
Procurement Standing Orders

Derby Homes

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INTRODUCTION

This document is part of the Derby Homes Constitution which must be complied with at all times.

The Standing Orders have three objectives, to:

- Comply with the laws that govern the spending of public money and to protect individuals from undue criticism or allegation of wrongdoing.
- Secure value for money in the way we spend money, so that we offer best value for services to the public.
- Generate market competition through transparent and consistent ways of working.

The Lead Officer for Procurement is the custodian of the Procurement Standing Orders (PSOs) and is responsible for keeping them under review. If the EU Directives or any other law is changed in a way that affects these PSOs then a revision shall be issued to this document.

Where Derby Homes is procuring on behalf of Derby City Council, Derby City Council Contract Procedure Rules apply.

The Lead Officer for Procurement will advise on the interpretation of these rules, on behalf of Derby Homes, and how they shall be implemented.

PPR1 DEFINITIONS AND INTERPRETATIONS

Accounts Team	means the team in Derby Homes responsible for the processing of orders and accounts payable
Aggregation	means the consolidation of demand for similar goods and services across several points of usage in such a way that a single contract or framework can be put in place
Approved List	means a list of approved contractors and/or Suppliers prequalified for a specific purpose and maintained by the appropriate Category Manager.
Authorised Employee	means an employee of Derby Homes Limited to whom a Director has Delegated Authority under these Rules to conduct procurements or manage contracts; a list of such employees is maintained by the Lead Officer for Procurement.
Best Value	means evaluations that balance quality and cost considerations, and is achieved with regard to economy, efficiency, effectiveness, equal opportunities, and sustainable development
Board	means the Board of Derby Homes
Budget Manager	means the Employee who is responsible for the budget for the contract
Chief Executive	means the Chief Executive of Derby Homes Limited

Contract File	means a record, either physical or electronic, of all matters relating to a contract maintained by the Category Manager and held in a location known, to the Lead Officer for Procurement
Contract Register	means a record of all contracts in force over £20,000 and their status developed and maintained by the Lead Officer for Procurement
Category Manager	means the manager appointed to monitor spend within an Account Code where an Account Code is the code used within the Finance System to capture relevant spend
Custody Employee	means an employee to whom the Chief Executive has delegated authority to be responsible for the custody, opening and recording of Tenders
Delegated Authority	means an authority given to an Authorised Employee to approve or commit to financial expenditure on behalf of Derby Homes, in accordance with Derby Homes' contracts, up to a specified financial level.
Derby Homes	means Derby Homes Limited
Director	means an executive Director Officer of Derby Homes Limited
EU	means European Union
EU Contract	means a contract above the monetary value threshold specified by the HM Government each year and subject to the requirements of Public Contracts Procurement Regulations 2006 or any amendment or re-enactment of these regulations
Financial Regulation	means the financial instructions as defined in Section PPR2
FOI	means the Freedom of Information Act 2000
Legal Advisor	means any organisation or individual engaged by Derby Homes to provide legal assistance and advice
OJEU	means the Official Journal of the European Union
Lead Officer for Procurement	means an Employee of Derby Homes nominated appointed by the Executive Team to act and advise on all matters relating to procurement
Procurement Process	means the series and or sequence of activities which may or may not lead to a contract with a Supplier for goods, services and works.
PQQ	means Pre Qualification Questionnaire

Quotation	means an informal offer to supply or purchase goods or materials, execute works or provide services
Supplier	means any individual, partnership or limited company which may supply to Derby Homes' services or goods
Tender	means a formal offer to supply or purchase goods or materials, execute works or provide services
Rules	mean these Standing Orders related to procurement and contract management
Waiver	means the document recording exceptions to these Rules as set out in section PPR5
Works Contract	means contract where a Supplier is required to construct, repair or remove a permanent structure involving the activities set out and defined by Schedule 2 of the Public Contracts Regulations 2006. For the avoidance of doubt a contract for the repair of equipment within a building would be a service contract as the contract relates to repair of equipment.

PPR2 FINANCIAL REGULATIONS

These Rules must be read in conjunction with financial instructions and other relevant Standing Orders.

