

Report of the Deputy Chief Executive

REVIEW OF FINANCIAL PROCEDURE RULES, INCLUDING CONTRACT PROCEDURE RULES1. Purpose of Report

To report on the annual review of the Council's Financial Procedure Rules, including the Contract Procedure Rules; to consider the proposed changes made to the rules and to recommend onto Council that these updated rules are adopted as part of the Council's Constitution.

2. **Recommendation from the Governance, Audit and Standards Committee: 19 June 2023**

RECOMMENDED to Council that the updated Financial Procedure Rules, including the Contract Procedure Rules, be approved.

3. Detail

Under its terms of reference, the Governance, Audit and Standards Committee is tasked with an overview of the Council's Constitution and consideration of proposed amendments or revisions to the Constitution, including the Schemes of Delegation, Procedure Rules and Protocols; and to recommend to Council amendments to the Constitution.

4. Considerations of the Governance, Audit and Standards Committee

At its meeting on 19 June 2023, the Committee was informed that the annual review of the Council's Financial Procedure Rules, including the Contract Procedure Rules, had been completed. These rules, formerly referred to as Financial Regulations and Contract Standing Orders, were designed to assist the Council to regulate and control the finances of all directorates and services. These rules are fundamental to maintaining acceptable standards of financial administration, supporting good governance and the performance of functions across all areas of service delivery. As a contractual condition of employment, every employee shall comply with these rules when carrying out their duties.

A brief overview and summary of the changes made to the rules are provided in appendix 1, whilst the updated versions of the Financial Procedure Rules and the Contract Procedure Rules are provided at appendix 3 and 4 respectively.

The documents were benchmarked against other district councils and have been subsequently reviewed by General Management Team. Whilst leading Members were provided with the opportunity to feedback on the existing regulations, it is acknowledged that there has only been limited time for Member engagement given the timing of the Borough elections. It is noted though that the Financial Procedure Rules are subject to periodic review, so any further changes required can be considered again as part of the next annual review of the Constitution.

5. Financial Implications

The comments from the Head of Finance Services were as follows:

The Financial Procedure Rules are designed to assist the Council to regulate and control the finances of all directorates and services of the Council. The rules are fundamental to maintaining acceptable standards of financial administration, supporting good governance and the performance of functions across all areas of service delivery.

6. Legal Implications

The comments from the Head of Legal Services and Deputy Monitoring Officer were as follows:

Section 37 of the Local Government Act 2000 requires local authorities operating executive arrangements to prepare and keep up to date a document which contains:

- (a) such information as the Secretary of State may direct
- (b) the authority's standing orders (i.e. rules of procedure)
- (c) the Code of Conduct for Members
- (d) such information as the authority considers appropriate.

Broxtowe Borough Council's Constitution is available on the Council's website

7. Human Resources Implications

There were no comments from the Human Resources Manager.

8. Union Comments

There were no Union comments in relation to this report.

9. Data Protection Compliance Implications

There are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers

Nil

APPENDIX 1

UPDATES TO FINANCIAL PROCEDURE RULES

1. Financial Procedure Rules

The Financial Procedure Rules (formerly referred to as Financial Regulations) are designed to assist the Council to regulate and control the finances of all directorates and services of the Council. Section 151 of the Local Government Act 1972 requires that 'every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their Officers has responsibility for the administration of those affairs'.

The Deputy Chief Executive is the 'Section 151 Officer' so responsible and, as such, he will exercise control over accounting arrangements and obtain uniformity therein throughout all directorates and services of the Council.

The review of the Financial Procedure Rules has been undertaken to ensure these remain fit-for-purpose, comply with the relevant legislation and regulations and meet the current and future requirements of the Council. The process has included a complete review of the rules and benchmarking against similar documents published by other local district councils.

The existing Financial Regulations were found to be generally effective but did require some update in terms of process and to specified delegated limits, which have not been refreshed for many years.

In addition to some minor wording updates, the main changes relate to the inclusion of new sections and increases in delegated limits which have not been updated in recent years, as follows:

Section	Updates
2. Budget	<p>Updates to budget virement limits, with better clarification at 2.7.2 including delegated limits and for Cabinet approval to be required for amounts above the limit.</p> <p>New addition at 2.7.3 to allow for capital budget virement by the Deputy Chief Executive from any remaining approved capital contingency budget of up to £25k.</p>
4. Audits	Slight refinement, particularly at 4.4, to better reflect the current Public Sector Internal Audit Standards and reference to counter fraud and corruption policy.
5. Income	Update of write-off limits at section 5.9 to increase the delegated limit from £1,200 to £7,500. Benchmarking has suggested that this limit is still lower than some district authorities in Nottinghamshire.

Section	Updates
6. Banking Arrangements 10. Payment of Accounts	Minor updates to emphasise payments now by electronic methods with cheques only used in the most exceptional of circumstances.
14. Council Assets and Properties	Updated section title and at section 14.3 to increase delegated limit from £20k to £25k for all acquisitions and appropriations of land or property (except Council houses) and to refer to the addition of the new section 'Sale of Council Assets' at 14.6 to 14.11 which has been moved from the earlier Contract Standing Orders.
15. Stocks and Stores	Update to stores write-off limits at 15.8 to increase the values before a report to Cabinet is required to approve the disposal of surplus or obsolete materials, stores or equipment. This now aligns with delegated limits for debt write-off.
21. External Arrangements	New section inserted to refer to partnership arrangements and external funding
24. Failure to comply with and Interpretation of Rules	New addition at section 24.1 regarding failure to comply with rules.

2. Contract Procedure Rules

The review has been undertaken to ensure the Contract Procedure Rules are compliant with procurement regulations; meet the current needs of the Council; and allow for future procurement legislative requirements.

The process has included a complete review of the document and benchmarking against similar documents published at local authorities, including Derby City Council, Nottingham City Council and Derbyshire Dales District Council.

The main objectives underpinning the review were to:

- Allow for greater flexibility in the Council's approach to procurement
- Allow for the implementation of new Procurement Regulations (UK Procurement Law) anticipated early 2024
- Allow for changes in UK Procurement Thresholds; and
- Structure the rules in a more logical order.

The Contract Procedure Rules have been largely re-written. The following table shows the list of the key areas for review, considered to be either important, new or materially changed:

Material Changes to Chapter 4 – Part 2 Financial Procedure Rules (Contracts)

Section/Area	Current Rules and Process	Proposed Rules/Process	Reason for Change
Section 11.6/11.7 – Pre-Procurement Approvals	Not applicable	<p>Where the Contract Value is above £25,000 or when procurement involvement is required, a Procurement Approval Form is to be completed by the Procuring Officer and signed by the Head of Service.</p> <p>A 'Broxtowe Procurement' (BP) reference number will be allocated to the process to uniquely identify the procurement project.</p>	<p>There is no current pre-approval process for procurement projects. This proposed process will ensure Head of Service awareness and budget approval and allow transparency to the procurement officer of Council contracts.</p> <p>A unique reference number will help with audit trails and identifying particular projects.</p>
Section 28 – Award Procedure and Internal Approvals	<p>Deputy Chief Executive approves contract awards above £25,000.</p> <p>The appropriate Committee can if a tender is above budget provision.</p>	<p>For contracts values below £100,000 and within the stated budget, Head of Service approval is required. If a competitive tendering process has been undertaken the Deputy Chief Executive needs to approve it.</p> <p>For contracts values in excess of £100,000 and within the stated budget, an evaluation report with a recommendation, should be presented to the Deputy Chief Executive for approval, unless previously decided that Cabinet approval is required.</p>	Updating the process to take account of the updated Contract Value thresholds in Appendix A and to make process clearer. It also adds the reminder of 'Key decisions' if report is going to Cabinet.

Section/Area	Current Rules and Process	Proposed Rules/Process	Reason for Change
		Where it has been decided before the procurement process that Cabinet approval is required, a report shall be submitted to Cabinet as to the bid that should be accepted and the basis for such a recommendation. Where the value of the expenditure / income is greater than £250,000 and affects more than two wards, it needs to meet the deadlines required for the Key Decision process.	
Section 30 and App B – Contract Approval and Signing	Contract terms and conditions needed consultation with the Head of Legal Services and the Procurement Officer if value is below £25,000.	The contract only needs consultation with Head of Legal Services if below. £25,000. Confirmation that use of suppliers terms and conditions above £25,000 needs Head of Legal Services approval. Confirmation of types of contract signature that are acceptable. ICT to also give approval for ICT related contract terms and conditions.	Unclear why the Procurement Officer also needed to see contract terms and conditions for values under £25,000. Added reference to use of suppliers terms and conditions. Added types of signature that are acceptable as there was no reference to this. Added ICT input for contracts relating to ICT to use their expertise.
Section 36 - Information Communication Technology	No distinction between ICT contracts and any other contract.	Description of process and approvals relating to existing software. This may be 'maintain', 'enhance' existing software or 'purchase' new software.	To formally document this process.

Section/Area	Current Rules and Process	Proposed Rules/Process	Reason for Change
Section 40 – Externally Funded Projects	No reference to managing projects that have external funding.	Requirement to ensure procuring officer understands the rules for spending the external funding and to keep appropriate records.	To make reference that the spend of external funding follows our procurement rules unless there are separate conditions relating to the granting of the external funding.
Section 48 – Waivers (exemption to these Rules)	Exemption to rules required from Chief Executive or Deputy Chief Executive and then reported to Committee	<p>Introduction of three types of waiver and detail on the process and reporting requirements.</p> <p>Deputy Chief Executive approval (Directorate Waiver), if Contract Value is below £100,000.</p> <p>Cabinet approval (Cabinet Waiver) if Contract Value is above £100,000</p> <p>Chief Executive or duly nominated representative approval (Urgent Waiver), if Contract Value is above £100,000, in cases of urgency.</p> <p>List of reasons provided for a Waiver.</p> <p>Requirement for Cabinet to approve ‘waivers’ above £100,000.</p>	<p>Clearer process proposed and reference to having a contract as limited information on current process.</p> <p>Allowance for ‘Directorate’ waiver to these rules to increase flexibility. All waivers to be justified and transparent.</p> <p>Classification of different levels of Waiver.</p> <p>Likely to increase transparency of such contracts as process is clearer and identifies areas where a contract may need tendering in the near future.</p>
Appendix A – Contract Values and procurement Processes	Very Low Value – Below £1,000 Ensure Value for Money	<p>Very Low Value – Below £25,000 Senior Officer decides if quotes needed.</p> <p>Low Value – £25,000 to £100,000 – three quotes minimum to be requested.</p>	Increased thresholds to allow more flexibility and quicker procurement processes, still with the requirement of value for money.

Section/Area	Current Rules and Process	Proposed Rules/Process	Reason for Change
	<p>Low Value - From £1,000 to £25,000 – Obtain three quotations (note)</p> <p>Medium Value - From £25,000 to OJEU threshold - Conduct Tender exercise (Procurement)</p> <p>Above Threshold - Over OJEU threshold - Conduct Tender exercise</p> <p><i>Note: The relevant Senior Officer (as defined in the Scheme of Delegation) can decide if quotations are needed and/or are appropriate in order to demonstrate Value for Money</i></p>	<p>Medium Value – £100,001 to UK Procurement Threshold (Currently £177k) – Competitive Tendering Process</p> <p>High Value – Above UK Procurement Threshold (currently £177k) – Competitive Tendering Process as dictated by UK Procurement</p> <p>ICT Existing Software licensing and maintenance - Below UK Procurement Threshold – Direct Award if not tendering out.</p>	<p>Increase in thresholds does not prevent competitive tendering below £100,000 if appropriate.</p> <p>Treating ICT Existing Software renewals so that direct awards are allowed up to the UK Procurement Threshold, when the process in section 36 has been followed.</p>

APPENDIX 2

**BROXTOWE BOROUGH COUNCIL CONSTITUTION
CHAPTER 4 PART 1: FINANCIAL PROCEDURE RULES****1. GENERAL**

- 1.1 This Code of Financial Procedure Rules is designed to assist the Council to regulate and control the finances of all directorates and services of the Council.
- 1.2 Section 151 of the Local Government Act 1972 requires that “every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their Officers has responsibility for the administration of those affairs”. In Broxtowe Borough Council, the Deputy Chief Executive is the Officer so responsible (the ‘Section 151 Officer’).
- 1.3 As such, the Deputy Chief Executive will exercise control over accounting arrangements and obtain uniformity therein throughout all directorates and services of the Council.
- 1.4 Each Chief Officer shall consult the Deputy Chief Executive regarding any matter within their purview which is liable materially to affect the finances of the Council, before any provisional or other commitment is incurred or before reporting thereon to the Cabinet. All Officers have responsibility for financial matters within their purview. Chief Officers are responsible for developing estimates and the Deputy Chief Executive is responsible for ensuring that they are robust and that there are sufficient reserves to deal with any unforeseen circumstances.
- 1.5 In these Financial Procedure Rules a reference to an Act of Parliament or Statutory Instrument includes a reference to any amendment or replacement to that Act or Instrument, or any consolidating re-enactment of it.
- 1.6 Any reference in these Financial Procedure Rules to a named Officer shall be deemed to include:
 - (i) a reference to any Officer who may at any time succeed to or carry out the functions of that named Officer (whether as a result of departmental reorganisation, change of post title or otherwise)
 - (ii) a reference to any Officer who is duly authorised by the named Officer to perform the relevant functions.
- 1.7 Any references to Chief Officer include the Chief Executive and Deputy Chief Executive when he or she is operating in the capacity of a Chief Officer.

