement that does not provide good value and procurement efficiencies	Procurement that does not provide good value and loses out on potential procurement efficiencies and added value.	Adoption of formal procurement procedures provides a method to ensure and record value for money

7 Other Options Considered

7.1 No alternatives considered.

8 Reasons for the Decision/Recommendation

8.1 Effective procurement is important in a sound system of corporate governance. These Procurement Procedures set out clearly the procedures and steps that Council Officers (and Members) should take.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	4 May 2022 (author)
Monitoring Officer (or Deputy)	4 May 2022

Background Papers: None

Appendices: Appendix 1 – Procurement Procedures 2022

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Procurement Procedures

Service:	Contracts & Procurement
Author:	Neil Buck / Marianne Bastille
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1 Introduction

Eden District Council (“the Council”) believes that it is essential that a proper and consistent approach is used in any procurement exercise to obtain works, goods or services on its behalf.

Procurement activity within the Council is governed internally by its Constitution, Procurement Rules and Accounting and Audit Rules and externally by Public Contracts Regulations 2015 (PCR) and the Local Government Transparency Code. The Council’s internal rules govern how Officers and Members responsible for committing company expenditure should conduct this activity.

The purpose of this policy is to provide Officers and Members guidance and information on how to comply with these internal and external rules when purchasing goods, services or works.

2 Thresholds

The requirements of the Financial Regulations (Constitution) and PCR vary dependent upon the level of expenditure that is to be committed and the actions required of the purchaser are split into different thresholds of expenditure.

When calculating the value to compare against these thresholds, the combined value of all same or similar goods, works or services over the life of the expected contract should be included.

If in doubt, please contact Neil Buck (Contracts and Procurement Manager) for advice and guidance. In accordance with the Council’s Procurement Rules, the following thresholds apply:

Estimated value of purchase/contract (ex VAT)	No. Bids Required
£0 - <£5,000	1
£5,000 - <£10,000	2
£10,000 - <£25,000	3
£25,000 - <£60,000*	4
£60,000 - UK Thresholds*	4
>UK Thresholds – See Section 11	N/A

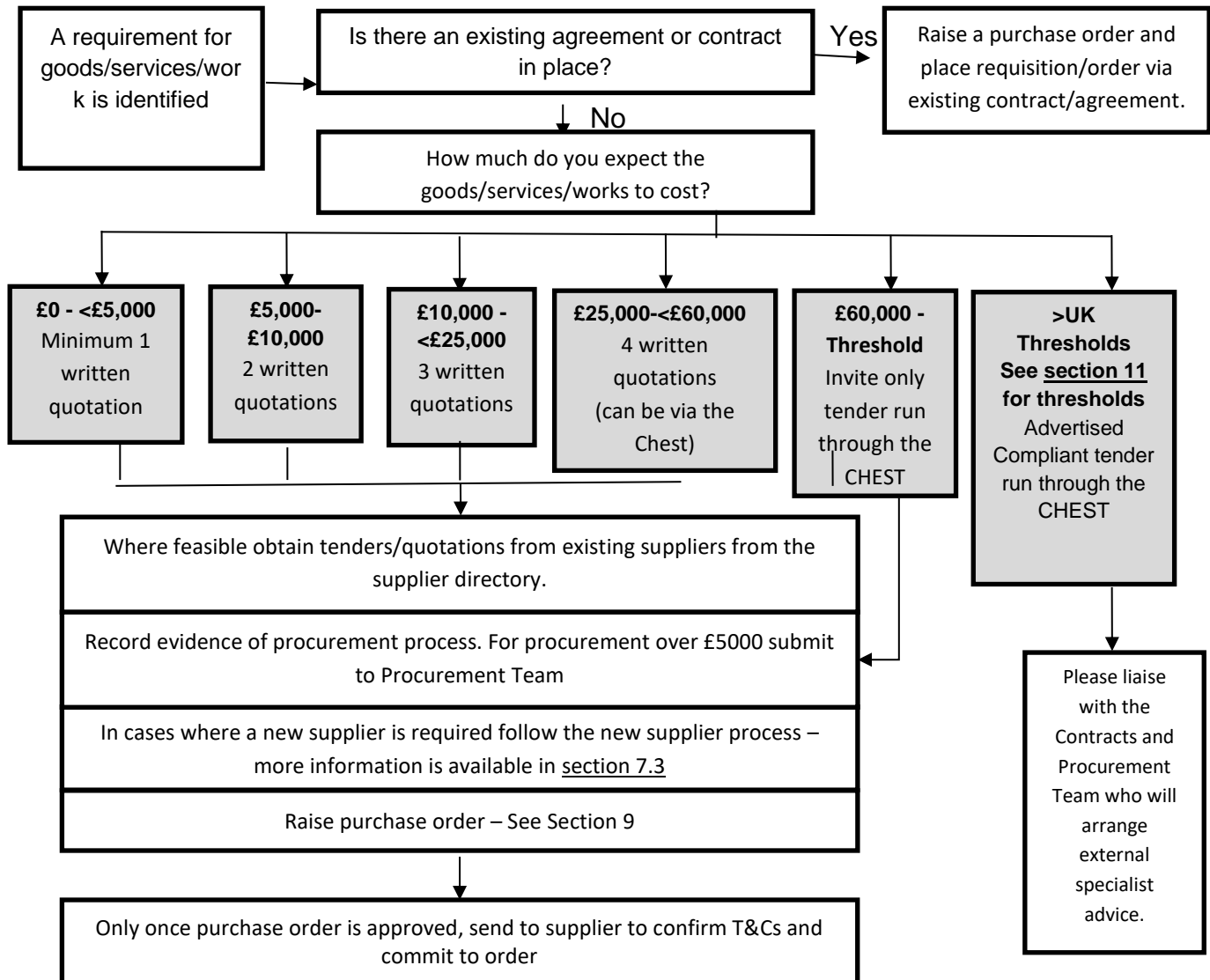
*These below UK threshold procedures are not usually openly advertised as there are specific procedures and advertising rules that need to be followed when publicising purchases over £25k. Please refer to section 11.4 for more information.