PPR3 COVERAGE AND COMPLIANCE

Every Procurement Process undertaken by Derby Homes must comply with these Rules, unless [a it is an excluded area under PPR4 or a Waiver](#) is given under PPR5.

Each Authorised Employee shall ensure that procurement processes managed by them comply with these Rules.

Anyone who is not an Employee of Derby Homes, but who is authorised to carry out any [procurement or contract functions](#) (e.g. surveyor, contractor or consultant) must comply with these Rules and the Financial Regulations.

All contraventions of these Rules must be reported to the Lead Officer for Procurement. [Who will report the breach to the relevant Head of Section to take the appropriate action.](#)

PPR4 EXCLUDED AREAS

The following categories of procurement and contract management are exempt from these Standing Orders:

- Contracts for the acquisition or lease of land and/or real estate;
- Contracts for permanent or fixed term employment;
- Works or Orders placed with utility companies (e.g. re-routing pipe work);
- Works or Orders placed under an existing signed Framework Contract or in favour of a previously approved provider;
- Services to be delivered by a Derby City Council's in-house service.

- Direct Payments to citizens following care assessment, for example, payments provided under Self Directed Support or individual budgets
- A declared emergency as defined by the Civil Contingencies Act 2004 and authorised by the Derby City Council Emergency Planning Officer.
- Service or Operational Level Agreement entered into with Derby City Council or other public bodies
- Procurements and contract management activities undertaken as part of a wider collaboration or a public sector consortium where the governing procedures of the body entering into the contract shall prevail, unless Derby Homes leads such an activity in which case, for the avoidance of doubt, these Standing Orders shall apply.

- The lead officer for Procurement must be advised in writing of any procurement that falls within the above excluded area category.

PPR5 EXCEPTIONS AND WAIVER

The PSOs are mandatory and must be adhered to at all times. Failure to anticipate the need for a contract and to plan accordingly is not, in law, seen as a suitable reason to circumvent good procurement practice.

No exceptions shall apply if they contravene any statutory or EU Contract Regulations.

Nothing in these Rules should inhibit competitive procurement unless it is the view of the Lead Officer for Procurement that:

- The goods or materials can only be sold at a fixed price and no reasonably satisfactory alternative is available;
- The price of the goods or materials is wholly controlled by trade organisations or government rules and no reasonably satisfactory alternative is available;
- By reason of the specialist nature of the work, restricted source of the goods or materials or services of a professional or technical nature, or for other reasons there would be no genuine competition;
- The goods, materials or services to be supplied constitute an extension of an existing contract, providing that such an extension has received the necessary approval from the Chief Executive;
- Derby Homes will be a party in common with other local authorities as part of a consortium or under a standing offer arrangement, or where a central government procurement scheme is utilised and the consortium has its own contract procedure rules or similar procedures;
- The contract is for the instruction of counsel, external legal advisers or medical experts.

- The Lead Officer for Procurement must approve in writing any procurement that is categorised as an exception to the rules as specified above.

Where the Authorised Employee ~~or the Lead Officer for Procurement~~ considers it necessary to make any exception to these Rules that is not specified above he/she shall arrange for a Waiver request in accordance with the proforma set out in the companies controlled documents ~~the Handbook~~ which will be approved by the Lead Officer for Procurement and is then submitted to the Chief Executive Officer for authorisation ~~approval~~.

The Chief Executive may grant a Waiver if satisfied that:

- Waiver is justified;
- The Lead Officer for Procurement has approved the waiver and the Authorised Officer has adequately recorded the circumstances and reason for requesting the waiver;

- The specific ~~RR~~ rules from which a waiver is sought are identified and recorded by the Lead Officer for Procurement;
- Risks are known, understood and documented;

~~Any exemption agreed to under this rule, must be endorsed by the Chief Executive in writing before being actioned.~~

The Lead Officer for Procurement shall maintain a register of all Waiver requests, along with their outcomes. A report of all Waivers shall be submitted to the Resources, Remuneration and Regeneration Committee annually.

A copy of each waiver request should also be placed in the relevant contract file should one exist by the appropriate Category Manager.