2. BUDGET

- 2.1 The detailed form of capital and revenue estimates shall be determined by the Deputy Chief Executive in a manner consistent with the general directions of Cabinet for further consideration by full Council.
- 2.2 Estimates of income and expenditure on revenue and capital accounts shall jointly be prepared by Chief Officers and the Deputy Chief Executive.
- 2.3 Upon the approval by the Council of the revenue budget and programme of capital expenditure, the Chief Officer concerned shall be authorised to take steps to ensure that the budget and the programme, as amended from time to time, are implemented (with the exception of asterisked items, which require the prior approval of Cabinet), and provided that the expenditure on both capital and revenue accounts does not exceed the approved estimate.
- 2.4 Any proposal to Cabinet which would involve the incurring of expenditure shall be accompanied by a report of the Chief Officer concerned, indicating the sufficiency or otherwise of the relevant financial provision in the budget and/or the capital programme.
- 2.5 A medium term financial strategy, providing a forward assessment of the commitments of the Council, shall be produced as deemed necessary by the Deputy Chief Executive.
- 2.6 Where it appears that the amount of any estimate of approved expenditure may be exceeded or the amount of any approved income may not be reached, it shall be the duty of the Chief Officer concerned, after consultation with the Deputy Chief Executive, to inform Cabinet unless the additional cost can be contained within overall expenditure totals and met by approved virement within the limits specified below.
- 2.7 Amendment to Revenue Budgets – Virement
- 2.7.1 The object should be to avoid the transfer of estimates and this is best achieved by sound and detailed estimating together with the accurate coding of expenditure during the year in accordance with the provisions made.
- 2.7.2 Where it is desired to transfer funds between expenditure budgets, the following procedure shall be adopted, with the Deputy Chief Executive consulted in every case, to effect the necessary amendments to the approved budgets:
- (i) Transfer between detailed budget codes within a particular cost centre up to a cumulative limit of £25,000 within each financial year (subject to exclusions at 2.7.2 below) can be authorised by the relevant Head of Service (as set out in the Scheme of Delegation at sections 7.3.1 to 7.3.11 inclusive), in conjunction with the Deputy Chief Executive, and actioned by Finance Services.

- (ii) Transfer between cost centres within a particular directorate / service area, up to a cumulative limit of £25,000 within each financial year, can be authorised by the Deputy Chief Executive following a request from the relevant Chief Officer. For any individual request between £25,000 and £50,000, the Deputy Chief Executive and the Chief Officer concerned should consult with the relevant Portfolio Holder for the service regarding the action taken. Any individual request above £50,000 will require the approval of Cabinet, having been recommended by the Deputy Chief Executive and the relevant Chief Officer. All transfers to be actioned by Finance Services.
 - (iii) Transfer between corporate priority areas is subject to the appropriate authorisation of the Deputy Chief Executive (up to the £25,000) or the approval of Cabinet over this delegated limit.
- 2.7.2 No virement shall be undertaken with the purpose of utilising additional income for expenditure purposes and/or out of savings on payroll budgets without the express consent of the Deputy Chief Executive.
- 2.7.3 Virement between capital budgets is not allowed, including virement between revenue and capital budgets. It is, however, permissible for any approved capital contingency to be utilised and transfer requests for urgent works from contingencies can be authorised by the Deputy Chief Executive up to a value of £25,000 per scheme, subject to the limitation within the approved annual contingency budget.
- 2.7.4 There shall be no carry forward of any underspending on budgets into the following financial year without the express authorisation of the Deputy Chief Executive and the approval of Cabinet. When considering any applications for carry forwards, the Deputy Chief Executive shall consider the overall budget position of the Council.
- 2.7.5 The Deputy Chief Executive is authorised to introduce additional restrictions on virement.

3. ACCOUNTING ARRANGEMENTS

- 3.1 The Deputy Chief Executive shall be responsible for the financial organisation and accounting necessary to ensure the proper recording of all sums due from and accruing to the Council and for overseeing arrangements for the collection, custody, control, accounting and disposal of all monies including cash. The Deputy Chief Executive shall advise on proper accounting systems for the control of all assets (including stores) and, in liaison with other Chief Officers, ensure that proper standards of financial administration are maintained throughout the Council's business.

- 3.2 The Chief Officer of the directorate concerned shall consult the Deputy Chief Executive as to the form and manner of undertaking financial transactions and keeping financial records, statements and accounts. No change shall be made to any such system or matter without the Deputy Chief Executive's prior approval.
- 3.3 Financial records shall not be disposed of other than in accordance with the arrangements approved by the Deputy Chief Executive.
- 3.4 The following principles shall be observed in the allocation of accounting responsibilities:
 - a) the duties of providing information regarding amounts due to or from the Council and of calculating, checking and recording these amounts shall be separated as completely as possible from the duties of collecting or disbursing them.
 - b) Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of those transactions.
- 3.5 A Chief Officer shall be able to transfer, subject to the Deputy Chief Executive's prior approval, individual capital or revenue estimates within the limits specified in these rules. Such revenue transfers shall be limited to estimates other than for recharges, capital charges, and estimates provided for specific items of expenditure.
- 3.6 The Deputy Chief Executive shall be kept informed by the appropriate Chief Officer of any change in charges or in fees determined by legislation and shall be consulted in relation to any other proposal to introduce new or amend existing charges for work done, services rendered, goods supplied, fees, tolls, scales of rent or similar income and any scale for the remission of sums due to the Council either wholly or in part. The appropriate Chief Officer, in consultation with the Deputy Chief Executive, shall review existing charges at least annually and shall report upon the results of such a review to Cabinet.
- 3.7 Chief Officers shall furnish the Deputy Chief Executive with such information as they may reasonably require from time to time in connection with the financial administration of the Council.
- 3.8 The Deputy Chief Executive shall produce, for the guidance of Officers responsible for incurring expenditure, such financial information as may be necessary for the efficient conduct of their functions.
- 3.9 The Deputy Chief Executive shall prepare a statement of all accounts of the Council after the close of each financial year. They shall prepare or liaise with the directorates concerned and with partner organisations in the preparation of financial returns required by government departments or other agencies.

- 3.10 Where an employee of the Council operates on behalf of the Council and/or Mayor an unofficial fund or funds as part of their duties or in connection with their duties, Chief Officers shall ensure that Proper Officers are appointed to administer the fund and that the fund is audited by persons having knowledge of the purpose of the fund. Any proposed unofficial funds shall have the prior approval of Chief Officers who shall maintain a record of all such funds and receive the audited accounts thereof. Such accounts shall be prepared annually or at the completion of the purpose for which the fund was set up, whichever is the earlier. The Deputy Chief Executive shall have access to any records relating to such funds.

4. AUDITS

- 4.1 The Deputy Chief Executive shall ensure that an adequate and effective audit is undertaken of the Council's accounting records and of its system of risk management, control and governance processes in accordance with the Accounts and Audit Regulations 2015.
- 4.2 The role of Internal Audit is defined within the Internal Audit Charter, as periodically reviewed by the Chief Audit and Control Officer and approved by the Governance, Audit and Standards Committee. The work of Internal Audit is performed in accordance with Public Sector Internal Audit Standards and other associated guidance.
- 4.3 Internal Audit has been established to provide independent, objective assurance to the Council on its operations and to add value by assisting management to improve the delivery of the Council's objectives and operations through evaluating and challenging the effectiveness of risk management, control and governance processes.
- 4.4 In accordance with Public Sector Internal Audit Standards, the work of the Internal Audit Service is performed utilising a risk-based approach. Primarily, this approach is made through the production and delivery of an annual Internal Audit Plan, based on an independent risk assessment of all aspects of the Council's operations in conjunction with Chief Officers, Heads of Service and other Senior Managers. Other ad-hoc reviews of specific areas of operations may also be occasionally performed at the request of the relevant Chief Officer.
- 4.5 The Deputy Chief Executive, or their authorised representative, if required to do so for the purposes of the internal audit, shall have authority to:
- a) enter at all reasonable times on any Council premises or land;
 - b) call for the production of all records, documents (including information recorded in an electronic form), cash, stores, correspondence or other Council property in the custody or under the control of any employee of the Council as are considered necessary by those conducting the internal audit;

- c) require and receive such explanations as are necessary concerning any matter under examination.
- 4.6 Officers shall ensure adherence to the Council's anti-fraud and corruption prevention policies and ensure that all suspected irregularities are reported accordingly. The Deputy Chief Executive shall be notified forthwith, by the respective Chief Officer, of any circumstances which suggest the possibility of irregularity affecting cash, stores or other property of the Council. Any irregularity shall be investigated and reported upon by the Chief Audit and Control Officer to the Deputy Chief Executive who shall, where appropriate, inform the Chief Officer of the circumstances concerned. If fraud or serious irregularity is disclosed, the matter shall be reported to the Chief Executive.
- 4.7 The Deputy Chief Executive shall submit accounts and documents to the Council's external auditors and give any explanation required by them in the performance of their duties.

5. INCOME

- 5.1 The collection of all money due to the Council shall be under the control and supervision of the Deputy Chief Executive. It is the responsibility of departments to ensure that sundry debtor invoices are raised where appropriate in respect of debts to the Council.
- 5.2 All receipt forms, tickets, books and other documents of a similar nature shall be ordered under the direction of the Deputy Chief Executive, who shall be satisfied as to the arrangements for their control and issue. No receipts shall be given except on an authorised form.
- 5.3 All monies received by an Officer on behalf of the Council shall be properly safeguarded and without delay paid to the Deputy Chief Executive or as they may direct to the Council's bank account. No deduction may be made from such money save to the extent that the Deputy Chief Executive may specifically authorise. Any refunds of overpayments must be made through the payments system and not out of income. Each Officer who so banks money shall enter on the paying-in slip a reference to the related debt (such as the receipt number or the name of the debtor) or otherwise indicate the origin of the money.
- 5.4 All cheques shall be crossed specifically to the account of the Council when received.
- 5.5 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 5.6 The Deputy Chief Executive shall be notified promptly of all money due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council. They shall have the right to inspect any document or other evidence in this connection, as he or she may decide.

- 5.7 Each Chief Officer shall furnish the Deputy Chief Executive with such particulars in connection with work done, goods supplied or services rendered and of all other amounts due, as may be required by them to record correctly all sums due to the Council and to ensure the prompt rendering of accounts for the recovery of such sums.
- 5.8 Every transfer of official money from one Officer to another will be evidenced in the records of the department concerned by the signature of the receiving Officer unless instructions to the contrary are issued by the Deputy Chief Executive.
- 5.9 The Deputy Chief Executive, after consultation with the Head of Legal Services and Deputy Monitoring Officer, shall recommend to Cabinet to write off amounts deemed to be irrecoverable, subject to individual amounts of £7,500 or less, and debts claimed and admitted under the provisions of the Insolvency Act 1985, being written off at their discretion. Items in excess of the delegated limit shall be referred to Cabinet for approval on the recommendation of the Deputy Chief Executive.
- 5.10 The Deputy Chief Executive will provide departments with an aged profile of outstanding debt on a monthly basis. Departments will be required to analyse this information and ensure that appropriate further action is taken where necessary.
- 5.11 The Deputy Chief Executive, in consultation with the appropriate Chief Officer, shall submit periodical reports to the relevant Committee on the collection of income and the level of arrears.

6. BANKING ARRANGEMENTS

- 6.1 All arrangements with the Council's bankers concerning the Council's banking arrangements and the issue of payments, including cheques, shall be made by or under arrangements approved by the Deputy Chief Executive. The Deputy Chief Executive shall be authorised to operate such subsidiary banking accounts as they may consider necessary.
- 6.2 All cheques shall be ordered only on the authority of the Deputy Chief Executive who shall make proper arrangements for their safe custody.
- 6.3 a) Payments drawn on banking accounts of the Council shall bear the signature of the Deputy Chief Executive.
- b) Payments by cheque for amounts of £5,000 or above shall include a second signature of an authorised Officer in addition to that of the Deputy Chief Executive.
- 6.4 Overdrafts shall not be permitted on subsidiary bank accounts.
- 6.5 Banking accounts shall be reconciled with cash books at least once in each month.

