

## Corporate Policies and Procedures

### Procurement Policy

<b>Version</b>	<b>8</b>
<b>Date approved by Executive Management Team</b>	<b>27/11/2024</b>
<b>Date ratified by Advance Northumberland Ltd Board</b>	<b>06/12/2024</b>
<b>Name of Policy Owner</b>	<b>Head of Business Transformation</b>
<b>Date Issued</b>	<b>09/12/2024</b>
<b>Review Date</b>	<b>Every 2 years as a minimum, or within 6 months of any change of procurement legislation.</b>
<b>Target Audience</b>	This policy applies to all Advance Northumberland Ltd Group employees and staff who are seconded to the Advance Northumberland Ltd Group regardless of length of service. It also applies to agency workers. The Advance Northumberland Ltd Group, for the avoidance of doubt, shall include Advance Northumberland Ltd and any subsidiary company thereof which forms part of the Group. The policy provides guidance to all employees, including Directors, and Non-Executive Board Members.

Working on behalf of



**Northumberland**  
County Council

#### History of previous versions of this document:

Approved Where	Approved When	Version	Issue Date	Review Date	Contact Person
Board	27/09/2019	1	01/10/2019	As Required	Governance and Performance Manager
Board	24/04/2022	6	01/05/2022	01/11/22	Head of Business Operations
Board	21/04/2023	7	01/05/2023	01/11/22	Head of Business Transformation

Approved Executive Leadership Team	Ratified by Advance Northumberland Board	Version	Issue Date	Review Date	Contact Person
27/11/2024	06/12/2025	8	09/12/2024	01/12/2026	Head of Business Transformation

#### Statement of changes made in most recent version:

Version	Date	Description
2	25/11/2019	Appendix E updated to incorporate a declaration of interest
3	05/12/2019	Updated Public Sector Procurement Thresholds in line with EU revisions
4	20/08/2020	Clarification regarding funders and precedence of procurement rules added as section 4.8.1.
5	10/06/2021	Updated Public Sector Procurement Thresholds in line with EU revisions
6	01/05/2022	4.3 and 4.4 updated to reflect temporary increase in £50,000 threshold agreed at April 2022 Board Meeting. Board approved an increase to £100,000, to be reviewed in 6 months. Job titles updated. Chief Finance Officer and Managing Director removed, replaced with Director of Finance and Chief Operating Officer. Appendices updated as above. 4.7 updated to stated exceptions to legal terms and conditions to be agreed in association with the Chief Operating Officer or Executive Director. Appendices added to Contents.

		References in the document to Appendix G removed.
7	31/10/2022	<p>Numbering format changed throughout document.</p> <p>Section 1 changed to Introduction, to include the policy purpose, definitions and procurement principles.</p> <p>Section 2 changed to the Legal Compliance of Public Contract Regulations.</p> <p>Section 4.3: Approvals for price only tenders below £25,000 to be approved by the Head of Department.</p> <p>Section 4.4 and over £25,001, approval from the Executive Team member responsible for the project.</p> <p>Section 4.4.6: acceptance of late tenders for contract values between £25,001 and up to threshold for Services and over £1million for Works to be approved by the Chief Operating Officer (not the NCC Head of Procurement).</p> <p>Section 5. Updated to exemptions. To be signed off by the Chief Operating Officer (not the NCC Head of Procurement). Exemptions to be reported to Board as part of standard performance reporting.</p> <p>Appendices updated.</p>
7 continued	10/01/2023 31/03/2023	<p>Section 3 added for Responsibilities.</p> <p>Further clarification added to section 8.2 Consultants.</p> <p>Further clarification added to Appendix 2 on Evaluation.</p> <p>Job titles updated throughout document. References to COO removed and replaced with Group Executive Director.</p>
8	12/11/2024  Following review with the NCC Head of Legal and Head of Corporate Commissioning and Procurement.	<p>Group Executive Director replaced with Chief Executive throughout.</p> <p>Head of Finance replaced with Director of Finance throughout.</p> <p>References to Head of Business Transformation updated to Head of Business Transformation throughout.</p> <p>References to OJEU removed throughout.</p> <p>References to SLT updated to SMT throughout.</p> <p>References to Economic Growth removed.</p> <p>References to compliance with Financial Delegations throughout.</p> <p>Responsibilities moved to Introduction.</p> <p>Clarification added re: Contracting Authority status and Public Contract Regulations, and Legal Compliance moved from Section 2 to 1.4 within the main</p>

		<p>introduction.</p> <p>Register of Conflicts of Interest to be maintained, added at 1.4.</p> <p>Flow chart added to show different processes.</p> <p>Distinct Policy Sections created:</p> <p>Section 2 PCR process, and</p> <p>Section 3 a non-PCR Process.</p> <p>Provision for post tender negotiation in non-PCR tender processes in Section 3.</p> <p>Additional information added to Late Submissions</p> <p>Definitions added for Minimum Quality Threshold, Approved Suppliers and Significant Approved Supplier.</p> <p>Clarification added to Exemptions. An exemption cannot be approved above threshold where a PCR process has been followed. Approval also needed by NCC where the Project Management team are procuring on behalf of NCC. Text added to clarify distinction between an exemption and a direct award via a framework.</p> <p>Clarification added to Section 3 to confirm above PCR threshold contract variations should be referred to the NCC Procurement Team.</p> <p>Contents update to reflect above and amended to Section 4 Special Circumstances, 5 Supplier Expectations and 6 Monitoring, Audit and Training.</p> <p>Contract Management added at section 6.3.</p> <p>Appendices updated to include:</p> <p>Appendix 1: Procurement Operational Procedure Template, Appendix 2: Procurement Approval Form, Appendix 3: Procurement Request Form to engage NCC, Appendix 4: Exemption Request, Appendix 5: NEPO Legal Framework, Appendix 6: Use of a Consultant Appendix 7: Direct Award via a Framework Approval</p>

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## **1. Introduction**

### **1.1 Purpose of this Policy**

This Policy is intended to serve as a guide for Advance Northumberland Limited and all subsidiary companies (together or individually as applicable referred to as “the Company”) and set out our commitment to always conduct our procurement activity with integrity, and in an honest, transparent and fair manner. All employees are expected to adhere to this policy to ensure we achieve value for money and protect the reputation of the organisation. This Policy will be reviewed to meet the needs of the business. It will be revised as necessary to ensure we continue to adhere to the principles of transparency, diligence, becoming a more sustainable business and delivering continuous improvement.

