
Procurement Policy

Westerham Town Council

Adopted 20th July 2020

1. WESTERHAM TOWN COUNCIL PROCUREMENT POLICY

(Westerham Town Council, hereinafter referred to as the Council)

Getting procurement right is important. It is about continuously improving the delivery, quality and cost effectiveness of public services to residents and the renewal of public assets; providing better value for money.

2. POLICY PURPOSE

This document lays out the procedures to bring clarity to the procurement processes set out in the Standing Orders and Financial Regulations, and to comply with the Public Contracts Regulations 2015. The table overleaf sets out the general procedures to be adopted by Officers which are overseen by Members.

3. COUNCIL PROCUREMENT VALUES

The Council will strive to attain best value for all goods, materials and services which it purchases. "Best Value" will be defined as a balance of price, quality of product and supplier services. The Council will operate a transparent procurement process in accordance with its Financial Regulations and Standing Orders for all procurement.

- The Council will purchase locally wherever possible and where best value can be satisfied. The Council will strive to make purchases within the Parish of Westerham / Crockham Hill and the Sevenoaks District where possible, but not exclusively.
- In evaluating "best value", the past record of the supplier will be taken into account and this does not always mean that the Council should select the lowest quotation.
- The Council will purchase Fair Trade goods where possible.
- The Council will purchase re-cycled goods or less environmentally damaging materials where they meet the required functional standard and will have regard to protect and sustain the environment.
- Procurement activities will comply with the Council's Financial Regulations and follow guidance in the NALC Procurement Toolkit where possible.
- The Council will comply with both the Public Contracts Regulations 2015 and EU procurement regulations.
- In addition to the legal requirements to publish covered by the Public Contracts Regulations 2015, the Council will meet the additional recommended requirements for greater disclosure in the Local Government Transparency Code 2015.
- Tender opportunities will be promoted on the Council's website to encourage tenders from local community and voluntary organisations and the local SME sector.
- The Council will look favourably to organisations that pay the Living Wage as set by the Living Wage Foundation.

4.THRESHOLDS & PROCEDURES

Procurements should not be disaggregated solely to avoid the need to meet a more rigorous procedure.

Value ¹	Action/Authority	Evidence kept
< £100	Verbal quote(s) to be accepted Officer	Choice of supplier to be recorded, along with details of supplies
£100-£1k	Strive to obtain three verbal quotes Officer	Details of the quotes
£1k to £5k	Strive to obtain three written quotations. Recommendation taken to relevant committee	Quotes retained alongside reasons for choice of supplier
£5k to £25k	At least three written formal quotes to be obtained. Taken to relevant Committee and applicable for Full Council resolution	Quotes retained alongside reasons for choice of supplier
£25k to EU threshold ²	Compliance with internal tender process. Opportunity to be advertised as widely as possible, including on both the Contracts Finder ³ and the Council's website. Tenders received by the Clerk and unopened until in the presence of a councillor. Scrutinised with recommendation to committee and for Full Council resolution ⁴	Record of advertisement. Details of where posted. All tender documents to be retained
Over EU thresholds	Full EU tender procedures Full Council resolution	All documents/ correspondence to be retained

¹ Thresholds for budgeted expenditure. Unbudgeted expenditure must be approved by Full Council

² Threshold for public service & supply contracts £181,302. For public works contracts £4,551,413

³ The Council must (within 24 hours) of advertisement also advertise an invitation to tender on the Government's Contracts Finder Website and must then have the contract details available on the internet AND there must be no pre-qualification stage in such a contract.

⁴ After the contract has been awarded the Council must publish on the Government's Contracts Finder Website: the name of the contractor; the date on which the contract was entered into; the value of the contract; and whether the contractor is an SME or a VCSE.

5.EXCEPTIONS

An **exception** is a one-off deviation from the procedure that may occur due to an emergency, or the requirement being so unique as to make locating other supplie(r)s impossible. Exceptions may be made under the direction of the Council where they are satisfied that the exception is justified in special circumstances.

Every exception and reason shall therefore be formally recorded in Council minutes. This may, on occasion, occur retrospectively, but Officers should be able to justify actions such as those taken in an emergency or immediate need.

6.SPECIFICATIONS

Enquiries and invitations to Tender shall be based on a written specification. The specification shall adequately describe the requirement procedure in sufficient detail to enable effective procurement in accordance with these rules.

7.SUBMISSION OF TENDERS

Submission procedures for contracts above £25,000

- Where an invitation to tender is made, such invitation to tender shall state the general nature of the intended contract and the Clerk/Responsible Financial Officer shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitations shall, in addition, state that tenders must be addressed to the Clerk/Responsible Financial Officer in the ordinary course of the post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed dates for opening tenders for the contract.
- The tenders shall be kept in the custody of the appropriate nominated person until the time and date specified for their opening.
- Tenders shall be opened by the Clerk/Responsible Financial Officer in the presence of at least one Councillor. Tenders shall be date stamped and signed on all pages containing price information.
- Quotations and tenders may be received electronically provided they are kept in a separate secure folder under the control of the Clerk/Responsible Financial Officer which is not opened until the deadline has passed for receipt of tenders.

