

**WALES FIRE & RESCUE
PROCUREMENT SERVICE
CONTRACT STANDING ORDERS**

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All costs stated in these Standing Orders are exclusive of VAT, staff costs and fees

A BRIEF GUIDE TO CONTRACT STANDING ORDERS

These Contract Standing Orders (issued in accordance with section 135 of the 1972 Local Government Act) are intended to promote good purchasing practice and public accountability and deter corruption. Following these Standing Orders is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Officers responsible for purchasing or disposal must comply with these Contract Standing Orders. They lay down minimum requirements although a more thorough procedure may be appropriate for particular contracts and it is therefore recommended that advice be sought from a member of the Procurement team.

The Standing Order covers both Capital and Revenue expenditure contracts, from large complex Capital Schemes to goods and services of a revenue nature. They have to be followed for all spend irrespective of funding source e.g. Fire Authority, Welsh Government etc.

For the purposes of these Standing Orders, where there is a requirement for communication to be in writing, this shall be deemed to include e-mail and fax transmissions as well as hard copy. Officers of the service must:-

- Follow the Standing Orders and accompanying Procurement Procedural Guide if you purchase goods, services or works.
- Take all necessary legal, financial and professional advice.
- Declare any personal financial interest in a contract. Corruption is a criminal offence.
- Conduct any Best Value review and appraise the purchasing need.
- Check whether there is an existing Corporate Contract or framework you can make use of before undergoing a competitive process.
- Allow sufficient time for the submission of bids.
- Keep bids confidential.
- Complete a written contract or Fire and Rescue Service purchase order before the supply or works begin.
- Identify a project lead with responsibility for ensuring the contract delivers as intended.
- Keep records of dealings with suppliers.
- Assess each contract afterwards to see how well it met the purchasing need and Value for Money requirements.

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| SECTION 1: SCOPE OF CONTRACT STANDING ORDERS | | |
| CSO1 BASIC PRINCIPLES | | |
| 1.1 | <p>All purchasing and disposal procedures must:</p> <ul style="list-style-type: none"> a) achieve Best Value for public money spent on the most economically advantageous tender (MEAT) methodology b) be consistent with the highest standards of integrity c) ensure fairness in allocating public contracts d) comply with all legal requirements e) ensure that Non-commercial Considerations do not influence any Contracting Decision f) support the corporate and departmental aims and policies g) comply with the Wales Fire & Rescue Procurement Service Strategy | FA 12.06.17 Min No 14 |
| CSO2 OFFICER RESPONSIBILITIES | | |
| 2.1 | Officers | |
| 2.1.1. | Officers responsible for purchasing or disposal must comply with these Contract Standing Orders, Financial Regulations, the Code of Conduct and with all UK and European Union binding legal requirements. Officers must ensure that any Agents, Consultants and contractual partners acting on their behalf also comply. | FA 12.06.17 Min No 14 |
| 2.1.2 | <p>Officers must:</p> <ul style="list-style-type: none"> a) have regard to the guidance in the Procurement Procedures b) check whether a suitable Corporate Contract or framework exists before seeking to let another contract; where a suitable Corporate Contract or framework exists, this must be used unless there is an auditable reason not to c) keep the records required by CSO 6 d) take all necessary legal, financial and professional advice. | FA 12.06.17 Min No 14 |
| 2.1.3 | When any employee either of the authority or of a service provider may be affected by any transfer arrangement, Officers must ensure that the Transfer of Undertaking (Protection of Employment) (TUPE) issues are considered and obtain legal advice before proceeding with inviting Tenders or Quotations. | FA 12.06.17 Min No 14 |
| 2.2 | Chief Officers | |
| 2.2.1 | <p>Chief Officers must:</p> <ul style="list-style-type: none"> a) ensure that their staff comply with these Contract Standing Orders b) ensure that contracts completed by signature or seal are forwarded to the Procurement Department who will arrange for their safekeeping. A copy is also to be retained by the user department. c) ensure that exemptions are properly recorded under CSO 3. | FA 12.06.17 Min No 14 |

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| CSO3 | EXEMPTIONS, COLLABORATIVE AND E-PROCUREMENT ARRANGEMENTS | |
| 3.1 | Exemptions | |
| 3.1.1 | Exemptions to these Contract Standing Orders will only be granted in exceptional circumstances upon receipt of the exemption form. Where exemptions are granted this does not negate the need to have a contract in writing in accordance with these Contract Standing Orders. Guidance upon when exemptions may be appropriate can be found in the Procurement Procedures. | Del.8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 3.1.2 | Where a proposed contract is likely to exceed the EU Threshold for Supplies and Services Contracts, subject to CSO 3.1.3 below no officer has delegated powers to grant an exemption. | Del.8.1.3.vii 31.03.19 FA 12.06.17 Min No 14 |
| 3.1.3 | Where an exemption is necessary because of an unforeseeable emergency involving immediate risk to persons, property or serious disruption to Fire and Rescue Authority services, the Designated Officers may jointly approve the exemption but they must prepare a report for the next Fire and Rescue Authority to support the action taken where applicable. | FA 12.06.17 Min No 14 |
| 3.1.4 | All exemptions must be recorded using the Request for Exemption Form. Exemptions shall be approved by the Procurement Team. | Del.8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 3.1.5 | The Procurement Team must monitor the use of all exemptions. | Del.8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 3.2 | Collaborative Procurement | |
| 3.2.1 | In order to secure Value for Money, the Authority may enter into collaborative procurement arrangements. The Officer must consult the Procurement team where the purchase is to be made using collaborative procurement arrangements with another public sector body. | FA 12.06.17 Min No 14 |
| 3.2.2 | All purchases made via another public sector body are deemed to comply with these Contract Standing Orders and no exemption is required. However, purchases above the EU Threshold must be let under the EU Procedure, unless the public sector body has satisfied this requirement already by letting their contract in accordance with the EU Procedures on behalf of the authority and other consortium members. | FA 12.06.17 Min No 14 |
| 3.2.3 | Advice must be sought from a member of the Procurement team regarding the terms and conditions of contract applicable to any collaborative arrangement including the requirement to undertake competition between providers. | FA 12.06.17 Min No 14 |