For clarity, this policy does not apply to the following types of contracts:

- Purchase, sale or lease of land.
- Financial instruments and services.
- Arrangements with statutory bodies to provide a service that only the statutory body can legally provide.
- Licences.

### **1.2 Definitions**

The term procurement includes an arrangement whereby a new, replacement, amended or extended contract for the supply of goods, works or services is to be put in place. This includes circumstances where more than one provider is invited to quote or tender and also where goods, services or works are procured through direct award to a single provider.

### **1.3 Responsibilities**

The responsibilities within the organisation are as follows:

- The Head of Business Transformation is owner of this Policy and the operational lead on Procurement. They, with the support of the Executive Team, has the responsibility to ensure that all budget holders are aware of the procurement policy and provide any associated training to support full implementation.
- Executive Team and Heads of Department are responsible for ensuring arrangements are in place for this policy to be fully implemented within their areas of responsibility, and for ensuring any new budget holders have read and understood the policy as part of the induction process.
- Responsibility for conducting a compliant procurement exercise rests with the department requiring the goods, services or works which includes confirming Board and budget approval in accordance with the Financial Delegation Approval Policy (FDAP).
- This policy does not displace the FDAP. Where references within this document and associated procedures refer to approvals and authorisation, these responsibilities are exactly as set out in the FDAP.

- It is the responsibility of the Department Head and / or Budget Holder to confirm budget approval is in place prior to starting a procurement exercise. Budget approval must be to either a known or estimated cost for the goods, services or works.
- All staff should be aware of the content of this document, and any procurement or policy queries referred to an individual's Line Manager or the Head of Business Transformation.

#### 1.4 Legal compliance

The Company has sought expert legal advice to confirm the status of the Advance Northumberland Group of companies, as defined by the Public Contracts Regulations 2015 (as amended) (PCR). The conclusion is set out in Table 1 below. (Note, the legal advice is subject to review in line with the Policy review timetable).

<b>Companies defined as a Contracting Authority by PCR</b>	<b>Companies NOT defined as a Contracting Authority by PCR</b>
Advance Northumberland (Projects) Limited (Teckal compliant company)	Advance Northumberland Limited Advance Northumberland (Housing) Limited Advance Northumberland (Commercial) Limited Advance Northumberland (Developments) Limited
<b>Public Contracting Regulations therefore apply to ALL procurement projects.</b>	<b>Public Contracting Regulations do not apply to procurement projects. However, see section 1.4.1 on exceptions.</b>

Note where NCC is the Contracting Authority, Advance Northumberland (Projects) Limited (the Teckal compliant company) should seek clarification that prior approval is in place from the Head of Corporate Commissioning and Procurement before commencing any procurements on its behalf. This approval should confirm the procurement process to be followed.

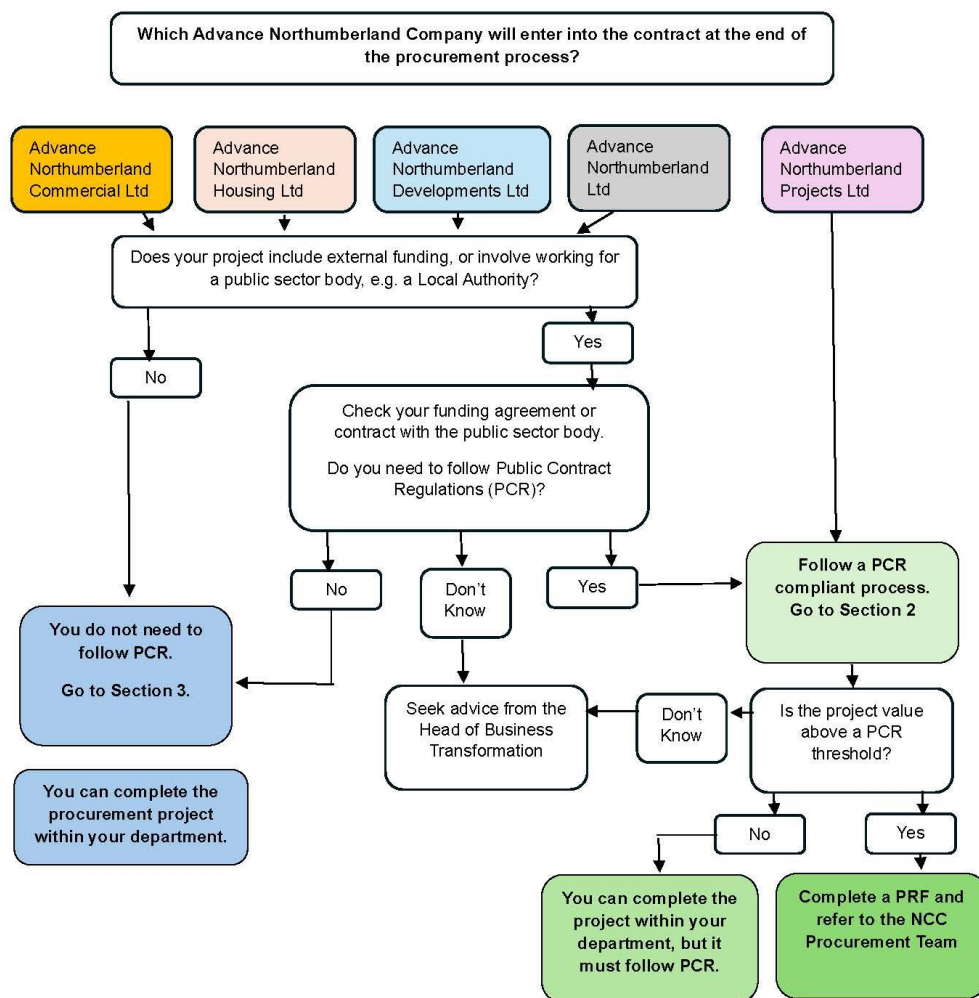
##### 1.4.1 Where PCR may apply to Companies not classed as a Contracting Authority

There may be circumstances where the Company is still required to comply with the **procedural requirements** of public procurement law. It is therefore essential to ensure the correct compliant procurement process is understood before starting a project. Examples of where PCR would be followed include, but are not limited to:

- Where compliance with PCR is a mandatory requirement of an external funding body.
- Project Management activity where compliance with PCR is a mandatory requirement of the client, e.g. where the client is Northumberland County Council (NCC), another Local Authority or other public body.

