

City of Edinburgh Council

10.05am, Thursday, 27 June 2019

Operational Governance: Review of Contract Standing Orders

Executive
Wards
Council Commitments

1. Recommendations

It is recommended that the Council:

- 1.1 approve the proposed revisals to the existing Contract Standing Orders, as summarised in Appendix 1 to this report, and adopt the Contract Standing Orders included in Appendix 2 to this report; and
- 1.2 note that there will continue to be an annual review of Contract Standing Orders to ensure that they work effectively and provide effective scrutiny of Council purchasing and contract management.

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City of Edinburgh Council - 27 June 2019

Operational Governance: Review of Contract Standing Orders

2. Executive Summary

- 2.1 The Council's Contract Standing Orders (CSOs) provide controls and regulation around all of the Council's purchasing and contract management activity. This report provides a summary of the proposed changes to the CSOs following their regular annual review. The proposed changes aim to improve clarity of application as well as providing a balance between improved controls and improved scrutiny of the higher value and more strategic projects whilst enabling lower value purchases to be subject to a more proportionate purchasing and approval regime. The report seeks approval for the proposed changes.

3. Background

- 3.1 The Council is required to have standing orders under the Local Government (Scotland) Act 1973. The CSOs provide controls and regulation around all of the Council's purchasing and contract management activity, and place requirements on Directorates to effectively plan and contract manage the resulting contracts.
- 3.2 The Council continues to consider how procurement can improve social, environmental and economic wellbeing and to promote innovation. This includes making the accessibility of public contract opportunities easier for SMEs, third sector and supported businesses which in turn has significant benefits for the City of Edinburgh.
- 3.3 The CSOs are the subject of an annual review. This most recent review has considered the operation of the current CSOs since they were amended in June 2018, and has identified a number of potential improvements that could be made, as identified in paragraphs 4.1 to 4.6 of this report.

4. Main report

- 4.1 The proposed changes to the CSOs will clarify the rules and address areas of weakness in controls or ambiguity in interpretation and improve purchasing controls. Other, more minor changes, are also proposed. The proposed revised CSOs are set out in Appendix 2 to this report, and a brief explanation for the more material proposed amendments is given in the table set out in Appendix 1 to this report.
- 4.2 An exclusion to the definition of 'consultant' has been proposed to enable the appointments of design teams and certain specialist services required for works contracts, in order to mitigate against the risk of delay to the progression of works contracts where specific approval for such appointments would otherwise be required. For the avoidance of doubt, and in accordance with the Council's existing governance arrangements, any such services could only be utilised where costs could be contained within the available budget for the project in question. Project management and environmental consultancy will still fall within the definition of consultancy and be subject to the current reporting requirements.
- 4.3 The amendments also include a proposal to increase the current delegated threshold for consultancy spend from £25,000 to £50,000, above which the approval of the Finance and Resources Committee would be required. The current £25,000 threshold has not been amended for seven years and raising it to £50,000 would also be consistent with the threshold for regulated procurements under the Procurement Reform (Scotland) Act 2014.
- 4.4 Proportionality is sought between the control on consultancy spend and potential delays to projects, particularly capital projects where the need for a particular resource might not have been envisaged at an earlier stage. To address any concerns that elected members will have less visibility or scrutiny of lower value Council consultancy spend, it is highlighted that the Finance and Resources Committee receives, and would continue to do so:-
- 4.4.1 a six monthly 'Contract Awards and Procurement Programme' report; and
 - 4.4.2 an annual consultancy spend report.
- 4.5 To put the proposed changes in context, revenue consultancy spend for 2018-2019 was £4.8 million of which just over 12% (£591,387) was under £50,000. The proposed change to approval thresholds would have impacted on six appointments between £25,000-£50,000 with a total value of £208,114 i.e. 4.3% of the revenue spend. Capital investment consultancy spend was £4.9 million of which just under 6% was under £50,000. This proposed change to approval thresholds would have impacted on three appointments between £25,000-£50,000 with a total value of £92,733 i.e. 1.9% of the capital spend.
- 4.6 Additionally, amendments are proposed to take account of the separate statutory duties of the Lothian Pension Fund group (LPF). As a pension fund delivering

regulated financial services, and with administering costs wholly funded from the pension funds themselves, LPF is statutorily ringfenced from the Council's budget and finances. Given this and taking account of the specific purchasing requirements of the LPF, there are some aspects of the CSOs in respect of which specific exclusions are sought for the LPF. These specific proposals are intended to strike a proportionate balance between the duties of the Council as the administering authority of the LPF, but at the same time enable the LPF to comply with its separate statutory and regulatory duties, and best practice in the pensions and financial services sectors. The LPF is also working with Council officers to explore the possibility of the LPF having its own CSOs, but no decision in respect of this is being sought from Council at this time.

5. Next Steps

- 5.1 The changes to the CSOs shall be highlighted to Council officers by publication on the Orb and a series of planned engagement events delivered by Commercial and Procurement Services.

6. Financial impact

- 6.1 There are no adverse financial impacts as a result of this report. By maintaining proportionate procurement and contract management controls, and improving these through annual reviews of the CSOs, it is anticipated their impact will continue to support the delivery of planned Council savings targets.

7. Stakeholder/Community Impact

- 7.1 The CSOs were prepared as result of feedback and consultation with service areas and a wide range of officers involved in procuring and commissioning across all service areas of the Council throughout the year.
- 7.2 The revisions will have little or no impact on the community other than to improve outcomes such as reducing delays in works and construction programmes through more efficient approvals processes.

8. Background reading/external references

- 8.1 Contract Awards and Procurement Programme (Period 1 January – 30 June 2018)
http://www.edinburgh.gov.uk/meetings/meeting/4554/finance_and_resources_committee
- 8.2 [City of Edinburgh Council's Contract Standing Orders](#)
- 8.3 [Review of Political Management Arrangements 2018 - Report to City of Edinburgh Council 28 June 2018](#)

8.4 [Operational Governance: Review of Contract Standing Orders and Guidance on the Appointment of Consultants - Report to City of Edinburgh Council of 14 December 2017](#)

