GRAPPENHALL AND THELWALL PARISH COUNCIL

PROCUREMENT POLICY

This policy is supplemental to, and does not in any way override, the Parish Council Standing Orders and/or Financial Regulations.
(It was adopted by the Parish Council at its meeting on 21st December 2023 (minute 155.2)).

1. Introduction

1.1 This policy and its procedures describe how Grappenhall and Thelwall Parish Council will seek to obtain the best value for public money when planning for and acquiring goods, services and works required by the Council to deliver its services. "Best Value" is defined as a balance of price, quality of product and reliability of supplier services.

1.2 The policy is guided by the principle of support to local suppliers and businesses wherever this is possible, to contribute to a successful local economy. It is guided by the principle of seeking environmentally sensitive solutions in the acquisition of goods, services and works. It takes a proportionate approach to procurement, avoiding the imposition of over burdensome procedures whilst maintaining lawful processes.

1.3 The policy seeks to demonstrate procedures which are transparent, fair, equal and open to all.

1.4 The policy and its procedures apply to the Parish Council's purchase of goods, services and works and to any joint purchase (such as with another Council or partnership organisation) of such goods, services and works.

2.. Scope

2.1 This policy and its procedures will be followed by the Clerk/RFO, Assistant Clerk, any other relevant employees and Councillors.

3. The Legal Framework

3.1 The Local Government Act 1972 (Section 135) requires local Councils to make provisions for entering contracts in their Standing Orders.

3.2 Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2016 regulate the formal tendering process for values exceeding £25,000 and for complex procurement projects.

3.3 The Standing Orders (Section 6) and Financial Regulations (Section 12) of the Council provide detailed guidance on procurement procedures, specifically formal tendering.

4. Dissemination and training

4.1 This policy will be available to all relevant employees, as part of the induction process for those who will deal with the Council's finances.

4.2 It will be available to all Councillors by inclusion in the Councillors Information book.

4.3 For transparency the policy will be available on the Council's website.

5. Monitoring and review

5.1 A review of the policy shall be undertaken annually; necessary amendments will be advised by the Clerk/RFO and reviewed by the Resources Committee before being referred to the full Council for approval.

5.2 Changes in the law will be monitored and, if necessary, amendments/reviews made to the policy.

6. Goods, services and works below £1000

6.1 The Clerk/RFO in conjunction with the Chairperson of the Council or the Chairperson of the appropriate Committee has authority to order from any supplier any revenue item subject to the provisions made in the Parish Council budget[1]. (Financial Regulations Section 3.1)

7. Goods, services and works between £1000 and £5000

7.1 The Clerk/RFO will strive to obtain three estimates from different suppliers, unless the nature of the goods, services or works is that only one contractor or supplier would be suitable[2]. Orders will only be placed following a resolution of the duly delegated Committee or the full Council. (Financial Regulations Section 3.1)

7.2 In cases of extreme risk to the delivery of Council services the Clerk/RFO may incur expenditure on behalf of the Council which in the Clerk/RFO's judgement it is necessary to carry out[3]. Such expenditure includes repair, replacement, or other work whether or not there is any budgetary provision for the expenditure, subject to a limit of £2,500. The Clerk will consult with the Chairperson of the Council before any expenditure is occurred and shall report the action to the Council as soon as practicable thereafter. (Financial Regulations Section 3.5)

8. Goods, services and works between £5000 and up to £25,000

8.1 The Clerk/RFO shall obtain three written quotations (priced descriptions) for the supply of goods or materials or for the execution of works or specialist services[4]. A detailed specification document outlining the requirements for the goods, services or works shall be drawn up and issued to at least three suppliers. This process can also be used for recurring services or works, such as, for example, ground maintenance work. Orders will only be placed following a resolution of the full Council. (Financial Regulations Section 12.1j)

9. Goods, services and works exceeding £25,000

9.1 Such expenditure is regulated by law and triggers a formal tender process, the procedure outlined in Standing Order 6d and e is to be followed:

d. Subject to additional requirements in the financial regulations of the Council, the tender process for contracts for the supply of goods, materials, services or the execution of works shall include, as a minimum, the following steps:

i. a specification for the goods, materials, services or the execution of works shall be drawn up;

ii. an invitation to tender shall be drawn up to confirm (i) the Council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the Council's written response to the tender and

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[1] Revenue items - items that are bought on an ongoing basis such as stationery and other such items as are used up as a result of carrying out the Council's functions.

[2] Estimates – best guess price, subject to change depending on the eventual scope of providing the goods or supplying the service.

[3] Extreme risk – any risk which would result in high outcome consequences, such as harm to people or loss or damage to property. Occasions which might engender extreme risk might be flooding, fire, storm, terrorist act or biosecurity events.

[4] Quotation – fixed price to provide the goods or supply the service.

(iv) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;

iii. the invitation to tender shall be advertised in a local newspaper and in any other manner that is appropriate;

iv. tenders are to be submitted in writing in a sealed marked envelope addressed to the Proper Officer;

v. tenders shall be opened by the Proper Officer in the presence of at least one councillor after the deadline for submission of tenders has passed;

vi. tenders are to be reported to and considered by the appropriate meeting of the Council or a committee or sub-committee with delegated responsibility.

e. Neither the Council, nor a committee or a sub-committee with delegated responsibility for considering tenders, is bound to accept the lowest value tender.

10. Goods, services and works regulated by the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2016.

10.1 A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £25,000 but less than the relevant thresholds specified by the Government from time to time[5] is subject to the 'light touch' arrangements under Regulations 109-114 of the Public Contracts Regulations 2015 unless it proposes to use an existing list of approved suppliers (framework agreement). (Standing Order 6c)

11. Goods, services and works regulated by the Public Contracts Regulations 2015 and the Utilities Contracts Regulations 2016 in excess of the thresholds specified by the Government.

11.1 Where the value of a contract is likely to exceed the threshold specified by the Government from time to time[6] the Council will consider whether the Public Contracts Regulations 2015 or the Utilities Contracts Regulations 2016 apply to the contract and, if either of those Regulations apply, the Council will comply with the relevant procurement procedures and other requirements in the Regulations[7]. **(Standing order 6f)**

12. Exceptions

12.1 Exceptions from contracting arrangements are permitted for some categories of expenditure by Financial Regulation 12 a:

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 solicitors, accountants, surveyors and planning consultants;
   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;

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[5] Thresholds currently applicable (Cabinet Office: Procurement Policy Note 10/21) are:
   a) For public supply and public service contracts £213,477
   b) For public works contracts £5,336,937

[6] See footnote above for currently applicable thresholds

[7] NALC's procurement guidance contains further details.

v. for additional audit work of the external Auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Deputy 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.