All procurement activity must be conducted in a manner consistent with the principles of PCR to protect the reputation of the Company and our stakeholders. In the event of a query on which procurement route to follow, refer to the flow chart below, or advice should be sought from the Executive Director of Governance and Sustainability or the Head of Business Transformation.

- To follow a PCR Compliant Procurement Process, please go to Section 2.
- To follow a non-PCR Procurement route, please go to Section 3.





## Section 2: PCR Compliant Procurement

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### Procedure for following Public Contracts Regulations 2015 (as amended) (PCR).

The information below sets out the procurement process to follow to be compliant with PCR.

- **This process must be followed for all procurement projects in Advance Northumberland (Projects) Limited**, and where exceptions apply to other companies in the Group.
- Before starting, the value must be estimated to establish if it is above public contracting financial thresholds for Goods / Services, Works or Concession contracts as set out in the PCR or subsequent legislation.
- Advice on current PCR thresholds can be obtained from the Head of Business Transformation.
- Projects valued above the financial thresholds should be referred to the Northumberland County Council Procurement team as per our Service Level Agreement.

### External Funding Bodies

Where the delivery of projects and / or contracts by the Company is subject to external funding, the specific procurement requirements of the funding body take precedence over Company procedures. Any deviation from this poses a risk to the organisation and could result in the reclamation of funding and disciplinary action being taken. In the event of a query or doubt on the process to be followed, you must seek advice from the Head of Business Transformation.

**Procurement Principles:** All procurement shall be undertaken following the **principles** of Public Contracting Regulations:

- **Integrity:** the good reputation of the Company shall be maintained by dealing with suppliers with positivity and integrity. Conflicts of interest will be identified and dealt with promptly and a record maintained by the Head of Business Transformation.
- **Value for Money:** all factors, such as relevant costs and benefits, risks and resources over the entirety of the product or service life-cycle will be relevant.
- **Confidentiality:** absolute confidentiality of all documents, reports, and data of a confidential or proprietary nature include pricing and bid content received from prospective suppliers.
- **Risk Management:** the procurement process should identify, recognise, evaluate and mitigate risks including the risks arising from security of supply, late delivery/completion, and poor supplier performance.
- **Objectivity:** all decisions shall be taken on an objectively justifiable basis.
- **Efficiency:** where possible published timetables will be respected, and reports shall be submitted to stakeholders in a timely manner.

- **Accountability:** records will be maintained of all procurement decisions and processes.

### **Financial Delegations**

The Company's Financial Delegation Approval Policy forms part of the overall governance framework of the organisation. Within these Financial Delegations there is a requirement for all employees to adhere to this Procurement Policy.

### **Estimating Project Values**

The value of procurement or the length of a contract must not be artificially split or reduced to affect the project value and influence the procurement route. The value of procurement should be calculated to reflect the whole life cost of the procurement/contract, not just the annual value if the contract is for more than a year.

When valuing a contract, it is the whole term of the contract that is relevant (including any optional extensions). However, where the procurement is for a series of shorter contracts for a recurring requirement for goods or services of a similar nature, then the aggregate value of all similar requirements over a period of 12 months should be used.

### **Approved Suppliers**

The Company shall establish and maintain a register of suppliers who satisfy the requirements of the Minimum Quality Threshold, and they shall be known as **Approved Suppliers**.

To be deemed an Approved Supplier, the Company shall require suppliers to demonstrate minimum standards of capability, performance and plans, as appropriate to the procurement to be undertaken, of (as a minimum) the following matters:

- **Safety**
- **Health**
- **Environmental**
- **Quality**
- **Insurance**
- **Subject matter competence**

together referred to as "**Minimum Quality Threshold**"

It shall be the aim of the Company to encourage wider participation from SMEs from the region and the area local to the intended project or activity and positive engagement with SMEs shall be encouraged to assist a wider pool of would-be suppliers to enable them to achieve our Minimum Quality Threshold.

Each division should maintain an Approved Suppliers List, made up of suppliers, contractors and consultants for works and services who are vetted to the Company's Minimum Quality

Threshold standards including technical capability, including financial, health and safety and insurance assessments.

The Approved Suppliers list gives reassurances to the Company that a minimum standard has been met and saves contractors and consultants from having to resubmit information for tender packs. Being on our approved list does not guarantee any work, and companies can also be removed from the list if performance or probity become an issue or concern. The list is reviewed on an annual basis, and suppliers can be added or deleted as appropriate.

The Head of Business Transformation will maintain a register of the Company's Approved Suppliers and consult at least annually with the Director of Finance and each member of the Executive team to maintain a sub-register of **Significant Approved Suppliers** who are deemed competent and sufficiently financially robust to supply goods, services or works above £500,000. The sub-register of Significant Approved Suppliers shall be presented to the Audit Committee on an annual basis and thereafter to Board for approval.

