



Cyngor Dinas Llanelwy St Asaph City Council

Procurement Policy

1. INTRODUCTION

- 1.1 In the context of local councils, “procurement” is the process by which the Council awards contracts to third parties (frequently individuals or companies) to provide goods, services or to undertake works. A procurement process is designed to source the most suitable contractors based on cost and their knowledge, experience, capability, and financial standing.

2. GENERAL

- 2.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. The Clerk shall control the issue of orders to contractors.
- 2.2 All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction and that the Council’s financial regulations are followed. Best value is not limited to financial considerations.
- 2.3 A member may not issue a verbal order, an official written order or make any contract or commitment on behalf of the Council.
- 2.4 Routine maintenance as specified in the Assets Maintenance Policy may be arranged by the Clerk and reported to the Environment & Assets Committee.
- 2.5 All quotations and tenders must be received by the Clerk.
- 2.6 The value of the contract (net of VAT) is for the duration of the contract if that is greater than one financial period.
- 2.7 Indicative quotes may be sought by the Clerk to enable the Council to consider finance implications and budget.
- 2.8 The following contracts are exempt from the requirements of these rules:
- Contracts relating solely to disposal or acquisition of land;
 - Employment contracts, and
 - Individual agency contracts for the provision of temporary staff.
- 2.9 Exceptions from any of the following provisions of this Procurement Policy may be made under the direction of the Council where they are satisfied that the exception is justified in special circumstances. The reason for the exception shall be recorded in the minutes.

3. CONTRACTS

- 3.1 Before commencing the tendering process, the need for the goods or service must be established. The options for meeting this requirement shall be explored.
- 3.2 Requirements shall not be broken down into individual packages in order to deliberately avoid a more onerous tendering process.
- 3.3 A clear written specification shall be drawn up and approved by the Environment & Assets Committee, to ensure that all quotations are provided on the same basis. The Clerk will seek technical assistance in writing the specification as appropriate.
- 3.4 The Council will ensure that the tendering process is fair and transparent and does not discriminate for or against any supplier. This applies to all procurement, whatever the value.
- 3.5 The Council recognises the benefits to the local economy of using local businesses and will seek out local contractors and suppliers wherever possible. Past performance may be taken into account in selecting a supplier.
- 3.6 The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
- 3.7 Should the Council not accept any tender, quotation or estimate and require further pricing, provided the specification does not change, no person shall be permitted to submit a later tender, estimate or quotation who was present when the original decision-making process was being undertaken.
- 3.8 Where the value of a contract is likely to exceed £189,330 (or other threshold specified by the Office of Government Commerce from time to time) the Council must consider whether the Public Contracts Regulations 2006 (SI No. 5, as amended) and the Utilities Contracts Regulations 2006 (SI No. 6, as amended) apply to the contract and, if either of those Regulations apply, the council must comply with the European Union Procurement Directive.
- 3.9 The full requirements of The Public Contracts Regulations 2015 (“the Regulations”), as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).

4. SUPPLIER PRE-QUALIFICATION

- 4.1 The Council shall only enter into a contract with a supplier if it is satisfied as to the supplier’s suitability, eligibility, financial standing and technical capacity to undertake the contract.
- 4.2 All contractors and suppliers working on Council sites will be required to comply with the Council’s requirements for the provision of suitable risk assessments and method statements

- 4.3 The Council requires all contractors working on Council sites and projects to maintain adequate insurance, including but not limited to Public Liability insurance for £5 million.

5. REQUIREMENT FOR QUOTATION/TENDER AND PUBLIC ADVERTISING

- 5.1 Consideration shall be given to other costs associated with the procurement (including maintenance costs, power consumption etc). Where these could be significant, these costs may be considered against alternative options.

a) Contracts between £1000 and £2999

The Clerk will endeavour to obtain three estimates.

b) Contracts between £3000 and £24999

The Clerk will endeavour to obtain three quotations.

c) Contracts between £25000 and £189329 (or other threshold specified by the Office of Government Commerce from time to time)

The Clerk shall invite tenders from at least three companies.

6. SUBMISSION OF TENDERS

- 6.1 The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of 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 date for opening tenders for that contract.
- 6.2 All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of Council. All written tenders or quotations shall be date stamped and signed on each page by the Clerk and those members present.
- 6.3 Quotations and tenders may be received electronically provided they are kept in a separate secure folder under the control of the Clerk which is not to be opened until the deadline has passed for receipt of tenders. These will be accompanied by at least one hard copy, which will be the definitive copy.
- 6.4 Members and senior staff should not, so far as is practicable, be involved in the award of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.
- 6.5 Members and senior staff should not, so far as is practicable, be involved in the making or authorising payments in respect of orders and/or contracts with organisations or individuals in respect of which a personal interest exists, whether declared or not.

7. ACCEPTANCE OF QUOTATIONS AND TENDERS

- 7.1 Tenders are to be reported and considered by the appropriate meeting of the Environment & Assets Committee. The Committee will make a recommendation to full council.
- 7.2 The Council is not bound to accept the lowest value tender.

7.3 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.

7.4 Arithmetical errors found in any tender shall be dealt with as follows:

- 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 withdraw it.