9. Appendices

Appendix 1 – Table of Substantive Changes to Contract Standing Orders

Appendix 2 – Contract Standing Orders

Appendix 1

Standing Order No.	Change	Explanation for the Change
1.1 Extent and Interpretation	Application of CSO provisions limited for Lothian Pension Fund (LPF).	To reflect previously approved changes to governance of all pensions matters, including contracts, which are now exclusively within the remit of the Pensions Committee. As referred to in the foregoing report, LPF are currently exploring the possibility of developing a set of CSOs specific to LPF.
1.2. Definitions and Interpretation	<p>Definition of Consultant amended.</p> <p>Definition of Framework included.</p> <p>Definition of Project Manager included.</p>	<p>Exclusions to the definition have been made to enable the appointments of design teams and specialist services required for works contracts such as quantity surveyors, cost consultants, architects and the like, and mitigate against the risk of delay to the progression of works contracts. Project management and environmental consultancy will still fall within the definition of consultancy and be subject to the current reporting requirements.</p> <p>Definitions have been added for the purposes of clarification.</p> <p>Definition added to supplement definition of Contract Manager (see 1.3.4 of CSOs).</p>
2. Procedures	Amendment to the requirement to consult with the Chief Procurement Officer to include call-off contracts and direct awards under Frameworks above	Once a Framework is established advice should still be sought to ensure the application of the Framework rules are adhered to, that Best Value is being achieved by appropriate use of call-offs under the Framework and award notices are

	£25,000 and where appropriate below that value.	published on Public Contracts Scotland as required by the Procurement Regulations for all contracts, including call-offs under Frameworks in excess of £50,000 for goods and services and £2million for works.
3. Role and Responsibilities	Responsibility for contract management arrangements for Frameworks and contracts used by more than one Directorate shall sit with the Directorate with the largest spend in the absence of alternative arrangements.	The handover of certain contracts or frameworks to an identified contract manager, following the actual award of contract/framework, can be more difficult where a contract or project manager is not identified at the outset of the procurement of a contract or the adoption of a framework. The consequence of a lack of contract management is the potential loss of procurement savings and benefits including the delivery of rebates and community benefits. It is proposed that responsibility for contract management arrangements sits with the Directorate with the largest spend.
5. Evaluation of Tenders and Quotes	Approval of the Council's Digital Services required for any purchase or tender involving the use, adoption or purchase of ICT or digital service, software or hardware.	Shadow IT poses security risks to the Council's IT network. The provisions in 5.4 strengthen the current position. Approval of the Council's Digital Services is now required rather than just its advice.
11. Consultants	11.8 Raises the permitted delegation level to Executive Directors, in consultation with the Chief Procurement	It is proposed that there is an increase in the current delegated threshold for consultancy spend from £25,000 to £50,000, above which the approval of the Finance and Resources Committee would be required. Further assessment and

	<p>Officer, from £25,000 to £50,000.</p>	<p>reasoning for this proposal is included in paragraphs 4.3-4.5 of the foregoing report.</p> <p>The proposed change reflects feedback that there can be delays to works projects if Committee approval must be sought for the appointment of certain professional services which are currently construed as consultancy under the CSOs e.g. an arboreal consultancy specialist, not anticipated at the outset but which is of a relatively low value in relation to the works programme. In view of the significant planned capital programme, in particular the Housing Programme, these specific exclusions are considered a proportionate operational change. Reporting requirements referenced in 4.4 of the foregoing report will still continue as they do currently, to ensure suitable transparency over any such appointments.</p>
<p>12 National Frameworks</p>	<p>The immediate adoption of frameworks is only permitted for those that meet the requirements of public procurement rules.</p>	<p>To introduce a distinction between the adoption of regulated and public procurement compliant frameworks which may be adopted and used without Committee approval immediately and those commercial frameworks that may not be compliant with public procurement regulations and which are not appropriate for such adoption.</p> <p>In line with approval levels for individual contracts, significant spend through call off contracts under national frameworks would require Committee approval. Clarification is provided that thresholds for call off contracts reflect the current goods, services and works contract levels.</p>

<p>Schedule</p>	<p>The initial approvals threshold has been raised from £3,000 to £5,000 with the provision that three quotes or price comparisons will be required over £3,000.</p> <p>Thresholds for services and health and social care services have been merged.</p> <p>Proposed Committee approval of consultancy spend has increased from £25,000 to £50,000.</p>	<p>The initial current £3,000 threshold, above which three formal written quotations must be obtained, has not been amended for seven years. Proportionality is sought between the difficulty experienced in obtaining three written quotes in each instance and securing Best Value. It is considered commensurate, and in line with practice in other local authorities, to raise the direct award threshold to £5,000. Purchasers will be directed to contracted providers in the first instance regardless of value. For purchases under £3,000 where there is no appropriate contracted provider it is proposed a light touch regime be applied with an encouragement to obtain another quote or price comparison including web shots, which may be more appropriate for low value purchases especially goods. Between £3,000 and £5,000 3 quotes or 3 price comparisons will be required.</p> <p>No substantive changes have been made only formatting for ease of understanding.</p> <p>As referred to above, and in the forgoing report, the spend that this change relates to is small, in proportionate terms, but may assist in mitigating against project delay and deliver a small reduction in committee reports (perhaps between 5 and 10 a year) in respect of this low level consultancy spend.</p>
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Appendix 2 Proposed Contract Standing Orders



CONTRACT STANDING ORDERS

27 June 20198

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Introduction

These Contract Standing Orders of the City of Edinburgh Council ("Council") apply from ~~28-27~~ June 201~~98~~ and apply (with certain exceptions) to all contracts made by or on behalf of the Council for the procurement of the execution of works, the supply of goods and materials to the Council, and/or for the provision of services.

Preliminary

1.1 Extent and interpretation

- 1.1.1 The Council makes these Standing Orders in terms of section 81 of the Local Government (Scotland) Act 1973.
- 1.1.2 These Standing Orders must be interpreted in accordance with the key principles of transparency, equal treatment, non-discrimination and proportionality.
- 1.1.3 These Standing Orders apply from ~~278~~ June 201~~98~~ and apply, subject to the provisions of Standing Order 1.1.5 ~~and 1.1.6~~, to all contracts made by or on behalf of the Council for the procurement of the execution of works, the supply of goods and materials to the Council, and/or for the provision of services (including consultancy services).
- 1.1.4 The Standing Orders are subject to the over-riding provisions of European Union (EU), United Kingdom (UK), or Scottish legislation. They are also subject to any EU Commission, UK government or Scottish Executive guidance on public procurement that may be issued from time to time.
- 1.1.5 The Standing Orders do not apply to any of the following:
 - 1.1.5.1 contracts of employment;
 - 1.1.5.2 contracts solely relating to the lease, purchase or disposal of heritable property;
 - 1.1.5.3 the allocation of direct payments or personal budgets under options 1, 2 or 4 of the Social Care (Self Directed Support) (Scotland) Act 2013;
 - 1.1.5.4 appointed guardians or legal services designated by a court of tribunal, any persons appointed under The Curators ad Litem and Reporting Officers (Panels) Scotland Regulations 2001 and the appointment of board members required by statute;
 - 1.1.5.5 contracts with statutory or public bodies -on the basis of an exclusive right enjoyed by law; and
 - 1.1.5.6 those contracts excluded by the 2015 or 2016 Regulations for example arbitration or conciliation services.