7. TREASURY MANAGEMENT

- 7.1 All money in the hands of the Council shall be aggregated for the purposes of treasury management and shall be under the control of the Deputy Chief Executive.
- 7.2 All Executive decisions on borrowing, investment, financing and all other Treasury Management transactions shall be delegated to the Deputy Chief Executive or through them to their Officers, who shall all be required to act in accordance with the CIPFA Treasury Management in the Public Services Code of Practice; the CIPFA Prudential Code for Capital Finance in Local Authorities; and the rules and procedures laid down in the Council's Treasury Policy Statement, and Treasury Management Strategy Statement.
- 7.3 The Deputy Chief Executive shall be the Council's Registrar of Stocks, Bonds and Mortgages and shall maintain records of all borrowing of money by the Council.
- 7.4 Within the approved Capital Programme, where finance is to be provided by way of lease, the Deputy Chief Executive shall have authority to arrange such leases.
- 7.5 The Deputy Chief Executive may make arrangements for the issue of negotiable securities only within the limits authorised from time to time by resolution of the Council.
- 7.6 All borrowings and investments shall be effected in the name of the Council.
- 7.7 The Deputy Chief Executive shall be responsible for the safe custody of all securities.
- 7.8 The Deputy Chief Executive shall periodically report to Cabinet and the Governance, Audit and Standards Committee on the activities of the treasury management operation and on the exercise of treasury management powers delegated to them. Such reports shall include at least a mid-year review of each year in question and an annual report on treasury management for presentation by 31 July of the succeeding financial year.

8. IMPREST ACCOUNTS

- 8.1 The Deputy Chief Executive shall make such advances as they consider appropriate for the purpose of defraying petty cash and other expenses. Such accounts shall be maintained on the imprest system. A receipt shall be signed in respect of each advance by the Officer concerned who shall be responsible to account therefrom.

- 8.2 No income received on behalf of the Council may be paid into an imprest account. All such income must be paid to the Deputy Chief Executive or direct to the Council's banking account, as provided elsewhere in these Financial Regulations. No cheques are to be cashed from cash imprest accounts.
- 8.3 Vouchers for petty cash disbursements shall be obtained wherever possible and all vouchers shall be carefully preserved and forwarded to the Deputy Chief Executive with a claim for reimbursement at such period as shall be arranged with them.
- 8.4 Payment out of petty cash advances shall be limited to minor items of expenditure only and to such other items as the Deputy Chief Executive may approve. In no case shall the amount of any individual payment exceed £50 except by special arrangement with the Deputy Chief Executive.
- 8.5 All petty cash accounts shall be certified as correct by the Chief Officer concerned or other responsible person expressly authorised by them. When required by the Deputy Chief Executive, an Officer holding an imprest account shall certify the state of the account.
- 8.6 Chief Officers shall be responsible for ensuring that all cash balances are kept in a safe place and secure from unauthorised interference.
- 8.7 On leaving the employment of the Council or otherwise ceasing to hold an imprest balance, an Officer shall account to the Deputy Chief Executive for the amount advanced to them.

9. **ORDERS FOR GOODS, SERVICES AND MINOR WORKS**

- 9.1 The custody and issue of all electronic and paper based Purchase Orders shall be maintained within the computerised financial management system under the direction of the Deputy Chief Executive.
- 9.2 The appropriate Chief Officer shall be responsible for all orders issued from their directorate. A list of all persons authorised to sign orders electronically or in writing shall be maintained by the Deputy Chief Executive and agreed with the relevant Chief Officers. No Officer shall authorise an order using any name or computerised registration other than their own. The authorising of the order shall indicate the following:
- a) that the goods or services are necessary for the discharge of responsibilities of the Council or to carry out functions approved by the Council under Section 137 of the Local Government Act 1972;
 - b) that there is provision for the cost within the approved annual estimates, supplementary estimate or special financial provision;
 - c) that Financial Procedure Rules have been complied with.

- 9.3 Official electronic and paper-based orders shall be in a form agreed by the Deputy Chief Executive and, where possible, shall indicate clearly the nature and/or quantity of work, goods or services required and any contract or agreed prices relating thereto. Electronically produced orders will be serially numbered and will be stored within the computerised financial management system. Paper-based order books will only be utilised in exceptional circumstances where access to the electronic based ordering system is not available.
- 9.4 All orders should specify that goods supplied must be accompanied by a delivery note and that invoices must be sent to the directorate or establishment issuing the orders as soon as possible after the despatch of the goods.
- 9.5 Orders on official pre-determined forms shall be issued for all works, goods and services to be supplied to the Council. Orders are not required for rents, rates or supplies of public utility services, nor for small purchases properly paid for by corporate purchasing cards or out of petty cash imprest accounts. Other exceptions must be agreed by the Chief Officer concerned with the Deputy Chief Executive.
- 9.6 Verbal orders shall be kept to a minimum and given only in cases of urgency, by an Officer authorised to sign the relevant order. They shall be confirmed either the same or next working day by electronic or written orders which shall be marked accordingly.
- 9.7 Each order shall conform with the directions of the Council with respect to central purchasing, the standardisation of supplies and materials and the Council's Procurement and Commissioning Strategy.
- 9.8 An exception exists to sections 9.4, 9.5 and 9.6 where corporate purchasing cards are used. This is dealt with in section 11 below.

10. PAYMENT OF ACCOUNTS

- 10.1 The payment of all accounts due from the Council shall be made by the Deputy Chief Executive, with the exception of payments made using corporate purchasing cards or from imprest or petty cash accounts. Payments shall be made by electronic payment (BACS) or other instrument drawn on the Council's banking account. Cheques are only used in exceptional circumstances.
- 10.2 Each Chief Officer shall arrange for invoices to be sent to the directorate or establishment issuing the orders, in accordance with directions to be specified on the orders and the supplier shall be asked to quote the name of the department, the number of the order and the place where the work was done or goods delivered.
- 10.3 Chief Officers are responsible for ensuring that all invoices are scanned and images made available within the financial management system.

- 10.4 Invoices shall not be made out by Officers of the Council except in any cases or category of cases agreed by the Deputy Chief Executive, nor shall any Officer add any item to an invoice tendered by a supplier. Any amendment to an account shall be made in ink on the invoice and initialled by the Officer making it, briefly stating the reasons where they are not self-evident. The invoice should then be re-scanned and indexed if necessary to show any amendment made.
- 10.5 The certification of accounts for payment shall be by the Chief Officer concerned or by an Officer authorised by them. A list of the Officers authorised to certify accounts and the respective limits on individual transaction value shall be maintained by the Deputy Chief Executive and agreed from time-to-time with the relevant Chief Officer. Authorised officers should ensure that such limits are not exceeded. Where limits are exceeded unintentionally, then the Deputy Chief Executive should immediately be informed.
- 10.6 The Chief Officer issuing an order shall be responsible for the examination, verification, processing and certification of the relevant invoice(s) and, similarly, for any other payment vouchers or accounts arising from sources in their directorate. The processing and certification of any invoice by or on behalf of a Chief Officer shall mean:
- a) that the goods have been received, examined and approved as to quality and quantity, or that service rendered or work done has been performed satisfactorily;
 - b) that, where appropriate, the goods or services conform with the order;
 - c) that the price is in accordance with the quotation, contract or current market rate, whichever is applicable, or is otherwise reasonable;
 - d) that all trade and cash discounts, other proper allowances and credits due and Value Added Tax are correct;
 - e) that the expenditure has been properly incurred, was duly authorised, is within the relevant estimate provision and that the allocations are correct;
 - f) that the account is arithmetically correct;
 - g) that the account has not previously been passed for payment and is a proper liability of the Council;
 - h) that appropriate entries have been made in inventories, goods received and/or stores records which are required to be kept;
 - i) that the account has been correctly entered into the computerised purchasing/payments system.
- 10.7 The invoice submitted for payment should be cross referenced to any official order numbers.

- 10.8 The duties of completing and certifying orders shall not be performed by the same Officer, subject to the Deputy Chief Executive being informed where such separation of duties is in any individual instance impracticable.
- 10.9 All copy invoices or statements processed for payment must be certified to show that payment has not previously been made for the goods or services in question and that appropriate checks have been made to this effect, except where firms normally submit copy invoices and the directorate has notified the Deputy Chief Executive accordingly. This certification should be entered onto the copy invoice or statement as appropriate and the document should be re-scanned or indexed if necessary to show this certification.
- 10.10 Duly checked and authorised accounts shall be processed for payment without delay. The Deputy Chief Executive shall examine them to the extent that they consider necessary, for which purpose he or she shall be entitled to make such enquiries and to receive such information and explanations as he or she may require.
- 10.11 Subject to the foregoing Financial Procedure Rules being complied with, the Deputy Chief Executive shall, within a reasonable period, pay all accounts passed to them for payment and shall ensure the prompt payment of such of those accounts as are of an urgent nature.
- 10.12 Each Chief Officer shall, as soon as possible after 31 March in each year, and in any case not later than a date to be specified by the Deputy Chief Executive, submit to the Deputy Chief Executive schedules of all outstanding revenue and capital accounts relating to the previous financial year and, when such accounts are subsequently processed for payment, they shall be identified accordingly.

11. USE OF CORPORATE PURCHASING CARDS

- 11.1 Where purchases are made using a corporate purchasing card, orders will not be required but details should be maintained of all purchases made in accordance with procedures laid down by the Deputy Chief Executive.
- 11.2 Corporate purchasing cards should only be used for Council purchases, unless in exceptional circumstances and with the prior agreement of the Deputy Chief Executive. Usage should be in accordance with the conditions of use as laid down by the Deputy Chief Executive.
- 11.3 Limits exist as to individual transactions and cumulative credit allowed on each card. Authorised users should ensure that such limits are not exceeded. Where limits are exceeded unintentionally, then the Deputy Chief Executive should immediately be informed.
- 11.4 Corporate purchasing cards are the personal responsibility of those users to whom they are issued. Such authorised users should not pass their card or card details to other individuals to use it on their behalf without the prior approval of the Deputy Chief Executive.

11.5 All endeavours shall be made by the card user to obtain a VAT receipt for the transactions made.

11.6 It is not permitted for any Officer using a corporate purchasing card to use their own personal shopper loyalty cards to obtain points and/or cash for personal gain when making transactions on behalf of the Council.

12. **CONTRACTS FOR BUILDING, CONSTRUCTIONAL AND ENGINEERING WORK**

12.1 All contracts entered into by the Council shall be subject to the Council's Contract Procedure Rules.

12.2 The Deputy Chief Executive shall be informed as soon as possible of all contracts, agreements, awards or other instruments involving the payment or receipt of money on behalf of the Council. Any variations or extras agreed on behalf of the Council shall be reported by the appropriate Chief Officer to the Deputy Chief Executive. Where such variations or extras cannot be contained within the approved estimate, they shall be subject to the prior approval of Cabinet.

12.3 Where contracts provide for payment to be made by instalments, the Deputy Chief Executive shall arrange for the maintenance of a contracts register to show the state of accounts between the Council and the contractor, together with any other payments and the related professional fees.

12.4 All payments to contractors on account of contracts shall be on the basis of a certificate signed by the Chief Officer concerned or their authorised Officer, even where outside consultants have been employed. The certificate shall show the total amount of the contract, the value of approved variations thereto, the value of work done and the date of valuation, any amount deducted by way of retention, the amount previously paid and the amount now due for payment.

12.5 The Officer designated as Engineer or Architect in any contract for building, civil engineering or mechanical installations shall be the Officer responsible for the issue of all interim and final certificates or for the issue of variation orders. Every variation in any contract shall be authorised in writing by the Chief Officer or a duly authorised Officer.

12.6 The Deputy Chief Executive shall be informed of any variation considered essential in the exercise of professional judgement or other circumstances which, after allowing for contingencies already encountered, increases the total authorised amount of the contract.

12.7 If, at any time, it appears to the Chief Officer or to the person appointed to supervise the contract that the tender sum or total authorised amount of the contract may be exceeded by more than 10%, then a report of the circumstances shall be submitted to Cabinet for approval at the earliest opportunity.

- 12.8 Notwithstanding Rule 12.7 and in accordance with section 2 above relating to budgetary control and virement, if it appears to the Chief Officer or person appointed that the tender sum or the total authorised amount of a contract may be exceeded and cannot be contained within the annual estimates or by virement within the limits allowed, then such additional expenditure should not be incurred or authorised without the prior approval of Cabinet.
- 12.9 A final certificate of payment under contract shall not be issued, except upon the requirements of a particular contract by the Chief Officer or duly authorised person acting as supervising Officer, until:
- a) they have made available to the Deputy Chief Executive a detailed statement of account together with such vouchers, documents and information as the Deputy Chief Executive may require relating to prime cost items, quantities, variations, rates, additions or omissions,
 - b) the Deputy Chief Executive shall have been supplied with a certificate of the completion of the work,
 - c) the Deputy Chief Executive shall have agreed the amount to be certified,

Nothing in this Rule shall in any way detract from the responsibilities of the supervising Officer or of any other technical Officer having any duty towards the contract.

