

Staffordshire Police Authority Contract Standing Orders
Staffordshire Police Authority

Contract Standing Orders

Approved by the Police Authority

Effective from 1 January 2008

Also available on the Staffordshire Police Intranet site

STAFFORDSHIRE POLICE AUTHORITY

CONTRACT STANDING ORDERS

Subject to these Standing Orders the Chief Constable shall have power to enter into contracts on behalf of the Staffordshire Police Authority for the supply of goods or services (including the execution of works) in respect of matters approved by or on behalf of the Staffordshire Police Authority.

The Standing Orders of the Police Authority relating to the making of contracts by or on behalf of the Police Authority are as more particularly set out below.

Contract Standing Orders

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A. SCOPE / PREAMBLE

- A.1 These Standing Orders (including annexes) apply to all contracts for works and the supply or sale of goods services and utilities to the Staffordshire Police Authority. They do not apply to contracts of employment or contracts relating to interests in land or contracts placed by or on behalf of the Treasurer to the Authority in relation to Treasury Management. In certain circumstances these Standing Orders allow for situations where compliance with them is not required. The Standing Orders are always subject to any relevant requirement of law, whether of the United Kingdom or the European Union (EU).
- A.2 In these Standing Orders references to the Chief Constable and to the Chief Executive and to the Treasurer are to the Chief Constable of the Staffordshire Police and the Chief Executive of the Staffordshire Police Authority and the Treasurer to the Staffordshire Police Authority respectively and unless otherwise specified include such senior officer or officers to whom the Chief Constable or the Chief Executive or the Treasurer, as the case may be, may have delegated the powers in question.
- A.3 The procedures in these Standing Orders apply to all contracts with third parties and to all sub-contracts (where a sub-contractor is specified or nominated by the Police Authority in connection with a contract.
- A.4 The financial limits specified within these Standing Orders are subject to variation from time to time by the Police Authority. Those subject to EU Directives are presently reviewed by the EU every two years.
- A.5 The Explanatory Notes to these Standing Orders are for guidance only and are not part of the Standing Order.

EXPLANATORY NOTES

- A.2 *Certain powers may not be delegated otherwise than to an Executive Officer:*

The Approved List Tendering Procedure (Annex 4)

- *Selection of applicants to be included on an Approved List.*

The Full Tendering Procedure (Annex 5)

- *Selection of applicants invited to tender.*

Opening Tenders (Section J)

- *Postponement of the closing time and date of receipt of tenders.*

Acceptance of Tenders (Section L)

- *The power to accept any tender which is not lowest.*

A.2 *In order to increase the efficiency and effectiveness of the tendering process the Chief Constable is required to designate a member of staff as "Nominated Officer" whose duties include:*

- (a) *effective distribution of these Standing Orders to key personnel and ensuring that subsequent amendments/alterations or updated documentation are provided to such staff;*
- (b) *provision of advice on the practical operation of these Standing Orders;*
- (c) *production and revision of written departmental procedures in relation to Standing Orders;*
- (d) *ensuring arrangements are in place for safe custody of all documentation relating to contracts;*
- (e) *ensuring all necessary approvals as required by these Standing Orders are obtained.*

B. LEGAL REQUIREMENTS

- B.1 Every contract made by or on behalf of the Police Authority shall:
- (a) comply with all relevant legal requirements including those of the EU; **and**
 - (b) comply with these Standing Orders unless specifically authorised otherwise (see paragraph **C**); **and**
 - (c) comply with the Police Authority's Financial Regulations.
- B.2 There shall be written evidence of every contract.
- B.3 The Chief Executive may prescribe:
- (a) that certain contracts shall be in such form as he may require; and
 - (b) that certain contracts shall only be executed by the Police Authority or by the Chief Executive.
- B.4 In those instances where paragraph B.3 does not apply, a copy of the Police Authority's General Conditions of Contract shall be included in the documentation sent to prospective contractors / tenderers prior to the contract being made.
- B.5 No increase in the amount payable by the Police Authority will be permitted except as specifically provided for in the contract.
- B.6 No Contract for the supply of goods or services under any lease, hire, rental or any other credit arrangement, where the value of the contract exceeds £30,000, shall be entered into without notification of the proposed agreement to the Director of Resources. Where the value of such an agreement exceeds £60,000, such agreement may only be entered into with his prior approval.
- B.7 The Chief Executive and the Chief Constable shall each ensure that in accordance with the Authority's document retention policies under the Freedom of Information Act 2000, all contracts and related records are retained for inspection for such period as may be specified in those policies to show that the provisions of these Standing Orders have been

complied with. This includes, but is not limited to, decisions to award contracts, decisions to suspend these Standing Orders, and all exercises of delegated powers.