PPR6 SCHEME OF DELEGATION

Authorised Employees are approved to undertake the following activities on behalf of Derby Homes:

- Price testing;
- Tendering;
- Entering into contract;
- Managing contracts;
- Placing orders.

A register of Authorised Employee's shall be created and maintained by the Lead Officer for Procurement and shall contain:

- Employee title;
- Maximum monetary commitment;
- Permitted activity;
- The signature and date of the Chief Executive Officer.

The register shall be inspected and reviewed by the Resources and Remuneration Committee annually.

PPR7 LEGAL REQUIREMENTS

Every contract must be let in accordance with all legislative requirements and the legislative ~~se~~ requirements must prevail in the case of any conflict with these Rules.

PPR8 CONTRACT VALUE

Authorised Employees conducting a Procurement Process must estimate the value of the contract over its life time. Should this value be in excess of ~~£20,000~~ £30,000 a contract file should be created and the contract value estimate recorded within it.

Contract value shall not be deliberately underestimated or subdivided in order to avoid the application of these Rules.

A contract with an estimated value ~~of~~ over the EU 'threshold or where a series of contracts or a renewable contract (aggregated) is entered into for supplies/services of the same type (account should be taken, for instance, of whether they would normally be ordered together and/or from the same Suppliers) ~~during a twelve month period~~ is subject to Public Procurement Regulation and deemed an EU Contract. The monetary threshold is set periodically by the EU and ratified by the UK Government. The Lead Officer for Procurement should be consulted for the current threshold.

Derby Homes has identified three approaches to procurement depending upon Contract Value:

- EU Contracts – greater than the EU threshold - see section PPR11;
- Strategic DH Contracts – greater than £230,001 a year and no more than the EU threshold – see section PPR12;
- Tactical Purchases – less than £230,000 a year – see section PPR13.

Authorised Employees shall, depending upon the value of contract, conform to the relevant contracting and contract management procedure.

Before commencing a Procurement Process for either EU Contracts or Strategic Derby Homes Contracts the Authorised Employee must consult the Lead Officer for Procurement to discuss the contract value, the type of contract to be procured and the practices and procedures to be adopted.

PPR9 PRE-TENDER DISCUSSIONS

The Lead Officer for Procurement may authorise pre-Tender discussions with potential Suppliers prior to the issue of an Invitation to Tender where, for example, the specification is complex, that it cannot be drawn up without input from prospective Suppliers or an insight is needed into how best to package the contract, in order to get the best response from the market. Care must be taken not to express any requirement in the terms of a specific supplier as this may prejudice any procurement.

No Supplier shall be led to believe that the information they offer will lead to them being awarded the contract.

A summary record of all such discussions, responses and related meetings, detailing the individuals present, must be made by the Authorised Employee and kept in the Contract File. A copy of these meeting notes must also be copied and provided to the Lead Officer for Procurement as soon as practicable after the meeting but before any further procurement activities are undertaken.

PPR10 TERMS AND CONDITIONS

The Lead Officer for Procurement shall be the custodian of the Purchase Order Terms and Conditions and ensure they are fit for purpose and applied to all Tactical Purchases.

The Lead Officer for Procurement shall be custodian of a generic set(s) of Terms and Conditions suitable for use as a starting point for contracts to be let under both the Strategic Derby Homes Contracts and EU Contracts. These shall be amended to ensure they are fit for purpose for the proposed procurement, ~~and/or appropriately amended.~~

The Lead Officer for Procurement shall have access to legal advice and guidance.

Terms and Conditions shall be published to suppliers along with the requirements specification.

Terms and Conditions shall be treated in the same manner as the requirements specification in accordance with the procurement procedure adopted and shall accompany the tender documents at the time of tender specification or requirements.

PPR11 EU CONTRACTS

All contracts which exceed the EU threshold shall fully conform to the UK Government's Public Procurement rules as interpreted by HMG's Office of Government Commerce and found in the Introduction to the EU Procurement Rules: OGC Guidance.