- 12.10 The Deputy Chief Executive shall, to the extent they consider necessary, examine final accounts for contracts and they shall be entitled to make all such enquiries and receive such information and explanations as they may require in order to be satisfied as to the accuracy of the accounts.
- 12.11 Claims from contractors in respect of matters not clearly within the terms of any existing contract shall be referred to the Deputy Chief Executive for financial consideration and to the Head of Legal Services and Deputy Monitoring Officer for consideration of the Council's legal liability before settlement is reached.
- 12.12 Where completion of a contract is delayed it shall be the duty of the technical Officer concerned to take appropriate action in respect of any claim for liquidated damages and to report their action to Cabinet.
- 12.13 Every architect, engineer or other consultant appointed for the purpose of any contract for building, constructional or engineering works, whether as supervising Officer or otherwise, shall on engagement be placed under an obligation to conform to the requirements of the Financial Procedure Rules.
- 12.14 No site work on schemes for which a borrowing approval, subsidy approval or grant approval is required shall be started prior to the receipt of such approval. A copy of each appropriate approval must be forwarded to the Deputy Chief Executive.

12.15 All Officers and Members are required to provide a declaration of interest to the Monitoring Officer where contracts are entered into or orders placed with a third party where the Officer or Member concerned may have cause to be affected financially or otherwise by the decision. Further guidance is contained in the Member and Officer Codes of Conduct or may be obtained from the Monitoring Officer.

13. **SALARIES AND WAGES**

13.1 After taking account of the requisite arrangements outlined in section 3 of these rules, the payment of all salaries, wages and other emoluments to all employees or former employees of the Council shall be made by the Executive Director, in conjunction with the Chief Executive, who shall approve the method of payroll preparation and payment and the form of documents used and records maintained.

13.2 Each Chief Officer shall, as regards employees in their department, notify the Executive Director, the Deputy Chief Executive and the Chief Executive (for the Payroll, Human Resources and Finance Services teams who hold establishment records and budgets and make payments) as soon as possible and in the form prescribed by them of all matters affecting the payment of such emoluments, in particular:

- a) appointments, resignations, dismissals, suspensions, secondments and transfers;
- b) absence from duty for sickness or other reason apart from approved leave;
- c) changes in remuneration other than normal increments and pay awards and agreements of general application;
- d) information necessary to maintain records of service for superannuation, income tax and national insurance, and of a like nature.

13.3 Appointments of all employees shall be made in accordance with the policies and regulations of the Council and the approved establishments, grades and rates of pay.

13.4 Each Chief Officer shall ensure that adequate records of all time worked are maintained in respect of all employees and that the terms and conditions of the work specifications are adhered to. The following procedures shall be observed in connection with the preparation, allocation and certification of attendance sheets:

- a) attendance sheets shall be prepared, from the details held in each operational area, and be authorised by the Chief Officer of the directorate or by any Officers authorised by them, in manuscript and in the authorised Officers own name,

- b) attendance sheets shall include a record of all employees in that department, and provide a record of the hours worked by each employee along with leave, overtime and sickness details,
 - c) operational managers are required to maintain such records as may be required by the Chief Officer of the directorate concerned, in order that the accuracy of the hours claimed may be ensured.
- 13.5 The names of Officers authorised to sign time records or other pay documents shall be periodically sent to the Deputy Chief Executive and the Chief Executive together with specimen signatures. All amendments to the list of such names shall be notified to the Deputy Chief Executive and the Chief Executive in writing.
- 13.6 Attendance sheets and other payroll data shall be forwarded to the Chief Executive to comply with such deadlines as may be required.

14. COUNCIL ASSETS AND PROPERTIES

- 14.1 There shall be maintained a terrier/register of all properties owned by the Council (except dwellings provided under the Housing Acts) in a form agreed between the Head of Asset Management, the Head of Housing and the Deputy Chief Executive, recording the purpose for which the asset is held, location, extent, plan reference, purchase details, particulars of nature of interest, rents payable and particulars of tenancies granted. The Deputy Chief Executive will ensure that a revaluation programme is agreed to ensure that up-to-date valuations of assets are provided on the asset register.
- 14.2 The Head of Legal Services and Deputy Monitoring Officer shall have the custody of all title deeds under secure arrangements agreed with the Deputy Chief Executive.
- 14.3 All acquisitions and appropriations of land or property (except Council houses) exceeding £25,000 in value shall be referred to Cabinet for approval. The purchase of former Council houses and/or other land and property for Housing purposes will be authorised in accordance with policies and financial limits agreed and periodically reviewed by Cabinet. For all disposals of land, property or equipment (excluding Council housing) refer to sections 14.6 to 14.11 below.
- 14.4 Lettings, negotiations and settlement of leases and rents for Council-owned land or property (except Council houses) where the annual rental exceeds £10,000 shall be referred to Cabinet for approval. In respect of properties in Beeston Square only, lettings, negotiations and settlement of leases and rent for Council owned land or property where the annual rental exceeds £100,000 shall be referred to Cabinet for approval.
- 14.5 All easements, licences or other rights or interests affecting land whether granted or to be granted to or by the Council resulting in an annual rental in excess of £10,000, or a capital consideration in excess of £20,000, shall be referred to the Cabinet for approval.

Sale of Council Assets

- 14.6 All disposals of land, property or equipment (excluding Council housing) estimated to be below £25,000 in value shall only be disposed of with the prior approval of the appropriate Senior Officer acting in accordance with the agreed policy governing the disposal of land and property owned by the Council and any other policy agreed from time to time by full Council and/or Cabinet.
- 14.7 All disposals of land, property or equipment (excluding Council housing) estimated to be between £25,000 and £100,000 in value shall only be disposed of with the prior approval of the appropriate Chief Officer acting in accordance with the agreed policy governing the disposal of land and property owned by the Council and any other policy agreed from time to time by full Council and/or Cabinet.
- 14.8 All disposals of land, property or equipment (excluding Council housing) estimated to exceed £100,000 in value shall only be disposed of with the prior approval of Cabinet. In such cases Cabinet will decide upon the details of disposal having regard to the approved policy governing disposal of land and property owned by the Council and any other policy agreed from time to time by full Council and/or Cabinet.
- 14.9 Wherever possible, the sale of assets by bid will be conducted electronically using the Council's preferred e-Tendering portal.
- 14.10 Bids shall remain in the custody of the Deputy Chief Executive or an Officer of the Council designated by them until they are opened. Where bids are not electronic, they shall be opened at one time, by the appropriate Senior Officer, in the presence of the Deputy Chief Executive or his/her representative. Commercial details within the bids shall be immediately initialled and dated by those present at the opening. The names of the bidders and the amounts of the bids shall be immediately recorded in a register kept by the Deputy Chief Executive and the persons present at the opening of such bids shall record their presence in the said register.
- 14.11 The appropriate Senior Officer shall accept the highest offer received subject to scrutiny and shall report the acceptance to Cabinet.

15. **STOCKS AND STORES**

- 15.1 Each Chief Officer shall be responsible for the care and custody of the stocks and stores in their directorate.
- 15.2 The method of valuation of stores shall be approved by the Deputy Chief Executive, in consultation with the appropriate Chief Officer, and all stores accounts and records controlling the receipt and issue of stores and equipment shall be kept in a form to be approved by the Deputy Chief Executive.
- 15.3 The Deputy Chief Executive shall be entitled to check stores and to receive from each Chief Officer such information as they require in relation to stores for the accounting, costing and financial records of the Council.

- 15.4 Stocks shall not be held in excess of normal requirements, except in special circumstances with the approval of the respective Chief Officer and the Deputy Chief Executive.
- 15.5 Chief Officers shall arrange for continuous stocktaking at each store and shall ensure that all stocks are checked at least once in every year. The Chief Officer concerned shall issue to the Deputy Chief Executive a certified return of stores on hand at each year end.
- 15.6 Stores deficiencies and surpluses arising from continuous stock checks will be transferred to a Stores On-cost Account subject to the approval of the Deputy Chief Executive. This procedure will apply unless the deficiency on an individual item arising from any stocktaking exceeds £2,000 or the total annual value exceeds £7,500, in which event a report must be submitted to the Cabinet by the appropriate Chief Officer seeking approval to effect an adjustment in the stores accounts.
- 15.7 Disposal of surplus or obsolete materials, stores or equipment shall not be made unless at least three tenders are first obtained, except where the Deputy Chief Executive has approved other arrangements for a particular sale or a particular type of sale. The procedures for receipt, opening and acceptance of tenders shall be described in the Procedure Rules relating to contracts.
- 15.8 Where the value of surplus or obsolete materials, stores or equipment exceeds £7,500 on a particular item, disposal shall not take place without prior consideration by Cabinet.

16. **VEHICLES AND PLANT**

- 16.1 Each Chief Officer concerned shall ensure that records are maintained in respect of vehicles and plant under their control. Such records shall be kept in a manner approved by the Deputy Chief Executive and shall include details of usage, mileage and fuel consumed.
- 16.2 The Deputy Chief Executive, in consultation with the appropriate Chief Officer, shall be responsible for calculating and reviewing from time to time the hourly rates to be charged for the use of vehicles and plant.

17. **SECURITY**

- 17.1 A nominated Officer of the Council shall be responsible for maintaining proper security at all times for all public buildings.
- 17.2 Each Chief Officer is responsible for the stocks, stores, furniture, equipment, cash and other items under their control. They shall consult the Deputy Chief Executive in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

- 17.3 Each Chief Officer is responsible for items of furniture, equipment and cash and other items belonging to individuals who are not employees or Members of the Council temporarily taken into their control and shall record and make proper arrangements for the security of such items until they can be returned to the owner or the owner's representative.
- 17.4 Maximum limits for cash holdings shall not exceed the limits set down in the Council's policies of insurance, details of which shall be notified by the Deputy Chief Executive to the appropriate Chief Officers.
- 17.5 The Chief Officer shall arrange that designated Officers be responsible for the keys of all safes or similar receptacles and shall notify the Deputy Chief Executive of the names of such Officers. Such Officers shall keep the keys personally and not leave them on the premises. Duplicate keys shall be kept by the Chief Officer or in such a manner as may be approved by the Deputy Chief Executive. The loss of keys must be reported to the Deputy Chief Executive immediately.
- 17.6 Each Chief Officer shall be responsible for ensuring that information held within their directorate conforms to the Council's Information Management Strategy and Information Security Policy.
- 17.7 Each Chief Officer shall be responsible for ensuring that all information containing personal data within their directorate comply with the Council's Data Protection Policy and any other guidance as may be issued from time to time.
18. **INSURANCES**
 - 18.1 The Deputy Chief Executive shall effect all insurance cover and, in consultation with other Officers where necessary, negotiate all claims and maintain the necessary records.
 - 18.2 Each Chief Officer shall give prompt notification to the Deputy Chief Executive of the extent and nature of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances in their directorate.
 - 18.3 Chief Officers shall notify the Deputy Chief Executive without delay and in writing, of any loss, liability or damage which constitutes a claim or is likely to lead to a claim. In no circumstances should an Officer admit liability for loss, damage or injury, however sustained.
 - 18.4 All appropriate employees of the Council shall be included in a fidelity guarantee policy of insurance.
 - 18.5 The Deputy Chief Executive shall carry out a review of insurances annually or at such other period as they may consider necessary, in consultation with other Chief Officers as appropriate.

18.6 Chief Officers shall consult the Deputy Chief Executive and the Head of Legal Services and Deputy Monitoring Officer regarding the terms of any indemnity which the Council is requested to give.

18.7 All employees using their car for Council business shall, on request, produce to the Deputy Chief Executive such policies or certificates of insurance and/or premium receipts and driving licences as may be necessary to ensure that adequate cover continues to be maintained against any liability of the Council arising out of official use.

19. **INVENTORIES**

19.1 Inventories in a form approved by the Deputy Chief Executive shall be kept of property belonging to or in the care of the Council and shall be maintained in all sections of all directorates. They shall be added to or amended by the Chief Officer in respect of the sections under their control and shall record an adequate description of furniture, fittings and equipment, plant and machinery. Items of a material value (over £250) should be notified to the Deputy Chief Executive in order that appropriate insurance cover can be provided. Advice as to items suitable to be shown on an inventory will be provided by the Deputy Chief Executive.

19.2 Each Chief Officer shall be responsible for making such checks upon items on the inventory as will ensure the accuracy of the records and the safeguarding of the equipment. Surpluses or deficiencies shall be reported to the Deputy Chief Executive and shall be noted on the inventories concerned.