Once you have identified the value of procurement expenditure you intend to make against the relevant threshold, please follow the flowcharts in section **Error! Reference source not found.** below to understand the steps that should be taken when completing the selection and procurement process.

Any exceptions to the procurement policy regarding thresholds and required activity must be approved by a relevant Chief Officer. For detailed guidance see the latest Council's Procurement Rules (Constitution).

3 Procurement Flowchart

The grey cells highlight the financial thresholds and the *minimum* procurement activity required and use of CHEST is advised.



4 Declarations of Interest

All Officers should declare any links, whether they are personal or professional, which they may have with any supplier and/or contractor who may be engaged on behalf of the Council. Staff should be able to demonstrate that they do not benefit personally from any decisions which may be made (or to which they contribute, so as to avoid any situation which might be seen as compromising). Should any such interest arise it should be declared to the Deputy Chief Executive (Monitoring Officer) for consideration and recording before any further action is taken. **Non-declaration of a conflict of interest may be a disciplinary matter.** See Council's gifts and hospitality policy for further information.

5 Gifts & Hospitality

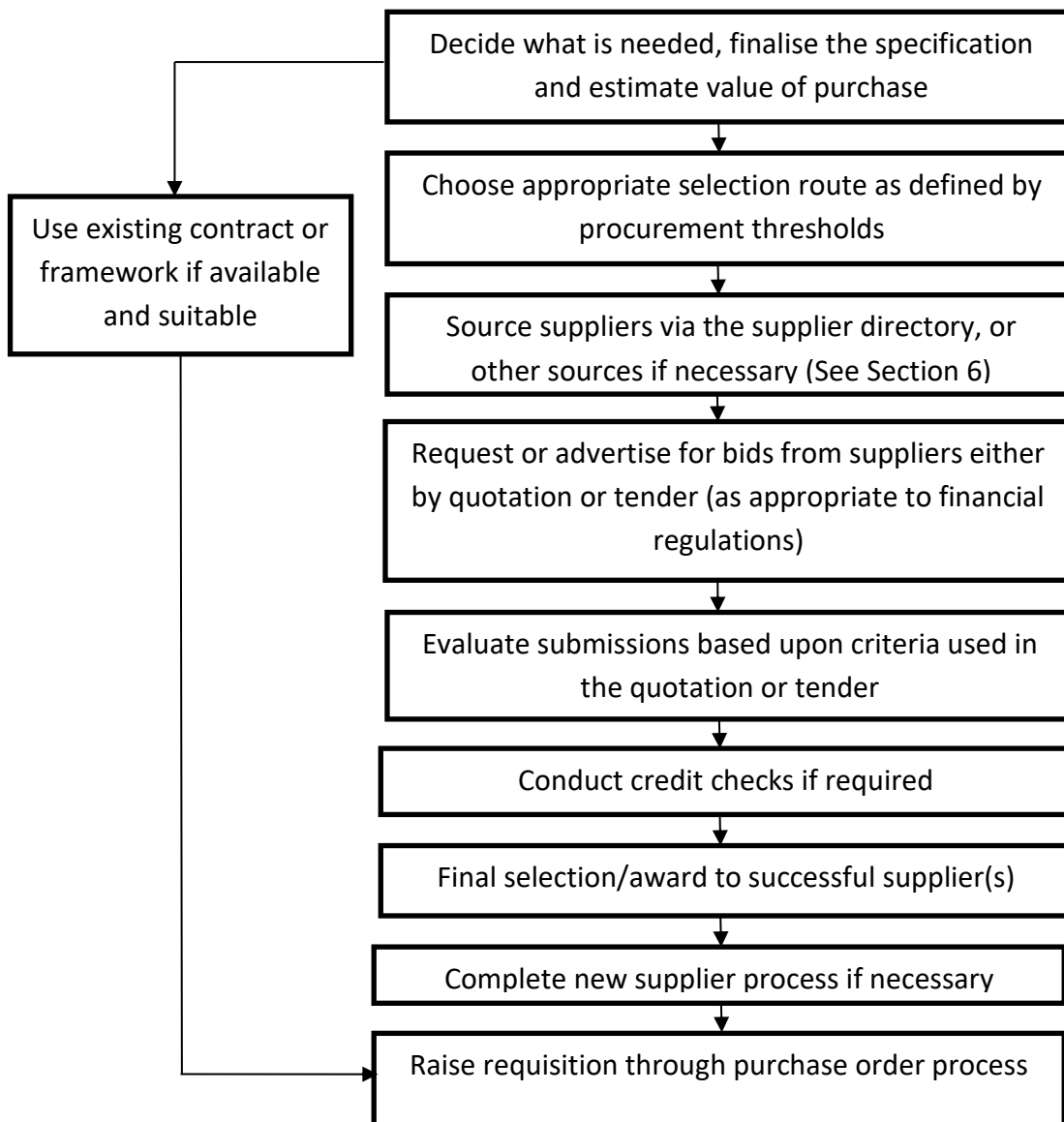
During procurement, gifts, other than items of a small intrinsic value (diaries, note pads and so on), should not be accepted under any circumstances. Any other item or personal gifts should be declined.

