

CONTRACTS PROCEDURE RULES

Minimum Standards for Tenders and Contracts

- 1.0 These minimum standards apply to all contracts, including arrangements for the carrying out of works, the supply of goods and services, and the acquisition and disposal of assets.
- 2.0 Procurement exercises and any contract arising out of such exercises must comply with all relevant statutory obligations including relevant UK procurement regulations, the Council's Constitution including the Procurement Policy, the Procedures for Tenders and Contracts and these Contracts Procedure Rules.
- 3.1 Before seeking tenders or quotations the Heads of Service must be satisfied that adequate financial provision for the contract has been identified in the County Council's approved budget (capital and / or revenue as appropriate). If overall spending cannot be contained within the service budget approval of the Cabinet Member whose remit includes Finance and Resources must be obtained before awarding the contract.
- 3.2 Where tenders or quotations exceed the estimate, or contract variations are required which will result in a variation to the estimate, the Heads of Service must identify funding for any increase and, where it exceeds approved tolerances as defined in the Procedures for Tenders and Contracts (see para 2.18), Cabinet Member approval must be obtained before awarding, or varying, the contract.
- 4.1 For all contracts entered into, the Heads of Service must be able to demonstrate the selection of the most appropriate contractor to complete the works, provide a service or supply a product on time, to the required quality, at the best price and within the approved financial estimate. For most contracts it will be necessary to operate a competitive process to meet these requirements.
- 4.2 The estimated value of the contract, which must be assessed by the appropriate technical officer, will determine whether quotations or tenders are to be used in the procurement process (see para 2.1 of Procedures for Tenders and Contracts). A quotation is a firm price submitted either in writing or verbally by a contractor to provide specified work, goods or services. Verbal quotations must be recorded in writing by the officer who receives them. A tender is a written offer, containing a price, submitted by a contractor. by a specified time and date. All tenders received prior to the closing date shall be opened at the same time and place and then assessed. All quotations and tenders must be treated in confidence.
- 4.3 Any relevant in-house unit must be invited to quote or tender.

- 5.1 All tenders and any formal quotation following a competitive procedure will be advertised on the Council e-tendering system.
- 5.2 Arrangements for the receipt, custody and opening of tenders are delegated to the County Council's Procurement Officer ("Procurement Officer") who must ensure that tenders are held securely, that late tenders are not considered and that proper arrangements are made to safeguard staff and the County Council from fraud or corruption in this process. Save in exceptional circumstances the e-tendering system shall be used for the issue and receipt of tender documentation and formal quotations, Any departure from the use of the e-tendering system must first be approved by the Strategic Procurement Manager.
- 5.3 Heads of Service are responsible for the receipt, custody and opening of quotations not received via the Council's e-tendering system and they must observe the same standards as outlined in paragraph 5.2 above.
- 5.4 Heads of Service may use an electronic auction process as part of the overall tendering process subject to the Procurement Officer authorising such process. The electronic auction process must use software and procedures approved by the Procurement Officer.
- 6.1 Tenders and formal quotations selected for evaluation must be evaluated in accordance with criteria and weightings notified to the tenderers as part of the Invitation to Tender and in the case of tenders subject to UK procurement regulations in accordance with such regulations. The evaluation criteria and weightings must be strictly observed at all times throughout the contract award procedure by any officer involved in the tender evaluation.
- 6.2 All contracts except where lowest price was predetermined to be the appropriate criteria will be awarded on the basis of the offer which is the most economically advantageous to the Council as demonstrated by a documented quality /price evaluation procedure. The Heads of Service may accept a tender or quotation without reference to the Cabinet Member provided it falls within the approved tolerances for estimates (see para 2.18 of Procedures for Tenders and Contracts).
- 6.3 No favour should be shown to any persons or businesses, including those run by or employing persons such as relatives, partners or friends connected with members or officers or other persons subject to these standards.
- 7.0 Every contract shall be in writing and in the name of Devon County Council.
- 8.0 Where an appropriate British Standard Specification or Code of Practice issued by the British Standards Institution, or an equivalent, is current at the date of the tender, each contract shall require that all

goods and materials used or supplied and all workmanship will be at least of the standard required by that specification or code of practice. Every contract shall comply with any relevant environmental requirements.

- 9.0 All contract payments must be made only in accordance with the contract terms and conditions. All payments on account to contractors for building and civil engineering work will be made only on a certificate issued in accordance with the terms of contract. Before a final certificate is issued, a detailed statement of account must be prepared in a form which enables comparison to the approved estimate, and which details claims, variations and changes (where appropriate) in quantities.
- 10.1 The appropriate Head of Service must maintain a schedule of committed capital costs for the current and next financial year in respect of all contracts let or orders placed. This should be in a format which compares such commitments to the approved planning levels for the relevant Services, and must be available to the Chief Finance Officer.
- 10.2 Arrangements for the form and maintenance of a Contracts database are delegated to the Procurement Officer. Heads of Service will ensure that details of all contracts with a value of £10,000 or more are recorded on this corporate system.
- 10.3 Heads of Service will discuss their procurement strategy with the Strategic Procurement Manager and their appropriate Cabinet Member.