19.3 The Deputy Chief Executive shall have access to all property of the Council and to audit the inventories.

19.4 All property belonging to the Council shall, as far as practicable, be marked in a suitable manner as being the property of the Council.

19.5 The Council's property shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Chief Officer concerned.

20. **TRUST FUNDS**

20.1 All trust funds shall, wherever possible, be in the name of the Council.

20.2 All Officers acting as trustees by virtue of their official position shall deposit all securities, etc. relating to the trust with the Deputy Chief Executive unless the deed provides otherwise.

21. EXTERNAL ARRANGEMENTS**Partnerships and External Funding**

21.1 Where the Council is involved with other organisations and partnerships in achieving its objectives, it is important that arrangements are rigorously controlled, with the highest level of probity as for any other arrangement. In particular, these rules will apply except where, in specific circumstances, the Deputy Chief Executive agrees that some alternative may be used, or where the Government and/or other funding body sets their own criteria and rules for the administration of grant funding.

21.2 The Deputy Chief Executive shall:

- Advise on the relevant controls that should apply to any arrangement, whether through these rules or some adequate alternative
- Ensure satisfactory accounting arrangements
- Ensure that any match-funding requirements are considered prior to entering into any such agreements
- Consider and, if necessary, challenge the business case for major projects and their future financial implications
- Certify all claims for payment in respect of grants awarded by any external organisation.

21.3 Chief Officers and Heads of Service shall:

- Consult with the Deputy Chief Executive in respect of financial controls
- Ensure that all agreements and arrangements are properly documented
- Provide appropriate information to the Deputy Chief Executive to enable proper accounting arrangements to be made
- Ensure that conditions of funding are duly complied with.

22. OFFICERS' TRAVELLING AND SUBSISTENCE ALLOWANCES

22.1 All claims for the payment of travelling, subsistence allowances, and incidental expenses in connection with the performance of duty, and for reimbursement of educational expenses incurred on approved courses of study shall be submitted to the Chief Executive. Such claims shall be duly certified as correct by each Officer submitting a claim in a form approved by the Chief Executive.

22.2 The names of Officers authorised to certify such claims shall be sent to the Deputy Chief Executive and the Chief Executive by each Chief Officer together with specimen signatures.

22.3 The certification by or on behalf of the Chief Officer shall be taken to mean that the certifying Officer is satisfied that the journeys were authorised, the expenditure properly and necessarily incurred and that the allowances are properly payable by the Council.

22.4 All claims shall be accompanied, as appropriate, by a valid VAT certificate relevant to the period of the claim and shall not otherwise be certified in accordance with Rule 22.1 above.

23. **MEMBERS' TRAVEL, SUBSISTENCE AND ATTENDANCE ALLOWANCES**

23.1 Procedure for submitting claims and making payments, and the documents to be kept in respect of Members' Travelling, Subsistence and Attendance Allowances shall be under the control of the Chief Executive and shall be as laid down in guidance which is available to all Members.

24. **FAILURE TO COMPLY WITH AND THE INTERPRETATION OF RULES**

24.1 Failure to comply with the Financial Procedure Rules is a breach of the Code of Conduct that is covered by the Council's Disciplinary Policy and Procedures.

24.2 The Deputy Chief Executive shall, if necessary, after consultation with the Monitoring Officer and the Chief Officer of the directorate concerned, report to the Cabinet any non-compliance with the Financial Procedure Rules.

24.3 Any doubt as to the interpretation of these rules, if unresolved after consultation with the Monitoring Officer, shall be referred to Cabinet.

24.4 The attention of all Officers and Members is drawn to the relevant Accounts and Audit Regulations and the CIPFA / IIA Public Sector Internal Audit Standards and associated Local Government Application Notes.

APPENDIX 3

**BROXTOWE BOROUGH COUNCIL CONSTITUTION
CHAPTER 4 PART 2: FINANCIAL PROCEDURE RULES (CONTRACTS)**

GLOSSARY

Bid	A potential or received submission from a Bidder in response to a procurement process.
Bidder	The organisation who will potentially or has submitted a Bid in response to a procurement process.
Competitive Tendering Process	A procurement process that has been openly advertised to all potential Bidders.
Concession Contracts	An agreement where an organisation is given the right to exploit works or services provided for their own gain and at their own risk.
Contract Manager	Officer responsible for the management of the contract on a day to day basis.
Contract Value	Annual value of the contract multiplied by the number of years of the contract, including any potential extension periods. It is the value of the contract to the Bidder/s.
HoLS	Head of Legal Services and Deputy Monitoring Officer (or delegated officer).
PCO	Procurement and Contracts Officer
Procuring Officer	Lead officer for the service area (may also be the Contract Manager).
Senior Officer	Officers comprising of the Senior Management Team (including those reporting directly to a Chief Officer) as listed at paragraph 7.3/7.4 in the Officer Scheme of Delegation.
UK Procurement Law	Means the Procurement Contracts Regulations 2015 and Concession Contracts Regulations 2016 as amended or any future enacted UK procurement legislation.
UK Procurement Threshold	Point where the Contract Value requires the full requirements of the UK Procurement Law to be complied with. UK Procurement Thresholds change every two years and are recalculated on 31 December every other year.

CONTRACT PROCEDURE RULES

The rules below have been approved by the Council relating to contracts and are incorporated into the Council's Financial Procedure Rules (Financial Regulations) accordingly. These rules should be read alongside the Council's Procurement and Commissioning Strategy; the latest guidance on the Council's Intranet; and any other advice received from the Council's Procurement and Contracts Officer.

1. COMPLIANCE

- 1.1. All contracts (see *Rule 4*) must comply with these rules and procedures. A contract is any arrangement made by or on behalf of the Council for the supply of goods or services or for the carrying out of works. A concession contract is also subject to these rules.
- 1.2. Contracts may include verbal instructions to provide goods or services or to carry out works. This can commit the Council without any appropriate terms and conditions, insurance, health and safety requirements bidder accreditation, budget checks etc. being carried out or agreed. For this reason, all requirements must be communicated to Bidders by a signed contract or an official purchase order with appropriate authorisation, prior to the commencement of any works or supply of any goods or services.
- 1.3. Users of Council purchase cards should consider which terms and conditions apply, insurances, health and safety requirements, Bidder accreditation and budget for all purchases.
- 1.4. Every Officer involved in buying goods, services or works must be aware of these rules and comply with them. In case of doubt, advice must be sought from the PCO before proceeding.
- 1.5. Officers involved in any aspect of procurement are to have completed the Procurement E-Learning Module within three months of notification of requirement to complete.
- 1.6. No exception from any of the following provisions of these rules shall be made otherwise than by the direction of the Council or by Cabinet (as appropriate) or via *Rule 48* (Waivers).

2. GUIDANCE

- 2.1. Further information and guidance on procurement is on the Intranet Procurement pages.
- 2.2. In addition, advice on specific procurement issues and how to apply these rules can be obtained by contacting the PCO.

3. PURPOSE

3.1. The purpose of the rules is to:

- achieve value for money (value for money is not the lowest possible price; it combines goods or services that fully meet your needs, with the level of quality required, delivery at the time you need it, and at an appropriate price);
- be consistent with the highest standards of integrity;
- ensure transparency and fairness in allocating public contracts;
- comply with all legal requirements and legislative principles;
- ensure appropriate approvals for budgets and contract awards;
- support the Council's vision, values and priorities; and
- prevent fraud and corruption.

4. WHEN THESE RULES APPLY

4.1. These rules apply to the following types of procurement on behalf of the Council:

- purchasing any goods or materials, including information communication technology;
- purchasing of any services, including consultancy services;
- hiring, renting or leasing of any goods or equipment;
- ordering the carrying out of building or engineering works;
- Concession Contracts;

4.2. Partnership and Collaborative Arrangements: These rules will apply where the Council is part of a partnership and it is the lead or accountable body. Also see Rule 9.

4.3. Any agent or consultant appointed to act for the Council in a procurement exercise must be required to comply with these rules. A consultant is someone employed for a specific length of time to work to a defined project brief with clear outcomes to be delivered, who brings specialist skills or knowledge to the role.

5. EXEMPTIONS / NON-APPLICABLE EXPENDITURE

5.1. The rules do **NOT** apply to:

- contracts of employment with individual employees;
- land transactions (sales, purchases, leases, licences, easements etc. although certain development agreements are covered);
- performing artist contracts;
- giving of grant funding (but contracts with voluntary organisations for the supply of services, goods and works are covered by the rules);

5.2. Nothing in these rules and procedures shall require competitive bids to be invited in any of the following circumstances:

- 5.2.1. The works to be executed or the goods or materials to be supplied consist of repairs to or the supply of compatible parts to existing proprietary machinery or plant by the manufacturers or their agents which cannot be cost effectively provided by other bidders.
- 5.2.2. The renewal of existing ICT software license and maintenance services, where the ICT Software has been purchased, and the value of the renewal is less than the UK Procurement Threshold. General Management Team (GMT) are to agree the way forward and obtain procurement advice as appropriate (see *Rule 36*).
- 5.2.3. Utility/energy supplies to empty housing or buildings that are or will be available for occupation.
- 5.2.4. The estimated expenditure is less than £25,000, provided that the appropriate Senior Officer shall take reasonable steps to secure the order at the most competitive price.
- 5.2.5. Where the Council chooses to deliver services itself (in-house).
- 5.2.6. Where the Council uses one of its subsidiary companies to deliver services.
- 5.2.7. Where co-operating with another public sector body. For this to apply the public sectors bodies are required to ensure that public services they have to perform are provided with a view to achieving objectives they have in common and that the cooperation is governed solely by considerations relating to the public interests. Further procurement and legal advice is to be sought.

6. INTERPRETATION

- 6.1. The PCO will advise on the implementation and interpretation of the rules and will seek the views of the Deputy Chief Executive and the Monitoring Officer, if required. The Monitoring Officer's view will be binding.

7. COMPETITION REQUIREMENTS

- 7.1. The nature of the procurement process to be undertaken will depend on the estimated **total contract value** of the contract. See '*Appendix A – Contract Values and Procurement Process*' for further information.
- 7.2. Where it is considered appropriate, the Council can choose to go out for quotes or Competitive Tender Process in order to ensure value for money even if this is not required by these rules.

8. ALTERNATIVE PROCUREMENT METHODS: GENERAL

8.1. Before approaching the market for any goods, services or works the Procuring Officer undertaking the procurement must first establish if there are any of the following they could use:

- a Corporate Contract
- an existing Framework Agreement
- an existing Dynamic Purchasing System.
- contract extensions (*See Rule 31*)

8.1.1. Corporate Contract: Where an existing corporate contract exists, this should be considered as the default option.

8.1.2. Framework Agreement: These must only be used where the Council is either a named participant or where the Council is a recognisable class of contracting Council under the terms of the Framework Agreement.

Contracts based on Framework Agreements may be awarded by either:

- (i) applying the terms laid down in the Framework Agreement (where such terms are sufficiently precise) without reopening competition (direct award), or
- (ii) where the terms laid down in the Framework Agreement are not precise enough or it may be possible to obtain improved value for money, by holding a mini competition amongst all the organisations included within the Agreement.

8.1.3. Dynamic Purchasing System (DPS)

- (i) A DPS must only be used where the Council is either a named participant or where the Council is a recognisable class of contracting Council under the terms of the DPS.
- (ii) Contracts based on a DPS may only be awarded by holding a mini competition amongst all the organisations included within the Agreement.

9. PARTNERSHIP AND COLLABORATIVE PROCUREMENT

9.1. In order to secure value for money the Council may decide to enter into collaborative procurement arrangements. All purchases made/contracts awarded via a local authority procurement consortium or another Local Authority, who have followed their own rules, are deemed to comply with these rules and no exemption is required.

9.2. Purchases above the UK Procurement Threshold must be let under UK Procurement Law unless the consortium concerned has satisfied this

requirement already by letting their contract in accordance with UK Procurement Law on behalf of the Council and other consortium Members.

10. UK PROCUREMENT THRESHOLDS

- 10.1. UK Procurement Law specifies financial thresholds, which determine how goods, services and works should be procured. Contracts for the supply of goods or services or works which are estimated to be over the UK Procurement Thresholds must be tendered in accordance with UK Procurement Law and the PCO must be consulted and their advice taken on how to comply with this legislation.
- 10.2. The current UK Procurement Thresholds can be found on the Procurement pages on the intranet.
- 10.3. The UK Procurement Thresholds relate to the estimated total value of the contract including VAT (including any potential extension periods), not the annual value.
- 10.4. Where it applies, the UK Procurement Legislation imposes requirements on such matters as:
 - conduct of each stage of the procurement process;
 - preliminary market consultation, including consideration of the Public Services (Social Value) Act 2012.
 - where the notices relating to advertising and awarding of bids must be placed and their contents;
 - minimum bid periods;
 - selection and award criteria and procedures;
 - reporting requirements and documentation.