The Authorised Employee conducting the procurement shall work with the Lead Officer for Procurement to develop a plan, where appropriate describing the procurement governance, timescales, resource needs and assumptions etc. and fully describing the nature of the procurement, evaluation criteria, how it shall be undertaken and the form of contract which shall be adopted.

The Lead Officer for Procurement shall provide appropriate advice and guidance to the Authorised Employee.

EU Contracts shall adopt appropriate best practice project management techniques to ensure risk is managed and appropriate controls are in place.

All notices shall be published on the European Website in accordance with EU standards and Directives. An additional notice shall be placed locally to attract local Suppliers. Details published must include:

- Short description;
- Evaluation criteria;
- How such expressions of interest are to be submitted;
- Closing date for receipt of expressions of interest.

All submissions received whether PQQ's or tenders will be evaluated using an appropriate Evaluation Model. The evaluation will be conducted by an appropriately qualified Tender Evaluation Panel consisting of at least two people.

PPR11.1 OPEN TENDERING PROCEDURE

Open Procedures should be adopted only where expected responses can be appropriately managed.

All Suppliers expressing an interest in response to an advertisement must receive all Tender documentation.

PPR11.2 RESTRICTED TENDERING PROCEDURE

The Restricted Procedure shall be adopted where the number of potential Suppliers are larger than can be managed using the Open Procedure. ~~The and need to be reduced to a~~ number of suppliers will be reduced to not less than five through the use of a Pre Qualification Questionnaire.

PPR11.3 NEGOTIATED or COMPETITIVE DIALOGUE TENDERING PROCEDURE

The negotiated or competitive dialogue procedure may only be used where the Authorised Employee can show that:

- An open or restricted tendering procedure has been used and resulted in unacceptable or irregular Tenders or no Tenders or no appropriate Tenders;
- or
- Exceptionally where the nature of the procurement or risks involved does not permit prior overall pricing;
- or
- The nature of the procurement is such that a precise specification cannot be drawn up;
- or
- A design contest is appropriate to the scheme.

PPR12 STRATEGIC DERBY HOMES CONTRACTS

Strategic Derby Homes Contracts ~~related~~ are all contracts with an estimated value of between £230,001 and the EU Contract threshold value.

With the support of the Lead Officer for Procurement, each procurement shall conform to the following practices and procedures commensurate with the value, duration and risk of the contract and in accordance with the Category Plan:

- Develop and document a procurement strategy indicating the channel to market being adopted to access the most appropriate suppliers aligned to the relevant Category Plans;
- If considered appropriate advertise the business requirement for a minimum of 10 calendar days through the most appropriate channel(s);
- All terms of purchase must be delivered under a form of contract as approved by the Lead Officer for Procurement;
- Develop a specification;
- Record the evaluation criteria and specify how the evaluation shall be recorded;
- Develop and send out Invitation to Tender commensurate to the size and risk of the procurement;
- Log submissions – see PPR16;
- Evaluate - see PPR11 ;
- Award – see section PPR21 and PPR22.

PPR13 TACTICAL PURCHASES

The following guidance relating to the most appropriate process should be adopted by the Authorised Employee using the Tactical Purchase Proforma:

- Between £0 and £45,000 seek a minimum of one written or emailed quote and the one offering best value shall be set out in writing, securing a short description of the services or goods to be provided including delivery arrangements etc.
- Between £45,001 and £230,000 secure a minimum of three written quotations, which should be in response to a specification or statement of requirements.

The Authorised Employee undertaking a Tactical Purchase over £45,000 shall identify where possible a minimum of three suitable suppliers from the following sources:

- Derby Homes Approved and existing Suppliers where an existing track record and reputation for Best Value as logged by Authorised Employees can be seen;
- Any Pre-Approved Supplier List as developed and maintained by the Lead Officer for Procurement.

For contracts in excess of £45,000 quotations from suppliers should be recorded and retained by the Authorised Employee.

All orders must be placed using official purchase orders.