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graph TD
    Start([Following PCR?]) --> No1[No]
    Start --> Yes1[Yes]
    No1 --> RefPolicy[Refer to Policy Section 3 for non-PCR route.]
    Yes1 --> Val1{Is the value less than £10,000?}
    Val1 --> No2[No]
    Val1 --> Yes2[Yes]
    No2 --> Val2{Is the value between £10,001 and £100,000?}
    Val2 --> No3[No]
    Val2 --> Yes3[Yes]
    No3 --> Goods{Is the project for Goods / Services or Works?}
    Goods --> GoodsType[Goods / Services]
    GoodsType --> Val3{Is the project value below the threshold for Goods / Services?}
    Val3 --> No4[No]
    Val3 --> Yes4[Yes]
    No4 --> CompletePRF[Complete a PRF and refer to the NCC Procurement Team for all projects over thresholds.]
    Yes4 --> GoodsBox[£100,001 to Goods / Services threshold  
• Portal Mandatory.  
• Contracts Finder Mandatory.  
• Open Competitive Process Mandatory.  
• Use Template Procurement Pack.  
• Evaluate on Price and Quality.]
    Goods --> WorksType[Works]
    WorksType --> Val4{Is the project under £500,000?}
    Val4 --> No5[No]
    Val4 --> Yes5[Yes]
    No5 --> Val5{Is the project value below the threshold for Works?}
    Val5 --> No6[No]
    Val5 --> Yes6[Yes]
    No6 --> CompletePRF
    Yes6 --> WorksBox1[£500,001 to Works threshold  
• Contracts Finder Mandatory.  
• Open Competitive Process Mandatory.  
• Portal mandatory.  
• Use Template Procurement Pack.  
• Evaluate on Price and Quality.  
• Price only evaluation not permitted.]
    Yes5 --> WorksBox2[£25,001 to £500,000 Works  
• Contracts Finder Mandatory.  
• Open Competitive Process Mandatory.  
• Portal recommended for audit reasons.  
• Use Template Procurement Pack.  
• Evaluate on Price and Quality.  
• Price only evaluation permitted where Minimum Quality threshold met within last 12 months and an Approved Suppliers.]
    Yes2 --> POBox[You can place a PO up to a maximum value of £10,000 with SMT or Budget Holder approval.]
    Yes3 --> QuotationsBox[• Request 3 quotations, and  
• Obtain 3 quotations where practical.  
• Portal recommended for audit reasons.  
• Contracts Finder Advert mandatory for packages over £25k  
• Price only evaluation permitted for Approved Suppliers only.]
    Start --> DontKnow[Don't Know]
    DontKnow --> Advice[Seek advice from the Head of Business Transformation or Exec Director of Governance and Sustainability]
  
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The flowchart outlines the procurement route decision process. It begins with a decision on whether the project follows the PCR (Procurement Change Request) route. If not, it refers to Policy Section 3. If yes, it checks if the value is less than £10,000. If yes, a PO can be placed up to £10,000 with SMT or Budget Holder approval. If no, it checks if the value is between £10,001 and £100,000. If yes, it requests 3 quotations and obtains 3 quotations where practical. If no, it checks if the project is for Goods / Services or Works. For Goods / Services, it checks if the project value is below the threshold. If yes, it follows the £100,001 to Goods / Services threshold process. If no, it completes a PRF and refers to the NCC Procurement Team. For Works, it checks if the project is under £500,000. If yes, it follows the £25,001 to £500,000 Works process. If no, it checks if the project value is below the threshold. If yes, it follows the £500,001 to Works threshold process. If no, it completes a PRF and refers to the NCC Procurement Team.

**Table 2: PCR Process Summary Table**

Value	Process *	Goods	Services	Works	Process Summary Description	Portal / Documentation
Below £10,000	PCR1	✓	✓	✓	Purchase Order approved by SMT or Budget Holder. You must still demonstrate value for money and consider use of competition.	Portal not required.
Between £10,001 and £100,000	PCR2	✓	✓	✓	Request minimum of 3 quotations. <u>And</u> obtain minimum of 3 quotations wherever possible (or seek advice regarding open procurement exercise).  Evaluate using Price and Quality, or  Where <b>Approved Suppliers</b> , and where Minimum Quality Threshold met within last 12 months, Price only is acceptable.	Portal recommended for audit reasons, but not mandatory. Use Template RFQ Pack.  <b>Tender notice / Advert Mandatory for packages above £25,000 + VAT</b>
Over £100,001 and up to PCR thresholds	PCR3	✓	✓	✗	A formal, open, competitive process. Evaluate using Price and Quality.	Portal Mandatory. Contracts Finder Advert Mandatory. Use Template Procurement Pack.
Between £100,001 and	PCR4	✗	✗	✓	A formal, open, competitive process. Evaluate using Price and Quality or	Portal recommended for audit reasons, but not

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up to £500,000					Where <b>Approved Suppliers</b> , and where Minimum Quality Threshold met within last 12 months, Price only is acceptable.	mandatory. Use Template Procurement Pack.
Between £500,001 and up to threshold	PCR5	✗	✗	✓	A formal, open, competitive process. Evaluate using Price and Quality only.	Portal Mandatory. Contracts Finder Advert Mandatory. Use Template Procurement Pack.
Above PCR thresholds	NCCPRF	✓	✓	✓	Procurement process to be managed by Northumberland County Council Procurement Team.	Complete a PRF and submit to the Head of Business Transformation via the intranet.

\* Where there is a process reference, e.g. PCR1, these correspond to training guidance available to all staff via the intranet. The thresholds are aligned with those of NCC for consistency.

## Section 2: PCR Procurement Guidance continued

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Further information to support the development of operational procedures is attached at Appendix 1. The standard principles that apply to all procurement projects are set out below.

### 2.1 Over threshold procurement projects.

Where the value of the Advance Northumberland project exceeds PCR thresholds for Goods, Services or Works, the full project will be led by the Northumberland County Council Procurement Service as per the Service Level Agreement. The NCC Procurement Service should be engaged using an authorised **Procurement Request Form**, available at Appendix 3. Confirmation of the thresholds can be provided by the Head of Business Transformation.

As stated in section 1.4, where NCC is the Contracting Authority, and Advance Northumberland (Projects) Limited (the Teckal compliant company) are working on their behalf, clarification must be sought from the Head of Corporate Commissioning and Procurement before commencing any procurements on its behalf. This clarification should include the thresholds for Goods, Services or Works applicable to NCC.