EXPLANATORY NOTES

- B.2 In legal terms a contract can arise from a verbal arrangement just as much as from written documentation. For contracts made "across the counter" and paid for at that time, the written evidence will normally be a till or trader's receipt, or, where a credit card has been used, the record of the credit card transaction. For contracts made by the placing of an order, the Police Authority's official order form and the resulting invoice will be the written evidence; for contracts where the order was initially placed orally, in order to comply with Financial Regulations, a written confirmatory order shall be sent within two working days. Where the contract arises from the acceptance of a tender, the document will be the acceptance letter (or notification) issued by the Chief Constable or the Chief Executive or the Treasurer as the case may be, and the accepted tender documents.*
- B.4 Reference to the Police Authority's Conditions of Contract is printed on the Authority's standard order form. In the case of "across the counter" transactions paid for in cash or by credit card, it is impracticable to refer to these Conditions prior to the contract being made. Tenderers should be required to sign the Conditions of Contract prior to the contract being made in all instances other than those relating to "across the counter" transactions.*

C. SPECIAL EXEMPTIONS

- C.1 (a) Provided that such a request would not cause the Authority to contravene any requirement of law or the EU, or the Authority's Financial Regulations, and subject to paragraphs C.1 (b) and (c), the Chief Constable may in relation to a particular proposed contract authorise the suspension of ***specific paragraphs*** of these Standing Orders in relation to that contract either:-
- (i) in exceptional circumstances, **or**
 - (ii) if the Chief Constable is satisfied that the requirements of the relevant paragraph as detailed at Annex 1 are met in relation to the contract in question.
- (b) If the estimated value of the proposed contract exceeds £60,000 the Chief Constable shall consult the Chief Executive and the Treasurer to the Authority before authorising any suspension of any paragraph of these Standing Orders and the Chief Executive shall consult the Chair of the Authority thereon if the estimated value of the proposed contract exceeds £120,000.
- (c) The power in paragraph C.1 (a) shall not be delegated by the Chief Constable otherwise than to an Executive Officer.
- C.2 In every case where suspension is authorised under C.1, the Chief Constable shall report the facts and the reasons therefor to the next meeting of the Police Authority.
- C.3 Subject to any overriding EU requirement, these Standing Orders may be suspended at the discretion of the Chief Constable to the extent of the inconsistency, where:
- (a) a contract or sub-contract is being let on behalf of a Public Agency eg the Home Office, and any provision of these Standing Orders is inconsistent with the mandatory requirements of that Agency, and
 - (b) a contract or sub-contract is being entered into as a joint arrangement with another public body and any provision of these Standing Orders is inconsistent with the mandatory requirements or Standing Orders of the public body which is taking the lead on the procurement, and
 - (c) a contract or sub-contract which is governed by nationally negotiated Conditions of Contract under the auspices of one or more professional institution, (*for example ACE building contracts*)

and any provision of these Standing Orders is inconsistent with a provision contained in those Conditions of Contract.

- (d) the Authority is entering into, or participating in, a Framework Agreement negotiated by another Public Body.

EXPLANATORY NOTES

- C.1 *The Chief Constable must clearly state those paragraphs of Standing Orders for which suspension is authorised and the reasons therefor. In authorising an exemption from any requirement to tender, the Chief Constable must be able to demonstrate to a third party that such a course of action is both justifiable and in the best interests of the Police Authority.*
- C.1 *The approval processes required in these paragraphs may not be possible to achieve in **emergency situations** where urgent action is clearly required. However, the reporting processes detailed at paragraph C.2 must be followed in all instances.*

D. FRAMEWORK AGREEMENTS

- D.1 Where, on the basis of providing quality and value for money for the Authority, one or more Framework Agreements have been entered into by or on behalf of the Authority, or by or on behalf of a body or consortium of which the Authority is a member, for the supply of goods or services, that or those Framework Agreements must be used. (See also Section N)
- D.2 Provided that orders for supply under Framework Agreements are placed using approved Police Authority procedures, and any special ordering requirements stated in the appropriate contract are met, goods and services may be obtained in that way without further reference to these Standing Orders.
- D.3 Supplier catalogues and/or continuous contracts circulated or distributed by other organisations without central negotiation or approval on behalf of the Police Authority do not meet the requirements of paragraphs D.1 and D.2. Any proposed purchase of goods or services from such organisations must be tendered for in accordance with these Standing Orders.

EXPLANATORY NOTES

- D.1 The Authority have given approval to the setting up of a number of contracts available for the Force to use without seeking tenders. These are "standing offer" arrangements under Framework Agreements awarded by national or regional police purchasing consortia or by Staffordshire County Council or the Staffordshire Fire and Rescue Authority.*
- D.2 Many of the goods required by the Force are available through such Framework Agreements generally at a good combination of price and specification. Details of the "standing offer" arrangements shall be distributed from time to time, including to members of the Authority.*
- D.3 Only those Framework Agreements can be used without the need to tender for the goods or services required.*

E. WHEN TENDERS ARE REQUIRED

- E.1 The Chief Constable must always obtain tenders prior to awarding a contract for works or the supply of goods and services unless:
- (a) an exemption from a requirement to tender has been obtained under paragraph C.1, **or**
 - (b) the goods or services are supplied under a Framework Agreement, **or**
 - (c) the value of the contract is less than £60,000 and the provisions of Annex 2 are complied with.
- E.2 The duration of each Framework Agreement awarded by the Police Authority shall not exceed the period for which such an Agreement can demonstrate proven value for money for the Authority and in any event shall not exceed five years.

