



Standing Orders for Contracts

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Contents

PART A: GENERAL.....	1
1 INTRODUCTION	1
2 ESTIMATES	2
PART B: CONTRACTS RELATING TO PFI PROJECTS AND THE FORMATION OF OTHER TYPES OF PUBLIC/PRIVATE PARTNERSHIP.....	2
3 COMPLIANCE.....	2
4 INVITATIONS TO TENDER OR TO NEGOTIATE.....	3
5 RECEIPT AND OPENING OF BID SUBMISSIONS	3
6 AWARD OF CONTRACT.....	3
7 FORM OF CONTRACT	3
PART C: OTHER CONTRACTS	4
8 INTRODUCTION	4
9 INVITATION TO TENDER.....	4
10 DECISIONS NOTICE.....	5
11 PROCEDURE FOR INVITATION OF TENDERS	5
12 ATTEMPTED ALTERATION OF TENDER	5
13 OPENING OF TENDERS	5
14 ACCEPTANCE OF TENDERS	6
15 SALE OF GOODS.....	6
16 FORM OF CONTRACT	7
17 CANCELLATION OF CONTRACT/PREVENTION OF FRAUD	7
18 MANAGEMENT OF CONTRACTS	8
19 CUSTODY OF SEAL AND THE SEALING OF DOCUMENTS.....	8
20 AUTHENTICATION OF DOCUMENTS FOR LEGAL PROCEEDINGS	8
21 PROPERTY	8

Standing Orders for Contracts

Contract Standing Orders are an essential part of the Manual of Governance and are designed to ensure that contracts are let in a way which:

- Obtains best value for money.
- Maintains the highest standards of propriety.
- Complies with legal requirements.
- Complies with the Commissioner's policies.

There must be sufficient competition to ensure that prices paid to contractors are not excessive and there must be checks and balances to guard against impropriety in the letting of public contracts. Similarly there must be procedures for ensuring that the legal basis of contracts is sound but at the same time promote efficiency. These Standing Orders provide the framework within which these various objectives can be achieved.

PART A: GENERAL

This Section A shall apply to all contracts entered into by the Police and Crime Commissioner for North Wales ("the Commissioner").

1 INTRODUCTION

- 1.1 All contracts made by or on behalf of the Commissioner shall comply with:-
- a) all relevant statutory provisions including the Public Services (Social Value) Act 2012, the Wellbeing of Future Generations (Wales) Act 2015, and all statutory modifications or re-enactments thereof and all relevant directives of the European Union for the time being in force in the United Kingdom;
 - b) these Standing Orders;
 - c) the following documents so far as they do not conflict with these Standing Orders: the Commissioner's Financial Regulations; and the Commissioner's Purchasing Policy.
- 1.2 In these Standing Orders the following words shall have the following meanings:-
- a) "the Deputy Commissioner" shall mean the Deputy Police and Crime Commissioner
 - b) "the Chief Constable" shall mean the Chief Constable of North Wales Police
 - c) "the Director of Finance and Resources" shall mean the Chief Finance Officer of the Chief Constable for North Wales

- d) “the Chief Executive” shall mean the Chief Executive of the Office of the Police and Crime Commissioner for North Wales
- e) “the Chief Finance Officer” shall mean the Chief Finance Officer of the Office of the Police and Crime Commissioner for North Wales

2 ESTIMATES

- 2.1 No contract for the execution of works or the supply of goods and materials or services shall be made if no provision for the same has been made within the annual capital or revenue estimates approved by the Commissioner until an estimate is reported in writing to and approved by:
 - a) The Director of Finance and Resources where the estimated annual cost of the contract is under £100,000, and the estimated cost of the contract over its life is under £250,000
 - b) Where the estimated annual cost of the contract is over £100,000, or the estimated aggregate cost over £250,000 the report must also be approved by the Commissioner or in the unavoidable absence of the Commissioner, by the Deputy Commissioner, the Chief Executive Officer or Chief Finance Officer.
- 2.2 For the purposes of clause (2.1) the estimated cost of the contract shall be the value of the consideration which the Commissioner expects to give throughout the term of the contract.
- 2.3 The Director of Finance and Resources will retain a record of all such approvals including details of funding arrangements and/or virements in accordance with Financial Regulations.

PART B: CONTRACTS RELATING TO PFI PROJECTS AND THE FORMATION OF OTHER TYPES OF PUBLIC/PRIVATE PARTNERSHIP

3 COMPLIANCE

- 3.1 All contracts in relation to PFI projects and the formation of other types of Public/Private Partnership shall comply with these Standing Orders and no exceptions of any of the following provisions shall be made, except by the direction of the Commissioner.
- 3.2 Nothing in these Standing Orders shall be taken as exempting the Commissioner in relation to any contract from the overriding provisions of any statutory enactment, directive, regulation or order.