11. CONTRACT VALUE, FUNDING AND PRE-PROCUREMENT APPROVALS

Estimated Contract Value

- 11.1. The Procuring Officer must estimate the total Contract Value, (including any extension periods). This estimate will determine what competition requirements apply under these rules (*see Appendix A - Contract Values and Procurement Process*).
- 11.2. Contracts must not be artificially divided to reduce the Contract Value and avoid the application of the requirements under these rules but should be packaged to ensure value for money.
- 11.3. The Contract Value or estimated Contract Value (in money or equivalent value) for a contract is calculated as follows:
 - where the contract is for a fixed period: by taking the total price to be paid or which might be paid during the whole of the period;

- where the purchase involves recurrent transactions for the same type of item: by aggregating the value of those transactions in the coming 12 months;
- where the contract is for an uncertain duration: by multiplying the monthly payment by 48;
- for feasibility studies: the value of the scheme or contracts which may be awarded as a result;

Contracts Across the Council

- 11.4. Where the aggregated value across all departments for similar goods, services or works Council on a number of individual contracts for is likely to exceed the UK Procurement Thresholds as laid down in these rules, then Officers shall seek guidance from the PCO. The department with the highest proportion of total expenditure is appointed as the lead service area.

Budget/Funding

- 11.5. A Procuring Officer must not place an order or start a process for letting a contract unless they are satisfied that expenditure for it has been included in an approved capital budget, revenue budget or grant.

Pre-Procurement Approval

- 11.6. Where the Contract Value is above £25,000 or when procurement involvement is required, a Procurement Approval Form is to be completed by the Procuring Officer and signed by the relevant Senior Officer. This is to be sent to the PCO.
- 11.7. Once the Procurement Approval Form has been received, the Procuring Officer will receive a 'Broxtowe Procurement' (BP) reference number that should be used in all communications, to uniquely identify the procurement project.

PROCUREMENT PROCESS

12. PROCURING OFFICER RESPONSIBILITIES IN PROCUREMENT

- 12.1. The Procuring Officer is to be integral to the procurement process and they are to fulfil the requirements in *Appendix C - Contract Manager Responsibilities*.

13. SOFT MARKET TESTING/PRE-PROCUREMENT ENGAGEMENT

- 13.1. UK Procurement Legislation encourage pre-bid market engagement in order to ensure that specifications are as accurate as possible. The Procuring Officer, when preparing a complex specification, should consult potential Bidders about the detailed requirements of the specification but before doing so, the Officer should seek the advice of the PCO.
- 13.2. When carrying out soft market testing the Procuring Officer must:

- make it clear to participating organisations that they will receive no preferential treatment in the Bid process;
- not draw up the specification wholly by reference to one specific Bidder or if they do, that organisation must be excluded from the subsequent bid process.
- keep a written record of all enquiries, responses and related meetings on the contract file.

13.3. The PCO provides advice and can facilitate the conduct of desktop soft marketing testing exercises.

14. THE PUBLIC SERVICES (SOCIAL VALUE) ACT 2012

14.1. For all contracts for services which exceed the UK Procurement Thresholds, Procuring Officers must consider the various matters prescribed by the Public Services (Social Value) Act 2012.

14.2. Procuring Officers must therefore before the formal procurement process starts consider:

14.2.1. how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area; and

14.2.2. how, in conducting the process of procurement, the Council might act with the aim of securing that improvement.

14.3. The PCO can provide advice and facilitate the conduct of a desktop social value consultation exercise.

15. CHOICE OF TENDERING PROCEDURE

15.1. Where there is a requirement in the rules for a contract to be subject to UK Procurement Legislation, the tendering procedures available can be obtained from the PCO.

16. ADVERTISING CONTRACTS (where Alternative procurement method are not an option – Rule 8)

16.1. Required advertising requirements of contract opportunities is detailed in *Appendix A – Contract Values and Procurement Process*.

16.2. Where the contract opportunity is to be advertised, the PCO must facilitate this process to ensure UK Procurement Legislation is complied with.

17. SPECIFICATION

17.1. Specifications can be performance based, with a focus on the result required, rather than how it is achieved and detail the minimum standards and accreditations a Bidder is required to meet. This will vary dependent on the requirement.

- 17.2. The Procuring Officer must make sure the specification provides details of the type and quality of goods or nature and standard of service or works to be supplied.
- 17.3. The length and detail of the specification will vary depending on the size, complexity and nature of the proposed contract requirements but it should be clear and include all the material details that the Bidder will be required to comply with and deliver.
- 17.4. Technical specifications must be defined by reference to relevant UK or EU Standards. Where a standard is quoted the words “*or equivalent*” must be added.
- 17.5. The specification must not refer to a particular make or brand names unless it is identified as a permissible exemption under UK Procurement Legislation and the PCO has provided specific advice.
- 17.6. The specification should not be designed to favour any particular Bidder.

18. INSTRUCTIONS TO BIDDERS

(required where a quote or Competitive Tendering Process is undertaken)

- 18.1. All procurement documents must include Instructions to Bidders as well as:
- specification of the goods, services or works required; and
 - contract conditions.
- 18.2. All Instructions to Bidders must include:
- the award criteria and, where applicable, the weightings applicable to each of those criteria;
 - the last time and date for receipt of Bids;
 - the address to which Bids must be delivered/submitted
 - a requirement that Bids must be kept open for acceptance for no less than 60 days;
 - full details of the time, date and method by which Bids can be submitted through the Council’s e-tendering system (if a Competitive Tendering Process);
 - a statement that the Council is not bound to accept the lowest or any Bid;
 - a statement that the Council will not be liable for the Bidders expense in preparing their Bid;
 - a statement that no Bid received after the closing date and time will be accepted, except as detailed in *Rule 23.1*

19. CLARIFICATION PROCEDURES (PRE-SUBMISSION DEADLINE)

- 19.1. Providing clarification for an invitation to bid to potential or actual Bidders involved or seeking clarification of a Bid, is permitted. These matters shall take place in such a way as to not disadvantage or show favour towards any Bidder involved.
- 19.2. Where a Competitive Tendering Process is undertaken All questions, in non-attributable form, together with the Council's responses, will be posted on the e-tendering portal, for all Bidders to see.
- 19.3. Exceptionally, Bidders may request information is not published if it could damage their commercial advantage or disclose their innovative ideas. The PCO will determine whether such information can be withheld from all other Bidders.
- 19.4. Where a meeting or a site visit is required, all Bidders should be invited to attend a single meeting so all are given the same information and have opportunities to ask questions and hear responses. Minutes should be taken of any meetings and published on the e-tendering portal to ensure all Bidders, including those not attending, have the same information.

20. SELECTION AND AWARD CRITERIA

- 20.1. Before placing an advert requesting Bids or issuing the procurement documents, the Procuring Officer, alongside the PCO where a Competitive Tendering Process is required, must define the selection and award criteria for the contract which is best suited to the procurement exercise and is designed to secure value for money.

21. SELECTION OF BIDDERS

- 21.1. UK Procurement Legislation and Cabinet Office guidance set out clear rules on the use of Pre-Qualification Questionnaires (PQQ) / Selection Questionnaire (SQ)

Selection Criteria

- 21.2. Selection (often referred to as pre-qualification stage) criteria involves an examination of the suitability and capability of the potential bidders to perform the contract. Selection criteria could include:
 - eligibility for public contracts in regard to the grounds specified in UK Procurement Law;
 - economic and financial standing;
 - suitable professional ability/qualifications/accreditations;
 - technical and professional ability including references.

Award Criteria

- 21.3. Award criteria should be designed to ensure Bidders demonstrate how well they can meet the Council's requirements and encourage competition and value for money.
- 21.4. All Bids must detail the award criteria and assessment methodology which will be used. The options are:
- (i) 'quality/price' ratio, (preferred option), where considerations other than price also apply, or
 - (ii) 'lowest price', where payment is to be made by the Council, or
 - (iii) 'highest price', where payment is to be received by the Council.
- 21.5. When 'quality' criteria are used, it must be fully defined in the procurement documentation supplied to Bidders, detailing assessment criteria which must be wholly relevant to the procurement. These may include service delivery process, quality of goods, previous experience (in limited circumstances), delivery date, relevant environmental features, technical performance, functional characteristics, after sales service, technical assistance, social value added and any other relevant matters. The extent and weighting of these criteria must be declared and documented when sending out any details.
- 21.6. The weighting of non-financial criteria must;
- reflect their importance to the Council,
 - ensure equal treatment of all potential Bidders,
 - not preclude or give undue preference to any Bidder
 - ensure that all dealings with Bidders are undertaken on a fair, equitable and transparent basis
 - be designed to give the Council the best possible outcome
- 21.7. All evaluations for procurement process above the UK Procurement Threshold must comply with UK Procurement Legislation and have regard to the financial and technical standards relevant to the contract and the award criteria.
- 21.8. Wherever possible a breakdown of costs should be requested, to allow clear understanding of the pricing structure and to allow minor adjustment of scope to meet changing circumstances.

22. PERIOD FOR SUBMISSION OF BIDS

- 22.1. Bidders must be given a reasonable period in which to prepare and submit a Bid having regard to the amount of detail that they have to prepare and the complexity of the contract requirements. UK Procurement Law lays down specific minimum time periods for contracts with a value in excess of UK Procurement Thresholds.

23. SUBMISSION, RECEIPT AND OPENING OF BIDS

Quote Process

- 23.1. Any quotation received for procurement exercises below £100,000, after the specified date and time where the e-tendering portal has not been used, shall not be considered unless the appropriate Senior Officer, with the approval of the Deputy Chief Executive, consider that exceptional circumstances warrant it. Appropriate supporting documentation must be maintained to substantiate the decision taken.
- 23.2. Under no circumstances can any late quotation be considered after the other quotations have been opened.

Competitive Tendering Process

- 23.3. Bids must be issued and received electronically through the Council's e-tendering system, except for *Rule 23.7*.
- 23.4. For Bids above the UK Procurement Threshold, submissions must be managed electronically via the e-tendering portal unless there are justified reasons.
- 23.5. Bids remain within the e-Tendering portal's secure vault until the closing date and time. The vault shall be unlocked, releasing all bids simultaneously, by the Deputy Chief Executive, or an officer of the Council designated by them.

NOTE: All Bid documents are securely retained in the vault within the e-tendering portal. This information is not visible until the vault is un-locked and cannot be changed once opened. All actions conducted within the portal are recorded and are fully auditable. There is therefore no requirement to witness the bid opening or record any data.

- 23.6. Bids cannot be uploaded to the e-tendering portal after the closing date and time.

Use of Frameworks/DPS

- 23.7. Where use of a framework or DPS requires the use of an alternative e-tendering portal run by the framework/DPS provider then this will be deemed as complying with *Rule 23*.

24. POST BID SUBMISSION CLARIFICATION PROCEDURES

- 24.1. Where an error is discovered in a Bid during scrutiny by the Council's Officers, clarification should be sought. Material clarifications obtained must be detailed in the Bid evaluation report (where a report is required), with a recommendation

to accept or reject any required corrections. Bidders shall have the opportunity to withdraw their bid if they have made an error.

- 24.2. No Bidder will be permitted to alter its Bid after it has been received by the Council except with the PCO's consent to correct an arithmetical or typographical error or omission made in the Bid.
- 24.3. Should the contract have been awarded before the error or omission is identified, then it can only remain so if in the opinion of the Deputy Chief Executive or in their absence Head of Finance Services, it is still the most favourable to the Council following the correction.

25. ABNORMAL TENDER: CLARIFICATION

If the Procuring Officer considers the lowest or most economically advantageous Bid to offer an unusually low price or excessive benefits ("abnormal") given the nature of the contract, the estimated Contract Value, and value for other bids he/she must ask the Bidder to clarify in writing its Bid or parts of it. The Procuring Officer with the PCO must take such explanation into account in deciding whether to consider the abnormal bid as part of the evaluation. Where the procurement process is governed by UK Procurement Law, this sets out grounds on which abnormal bids can be excluded from procurement process.

26. POST BID NEGOTIATIONS

- 26.1. Discussions with Bidders after submission of a Bid and before the award of a contract may only occur where UK Procurement Law permits it.
- 26.2. Where negotiations are permitted by the procurement procedure being followed:
- negotiations must be conducted by at least two officers, one of whom must be a Senior Officer grade or above, or alternatively one Senior Office if a quotation process;
 - during negotiations tendered rates and prices must only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the bid documents;
 - negotiation meetings should be minuted;
 - any change in specification or price arising from post bid negotiations must be recorded in writing and signed by the Bidder;
- and
- where post-Bid negotiation result in a fundamental change to the specification (or contract terms) the contract must not be awarded but a new procurement process needs to be run, so as not to risk distorting competition or causing discrimination.
- 26.3. Where post bid negotiations relate to procurement process governed by UK Procurement Law then the PCO's advice should be sought.