6 Quoting & Tender Process

The purpose of these processes is to ensure transparency, non-discrimination and value for money for the Council.

6.1 Overview of Quoting & Tender Processes

The steps in the supplier selection process are outlined below:



The selection process can be undertaken in two main ways, either by request for quotation or by tender. The choice of process is dependent upon the expected level of expenditure; please refer to section **Error! Reference source not found.** for the current procurement thresholds.

Whilst the basic principles remain the same between a Request for Quotation and a tender, there are differences:

6.1.1 Request for Quotation

Request for Quotations are used to ascertain price and provide invited suppliers with a fixed specification to quote against, the decision around what is required has already been made before suppliers are approached. Whilst qualitative detail can be requested from suppliers within a Request for Quotation, for more complex procurement activity a tender is more ideally suited.

6.1.2 Tender

A tender, often referred to as an Invitation to Tender (ITT), is used where there is a more complex or higher value procurement requirement. Access to a tender can either be limited to an invited list (for tenders below UK thresholds), or open for all interested suppliers to bid against (for tenders over UK thresholds). Generally there is a defined need or requirement against which suppliers submit their response. The suppliers are then assessed on a qualitative basis on how they will deliver or supply the goods, works or services and at what cost. A tender can however, where justified by the nature of the goods or services required, be used on a lowest cost basis although minimum standards criteria should still be stipulated.

6.2 Information Only Questions

Not all questions have to be evaluated, and for many questions it would be inappropriate to do so. Questions seeking basic information, for example bidder contact details or diversity monitoring information can be for information only and as such are not weighted or evaluated.

Further guidance is provided in the Invitation to Tender template documentation, available on SharePoint. The Contracts and Procurement team can provide further guidance on suitable criteria and question

6.3 Supplier Selection Criteria

6.3.1 Overview

For all supplier selection processes, either quotation or tender based, when multiple submissions are received these have to be assessed in comparison to the other submissions received.

The assessments, or evaluation of bids received can be categorised in two ways:

For simple purchases, where the goods or services involved are of fixed quality or of relatively low impact for the Council, the selection process can be based upon a **lowest cost** assessment. Lowest cost evaluations should only be used for low value, commodity items or where product specification is fixed and service elements are minimal; for example purchasing electricity supply.

For more complex procurement activity, using the selection of a contractor as an example, a mix of **cost and quality** should be used to evaluate submissions. The relative importance of cost and quality used depends on the nature of the contract, and is at the discretion of the buyer. Guidelines are detailed within the cost and quality section below.

6.3.2 Cost and quality

The latest Council's Procurement Rules set out the basis of acceptance of tenders. They can be a most economically advantageous tender or lowest price.

Example cost and quality weighting splits:

- Price only; for commodity items such as energy or stationery; where specification is fixed and not variable
- Price sensitive goods and services; for example cleaning services, which is primarily driven through a tight specification. Typically cost will have a larger proportion of the weighting, approximately 70% cost and 30% quality
- Contractors; usually ranges from 40% cost/60% quality, to 60% cost/40% quality depending upon the complexity of the works and the associated service
- Contractors; where a cost weighting split of less than 60% is being used to evaluate tenders the approval of the appropriate Cabinet Member be sought.
- Consultancy; or other quality based services, government guidance is 80% quality and 20% cost. This is driven by the impact some professional services can have which is disproportionate to the fees charged. Approval to undertake this split is required from the relevant Portfolio holder.

In all circumstances, criteria for assessment purposes should not be chosen to disadvantage or discriminate against any supplier or group of suppliers.

Cost and qualitative questions should be weighted from a total pool of 100%. Specific questions/categories can be evaluated on a pass or fail basis. Interviews and/or site visits can be used to validate and moderate the scores given to written submissions, or can be scored separately if these are required.

6.3.3 Qualitative Categories

To ensure probity, the categories and criteria to be evaluated need to be defined and the relevant weightings set prior to the issue of quotations/tenders. Once finalised and the request for quotation or the tender is issued, the weightings should not be altered.

Examples of qualitative categories are as follows:

- Finance & compliance;
- Health & safety;
- Equality & diversity;
- Environment;
- Experience & capability (including references); and
- Tender specific questions relating directly to the goods, services or works being tendered.

Not all categories are required for every procurement exercise; only relevant categories of questions should be included to suit the goods, works or services being procured.

6.3.4 Minimum Standards

Minimum standards are requirements that bidders must be able to achieve to have their submissions evaluated. They are set on a pass/fail basis and it is policy to clearly explain to bidding organisations the minimum required standard for a pass. This is important for openness and transparency so suppliers do not waste time submitting tenders that cannot succeed.

Minimum turnover levels can be used to ensure that bids are received from suppliers that are appropriately sized to deliver the contract, or minimum standards for health & safety for contractors.

Minimum operational requirements can also be put in place, for example if entering into a lift servicing contract minimum response times can be set. As a result the bidder could be asked to provide a service engineer who is based within 30 minutes of a given location.