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| 3.2.4 | Copies of the contract must be obtained from the lead organisation whenever possible and the appropriate reference quoted on all correspondence / official orders to ensure compliance. | FA 12.06.17 Min No 14 |
| 3.3 | E-Procurement | |
| 3.3.1 | The use of e-procurement technology does not negate the requirement to comply with all elements of these Contract Standing Orders, particularly those relating to competition and Value for Money. | FA 12.06.17 Min No 14 |

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| CSO4 RELEVANT CONTRACTS | | |
| 4.1 | All Relevant Contracts must comply with these Contract Standing Orders. A Relevant Contract is any arrangement made by, or on behalf of, the Authority for the carrying out of works or for the supply of goods, materials or services. These include arrangements for: <ul style="list-style-type: none"> a) the supply or disposal of goods b) the hire, rental or lease of goods or equipment c) the delivery of services, including (but not limited to) those related to: <ul style="list-style-type: none"> i. the recruitment of staff ii. land and property transactions iii. financial and consultancy services. | FA 12.06.17 Min No 14 |
| 4.2 | Relevant Contracts do not include: <ul style="list-style-type: none"> a) contracts of employment which make an individual a direct employee of the authority, or b) agreements regarding the acquisition, disposal, or transfer of land (for which Financial Regulations shall apply). | FA 12.06.17 Min No 14 |

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| SECTION 2: COMMON REQUIREMENTS | | |
| CSO5 STEPS PRIOR TO PURCHASE | | |
| 5.1 | The Officer must appraise the purchase, in a manner commensurate with its complexity and value, and taking into account any guidance in the Procurement Procedure, by: <ul style="list-style-type: none"> a) taking into account the requirements from any relevant Best Value review b) appraising the need for the expenditure and its priority c) defining the objectives of the purchase d) assessing the risks associated with the purchase and how to manage them e) considering what procurement method is most likely to achieve the purchasing objectives, including internal or external sourcing, partnering, packaging strategy and collaborative procurement arrangements with other public sector bodies f) consulting users as appropriate about the proposed procurement method, contract standards and performance and user satisfaction monitoring g) drafting the special terms and conditions that are to apply to the proposed contract | Del.8.1.3.viii & Del.8.1.3.v 31.03.19 FA 12.06.17 Min No 14 |

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| <p>h) setting out these matters in writing using the PROC05 form if the Total Value of the purchase exceeds £20,000.</p> <p>5.2 The Officer must confirm in writing to the Procurement Officer that there is specific authority or delegated approval for the expenditure for all purchases over £20,000.</p> | |
| CSO6 RECORDS | |
| <p>6.1 For all procurements the following records must be kept:</p> <ul style="list-style-type: none"> a) any exemptions and the reasons for them b) the method for obtaining bids (see CSO 8.1) c) the Award Criteria in descending order of importance d) quotation/tender documents sent to and received from Suppliers e) clarification and post-quotation/tender negotiation (to include minutes of meetings) f) any Contracting Decision and the reason for it g) the reason for selecting the winning supplier. h) written records of communications with the successful contractor or an electronic record if a written record of the transaction would normally not be produced. i) the contract documents j) post-contract evaluation and monitoring k) communications with Tenderers and with the successful contractor throughout the period of the contract. | <p>FA 12.06.17 Min No 14</p> |
| <p>6.2 Successful quotations and tenders must be kept for six years after the end of the contract. Documents which relate to unsuccessful Tenderers should be kept for 12 months from award of contract, provided there is no dispute about the award.</p> | <p>FA 12.06.17 Min No 14</p> |

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| CSO7 ADVERTISING, APPROVED LISTS AND FRAMEWORK AGREEMENTS | |
| <p>7.1 Identifying and Assessing Potential Tenderers</p> | |
| <p>7.1.1 Officers shall ensure that, where proposed contracts, irrespective of their Total Value, might be of interest to potential Suppliers located in other member states of the EU, a sufficiently accessible advertisement is published. Generally, the greater the interest of the contract to potential bidders from other member states, the wider the coverage of the advertisement should be. Examples of where such advertisements may be placed include:</p> <ul style="list-style-type: none"> a) portal websites specifically created for contract advertisements such as Sell2Wales b) national official journals, or c) the Official Journal of the European Union (OJEU)/Tenders Electronic Daily (TED) (even if there is no requirement within the EU Procedure). | <p>FA 12.06.17 Min No 14</p> |