8.SUPPLIER PRE-QUALIFICATION AND DUE DILIGENCE

The Council shall only enter into a contract with a supplier if it is satisfied as to the supplier's suitability (competence and qualified to undertake the required task), eligibility, financial standing and technical capacity to undertake the contract by carrying out appropriate due diligence.

9.ACCEPTANCE OF QUOTATIONS AND TENDERS

- Each tender shall be evaluated for price and quality to ascertain the most economically advantageous tender. For procurements over £25,000 the questions

and scoring systems used shall be written before tenders are received. The basis of this exercise shall be explained in any invitation to tender documentation.

- Where the authorised person considers it in the best interests of the Council, he/she may negotiate with the tenderers whose tenders are being considered for acceptance. No negotiation on contracts whose value is in excess of £25,000 can take place without reference to the Chairman of the Council. Any negotiation which would distort competition is expressly forbidden. Details of the negotiation must be placed on the contract file.
- Arithmetical errors found in any tender: the tenderer shall have the error pointed out to them and be offered the opportunity to stand by their original tender, or their corrected tender, or to withdraw it.
- Contracts under £1000 can be awarded by an officer; contracts between £1000 and £5000 can be awarded by a committee and contracts over £5000 are awarded by resolution of Full Council.

10.CONTRACT CONSIDERATIONS

- The contract must be in writing or electronic form capable of providing a permanent record in writing.
- The contract must clearly specify the services, supplies or work to be provided.
- The contract must clearly specify the price to be paid net of discounts and including any Value Added Tax in £ Sterling.
- The contract must specify the time or times within which the contract is to be performed.
- In the case of all contracts exceeding £25,000 the contract must specify the liquidated damages to be paid by the contractor if the contract is not completed at the specified date.
- The contractor must be required to hold appropriate insurance to satisfy the requirement within each contract to indemnify the Council in the event of any claim in respect of employers' liability or in the event of loss.
- No clause will be inserted in any contract which would unfairly discriminate against a contractor in any member state of the EU.
- For employers' liability the level of cover should be at least £10m.
- For Public Liability it is unlikely that cover of less than £5m will be acceptable.
- Every contract must contain an anti-corruption clause.
- Every contractor must obtain the written permission of the Council before assigning or sub-letting the contract or any part of it.
- For values in excess of £250,000 the contract must require the completion of a performance bond or parent company guarantee.
- All contracts must comply with the law and the policies of the Council.
- If a contract is terminated because a contractor has gone into receivership, administration, liquidation or other similar reason, any novation of the contract with a third party shall be subject to the approval of the Council.

11.SIGNING AND SEALING OF CONTRACTS

Every successful quotation/tender shall be accepted in writing. Contracts, as determined by the Solicitors to the Council, shall be set out in a formal contract document.

12.NOMINATED SUB-CONTRACTORS AND SUPPLIERS

Where a sub-contractor or supplier is to be nominated to a main contractor, the procurement of the services of the sub-contractor or supplier shall be subject to these Contract Procedure Rules. In the event of a main contractor nominating any sub-contractor for delivery of all or part of the services, the Council's contract will remain with the main contractor and the main contractor remains responsible and liable for delivering the agreed contract. The main contractor holds responsibility for delivery of the contract and any associated penalties, financial or otherwise, to the Council as agreed in the main contract.

13.CONTRACT VARIATIONS TO SCOPE

Any necessary instructions to vary a contract shall be made in writing by the Chairman, Clerk/RFO or persons responsible for supervising the contract. Where a variation occurs during the currency of the contract that is material and cannot be met from within the original contract sum, an immediate report shall be made to the Council who shall decide what further action is necessary.

14.CONTRACT MANAGEMENT

Contract monitoring - the Council monitors suppliers' performance to ensure Best Value is being delivered. This includes regular review of the contract with suppliers and the monitoring of the provision and price competitiveness of goods and services.

Contractor safety - Town Council staff are responsible for the safety of contractors working at our sites. Preparation of our sites to make sure that they are safe for the contractor, highlighting in writing any potential areas of concern. Ensuring confidence that the contractor understands safe working practices by examining qualifications, work experience, risk assessments, and method statements and ensuring full documentation is in place to aid internal and/or external audit.

Oversight of the contractor's work - Town Council staff, as identified and instructed, are responsible to ensure compliance with method statements and should suspend work if the agreed working practices are not being followed. Compliance should be assured by regular discussion, observation and spot checks as appropriate. By regular inspection, ensure that work of the right quality is produced by the contractor.

15.TERMINATION OF CONTRACTS

The Council reserves the right to terminate any contract immediately where a supplier commits a material breach of the agreement to deliver services, or fails to deliver agreed services, in the agreed timeframe without a plan to address the failings.