All procurement processes must request that the successful supplier(s) obtains suitable insurance cover at a level stipulated within the procurement documents prior to contract commencement. Different levels and types of insurance cover will be required dependant on the goods/services purchased. Please contact the finance team should you require assistance on setting suitable levels of insurance.

When necessary, the Contracts and Procurement team will provide further guidance and support on the use of minimum standards

6.4 Advertising

Any contracts over £25k, if advertised, must be advertised on Contracts Finder. See section 11.2 and 11.4.

6.5 Quote & Bid Submission

All procurement processes should be conducted electronically, either via email or through the Chest eTender system.

6.5.1 Quotations

For purchases between £5,000 and £60,000 where quotations are sought, bidders should be requested to submit their completed quotation documents to the procurement@eden.gov.uk email address only, and should not send their submission to/ copy in any other email address. To ensure probity, the Assistant Director Finance & HR and the Contracts and Procurement Team will have access to the procurement@eden.gov.uk email account.

Once the quotation submission deadline has passed, the Officer responsible for conducting the procurement process should request that the submissions be forwarded to them for review. This request should be sent via email to the Contracts and Procurement Manager. Quotes and tenders should be created using the templates available on SharePoint.

6.5.2 Tenders

For purchases where tenders (rather than quotations) are sought, tender documents should be issued and submissions received via the Chest eTender system. Once the tender submission deadline has passed, the Contracts and Procurement team will release the tender submissions to the end user responsible for conducting the procurement process.

For further details about the eTender system and guidance on the available functionality, please contact the Contracts and Procurement team.

Any procurement activity that is subject to UK Public Procurement rules must be undertaken with the full support of an external procurement consultant.

6.6 Credit Checks

Credit checks should be conducted by a member of the Procurement team on all provisionally successful suppliers following a procurement process where the total value of the purchase/contract is greater than £25,000.

Annual credit checks should also be conducted by a member of the Procurement team on all suppliers who deliver contracts lasting longer than twelve months that have a contract value greater than £60,000 per annum.

For high risk contracts, appropriate financial viability test of potentially successful suppliers during a tender process and/or prior to any contract award

6.7 Award of Contract

Before entering into any agreement with the successful supplier(s), the results of the procurement process require sign off in accordance with the Council's current Procurement Rules per the Constitution.

7 Suppliers

7.1 Sourcing Suppliers to Quote

The Council operates a supplier directory that is the primary source of suppliers (Total Financial System). For all procurement activity, suppliers available on the directory should be used first as this removes the time and cost associated with adding suppliers to the finance system and reduces fragmentation of expenditure.

Where we have a pre-tendered contract with a supplier then they must be used for all procurement within the scope of that tender if required. Advice can be sought from the Contracts & Procurement Department.

The directory is not however a shortcut to avoiding the obligation for competition and the required process must be followed per section 3.

7.2 Sourcing Alternate Suppliers

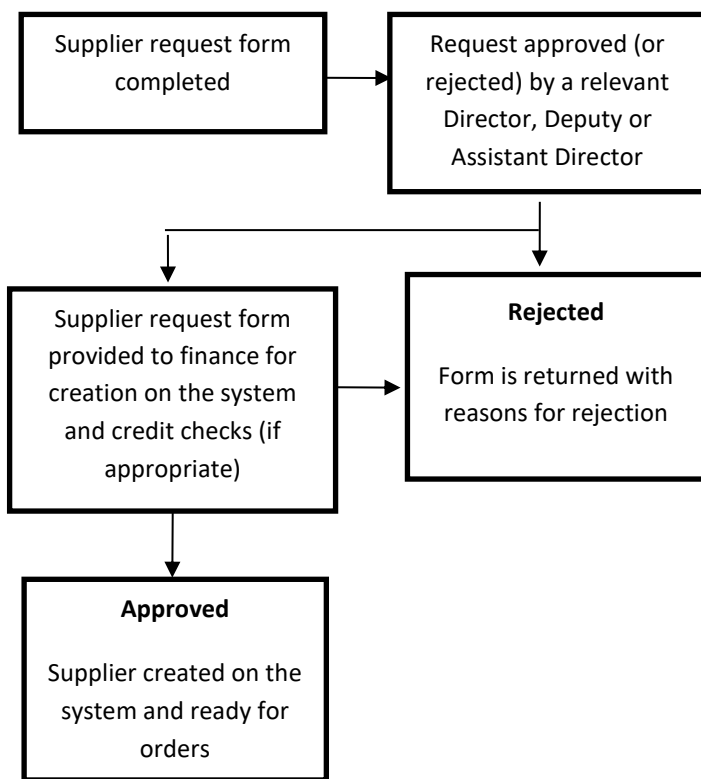
Where the supplier directory does not contain sufficient suppliers, other suppliers will have to be sourced to participate in the selection process. There are numerous sources of suppliers available, including the following:

- Consortia: Organisations such as Cumbria County Council operate a number of accessible frameworks that may contain suitable suppliers. Existing Framework agreements list of suppliers may also be useful to identify suitable suppliers.