PPR14 SUBMISSION AND CUSTODY OF TENDERS

If these Rules require an Invitation to Tender to be made, all Invitations to Tender will state that:

- The Tender must be returned in the envelope provided by Derby Homes for that purpose;
- The Tender envelopes will be sealed and either sent by post or delivered by hand;
- No Tenders received after the closing date and time for the receipt of Tenders, will be considered unless it can be proved that the Tender was delayed solely within Derby Homes offices, through no fault of the Supplier, and it can be demonstrated that it arrived in the offices before the deadline;

- Proof of posting will not be accepted as proof of delivery.

The Authorised Employee inviting the Tenders must notify the Lead Officer for Procurement of the tender. The Lead Officer for procurement will nominate a Custody Employee and make arrangements for the receipt, custody and opening of Tenders.

On receipt, Tender envelopes must be marked with the date and time and be signed by the Custody Employee.

The Tender envelopes must remain in the custody of the Custody Employee until they are opened.

PPR15 COLLUSIVE TENDERING CERTIFICATE

In every Tender submitted to the Derby Homes, the Supplier must include a certificate within the form of tender which states that the Supplier:

- Has not colluded with any person with regard to the amount of, or the submission or non submission of any Tender;
- Is not a member or any cartel or party to any agreement whatever aimed at or having the effect of fixing or controlling prices.

PPR16 OPENING OF TENDERS

Tenders, other than late ones must be opened:

- Only after the deadline for Tender submissions;
- At the same time and place;
- In the presence of the Custody Employee, Authorised Employee and at least one other employee involved in inviting the Tenders.

The Custody Employee must at the time of opening Tenders record the following details: the date, time, the name of each Supplier and its bid and persons present at the Tender opening must sign this record after the last Suppliers name to prevent any addition to the record.

The reason for rejecting any Tender before formal evaluation, for example, because it is late, must be recorded by the Custody Employee.

The record of opening must be included within the Contract File.

PPR17 TENDER EVALUATION

The evaluation criteria must be predetermined and listed in any notice of competition invitation and Tender documentation, ~~in accordance with the Regulations~~. The criteria shall be designed to achieve Best Value for Derby Homes.

All Tenders must be evaluated in accordance with the evaluation plan, ~~where appropriate and~~ lodged with the Lead Officer for Procurement and in accordance with the specified and published criteria. The evaluation will be undertaken by suitably qualified and experienced employees and/or external specialists engaged to provide evaluation services.

Where the value of the Tender is large or the scope complex, likely to mean all EU Contracts a Tender Evaluation Panel shall be convened in accordance with PPR32.

The evaluation plan and criteria must be strictly observed at all times throughout the contract evaluation procedure by any employee involved in the Tender Evaluation. Where more than

one Tender is received, the Authorised Employee and Tender Evaluation team must accept the Tender which delivers Best Value for Derby Homes in accordance with the evaluation criteria.

Best Value does not mean the lowest priced Tender.

PPR18 ALTERATIONS TO RECEIVED TENDERS

Post Tender negotiations are anti-competitive and favour the Supplier being engaged in such activity. It is the responsibility of the Authorised Employee to ensure the requirements are fully understood and documented before the ~~requirements~~ specification is published.

Post Tender negotiations and alterations to the contract are not permitted during ~~the~~ Open ~~Procedure~~ and Restricted Procedure Procurements after the Tender closing date except:

- Where an arithmetical error is discovered before the Tender is accepted, then the Authorised Employees may, at their discretion, either:
 - Inform the Supplier of the arithmetical error and give them the opportunity to either confirm without amendment or withdraw their Tender;
 - Or:
 - Inform the Supplier of the error and give them the opportunity to correct the error and record in contract file where one exists;
- At appropriate points in the Procurement Process where the Negotiated Procedure or Competitive Dialogue Procedure has been adopted and not after submission of best and final offers – see section PPR11.3;
- Where post Tender and post best and final offer 'clarifications' are undertaken in accordance with these Rules.

PPR19 NEGOTIATIONS

Negotiations after receipt of Tenders and before best and final offers are only permitted when ~~U~~using the Negotiated Procedure or the Competitive Dialogue Procedure. In doing so the Authorised Employee must not:

- Put other Suppliers in the competition at a disadvantage, distort competition or affect trust in the Tender process;
- Take place on price alone and must consider best value for Derby Homes.