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1.1.6 These Standing Orders shall apply only as follows to contracts made on behalf of the Lothian Pension Fund for which the Council is the administering authority:-

1.1.6.1 In Standing Order 1.1, references to the Procurement Handbook and the Contract Management Manual shall be construed accordingly; Standing Order 2.1 shall not apply, Standing Order 2.9 to (and including) 2.13 shall apply only where it is appropriate in the circumstances, Standing Order 2.16 shall not apply, Standing Orders 4.2 and 4.3 shall apply only where it is appropriate in the circumstances, Standing Orders 11 and 12 shall not apply; and

1.1.6.2 The procedures set out in the Schedule shall apply but only to the extent required by the Act, the 2015 Regulations or the 2016 Regulations, the corresponding approvals required shall apply for such proposed contracts.

4.1.61.1.7 The Standing Orders must be read in conjunction with, and all Council staff must comply with, the Scheme of Delegation to Officers, the Council's Financial Regulations, the Procurement Handbook and the Contract Management Manual. Where there is any discrepancy, the Standing Orders shall take precedence.

4.1.71.8 Failure to comply with these Standing Orders when making purchases or seeking offers may result in disciplinary action.

4.1.81.9 Any query regarding the application or interpretation of these Standing Orders should be made in the first instance to the Chief Procurement Officer acting on behalf of the Executive Director of Resources.

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1.2 Definitions and interpretation

1.2.1 "Act" means the Procurement Reform (Scotland) Act 2014;

1.2.2 "Best Value" means the legal duty to secure continuous improvement in the performance of the Council's functions as set out in section 1 of the Local Government in Scotland Act 2003 as follows:-

"1 Local authorities' duty to secure best value"

(1) It is the duty of a local authority to make arrangements which secure best value.

(2) Best value is continuous improvement in the performance of the authority's functions.

(3) In securing best value, the local authority shall maintain an appropriate balance among—

(a) the quality of its performance of its functions;

(b) the cost to the authority of that performance; and

(c) the cost to persons of any service provided by it for them on a wholly or partly rechargeable basis.

(4) In maintaining that balance, the local authority shall have regard to—

(a) efficiency;

(b) effectiveness;

(c) economy; and

(d) the need to meet the equal opportunity requirements.

(5) The local authority shall discharge its duties under this section in a way which contributes to the achievement of sustainable development.

(6) In measuring the improvement of the performance of a local authority's functions for the purposes of this section, regard shall be had to the extent to which the outcomes of that performance have improved.
(7) In this section, "equal opportunity requirements" has the same meaning as in Section L2 of Part II of Schedule 5 to the Scotland Act 1998 (c.46)";

- 1.2.3 'CLT' means the Corporate Leadership Team;
- 1.2.4 'Consultant' means a specialist who charges a fee for providing advice or services such as but not limited to business or project management, human resources, environment, communication, information technology, property and estates and financial services, but excluding (i) agency, secondments and temporary workers, and (ii) professional services provided by solicitors, counsel and actuaries, and (iii) technical or specialist services required for works contracts or proposed works contracts such as quantity surveyors, cost consultants, design engineers and architects;
- 1.2.5 "Contract Manager" means the nominated Contract Manager for a specific contract who is responsible for dealing with supplier performance and contractual matters on a day to day basis;
- 1.2.6 Co-production – means the real and meaningful involvement of the citizens of Edinburgh including future recipients of the services and key stakeholders and suppliers (both current and potential) in how and what community services and related goods and works are delivered with regard to the National Standards for Community Engagement.
- 1.2.7 "Executive Director" means the relevant Executive Director (or in the case of the Edinburgh Integrated Joint Board the Chief Officer) of the procuring service area or for the purpose of exercising any powers set out in these Standing Orders the Chief Executive of the Council or, in the case of cross-directorate purchasing or absence of the relevant Executive Director or the Chief Executive, such Head of Service as that Executive Director has nominated in accordance with the Scheme of Delegation, the Executive Director of Resources or such Executive Director as the Chief Executive may nominate.
- 1.2.8 "EU Thresholds" means the prescribed threshold values set by the EU Commission for supply of goods, services, works, Social and other Specific Services or concession- contracts as they may be amended from time to time;

~~1.2.8~~ 1.2.9 "Framework" means an arrangement under which the terms and conditions are agreed, but where there is normally no commitment to subsequently place orders or call off contracts;

~~1.2.9~~ 1.2.10 "Head of Service" means the relevant Head of Service of the procuring Division service area (or in the case of the Edinburgh Integrated Joint Board the direct reports to the Chief Officer) in the case of the absence of the relevant Head of Service such other Head of Service that the Executive Director may nominate.

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4.2.101.2.11 “Legislative Exemptions” means an exemption from the application of procurement rules under EU law and principles developed through case law and other means.

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4.2.111.2.12 “Procurement Handbook” means the procurement handbook issued by the Executive Director of Resources, setting out the detailed requirements for the conduct of procurement activity within the Council (as amended from time to time).

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4.2.121.2.13 “Contract Management Manual” means the contract management manual issued by the Executive Director of Resources, setting out the detailed requirements for the conduct of contract management activity within the Council (as amended from time to time).

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4.2.131.2.14 “Procurement Requirement Form” means a document setting out as a minimum: -

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1.2.13.1 what is the Council's requirement for the goods, works or services and why do we need it?

1.2.13.2 what are all the available options, including internal provision, which is the best and why?

1.2.13.3 can and should the Council afford it?

1.2.13.4 what are the proposed supplier management arrangements and who is the nominated Contract Manager as required by Contract Standing Orders?

1.2.13.5 how do we track, measure and account for the benefits?