- Recommendation: Speak to other Local Authorities, many may have similar requirements and could suggest appropriate suppliers to contact. The Council may also wish to procure goods/services in collaboration with other Local Authorities who have similar requirements where appropriate. Where a collaborative procurement exercise is undertaken, the combined value of the contracts for all Local Authorities involved should be used when identifying if the procurement exercise is above the relevant UK procurement threshold. Consultants working with the Council on the project may also be able to suggest suitable suppliers

7.3 New Supplier Process

Where you award a contract to a supplier not already on the Supplier Directory (Total finance system) then you must request that new supplier to be added to the system. This must be done before the issue of any order.



8 Form of Contract / Terms & Conditions

8.1 General

There is no single form of contract that is ideal for all purchases, and it is recommended that Officers use forms of contract they are familiar with when appropriate to the nature of the purchase. Eden District Council does operate standard terms and conditions of purchase, however these terms may not be appropriate for all contracts. For guidance on appropriate forms of contract to use for a specific procurement process, the legal team should be contacted.

Where a bespoke form of contract is suggested by either party, the legal team must be given opportunity to review the document to ensure there are no disadvantageous terms from a legal perspective.

8.2 Cost Control

The standard approach to cost control for all contracts or frameworks in excess of twelve months is to cap any proposed annual increase to no more than the Consumer Price Index (CPI). For reference, the CPI is defined as the Consumer Price Index as published by the Office for National Statistics, Consumer Prices and General Inflation Division, or if such publication is discontinued then the relevant document which succeeds it.

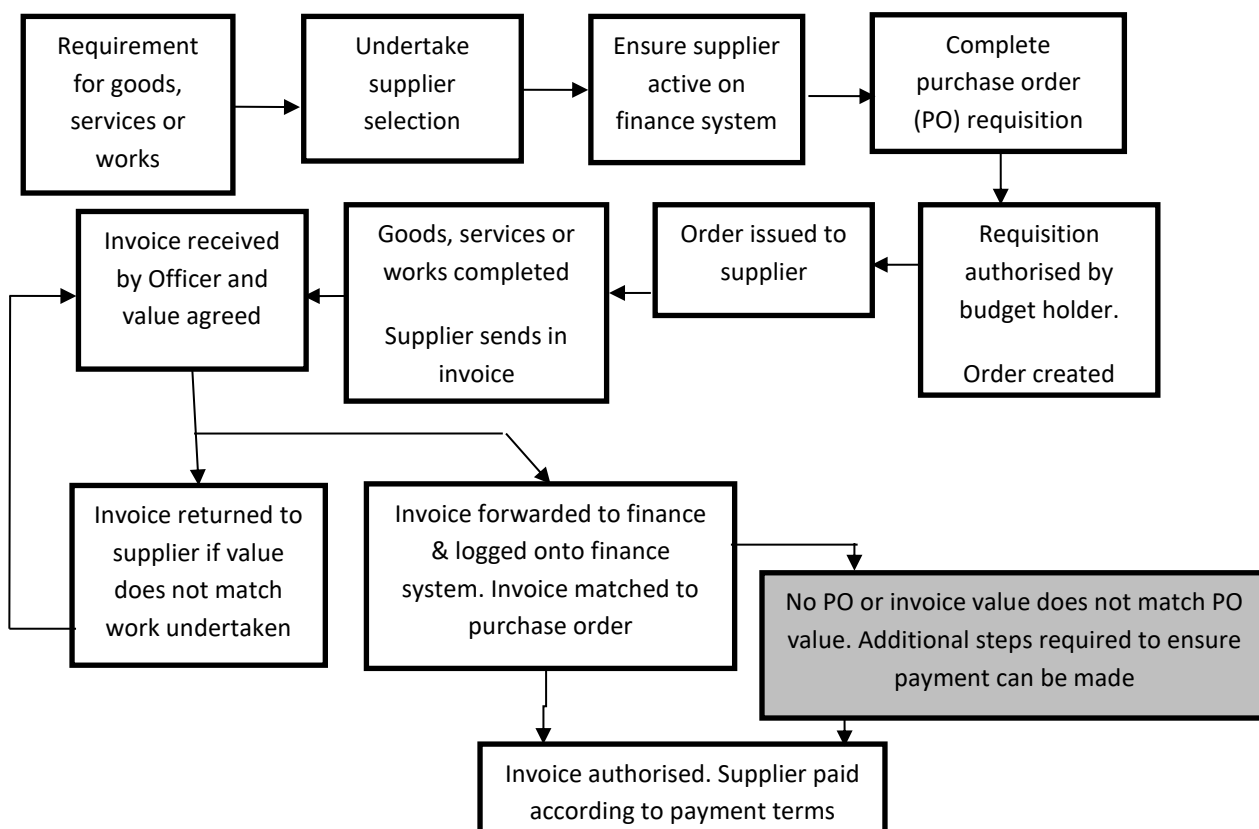
CPI is the preferred cost control index as it tracks lower than the Retail Price Index (RPI) and is less volatile than other indices such as the Building Cost Information Service Tender Price Index (BCIS TPI). Dependent on the market or sector, other cost control mechanisms may be appropriate

8.3 Termination

High risk relationships require a specific form of contract. Contracts must include clauses permitting the Council to terminate the contract if the supplier becomes insolvent, performs below the standards expected or if there is any other justification for an unplanned contract termination.

9 Purchase Order Process

EDC currently operates a purchase order process which must be followed when committing company expenditure



10 Contract Extensions

All options to extend a contract must be detailed in the original procurement process and contained within any form of contract that is agreed and signed with the successful supplier(s). In general terms, no further extensions are permitted or to be negotiated with suppliers once the total contract duration including all extension options has expired. For further guidance, see the latest Council's Procurement Rules.