- Negotiations may only be undertaken ~~in accordance with the following conditions if it is:~~
- ~~c~~Conducted by a team of at least two ~~E~~employees and recorded in the Evaluation Plan ~~and;~~
- ~~M~~inuted and recorded for inclusion on the Contract File.

PPR20 AUTHORITY TO ACCEPT QUOTATIONS AND TENDERS

Prior to accepting a quotation or tender permission must be sought from either the appropriate Category Manager and/or the Budget Holder.

PPR21 STANDSTILL AND AWARD

Standstill and award is specifically governed by the 2009 Remedies Directive. Derby Homes shall conform to OGC's Guidance.

Award should be against the evaluation criteria published and/or in line with the published Evaluation Plan which documents how Best Value shall be achieved.

The Authorised Employee must, in all cases, record in the Contract File the reason for selecting the successful Tender and rejecting unsuccessful Tenders.

The Authorised Employee must make sure that evidence of the authority to spend is recorded on the Contract File.

Upon award of a contract, a Purchase Order (PO) shall be produced referencing the Contract or the Quotation. The PO calling of goods and services from an EU Contract/Framework or Strategic Derby Homes Contract/Framework shall not reference any Terms and Conditions other than those contained in the Contract.

PPR21.1 For EC Contracts:

Where the contract is an EC contract subject to the OJEU process, a standstill period of at least ten calendar days must elapse between, the date of dispatch of a contract award decision to all short-listed Suppliers, and the date on which Derby Homes propose to enter into a contract with the successful Supplier. In accordance with this procedure:

- The Authorised Employee must write to all Suppliers invited to Tender, notifying them of the decision and intention to award the contract and will provide the name of the successful Supplier and the evaluation outcome (score if appropriate) for each of the Suppliers;
- No information other than that referred to above must be disclosed to Suppliers or any other external body at this time;
- Providing that no challenges are raised, the contract can be awarded after 15 days. If a challenge is raised, the Lead Officer for Procurement should be consulted;
- The Authorised Employee must send a Contract Award Notice to the OJEU within 48 days of the award of an EC Contract. A copy shall be retained in the Contract File;
- The Authorised Officer and/or the Lead Officer for Procurement shall offer comprehensive feedback to any suppliers requesting such information.

PPR21.2 For Strategic DH Contracts:

The Authorised Employee must write to all Suppliers invited to Tender within 21 days of the award of the contract of a value over £230,000 detailing the outcome of the Procurement Process and offering an opportunity to receive feedback on their Tender.

PPR22 SEALING AND SIGNING OF CONTRACTS

All contracts must be authorised as set out in the Scheme of Delegation, PPR6.

The completed Supplier Record Form should be forwarded to Finance [Section within Derby Homes who will raise](#) and a Purchase Order ~~raised~~ against the Contract.

For EC Contracts and Strategic DH Contracts:

After sealing/signing, the contract details must be updated in the Contracts Register.

PPR23 CONTRACT RECORDS AND RETENTION OF THE CONTRACT FILE

All original signed contracts above an aggregate value of £230,000 will be stored in a location managed by the Lead Officer for Procurement. All contracts must be catalogued and maintained

with any variations or amendments. The Lead Officer for Procurement must also ensure a scanned copy of the contract is maintained.

The details to be kept in the register include, but are not limited to:

- Date and duration of the contract with expiry date;
- Name of the Authorised Employee;
- Name of the contract owner/manager if different;
- Name of the contractor;
- Brief details of the nature of the contract;
- Value of the contract.

Contracts made under seal, including procurement documentation, must be safely retained by the Lead Officer for Procurement for twelve years from the date of sealing and other contracts, and their documentation must be safely retained for six years from final payment of the account.

PPR24 EXTENSION OF CONTRACT

For any contract over £230,000 the Lead Officer Procurement is responsible for approving extensions.

Prior to the conclusion of the contract, an extension of up to two years duration may be offered provided;

- It was offered as an option in the requirements and agreed in the contract;
- The extension must be in accordance with the contract terms;
- The employee requesting the extension must be able to demonstrate to the Lead Officer for Procurement, upon request, that the supplier has performed the duties of the contract to a suitable standard;
- Value for money is being obtained.