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| <p>7.1.2 Officers are responsible for ensuring that all Tenderers for a Relevant Contract are suitably assessed. The assessment process shall establish that the potential Tenderers have sound:</p> <ul style="list-style-type: none"> a) economic and financial standing b) technical ability and capacity to fulfil the requirements of the authority <p>7.1.3 This shall be achieved in respect of proposed contracts that are expected to exceed the EU Threshold for Supplies and Services Contracts by selecting firms from:</p> <ul style="list-style-type: none"> a) Framework Agreements or b) Shortlists assessed from expressions of interest in a particular contract submitted in response to a public advertisement through a restricted procedure or c) Evaluation of offers received in response to a public advertisement through an open Procedure | <p>FA 12.06.17 Min No 14</p> |
| <p>7.2 Approved or Select List</p> | |
| <p>7.2.1 To facilitate the administration of an “Approved or Select List” the “Constructionline” register of pre-qualified suppliers may be utilised where appropriate. The list of preferred bidders must give equal opportunity to perspective suppliers by rotation to ensure no one supplier is favoured. No other form of approved list or select list shall be maintained.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>7.3 Framework Agreements</p> | |
| <p>7.3.1 The term of a Framework Agreement in most circumstances should not exceed four years. There may be exceptional circumstances which must be discussed with the procurement team prior to the process commencing. An agreement may be entered into with one or more providers.</p> | <p>Del.8.1.3.viii 31.03.19 FA 12.06.17 Min No 14</p> |
| <p>7.3.2. Contracts based on Framework Agreements may be awarded by either:</p> <ul style="list-style-type: none"> a) applying the terms laid down in the Framework Agreement (where such terms are sufficiently precise to cover the particular call-off) without reopening competition, or b) where the terms laid down in the Framework Agreement are not precise enough or complete for the particular call off, by holding a mini competition in accordance with the following procedure: <ul style="list-style-type: none"> i. inviting the organisations within the Framework Agreement that are capable of executing the subject of the contract to submit written Tenders ii. fixing a time limit which is sufficiently long to allow Tenders for each specific contract to be submitted, taking into account factors such as the complexity of the subject of the contract iii. awarding each contract to the Tenderer who has submitted the best Tender on the basis of the Award Criteria set out in the specifications of the Framework Agreement. | <p>FA 12.06.17 Min No 14</p> |

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| 7.3.3 Copies of the contract must be obtained from the lead organisation whenever possible and the appropriate reference quoted on all correspondence / official orders to ensure compliance. | FA 12.06.17 Min No 14 |
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| SECTION 3: CONDUCTING PURCHASE AND DISPOSAL | | |
| CSO8 COMPETITION REQUIREMENTS FOR PURCHASE, DISPOSAL AND PARTNERSHIP ARRANGEMENTS | | |
| 8.1 Purchasing - Competition Requirements | | |
| 8.1.1 Where the Total Contract Value for a purchase is within the values in the first column below, the Procurement Procedure in the second column must be followed. | | Del. 8.1.3.v 31.03.19 FA 12.06.17 Min No 14 |
| Total Contract Value for Term | Procurement Procedure | |
| Under £2,500 | Value for Money | |
| £2,500 to £19,999 | At least three written quotes or Invitation to Quote (ITQ) on Sell2Wales portal | |
| £20,000 to £119,999 | Formal quotations through advertisement and ITQ / Contract Notice on Sell2Wales portal | |
| £120,000 to EU threshold | Invitation to Tender through advertisement on Sell2Wales portal | |
| Above EU Threshold | Invitation to tender by advertisement in EU Journal | |
| 8.1.2 The Officer must calculate the Total Value including any options to extend in accordance with the definition given in the Definitions Appendix to these Contract Standing Orders. An Officer must not enter into separate contracts nor select a method of calculating the Total Value in order to minimise the application of these Contract Standing Orders. | | FA 12.06.17 Min No 14 |
| 8.1.3 Where the EU Procedure is required, the Officer shall consult a member of the Procurement team to determine the method of conducting the purchase i.e. Open, Restricted, Competitive Dialogue or Innovation Procedure. | | Del.8.1.3.vi 31.03.19 FA 12.06.17 Min No 14 |
| 8.1.4 Where the estimated value is considered to be under the EU Threshold for Supplies and Services Contracts but on return of quotes it is discovered that the lowest offer is above this amount then a tender process will be implemented. | | FA 12.06.17 Min No 14 |
| 8.1.5 Where the estimated value is considered to be under the £20,000 quote threshold limit but on return of quotes it is discovered that the lowest offer is above £20,000 then a variance of £2,000 will be implemented rather than restart the formal quote process as this would be more cost effective. Similarly where the estimated value is considered to be under the £120,000 tender threshold limit but on return of quotes it is discovered that the lowest offer is above £120,000 then a variance of £5,000 will be accepted. | | Del.8.1.3.v 31.03.19 FA 12.06.17 Min No 14 |
| 8.2 Assets for Disposal | | |