11 Thresholds & PCR

Any procurement that is over the thresholds below must be undertaken with the full support of a specialist procurement consultant to help manage the process and ensure the relevant regulations are followed.

11.1 Current Thresholds

The current values came into effect from January 2020 and are set as follows:

Current procurement thresholds (Valid until Dec 2023)		
Type of contract	Example	Threshold £ (incl VAT)
Works	Construction of buildings	5,336,937
Supplies	Stationery	213,477
Services	Building cleaning	213,477

If a single requirement involves more than one contract, the estimated value of all the contracts must be added together to identify if the threshold will be reached. If the resulting combined value means the relevant threshold is exceeded, each of the contracts is individually covered by the legislation.

When tendering for a fixed term contract, expenditure over the total contract term including possible options to extend, not the annual value, should be used to assess compliance requirements. Where the total contract value exceeds the relevant threshold, the tender is subject to UK procurement rules.

Where no fixed contract duration has been agreed, the total value of expenditure via all suppliers/contractors providing the same or similar services and goods should be calculated across four years. If the value of combined expenditure over a four year period exceeds the relevant threshold, an over-threshold tendering exercise is required.

The value of any requirement must not be split over a number of contracts/years for the purpose of avoiding the over-threshold procurement requirement. Such activity would be considered a breach of legislation and represents a risk for the organisation.

11.2 Advertisement of above threshold tenders

Tender opportunities over the threshold must be advertised online via Find a Tender and Contracts Finder websites:

- Find a Tender: [Find a Tender \(find-tender.service.gov.uk\)](https://find-tender.service.gov.uk)

Where there is the need for an over the threshold compliant tender, please contact the Contracts and Procurement Manager to arrange the appointment of a suitable consultant to aid with the process.

11.3 Publication of framework call-off contract award information on Contracts Finder

For all call-off contracts issued under frameworks tendered in line with the Public Contracts Regulations 2015, the following award information must be published on the Contracts Finder system:

- the name of the successful bidder(s) awarded the call-off contract
- the date the call-off contract was entered into
- the call-off contract value

11.4 Below threshold requirements of the Public Contracts Regulations (2015 #102)

The UK Government has also stipulated some conditions that must be followed for procedures that fall below the thresholds. These conditions include:

- Pre-Qualification Questionnaires can no longer be used for below threshold tenders
- For all contracts above or below the thresholds, payment terms must be set at 30 days for undisputed invoices. There is also the obligation to cascade this requirement to sub-contractors and any tiers of supply below (e.g. the supplier's supplier must also be paid in 30 days by the supplier)
- For all contracts valued at more than £25,000 (ex VAT), including call-off contracts issued under frameworks, the following award information must be published on the UK Government's Contracts Finder system (<https://www.gov.uk/contracts-finder>):
 - The name of the successful bidder(s);
 - The closing date for submissions;
 - The date the contract was awarded;
 - The date the contract started;
 - The date the contract ends (inclusive of all options);
 - The contract value (inclusive of all options);
 - If the bidder is a Small and Medium-sized Enterprise; and
 - If the bidder is a Voluntary, Community and Social Enterprise.
- Additional rules for advertised under-threshold tenders: For below threshold purchases that have a value greater than £25,000 (ex VAT), the UK Government has implemented additional rules that must be followed when the procurement opportunity is openly publicised (i.e. the procurement opportunity can potentially be viewed and completed by any supplier). These rules are as follows:
 - Advertise the opportunity on the UK Government's Contracts Finder system; and
 - Offer unrestricted access free of charge to the procurement documents via the internet.

12 Data Protection

12.1 Data Protection Act

The Data Protection Act 2018 is the UK's implementation of the General Data Protection Regulation (GDPR). The legislation aimed at protecting the privacy of individuals and preventing breaches of personal data (information from which an individual can be identified). The regulations impose requirements that must be followed by the Council when a third party (such as a supplier) processes personal data provided by the Council.

Due to the broad definitions of personal data and processing provided in the regulations, it is likely that all contracts will involve some processing of personal data. As such, the following requirements should be followed when conducting all procurement activity.

12.2 Assessing Compliance

Procurement processes should include questions to assess the competency of suppliers to process personal data in full compliance with the requirements of the Data Protection Act 2018. A sample question has been included within the Council's template tender document; however this may not be suitable for all contracts. The assessment conducted should take into account the sensitivity of the data to be processed and the risk to individuals should there be a data breach. The Council should only appoint suppliers where they are satisfied the supplier has provided sufficient evidence of their compliance with the regulations

12.3 Contractual Requirements

The regulations require the Council to have a formal contract in place between itself and any organisation processing data on its behalf, stipulating the data protection responsibilities and liabilities of both parties. The Data Protection Act 2018 sets out information and terms that must be included within all contracts between the Council and a third party processing personal data. Please contact the legal team for advice and guidance on suitable contract terms that meet the requirements of the Data Protection Act.

12.4 Data Protection Policy

Reference to the Council's Data Protection Policy should be included within the procurement documents. This allows bidders to see how the Council will use the personal information they submit as part of the procurement process.

For guidance on the Data Protection Act 2018, the legal team should be contacted. In general the applicable law concerning the processing of personal data and privacy.