The Authorised Officer must provide to the Lead Procurement Officer written details and proof of the above for approval to be granted. An extension must not be agreed by the Authorised Employee without written approval of the Lead Procurement Officer

Any exception to the Rules shall be subject to the Exception and Waiver rules set out in section PPR5.

PPR25 SECURITY AND/OR GUARANTEES

Where a contract for goods or services is classified as an EU Contract, the Authorised Employee Lead Officer for Procurement or an appropriately qualified delegate must carry out a risk assessment and must give consideration to securing the due performance of the contract in one or more of the following ways:

- Retention of a percentage of the sums payable until the works or services have been satisfactorily completed;
- Provision of a performance bond or parent company guarantee;
- Use of the contract guarantee reserve fund.

The Lead Officer for Procurement must approve the risk assessment and if necessary the acceptance of a parent company guarantee must be authorised by the Chief Executive Officer of Derby Homes must be consulted before a parent company guarantee is accepted.

PPR26 CONSULTANTS

~~Any The appointment of consultants appointed~~ to undertake procurement activity on behalf of Derby Homes ~~to act as Authorised Employees~~ must carry out all procurement activities ~~be~~ in accordance with these Rules. The appointed consultants must record all procurement activity and provide such documents to the Derby Homes Authorised Employee as soon as practicable there after

A consultant is defined as an individual or organisation involved in providing expert analysis, advice and guidance or in the undertaking of a specific task where no capacity exists in house or involving skills or perspectives which would not normally be expected to reside within Derby Homes.

~~The Authorised Employee engaging the consultant must ensure that every consultant who is responsible to Derby Homes for the preparation and/or supervision of a contract on its behalf shall:~~

- ~~• Comply with these Rules;~~
- ~~• Produce appropriate records on demand;~~
- ~~• Demonstrate adequate of insurance cover.~~

PPR27 DECLARATIONS OF INTEREST: EMPLOYEES AND CONSULTANTS

Employees and engaged Procurement Consultants must declare in writing any material interest, which may affect the contract process.

Personnel must keep completed Declarations of Interest on the individual's personal file.

When a Consultant is engaged, The Authorised Employee will provide a copy of the consultants shall keep completed Declarations of Interest and keep the original declaration in the relevant Contract File.

PPR28 FREEDOM OF INFORMATION (FOI) ACT

The FOI provides a right of access to recorded information held by Derby Homes including information about its procurement activities. Derby Homes' policy on FOI should be adhered to at all times.

PPR29 ACCOUNT CODES AND CATEGORY PLANS

The Accounts Team, Principal Accountant and Lead Officer for Procurement shall ~~have~~ categorised all annualised spends by Derby Homes into Account Codes. ~~And w~~ Where appropriate anominate a Category Manager ~~shall be nominated.~~

Contracts, Purchase Orders and Invoices shall be allocated to an Account Code for spend monitoring purposes.

The Category Manager shall become familiar with the market of that Category and develop a in collaboration with the Lead Officer for Procurement, a Account Code Spend Plan or Category Spend Plan which shall be approved by the Principal Accountant and Lead Officer for Procurement.

The Category Manager, with the collaboration and support of the Lead Officer for Procurement and any other category specialist shall establish a Category Plan. The plan shall state the scope of the category, describe the key trends in the market, detail and identify appropriate channels to market e.g. frameworks, collaborative procurement arrangements or Approved Supplier lists and then

appointing an Authorised Employee to establish the necessary arrangements including appropriate contracts.

The Category Manager with the Lead Officer for Procurement shall communicate appropriately any new channels to market and the procedures required to operate the supply line.

