

## **Extract of Financial Regulations relating to Procurement**

### **10. Orders for work, goods and services**

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained by the Officer and a copy passed to the RFO at the time the order is placed.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. All members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11 below.
- 10.4. A member may not issue an official order or make any contract on behalf of the council.
- 10.5. The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the minutes can record the power being used.

### **11. Contracts**

- 11.1. Procedures as to contracts are laid down as follows:
  - a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
    - i. for the supply of gas, electricity, water, sewerage and telephone services;
    - ii. for specialist services such as are provided by legal professionals acting in disputes;
    - iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
    - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the council;

v. for additional audit work of the external auditor up to an estimated value of £2000 (in excess of this sum the Town Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of council); and

vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.

b) Where it is intended to enter into a contract exceeding £25,000 as specified by the Public Contract Regulations 2015, the council must comply with the requirements of those regulations and must advertise the tender on the appropriate platforms.

c) The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).

d) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Policy, Governance & Finance Committee.

e) Such invitation to tender shall state the general nature of the intended contract and the Town Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Town Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.

f) All sealed tenders shall be opened at the same time on the prescribed date by the Town Clerk in the presence of at least one member of council.

g) If less than three tenders are received for contracts above £25,000 or if all the tenders are identical the Policy, Governance & Finance Committee may make such arrangements as it thinks fit for procuring the goods or materials or executing works.

Any invitation to tender issued under this regulation shall be subject to Standing Orders, and shall refer to the terms of the Bribery Act 2010.

(h) A notice issued under the regulations shall contain a statement of the effect of the following.

- If a supplier/tenderer of any goods/services is to his/her knowledge related to any member of or the holder of any office under the Council, he/she and the person to whom he/she is related shall disclose the relationship in writing to the Town Clerk. A person who fails so to do shall be disqualified for such contract and, if engaged, the contract may

be withdrawn without further notice. The Town Clerk shall report to the Council or to the appropriate Committee any such disclosure.

- Canvassing of members or of any Committee, directly or indirectly, for any work/service under the Council shall disqualify the supplier/tenderer. The Town Clerk shall make known the purport of this sub-paragraph to every supplier/tenderer.
- A member of the Council shall not solicit for any person any work under the Council or recommend any person for such work; but, nevertheless, a member may give a written testimonial of a supplier's ability, experience or character for submission to the Council.

i) When it is to enter into a contract of less than £65,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 the Town Clerk or duly authorised officer shall have executive power, and shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.

j) The council shall not be obliged to accept the lowest or any tender, quote or estimate.; however satisfactory justification shall be required and recorded in the minutes of the Council having disregarded the financial regulations relating to contracts.

k) Should it occur that the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.