The information in all remaining sections below is relevant to projects undertaken by the Company.

### 2.2 Advertising and Contracts Finder

The Company should encourage competition and positive engagement with the market. Heads of Department are expected to work with the Marketing team to positively promote the Company and procurement through media and supplier engagement events. Heads of Department are also expected to positively promote Company activity in industry networks relevant to their Division.

A forward plan of known procurement projects should be published via the Company website. Where the project value exceeds £25,000 plus VAT, this must be advertised on Contracts Finder. This is noted in Table 2.

### 2.3 E-Tendering Portal

An approved procurement platform must be used when the project value determines an open process via the portal should be followed. This is to ensure our potential suppliers can access our opportunities at one source. It will allow full access to relevant documents and be provided free of charge to interested parties. All suppliers will receive the same information to assure transparency in the process. The approved platform is as confirmed by the Head of Business Transformation.

### 2.4 Communication and Questions

All correspondence with suppliers during a live quotation or tender period must be fair, provide equal access to information and must not allow a conflict of interest to arise. Where an opportunity is advertised using the approved e-tendering portal (as above), all communication and questions must be managed directly through the portal to ensure openness and equal treatment.

During an open RFQ or ITT process, suppliers must be able to submit clarification questions. Questions must be responded to within a reasonable timeframe and the question and the response should be logged and shared with all tenderers unless the question is genuinely commercially sensitive and specific to one tenderer.

Employees should also note the requirements of the Code of Conduct, Conflict of Interest Policy and the Gifts, Hospitality and Entertaining Policy.

## 2.5 Evaluation

### 2.5.1 Evaluation Criteria:

- The evaluation criteria and weighting must be defined in advance of going to market, and details included within the published request for quotation or invitation to tender.
- Subject always to satisfaction of the **Minimum Quality Threshold**, evaluation against 100% price should only be as per Table 2, and with the approval of the member of the Executive Team relevant to the procurement exercise. A copy of this approval must be retained on file for audit purposes.
- **Sustainability and Social Value**, our procurement process must recognise the impact our supply chain has on our commitment to sustainability and social value. All departments are expected to consider this as part of their quality evaluation and diligence process.

**2.5.1 Managing submissions, including late submissions:** Procurement documentation must have clear, unambiguous information on the submission requirements, including all deadlines. The deadline for returns must be reasonable having regards to the information which the suppliers are required to review and provide in their return. It is the responsibility of the tenderer to submit their response in line with this information. No quotations and tenders received after any deadlines specified within the request for quotation or invitation to tender should be accepted or considered in an evaluation.

Where exceptional circumstances apply and there is a need to consider a late submission, the reasons for the late submission must be established and substantiated. e.g. not just poor time management or lack of IT skills. Approval is needed from the member of the Executive Leadership Team relevant to the procurement exercise. Where the project value exceeds £250,000 approval is also required from the Executive Director of Governance and Sustainability. Where Advance Northumberland Projects Limited are acting on behalf of NCC, the approval must also include the Head of Corporate Commissioning and Procurement. Any



reasons and approvals for late acceptance must be documented for audit purposes.

**2.5.2 Pre-Evaluation:** Tender and quotation responses must be checked for compliance by the person in charge of the procurement. All responses should meet the requirements requested in our tender and quotation packs to be deemed compliant. Only compliant bids should be evaluated against the award criteria and weighting set out in the procurement documents.

**2.5.3 Evaluation Panels and Conflicts of Interest:** A formal evaluation panel with appropriate knowledge and experience relevant to the procurement process. Evaluation panels should:

- Be established prior to the opportunity being made public. This is to enable the company to identify, and where applicable review any potential conflicts of interest. Each panel member must declare any interests with regards to the process prior to advert, and any submissions prior to any evaluation commencing. Where it becomes apparent a conflict of interest exists, the relevant member of the Executive Team shall either join the panel in their place or identify another person to be on the panel. Where a conflict cannot be avoided, the Executive Director of Governance and Sustainability shall determine how to proceed to protect the integrity of the procurement process. The details will be recorded on the record maintained by the Head of Business Transformation.
- Include the Manager who will be responsible for managing the services / goods / works being procured once the contract is awarded. This person will be nominated as the Panel Chair.
- Include persons who are experts in the subject matter of the responses for which they are responsible for evaluating. If there is no such expertise within the organisation then consideration should be given to procuring third party experts, ensuring no potential conflict of interests.
- Be comprised of a minimum of 2 people.

**2.5.4 Evaluation Process:** Conflicts of interest forms should be completed as outlined above. The evaluation process must also be documented to support future project reviews and / or audit. A template will be available (via intranet resources) to ensure consistency of records across the Company. The record of an evaluation process could be included in disclosures required under the Freedom of Information Act (FOIA). Further advice on FOIA can be obtained from the Head of Business Transformation.

Evaluation of quality and price should be undertaken separately, with the quality evaluation done first to ensure the perception of quality is not influenced by knowing the proposed cost. The evaluation of pricing should be an objective exercise against a set formula. An evaluation matrix template is available to all staff via the intranet.

The evaluators will evaluate bids and keep records of the evaluation matrix recording notes and scores of each tender against the stated criteria. The evaluators should agree consensus scores for each response against the published scoring criteria and record an agreed rationale for the award of each score, rather than taking an average.

The evaluation must ensure that the final scores and rationale for each score given are recorded. The tenderers' scores must be ranked, and the highest scoring tenderer will be recommended to be awarded the contract. The Evaluation Panel Chair is responsible for finalising the evaluation matrix.

## **2.6 Post tender discussions**

**2.6.1 Abnormally Low Tenders:** Unusually low prices should be investigated during post tender clarification, and the supplier should be asked to demonstrate how they can perform the contract. These steps must be completed before the submission can be disregarded.

**2.6.2 Post tender negotiations are not possible under any circumstances:** Advance Northumberland (Projects) Limited must not enter into post tender negotiations. Equally, where PCR has been followed by another Company within the Group due to the needs of the funder and / or client, there must be no post tender negotiations.