27. EVALUATION OF TENDERS

- 27.1. Bids must be evaluated in accordance with the stated award criteria and where the criteria are other than the lowest price, a written record must be kept of the evaluation with scores for each Bidder on each of the stated award criteria.
- 27.2. Interviews may be conducted with some or all of the Bidders as part of the evaluation process but only to clarify matters relating to the award criteria and where part of the published award criteria includes an interview/presentation evaluation.

Due Diligence

- 27.3. If there is any doubt about the sustainability or capability of the Bidder, due diligence must be carried out prior to award. Due diligence may include financial checks, obtaining references (preferably from other public sector bodies), visiting other works which have been completed and ensuring the Bidder has sufficient available capacity with suitably experienced and qualified staff. Any potential due diligence checks should be clearly stated in the procurement documents at the start of the procurement process.

28. AWARD PROCEDURE AND INTERNAL APPROVALAward Procedure

- 28.1. Contracts must be awarded in accordance with the stated award criteria and UK Procurement Law (where the Contract Value is above the UK Procurement Threshold).

Internal Approvals below £100,000

- 28.2. For contracts values below £100,000 and within the stated budget, the Head of Service approval, in conjunction with the Chief Officer, is required and should be in writing and kept as evidence of approval, unless it has previously been decided that Cabinet approval is required.
- 28.3. Rule 28.4 must be followed if a Competitive Tendering Process has been used, regardless of contract value.

Internal Approvals in excess of £100,000

- 28.4. For contracts values in excess of £100,000 and within the stated budget, an evaluation report with a recommendation as to the Bid that should be accepted and the basis for such a recommendation, should be prepared by the appropriate Procuring Officer and the PCO and presented to the Deputy Chief Executive for approval, unless it has previously been decided that Cabinet approval is required.

- 28.5. Deputy Chief Executive approval is required in writing and kept as evidence of approval.

Internal Approvals by Cabinet

- 28.6. Where it has been decided before the procurement process that Cabinet approval is required, the Procuring Officer in conjunction with the PCO shall submit the report to Cabinet as to the bid that should be accepted and the basis for such a recommendation.
- 28.7. Where the value of the expenditure/income is greater than £250,000, then the Procuring Officer will also need to meet the deadlines required for the Key Decision process.

Internal Approvals in excess of approved budget

- 28.8. Where the Bid recommended for acceptance is for an amount in excess of the approved budgetary provision, then the appropriate Procuring Officer may:
- 28.8.1. apply to Cabinet for approval to a revised budget for the scheme, or
 - 28.8.2. in limited circumstances recommend post-Bid negotiations with the lowest Bidder, in accordance with *Rule 26*, to reduce the bid amount by value engineering to bring the cost of the work within the approved budget. The effect of such revision and negotiation shall be reported to Cabinet.
 - 28.8.3. declare the procurement exercise void, produce a new and fundamentally different specification which will ensure lower costs and commence a new procurement exercise.

29. INFORMING BIDDERS OF CONTRACT AWARD

Contracts awarded via Quote Process

- 29.1. The Procuring Officer must as soon as possible, following the identification of the successful Bidder, notify all Bidders simultaneously of the award of contract telling them the name of the successful Bidder and the reason for their selection.

Contracts awarded via a Competitive Tendering Process

- 29.2. Once a preferred Bidder has been identified, the PCO will, as soon as reasonably possible notify all Bidders simultaneously of the intention to award the contract to the preferred Bidder, providing the information to all Bidders as required by UK Procurement Law.

Challenge to the Contract Award

- 29.3. If the contract award decision is challenged by an unsuccessful Bidder, the Procuring Officer must not award the contract but must instead immediately seek the advice of the PCO, who in conjunction with the Head of Legal Services, shall advise further.

CONTRACTS

30. CONTRACT APPROVAL AND SIGNING

Also see summary *Appendix B – Contracts and Signing*

- 30.1. Every contract which is less than £25,000 (except purchase orders) shall be in writing and be signed by the appropriate Senior Officer after the Head of Legal Services has approved the terms and conditions. The Senior Officer is responsible for ensuring there is sufficient budget available.
- 30.2. All contract documents for relevant contracts which exceed £25,000 shall be subject to scrutiny by and approval of the Head of Legal Services, in consultation with the Chief Officer, prior to commencing any procurement exercise.
- 30.3. Every relevant contract which exceeds £25,000 shall be in writing, and unless under seal, shall be signed by the Deputy Chief Executive or in their absence the Head of Legal Services.
- 30.4. Where a contract to be signed under seal; The common seal shall be kept in legal services. The contract shall be signed by the Head of Legal Services identified as the proper officer for these purposes and such signature shall be witnessed by an officer or Member of the Council.
- 30.5. Bidders terms and conditions for services and works above the value of £25,000 shall be subject to scrutiny by and approval of the HoLS.,
- 30.6. Every contract in writing shall specify:
- the goods, services or works, to be provided,
 - the location, that the goods, services or works, are to be provided
 - the prices to be paid, including details of how any staged payments will be managed and a statement of discounts or other deductions and,
 - the time or times within which the contract is to be performed.
 - the Terms and Conditions which apply.
- 30.7. Each contract for the execution of works in excess of £100,000 shall contain a clause specifying the percentage deduction to be made from instalment payments to the bidder to provide a retention sum, and the period and conditions for holding and releasing such retention sum. For contracts values below this sum, the Procuring Officer is to consider whether such as clause is required.

30.8. The Procuring Officer, and if the Contract Value is above £25,000 Head of Legal Services, should also consider the following requirements in each contract, based on the nature and risk in the contract:

30.8.1. liquidated damages to be paid by the bidder in case the terms of the contract are not duly performed. Costs for liquidated damages should be pre-agreed and detailed in the Contract wherever possible.

30.8.2. additional security including performance bonds for the due performance of contract for the execution of works.

30.8.3. the provision of a parent company guarantee.

30.9. Contracts should be signed prior to commencement of services, works or delivery of goods.

31. CONTRACT EXTENSIONS

Exercising Options to Extend

31.1. Where a contract has been advertised with an option to extend beyond the initial contract period and the contract includes such an option it may only be exercised if:

- the Procuring Officer or Contract Manager is satisfied that such an extension is in the best interests of the Council in the light of the contractor's performance;
- there is sufficient budget provision

No Option to Extend

31.2. Contracts, awarded with a value below the UK Procurement Thresholds, which do not contain any option to extend, (or a further option to extend) in the original contract, cannot be continued, unless a 'new' contract is awarded accordance with these rules. Advice from the PCO should be obtained.

31.3. Contracts, awarded with a value above the UK Procurement Thresholds, which do not contain any option to extend in the original contract cannot be extended, unless it is in accordance with these rules and UK Procurement Law. Advice from the PCO should be obtained.

31.4. *Rules 31.2 and Rule 31.3* will also have to meet the following requirements:

- there is sufficient budget provision
- there are no material changes to the scope of the contract, and
- the Procuring Officer or Contract Manager is satisfied that such an extension is in the best interests of the Council in the light of the contractor's performance;

- 31.5. Where unforeseen circumstances have delayed the delivery of the specified scope/volume of the contract, an extension may be granted after discussions with the PCO, as long as there are no material specification or contract value changes to the contract.

CONTRACT REGISTERS, RECORD KEEPING, CONTRACT MANAGEMENT AND FUTURE PROCUREMENT

32. CENTRAL RECORDS

Publication Requirements

- 32.1. In line with the Governments transparency requirements, the Council will publish on its website, on a quarterly basis, details, of all procurement exercises and contracts entered into with a value exceeding £5,000.
- 32.2. To facilitate this, the Senior Officer will ensure that the PCO receives all requested details of all contract awards above £5,000, in a form and within the time limits stated by the PCO.
- 32.3. This process will also ensure the Council is compliant with the requirement to publish a contract register and advertise all relevant contract awards as per UK Procurement Law.
- 32.4. The details contract details required *Rule 32.1* must include:
- title of contract
 - brief details of the nature of the contract
 - the name of the successful bidder
 - status of the successful bidder (Small, Medium Enterprise, Voluntary and Community (SME) etc.)
 - brief details of the nature of the contract
 - the annual value of the contract
 - the total value of the contract including extension periods
 - contract start date
 - contract end date (not including extension period)
 - duration of potential extension period (if any)
 - the process used to award the contract
 - any contract notice period for termination

33. RETENTION OF CONTRACTS AND TENDERS

- 33.1. Procurement records and contracts must be kept in accordance with the Council 'Document Retention Scheme'. An accessible electronic copy stored on the Council's systems for the stated period will satisfy this requirement, unless a contract is signed under seal, where a hard copy must be kept by Legal Services.

- 33.2. Procuring Officers must send all original signed contracts to the Head of Legal Services/Legal Services.
- 33.3. The Head of Legal Services/Legal Services will send the PCO an electronic copy of the all fully signed contracts awarded under these rules that they receive.

34. CONTRACT MANAGEMENT

- 34.1. Every contract awarded by the Council should have a named contract manager, responsible for the day to day management of the contract. Depending on the risk and complexity of the contract, the Contract Manager's responsibilities may include:
 - 34.1.1. scheduling regular meetings with the contractor, alongside annual review meetings to include performance review and financial monitoring;
 - 34.1.2. obtaining, recording and monitoring, management information and KPI data, to assist discussions regarding performance and finance monitoring;
 - 34.1.3. undertaking financial monitoring to ensure expenditure is in line with that expected under the contract. The Contract Manager is to confirm to the PCO, on an annual basis, that expenditure is (or is not) in line with the contract;
 - 34.1.4. seeking advice from the PCO, before amendments are made to the contract or framework, for example to vary the scope and / or price.
 - 34.1.5. should the contractor fail to meet requirements, notifying the contractor of the issues, giving reasonable time for these to be addressed and rectified. If a contractor continually fails to meet the contract requirements, the process for managing non-compliance detailed within the terms and conditions of the contract must be followed.
 - 34.1.6. follow any Council approved Contract Management Strategy.
- 34.2. The Contract Manager is to keep written records of the above,

35. FUTURE PROCUREMENT

- 35.1. Where a Procuring Officer/Contract Manager is aware of any future required procurement activity (including the re-tendering of an existing contract), they will inform the PCO in a timely manner.
- 35.2. To ensure the PCO can plan future procurement activity, the Procuring Officer/Contract Manager should usually give the PCO at least six months'

notice before the contract is to start. Additional notice is required with complex procurement projects.

- 35.3. The PCO will publish future procurement activity requirements in compliance with UK Procurement Law.

SPECIAL CASES

36. INFORMATION COMMUNICATIONS TECHNOLOGY

New or Replacement Software / Hardware Procurement

- 36.1. The purchase of any new ICT hardware or software, whatever the value, must follow these rules.
- 36.2. All procurements of computer hardware or software should follow any advice on technical standards issued by the ICT and Business Transformation Manager or nominated representative.
- 36.3. In addition to *Rule 30* contracts should also be reviewed by the ICT and Business Transformation Manager or nominated representative before signing.

Existing Software

- 36.4. Decisions on existing software licensing and maintenance contracts due to expire are to follow the process below:
- A system review is to be carried by ICT at least 12-24 months before the expiry of the current software contract.
 - The system review is to be present to GMT with a recommendation of either 'maintain', 'enhance' or 'replace'.
 - If the GMT decision is to 'maintain' or 'enhance', the Council (ICT representative) shall seek proposals from the software provider to achieve this.
 - These proposals should be presented to the Executive Director and Deputy Chief Executive for consideration and further action.
 - Where any extension to software licensing and maintenance to existing software exceeds the UK Procurement Threshold, a compliant route to extending the software licensing and maintenance and internal approvals are to be sought.
 - It is the Council's preference that these contracts are of a fixed duration and not left allowed to expire or be subject to annual renewals.
 - Where the decision is 'replace', then *Rule 36.1* is to be followed.

37. CONCESSION CONTRACTS

- 37.1. The procurement of Concession Contracts must follow these rules.
- 37.2. Depending on the contract value, Concession Contracts may also be subject to UK Procurement Law. Procuring Officers must obtain further advice from the PCO.
- 37.3. The value of a Concession Contract, is the estimated total turnover that the supplier can generate in consideration for the works, goods and services over the duration of the contract, net of value added tax, as estimated by the Council.

38. OUTSOURCING AND TRANSFERRING SERVICE CONTRACTS (TUPE)

- 38.1. Where the proposed contract is to outsource work currently done “in house” the Procuring Officer must as soon as possible consult the Head of Legal Services, Human Resources and Deputy Chief Executive regarding Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) implications before any procurement process and in particular:
- the need to compile and send out with the procurement documents detailed information about the current workforce (Workforce Information);
 - issues relating to pension requirements;
 - the need to include specific reference to the possible TUPE transfer in the procurement documents; and
 - the need to include TUPE clauses in the contract conditions.
- 38.2. Where the proposed contract may involve the transfer of a service contract from one provider/contractor to another the Procuring Officer must:
- request detailed TUPE information about the current workforce (Workforce Information);
 - sense check the information provided by the current contractor to ensure it reflects the current delivery of the contract;
 - include specific reference to the possible TUPE transfer in the ITT; and
 - include TUPE clauses in the contract conditions.

