



# Highlands & Islands Fire Board

## CONTRACT STANDING ORDERS

Classification: **UNRESTRICTED**

# THE HIGHLANDS AND ISLANDS FIRE AND RESCUE SERVICE / HIGHLAND & ISLANDS FIRE BOARD

## CONTRACT STANDING ORDERS

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## INTRODUCTION

### 1. EXECUTIVE SUMMARY

Responsibility and accountability for all procurement within the Service lies with the Chief Fire Officer (CFO), who has the authority to determine all matters relating to procurement subject to compliance with legal requirements. The CFO may delegate areas of procurement to Heads of Departments and to specified officers of the Service.

Requirements for goods and services with a value in excess of £3,000, and requirements for works with a value in excess of £10,000, shall be subject to requests for competitive quotations, unless they are covered by one or more of the exceptions or exemptions noted below.

Requirements for goods, services, or works with a value in excess of £25,000 shall be subject to formal tendering procedures unless they are covered by one or more of the exceptions or exemptions noted below. These Prescribed Sums are set out at Appendix 1 to these Orders.

Arrangements for competitive tendering for all requirements with a value in excess of £25,000 shall be made by the Service's Procurement function unless the authority to do so is delegated by the CFO to other officers, either in the scheme of delegation, or specifically through the authorisation of a Delegated Authority Form (Appendix 2).

Advertising will take place as follows as a minimum:

- Requirements with a value in excess of £25,000 but less than £156,442 (Supplies and Services) or £3,927,260 (Works):  
Service's own Website via the Public Procurement Portal:  
[www.publiccontractsscotland.gov.uk](http://www.publiccontractsscotland.gov.uk)
- Requirements with a value in excess of £156,422 (Supplies and Services) or £3,927,260 (Works):  
Official Journal of the European Union (first)<sup>1</sup>  
Council's own Website via the Public Procurement Portal  
Government Opportunities

The single point of publications for these notices will be Service's Procurement function. This means that all Contracts subject to formal tendering procedures must be advertised via Service's Procurement function, and that where quotation level requirements are advertised on a voluntary basis, the same requirement applies.

No transactions or commitments made or costs incurred may be split to avoid the necessity of appropriate calls for competition.

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<sup>1</sup> EU tender threshold values are revised every two years. Next scheduled revision is 1 January 2012.

In all commitments made in the commissioning of consultancy services, regardless of value, Statements of Requirement and Terms of Engagement shall be documented in every case.

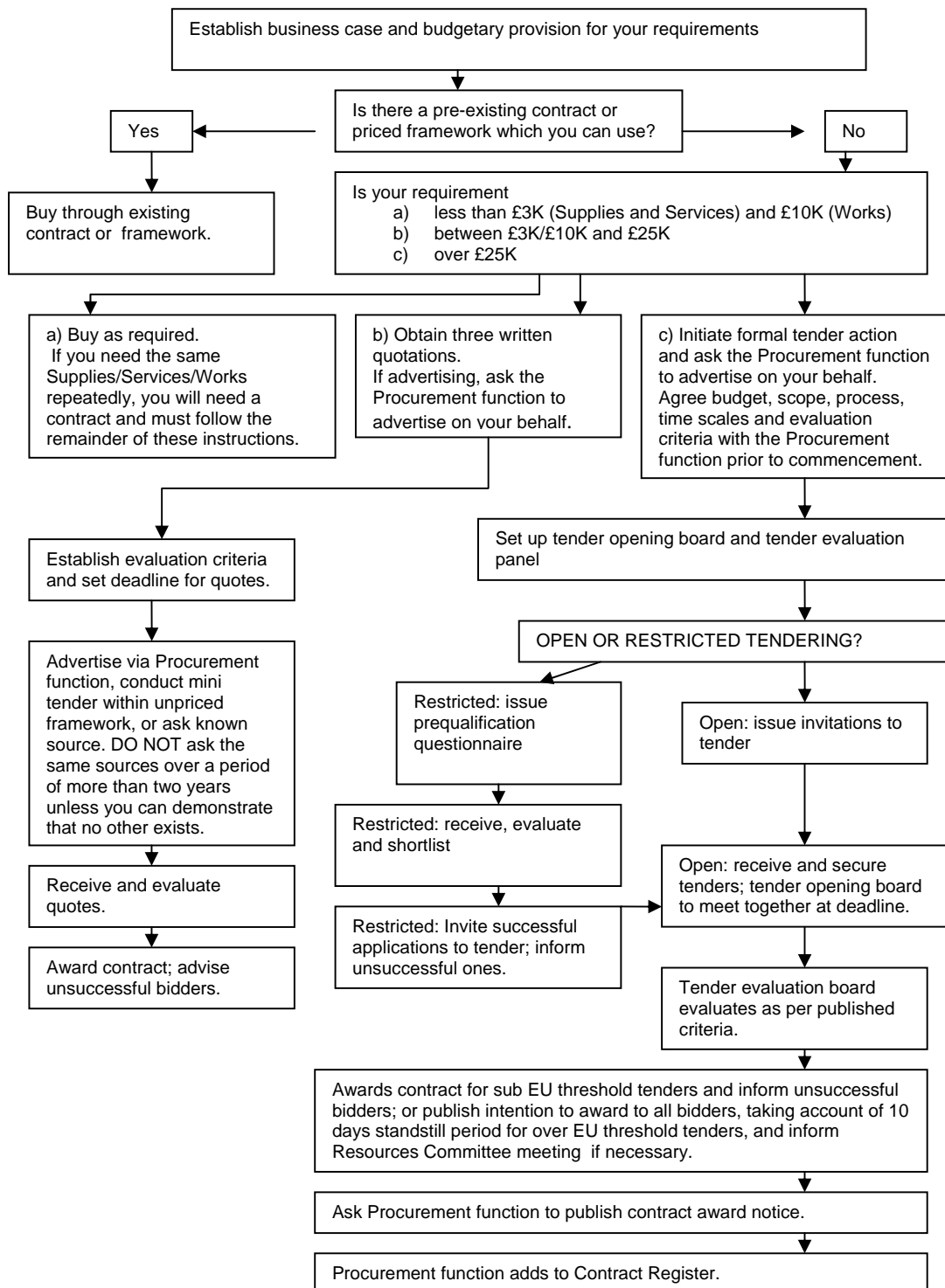
Tendering for goods, services, and works within the Service shall be carried out by electronic means where possible. All manual orders must follow the procedures laid out in the Financial Regulations.

Procurement tasks shall be undertaken only by empowered staff, each of whom must have specific delegation allocated to them using the form at Appendix 2 of these Orders.

Procurement via collaborative contracts such as those awarded by Procurement Scotland, Scotland Excel or the Office of Government Commerce (OGC) may be undertaken without further competition depending on the particular procedure recommended by the Agency concerned at the discretion of the CFO.

In all cases periodic 'value for money' checks involving other alternatives should be carried out as such agencies do not guarantee or always offer best value.

## 2. PROCUREMENT PROCESS MANAGEMENT FLOWCHART



## CONTEXT

### 1. Commencement

These Orders (“the Contract Standing Orders”) apply and have effect as from 28 November 2010 and shall be subject to annual review.