1.2.15 “Project Manager” means the nominated Project Manager for a specific contract who is responsible for dealing with the contractor's performance and contractual matters on a day to day basis;

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4.2.141.2.16 “2015 Regulations” means the Public Contracts (Scotland) Regulations 2015 or successor legislation (as amended from time to time);

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4.2.151.2.17 “2016 Regulations” means the Procurement (Scotland) Regulations 2016 or successor legislation (as amended from time to time);

4.2.161.2.18 “Regulated procurement” means a procedure to award a regulated contract being a public contract which is equal to or greater than £50,000 (other than works or health or social care contracts) or £2million for works contracts;

4.2.171.2.19 “Schedule” means the schedule to these Standing Orders;

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~~4.2.18~~1.2.20 “Social and other Specific Services” means a public contract or framework for social and other specific services as defined by the 2015 Regulations including:-

1.2.2018.1 Health, social and related services

1.2.2018.2 —Administrative social, educational, healthcare and cultural services

1.2.2018.3 Other community, social and personal services

1.2.2018.4 Legal services

1.2.2018.5 Investigation and security services

1.2.2018.6 Postal services

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~~4.2.19~~1.2.21 “Standing Orders” means these standing orders including the Schedule and “Standing Order” shall be interpreted accordingly.

1.3 General Principles

1.3.1 The relevant officer with responsibility for commissioning and/or procuring shall, prior to commencing any procurement process, ensure that an appropriate Procurement Requirement Form that meets the strategic and service objectives of the Council is completed in order to ensure that Best Value is achieved, that it complies with relevant sustainable development and equality requirements required by law and Co-production with key stakeholders is planned as appropriate and proportionate to the nature of the proposed contract,

1.3.2 The Procurement Requirement Form shall include consulting with other Council service areas to ensure that where there is a need for the same or similar services that they are jointly procured where appropriate. Where the approximate value of any proposed procurement is likely to exceed £1 million (or £250,000 in the case of consultancy spend) the relevant Procurement Requirement Form shall require the approval of the relevant Executive Director prior to proceeding to procurement.

1.3.3 All potential contracts above the EU thresholds and Regulated procurements must comply with the general principles of equal treatment, non-discrimination, transparency and proportionality. Procurements must not be designed with the intention of unduly favouring or disadvantaging any potential tenderer.

1.3.4 Throughout the life of a contract the contract should:-

- a. comply with the minimum standards set out in the Procurement Handbook and the Contract Management Manual and

- b. be managed by the Contract Manager-or as appropriate the Project Manager in respect of
 - i. performance;
 - ii. compliance with the specification and other terms of the contract;
 - iii. -cost and benefits;
 - iv. Best Value requirements;
 - v. equality requirements;
 - vi. delivery and risk management; and
 - vii. -continuous improvement and Co-production principles.

1.3.5 All procedures for initiating procurement, developing procurement plans, inviting and receiving tenders, approval of contracts, and all contractual arrangements entered into shall comply with the Council's equality and sustainability requirements and policies, shall encourage fair working practices and payment of the Living Wage and, where appropriate, contractual or procurement arrangements shall include the use of community benefit clauses.

1.3.6 All expenditure must comply with the Council's Financial Regulations.

1.3.7 Grants while not subject to the full application of the procurement regulations should be allocated in consultation with the Chief Procurement Officer and are subject to the requirement to

a. secure Best Value;

a-b. comply with the Council's Grant Standing Orders;

b-c. comply with the Council's Finance Rules; and

e-d. adhere to the Compact values in particular fairness, transparency, equality of treatment and mutual respect; -and

d. comply with any guidance on grants in the Procurement Handbook

2 Procedures

2.1 In addition to the obligations in Standing Order 1.3, before commencing a tendering procedure or making a purchase where no contract exists the relevant Executive Director must consult with the Chief Procurement Officer to establish whether:

2.1.1 The Council has an existing contract for the same or similar requirement which may fulfill their requirements and provide Bbest

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~~V~~value; or

- 2.1.2 there is any existing internal provision or other resources which could be used.
- 2.2 The procedure for the award of any contract shall depend upon the estimated aggregated value of that contract. The EU rules on aggregation of contracts shall apply and the artificial splitting of purchase orders or requirements to avoid the application of these Standing Orders is not permitted.
- 2.3 Subject to Standing Order 9 and 1.1.6, or where otherwise legally permitted in respect of proposed contracts which exceed the Regulated procurement thresholds provided by the Act or the EU Thresholds, the minimum associated tendering procedures that must be applied are detailed in the Schedule.
- 2.4 For a procedure other than competitive tendering e.g. the negotiated procedure without prior advertisement, advice must be sought from the Head of Legal and Risk and/or Chief Procurement Officer.
- 2.5 Health, social care and community services shall be procured in accordance with the Act, the 2015 Regulations, the 2016 Regulations, the Procurement of Care and Support Services 2016 (Best Practice), any statutory guidance issued under the Act and the principles of Co-production.
- 2.6 For all purchases in excess of £50,000 for the supply of goods and services and £2million for works the sustainable procurement duty introduced by the Act requires that before buying anything the Council must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates with a particular focus on inequality and then act in a way that secures these improvements.
- 2.7 In accordance with its sustainable procurement duty the Council must consider how its procurement processes can facilitate the involvement of Small or Medium Enterprises (SMEs), third sector bodies and supported businesses and how innovation can be promoted. For contracts over the EU thresholds a contract may be awarded in the form of separate lots and where the decision is not to award in the form of separate lots this should be explained in the procurement documents.
- 2.8 The Council may reserve the right to participate in a tendering procedure to providers operating supported businesses, supported employment programmes or supported factories where more than 30% of the workers are disabled or disadvantaged persons in accordance with the 2015 Regulations. Where this right is exercised by the Council the contract award procedures provided by the Regulations and Act shall be followed.
- 2.9 Where legally permissible the Council shall seek to ensure that for purchases or contracts of an estimated value of £50,000 or less that at least one ~~Small or Medium Enterprise~~ (SME) from the City of Edinburgh or an SME who is a significant employer within the City of Edinburgh is invited to tender in any process. For future repeat procurements for similar goods, services or works the Council shall seek to ensure that at least one new SME from the City of Edinburgh or a new significant employer within the City of Edinburgh is invited

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to tender in any process.