4 INVITATIONS TO TENDER OR TO NEGOTIATE

- 4.1 All invitations to tender or to negotiate shall state that the Commissioner does not bind itself to accept any bid or submission.
- 4.2 All invitations to tender or to negotiate shall contain clear instructions as to how bids or submissions are to be submitted, including: whether the submission must be electronic or in hard copy format; to whom they must be delivered; and by what date and time. In the event that a hard copy is required the packaging must be clearly labelled with "Bid Submission in respect of" followed by the name of the project, and bear no name or mark indicating the identity of the sender.

5 RECEIPT AND OPENING OF BID SUBMISSIONS

- 5.1 Bid submissions shall remain in the custody of the Force Solicitor until the time appointed for their opening.
- 5.2 Electronic bid submissions shall be opened at one time and only in the presence of a Force Solicitor or Assistant Force Solicitor. Details of the documents contained in each submission shall be recorded in the Contracts Register, signed by the person responsible for opening the tenders and kept by Legal Services.
- 5.3 Any submission received after the time appointed for the receipt of submissions shall be treated as a late submission. The date and time of receipt of all late submissions shall be recorded. A late submission shall be opened and evaluated at the discretion of the Director of Finance and Resources or the Force Solicitor in consultation with the external legal advisor if appointed.

6 AWARD OF CONTRACT

- 6.1 Each contract shall be awarded on the basis of criteria approved by the Commissioner and any parameters set by the Home Office or Treasury.

7 FORM OF CONTRACT

- 7.1 All contracts shall be in writing in a form approved by the Force Solicitor and where appropriate in a form largely complying with Treasury Taskforce guidance.
- 7.2 Contracts shall be executed as a deed with the affixing of the Commissioner's seal and attested by the Commissioner or in the absence of the Commissioner by the Deputy Commissioner.

PART C: OTHER CONTRACTS

8 INTRODUCTION

- 8.1 This Section C of Standing Orders shall not apply to PFI projects and the formation of other types of Public/Private Partnerships which are covered by Section B above headed "Contracts relating to PFI Projects and the Formation of other types of Public/Private Partnership".

9 INVITATION TO TENDER

- 9.1 Tenders need not be invited where:
- a) The contract is estimated to have a value of £50,000 or less and for the purpose of this clause the estimated value of the contract shall be the value of the consideration which the Commissioner expects to give throughout the term of the contract; or
 - b) In accordance with the Commissioner's Purchasing Policy the Head of Procurement is of the opinion that the goods or services or works required are of a proprietary or special character for which it is not possible or desirable to obtain competitive prices; or
 - c) In accordance with the Commissioner's Purchasing Policy the need for the goods or services or works is certified as urgent by the Head of Procurement; or
 - d) The goods services or works required are to be supplied by a contractor who is a party to a Consortium Arrangement or Government approved Framework Agreement and who has been awarded the contract as a result of a tendering process arranged by the relevant Consortium or Government department as the case may be.
- 9.2 Tenders shall be invited in all other contracts for the supply of goods or services or for the carrying out of works from at least three persons firms or companies in accordance with the Commissioner's Purchasing Policy.
- 9.3 For audit purposes if any of the clauses 9.1 apply then a brief report should be retained by the Head of Procurement.
- 9.4 In certain exceptional circumstances the Commissioner or in his absence the Chief Executive or person nominated by the Chief Executive will consider granting a waiver of Standing Orders provided that a full report setting out the reasons for the request approved by the Head of Procurement is provided.
- 9.5 Where clause 9.1 applies, the purchase of the said goods or services shall be in accordance with the relevant purchasing guidelines which can be obtained from the Procurement Department.

10 DECISION NOTICES

- 10.1 Where the value of the goods, services or works exceeds £100,000 a decision notice (as described within the Commissioner's Decision Making Policy) shall be obtained prior to commencement of the procurement of the said goods or services.

11 PROCEDURE FOR INVITATION OF TENDERS

- 11.1 With the exception of the following:-

- a) Contracts which are required to be advertised in accordance with the European Regulations;
- b) Contracts for the provision of operating or finance leases where prospective tenderers may be selected to tender for the provision of the operating or finance lease from a list of approved tenderers

Tenders may be invited using the Commissioner's approved e-tendering system. Public notice shall be placed in an appropriate publication (this includes appropriate websites) and at the discretion of the Head of Procurement one trade journal or newspaper stating the nature and purpose of the contract inviting tenders and stating the last date when tenders will be accepted and issued.

- 11.2 All invitations to tender shall state the following:-

- a) That no tender will be received save in accordance with the instructions given in the tender documents;
- b) That any envelope shall not bear any name or mark indicating the sender;
- c) That all tenders should be returned to the Force Solicitor by the due date.

12 ATTEMPTED ALTERATION OF TENDER

- 12.1 Persons tendering shall not be allowed to alter their tenders after the date fixed for the receipt thereof but arithmetical errors may be corrected. Notwithstanding this nothing shall prevent the Commissioner from seeking clarifications as to the goods or services to be provided (including clarifications as to price) after the date fixed for the receipt of tenders.

13 OPENING OF TENDERS

- 13.1 All electronic tenders shall be opened as described in paragraph 5.2. All other tenders for a contract shall be opened at the same time and in the presence of (a) the Director of finance and Resources or person nominated

by the Director of finance and Resources or the Force Solicitor (or in their absence the Assistant Force Solicitor) AND (b) the Budget Holder or the Head of Procurement (or in their absence, a purchasing officer).