### 2. Definitions

In these Contract Standing Orders, the following words and expressions shall have the following meanings assigned to them:

“the 1973 Act” means the Local Government (Scotland) Act 1973;

“Board” means the Highland and Islands Fire Board established under the Local Government etc (Scotland) Act 1994;

“Contract” means an agreement between the Board and another legal entity having the following characteristics:

- offer and acceptance/agreement
- intention to form legal relationships
- capacity of the parties to enter such an agreement
- and legality.

A contract is not required to be concluded in writing in order to be binding but may be either verbal or implied by the actions of the parties. As such, an agreement to work in partnership with a third party to achieve an end required by the Board is liable to be held to be a contract, and the output required by the Board will be subject to the same rules of competition and commercial conduct as any other requirement.

“Contracting Authority” means the Highland and Islands Fire Board. There are no legal personalities within the Board other than the Board itself, and such no Department, Station or Function or any other part of the Service has the capacity to enter independently into a contract.

“Chief Fire Officer” means the Chief Fire Officer of Highlands and Island Fire and Rescue Service, and is taken to include any member of staff delegated by the Chief Fire Officer to undertake specific tasks relating to contracts. The authority to undertake these tasks must be documented within the Fire Service and be acknowledged by the relevant officer.

“Head of Corporate Services” means the Head of Corporate Services of Highlands and Island Fire and Rescue Service.

“Procurement function” means any Procurement Co-ordinator or other staff member with delegated responsibility for carrying out advertising, arrangements and management of competitive tendering, quotation exercises and award of contracts by the Chief Fire Officer.

“Most economically advantageous tender” means that tender giving maximum value for money over the lifetime of the contract for the goods, services or works delivered thereby, taking into account all material matters, visible or invisible, including but not being limited to quality and price. Other than “lowest price” it is the only acceptable means of deciding which tenderer should be awarded a contract in terms of the public procurement regulations. It must be noted that in assessing the most economically advantageous tender, the costs taken into account must be material to the purposes of the contract<sup>2</sup>. In other words, the cost must bear upon a significant measurable characteristic of the requirement being procured.

“Partners” are defined as any organisations with which the Service to deliver their objectives, with a formal agreement of roles (contract, funding agreement, Service Level Agreement, etc). Partnerships are defined by the agreements between the partners<sup>3</sup>.

“Partnering” means a form of collaborative working between partners and in contrast with traditional ‘arms length’ procurement and contract-management approaches. Partnering is characterised by a greater degree of openness, communication, mutual trust and sharing information. There may often be a long-term relationship which requires clear roles and responsibilities for decision making, and effective performance reporting<sup>4</sup>. Entering into such agreements is subject to the same rules of competition as other forms of agreement.

“Prescribed amount” means the amount or category as prescribed by the Resources Committee and approved by the Board from time to time;

“Quality” in this context means fitness for purpose as defined in the Specification or Statement of Requirements.

“Services” means services as defined by the Public Contracts (Scotland) Regulations 2006;

“Works” means works as defined by the Public Contracts (Scotland) Regulations 2006, and includes the outcome of building or civil engineering

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<sup>2</sup> Previously, award criteria had to be materially linked to the subject matter of the contract and to costs borne directly by the Contracting Authority; however case ECJ C-513/99 (Concordia Bus) shows that award criteria need only to be materially relevant, objectively quantifiable, previously advertised, and respect Community law: the case therefore allows for matters such as the measurable output of pollutants to form part of the award criteria even though they are costs borne by the environment rather than directly by the Contracting Authority.

<sup>3</sup> HM Treasury, “Managing Risks With Delivery Partners” 2004

<sup>4</sup> Ditto

works taken as a whole which is sufficient of itself to fulfil an economic or technical function;

“Supplies” means supplies as defined by the Public Contract (Scotland) Regulations 2006, and includes purchase, lease, rental or hire purchase, with or without the option to buy, of products. A public contract having as its object the supply of products and which also covers, as an incidental matter, siting and installation operations shall be considered a public supply contract;

“Service Provider”, “Supplier” and “Contractor” shall have meanings as defined by the Public Contract (Scotland) Regulations 2006;

“Sponsor” means the owner of the requirement as distinct from the Procurement officer carrying out the commercial action on their behalf.

### **3. Extent and Introduction**

These Contract Standing Orders are made under section 81 of the 1973 Act. They shall apply to the entering into by the Board, or on its behalf, of contracts for the supply, or lease, of Supplies, Services, and Works, as the case may be, unless classified as being exemptions or exceptions from these Contract Standing Orders. For the avoidance of doubt, these orders do apply to PFI/PPP, Joint Ventures, and similar contracts.

They are written in accordance with the terms of the Scottish Government Procurement Policy Handbook, and the Scottish Procurement Policy notes and shall be implemented by application of the standards and procedures set out in the Highlands and Islands Fire and Rescue Service Procurement Strategy and Procurement Guidance as published at the time of the requirement arising.

Policy responsibility for the governance of commercial business shall rest with the Chief Fire Officer and Head of Corporate Services.

Actions and responsibilities assigned to the Chief Fire Officer and Head of Corporate Services will be executed on their behalf by the Finance Manager and Procurement Co-ordinator.

For avoidance of doubt, the Chief Fire Officer will be the proper officer for the purpose of awarding and signing procurement contracts, variations, extensions, novation orders and terminations on behalf of the Board. This authority may be delegated, but only by means of a properly executed procurement authorisation form (see Appendix 2).

#### **4. EU, UK and Scottish Legislation**

These Contract Standing Orders will be operated in such manner as will comply in all respects with the requirements of European Community Law, United Kingdom and Scottish legislation. There should be no conflict between these Orders and the legislation, but for the avoidance of doubt, in all cases EU law takes precedence, followed by UK and Scots law.

#### **5. Breach of Contract Standing Orders**

Any breach or non-compliance with these Contract Standing Orders must on discovery be reported immediately to the Head of Corporate Services for appropriate action.

The Head of Corporate Services will undertake any necessary investigation and report the findings to the relevant Head of Department and Chief Fire Officers as appropriate and disciplinary proceedings may result from such reports.

#### **6. Conflicts of Interest**

Staff who involved in procurement activities are responsible for making themselves aware of the Service's Code of Conduct for Employees.

For the avoidance of doubt, no employee of the Service with a social or family connection with any member of staff of any organisation expressing an interest in bidding for a particular requirement, where there is a likelihood that said member of the potential bidder's staff is likely to have access to the development of a bid, may be involved in any way on the related procurement exercise.

Similarly, no employee with a pecuniary interest in any organisation expressing an interest in bidding for a particular requirement may be involved in any way in the related procurement exercise.

## **POLICY STATEMENTS**

### **1. Exemptions from Standing Orders**

There will be exempted from the provisions of these Standing Orders:

- (i) all contracts with a total estimated cost *not* exceeding the sums set out at Appendix 1
- (ii) any contract of employment
- (iii) any contract excluded under the terms of the Public Contract (Scotland) Regulations 2006
- (iv) any contract relating to the disposal or lease of land or other capital asset.