EXPLANATORY NOTE

- E.1/2 Tenders are required in order to demonstrate public probity and to secure value for money.*

F. CONTRACT VALUES

- F.1 Where the contract is for the purchase of a single item, which is unrelated to the purchase of other items, the contract is worth the price, or estimated price.
- F.2 Where the contract is for the purchase of a related group of items, the contract is worth the total price, or estimated total price, of the group.
- F.3 Where the contract is for goods to be provided by way of short-term hire, the contract is worth the capitalised value of the goods to be provided. The capitalised value is obtained by multiplying the periodic payment to be made to the Hirer by the minimum number of such payments agreed under the contract.
- F.4 In relation to a Framework Agreement, it is worth the amount that the Chief Constable expects to be the total value of goods or services that will be taken by the Police Authority under that Agreement during the life of the Agreement.
- F.5 Contract values shall be reckoned exclusive of V. A. T.

EXPLANATORY NOTES

- F.1/5 *In determining contract values, care must be taken to ensure the requirements of EU Directives are not breached. **The Chief Constable must obtain the advice of the Chief Executive in the event of any uncertainty.***
- F.2 *This will apply, for example, where the contract is for a quantity of related items where the various components are priced separately but purchased to be used together.*
- F.3 *In calculating the capitalised value of the goods to be provided care must be taken to ensure that the value is estimated **over the life of the contract** and not its annual value.*

G. TENDERING PROCEDURES

- G.1 Depending upon the circumstances and estimated value of a contract, and subject to G.3 below, any one of five tendering procedures may be used:-
- (a) the Chief Constable's Discretionary Tendering Procedure (Annex 2);
 - (b) the Abbreviated Tendering Procedure (Annex 3);
 - (c) the Approved List Tendering Procedure (Annex 4);
 - (d) the Full Tendering Procedure (Annex 5);
 - (e) the European Union Tendering Procedures (Annex 6).
- G.2 Whichever tendering procedure described under paragraph G.1 is used, (and unless otherwise required to meet the specified criteria for certain EU Tendering Procedures) the procedure shall require the invitation of tenders on a "Best and Final Offer" basis. Negotiations with tenderers prior to the submission of a Best and Final Offer shall only take place in exceptional circumstances, which shall be limited to those where EU Tendering Procedures so provide, and in all such circumstances the prior written approval of the Director of Resources shall be obtained. If the estimated value of the proposed contract exceeds £60,000, the prior written approval of the Treasurer shall also be obtained. In all cases the subsequent negotiations shall be carried out in accordance with the written instructions of the Director of Resources, and, if applicable, the Treasurer, in conjunction with the Procurement Team.
- G.3 If the goods or services required can be obtained through the Office of Government Commerce (OGC) Buying Solutions service, and those arrangements can be used by the Police Authority, the requirements of Contract Standing Orders for the invitation of tenders shall be satisfied if, in accordance with the EU Procurement Directive, tenders are invited for the goods or services in question from all the suppliers or providers who are listed in the relevant OGC Framework Agreement for the time being in force as being able to provide or supply those goods or services to the Authority's requirements.

EXPLANATORY NOTE

- G.1 *Use of any one of the five tendering procedures will be governed by a number of factors, the most important being the anticipated value of the contract in question. Further information in each procedure is given at Annexes 2-6.*
- G.2 *This paragraph permits the development of a negotiated solution, in exceptional and carefully controlled circumstances, following prior approval to the use of the process. See paragraph L **for a definition of the circumstances in which Post-Tender Negotiations may take place**)*
- G3 *This paragraph facilitates the use of the Government's OGC Buying Solutions service for the purchase of goods or services, which stipulate that, to meet EU requirements and save for a very limited range of circumstances, tenders must be sought from all suppliers or providers listed in the relevant OGC Framework Agreement who are able to provide or supply the goods or services sought.*

H. TENDER DOCUMENTS

H.1 Every invitation **to apply for permission to tender** shall include the following:

- (a) the nature and purpose and, where applicable, the duration of the contract;
- (b) an outline of the specification of the goods or services or works to be supplied or performed;
- (c) a statement as to the Police Authority's procedures for obtaining tenders;
- (d) a requirement for the applicant to provide information about the technical, commercial and financial standing of the applicant, and the applicant's compliance with health and safety, and equality, legislation, if such information is not already held by or is not readily available to the Authority;
- (e) a closing date for receipt of applications; and
- (f) the criteria for inclusion in any subsequent tender process.

H.2 Every **invitation to tender** shall include the following:

- (a) the nature, purpose, commencement date and where appropriate, duration of the contract;
- (b) the detailed specification and quantities of the goods or services or works to be supplied or performed;
- (c) the time(s) at or within which and the place(s) at which the goods or services or works are to be supplied or performed;
- (d) a copy of the conditions of contract with which the successful contractor(s) will be required to comply;
- (e) unless already provided at H.1(d), a requirement for the tenderer to provide information about the technical, commercial and financial standing of the tenderer, and the tenderer's compliance with health and safety, and equality, legislation, if such information is not already held by or is not readily available to the Authority;
- (f) a copy of any formal contract document which the successful tenderer will be required to sign or execute; and

- (g) the criteria for the award of the contract.