- 2.10 Direct purchasing below £53,000 where the purchase cannot be secured from an existing contracted supplier without competitive tendering is permissible subject to the Council's duty to secure Best Value. Best Value will normally be secured by seeking 3 quotes and/or evidence of firm fixed prices where possible, and is required for all purchases above £3,000.
- 2.11 Direct purchasing above £53,000 without seeking more than one quotes is permissible only in those circumstances that would be permitted by the Act, the 2015 Regulations, the 2016 Regulations or in accordance with Standing Order 9.
- 2.12 The Chief Procurement Officer shall be consulted as appropriate in respect of tendering arrangements for any proposed contracts with an estimated value of less than £25,000 including individual call off contracts and direct awards under Frameworks.
- 2.13 The Chief Procurement Officer may seek advice and escalate such risks as considered appropriate to the Head of Legal and Risk who shall advise as to the appropriate action.
- 2.14 The Chief Procurement Officer shall advise on and make all tendering arrangements for any proposed contracts with an estimated value in excess of £25,000 including individual call off contracts and direct awards under Frameworks.
- 2.15 If an unsuccessful tenderer brings a written or formal challenge against the Council in relation to a tender exercise or questions the integrity of the tender process, the recipient of the notice of challenge or query must inform the Chief Procurement Officer. The Chief Procurement Officer must inform the Head of Legal and Risk as to potential legal challenges.
- 2.16 Parent Teacher Association monies may be subject to the application of the procurement regulations where the contract is entered into by the Council. The prior consent of the Council must be obtained where the expenditure of Parent Teacher Association monies will result in alterations to Council land or buildings, or require equipment to be fixed to Council land or buildings, or have health or safety implications or maintenance obligations.

The Role and Responsibilities of Executive Directors

- 3.1 Each Executive Director retains responsibility for selecting and appointing contractors, providers, suppliers or Consultants for their Directorate, but shall seek guidance, as appropriate from the Chief Procurement Officer. The Chief Procurement Officer shall be consulted at the earliest opportunity to ensure that all purchasing arrangements are made in compliance with these Standing Orders.
- 3.2 Each Executive Director has responsibility for all contracts tendered and let by their Directorate and is accountable to the Council for the performance of their duties in relation to contract letting and management, which are:
- 3.2.1 to ensure compliance with these Standing Orders, the Procurement

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Handbook and the Contract Management Manual;

- 3.2.2 to ensure no contract is entered into by the Council without seeking advice, where appropriate, from the Chief Procurement Officer and Head of Legal and Risk and having proper regard to such advice;
- 3.2.3 to ensure that appropriate contract security (for example guarantees or performance bonds) is obtained where required or considered prudent;
- 3.2.4 to prepare and approve where required by these Standing Orders an appropriate Procurement Requirement Form for each proposed purchase or contract;
- 3.2.5 to prepare, in consultation with the Chief Procurement Officer, appropriate contract and tender documents which clearly specify the scope, quality and quantity of the works, goods or services;
- 3.2.6 to check whether there is any existing Council or other collaborative framework that can appropriately be used to achieve Best Value for the Council before undergoing a further competitive tender process;
- 3.2.7 to keep all bids confidential subject to any legal requirements;
- 3.2.8 to take appropriate measures to prevent, identify and remedy conflicts of interest arising in the conduct of procurement procedures so as to avoid distortion of competition and to ensure equal treatment of tenderers;
- 3.2.9 to ensure that any evaluation panel is suitably qualified and trained to assess tenders;
- 3.2.10 to ensure no supplier is requested by the Council to provide goods, services or works without first having a valid purchase order in place;
- 3.2.11 to enter all purchase order information onto the relevant Council financial system prior to the service or goods being delivered;
- 3.2.12 to ensure that for contracts of a value greater than £53,000 for goods and services and £10,000 for works, the contract register record is updated within 5 working days following issue of contract award and in any event prior to start date of contract;
- 3.2.13 to arrange for the publication of a contract award notice on Public Contracts Scotland for Regulated procurements including call offs from frameworks where the value (including aggregate values) exceeds £50,000 (other than works or health and social care contracts) or £2million for works as required by the Regulations
- 3.2.14 to ensure all relevant staff putting in place a contract have read and understood and are familiar with these Standing Orders, the Procurement Handbook, the Contract Management Manual or other guidance issued in respect of these Standing Orders;
- 3.2.15 to conduct a timely Integrated Impact Rights Assessment and/or

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privacy impact assessment as appropriate;

- 3.2.16 to ensure contracts are awarded, any necessary checks such as IR35 or Disclosure Scotland checks are carried out and any appropriate contract security documents are signed before the supply of goods, works, services ~~or supply~~ provision commences;
- 3.2.17 to put in place arrangements for efficient contract and supplier management including the identification of a Contract Manager or Project Manager and management of benefits and performance, for the entire duration of the contract or Framework. For Frameworks or contracts used by more than one Directorate the arrangements for contract and supplier management shall be made by the Executive Director for the Directorate with the largest spend or anticipated spend in respect of the same and pending such decision being made the contract management arrangements shall be made by the Director for the Directorate submitting the Procurement Requirement Form;
- 3.2.18 to retain a copy of the contract and keep proper records of all contracts and tenders, including minutes of tender evaluation panels and other meetings;
- 3.2.19 to take immediate action in the event of a breach of these Standing Orders or non-compliance with the Procurement Handbook or the Contract Management Manual within his/her directorate;
- 3.2.20 to consult with Elected Members on matters reasonably considered politically, reputationally or financially sensitive in relation to proposed procurement activity and to brief Elected Members as appropriate at the Procurement Requirement Form stage of such procurements; and
- 3.2.21 to make appropriate arrangements for the opening of tenders and their secure retention ~~so as~~ to protect the integrity of the procurement process ~~and where tenders are received in paper form to ensure they are opened in the presence of an officer nominated by the Chief Procurement Officer together with a witness.~~

Tender Documents

- 4.1 The tender documents shall clearly set out the proposed method of evaluation as well as the scope, timing, quality and quantity of the works, services and supply of goods ~~es~~ required by the Council.
- 4.2 The Head of Legal and Risk will be consulted on conditions of contract for particularly significant or complex projects or contracts.
- 4.3 The Council's conditions of contract shall be used for all purchases over £53,000 unless the Head of Legal and Risk has advised that this is not required.