### **2. Exceptions from Standing Orders**

Nothing in the remainder of these Standing Orders shall apply if:

- (i) (a) where the Sponsor has satisfied the Chief Fire Officer and Head of Corporate Services that the requirement is not readily obtainable from more than one supplier, service provider, or contractor, and it can be demonstrated that no equivalent is available; or that  
  
(b) the prices of the goods, materials or specialist services are wholly controlled by trade organisations or government order and it can be demonstrated that no equivalent is available; or that  
  
(c) the requirements are subject to intellectual property rights and it can be shown that either no suitable alternative is available, or that exposure to competition of an item covered by copyright, patent, or trademark would breach such rights. Note that where an item is described by a reference to a trade name, it must be followed by the phrase “or equivalent”; or
- (ii) where there is an existing contract for the supply of any class of goods, works or services. Such contracts may only be extended without fresh competition within reason, and in accordance with any limitations set out either in the Contract itself or the Contract Notice. The following shall all apply:
  - (a) the original contract must have been won *via* a competitive process;

- (b) the extension may not exceed the allowance for extension as set out within the terms and conditions of the contract;
- (c) unit costs may not increase under the terms of extension by more than 25% over those set out in the contract;
- (d) an extension may be necessary in order to allow for the proper conduct of a competitive process;
- (e) the extension proposed must be reasonable in all the circumstances.

Any variation which constitutes a material alteration of the original contract by nature or extent must be the subject of fresh competition; or

- (iii) the demand is for the execution of work or the supply of goods, materials or specialist services, certified by the Chief Fire Officer as being required as an emergency measure so as not to permit the invitation of tenders. "Emergency" means **only** an event which could not reasonably have been foreseen. Each case must be reported to the Head of Corporate Services and the next meeting of the Board; or
- (iv) the work to be executed or the goods, supplies or services to be provided consist of repairs to or the supply of parts for existing proprietary machinery or plant and the Board is bound by the terms of an agreement, by insurance requirements or by the terms of a warranty to use a specified contractor; or
- (v) an offer is made on an ad-hoc basis for the supply of goods or materials certified by the Chief Fire Officer as exceptionally available for purchase at advantageous rates in circumstances where a real and immediate need is demonstrated and the advantage to the Board would be lost by delay in inviting tenders; or
- (vi) the contract is for the supply of goods acquired on the Commodities Market

*Where an exception is applied, the decision and the process at which the decision was reached must be formally documented.*

## **2.1 Reporting Exemptions and Exceptions to the Board**

- All instances of such procurements arising under (i) (a) to (c) must be approved by the Board approval *before* any contract award.
- The award of contract under (ii) shall be reported to the next available meeting of the Board.
- Each case under (iii) must be reported to the Head of Corporate Services and to the next meeting of the Board.

- All contracts under (iv) must be reported to the next available meeting of the Board.
- Offers accepted under (v) must be reported to the next available meeting of the Board and must not form the basis of ongoing contractual relationships.
- Under (vi) if the contract is not the lowest tender, it must be reported to the next available meeting of the Board.

### **3. Budgetary Provision and Precautionary Tendering**

- (i) The Sponsor must ensure that sufficient funds exist prior to the commencement of any contracting action. If the cost of the requirement is not known when it arises, similar requirements elsewhere may be used as a baseline. Informal consultation with potential providers, without making any commitment, may also be used. *Precautionary formal tendering aimed solely at establishing costs must not take place.* The only exception to this is when external funding is anticipated which must be used within the current financial year. In those circumstances tendering in advance of final agreement is acceptable, but the situation must be made clear to all potential bidders. Prior to commencement of any commercial action, the Sponsor must advise the Procurement function conducting the competitive exercise of the associated budget and obtain Budget Holder's approval.

### **4. Business Cases**

Before committing funds to or commencing a tendering process for any commercial arrangement in excess of the threshold for formal tenders, the Sponsor must ensure that a business case has been established. This must examine all possibilities for meeting the requirement. It must also show that no other contract which could be used already exists within the Board.

### **5. Dispensing with Competition**

- (i) It is a fundamental principle of Public Sector procurement that purchases should be made as a result of competition.
- (ii) Dispensing with competition at any level of purchase, which may amount to unfair discrimination, is contrary to the provisions of the Treaties of Amsterdam and Rome. *Decisions to proceed with a non-competitive purchase above the prescribed sum for the obtaining of quotations must be recorded,* and must only be made within the rules set out in Orders 2 and 3 above.

- (iii) Procurement *via* collaborative contracts such as those awarded by Procurement Scotland, Scotland Excel, or the Office of Government Commerce (OGC) may be undertaken without further competition on the particular procedure recommended by the Agency concerned. In all cases periodic 'value for money' checks involving other alternatives should be carried out as such agencies do not guarantee or always offer best value.
- (iv) Breaking down or disaggregating requirements in order to avoid the necessity of exposing them to competition is contrary to public procurement regulations and must not be entered into under any circumstances.

## **6. Periodic Supplies and Framework Agreements**

- (i) Where a contract is for the supply of goods or materials or the provision of services by means of a call-off contract or framework agreement which includes detailed pricing information, formal tendering shall be carried out only once prior to the commencement of such arrangement. The period of such arrangements should not exceed four years without specific justification which must be published when the requirement is advertised.

## **7. Aggregation of Demand and Partnership Working**

- (i) Where requirements arise in more than one department, unit, or other part of the Service, or where requirements are shared between such parts of the Service, then those requirements shall be aggregated for the purposes of procurement, and no part of the Service shall operate independently of any other.
- (ii) Once a Contract or set of Contracts for any category of supply or service has been let corporately on behalf of the Board, it shall be a requirement for all parts of the Service to use the Contract for the provision of the Supplies, Services, or Works concerned. New contracts shall be reported on the Service's Intranet.
- (iii) In accordance with the principles of the Egan Report on Rethinking Construction, aggregation of demand shall also apply to works procurement<sup>5</sup>. In areas in which strategic partnerships are used, the rules of open competition and equality of opportunity must be applied to Board business.
- (iii) Partnership arrangements are a valid means of achieving best value through procurement. The establishment of partnerships must be subject to

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<sup>5</sup> The report states that: "Increased use of partnerships and long term framework agreements will help drive continuous improvement. The major long-term benefit from integrated team working is the potential for relationship continuity. Integrated teams should be based, wherever possible, on strategic partnering. Knowledge and expertise can then be transferred more effectively from one project to the next."

formal competition and must protect the interests of the Board, by the use of formally agreed and written terms and conditions.

- (iv) Consideration should always be given to the possibility of joining with other organisations to tender jointly for similar requirements, and research undertaken prior to commencement as to the feasibility of this approach.

## **8. Requirement Planning and Freedom of Information**

- (i) The Board shall treat its commercial and contractual relationships as confidential to the extent allowed by the Freedom of Information (Scotland) Act 2002.
- (ii) To allow for the operation of Freedom of Information, the EU Procurement Directives, and the Public Contracts (Scotland) Regulations, a Contracts Register shall be published on the Service's public website. Managers shall ensure that the Procurement function is provided with sufficient information to enable this to be kept up to date.