PPR30 APPROVED LISTS

Where the Category Plan advocates the use of an Approved List then the following procedure shall be adopted:

- Lists of vetted Suppliers may be compiled by the Category Manager with the support and guidance of the Lead Officer for Procurement;
- The Category Manager with the support of the Lead Officer for Procurement will have discretion over identifying Suppliers known to be suitable with regard to a particular list and in deciding its final constitution;
- To discharge this requirement, the Lead Officer for Procurement may use suitable and appropriately constructed Approved Lists created and maintained by other local authorities or public sector organisations for similar purposes;
- Suppliers shall complete a capability statement and economic profile and be vetted for financial stability, technical competence, quality, managerial capability and previous performance, sustainability practices, health and safety and the ability to meet relevant in accordance with predetermined criteria using references as appropriate;
- The Approved List(s) of suppliers shall be communicated to staff for Authorised Employees to make use of when making a purchase.

PPR31 TENDER EVALUATION PANEL (TEP)

A Tender Evaluation Panel (TEP) is required for all EU Contracts. The TEP shall be chaired by an Authorised Employee and consist of at least one other person. The TEP shall:

- Agree Tender and procurement strategy;
- Evaluate and score Tender responses;
- Identify the supplier offering Best value to Derby Homes.

The TEP may also include non Derby Homes advisors formed from partner organisations, external consultancy groups, or members of the public. Advisors may:

- Participate in focus groups to identify the priorities and goals of Tender;
- Support Derby Homes to define requirements by contributing to the specification documentation;
- Propose aspects which may form part of the evaluation criteria;
- Provide consultative support using their experience on qualitative matters.

An Advisory Member may not:

- Participate in any decision-making process;
- View submitted Tender (unless express permission has been provided by the Tenderer);
- Vote on or give scores for the Tenders;
- Be party to any commercial aspects of the Tender i.e. prices, incentives.

All Advisors are required to sign a Non-Disclosure Agreement (NDA) specific to the Tender, confirming their understanding that all aspects must be kept confidential and make any Declarations of Interest (PPR27).

PPR32 EMERGENCY PURCHASES

An emergency purchase will only be authorised where it is demonstrated the purchase was business or life critical and may only be employed outside the business hours of 0800 – 1800 Monday to Friday and all day Saturday and Sunday. In such instances a verbal purchase or hand written order may be communicated and a formal purchase order created the following working day. Any emergency purchases must be advised to the Lead Officer for Procurement the following working day.

Any crisis during the business hours of 0700 – 1900 must be compliant with the PSOs unless a specific waiver is granted in advance by the Chief Executive.

PPR33 SUSTAINABLE PROCUREMENT

Derby Homes is committed to sustainable economic business development which minimises the impact on the environment and supports social cohesion. Derby Homes Procurement Policy promotes a positive approach to Sustainable Procurement which covers four areas:

- **Environmental Sustainability** – purchasing goods, work and services, which minimises, where practically possible, carbon footprint and encourages a positive impact on the local environment and utilises whole-life analysis;
- **Economic Sustainability** – recognises the importance of Small/Medium Enterprises (SMEs) to the local community and ensures every opportunity is made not to discriminate against SMEs during the Tender process recognising Best Value advantage comes from local suppliers;
- **Social Sustainability** - ensures that community well being is considered and that supply chain partners operate to ethical working practices;
- **Equalities & Diversity** – ensures suppliers are required to meet our standards of equality of employment and service delivery and the Tender process is free from discrimination or perceived discrimination in accordance with Derby Homes Equality Policy.

Suppliers shall be informed of Derby Homes' sustainability requirements as part of any invitation to Tender for all contracts exceeding £230,000.

Authorised Employees shall evaluate a supplier's response to Derby Homes sustainability requirements as recorded in the Tender award criteria.

The Lead Officer for Procurement shall ensure that the Sustainable Procurement Policy is underpinned by appropriate guidance which can be adopted by Authorised Employees as part of any procurement process.

PPR34 INSURANCE LIABILITY

The Lead Officer for Procurement shall establish the appropriate level of insurance required of suppliers for each contract type. The employee conducting the procurement process shall be responsible for ensuring that the suppliers have adequate insurance in place.

PPR35 FINANCIAL SECURITY

The employee conducting the procurement process shall ensure that potential suppliers are financially robust. Where either the total aggregated value of the contract exceeds £1,000,000 or there is doubt as to the financial credibility of any supplier additional forms of security to a level determined by the Lead Officer for Procurement shall be obtained.