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5 Evaluation of Tenders and Quotes

- 5.1 Tenders and quotes shall be evaluated on the basis of most economically advantageous and the best price-quality ratio. The award of a contract on the basis of lowest cost alone will only be permitted for goods and services contracts below £50,000, works contracts below £2million or under ~~F~~frameworks awarded prior to 18 April 2016.
- 5.2 Tenders and quotes received after the closing date and time stipulated for return of tenders, or tenders which are incomplete or in an incorrect format will not be opened or considered unless the Council, acting proportionately, decides that there are circumstances which allow it to exercise discretion in allowing consideration of the tender. The Chief Procurement Officer must be consulted if tenders which are submitted late, incomplete or in an incorrect format are to be evaluated.
- 5.3 Tenders shall be evaluated by a tender evaluation panel which should comprise officers having sufficient knowledge and technical ability to enable them to evaluate detailed tenders appropriately. The evaluation process shall follow any guidance issued by the Chief Procurement Officer and be fully and appropriately documented.
- 5.4 Where a proposed purchase or tender involves the use, adoption or purchase of ~~any form of an~~ Information ~~and~~ Communications Technology (ICT) ~~device~~ or digital service, software or hardware ~~then~~ the ~~approval~~ ~~device~~ of the Council's ~~Digital ICT S~~services must be sought at the Procurement Requirement ~~Form~~ stage and any purchase ~~for any value~~ must be undertaken in collaboration ~~and with the approval of with~~ the Council's ~~Digital ICT Solutions S~~services. The Council's ~~existing Strategic ICT and Transformation~~ contract should be used for any Council requirements unless it is unsuitable or will not provide ~~B~~best ~~V~~value.

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6 Acceptance and Award of Contracts

- 6.1 Following the conclusion of the procedure for awarding contracts set out in these Standing Orders and, where applicable, the expiry of the mandatory standstill period, the resulting contract between the Council and successful tenderer shall follow the approval process detailed in the Schedule. The signing of the contract document or letter of acceptance shall be in accordance with the Scheme of Delegation.

7 Eligibility to tender and termination, variation or suspension of a contract

- 7.1 The relevant Executive Director, having due regard to legal advice from the Head of Legal and Risk, may treat a potential tenderer as ineligible to tender where there are reasonable grounds to conclude that the contractor or potential tenderer:
- 7.1.1 has committed an act of grave misconduct in the course of their business or profession; or
- 7.1.2 has shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract which led to early termination of that prior contract, damages or other comparable

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sanctions, subject to consideration by the Council of any measures taken to demonstrate reliability; or

7.1.3 falls within one or more of the other grounds set out in the 2015 Regulations or

7.1.4 has compiled, used, sold or supplied a prohibited list which:

- i. contained details of persons who are or have been members of trade unions or persons who are taking part or have taken part in the activities of trade unions, and
- ii. was compiled with a view to being used by employers or employment agencies for the purposes of discrimination in relation to recruitment or in relation to the treatment of workers, within the meaning of the Employment Relations Act of 1999 (Blacklists) Regulations 2010.

7.2 The relevant Executive Director may terminate, suspend or vary a contract, in accordance with the express or implied terms of the contract and may also take such further action with regard to any contract as the Council is legally entitled to take.

7.3 The relevant Executive Director will notify the Head of Finance and Chief Procurement Officer without delay of any actions taken in accordance with Standing Order 7.1 to 7.2.

Electronic Procurement

8.1 Requests for quotations and invitations to tender shall be issued and/or received by electronic means.

Waiver of Contract Standing Orders or Legislative Exemptions

9.1 The requirement to comply with any provision of these Standing Orders may be waived in accordance with the waiver approval process detailed in the Schedule if on considering a written report by an appropriate officer the waiver is considered to be in the Council's best interests having regard to

9.1.1 Best Value;

9.1.2 any potential risk of successful legal challenge;

9.1.3 the principles of transparency, equal treatment, non-discrimination and proportionality; and

9.1.4 any impact upon services users.

9.2 A record of the decision approving a waiver must be kept by the relevant Executive Director and a copy of such approved waiver provided to the Chief Procurement Officer who shall where appropriate make an entry in the contract register and any other appropriate register.

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9.3 Where approval for a waiver of these Standing Orders has not been obtained in advance the reason for this must be contained in the waiver or Committee report.

9.4 Where a waiver, committee approval or procedure permitted by this Standing Order 9 allows the direct award of a contract which exceeds £50,000 then a contract award notice must be recorded on the Public Contracts Scotland portal and the relevant Executive Director must notify Commercial and Procurement Services of the details to allow entry on the contract register and any other appropriate register,

9.5 Where these Standing Orders have been waived in accordance with this Standing Order 9 the relevant **Executive** Director shall put in place a written contract for that requirement without delay, inform the Chief Procurement Officer and ensure appropriate plans are made for tendering the requirement where appropriate.

9.6 The requirement to waive these Standing Orders is not required where:-

9.6.1 a procedure or specific situation other than the open or restricted procedure is permitted by the 2015 Regulations, 2016 Regulations, the Act, EU law or relevant case law. In deciding whether the use of another procedure or specific situation is permitted the relevant Head of Service or **Executive** Director shall seek advice from the Chief Procurement Officer and/or Head of Legal and Risk

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9.6.2 the circumstances of the proposed contract are covered by legislative exemptions, for example certain research and development services

9.6.3 contracts with another public body for the purposes of ensuring co-operation with the aim of providing public services, -or

9.6.4 a tender process or contract negotiations are currently in progress and contact award and contract commencement is anticipated within four months.

Contract extensions or variations

10.1 Subject to 10.2, an Executive Director (or where the value or consequent change in price does not exceed £25,000, the relevant Head of Service) may authorise an extension to a contract, or any other variation including a consequent change in price, provided such extension or variation has been provided for in the initial procurement documents which may include price revision clauses or options, is not contrary to the Act, the 2015 or 2016 Regulations or the Council's EU obligations.

10.2 An Executive Director or Head of Service shall not extend or vary a contract if such extension or variation is not expressly permitted by the contract without seeking advice from the Head of Legal and Risk or the Chief Procurement Officer.

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10.3 The EU rules on aggregation of contracts shall apply.

11 Consultants

- 11.1 Consultants shall only be appointed where the service cannot be provided by Council staff due to a lack of expertise or capacity.
- 11.2 -The cost of appointing a Consultant shall be contained within the budget of the service or project for which the Consultant is to be appointed.
- 11.3 Executive Directors shall ensure a clear specification identifying the required outcomes shall be in place at the time of appointing the Consultant.
- 11.4 Executive Directors shall ensure that appropriate monitoring arrangements, such as gateway reviews, are in place prior to a Consultant's appointment in order that payments to the consultant are only made in accordance with the satisfactory achievement of measurable outcomes.
- 11.5 Where a Consultant is to be appointed and the services are:-
- 11.5.1 of a financial nature the Head of Finance must be consulted on the scope and specification of the services prior to appointment.
- 11.5.2 of a legal nature the Head of Legal and Risk must be consulted on the scope and specification of the services prior to appointment.
- ~~11.5.3~~ 11.5.3. of an ICT or Digital Services nature, the Head of Customer and Digital Services ~~ICT~~ must be consulted on the scope and specification of the services prior to appointment.
- For all other appointments the relevant Executive Director shall approve the scope and specification where the services (or series of related services) are anticipated to be provided at an aggregate cost of up to ~~£250,000~~.
- 11.6 Where Consultants are appointed, Executive Directors shall ensure that where appropriate, Council staff fill key project roles and work closely with Consultants to maximise the potential for transfer of skills and knowledge to Council staff.
- 11.7 Executive Directors shall maintain up-to-date records on the consultancy spend within their ~~Directorates service area~~ and shall include consultancy spend as a line in the Annual Consultants Report ~~detailed monitoring reports~~ for Finance and Resources Committee ~~months six and twelve of each financial year to CLT~~.
- 11.8 Subject to 11.9 the appointment of a Consultant where the services (or series of related services) are anticipated to be provided at an aggregate cost of ~~£5025,000~~ or more shall follow the approval process detailed in

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the Schedule.