## **9. Specifications**

- (i) Formal Specifications or statements of requirement shall be developed for all tendered or quoted requirements for supplies, services (including each and every consultancy regardless of value), or works. These will fully define what the Contractor or Supplier is to provide. The Sponsor will develop the specification with the support of the Procurement function.

## **10. Sustainability and Equal Opportunities**

- (i) To the full extent permitted under legislation at the time of undertaking the Contract, and where the statutory duty of Best Value is not compromised by doing so, the Board shall take full account of the issues of social/economic and environmental sustainability wherever it is material to the purposes of the Contract<sup>6</sup>.
- (ii) In any Service functions carried out by an external supplier, the Board remains responsible for meeting its duty of ensuring equality of opportunity. As such the Board must build relevant equality considerations into appropriate contracts to ensure each function meets its statutory requirements, regardless of who is carrying it out.<sup>7</sup>

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<sup>6</sup> EU Commission SEC (2004) 1050, Buying Green, A Handbook On Environmental Public Procurement

<sup>7</sup> Public Procurement and Race Equality, Guidelines for Local Government, Commission For Racial Equality 2002, considerations to be based on relevance, proportionality, accountability, transparency, mainstreaming, appropriateness, legality, and risk assessment.

## **11. Procurement and Contract Risk**

- (i) The Board's exposure to commercial risk is minimised by adherence to the terms of these Orders, and as such, adherence will constitute a reasonable level of protection for the Board in its commercial activities. No protection can be offered in cases where these orders are breached.
- (ii) In respect of Capital projects, the Governance arrangements set out in the Board's formal guidance on this matter must be adhered to.

## **12. Reporting of Contracts and Contract Expenditure**

- (i) Prior to the commencement of any formal tender exercise, the Sponsor must establish a budget forecast for the requirement and shall certify that sufficient funds exist to cover this.
- (ii) On award of contract, the subject of the contract, successful tenderer, budget figure and actual forecast expenditure shall be reported by the Sponsor to the Head of Corporate Services.
- (iii) Where the forecast expenditure figure exceeds the budgetary figure, the Sponsor must produce a plan for either managing the cost down to the level of budgetary provision or for making additional funds available, and this plan must also be reported to the Head of Corporate Services.
- (iv) Where the forecast expenditure equals or is lower than the budgetary figure, but in implementation exceeds this, this must also be reported to the Head of Corporate Services as and when it arises, with a plan for dealing with the overspend.

## **13. Construction (Design and Management) Regulations 2007**

Duties under the Construction (Design and Management) Regulations 2007 require clients to provide pre-construction information to designers and contractors in any project involving works as defined in the CDM Regulations.

## **14. Transfer of Undertaking (Protection of Employment) Regulations**

- (i) Where the Service seeks to outsource an activity currently provided in house, TUPE will affect any staff who have the essential part of their ongoing duties delivering the activity immediately before the project commences (staff working intensively on an activity for a very short period of time who are not normally engaged in that activity will not be affected) and will be entitled to transfer to a new employer under TUPE.

- (ii) Prior to the commencement of any project involving TUPE, guidance must be sought from Procurement, Finance, Human Resources and Legal Services, and appropriate time must be built into the project plan for all necessary staff and Union consultation.
- (iii) The Service is obliged to provide the expected numbers of staff affected to prospective tenderers at commencement of the exercise. At the point of invitations to tender, the information set out in Appendix 4 must be provided to prospective tenderers in respect of each staff member affected.
- (iv) This must be clarified by a statement to the effect that final numbers will be provided at least two weeks before contract commencement, but that no liability for the accuracy of this information will be taken prior to that point, and that numbers are subject to variation.
- (v) Any such contracts must contain a provision obliging the incoming service provider to keep records of staffs assigned to the activity and to provide that information on demand in order to enable re-tendering at the end of the contract.
- (vi) Where the Service is re-tendering an activity, it will be necessary firstly to ask the existing supplier whether or not they believe that TUPE applies. If they believe TUPE will apply, then they must make the information set out at Appendix 4 available to potential new suppliers of the same activity on exactly the same basis as the Council did on first outsourcing the activity. They must provide the information to the Service and the Service will issue it with PQQ/ITT documentation. However, the Service will take no liability for this information and must advise bidders that they must verify this information with the existing supplier, who will be legally and contractually bound to reply. Tender documentation must contain a term indemnifying the Service for liability in respect of this information.

Once contracts are let, either on first outsourcing or at re-tender, the Service has a legal obligation to ensure that the incoming supplier acts in accordance with their TUPE obligations.

## **15. Contracts Register and Transparency**

The Service maintains a Contracts Register on its website, along with a list of all contracts to be advertised in the following twelve months which is updated monthly.

All contracts with a value of £3,000 or more must be published in the Contracts Register via the Procurement Co-ordinator.

Each Head of Department shall provide a plan to the Head of Corporate Services no later than 28<sup>th</sup> February each year showing their requirements for contracting activity in the following financial year, in order to allow for the publication of Prior Information Notices.

## **OPERATIONAL PROCEDURES**

### **1. Authority to Invite Tenders**

- (i) Formal tendering exercises will be administered by the Procurement function. Tenders for the provision of requirements shall be invited by the Chief Fire Officer, or any officer to whom this authority is formally delegated (see Appendix 2).
- (ii) Tenders in respect of goods or equipment to be supplied by way of a lease arrangement may only be invited following approval from the Head of Corporate Services.
- (iii) Tenders with a value in excess of the prescribed sums must be dealt with in accordance with the EU Open, Restricted, Negotiated, or Competitive Dialogue Procedures.

### **2. Advertising of Tenders**

- (i) All requirements subject to formal tendering must be advertised. As a minimum, all tenders will be advertised on the Service's website and via the Public Contracts Scotland portal (PCS) and the European Information Centre (EIC) as appropriate. Copies of tender notices must be forwarded to the relevant Agencies at the time of writing. Any other media such as newspapers, trade magazines, Government Opportunities, etc. may be used additionally at the discretion of the Sponsor, but Sponsors should have due regard to the requirement to minimise tendering costs through advertising electronically and through free of charge media such as Government Opportunities. Tenders with values in excess of the EU threshold for advertising via OJEU must be advertised there before any advertisement is placed anywhere else.

*The single point of publication for these notices is the Procurement function. This means all Contracts subject to formal tendering procedures must be advertised via the Procurement function, and that where quotation level requirements are advertised on a voluntary basis, the same requirement applies.*

### **3. Framework Agreements**

- (i) The Chief Fire Officer and the Head of Corporate Services in conjunction with the Sponsor may decide to set up framework agreements. Parties admitted to the framework by way of competition may be invited to tender via further mini-competition for individual contracts for the provision of goods, materials, services or works of specified categories, or in which direct orders can be placed on parties admitted to the framework without further competition. In the former case, invitations to tender for such contracts shall be limited to parties admitted to the framework.
- (ii) The establishment of framework agreements is subject to the same requirements for advertising and evaluation as all other contracts. No such framework may have a lifetime of greater than four years without specific and justifiable reason being recorded for the commitment to a longer period. Only one framework agreement shall be set up within the Service in respect of any category of goods, services or work, though these may be addressed as "lots". In each case its compilation and maintenance shall be the responsibility of and shall be owned by the Sponsor assigned that category of supplies, works or services. The Procurement function will support the Sponsor administratively in the process. Framework agreements may be made with one provider or with at least three providers, unless a multiple-supplier framework is required and only two competent tenders are received.
- (iii) Where tenders within an over-arching framework agreement are appropriate, invitations to tender must be sent to at least four participants on the framework unless there are less than four or fewer in the framework, in which case all shall be invited. If the membership of the list falls to less than three, it shall be set aside and open tendering shall be used.
- (iv) Where there are more than five participants in any framework agreement, invitations to tender may not be sent to the same set of potential bidders in any framework on more than two consecutive occasions. Allocation of work or inclusion in the list of those to be invited must be on a fair basis such as by use of Key Performance Indicators.