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| 8.2.1 | Assets for disposal must follow the route as outlined in the Procurement Procedure with the aim of achieving optimum Value for Money. The method of disposal of surplus or obsolete stocks/stores or assets other than land must be formally agreed with the Procurement Team. | FA 12.06.17 Min No 14 |
| 8.2.2 | Donations of any assets of the Authority can only be made with the approval of the Fire and Rescue Authority. | FA 12.06.17 Min No 14 |
| 8.3 | Providing Services to External Purchasers | |
| 8.3.1 | The Monitoring Officer/Clerk, a member of the Procurement team and Financial Regulations must be consulted where contracts to work for organisations other than the Authority are contemplated. | FA 12.06.17 Min No 14 |
| 8.4 | The Appointment of Consultants to Provide Services | |
| 8.4.1 | Consultant architects, engineers, surveyors and other professional Consultants shall be selected and commissions awarded in accordance with the procedures detailed within these Contract Standing Orders and as outlined in 8.1.1. | FA 12.06.17 Min No 14 |
| 8.4.2 | The engagement of a Consultant shall follow the agreement of a written brief that adequately describes the scope of the services to be provided and shall be subject to completion of a formal letter for values under £10,000 or contract of appointment for values exceeding £10,000. | FA 12.06.17 Min No 14 |
| 8.4.3 | Records of consultancy appointments shall be maintained in accordance with CSO 6. | FA 12.06.17 Min No 14 |
| 8.4.4 | Consultants shall be required to provide evidence of, and maintain professional indemnity insurance policies to the satisfaction of the relevant Chief Officer for the periods specified in the respective agreement. | FA 12.06.17 Min No 14 |
| 8.5 | Nominated Sub-Contractors / Products | |
| 8.5.1 | Where a sub-contractor, supplier or product is to be nominated to a main contractor these standing orders shall apply. This shall take the form of invitation to open competition. | FA 12.06.17 Min No 14 |
| 8.5.2 | The terms of such invitation shall require an undertaking by the Tenderer that if they are selected then they will be willing to enter into a contract with the main contractor on terms which indemnify the main contractor against their own obligations under the main contract in relation to the work and goods included in the sub-contract unless provision is made contrary under conditions of contract. | FA 12.06.17 Min No 14 |
| 8.5.3 | The officer shall nominate to the main contractor the person whose tender is most satisfactory. | FA 12.06.17 Min No 14 |

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| CSO9 PRE- TENDER MARKET RESEARCH AND CONSULTATION | | |
| 9.1 | <p>The Officer responsible for the purchase:</p> <ul style="list-style-type: none"> a) may consult potential suppliers prior to the issue of the Invitation to Tender in general terms about the nature, level and standard of the supply, contract packaging and other relevant matters, provided this does not prejudice any potential Tenderer, but b) must not seek or accept technical advice on the preparation of an Invitation to Tender or Quotation from anyone who may have a commercial interest in them, if this may prejudice the equal treatment of all potential Candidates or distort competition, and c) must not request a supplier to produce prototypes or run trials of goods prior to a procurement process as this could provide a supplier with a competitive advantage and render them ineligible to tender, and d) should seek advice from a member of the Procurement Team. | FA 12.06.17 Min No 14 |
| CSO10 STANDARDS AND AWARD CRITERIA | | |
| 10.1 | The Officer must ascertain what are the relevant British, European or International standards which apply to the subject matter of the contract. The Officer must include those standards which are necessary properly to describe the required quality. The Procurement Officer must be consulted if it is proposed to use standards other than European standards. | FA 12.06.17 Min No 14 |
| 10.2 | Contracts should be let on a “whole life costing” basis taking into account initial, ongoing and disposal costs. This shall apply to sustainable elements of a contract which may incur costs up front but lead to savings or greater efficiencies overall during the life of the project or asset. | FA 12.06.17 Min No 14 |
| 10.3 | <p>The Officer must define Award Criteria that are appropriate to the purchase and designed to secure an outcome giving Value for Money for the Authority. The basic criteria shall be:</p> <ul style="list-style-type: none"> a) 'most economically advantageous', where considerations other than price also apply. b) 'highest price' if payment is to be received, or c) 'lowest price' where payment is to be made by the Authority <p>If the last criterion is adopted, it must be further defined by reference to sub-criteria which may refer only to relevant considerations. These may include price, service, quality of goods, running costs, technical merit, previous experience, delivery date, cost effectiveness, quality, relevant environmental considerations, aesthetic and functional characteristics (including security and control features), safety, after-sales services, technical assistance and any other relevant matters.</p> | Del.8.1.3.vii 31.03.19 FA 12.06.17 Min No 14 |

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| <p>10.4 Award Criteria must not include:</p> <ul style="list-style-type: none"> a) Non-commercial Considerations b) matters which discriminate against suppliers from the European Economic Area or signatories to the Government Procurement Agreement. c) Information relating to past performance to the Service (subject to amendments to the EU Procurement Regulations) | <p>FA 12.06.17 Min No 14</p> |
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| CSO11 INVITATIONS TO TENDER/QUOTATIONS | | |
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| <p>11.1 The Invitation to Tender or Invitation to provide a Quotation shall state that no Tender or Quotation will be considered unless it is received by the date and time stipulated in the Invitation. No Tender or Quotation delivered in contravention of this clause shall be considered unless there is proof of posting. Dispensation will have to be granted by the relevant officer.</p> | <p>FA 12.06.17 Min No 14</p> | |
| <p>11.2 All Invitations to Tender shall include the following:</p> <ul style="list-style-type: none"> a) A specification that describes the Authority's requirements in sufficient detail to enable the submission of competitive offers. b) A requirement for Tenderers to declare that the Tender content, price or any other figure or particulars concerning the Tender have not been disclosed by the Tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose). c) A requirement for Tenderers to complete fully and sign all Tender documents including a form of Tender and certificates relating to canvassing and non-collusion. d) Notification that Tenders are submitted to the Fire Authority on the basis that they are compiled at the Tenderers expense e) A description of the Award Procedure and, unless defined in a prior advertisement, a definition of the Award Criteria in objective terms and if possible in descending order of importance. f) A stipulation that any Tenders submitted by fax or other electronic means shall not be considered other than through an E-Tendering portal. g) The method by which any arithmetical errors discovered in the submitted Tenders is to be dealt with. In particular, whether the overall price prevails over the rates in the Tender or vice versa. | <p>Del.8.1.3.viii 31.03.19</p> <p>FA 12.06.17 Min No 14</p> | |
| <p>11.3 All Invitations to Tender or Quotations must specify the goods, service or works that are required, together with the terms and conditions of contract that will apply (see CSO 16).</p> | <p>FA 12.06.17 Min No 14</p> | |
| <p>11.4 The Invitation to Tender or Quotation must state that the Fire Authority is not bound to accept any Quotation or Tender.</p> | <p>FA 12.06.17 Min No 14</p> | |
| <p>11.5 All Tenderers invited to Tender or quote must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis.</p> | <p>FA 12.06.17 Min No 14</p> | |