8. SIGNING AND SEALING OF CONTRACTS

8.1 Every successful quotation/tender shall be accepted in writing, by the Clerk.

9. NOMINATED SUB-CONTRACTORS AND SUPPLIERS

9.1 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 this Procurement Policy.

9.2 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.

9.3 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.

10. CONTRACT PROJECT MANAGEMENT

10.1 Project management shall be practised at all times in undertaking procurement, using industry agreed project management framework and standards as appropriate to the work being undertaken (for example, but not limited to, PRINCE2, PMI, RIBA, RICA).

10.2 Suppliers will be expected to demonstrate their Project Management competency and qualifications.

11. CONTRACT VARIATIONS TO SCOPE

11.1 Any necessary instructions to vary a contract shall be made in writing by the Clerk/RFO on the instructions of persons responsible for supervising the contract.

11.2 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.

12. BONDS, GUARANTEES AND INSURANCES

12.1 For procurement projects where the spend is greater than £25,000, consideration must be given as part of the pre-qualification assessment and evaluation process as to whether a performance bond and/or parent company guarantee (if applicable) shall be required from the successful tenderer.

12.2 Consideration must be given as to the appropriate type (employee liability, public liability, professional indemnity etc) and level of insurance requirements for each contract.

13. TERMINATION OF CONTRACTS

13.1 The Council reserves the right to terminate any contract immediately for reason of Termination for Cause – 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.

14. CONTRACTOR LISTS

14.1 The Council will compile a list of contractors who would be interested in tendering or quoting and what areas of work they could cover. The contractors must be able to comply with all Health & Safety requirements, any other relevant legislation and all Council policies.

14.2 Any relevant quotes or tenders will be circulated to all appropriate contractors on the list.

15. EMERGENCY SITUATIONS

15.1 The Council will compile a list of contractors to contact in emergency situations. An emergency situation occurs when immediate action is required and cannot wait for authorisation at Full Council. The Clerk will consult with the Mayor, the Deputy Mayor and the Chairman of the Environment & assets Committee before making a decision and will report all such works carried out at the next Full Council meeting.

15.2 In respect of contracts that may be exempt from the Public Contracts Regulations 2015 the Council needs to have access to pre-approved contractors to supply routine services or who can be called on to provide services in an emergency. These include, but are not limited to:

- Electricians;
- General Builders;
- Glaziers;
- Grass and Hedge Cutting Contractors;
- Groundworkers;
- Locksmiths;
- Plant hirers;
- Play equipment repairers;
- Plumbing and heating engineers;
- Tree Surgeons.

15.3 Contractors wishing to be included on the Council's register of approved contractors will be required to complete a registration form (see Appendix A).

15.4 the register of approved contractors will be reviewed periodically.

16. PAYMENT

- 16.1 St Asaph City Council will pay for goods and services rendered against an invoice, addressed to “St Asaph City Council” for the work.
- 16.2 The Clerk and/or a Councillor will inspect the work and confirm that it is satisfactory. Any rectification needs to be made before agreeing to pay the invoice.
- 16.3 Invoices should be submitted once the work is completed. Invoices received by the first of the month will be submitted for authorisation to the Council meeting – see 16.4 below. Invoices received after this date will be submitted to the following Council meeting.
- 16.4 The Council pay all invoices by cheque, authorised at its meeting on the 2nd Wednesday each month. Cheques are posted by first class post within five days of the meeting.

17. SUSTAINABILITY

- 17.1 The Council recognises the importance of sustainability and will take into account the environmental, social and economic impacts of its purchasing decisions.
- 17.2 The Council recognises its duty to protect biodiversity and will, wherever possible, purchase products which protect biodiversity, for example peat-free compost.
- 17.3 the Council will, wherever possible, purchase goods that meet International Fairtrade standards (or similar).

18. REFERENCES

- 18.1 Legal References:
 - i. Local Government Act 1972 s135;
 - ii. Public Contracts Regulations 2015;
 - iii. Governance & Accountability in Wales – A Practitioners Guide (2019 Edition).
- 18.2 Other Relevant Policies:
 - i. Standing Orders;
 - ii. Financial Regulations;
 - iii. Asset Maintenance Policy;
 - iv. Environment Policy;
 - v. Equality Policy.

<i>Policy Adopted:</i>	<i>March 2022</i>
<i>Policy Last Reviewed:</i>	<i>May 2024</i>
<i>Next Policy Review:</i>	<i>May 2029</i>

Appendix A

APPLICATION FOR INCLUSION ON ST ASAPH CITY COUNCIL'S APPROVED CONTRACTOR LIST

Business	
Business Address	
Post Code	
Telephone	
e-mail	
Services provided	
Years in business	
Memberships/professional Bodies	
Declaration	• I understand that the Council requires me to hold Public Liability Insurance for contracts which involve working on Council sites for a minimum of £ • I confirm that I will supply a copy of my PLI policy annually, at renewal. • I am aware that I am required to comply with the Council's health & safety and equality procedures.
Signed	
Date	
Name	
Position	

Please e-mail completed form to clerk@stasaphcitycouncil.gov.uk