### **4. Tendering via Restricted Procedures and Ad-hoc Lists**

- (i) The Chief Fire Officer in conjunction with the Head of Corporate Services may decide to keep a standing list of interested parties to be invited to tender for contracts for the provision of goods, materials, services or works

of specified categories. If so, invitations to tender for such contracts shall be limited to persons whose names appear on that list.

- (ii) Expressions of interest in being included in any such list must be sought by public advertisement via the Service's website, EIC and PCS as a minimum, at least four weeks prior to its compilation. No such list may have a lifetime of greater than two years. Only one maintained list shall be compiled within the Board in respect of any category of goods, services or works, and in each case its compilation and maintenance shall be the responsibility of the Sponsor for that category with the support of the Procurement function.
- (iii) Invitations to tender must be sent to at least six participants on the list; unless there are fewer than six on the list, in which case all shall be invited. If the membership of the list falls to less than three, it shall be set aside and open tendering shall be used.
- (iv) Invitations to tender may not be sent to the same set of potential bidders in any maintained list on consecutive occasions, and inclusion in the list of those invited must be on a fair basis such as by rotation.
- (v) Should the Chief Fire Officer choose to use ad-hoc lists or restricted procedure tendering, then the requirement shall be advertised publicly via the Service's website EIC and PCS as a minimum and expressions of interest invited. After the expiry of the period specified in the public notice, a select list of tenderers will be drawn up from the list of applicants returning questionnaires or providing other evidence of competence as set out in the advertisement.

## **5. Open Tendering**

- (i) Should the Chief Fire Officer and Head of Corporate Services in conjunction with the Sponsor choose to use an open tendering procedure, then the requirement shall be advertised publicly, via the Service's website, EIC and PCS as a minimum, and expressions of interest invited. All persons responding must then be invited to tender.

## **6. Content of Invitations to Tender**

- (i) For each contract the potential tenderers shall be issued a formal invitation to tender, detailing at least the following:
  - the nature and purpose of the contract and detailed requirement specification
  - the last date and time when Tenders will be received
  - the return address
  - that the Board is not bound to accept the lowest or any tender

- whether or not variant bids will be allowed (must be specified in the contract notice)
  - the evaluation criteria to be used in priority order and with any weightings given
  - the draft contract document
  - the no collusion certificate
  - the certificate of bona fide tendering
  - that the Board is subject to the requirements of the Freedom of Information (Scotland ) Act, with non-disclosure items form
  - the proposed amendments to contract form
  - that the Board will not accept liability for bid costs.
- (ii) Tenderers will be required to return their tenders by either hard copy or via the Board's electronic tendering system. Tenderers must be advised that open e-mail is not an acceptable method for returning tender documents. Late tenders may not be considered and must be returned unopened to the tenderer.
- (iii) The confidentiality of tenders must be respected, and no details may be disclosed to any tenderer regarding any tender other than their own during the conduct of a tender. No officer who has direct or indirect personal pecuniary interest may participate in any tendering procedure, and all such interests must be declared prior to commencement of the tender exercise.

## **7. Evaluation Criteria**

- (i) Prior to the publication of any notice or invitation to tender, the Chief Fire Officer and Head of Corporate Services in conjunction with the Sponsor must decide on the objective evaluation criteria to be used in assessing both pre-qualification questionnaires (if a two stage process is involved) and tenders.

Pre-qualification involves the selection of tenderers who are qualified to tender, and award of contract involves the selection of the most appropriate tender put forward in response to the invitation. Pre-qualification criteria must be set in such a way as to ascertain and select tenderers who are qualified to tender, and contract award criteria must be set in such a way as to ascertain and award contract(s) in favour of the most appropriate tender(s) put forward in response to the invitation in terms of the most economically advantageous or lowest price tender. These criteria must be weighted according to the needs of the contract, and both the criteria and their weightings must be published in the pre-qualification/tender documentation.

In the case of tenders carried out in accordance with EU tendering procedures, the criteria and weightings must be set out in the OJEU notice.

Criteria must include technical capability and compliance with any relevant health and safety requirements. Where these criteria are not met, tenders must be rejected.

- (ii) Pre-qualification questionnaires (PQQs) and tenders must be checked and evaluated only on the basis of the published criteria, and no other criteria. Contract awards must be made solely on the basis of that evaluation.

Evaluation matrices are available from the Procurement function. Evaluation of pre-qualification questionnaires must be based on assessment of the financial, legal and technical standing of the potential tenderer only. Tender evaluations must be based on assessment of the actual proposals for meeting the requirement. Criteria used for pre-qualification may not be used in the tender evaluation, and the two sets of criteria must be distinct from each other.

Awards of contract may only be made by the Chief Fire Officer and Head of Corporate Services, or any officer formally recorded as being specifically delegated to do so.

Where a tender accepted is not the lowest priced or most economically advantageous, the view of the Convener must be sought prior to the award and reasons for the making the award must be reported to the next available meeting of the Board.

- (iv) Acceptable standard or pass marks relating to the financial, legal and technical standing of the potential tenderer and supplier evaluation methodologies to be applied in Supplier Selection/Shortlisting/PQQ/SAQ/ assessments must be stated within the appropriate questionnaire.
- (v) Contract Award/Evaluation criteria may include
  - Price (Whole Life Cost including running costs)
  - Quality defined in terms of
    - Technical Merit
    - Aesthetic and Functional Characteristics
    - Environmental Characteristics
    - Effectiveness
    - After Sales Service/Support
    - Technical Assistance/Training
    - Delivery Date/Installation
    - Social Issues
- (vi) For the avoidance of doubt, experience of the supplier/service provided/contractor shall not be used as a contract award criterion, but only as a means of determining relevant expertise at PQQ/SAQ stage, and where used for that purpose, must not relate solely to the experience of

working with Highlands and Islands Fire and Rescue Service but rather to similar projects in any referent organisation.

- (vii) In all cases the evaluation criteria must be relevant and objectively measurable. All criteria and their associated weightings must be published either with the contract or the invitation to tender. Selection criteria applied to Supplier Assessment Questionnaire (SAQ) or PQQ must be proportionate to the requirement in hand, i.e. requirements for turnover and number of staff, etc. must not be more restrictive than required for the safe delivery of the requirement. Increased scoring should not be given for levels of such metrics over and above that required. Where membership of a particular organisation or qualification is required, the principle of mutual recognition must be upheld, and the words “or demonstrated equivalent” inserted.