13.2 A register of tenders opened shall be maintained and shall be signed by the officers in whose presence the tenders were opened. The register of tenders shall be retained in the Legal Department on behalf of the Commissioner.

13.3 Any tender received after the time appointed for the receipt of tenders for a particular contract shall be treated as a "late tender". The date and time of receipt of all late tenders shall be recorded on the cover of any such tender and signed by the receiving officer. A late tender shall be opened and evaluated at the discretion of the Director of Finance and Resources or the Force Solicitor.

14 ACCEPTANCE OF TENDERS

14.1 Following the evaluation of tenders the Head of Procurement may produce a short-list of tenderers from whom best and final offers may be requested.

14.2 Where the lowest tender received is in excess of the amount approved by the Commissioner then the Budget Holder must obtain further approval from the Director of Finance and Resources before the tender may be accepted.

14.3 Where the lowest tender is unacceptable then a report on all tenders for the particular contract shall be made to the Head of Procurement for consideration and decision.

14.4 At the end of the process a summary report must be produced by the evaluation team and a copy retained in the Procurement Department for audit purposes.

15 SALE OF GOODS

15.1 Where the value of the goods is estimated to be above £100 but no more than £5000 the Budget Holder shall obtain at least one quotation for the sale of the said goods.

15.2 Where the value of the goods is over £5000 the Budget Holder shall obtain three quotations for the sale of the said goods.

15.3 The goods shall be sold at the highest price received by the Budget Holder which is acceptable to them.

15.4 The said goods shall be sold subject to the Commissioner's Standard Conditions of Sale which may be obtained from either the Head of Procurement or the Force Solicitor.

15.5 Payment for the said goods shall be made prior to or on collection of the goods from police premises.

16 FORM OF CONTRACT

16.1 All contracts shall be in writing or evidenced by writing in a form approved by the Force Solicitor. All written contracts shall specify the goods materials or services to be supplied and the work to be executed, the price to be paid, the period within which the contract is to be performed and such other terms or conditions as may be agreed between the parties.

16.2 Any contract required by law to be under seal shall be sealed on behalf of the Commissioner and signed by the Commissioner or in the absence of the Commissioner by the Deputy Commissioner, the Chief Executive Officer or Chief Finance Officer.

16.3 All contracts where the value exceeds £100,000 per annum or £250,000 in aggregate shall be signed by the Commissioner or in the absence of the Commissioner by the Deputy Commissioner, Chief Executive Officer or Chief Finance Officer. Where the value of the contract is £100,000 or less and the contract is not required by law to be under seal then the Director of Finance and Resources may sign the contract.

16.4 Every contract for works where the estimated cost is in excess of £500,000 shall, unless otherwise approved by the Commissioner, specify in the conditions of tender the nature and amount of the security to be given and a bond or other sufficient security shall be taken by the Commissioner for the due performance of the contract.

17 CANCELLATION OF CONTRACT/PREVENTION OF FRAUD

17.1 There shall be inserted in every written contract a clause empowering the Commissioner to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if:-

- a) The contractor shall have offered or given or agreed to give any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the Commissioner; or
- b) For showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Commissioner; or

- c) If the like acts shall have been done by any person employed by them or acting on their behalf (whether with or without the knowledge of the contractor); or
- d) If in relation to any contract with the Commissioner the contractor or any person employed by them or acting on their behalf shall have committed any offence under the Bribery Act 2010;

18 MANAGEMENT OF CONTRACTS

- 18.1 Any person who is responsible to the Commissioner for the supervision or management of a contract shall ensure that these Standing Orders are complied with in all respects and shall produce on request to the Procurement Department or the Force Solicitor all records maintained in relation to the contract he is required to supervise.
- 18.2 Any amendments or variations to contracts shall be on a "Contract Variation Form" obtained from the Procurement Department save where a variation is issued in respect of a construction contract in which case standard RIBA or RICS instructions (or similar standardised documentation) shall be used. Such forms once completed shall be retained with the contract to which the form relates in the Legal Department.

19 CUSTODY OF SEAL AND THE SEALING OF DOCUMENTS

- 19.1 The Common Seal of the Commissioner shall be retained in the Legal Department on behalf of the Commissioner.
- 19.2 The seal shall be attested in accordance with paragraph 16.2 above.

20 AUTHENTICATION OF DOCUMENTS FOR LEGAL PROCEEDINGS

- 20.1 Where any document is a necessary step in legal proceedings on behalf of the Commissioner it shall be signed by the Force Solicitor unless any enactment otherwise requires or authorises or the Commissioner gives the necessary authority to some other person for the purpose of such proceedings.

21 PROPERTY

- 21.1 The deeds and documents of all properties belonging to the Commissioner shall be retained in the Legal Department on behalf of the Commissioner.
- 21.2 A property register shall be maintained in which particulars of all the properties of the Commissioner shall be entered and such property register shall be retained in the Legal Department on behalf of the Commissioner.