EXPLANATORY NOTE

H.1/2 A variation to such procedures may be required as a consequence of the need to adhere to the requirements of EU Directives.

I. OBTAINING TENDERS

- I.1 The Chief Constable shall send to every person seeking to submit a tender to the Authority such documents that satisfy the requirements of paragraph H.2 together with a returnable tender form that indicates:
- (a) the tenderer's offer price (or prices) for the goods or services sought;
 - (b) the tenderer's signature or seal;
 - (c) that the tender form is to be returned to the Chief Constable at the stated address by a stated date and time;
 - (d) that the Police Authority does not bind itself to accept the lowest or any tender;
 - (e) that every tender must be submitted in a plain envelope bearing the word "TENDER" followed by the subject to which the tender relates, and the closing date and time for the receipt of tenders;
 - (f) that unless otherwise specified tenders submitted by Fax or E-mail will not be considered.

EXPLANATORY NOTES

- I.1 A variation to such procedures may be required as a consequence of the need to adhere to EU Directives.*
- I.1 (c) Wherever practicable a minimum of 10 days should be allowed for the return of tenders.*
- I.1 (e) The Chief Constable should normally assist Contractors by sending envelopes or labels which meet this criterion with tender documents.*
- I.1 (f) Particular care should be taken to ensure that the identity of the sender is not known or made known to anyone other than those personally involved in the custody of unopened tenders or the formal tender opening process.*

J. OPENING TENDERS

- J.1 The Chief Constable shall make arrangements for every tender received to be retained in secure custody unopened until the time appointed for its opening. During this period, tenders must be retained by a person not connected in any way with the subsequent evaluation of tenders
- J.2 (a) A tender shall not normally be opened if it is received after the closing time and date or if it does not comply with any provision of paragraph I.1 (e) or (f).
- (b) An Executive Officer may however authorise the opening of a tender received after the closing time and date if he or she is personally satisfied:
- (i) that the tender was despatched by the tenderer in good time for the tender to have been received by the Authority in ordinary circumstances before the specified closing time and date; **and**
 - (ii) that the lateness of receipt of the tender was the result of unforeseen circumstances beyond the control or reasonable anticipation of the tenderer or a person, agent or body (such as a courier) acting on the tenderer's behalf; **and**
 - (iii) that the other tenders received have not been opened.
- J.3 Tenders shall not be opened before the appointed closing date and time. They shall be opened at one time only by a member of staff designated in writing for the purpose by the Chief Constable and in the presence of a senior member of staff independent of the tender process.
- J.4 The designated person must, on opening each tender, immediately record the name of the tenderer and the amount of his or her tender and on completion of that record it shall be signed and dated by both members of staff as complete and correct. In those instances where the amount of the tender is not immediately apparent, both members of staff shall sign and date each page containing pricing schedules. A note shall be made on the record of the number of tenders, if any, not opened and the reason(s) for not opening them.
- J.5 Where the circumstances so warrant, the Chief Constable may postpone for a reasonable period the closing time and date for receipt of tenders,

provided that all persons from whom tenders have been invited are notified by the same method and that no tenders have been opened. The powers contained in this paragraph shall not be delegated otherwise than to an Executive Officer

J.6 No substantive alteration or amendment shall be permitted to any tender received that has been submitted as a Best and Final Offer.

J7 The Chief Constable may, with the prior approval of the Chief Executive and the Treasurer, make arrangements for the requirements of this section of Contract Standing Orders to be fulfilled in whole or in part through electronic means

EXPLANATORY NOTES

J.5 *This provision is to cater for unusually extreme circumstances eg a postal strike where some extension of the closing date for the receipt of tenders may be desirable.*

J.6 *No substantive alteration or amendment to any tender submitted and received as a "Best and Final Offer" in respect of any contract or sub-contract shall be permitted. This means that a tenderer must stand by, or withdraw, his tender but cannot seek to vary it. A tender including quantities must be checked for arithmetical accuracy and purely arithmetical errors must be corrected by the individual evaluating the contract to verify the final amount to decide which tender is in fact the lowest. In relation only to fixed price contracts with no rates or quantities and no provision whatsoever for any price adjustment or fluctuation, a tenderer submitting a fixed price tender offering a price which is so clearly unrealistic that it has been submitted in error, may be asked in writing to confirm or withdraw his tender, but under no circumstances whatever may any amendment be permitted to that tender.*

J7 *Subject to the approval of the Chief Executive and the Treasurer, arrangements may be made by the Chief Constable for the receipt and custody of tenders by electronic means. This is intended to facilitate a more flexible approach to the procurement process to benefit from the availability of electronic systems and other modern technology, if doing so is to the advantage of the Authority*

K. **ASSESSMENT OF TENDERS**

- K.1 The assessment of tenders shall be based on the criteria for award set out in the tender documents and where appropriate, published in the relevant EU Notice.