**2.6.3 Pricing clarification of a quote or tender submission is permitted:** A clarification response should not materially alter the original submission to ensure the Company meets the commitment to fair and transparent procurement; all bidders should be given the same opportunity.

**2.6.4 Lack of competition:** Where only one quote or tender is received you may continue with the procurement process, but you must not negotiate the contract to the extent that it materially changes the opportunity from that advertised. In these circumstances you should consult the Executive Director of Governance & Sustainability or the Head of Business Transformation before proceeding as it may be that another interested party would have responded if it had known the specification of the contract could change.

Where you only have one tender response or quotation, you will still be deemed to have complied with the requirements of this policy provided that you have attempted to comply with the advertising/tender requirements but have failed to secure more than one tender due to lack of interest from the market.

## **2.7 Contract Award**

**2.7.1 Compliant submissions:** the submission must be compliant to award a contract. Where Minimum Quality Threshold information has been requested through the request for quotation or invitation to tender process (e.g. insurance, accreditation or competency

information), this must be verified prior to confirming the award and entering into a formal agreement.

**2.7.2 Relevant approvals.** For all prospective awards there must be financial and budget approvals in place in line with the FDAP and Board Approvals. Where the project value exceeds approvals already given (e.g. at a Board Meeting), further approval is required for the confirmed value before an award can be made.

Where the most economically advantageous or lowest bid (in line with the published evaluation criteria) is not selected, the reason for this must be agreed with the member of the Executive Team relevant to the procurement exercise. A record of the agreement and decision reached shall be retained on file for audit purposes.

**2.7.3 Successful Tenders:** Subject to a successful review of the evaluation process, a Tender Award Recommendation should be signed off by the relevant Director from the Executive Team, the Chief Executive or Board subject to the Financial Delegations Policy. Note there is no need to observe a standstill period where the value of the project is below a PCR threshold.

**2.7.4 Unsuccessful Tenders:** Result notifications should be sent to all tenderers who participated in the process. It is our policy that we will provide them with general feedback as to why their tender was not successful. Where a procurement is valued at over £250,000, feedback should be provided in writing. Advice should be sought from the Head of Business Transformation prior to issuing formal feedback.

**2.7.5 Contract Terms and Conditions:** The relationship with a supplier must be governed by agreed terms and conditions. All contracts which exceed £10,000 in value shall be authorised in accordance with the company's Financial Delegation Policy. They shall be evidenced in writing and include signatures – electronic or manuscript - from authorised officers and either signatures of authorised representatives of the appointed contractor/supplier/provider or through other evidence of acceptance which shall be formally recorded by, or on behalf of, the member of the Executive Team relevant to the procurement exercise.

Contractual documentation should be in accordance with the company approved and agreed standards and requirements, and any exceptions drafted and or approved by legal representatives in association with the Executive Director of Governance and Sustainability.

## **2.8 Appeals**

Advice must be sought in the event of any formal procurement challenge. Debrief meetings will not be offered but consideration may be given to providing summary feedback in writing if requested for higher value contracts only. Where the procurement project has been managed by the NCC Procurement Services, this will include supporting any feedback or challenge.

## **2.9 Pre-Contract Meetings**

There will be a pre-contract meeting between the employee in charge of the procurement and the successful contractor prior to signature of contracts. The purpose of this meeting is to discuss the supplier's proposed approach to the contract and ensure that the full scope of the contract has been appreciated. On satisfactory completion of the meeting, contracts may be signed (subject to all internal approval processes).

### **2.10 Contracts Register**

Company awards, advertised in any form, will be placed on a Company Contracts Register at the end of the procurement process, this will be monitored and managed by the Head of Business Transformation.

A copy of the approved tender award should be copied to the Head of Business Transformation to allow the contract register to be updated. This information will be published in line with regulatory and legislative requirements, and internal records stored centrally in SharePoint and include as a minimum:

- Contract Reference
- Company Name
- Description of Contract
- Term of Contract (start and finish date)
- Value of Contract
- Appointing Officer
- Contract Manager

### **2.11 Successful Tenderer Failure**

Where the successful supplier declines to enter into the contract or drops out of the project within the first 6 months of the contract, it is permissible to contact the second placed supplier who may enter into the contract provided they are prepared to honour their original tender price. There must be documented evidence of the original supplier failure within the procurement records for audit or review purposes.

### **2.12 Policy Exemptions**

There may be circumstances which require the Company to procure goods, services or works not in accordance with the procedures set out in section above. This requires formal prior approval, however employees should not assume an exemption will be approved. Failure to plan work properly is not a justification.

- Exemptions cannot be approved for above threshold procurement processes.
- Where Advance Northumberland (Projects) Limited are engaged by NCC to provide Project Management Services, exemptions are subject to approval at Northumberland County Council and the NCC Exemption Request Form must be authorised the NCC Head of Corporate Commissioning and Procurement to allow the Policy to be set aside. A copy of the approved Exemption should be retained by the Company.

- For all other companies, the Company Exemption Form should be used, attached as Appendix 4.
- Where a direct award is required via a compliant framework, the process set out in section 4 should be followed. If the award is to be made via a framework, and the relevant approvals are obtained, an exemption form is not required.

### 2.12.1 Exemption Forms:

The form must set out the reasons that compliance with the advertising and/or tender process set out here cannot be complied with. An exemption will only be justifiable in the following circumstances:

- Where a compliant process has been undertaken and no suitable tenders were received.
- Where only one provider can perform the contract for technical reasons due to interoperability or compatibility requirements and there are genuinely no alternatives within a reasonable price range, without significant inconvenience, delay or expense.
- Where only one provider can be used to satisfy a customer specification.
- In cases of extreme urgency. Where there is a significant risk to health and safety, an exemption can be approved retrospectively, but all other requests must be made in advance.
- Exemption approvals are in accordance with the current Financial Delegation Policy, Exemption forms can only be authorised with a signature corresponding with the table below.

