

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 Contracts arising from a procurement exercise must comply with all relevant statutory obligations including relevant European 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 or revenue as appropriate).
- 3.2 Where tenders or quotations received vary from the estimate, or contract variations are required, 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, Cabinet Member approval must be obtained before awarding, or varying, the contract. If overall spending cannot be contained within the service budget (capital or revenue as appropriate), approval of the Cabinet Member whose remit includes Finance or Resources must be obtained before awarding 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. A quotation is a firm price, or total extension of firm rates and prices in a bill of quantities, bid 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 quotation delivered in a sealed envelope, opened at the same time and place as all other tenders for that specification of work, goods or services. 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 quotation following the open competition 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 Head of Devon Procurement Services 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. The e-tendering system will provide the basis for the issue and receipt of tender documentation and to provide an audit trail for the tender process.
- 5.3 Heads of Service may use an electronic auction process as part of the overall tendering process subject to the Head of Devon Procurement Services authorising such process. The electronic auction process must use software and procedures approved by the Head of Devon Procurement Services.

- 6.1 Tenders must be evaluated in accordance with criteria notified to the tenderers as part of the Invitation to Tender and in the case of tenders subject to European procurement regulations in accordance with such regulations. The evaluation criteria 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 represents Best Value for Money to the Council as demonstrated by a documented quality /price evaluation procedure. The Heads of Service may accept the tender or quotation without reference to the Cabinet Member provided it falls within the approved tolerances for estimates.
- 6.3 No favour should be shown to any persons or businesses, especially 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 a European 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 Heads 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 is delegated to The Head of Procurement Services. 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 their appropriate Cabinet Member.