L. ACCEPTANCE OF TENDERS

General

- L.1 The Chief Constable may accept the lowest tender whatever the value of the contract.
- L.2 (a) The Chief Constable may accept the most suitable tender where the value of the contract is less than the current value of the EU threshold applicable to the contract in question, provided that full details of the contract, including the estimated additional cost, are reported to the following meeting of the Police Authority.
- (b) The Treasurer may accept the most suitable tender for the procurement of banking services and insurance services where the value of the contract is less than the current value of the EU threshold applicable to the contract in question, provided that full details of the contract, including the estimated additional cost, are reported to the following meeting of the Police Authority.
- L.3 Where the value of the contract is greater than the current value of the applicable EU threshold, the Chief Constable may, with the written authority of the Chief Executive in consultation with the Chair, accept the most suitable tender provided that full details of the contract in question, including the estimated additional cost, are reported to the following meeting of the Police Authority.
- L.4 Where the value of the contract is less than the current applicable EU threshold the power to accept any tender which is not the lowest shall not be delegated otherwise than to an Executive Officer.
- L.5 The Chief Constable may negotiate with a tenderer for the reduction of the tender price **provided that the tenderer concerned has submitted an offer which is the lowest tender which could otherwise be accepted.** Such negotiations including the extent to which reductions have been achieved shall be reported to the following meeting of the Police Authority.

Framework Agreements

- L.6 Where the tender is for a Framework Agreement comprising a range of different goods or services at different tender prices, the Chief Constable, in consultation with the Chief Executive may accept the most suitable tender irrespective of contract value.
- L.7 Where a tender is for a Framework Agreement comprising a range of different goods and services at different tender prices, the Chief Constable may negotiate with the tenderer whose offer could otherwise be accepted as the most suitable tender for a reduction of the tender prices. Such negotiations, including the extent to which reductions have been achieved, shall be reported to the following meeting of the Police Authority.

EXPLANATORY NOTE

- L.1 *The term "lowest tender" is defined in paragraph 0.6.*

M. SALES

- M.1 Surplus goods and materials belonging to the Police Authority may be sold by the Chief Constable subject to compliance with Police Authority Financial Regulations.
- M.2 Where sales are proposed the procedures set out in these Standing Orders for the purchase of goods shall be followed, including those of paragraph J.7, but "highest" shall be substituted for "lowest" in paragraphs I.1(d), L.1, L.3, L.4, and L.5 and in paragraph L.3 "less" shall be substituted for "greater" and "lost income" shall be substituted for "additional cost"; and in paragraph L.5 "increase" and "increases" shall be substituted for "reduction" and "reductions" where those words appear.
- M.3 Where the Chief Constable proposes to dispose of surplus goods or materials by means of sales to staff, particular caution needs to be exercised, and formal tendering processes should always be adopted where the estimated sale price is likely to exceed £1,000.
- M.4 Unless otherwise agreed by the Director of Resources, it shall be a condition of the sale of any surplus goods or material belonging to the Police Authority that no warranty is given about the condition, suitability, or fitness for purpose of the goods or material disposed of.

EXPLANATORY NOTE

M.1/4 The Chief Constable often has saleable surplus goods or materials and subject to compliance with Financial Regulations, in principle such goods or materials can be sold and the proceeds added to the approved Divisional or Departmental budget. It is important that sales of goods of an exceptional character - particularly those where the sale price exceeds £5,000 - should be discussed with the Treasurer to the Police Authority. M4 is to make it clear that in disposing of surplus goods or materials, the Authority would not normally give any warranty about the condition, suitability or fitness for purpose of those goods or materials.

N. THE APPOINTMENT OF CONSULTANTS

- N.1 Any consultant who is responsible to the Police Authority for the preparation and/or supervision of a contract on its behalf shall:
- (a) comply with these Standing Orders as though the consultant were the Chief Constable, subject to the modification that the procedure to be followed for inviting, opening and accepting tenders shall be approved in advance by the Chief Constable; and
 - (b) at any time during the carrying out of the contract, produce on request to the Treasurer to the Police Authority or any officer authorised by the Chief Executive all the records maintained by him in relation to the contract; and
 - (c) on completion of a contract, transmit all such records to the Chief Constable.

O. GLOSSARY

- O.1 "Contract" means any agreement, however expressed, by which the Authority agrees to carry out acquire or sell any works goods services or utilities for payment or otherwise
- O.2 "Supply" includes obtaining by purchase, lease, hire, rental or any form of credit arrangement whether for monetary value or 'nil' cost to the Authority.
- O.3 "Tendering" means a formal procedure for obtaining written offers (tenders) for supply. Under these Standing Orders there are five tendering procedures as detailed in Annexes 2-6.
- O.4 A "continuous contract" means a contract that fixes the terms of supply but does not involve the supply of goods or services, nor any contractual commitment, until an order for supply is placed.
- O.5 "Executive Officer" means the Deputy Chief Constable, the Assistant Chief Constables and the Director of Resources, and, where so empowered in writing by the Director of Resources in relation to one or more specified paragraphs in these Standing Orders, the Head of Financial and Support Services
- O.6 "Lowest tender" for acceptance of a tender means either the lowest cost or, where evaluation is not solely based on cost, the most economically advantageous tender score following evaluation.
- O.7 "Framework Agreement" means an agreement or other arrangement which establishes the terms (in particular the terms as to price, specification and, where appropriate, quality) under which the provider will enter into one or more contracts or a series of contracts with the Police Authority or another public body during the period for which the Framework Agreement applies. A Framework Agreement may also be referred to as a 'call-off contract', a 'continuous contract' or a 'standing offer'.