The following table is applicable to all companies excluding Advance Northumberland (Projects) Limited working on behalf of Northumberland County Council.

Exemption Value £	Company Sign Off	Note
Up to £100,000	Executive Team Member & Financial Controller (or Director of Finance)	
Above £100,000 Less than £250,000 *	Financial Controller (or Director of Finance) & any Executive Director (i.e. Chief Executive Or Executive Director of Governance and Sustainability)	An exemption cannot exceed the PCR Goods / Services / Works thresholds.
Above £250,000 *	1) Director of Finance, Chief Executive & either the Executive Director of Governance and Sustainability or other Board Member  2) Any Three Board Directors	Financial Delegations apply. An exemption cannot exceed the PCR Goods / Services / Works thresholds.

Copies of approved Exemption Forms must be retained on file for audit purposes. Individual exemptions and recurring supplier spend are to be monitored by the Head of Business Transformation to ensure there is not an over reliance on the exemptions process.

A quarterly summary of exemptions is to be reported to the Board by the Head of Business Transformation as part of performance reporting.

### **2.13 Changes to Existing Contracts**

PCR should be followed for variations to existing contracts. Only non-substantial modifications can be made to existing contracts. This includes extensions of term, increase or variation in scope and addition or removal of subcontractors. Changes should not normally be made where in doing so, the change:

- Means that the contract or the framework agreement is materially different in character from the one initially concluded.
- Introduces conditions which, had they been part of the initial procurement procedure, would have:
  - (i) Allowed for the admission of other candidates than those initially selected,
  - (ii) Allowed for the acceptance of a tender other than that originally accepted, or
  - (iii) Attracted additional participants in the procurement procedure.
- Changes the economic balance of the contract or the framework agreement in favour of the contractor in a manner which was not provided for in the initial contract or framework agreement.
- Extends the scope of the contract or framework agreement considerably.

In the above circumstances, a new procurement should be undertaken for the additional requirement, or an exemption signed off prior to the change being made as per section 2.11.

For procurements supported by the NCC Procurement Team, advice must be sought from the Procurement Service prior to agreeing any variations to ensure there is no breach of PCR.

- **For information on Legal Services, Consultants and Frameworks, please go to Section 4.**
- **For information on Supplier Expectations, please go to Section 5.**
- **For information on Monitoring, Audit and Training, please go to section 6.**



## Section 3: Non-PCR Procurement Process

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The information below sets out the non-PCR procurement process:

- Note there are some differences for Goods / Materials. Check the correct guidance is followed for the type of procurement project (i.e. Goods / Services / Works).
- **This process must NOT be followed for any procurement projects in Advance Northumberland (Projects) Limited**, and where exceptions apply to other companies in the Group (see examples in section 1.3.1).
- This process can be followed for procurement activities in Advance Northumberland Limited, Advance Northumberland (Housing) Limited, Advance Northumberland (Commercial) Limited and Advance Northumberland (Developments) Limited, unless an exception applies.
- Advice on the correct procurement process can be obtained from the Head of Business Transformation.

### External Funding Bodies

Where the delivery of projects and / or contracts by the Company is subject to external funding, the specific procurement requirements of the funding body take precedence over Company procedures. Any deviation from this poses a risk to the organisation and could result in the reclamation of funding and disciplinary action being taken. In the event of a query or doubt on the process to be followed, you must seek advice from the Head of Business Transformation.

**Procurement Principles:** All procurement shall be undertaken following the **principles** of Public Contracting Regulations:

- **Integrity:** the good reputation of the Company shall be maintained by dealing with suppliers with positivity and integrity. Conflicts of interest will be identified and dealt with promptly and a record maintained by the Head of Business Transformation.
- **Value for Money:** all factors, such as relevant costs and benefits, risks and resources over the entirety of the product or service life-cycle will be relevant.
- **Confidentiality:** absolute confidentiality of all documents, reports, and data of a confidential or proprietary nature include pricing and bid content received from prospective suppliers.
- **Risk Management:** the procurement process should identify, recognise, evaluate and mitigate risks including the risks arising from security of supply, late delivery/completion, and poor supplier performance.
- **Objectivity:** all decisions shall be taken on an objectively justifiable basis.
- **Efficiency:** where possible published timetables will be respected, and reports shall be submitted to stakeholders in a timely manner.



- **Accountability:** records will be maintained of all procurement decisions and processes.

### **Financial Delegations**

The Company's Financial Delegation Approval Policy forms part of the overall governance framework of the organisation. Within these Financial Delegations there is a requirement for all employees to adhere to this Procurement Policy.

### **Estimating Project Values**

The value of procurement or the length of a contract must not be artificially split or reduced to affect the project value and influence the procurement route. The value of procurement should be calculated to reflect the whole life cost of the procurement/contract, not just the annual value if the contract is for more than a year.

When valuing a contract, it is the whole term of the contract that is relevant (including any optional extensions). However, where the procurement is for a series of shorter contracts for a recurring requirement for goods or services of a similar nature, then the aggregate value of all similar requirements over a period of 12 months should be used.

### **Approved Suppliers and Significant Approved Suppliers**

The Company shall require suppliers to demonstrate minimum standards of capability, performance and plans, as appropriate to the procurement to be undertaken, of (as a minimum) the following matters:

- **Safety**
- **Health**
- **Environmental**
- **Quality**
- **Insurance**
- **Subject matter competence**

together referred to as "**Minimum Quality Threshold**"

It shall be the aim of the Company to encourage wider participation from SMEs from the region and the area local to the intended project or activity and positive engagement with SMEs shall be encouraged to assist a wider pool of would-be suppliers to enable them to achieve our Minimum Quality Threshold.