11.9 Further approval shall not be required for services that are essential to the completion of a Pre-Approved Council Project. A Pre-Approved Council Project is a project for which there is:

11.9.1 approved revenue or capital expenditure in accordance with the Council's Financial Regulations; and

11.9.2 for projects that have a Council or appropriate committee report approving the recommendation to commence the project which includes an explicit reference to the requirement for consultants in the delivery of that project.

11.10 Committee approval shall not be required for the appointment of a Consultant employed in ~~the the design, evaluation and~~ delivery of a works contract where the value ~~of that works contract~~ is below the Committee reporting requirements as set out in the Contract Standing Orders for services or works. Any such appointment shall require the prior approval of the relevant Executive Director and the Chief Procurement Officer and details of any such appointments shall be included in a regular update report to CLT for noting.

11.11 In the event that the requirements of 11.9.2 are not met and the use of a Consultant is required as a matter of urgency the urgency provisions set out in provision 4 of the Council's Committee Terms of Reference and Delegated Functions and the Waiver provisions contained in- Contract Standing Order 9 -where appropriate should be followed.

11.12 An Executive Director shall not appoint a former employee who has been granted early retirement or been given a redundancy or severance package ("former employee") as a consultant unless:

11.12.1 a minimum of 1 year has elapsed since the former employee ceased to be employed by the Council; or

~~subject to consultation with the Chief Executive, the Executive Director is satisfied that there is a clear and robust justification for the appointment of the former employee as a consultant,~~

National Frameworks

~~without delay from National Frameworks which comply with the relevant procurement legislation such as those put in place by Scotland Excel, or Scottish Procurement, Yorkshire Purchasing Organisation, Crown Commercial Services or the East Shires Purchasing Organisation, without delay the Council may make use of the framework and make purchases under that framework subject to reporting the initial adoption of such frameworks in a six-monthly report to the Finance and Resources Committee~~

~~12.2 Individual call-off contacts placed under Council or National Frameworks shall be subject to the approvals thresholds as detailed in the Schedule.~~

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Review of Standing Orders

13.1 These Standing Orders will be reviewed at least annually.

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Schedule

RELEVANT VALUES AND ASSOCIATED TENDERING PROCEDURE

Total value for duration of contract or purchase (aggregation rules apply)*	Procedure	Approval of contractual obligation	Committee Approval
Up to £53,000	<p>Use existing local, national, Council framework or call- off contracts or</p> <p>Appropriate choice of provider documenting reasoning and quote or</p> <p>Public Contracts Quick Quote facility.</p> <p>Best Value must be delivered <u>and this will usually be demonstrated by seeking 3 quotes, 3 quotes or 3 price comparisons will be required where possible for all purchases above £3,000</u></p>	Executive Director, Head of Service or such other officer to whom the relevant Executive Director or Head of Service has appropriately delegated their powers to in consultation with Chief Procurement Officer as appropriate	Not required
<p>£53,000 to £25,000 (including excluding health or social care services)</p>	<p>Use existing local, national, Council framework or call- off contracts or</p> <p>Seek a minimum of 3 quotes using Public Contracts Scotland "Quick Quote" facility or</p> <p>3 written/formal quotations – written description of requirements followed by written / electronic submission of quotes</p> <p><u>for Social and other Specific Services for Health or Social Care Services:-</u> <u>Contracts to be awarded in accordance with the</u></p>	Executive Director, Head of Service or such other officer to whom the relevant Executive Director or Head of Service has appropriately delegated their powers to in consultation with Chief Procurement Officer as appropriate, and Head of Legal and Risk as appropriate	Not required

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	<u>Procurement of Care and Support Services 2016 (Best Practice) and any statutory guidance issued under the Act</u>		
£53,000 up to £250,000 for Consultancy spend	<p>Use existing local, national, Council framework or call-off contracts or</p> <p>Seek minimum of 3 quotes using Public Contracts Scotland "Quick Quote" facility <u>up to a value of £50,000</u></p> <p>or</p> <p>written/formal quotations – written description of requirements followed by written / electronic submission of quotes <u>up to a value of £50,000 unless otherwise agreed with Chief Procurement Officer</u></p> <p><u>or</u></p> <p><u>Invitation to tender following public advertisement - Public Contracts Scotland portal and where these are Regulated Procurements comply with the provisions for Regulated procurements as set out in the Act and the 2016 Regulations (generally above £50,000)</u></p>	Executive Director, Head of Service or such other officer to whom the relevant Executive Director or Head of Service has appropriately delegated their powers to in consultation with Chief Procurement Officer and Head of Legal and Risk as appropriate <u>up to £50,000.</u>	Not required
£250,000 and above for Consultancy spend***	<p>Use existing local, national, Council framework or call-off contracts <u>where they comply with the 2015 and 2016 Regulations as applicable</u>, -or-</p> <p>Invitation to tender following public advertisement - Public Contracts Scotland portal and where these are Regulated Procurements- comply with the provisions for Regulated procurements required by the Act and the 2016 Regulations</p>	<u>Not applicable</u>	Approval to award sought from Finance and Resources Committee** or Council <u>where value exceeds £50,000</u>