P. OFFICERS' INTERESTS IN CONTRACTS

- P.1 The Chief Executive shall record in a book to be kept for the purpose particulars of any notice given by an officer of the Authority under Section 117 of the Local Government Act 1972, of a pecuniary interest in a contract or any other interest notified by such officer and the book shall be open during office hours to the inspection of any Member of the Authority.

Q. SIGNATURE OF CONTRACTS

- Q.1 The signature of contracts is subject in each case to the provisions of the Police Authority's Financial Regulations and approved Scheme of Delegations.
- Q.2 Subject to B.3 (a) and B.3 (b) of these Standing Orders, in exercising any delegated powers to sign contracts under the Police Authority's Financial Regulations or approved Scheme of Delegations, the Chief Constable must in each case be satisfied that in the circumstances it is not necessary or in the best interests of the Authority for the contract to be executed under seal.
- Q.3 The Chief Executive may determine that particular contracts or types of contract shall only be executed under the Authority's Common Seal.
- Q.4 Any contract with an estimated value in excess of £300,000 must be signed by the Chief Executive and the Chief Constable and this power shall not be delegated by the Chief Constable otherwise than to an Executive Officer.

ANNEX 1:

MISCELLANEOUS EXEMPTIONS FROM THE REQUIREMENT TO INVITE TENDERS

1. The goods or services to be purchased are offered to the Police Authority at a price substantially less than the lowest price at which the Chief Constable would reasonably expect by the invitation of tenders ordinarily to be able to purchase the said goods or services.
2. The goods to be purchased or sold can in the best interests of the Police Authority be obtained at a public auction conducted in accordance with generally accepted principles.
3. The goods to be purchased or the works or services to be executed can in the best interests of the Police Authority be purchased from or executed by a public utility company or body in which case the Chief Constable may negotiate with that Public Company or body for the best terms reasonably obtainable.
4. The Chief Constable may arrange for the purchase of the goods or the supply of the works or services if the proposed contract is for goods or works or services which:
 - (a) are an emergency requirement whose necessity could not reasonably have been foreseen **and**
 - (b) are required to avert, alleviate or eradicate the effects or potential effects of any emergency or disaster which involves or is likely to involve risk of serious damage to or destruction of property or risk of injury or danger to health or life.

EXPLANATORY NOTES

1. *In seeking an exemption to tender, the Chief Constable must exercise caution in deciding whether reasonably satisfactory alternative goods or services are available. In particular he should be satisfied that the market has been studied to see whether alternatives are available and must be able to demonstrate to a third party that such procedures have taken place.*
2. *It is not intended to facilitate "brand name" purchases, unless there is genuinely no reasonably satisfactory alternative. Indeed, brand name purchases or specifications are not permitted under EU tendering requirements.*

3. *Miscellaneous exemption from the requirement to tender in respect of **works** should normally be requested under paragraph C.1.*

ANNEX 2:

THE CHIEF CONSTABLE'S DISCRETIONARY TENDERING PROCEDURE

WHEN THE PROCEDURE IS APPLICABLE

Use of this procedure is applicable in the following circumstances:

- (i) Contracts up to the value of £30,000

WHEN THE PROCEDURE IS NOT APPLICABLE

Such a procedure is not applicable in the following circumstances:

- (i) Contracts with a value in excess of £30,000; **or**
- (ii) When one or more Framework Agreements for the goods or services required is/are directly available for use.

DESCRIPTION OF THE PROCEDURE

Under this procedure, the Chief Constable is empowered to exercise an element of discretion as to the method by which goods or works or services are obtained, but in so doing, must be able to demonstrate that value for money has been achieved and must be aware of the requirement to use centrally negotiated continuous contract arrangements, for the goods or services required.

Notwithstanding this element of discretion, the Chief Constable is required to document procedures for obtaining tenders under £30,000 within a written scheme of delegation. Such documentation must as a minimum define:-

- (i) the number of quotations or tenders to be invited;
- (ii) the method of inviting quotations or tenders;
- (iii) the basis of selecting suppliers / contractors; and
- (iv) staff authorised to accept quotations or tenders under this procedure.

EXPLANATORY NOTE

1. Whilst Section G1 of these Standing Orders allows the Chief Constable an element of discretion in the tendering procedure in prescribed circumstances, the arrangements for obtaining competitive offers set out below represent the Force's minimum requirements.