## **8. Handling of Tenders**

- (i) Tenderers must be advised that open e-mail is not an acceptable method for returning tender documents. Later tenders and late submissions of outline and detailed solutions may not be considered, and if submitted in hard copy must be returned unopened to the tenderer unless tenderers can prove that lateness was caused by factors beyond their control.
- (ii) Upon receipt, all tenders must be receipted and logged, and retained unopened and secure until the advertised time of opening. A record of each tender received, showing the name of the tenderer, date received, date of tender, and value of tender must be retained on file. Where prices are submitted as a schedule, the pricing field on the tender recording form may be endorsed “see attached schedule” and a copy of the tender’s pricing pages attached to the form and retained with it. This may be retained electronically.
- (iii) Tenders must be opened at the advertised time of opening or as soon as possible thereafter, simultaneously, by at least three persons, one of whom must be entirely independent of the exercise.
- (iv) Tenders which include Bills of Quantities must be checked for arithmetical accuracy, and, where inaccuracies are found, the tenderer must be given the opportunity to correct them in accordance with any relevant Code of Practice (e.g. ICE or JCT) that is appropriate for the contract. If no particular code applies, the same opportunity must be afforded to such tenderers on the understanding that none of the individual figures constituting the wrongly calculated cost may be altered.

## 9. Evaluation and Award of Contract

- (i) Contracts must be awarded in accordance with the published criteria and no others.
- (ii) Evaluation will be split and Supplier Appraisal/Pre-Qualification Questionnaires and tenders will be separate so that initial evaluation and scoring will be carried out as follows:
  - Technical Evaluation: Specifiers/Requirement Owners supported by Procurement where the Project is covered by delegated authority. The technical evaluation panel must consist of at least two staff. Procurement staff will not carry out technical evaluation, but will ensure fair, equal, and justified application of the evaluation criteria.
  - Financial Evaluation: Procurement staff in respect of Financial Manager's remit, or the project manager in respect of other requirements supported by Finance as appropriate (e.g. for complex evaluations).
  - Contract Evaluation: Procurement staff in respect of Financial Manager's remit, or the project manager in respect of other requirements with reference to Legal Services as appropriate.
  - Sustainability Evaluation (where relevant): Procurement Staff in respect of Financial Manager's remit, or the project manager in respect of other requirements with reference to Specifiers/Requirement Owners supported by Heads of Department as appropriate (e.g. for complex evaluations).

Following initial assessment and individual marking, formal evaluation meetings will be convened by Procurement, or the project manager in respect of other requirements, to allow for finalisation of all markings on the same day, or where this is impossible on consecutive days. Any discrepant marks will be examined to ascertain whether they arose from an erroneous reading of the tender. Once scorers are content with their scores and any reasons for discrepant scores formally recorded, scores will be fed into the evaluation spreadsheet which will generate overall final scoring.

- (iii) Clarification questions and responses at both PQQ and ITT stage will be dealt with by Procurement in respect of its remit, or the project manager in respect of other requirements only.
- (iv) Tenders may be rejected immediately where they fail to meet the published criteria or where alternative terms and conditions are put forward which are unacceptable to the Service.
- (v) Following evaluation, notification of intention to award a contract and rejection of tenders on the basis of evaluation criteria must be issued simultaneously. However, in respect of contracts tendered via OJEU, a period of at least ten days must elapse between this date and contract

commencement in order to allow unsuccessful tenderers to appeal. This must be explained to the successful contractor in the letter of award.

- (vi) Prior to the award of any formally tendered contract, Procurement in respect of its remit, or the project manager in respect of other requirements will produce a tender report based on the template set out within the Service's Procurement Manual to these orders for consideration by the project sponsor.
- (vii) In respect of tenders with a value requiring advertising via OJEU, a formal tender board shall be convened chaired by the Director of the sponsoring department, and the tender evaluation panel will present the report and their conclusions to the tender board for consideration.
- (viii) Project sponsors may elect to convene tender boards in respect of contracts with lower values, but in all cases the tender report must be accepted by the project sponsor before any indication of the Service's intention to award a contract is published.
- (ix) As soon as possible after the decision has been made, the project manager shall inform all tenderers and all candidates concerned (if any) both directly and via publication of a contract award notice any decision to:
  - (a) award a contract; or
  - (b) conclude a framework agreement.

This information shall include:

- (a) the criteria for the award of the contract;
- (b) in direct communications, the score obtained by:
  - (i) the economic operator which is to receive the notice; and
  - (ii) the economic operator to be awarded the contract; or to become a party to the framework agreement;
- (c) the name of the economic operator to be awarded the contract; or to become a party to the framework agreement;
- (d) in the case of direct communication with an unsuccessful economic operator, a summary of the reasons why the economic operator was unsuccessful;
- (e) in the case of direct communication with an unsuccessful tenderer, the characteristics and relative advantages of the successful tender; and

- (f) a precise statement of the rights of the recipient of the notice during any applicable mandatory standstill period.

This does not apply where:

- (a) the only tenderer is the economic operator to be awarded the contract or to become a party to the framework agreement, and there are no candidates concerned; or
- (b) the contract is a contract based on a framework agreement or a contract awarded under a dynamic purchasing system.
- (c) the contract or framework agreement is exempt from the requirement for prior publication of a contract notice; or
- (d) there are no tenderers concerned or candidates concerned.

Where a mandatory standstill period is required, the project manager shall within 15 days of the date on which he/she receives a request in writing from any economic operator which was unsuccessful:

- (a) inform that economic operator of the reasons why it was unsuccessful; and
- (b) in the case of an unsuccessful tenderer, other than a tenderer which has been informed by direct communication, inform that economic operator of the characteristics and relative advantages of the successful tender and the name of:
  - (i) the economic operator to be awarded the contract;
  - (ii) the parties to the framework agreement; or
  - (iii) the economic operators admitted to the dynamic purchasing system.

Information issued in accordance with this Order must include any reason for the Service's decision that the economic operator did not meet the technical specifications or their equivalent

- (ix) The project manager shall prepare and publish a record in relation to each contract awarded, framework agreement concluded or dynamic purchasing system established, specifying:
  - (a) the name and address of the contracting authority;
  - (b) the value of the consideration to be given under the contract, framework agreement or dynamic purchasing system;
  - (c) the type of goods to be purchased or hired, the work or works to be carried out or, as the case may be, the services to be provided;

- (d) the reasons why the successful economic operators were selected;
- (e) the name of any economic operator:
  - (i) to which the contract was awarded;
  - (ii) with which the framework agreement was concluded; or
  - (iii) which was admitted to the dynamic purchasing system;
- (f) the parts of the contract or framework agreement that the economic operator to which the contract has been awarded or with which the framework agreement has been concluded, intends to sub contract to another economic operator;
- (g) where the negotiated procedure was used, what special circumstances constituted grounds for using that procedure;
- (h) where the competitive dialogue procedure, details of the circumstances which constituted grounds for using that procedure and
- (i) where the Service has abandoned a contract award procedure, the conclusion of a framework agreement or the establishment of a dynamic purchasing system, the reasons why the Service has decided not to award the contract, to conclude the framework agreement or to establish the dynamic purchasing system as the case may be.
- (x) Awards may be made by the Chief Fire Officer in all cases, subject to the remaining provisions of this Order. He may formally delegate his authority to do so in specific instances (see Appendix 2). Letters of award in respect of all contracts will be issued from Procurement function and awarded in accordance with the Scheme of Delegation
- (xi) Board authority shall be required prior to acceptance of tenders, in such circumstances where the revised TOTAL net estimated costs, including the tender, exceeds the amount provided in the original Capital Plan, or Revenue Budget.