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| CSO12 SHORTLISTING | | |
| 12.1 | Any shortlisting must have regard to the financial and technical standards relevant to the contract and the Award Criteria. Special rules apply in respect of the EU Procedure. | FA 12.06.17 Min No 14 |
| CSO13 SUBMISSION, RECEIPT AND OPENING OF TENDERS/ QUOTATIONS | | |
| 13.1 | Tenderers must be given an adequate period in which to prepare and submit a proper Quotation or Tender, consistent with the complexity of the contract requirement. Normally at least four weeks should be allowed for submission of Tenders unless exceptional circumstances prevail. The EU Procedure lays down specific time periods and the Procurement Officer will provide advice on these where required. | FA 12.06.17 Min No 14 |
| 13.2 | All Tenders must be returned to the Designated Officer or their nominated representative. | FA 12.06.17 Min No 14 |
| 13.3 | Where a procurement portal is being used all submissions received by other means (e.g. fax/email) must be rejected. | Del 8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 13.4 | The Procurement Officer or their nominated representative must ensure that all Tenders are opened at the same time when the period for their submission has ended. Quotations and Tenders up to the EU Threshold shall be opened by the relevant designated officers. Electronic Tenders are subject to opening by a member of the procurement team as a full audit trail of all activities is kept on record. | Del 8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 13.5 | Where electronic tendering has taken place the opening procedure shall be commenced by the authorised opening officer in 13.4. The authorised opening officer shall release the tenders in order to start the evaluation process. | Del 8.1.3.vii 31.03.19 FA 12.06.17 Min No 14 |
| CSO14 CLARIFICATION PROCEDURES AND POST- TENDER NEGOTIATION | | |
| 14.1 | During the tender process suppliers may seek clarification on any aspects of the tender, in writing. Responses to any clarification queries will be shared with all suppliers who have expressed an interest in the tender unless commercially sensitive. Points of clarification during the tender evaluation period must be carried out by the procurement team. | FA 12.06.17 Min No 14 |

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| <p>14.2 If post-tender negotiations are necessary after a single-stage Tender or after the second stage of a two-stage Tender, then such negotiations shall only be undertaken with the Tenderer who is identified as having submitted the best Tender and after all unsuccessful Tenderer have been informed. During negotiations tendered rates and prices shall only be adjusted in respect of a corresponding adjustment in the scope or quantity included in the Tender documents. Officers appointed by the Chief Officer to carry out post-tender negotiations should ensure that there are recorded minutes of all negotiation meetings and that both parties agree actions in writing.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>14.3 Post-tender negotiation must only be conducted in accordance with the guidance issued by the Procurement team who must be included and consulted wherever it is proposed to enter into post-tender negotiation. Negotiations must be conducted by a team of at least two Officers, one of whom must be from the procurement team.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>14.4 Where post-tender negotiation results in a fundamental change to the specification (or contract terms) the contract must not be awarded but re-tendered.</p> | <p>FA 12.06.17 Min No 14</p> |

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| <p>CSO15 EVALUATION, AWARD OF CONTRACT, AND DEBRIEFING TENDERERS</p> | |
| <p>15.1 Apart from the debriefing required or permitted by these Contract Standing Orders, the confidentiality of Quotations, Tenders and the identity of Tenderers must be preserved at all times and information about one Tenderers response must not be given to another Tenderer.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>15.2 Contracts must be evaluated and awarded in accordance with the Award Criteria. During this process, Officers shall ensure that submitted Tender prices are compared with any pre-tender estimates and that any discrepancies are examined and resolved satisfactorily.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>15.3 The arithmetic in compliant Tenders must be checked. If it becomes clear that there is a clerical error in a quote/tender then that quote/tender shall be considered as if such error had been corrected and a quote/tender shall not be invalidated by such a clerical error unless the error is of such a nature as to render it unclear as to what the terms of the quote/tender are. The Tenderer shall be given the opportunity of confirming or withdrawing the corrected Tender. In the case of an otherwise successful Tender, should it be withdrawn, then the next competitive Tender in the evaluation process can be considered.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>15.4 Officers may accept Quotations and Tenders received in respect of proposed contracts and award these to the successful Tenderer, provided expenditure has been approved by the Fire Authority and a budget been allocated and these have been evaluated fully in accordance with these Contract Standing Orders and, in respect of proposed contracts up to a value of £750,000, or if a framework up to £1,500,000. The awarding of contracts that are expected to exceed £750,000 for a one year term or £1,500,000 for a term in excess of one year shall also be approved by the Fire and Rescue Authority.</p> | <p>FA 12.06.17 Min No 14</p> |