13 Local Government Transparency Code 2015

The Local Government Transparency Code identifies requirements for Local Authorities to publish data online to give local people more transparency into the activities delivered by the Local Government. This section provides an overview of the information the Council is required to publish quarterly in relation to its spending and procurement activities in order to meet their mandatory obligations under the Local Government Transparency Code.

13.1 Expenditure exceeding £500

The Council is required to publish details of expenditure for each individual item that is greater than £500. For each item, the Local Government Transparency Code identifies the following information that must be published:

- Date the expenditure was incurred;
- Local authority department which incurred the expenditure;
- Beneficiary;
- Summary of the purpose of the expenditure;
- Amount;
- Value Added Tax that cannot be recovered, and
- Merchant category (e.g. computers, software etc.).

The relevant data will be extracted from the Council finance system and published on the Council's website by the Finance team.

13.2 Government Procurement Card transactions

The Council is required to publish details of every transaction on a Government Procurement Card. For each transaction, the Local Government Transparency Code identifies the following information that must be published:

- Date of the transaction;
- Local authority department which incurred the expenditure;
- Beneficiary;
- Amount;
- Value Added Tax that cannot be recovered;
- Summary of the purpose of the expenditure; and
- Merchant category (e.g. computers, software etc.).

The relevant data will be extracted from the Council's finance system and published on the Council's website by the Finance team.

13.3 Procurement Information (When Awarded)

The Council is required to publish details of every invitation to tender concluded for contracts to provide goods and/or services with a value that exceeds £5,000. For each invitation to tender, the Local Government Transparency Code identifies the following details should be published:

- Reference number;
- Title;
- Description of the goods and/or services sought;
- Start, end and review dates, and
- Local authority department responsible.

The Local Government Transparency Code states that the Council is also required to “publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000”. For each contract, the Local Government Transparency Code identifies the following details should be published:

- Reference number;
- Title of agreement;
- Council department responsible;
- Description of the goods and/or services being provided;
- Supplier name and details;
- Sum to be paid over the length of the contract or the estimated annual spending or budget for the contract;
- Value Added Tax that cannot be recovered;
- Start, end and review dates;
- Whether or not the contract was the result of an invitation to quote or a published invitation to tender, and
- Whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number.

The relevant data will be published on the Council’s website by the Contracts and Procurement team each quarter and will be extracted from the documents provided by the Officer responsible for procuring the contract as identified under Section 13: Recording activity. It is therefore important that these documents are provided to the Contracts and Procurement team at the earliest opportunity once the procurement process has concluded

14 Documentation / Evidence

All key contract documentation for each supplier also needs to be stored centrally to ensure accessibility of information. It is the ultimate responsibility of the end user(s) selecting and using the suppliers to ensure the necessary documents are stored and refreshed as appropriate.

The procurement and contract documentation for suppliers should be stored electronically on SharePoint. Once the procurement process has concluded, the end user responsible for undertaking the procurement process should send the relevant documents to the Contracts and Procurement team via the procurement@eden.gov.uk email address, who will ensure the documents are loaded and stored on SharePoint.

The required documentation varies by contract but will include as a minimum:

- Copies of the tender and supporting documents issued for completion by bidders;
 - Tender/quotations received from all suppliers to deliver the contract;
 - Evaluation models and any summaries prepared;
- The following are to be kept as shown**
- Signed contract documentation with successful supplier(s); **Legal team and Relevant Officer**

- A record of appropriate insurance certificate numbers, updated as appropriate throughout the duration of any contract; **Relevant Officer**, and
- A copy of the Experian credit report with any monitoring reports that are issued where applicable; **Relevant Officer**

Further information may be required from contractors, such as additional health and safety information. The Council's Health & Safety Policy sets out guidance and the Deputy Director of Technical Services can be contacted where required.

15 Contracts Register

The Council operates a contracts register to help keep track of its contracts and financial commitments with suppliers.

An up-to-date contracts register is an important tool that can be used as a source for effective planning of procurement and contract management activity.

The Contracts Register is available to view on SharePoint.

All contracts with a value greater than £5,000 (ex VAT) per annum, or a total contract value above £5,000 (ex VAT) if the contract duration is less than twelve months, must be recorded in the Contracts Register. For these contracts, the person responsible for conducting the procurement process used to award the contract must provide the following information to the Contracts and Procurement team via the procurement@eden.gov.uk email address once the contract has been awarded:

- Contract category
- Contract name
- Contractor(s)/supplier(s) awarded contract
- Contract reference number
- Total contract value
- Contract start date
- Contract expiry date
- Contract duration and any options to extend
- Department responsible for procurement
- Description of goods/service purchased
- Date of break clause (if any)
- Notice required for break (if applicable)
- Council Manager responsible for contract
- Procurement route used (e.g. framework call-off, tender, quotes etc.)
Located with the Legal team`
- Form of contract and signed contract location

On receipt of this information, the Contracts and Procurement Team will update the Contracts Register and file the contract accordingly.

16 Contract Management

16.1 Supplier Monitoring

The monitoring of strategic or high risk suppliers and their performance against pre-identified Key Performance Indicators (KPIs) is to be undertaken by the member of staff that 'owns' the contract or supplier relationship.