39. FINANCE OPERATING LEASES

No operating/finance lease including those for equipment and vehicles must be entered into without the prior written consent of the Deputy Chief Executive.

40. EXTERNALLY FUNDED PROJECTS

- 40.1. Any procurement process using externally funded money should follow these rules in addition the following requirements in *Rule 40*:

Officers

- 40.2. The Procuring Officer has responsibility to:
- 40.2.1. adhere strictly to the requirements set within the funding/grant conditions which may be more stringent than these rules, to avoid any reclaiming of monies;
 - 40.2.2. when seeking advice from the PCO make it clear that the funding for the project is coming from an external source;
 - 40.2.3. keep accurate records throughout any procurement process which can be accessed for external audits to check compliance.

Competition Requirements

- 40.3. If the funding/grant conditions are less stringent than these rules, these rules take precedent.
- 40.4. If using a Framework, due diligence must be done to check the eligibility to access Frameworks and to ensure that they have been procured compliantly in accordance with the UK Procurement Law.

41. PUBLIC AUCTIONS

The appropriate Senior Officer in consultation with the Deputy Chief Executive or the Chief Executive may resolve whether the acquisition or disposal of goods or materials by the Council up to an anticipated value of £150,000 should be by way of public auction. Purchases and sales of goods or materials of an anticipated value in excess of £150,000 shall only be conducted at auction with the approval of Cabinet.

42. ELECTRONIC REVERSE AUCTIONS

Reverse auctions to procure goods, services or works should be conducted through the Council's e-tendering portal., where system functionality allows. Reverse auctions will be run by the Senior Officer or PCO.

AVOIDANCE OF CORRUPTION

43. CONFLICTS OF INTEREST

Conflicts of interest can lead to allegations of corruption. Therefore, when a Member or Officer is directly involved in the award or management of a contract to a particular organisation they must, whenever possible avoid any personal dealings with that organisation. Where that is not possible the Officer must act in accordance with *Rule 44*.

44. DECLARATIONS OF INTEREST BY OFFICER

Any Officer or Member who has a material interest, financial or otherwise, which may affect the procurement process at any stage must immediately they become aware of it declare it in writing the Monitoring Officer and take no further part in the procurement process unless the Monitoring Officer gives their written approval to the Officer's continued involvement in the procurement exercise.

45. GIFTS AND REWARDS

No Member or officer must accept any gift, fee or other material reward from any organisation in return for giving them more favourable treatment in a procurement exercise.

46. FAILURE TO COMPLY

A failure to comply with *Rules 44, 45 or 46* could be a criminal offence as well as being a disciplinary matter and breach the relevant Code of Conduct..

VARIATIONS TO THE RULES AND WAIVERS**47. VARIATIONS TO THE RULES**

- 47.1. The Monitoring Officer has power to make a minor amendment to these rules but must subsequently report them to the Council.
- 47.2. Any significant amendment to these rules must be approved by Council first.
- 47.3. Anyone with suggested amendments to these rules should contact the Monitoring Officer.

48. WAIVER TO THE RULES

- 48.1. Officers must in the first instance comply with the requirements of these rules. Waivers are not to be seen as an alternative to a compliant procurement process.
- 48.2. Considering a waiver must be risk based and always a last resort after all other options have been considered.
- 48.3. A waiver cannot be given where the contract value exceeds the UK Procurement Threshold unless the PCO in conjunction with the HoLS and Deputy Chief Executive has confirmed in writing that an exemption is available under the UK Procurement Law.

- 48.4. Officers must not enter into contracts under waiver until confirmation of Waiver approval has been received.
- 48.5. Waivers may be considered in, but not limited to, the following circumstances:
- 48.5.1. where the purchase of supplies or the execution of works or services involve specialist or unique skills or knowledge which cannot be obtained from other providers;
 - 48.5.2. where the Council require upgrades to existing software packages or require repairs to, or parts for, existing machinery or equipment that are specific to that machinery or equipment;
 - 48.5.3. if the Council has already engaged with an organisation for a similar and related procurement provided that the Council will not be exposed to unacceptable risk and there is significant benefit to extending the scope of the contract to cover this additional requirement;
 - 48.5.4. where, after advertising in accordance with these rules, it has not been possible to obtain competitive prices for works, supplies or services;
 - 48.5.5. In relation to time-limited grant funding from an external body, where the time limitations will not allow a competitive procurement process to be completed and where the grant conditions allow this;
 - 48.5.6. if works, supplies or services are urgently needed for the immediate protection of life or property or to maintain the immediate functioning of a public service that the Council is responsible for, on the basis of an unforeseeable emergency.
 - 48.5.7. any other exceptional circumstances.
- 48.6. In such circumstances, waivers to these rules may be granted by:
- 48.6.1. Deputy Chief Executive (Directorate Waiver), if Contract Value is below £100,000 See Rules 48.7 and 48.8;
 - 48.6.2. Cabinet (Cabinet Waiver) if Contract Value is above £100,000. See Rules 48.9 to 48.11; or
 - 48.6.3. Chief Executive or duly nominated representative (Urgency Power Waiver), if Contract Value is above £100,000, in cases of urgency. See Rules 48.12 to 48.15.

Directorate Waiver

- 48.7. After consultation with the PCO, a Directorate Waiver form is to be completed by the Procuring Officer and signed by the Director of Service and approved by the Deputy Chief Executive.
- 48.8. All approved Directorate Waivers are to be sent to the PCO within two weeks of approval, by the Procuring Officer.

Cabinet Waiver

- 48.9. Any request for a Cabinet Waiver must, after consultation with relevant Chief Officer and the Chief Executive, be submitted by the Procuring Officer. The Chief Officer will report the circumstances of the waiver to the next Cabinet meeting.
- 48.10. As a minimum, the report to Cabinet shall include:
- the reasons why the waiver is being requested;
 - the reasons why these rules cannot be followed;
 - confirmation that there is an approved budget or it includes a request to approve any new or additional budget;
 - the details of the organisation due to benefit from the waiver;
 - the value of the waiver;
 - the duration/term that the waiver relates to;
 - the specific rules the waiver wishes exemption to;
 - confirmation approval of the waiver complies with UK Procurement Law, confirming consultation with the PCO and the HoLS.
- 48.11. All approved Cabinet Waivers are to be reported to the PCO within two weeks of approval, by the Procuring Officer.

Urgency Power Waiver

An Urgency Power Waiver form, shall be completed by the Procuring Officer after consultation with the PCO and Director of Service and, is to be considered by the Chief Executive as to whether their use of Urgency Powers should be used.

- 48.12. The Chief Executive, after consultation with the Leader and Leader of the Opposition (if available) can exercise use of their Urgency Powers, if appropriate, to approve an Urgency Power Waiver to them to approve.
- 48.13. The Chief Executive will retrospectively report the circumstances of the Urgency Power Waiver to Cabinet and the report shall contain the information detailed in *Rule 48.9*.
- 48.14. All approved Urgency Power Waivers are to be reported to the PCO within two weeks of approval, by the Procuring Officer.

Appendix A – Contract Values and Procurement Process

Requirement	Category	Total Contract Value (£) (see Rule 11)	Procurement Process	Advertising Requirements	Form of Contract
Goods, Services and Works	Very Low Value	Below £25,000	Senior Officer decides if quotes needed.	None	Standard Council Contract or Purchase Order Standard Form of Contract Bidders Terms and Conditions
Goods, Services and Works	Low Value	£25,000 to £100,000	3 quotes minimum to be requested Completion of procurement approval form and sent to PCO.	None	Standard Council Contract Standard Form of Contract
Goods, Services and Works	Medium Value	£100,001 to UK Procurement Threshold	Competitive Tendering Process Completion of procurement approval form and sent to PCO.	as dictated by UK Procurement Legislation	Standard Council Contract Standard Form of Contract
Goods, Services and Works	High Value	Above UK Procurement Threshold	Competitive Tendering Process as dictated by UK Procurement Completion of procurement approval form and sent to PCO. Legislation	as dictated by UK Procurement Legislation	Standard Council Contract Standard Form of Contract
IT Software licensing and maintenance	NA	Below UK Procurement Threshold	Completion of procurement approval form. Direct Award if not tendering out.	None	Standard Council Contract Standard Form of Contract Bidders Terms and Conditions

Appendix B – Contracts and Signing

	Total Contract Value (£) <i>(see Rule 10)</i>	Contract Terms Approval Required before start of procurement process.	Contract Terms Approval Required before start contract.	Who can sign the contract?	Acceptable Signing Method
1.	Below £25,000 (unless under seal)	None	Head of Legal Services	Senior Officer	Wet signature Electronic Signature Signature via e-signing system
2.	Above £25,000 (unless under seal)	Head of Legal Services	Head of Legal Services	Deputy Chief Executive or in their absence the Head of Legal Services	Wet signature Electronic Signature Signature via e-signing system
3.	Contracts under seal (any value)	As per rows 1 and 2 depending on value.	Head of Legal Services	Head of Legal Services	Wet signature and seal
4.	ICT Contracts	As per rows 1, 2 and 3 depending on value, with ICT approval too.	ICT in conjunction with Head of Legal Services.	As per row 1, 2 and 3 depending on value.	As per row 1, 2 and 3 depending on value.

Appendix C – Procuring Officer / Contract Manager Responsibilities

The Procuring Officer / Contract Manager for any particular contract entered into by the Council holds a number of key responsibilities with regard to Procurement and subsequent contract management. This document is a brief outline of the relevant specific requirements. These requirements may change dependent on the nature, risk and/or value of the contract.

It is important to note that although specific tasks may be delegated, the Procuring Officer / Contract Manager retains ultimate responsibility for ensuring these requirements are met.

The Procurement and Contracts Officer ('PCO') will provide guidance and assistance during the whole procurement process.

1. Pre-Advert Requirements

Procurement Approval Form – Completion, in conjunction with the PCO, and Senior Officer sign-off of the Procurement Approval Form ('PAF').

Data Protection Impact Assessment – Assess to see if a Data Protection Impact Assessment ('DPIA') is required. If so, complete a DPIA. If required a draft Data Sharing or Data Processing Agreement is to be completed as part of the bid document pack.

IR35 – If payroll status is not clear, an IR35 assessment is to be completed and sent to the Procurement and Contracts Officer. Further information available at <https://www.tax.service.gov.uk/check-employment-status-for-tax/setup>.

Equalities Impact Assessment – Review to see if an Equalities Impact Assessment ('EIA') is required. If so, complete an EIA. This should then feed into the specification requirements.

TUPE – Confirm with the current incumbent whether they think TUPE is applicable. If so, obtain and check TUPE data using the templates available from the PCO.

Climate Change Implications – Completion (in conjunction with the PCO) and sign-off of any Climate Change documentation/requirements.

Documents – Alongside the PCO, **draft, finalise and approve:**

- Suitability Questions
- Quality Questions
- Specification
- Pricing Schedule
- Evaluation Criteria
- Contract
- Any other relevant documents

Contract – Identify any special terms and conditions required.

Evaluation Guidance Document – Determine what is expected from the responses to the tender. This should inform the specification. Managed by the PCO.

Evaluators – Confirm who the evaluators are and what questions they are evaluating. Minimum of two evaluators per question. Evaluators must be available for moderation meetings if the evaluation process require this. Managed by the PCO.

2. **Bidding Stage Requirements**

Clarifications – Respond to bidder clarification queries in a timely manner. Managed by the PCO.

3. **Evaluation Stage Requirements**

Evaluators – Ensure evaluators are available and follow the evaluation rules and requirements.

Moderation – Ensure evaluators are available for moderation meetings if applicable and follow the moderation rules and requirements.

Approval – Approve the final bid result.

4. **Post-Award Stage Requirements (Contract Management)**

The following is a (non-exhaustive) summary of ongoing matters relating to Contract Management:

- Review need for a DPIA.
- Review IR35 status.
- Review risk assessments.
- Arrange and manage initial contract meetings/mobilisation.
- Ensure legislation, standards and contract requirements are being met.
- Arrange frequent meetings with the provider/contractor at the start of the contract. These are to be minuted and shared with the bidder.
- Assist the PCO in confirming the annual expenditure on the contract.
- Arrange annual reviews with bidder. These are to be minuted, shared with the provider/contractor and provided to the PCO on request.
- Document contract performance issues and ensure these are raised with the provider/contractor. Notify the PCO of any significant performance issues.

Do not agree to contract changes without consulting the PCO and Legal Services.