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| <p>15.5 The procurement team will notify all Tenderers simultaneously and as soon as possible of the intention to award the contract to the successful Tenderer. The procurement team must provide unsuccessful Tenderers with a period of at least ten days (standstill period) in which to challenge the decision before the procurement team awards the contract. If the decision is challenged by an unsuccessful Tenderer then the procurement team shall not award the contract until the matter is resolved.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>15.6 The procurement team shall debrief in writing all those Tenderers who submitted a bid about the characteristics and relative advantages of the leading bidder. The procurement team will provide the following information to unsuccessful suppliers:</p> <ul style="list-style-type: none"> a) how the Award Criteria were applied b) how the Tenderer scored on the Award Criteria in comparison to the successful Tenderer. c) A summary of the differences in quality scoring between the successful and unsuccessful suppliers | <p>FA 12.06.17 Min No 14</p> |
| <p>15.7 If a Tenderer requests in writing the reasons for a Contracting Decision, the Officer must give the reasons in writing within 15 calendar days of the request. If requested, the Officer may also give the debriefing information at CSO 15.6 above to Tenderers who were deselected in a pre-tender Shortlisting process.</p> | <p>FA 12.06.17 Min No 14</p> |

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| SECTION 4: CONTRACT AND OTHER FORMALITIES | |
| CSO16 CONTRACT DOCUMENTS | |
| 16.1 Relevant Contracts | |
| <p>16.1.1 All Relevant Contracts that exceed £20,000 shall be in writing with advice sought from the Procurement Team.</p> | <p>Del 8.1.3.v 31.03.19 FA 12.06.17 Min No 14</p> |
| <p>16.1.2 All Relevant Contracts, irrespective of value, shall clearly specify:</p> <ul style="list-style-type: none"> a) what is to be supplied (i.e. the works, materials, services, matters or things to be furnished, had or done) b) the provisions for payment (i.e. the price to be paid and when) c) the time, or times, within which the contract is to be performed d) the provisions for the Fire and Rescue Authority to terminate the contract. e) Any extension periods. | <p>FA 12.06.17 Min No 14</p> |
| <p>16.1.3 Where a contract is let it shall be under the Fire Authority's own Terms and Conditions, Standard J.C.T, N.E.C, I.C.E. conditions or the standard terms and conditions issued by the contracting authority.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>16.1.4 In addition, every Relevant Contract of purchase over £20,000 must also state clearly as a minimum:</p> <ul style="list-style-type: none"> a) that the contractor may not assign or sub-contract without prior written | <p>Del 8.1.3.v & Del.8.1.3.vi 31.03.19 FA 12.06.17</p> |

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| consent b) any insurance requirements c) Health and Safety requirements d) Race Relations requirements e) Disability Discrimination Act requirements f) Freedom of Information Act & Data Protection (GDPR) requirements g) Welsh Language Act requirements h) where Agents are used to let contracts, that Agents must comply with the Fire and Rescue Authority's Contract Standing Orders i) a right of access to relevant documentation and records of the contractor for monitoring and audit purposes if relevant. j) All sustainability requirements including ethical, moral, environmental. k) Code of Practice for Ethical Employment in the Supply chain requirements. l) Wellbeing of Future Generations (Wales) Act requirements. | | | Min No 14 |
| 16.2 Contract Formalities | | | |
| 16.2.1 Agreements shall be completed as follows | | | FA 12.06.17 Min No 14 |
| Total Value | Method of Completion | By | |
| Any Deed (regardless of value) or £20,000 to EU threshold | Signature | Monitoring Officer and in their absence the Deputy Monitoring Officer on receipt of appropriately completed form | Del 8.1.3.v 31.03.19 FA 12.06.17 Min No 14 |
| Above EU threshold | Seal | | |
| 16.2.2 All contracts must be concluded formally in writing before the supply, service or construction work begins, except in exceptional circumstances, and then only with the written consent of the Monitoring Officer. An Award letter or letter of intent is insufficient. | | | FA 12.06.17 Min No 14 |
| 16.2.3 The Officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it and detail the authority on the contract signing/sealing form. | | | FA 12.06.17 Min No 14 |
| 16.3 Sealing | | | |
| 16.3.1 Where contracts are completed by each side adding their formal seal, such contracts shall be signed by the Monitoring Officer as detailed in CSO 16.2.1 above. | | | FA 12.06.17 Min No 14 |
| 16.3.2 Every Fire and Rescue Authority sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the authority of the Monitoring Officer acting under delegated powers and in their absence the Deputy Monitoring Officer. | | | FA 12.06.17 Min No 14 |

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| <p>16.3.3 A contract must be sealed where:</p> <ul style="list-style-type: none"> a) It is a deed or b) the Fire and Authority may wish to enforce the contract more than six years after its end or c) the price paid or received under the contract is a nominal price and does not reflect the value of the goods or services or d) the Total Value exceeds the EU Threshold. | <p>FA 12.06.17 Min No 14</p> |
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| CSO17 BONDS | |
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| <p>17.1 The Officer must consult the Head of Finance and Procurement about whether a Bond is needed:</p> <ul style="list-style-type: none"> a) where the Total Value exceeds £1,000,000, or b) where it is proposed to make stage or other payments in advance of receiving the whole of the subject matter of the contract and there is concern about the stability of the Tenderer. | <p>FA 12.06.17 Min No 14</p> |

| CSO18 PREVENTION OF CORRUPTION | |
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| <p>18.1 The Officer must comply with the Code of Conduct and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the Officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to dismissal and is a crime under the statutes referred to in CSO 18.2 below.</p> | <p>FA 12.06.17 Min No 14</p> |
| <p>18.2 The following clause must be put in every written Fire and Rescue Service contract:</p> <p>"The Fire and Rescue Service may terminate this contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor's behalf do any of the following things:</p> <ul style="list-style-type: none"> a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Fire and Rescue Service contract (even if the Contractor does not know what has been done), or b) commit an offence under the Bribery Act 2010, or c) commit any fraud in connection with this or any other Fire and Rescue Service contract whether alone or in conjunction with Fire and Rescue Authority members, contractors or employees. <p>Any clause limiting the Contractor's liability shall not apply to this clause".</p> | <p>FA 12.06.17 Min No 14</p> |