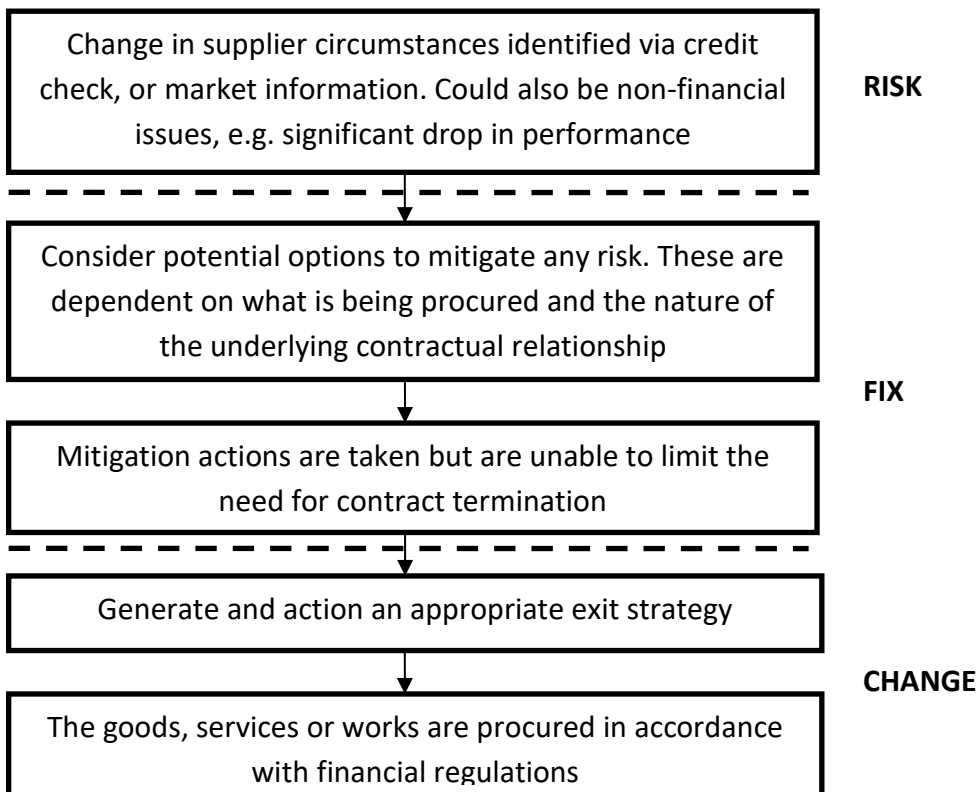
The frequency and monitoring undertaken will vary depending upon the supplier and type of work. Suitable KPIs should be set on a case by case basis where the use of KPIs are deemed relevant. The Contracts and Procurement team can give guidance on appropriate KPIs.

16.1.1 Recording activity

It is a requirement for records of procurement activity, including all quotations and tenders received to be stored securely in electronic format. Tender submissions, quotations received, evaluation documents and any final reports detailing the selection outcome should be stored centrally within the procurement section of SharePoint.

16.2 Supplier Insolvency

In addition to contract clauses allowing contract termination, the Council operates an escalation path for suppliers when their ongoing viability becomes a potential issue and/or risk. The escalation path is as follows:



The escalation path is activated where concerns over a supplier's ongoing ability to meet the needs of a contract are identified. Escalation may ultimately result in a full exit from the contractual relationship if appropriate.

Examples of feasible mitigation options to minimise service interruption, cost implications and potentially limit the need for contract termination:

- Repackaging of programme of works (contractors)
- Begin preliminary steps in re-procurement of contract if monitoring indicates an increased risk
- Identify supply-chain solutions, including framework agreements, that are available to the Council to allow an efficient changeover that minimises cost and service interruption

Examples of the different options available to limit the impact of supplier insolvency when procuring key supply-chain relationships are detailed below. This is not an exhaustive list of the options available, but intended as a demonstration of the types of methods available to mitigate this area of risk.

17 Key Contacts

Key contacts within Eden District Council for procurement and associated matters:

Guidance on procurement:

- Neil Buck (Contracts and Procurement Manager) 01768 212337 or Neil.Buck@eden.gov.uk and Gwyneth Timson (Contracts Officer) 01768 212268 or Gwyneth.Timson@eden.gov.uk or procurement@eden.gov.uk

Guidance on health & safety:

- Laura Cadman (Assistant Director Services) 01768 212250 or Laura.Cadman@eden.gov.uk

Guidance on general legal advice and contract terms:

- Lisa Tremble (Assistant Director Governance) 01768 212249 or Lisa.Tremble@eden.gov.uk

Guidance on financial terms:

- Marianne Bastille (Assistant Director Finance and HR) 01768 212208 or Marianne.Bastille@eden.gov.uk

18 Related Documents & Legislation

18.1 Related EDC Documents

- Council's Procurement Rules (Part of Constitution)
- Accounting and Audit Rules (Part of Constitution)
- Equality & Diversity Policy
- Health & Safety Policy
- Gifts & Hospitality Policy

18.2 Legislation Applicable to Procurement

The relevant legislation applicable to procurement at the Council is as follows:

- [Public Procurement Regulations 2015](#)
- [Race Relations \(Amendment\) Act 2000](#)
- [The Disability Discrimination Act \(Amendment\) 2005](#)
- [Local Government Act 2000](#)
- [The Equality Act 2006](#)
- [The Human Rights Act 1998](#)
- [The Equality Act 2010](#)
- [The Data Protection Act 2018](#)
- [The Local Government Transparency Code 2015](#)

Officers with responsibility for procurement should make themselves aware of the main points of the above, relevant to procurement and equality.