NOTE: This requirement may be excepted under the following conditions:

(a) When the revised TOTAL net cost (including fees) exceeds the original amount in the Capital Plan or Revenue Budget by less than 10% - subject to a prescribed upper limit – the Chief Fire Officer may authorise acceptance of the Tender

or

(b) When the revised TOTAL net cost (including fees) exceeds the original amount in the Capital Plan or Revenue Budget by more than 10% but less than 15% - subject to a prescribed upper limit - the Chief Fire Officer may approve acceptance in consultation with the Convener or Vice-Convener, and the detail must be reported to the next available meeting of the Board.

In both of the above situations, acceptance may only be agreed where such additional costs can be met from identified savings within the Service Capital Plan or Revenue Budget.

- (xii) A contract shall not be awarded in favour of any other than the most economically advantageous or lowest priced tender unless the Board has considered a written report from the Chief Fire Officer which so recommends.

In circumstances where, due to the timing of the Board meeting, the Chief Fire Officer may proceed with award after consulting the Convener or Vice-Convener. However, if this practice has been adopted the detail must be reported to the next available Board meeting.

- (xiii) If the Chief Fire Officer recommends that none of the tenders submitted be accepted, the matter shall be referred to the Board for decision.
- (xiv) Contracts for leases above a prescribed sum shall not be accepted unless the Head of Corporate Services is satisfied that the arrangement to be concluded is the most advantageous to the Service.
- (xv) Copies of letters to both successful and unsuccessful tenderers must be retained in accordance with the document retention schedule set out in the manual in the formal file relating to the tender and the contract.
- (xvi) Tenders may be rejected immediately where they fail to meet the published criteria or where alternative terms and conditions are put forward which are unacceptable to the Board.
- (xvii) Following evaluation, notification of intention to award a contract and rejection of tenders on the basis of the evaluation criteria must be issued simultaneously; however a period of at least ten days must elapse between this date and contract commencement in order to allow unsuccessful tenderers to appeal. This must be explained to the successful contractor in the letter of award.

## **10. Risk Management Procedures**

- (i) The Chief Fire Officer in conjunction with the Head of Corporate Services will assess the level of risk he wishes to undertake and that which he wishes

to transfer to a Contractor when setting the appropriate detail of the specification, the particular terms and conditions which will form the basis of the Contract, levels of insurance, and performance bonds<sup>8</sup>.

(ii) Risk management tools include the following:

a) *Insurance*

a) Employers' Liability Compulsory Insurance (ELCI):

The sum insured must be in accordance with relevant legislation existing at the time the requirement arising. The Board should ask to see a copy of the ELCI insurance policy and/or a copy of the certificate of insurance prior to the contract award.

b) Public Liability and All Risks/Professional Indemnity:

The levels of insurance cover required in respect of each project should be set by the Board in the context of the contract and reflecting the level of risk involved.

b) *Financial Vetting:*

In respect of a Contract with a value in excess of the prescribed sum, or in respect of contracts which the Chief Fire Officer views as exposing the Board to excessive risk, a formal financial assessment of the potential tenderers' financial standing shall be undertaken prior to short-listing of tenderers or at pre-qualification stage, depending upon the procedure used.

In respect of projects with a value in excess of the OJEU tendering threshold, checking of potential contractor's financial standing must be undertaken via Finance at PQQ/SAQ stage and prior to final commitment and award of contract.

c) *Liquidated Damages:*

Dependent on the terms of the contract document, where a breach, default or negligent act on the part of the Contractor results in direct losses to the Board, it will be the Sponsor's delegated duty to take appropriate action. This includes deducting pre-estimated liquidated damages and making any appropriate retention where such retentions are agreed as genuine pre-estimates of loss and may not be construed as unenforceable penalty clauses.

d) *Conditions of Contract:*

These ensure clear contract arrangements and should contain clauses that will protect the Board against a variety of risks. The Chief Fire Officer in conjunction with the Head of Corporate Services should ensure that the conditions of contract are sufficient to deal with the risks involved in the project/contract.

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<sup>8</sup> As per Scottish executive Guidance Note LAPC (08)2004 Risk Assessment in the procurement process, and the Department of the Environment Report "Use of Performance Bonds in Government Construction Contracts"

- e) *Contingency Planning:*  
Depending upon the Chief Fire Officer's assessment of risk, a contingency plan may be produced that provides an outline of decisions, considers the contract's effects on the Service and ensures that decisions are taken about those effects for which contingency arrangements will be needed. These can be complex and time consuming to produce and may only be appropriate when a high level of risk is envisaged<sup>9</sup>.
- f) *Forms of Security:*  
Where a contract pre-tender estimate exceeds the prescribed sum, or where the Chief Fire Officer ascertains that the Board is exposed to sufficient risk, he shall consider whether the Board should require security for its due performance.  
He shall either certify that no such security is necessary or will decide what form of security may be appropriate. Forms include Parent Company Guarantees, Escrow Agreements, or Performance Bonds for the due performance of the contract.  
*Note: where Performance Bonds are considered, separate guidance on the particular alternatives is available, but "On Demand" Bonds are deemed unfair and should not be used. Where bonds are required, they should be from reputable UK based issuers.*
- g) *Payment in Advance:*  
Where a contractor requires a payment in advance the amount shall be limited to £10,000. In circumstances where the advanced payment required is in excess of £10,000 explicit approval from the Treasurer to the Fire Board must be sought before any payment is made.

Further advice can be obtained from Procurement, Internal Audit and Risk Management.

## **11. Quotations**

- (i) Where the estimated value of a requirement falls between the prescribed sum for the invitation of quotations and the prescribed sum for formal tendering, it will be appropriate to request quotations rather than to undertake a formal tendering process.
- (ii) The procedures for dealing with quotations must be as rigorously fair and open as those for dealing with tenders. The only differences are that the Chief Fire Officer:
- is not obliged to use a sealed bid procedure
  - may advertise in a more restricted manner

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<sup>9</sup> as per Scottish Executive LAPC 008(2004)

- or may rely upon at least three reputable providers known to be competent to provide quotations.

Reliance on the same providers for the provision of quotations may not be continued for any longer than one year.

## **12. Contract Documents**

- (i) Every contract subject to these Orders shall be in writing in an approved form. It shall specify all the applicable terms and conditions, drawn from the Highlands and Islands Fire and Rescue Service/Highland and Islands Fire Board Standard Terms and Conditions of Contract or other specialist or professional bodies' terms and conditions as appropriate.

The contract should include a statement to the effect that:

- (a) those terms and conditions shall apply, and that no others shall apply unless issued as a formal variation by the Board's representative, and;
- (b) that the Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract and supersedes all prior negotiations, representations and undertakings, whether written or oral, except that such Condition shall not exclude liability in respect of any fraudulent misrepresentation.