| CSO19 DECLARATION OF INTERESTS | | |
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| 19.1 | If it comes to the knowledge of a member or an employee of the service that a contract in which he or she has a pecuniary interest has been or is proposed to be entered into by the Fire and Rescue Service, he or she shall immediately give written notice to the Delegated Officer. | FA 12.06.17 Min No 14 |
| 19.2 | Such written notice is required irrespective of whether the pecuniary interest is direct or indirect. An indirect pecuniary interest is distinct from a direct pecuniary interest in as much as it is not a contract to which the member or employee is directly a party. | FA 12.06.17 Min No 14 |
| 19.3 | A shareholding in a body not exceeding a total nominal value of £1,000 or 1% of the nominal value of the issued share capital (whichever is the less) is not a pecuniary interest for the purposes of this contract standing order. | FA 12.06.17 Min No 14 |
| 19.4 | The Monitoring Officer/Clerk shall maintain a record of all declarations of interests notified by Members and Officers | FA 12.06.17 Min No 14 |
| 19.5 | The Monitoring Officer/Clerk shall ensure that the attention of all Members is drawn to the National Code of Local Government Conduct. | FA 12.06.17 Min No 14 |

| SECTION 5: CONTRACT MANAGEMENT | | |
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| CSO20 MANAGING CONTRACTS | | |
| 20.1 | Heads of Service in sponsoring departments are to name contract leads for all new contracts. All contracts must have a named contract lead for the entirety of the contract. | FA 12.06.17 Min No 14 |
| 20.2 | Contract Leads must follow the procedures set out in the Fire and Rescue Service's Contract Management Guide. | FA 12.06.17 Min No 14 |

| CSO21 RISK ASSESSMENT AND CONTINGENCY PLANNING | | |
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| 21.1 | A business case must be prepared for all procurements with a potential value over the EU Threshold. Provision for resources for the management of the contract, for its entirety, must be identified in the business case. | FA 12.06.17 Min No 14 |
| 21.2 | For all complex contracts or those with a value of over £120,000 contract leads should, where appropriate: <ul style="list-style-type: none"> a) maintain a risk register during the contract period b) undertake appropriate risk assessments and for identified risks c) ensure contingency measures are in place. | FA 12.06.17 Min No 14 |

| CSO22 CONTRACT MONITORING, VARIATION, EVALUATION AND REVIEW | | |
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| 22.1 | All contracts which have a value higher than the EU Threshold limits, or which are High Risk, are to be subject to regular review meetings with the contractor in line with the advice provided by the Procurement Team. | FA 12.06.17 Min No 14 |
| 22.2 | All variation to contract (in line with the original objectives/specification) must be formally recorded on a "variation to contract" form and endorsed by all parties. | FA 12.06.17 Min No 14 |
| 22.3 | During the life of the contract, the Contract Manager must monitor in respect of: <ul style="list-style-type: none"> a) performance b) compliance with specification and contract cost c) any Value for Money requirements d) user satisfaction and risk management. | FA 12.06.17 Min No 14 |

| CSO23 CONTRACT EXTENSION | | |
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| 23.1 | Where a contract provides for an optional extension to the term, then this shall be granted upon written confirmation to the Procurement Team from the Contract Manager incorporating data from the reviews carried out under CSO 22. | FA 12.06.17 Min No 14 |
| 23.2 | In exceptional circumstances an extension of up to 12 months may be granted where a contract has expired and no optional extension exists provided the proposed extension value for the Authority does not exceed the EU Threshold for Supplies and Services Contracts. This must be recorded on a Contract Extension form and approved by the relevant authorised signatories. An example of this would be where there has been a delay in the procurement process resulting in a possible period of Non Compliance or National frameworks not being renewed in time. | Del 8.1.3.viii 31.03.19 FA 12.06.17 Min No 14 |
| 23.3 | Where the total value of an extension of an expired contract is above the EU Threshold then no extension shall be granted without Fire and Rescue Authority approval. | FA 12.06.17 Min No 14 |

These contract standing orders should be read in conjunction with the procurement procedures guide which contain more detailed guidance on how to procure goods, services, works and consultancy.