**REQUIREMENTS FOR OBTAINING COMPETITIVE OFFERS.
DISCRETIONARY PROCEDURE**

<i>Estimated Value of Goods, Works or Services to be Supplied £</i>	<i>No. of Quotations or Tenders to be Invited</i>	<i>Method of inviting Quotations/ Tenders</i>	<i>Basis of Selecting Supplier/ Contractor</i>
0 - 3,000	2	Oral (confirmation in writing shall be obtained)	Purchasing Knowledge
3,001 – 30,000	3	Written Quotations	Purchasing / Market Knowledge

2 ***Estimated contract values refer to the estimated total value of the proposed purchase to the Police Authority as a whole, not just for individual Divisions or Departments. (The sole legal entity for contracting purposes is the Staffordshire Police Authority).***

3. Where the estimated value of the proposed purchase exceeds £30,000 tenders shall only be sought in conjunction with Headquarters Procurement Team. If there is any doubt whether tenders are required Headquarters Procurement Team will provide advice and guidance.

ANNEX 3:

THE ABBREVIATED TENDERING PROCEDURE

WHEN THE PROCEDURE IS APPLICABLE

Use of this procedure is applicable in the following circumstances:

- (i) If the Chief Constable so requires, contracts up to the value of £30,000.
- (ii) Contracts with an estimated value of between £30,001 and £60,000 (£100,000 in respect of IS/IT contracts) in the event that the Approved List Tendering Procedure or Full Tendering Procedure are not used.

WHEN THE PROCEDURE IS NOT APPLICABLE

Such a procedure is not applicable in the following circumstances:

- (i) Contracts with a value in excess of £60,000 (£100,000 in respect of IS/IT contracts);
- (ii) When one or more Framework Agreements for the goods or services is/are directly available;

DESCRIPTION OF THE PROCEDURE

Under this procedure, tenders need not be invited by public notice so long as tenders are invited in writing from not less than three persons. The requirements of sections H, I, J, K and L must be met.

On those occasions where it is possible to find only one or two persons to tender (eg where specialist work/equipment is involved), the Chief Constable shall authorise the proposed invitation of tenders from fewer than three persons, having first been satisfied of the steps taken to establish that no other persons could be found to tender. The powers referred to in this paragraph shall not be delegated otherwise than to an Executive Officer.

EXPLANATORY NOTE

Where the estimated value of the proposed purchase exceeds £30,000 tenders shall only be sought in conjunction with Headquarters Procurement Team. If there is any doubt whether tenders are required Headquarters Procurement Team will provide advice and guidance.

ANNEX 4:

THE APPROVED LIST TENDERING PROCEDURE

WHEN THE PROCEDURE IS APPLICABLE

Use of this procedure is applicable in the following circumstances:

- (i) If the Chief Constable so requires, contracts up to the value of £30,000
- (ii) Contracts with an estimated value of between £30,001 and £60,000 (£100,000 in respect of IS/IT contracts) in the event that the Abbreviated Tendering Procedure or the Full Tendering Procedure are not used.
- (iii) Contracts in excess of £60,000 (£100,000 in respect of IS/IT contracts up to the current value of the applicable EU threshold in the event that the Full Tendering Procedure is not used.

WHEN THE PROCEDURE IS NOT APPLICABLE

Such a procedure is not applicable in the following circumstances:

- (i) Contracts subject to the requirements of EU directives.
- (ii) When one or more Framework Agreements for the goods or services is/are directly available.

DESCRIPTION OF THE PROCEDURE

Maintenance of the Approved List

Under this procedure, the Chief Constable shall prepare and maintain a list of persons eligible to be invited to tender for any specified category of contracts. Each list, known as an "Approved List", shall be prepared by giving not less than once in every three years public notice in one or more newspapers circulating in the Authority's area or in one or more appropriate trade journals or both as the Chief Constable shall consider desirable AND notice to all persons who are at that time included in the appropriate Approved List.

The notice shall invite persons to apply for inclusion of their names on the Approved List of contractors eligible to be invited by the Police Authority to tender for the contract or contracts in question. Application should be made by completion of a questionnaire which meets, as a minimum, the requirements of paragraph H.1.

After the closing date, the Chief Constable shall consider all applications for inclusion in an Approved List and shall select not less than three applicants or all applicants if fewer than three. The selection of applicants to be included in an Approved List and who fulfil the Police Authority's technical and financial requirements shall not be delegated otherwise than to an Executive Officer.

Any grievance of an applicant for inclusion in an Approved List against a decision of the Chief Constable in relation to the application shall be referred, for review and decision, to the Police Authority.

Invitation to Tender

The Chief Constable shall invite tenders for the supply of goods or services in respect of which an Approved List is maintained from not less than three persons on that list (or all such persons if fewer than three). The requirements of sections H, I, J, K and L must be met. The Chief Constable shall ensure that such invitations to tender are extended fairly amongst all those persons on that list who are able to supply the goods or services in question.

EXPLANATORY NOTE

See the Explanatory Note to Annex 3

Once the Approved List is established, ad-hoc additions to the list will not be permitted.