## **13. Termination etc. of Contracts**

- (i) No contract may be terminated, or materially altered, on behalf of the Board without the prior approval of the Chief Fire Officer and the Head of Corporate Services.

## **14. Engagement of Consultants**

- (i) Consultancy is subject to the full rigour of public procurement regulations. In all cases requiring the conduct of quotation or tender exercises, a formal Statement of Requirements and Terms of Engagement must be agreed by the Chief Fire Officer and Head of Corporate Services prior to the engagement of the Consultant.

Where it is likely that a former employee of the Board may be interested in undertaking the work, then in addition to the safeguards outlined in these Standing Orders, quotations or formal tenders shall be invited regardless of contract value. No contract shall be awarded to a former employee without the specific documented approval of the Chief Fire Officer.

- (ii) It will be a condition of the engagement of the service of any architect, engineer, surveyor or other consultant who is to be responsible to the Board for the supervision of a contract on its behalf, that in relation to that contract they will:
  - (a) comply with these Contract Standing Orders in full;
  - (b) produce to the Chief Fire Officer and Head of Corporate Services at any time during the carrying out of the contract, on request, all relevant records or copies maintained in relation to the contract; and
  - (c) transmit appropriate records or copies to the Procurement function, on completion of a contract.

## **15. Procedures for the Procurement of Part B<sup>10</sup> Services**

- (i) *Authorised List of Providers of Services*
  - a) On the understanding that wherever possible the use of free and open competition shall be encouraged, the Chief Fire Officer may authorise the preparation and maintenance by the Procurement function of a list of approved providers of the required Services only, when the requirements to be provided fall within the Part B categories set out in SSI 2006 No 1.
  - b) The list shall be continuously monitored and amended as necessary.
  - c) No provider shall be included in a list unless their:
    - (i) technical ability is certified as satisfactory by the Chief Fire Officer;
    - (ii) financial standing is satisfactory; and
    - (iii) compliance with Health and Safety legislation has been evidenced.
- (ii) *Procurement of Services*
  - (a) The Board may enter into a negotiated contractual agreement with a provider appearing in the authorised list for the provision of services falling within the categories Part B categories set out in SSI 2006 No 1 subject to:-
    - (a) a need being established by the Service;
    - (b) the service required corresponding with the Board's Strategic Plans;
    - (c) consultation with the Convener and Vice-Convener.
- (iii) *Requirements for Adequate Publicity*
  - (a) In circumstances relating to "Part B" requirements, the terms of EU Commission Interpretive Communication 2006/C179/02 on

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<sup>10</sup> As defined in SSI 2006 No 1, the Public Procurement (Scotland) Regulations 2006

Community Law applicable to contract awards not or not fully subject to the provision of the Public Procurement Directives shall be adhered to.

**16. Review**

This document will be reviewed on a three yearly basis.

Date of next review is 27/11/2013.

**17. Equality Impact Assessment**

This document was impact assessed on 20/10/2010.

## APPENDIX 1

### PRESCRIBED SUMS:

Section		£000
1(i)	Exemption limit for contract using formal tender documents.	(Below) 25
5(ii) & 24	Exemption limit for contract using quotations: Supply (including lease) of goods, services and materials	(Below) 3
11	Maintenance/works contracts.	(Below) 10
1(iii)	EU tendering threshold in respect of goods and services	156
1(iii)	EU tendering threshold in respect of works	3,611
9(iv) (a)	The Chief Fire Officer may accept tenders in excess of the original amount to this upper limit (subject to a 10% excess limit)	100
9(iv) (b)	The Chief Fire Officer may accept tenders in excess of the original amount to this upper limit, subject to consultation with the Convener or Vice-Convener and a full report being prepared for the next available Committee meeting (subject to a 15% excess limit)	150
9(vii)	Exemption limit for leases to be approved by the Head of Corporate Services.	(Below) 75
10(ii) (b)	Exemption limit for financial vetting	(Below) 500
10(ii) (c)	Estimated contract value for application of liquidated and ascertained damages	(Over) 500
10(ii) (f)	Contract limit for performance bonds	(Over) 500

## APPENDIX 2

### CONTRACT STANDING ORDERS DELEGATED AUTHORITY TO UNDERTAKE PROCUREMENT TASKS

It shall be a condition of exercising the undernoted duties that each employee entitled to do so shall have this form completed and authorised by the Chief Fire Office prior to doing so.

Employee Name:		Job Title	
Department		Location/Area	
Contract and/or any Value Limits to which Authority extends:			
Date Authorisation Limited Until:			
Construction Related Goods/Services (Y/N)		Non- Construction Related Goods/Services (Y/N)	

**PLEASE COMPLETE BY TICKING THE RELEVANT BOXES BELOW:**

<b>ACTIVITY: QUOTATIONS (UP TO £24,999)</b>	
Administration of Quotation Procedures	
Draw up Specification and Statements of Requirements	
Utilise Standard templates to Create Quotation Documents	
Prepare Lists of Prospective Suppliers	
Award Contracts at Less than Formal Tender Value	
<b>ACTIVITY: TENDERS (OVER £25,000)</b>	
Select Method of Tendering	
Draw up Specifications and Statements of Requirements	
Formulate Contractual Terms and Conditions	
Determine Evaluation Criteria	
Draft Contract Notice (Advert)	
Draft Contract Specific PQQ Questions	
Evaluate PQQ/SAQ Submissions	
Issue Invitations to Tender and Contract Documents	
Participate in SAQ/PQQ/Tender Evaluation	
Recommend Award of Contract	
Awards Contracts	
Obtain Board Approval	

Accepted by: \_\_\_\_\_ (Authorised Officer) Date: \_\_\_\_\_

Authorised by: \_\_\_\_\_ (Service Line Manager) Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ (Chief Fire Officer) Date: \_\_\_\_\_

### APPENDIX 3

#### RETENTION PERIOD SCHEDULE

These records may be electronic or digital rather than hard copy

Document	Retention Period
Contract documents (per Limitations Act 1980)	Current + 5 Years
Evaluation reports	"
Hire/Rental Agreements	"
HM Revenue and Excise Import documentation	"
Maintenance/Software licence agreements	"
Purchase Orders	"
Specifications	"
Successful Tenders	"
Successful Quotations	"
Variation Orders	"
Unsuccessful Quotations	Current + 1 Year
Unsuccessful Tenders	"
Tender Envelopes (from award)	1 Month
All procurement documentation relating to projects benefiting from European funding	10 years from the date of final payment of any related account

## APPENDIX 4

### INFORMATION REQUIRED FOR TUPE PURPOSES

Information on staff to be provided by the Highland and Islands Fire and Rescue Service or incumbent service provider to enable tender pricing

Information Item	Employee 1	Employee 2	Employee 3	Employee 4 etc
Date of Birth				
Age				
Continuous Service Start Date With Current Employer				
required periods of notice				
gender				
pensionable service in years/days as at DDMMYY				
employers contributions				
employees contributions				
job title				
salary				
hourly rate				
employment status				
contracted hours				
annual holiday entitlement				
holiday pay entitlement				
sick pay entitlement				
overtime allowance in last 12 months				