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	<p>or</p> <p>Public Contracts Quick Quote facility up to a value of £50,000.</p>		
<p>£25,000 and above up to EU Thresholds for services and supplies (in cluding health or social care services and consultancy services)</p>	<p><u>Where Best Value can be demonstrated use existing local, national, Council framework or call-off contracts where they comply with the 2015 and 2016 Regulations as applicable, -or-</u></p> <p>Invitation to tender following public advertisement – using the Public Contracts Scotland portal and where these are Regulated Procurements comply with the provisions for Regulated procurements required by the Act and the 2016 Regulations</p> <p>or</p> <p>Public Contracts Quick Quote facility up to a value of £50,000.</p> <p><u>or</u></p> <p><u>for Social and other Specific Services for Health or Social Care Services-</u></p> <p><u>Contracts below EU thresholds to be awarded in accordance with the Procurement of Care and Support Services 2016 (Best Practice) and any statutory guidance issued under the Act</u></p> <p><u>Contracts above EU thresholds follow the relevant light touch provisions in the Procurement Regulations</u></p>	<p>Executive Director or Head of Service (where delegated authority has been given) in consultation with- Chief Procurement Officer (and Head of Legal and Risk as appropriate) up to £1million.</p>	<p><u>Approval to award sought from Finance and Resources Committee** or Council where value exceeds £1million Not required</u></p>
	<p>Use existing local, national, Council framework or call-off</p>	<p>Executive Director or Head of</p>	

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<p>£25,000 and above for works up to EU Thresholds for works</p>	<p>contracts <u>where they comply with the 2015 and 2016 Regulations as applicable</u>, or</p> <p>Public Contracts Quick Quote facility up to a value of £2million.</p> <p>Invitation to tender following public advertisement - Public Contracts Scotland portal- and where these are Regulated Procurements comply with the provisions for Regulated procurements as set out in the Act and the 2016 Regulations</p>	<p>Service- (where delegated authority has been given) in consultation -with Chief Procurement Officer (and Head of Legal and Risk as appropriate) up to £500,000.</p> <p>Executive Director approval- in consultation and -Chief Procurement Officer (and Head of Legal and Risk as appropriate), between £500,000 and £2million.</p>	<p>Approval to award sought from Finance and Resources Committee** or Council where value exceeds £2million</p>
<p>£25,000 up to EU Threshold for Social and other Specific Services for Health or Social Care Services</p>	<p>Use existing local, national, Council framework or call-off contracts or</p> <p>Contracts to be awarded in accordance with the Procurement of Care and Support Services 2016 (Best Practice) and any statutory guidance issued under the Act</p>	<p>Executive Director or Head of Service (where delegated authority has been given) in consultation with Chief Procurement Officer (and Head of Legal and Risk as appropriate) up to EU threshold for Social and other Specific Services for Health or Social Care Services</p>	<p>Not required.</p>
<p>Above EU Threshold for services, Social and other Specific Services and supplies</p>	<p>Use existing local, national, Council framework or call-off contracts, or</p> <p>Invitation to tender following advertisement in OJEU - Public Contracts Scotland portal</p> <p>or</p>	<p>Executive Director approval in consultation with Chief Procurement Officer (and Head of Legal and Risk as appropriate), up to £1million</p>	<p>Approval to award sought from Finance and Resources Committee** or Council where value exceeds £1million</p>

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	<p>negotiated procedure without prior publication, competitive procedure with negotiation, competitive dialogue or innovative partnerships where permitted by the 2015 Regulations</p>		
<p>Above EU Threshold for works</p>	<p>Use existing local, national, Council framework or call-off contracts, or</p> <p>Invitation to tender following advertisement in OJEU – Public Contracts Scotland portal</p> <p>or</p> <p>negotiated procedure without prior publication, competitive procedure with negotiation, competitive dialogue or innovative partnerships where permitted by the 2015 Regulations</p>		<p>Approval to award sought from Finance and Resources Committee** or Council</p>
<p><u>Above £50,000 for individual call off-contracts for services and supplies placed placed under National Frameworks subject to compliance with the relevant procurement legislation (excluding consultancy services)</u></p>	<p>In accordance with the call-off provisions specified for that <u>National Framework.</u></p>	<p><u>Executive Director or Head of Service (where delegated authority has been given) in consultation with Chief Procurement Officer (and Head of Legal and Risk as appropriate) up to £1million.</u></p>	<p><u>Approval to award sought from Finance and Resources Committee** or Council where value exceeds £1 million</u></p>
<p><u>Above £50,000 for individual call off-contracts for works placed under National Frameworks subject to compliance with the relevant procurement legislation (excluding consultancy services)</u></p>	<p>In accordance with the call-off provisions specified for that <u>National Framework.</u></p>	<p><u>Executive Director or Head of Service (where delegated authority has been given) in consultation with Chief Procurement Officer (and Head of Legal and Risk as appropriate) up to £500,000.</u></p>	<p><u>Approval to award sought from Finance and Resources Committee** or Council where value exceeds £2million.</u></p>

		<u>Executive Director approval in consultation with the Chief Procurement Officer (and Head of Legal and Risk as appropriate), between £500,000 and £2million.</u>	
Above EU Threshold for concession contracts	Publication of a Concession Notice in OJEU and compliance with the requirements of the Concession Contracts (Scotland) Regulations 2016	Executive Director approval in consultation with the Chief Procurement Officer (and Head of Legal and Risk) as appropriate) up to £5million	Approval to award sought from Finance and Resources Committee** or Council— where the value exceeds £5million

* the estimated value of the contract is the value of the total consideration (not including VAT) which the Council expects to be payable under or by virtue of the contract. Contracts must not be artificially disaggregated.

**Contracts for Lothian Pension Fund shall be subject to Pensions contracts may seek the approval of the Pensions Committee.

*** **The provisions of 11.9 Consultants shall apply**

WAIVER APPROVAL PROCEDURE

* the estimated value of the contract is the value of the total consideration (not including VAT) which the Council expects to be payable under or by virtue of the contract.

Total value for duration of Waiver (aggregation rules apply)*	Approval of waiver	Committee Approval
Up to £53,000	Not required	Not required
Above £53,000 to £50,000 (excluding consultancy spend)	The relevant - Executive Director or Head of Service to whom the relevant Executive Director has appropriately delegated their powers to and the - Chief Procurement Officer	Not required
Above £50,000 -£250,000 (£53,000-£250,000 in the case of consultancy spend)	The relevant -Executive Director, and the Executive- Director of Resources (or the Chief Executive where the relevant Executive Director is the -Executive Director of Resources)	Not required
Above £250,000 (above £250,000 in the case of consultancy spend)		Approval to waive sought from Finance and Resources Committee** or Council as the Chief Executive considers appropriate

Contracts must not be artificially disaggregated.

**Contracts for Lothian Pension Fund shall be subject to the approval of the Pensions Committee.

*** The provisions of 11.9 Consultants shall apply

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Contract Standing Orders