DEFINITIONS APPENDIX

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| Agent | A person or organisation acting on behalf of the Fire and Rescue Service or on behalf of another organisation |
| Award Criteria | The criteria by which the successful Quotation or Tender is to be awarded (see further CSO 10 & 11.2). |
| Award Procedure | The procedure for awarding a contract as specified in CSO's 8, 10 & 15. |
| Best Value | The duty, which Part 1 of the Local Government Act 1999 places on local authorities, to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness as implemented by the Fire and Rescue Service. This terminology has now in many instances been superseded by Value for Money. |
| Bond | An insurance policy: if the contractor does not do what it has promised under a contract with the Fire and Rescue Service, the Fire and Rescue Service can claim from the insurer the sum of money specified in the bond (often 10% of the contract value). A bond is intended to protect the Fire and Rescue Service against a level of cost arising from the contractor's failure. |
| Chief Officer | Any of the Directors of the Fire and Rescue Service. |
| Code of Conduct | The code regulating conduct of officers issued by the Monitoring Officer contained in the general Standing Orders of the Fire and Rescue Service. |
| Committee | A committee which has power to make decisions for the Fire and Rescue Service, for example a joint committee with another local authority, but not a scrutiny committee. |
| Consultant | 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, and where the Fire and Rescue Service has no ready access to employees with the skills, experience or capacity to undertake the work. |
| Contracting Decision | Any of the following decisions: <ul style="list-style-type: none"> - composition of approved lists - withdrawal of invitation to tender - whom to invite to submit a quotation or tender - shortlisting award of contract - any decision to terminate a contract. |
| Contract Manager | An officer from the User Department responsible for ensuring that the outcomes of the procurement are met |
| Corporate contract | A contract let by Procurement to support the Fire and Rescue Service's aim of achieving value for money. |
| Delegated Officer | An officer appointed to ensure compliance with the procurement procedure. |
| EU Procedure | The procedure required by the EU where the Total Value exceeds the EU threshold. |
| EU Threshold | The contract value at which the EU public procurement directives apply. |
| Financial Officer | The most senior officer representing the Chief Fire Officer or designated by him/her to provide financial advice to the Chief Fire Officer. |
| Financial Regulations | The financial regulations outlining officer responsibilities to financial matters issued by the Treasurer. |
| Framework Agreement | An agreement between one or more authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged. |
| Government Procurement Agreement | The successor agreement to the general agreement on trade and tariffs. The main signatories other than those in the European economic area are the USA, Canada, Japan, Israel, South Korea, Switzerland, Norway, Aruba, Hong Kong, China, Liechtenstein, and Singapore. |
| High Profile | A high profile purchase is one that could have an impact on functions integral to Fire and Rescue Service's service delivery should it fail or go wrong. |
| High Risk | A high risk purchase is one which presents the potential for substantial exposure on the Fire and Rescue Service's part should it fail or go wrong. |
| High Value | A high value purchase is where the value exceeds the EU threshold values. |

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| Invitation to Tender | Invitation to tender documents in the form required by these Contract Standing Orders. |
| Line Manager | The officer's immediate superior or the officer designated by the Chief Officer to exercise the role reserved to the line manager by these Contract Standing Orders. |
| Nominated Suppliers and Sub-contractors | Those persons specified in a main contract for the discharge of any part of that contract. |
| Non-Commercial Considerations | <p>(a) The terms and conditions of employment by contractors of their workers or the composition of, the arrangements for the promotion, transfer or training of or the other opportunities afforded to, their workforces (workforce matters).</p> <p>(b) Whether the terms on which contractors contract with their sub-contractors constitute, in the case of contracts with individuals, contracts for the provision by them as self-employed persons of their services only.</p> <p>(c) Any involvement of the business activities or interest of contractors with irrelevant fields of government policy.</p> <p>(d) The conduct of contractors or workers in industrial disputes between them or any involvement of the business activities of contractors in industrial disputes between other persons (industrial disputes).</p> <p>(e) The country or territory of origin of supplies to, or the location in any country or territory of the business activities or interests of contractors.</p> <p>(f) Any political, industrial or sectarian affiliations or interests of contractors or their directors, partners or employees.</p> <p>(g) Financial support or lack of financial support by contractors for any institution to or from which the authority gives or withholds support.</p> <p>(h) Use or non-use by contractors or technical or professional services provided by the authority under the Building Act 1984 or the Building (Scotland) Act 1959.</p> <p>(i) Workforce matters and industrial disputes, as defined in paragraphs (a) and (b), cease to be non-commercial considerations to the extent necessary or expedient to comply with Best Value, or where there is a transfer of staff to which the transfer of undertakings (Protection of Employment) Regulations 1981 (TUPE) may apply.</p> |
| Officer | The officer designated by the Chief Officer to deal with the contract in question. |
| Parent Company Guarantee | A contract which binds the parent of a subsidiary company as follows: if the subsidiary company fails to do what it has promised under a contract with the Fire and Rescue Service, the Fire and Rescue Service can require the parent company to do so instead. |
| Priority Services | Those services required to be tendered as defined in the EU public procurement directives. |
| Procurement Strategy | The document setting out the Fire and Rescue Service's approach to procurement and key priorities for the next few years. |
| Procurement Service | The Fire and Rescue Procurement Service charged with providing strategic direction and advice to secure Value for Money in the Fire and Rescue Service's activities. |
| Procurement Procedures | The suite of guidance documents, together with a number of standard documents and forms, which supports the implementation of these Contract Standing Orders. The guide is available on the Fire and Rescue Service's intranet. |
| Quotation | A quotation of price and any other relevant matter (without the formal issue of an invitation to tender). |
| Relevant Contract | Contracts to which these Contract Standing Orders apply (see CSO 16). |
| Shortlisting | The process of selecting candidates who are to be invited to quote or bid or to proceed to final evaluation. |
| Supervising Officer | The Line Manager's immediate superior. |
| Tender | A proposal submitted in response to a Invitation to Tender. |
| Tenderer | Any person who asks or is invited to submit a quotation or tender |
| Total Value | <p>The whole of the value or estimated value (in money or equivalent value) for a single purchase or disposal calculated as follows:</p> <p>(a) 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</p> |

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| | <ul style="list-style-type: none"> (b) where the purchase involves recurrent transactions for the same type of item, by aggregating the value of those transactions in the coming 12 months (c) where the contract is for an uncertain duration, by multiplying the monthly payment by 48 (d) for feasibility studies, the value of the scheme or contracts which may be awarded as a result (e) for nominated suppliers and sub-contractors, the total value shall be the value of that part of the main contract to be fulfilled by the nominated supplier or sub-contractor. |
| TUPE – Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006 No: 246) | Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the service is transferred from one organisation (eg private contractor, services in-house team) to another (eg following a contracting out or competitive tendering process), and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights of employees in such transfers, enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business. |
| 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. |