ANNEX 5:

THE FULL TENDERING PROCEDURE

WHEN THE PROCEDURE IS APPLICABLE

Such a procedure is applicable in the following circumstances:

- (i) If the Chief Constable or the Treasurer so requires, contracts up to the value of £60,000 (£100,000 in respect of IS/IT contracts).
- (ii) Contracts in excess of £60,000 (£100,000 in respect of IS/IT contracts) in value and up to the current value of the applicable EU threshold in the event that the Approved List Tendering Procedure is not used.
- (iii) Contracts in excess of the current value of the applicable EU threshold

WHEN THE PROCEDURE IS NOT APPLICABLE

Such a procedure is not applicable in the following circumstances

- (i) Contracts subject to the requirements of EU applicable directives
- (ii) When one or more Framework Agreements for the goods or services is/are directly available.

DESCRIPTION OF THE PROCEDURE

Under this procedure, tenders may be invited for the contract itself or applications may be invited for permission to tender.

Permission to tender leading to invitation to tender

Notice inviting persons to apply for permission to tender shall be given in one or more newspapers circulating in the Authority's area or in one or more appropriate trade journals, or both, as the Chief Constable shall consider desirable.

The Chief Constable shall after the closing date consider all applications received in response to the public notice and shall select not less than three applicants who fulfil the Police Authority's requirements, or all applicants if fewer than three. The selection of applicants to be invited to tender shall not be delegated otherwise than to an Executive Officer

Following selection of the appropriate number of applicants, the requirements of sections H, I and L must be met.

Invitation to tender

Notice inviting persons to tender shall be given in one or more newspapers circulating in the Authority's area or in one or more appropriate trade journals, or both, as the Chief Constable shall consider desirable. The requirements of sections H, I, J, K and L must be met.

EXPLANATORY NOTES

See the Explanatory Note to Annex 3

Inviting applicants for permission to tender would normally be expected where the contract involves goods or services of a particular specific quality or where the character, calibre or standing of the successful contractor is of particular importance.

The Full Tendering Procedure should be used for all major contracts let by the Police Authority. Increasingly, the requirements of the EU dictate that arrangements must follow the relevant EU Directives and that there is a public, Governmental and commercial expectation that contracts where the estimated value is close to but less than the applicable EU threshold will nonetheless be procured in accordance with EU requirements. Guidance on this aspect should be sought from the Chief Executive or the Director of Resources.

ANNEX 6:

EUROPEAN UNION TENDERING PROCEDURES

WHEN THE PROCEDURES ARE APPLICABLE

The European Union Directives for the majority of supplies, services and works specify certain contract value thresholds above which all tendering must comply with the relevant Directives, and must be advertised in the Official Journal of the European Union. Compliance with the Directives, which is mandatory, is normally triggered by the estimated value of the proposed contract, though see the Explanatory Note to Annex 5. The thresholds are revised every two years.

WHEN THE PROCEDURE IS NOT APPLICABLE

Such a procedure is not applicable in the following circumstances

- (i) When centrally-negotiated continuous contracts for the goods works or services are directly available

DESCRIPTION OF PROCEDURES

The Directives set out specific mandatory requirements for the following:

- (a) Wording of advertisements;
- (b) Choice of Open, Restricted or Negotiated Procedures for tendering;
- (c) Minimum timescales for the tendering procedure;
- (d) Use of standards or brand names in specifications;
- (e) Criteria for the award of contracts;
- (f) Contract award notices.

ANNEX 7:

REQUIREMENTS FOR OBTAINING COMPETITIVE OFFERS.

Whilst Section G1 of these Standing Orders allows the Chief Constable an element of discretion in the tendering procedure in prescribed circumstances, the arrangements for obtaining competitive offers set out below represent the Force's minimum requirements.

Estimated Value of Goods, Works or Services to be Supplied £	No. of Quotations or Tenders to be Invited	Method of inviting Quotations/ Tenders	Basis of Selecting Supplier/ Contractor
0 – 3,000	2	Oral (confirmation in writing shall be obtained)	Purchasing Knowledge
3,001- 30,000	3	Written Quotations	Purchasing / Market Knowledge
30,001 - 60,000 (100,000 in respect of IS/IT Contracts)	At least 3	Formal Tenders (Abbreviated Approved List or Full tender process)	Following advertisement / purchasing knowledge/ Market knowledge
Over 60,000 (100,000 in respect of IS/IT Contracts) -up to EU threshold value	At least 3	Formal Tenders (Approved List or Full tender process)	Following advertisement / purchasing knowledge/ Market knowledge
Over current EU threshold value	In accordance with EU Directives	EU tender process	Purchasing knowledge/market knowledge

2. **Estimated contract values refer to the estimated total value of the proposed purchase to the Police Authority as a whole, not just for individual Divisions or Departments. (The sole**

legal entity for contracting purposes is the Staffordshire Police Authority).

- 3. Where the estimated value of the proposed purchase is over £30,000 tenders shall only be sought in conjunction with Headquarters Procurement Team. If there is any doubt whether tenders are required Headquarters Procurement Team will provide advice and guidance.**