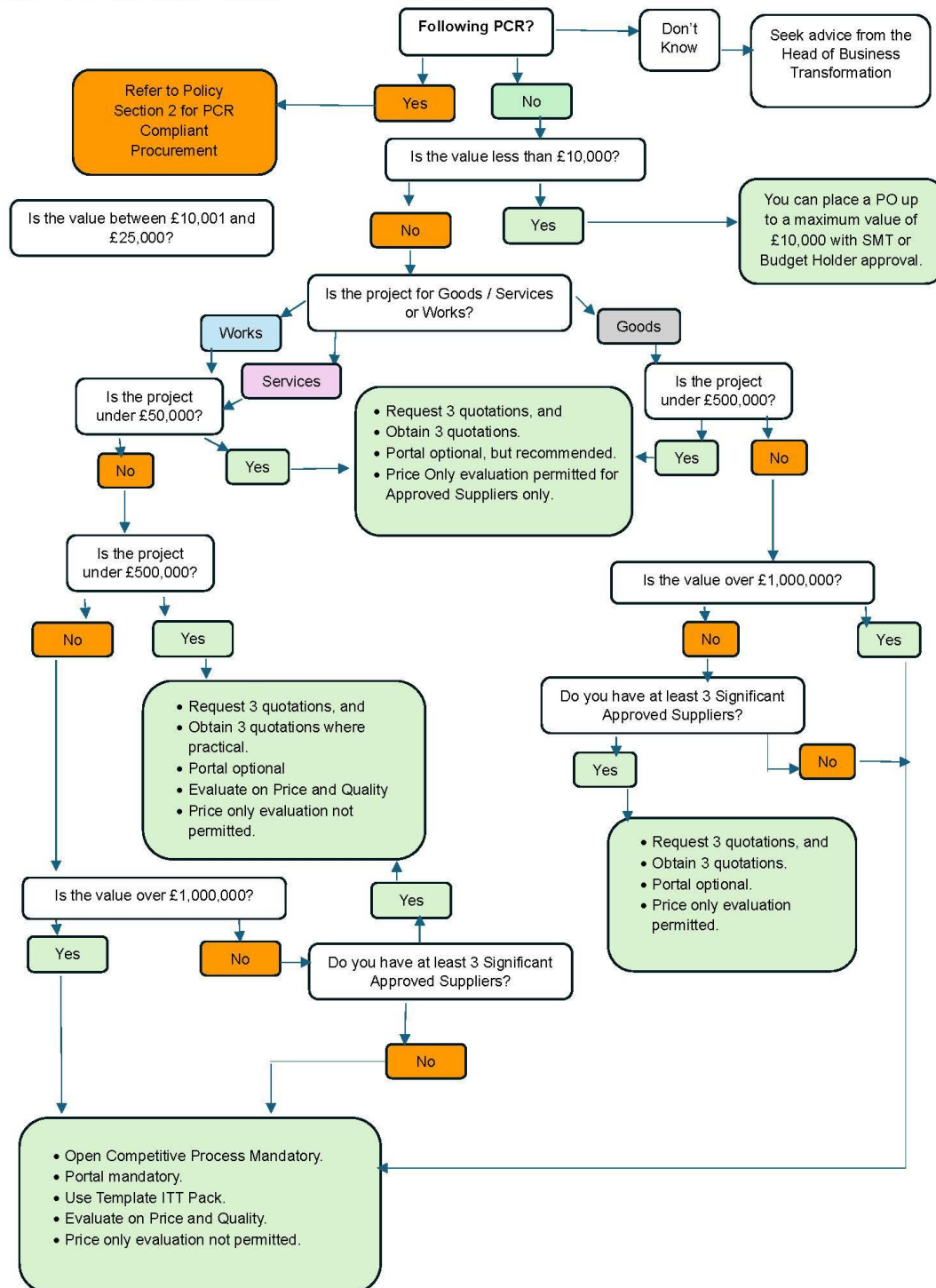
The Company shall establish and maintain a register of suppliers who satisfy the requirements of the Minimum Quality Threshold, and they shall be known as **Approved Suppliers**.

Within the Policy, where reference is made to a **Significant Approved Supplier**, this is defined as **Approved Suppliers** who are deemed competent and sufficiently financially robust

to supply goods, services or works above £500,000. The schedule of competence is agreed by the Executive Leadership Team. The schedule of competence, and sub-register of Significant Approved Suppliers shall be presented to the Audit Committee on an annual basis and thereafter to Board for approval.

All employees should note the use of Approved Suppliers and Significant Approved Suppliers will form part of the review and monitoring process by the Head of Business Transformation and could also be subject to Internal Audit.

## Non-PCR Procurement Process



Non-PCR Process Summary Table						
Value	Process *	Goods	Services	Works	Summary Description	Portal / Documentation
Below £10,000	AN1	✓	✓	✓	Purchase Order approved by SMT or Budget Holder. Still demonstrate value for money and consider competition.	Portal not required.
Between £10,001 and £50,000	AN2	✗	✓	✓	<b>No Approved Suppliers</b> Request 3 quotations. Obtain 3 quotations wherever possible. Evaluate using Price and Quality only.	Portal Quick Quotes (but not mandatory). Use standard RFQ pack. Retain all quotes on file.
	AN3	✗	✓	✓	<b>Approved Suppliers</b> , and where Minimum Quality Threshold met within last 12 months. As above, but evaluation on Price Only is acceptable.	
Between £50,001 and £500,000	AN4	✗	✓	✗	All (including Approved Suppliers) Request 3 quotations. Obtain 3 quotations wherever possible. Evaluate using Price and Quality only.	Portal Quick Quotes (but not mandatory). Use standard RFQ pack. Retain all quotes on file.
Between £10,001 and £500,000	AN5	✓	✗	✓	<b>No Approved Suppliers</b> Request 3 quotations. Obtain 3 quotations wherever possible. Evaluate using Price and Quality only.	Portal Quick Quotes (but not mandatory). Use standard RFQ pack. Retain all quotes on file.
	AN6	✓	✗	✓	<b>Approved Suppliers</b> , and where Minimum Quality Threshold	

## Non-PCR Procurement

					met within last 12 months. As above, evaluated on Price Only is acceptable.	
Between £500,001 and £1,000,000	AN4	✓	✓	✓	<b>At least 3 Significant Approved Suppliers:</b> Request 3 written quotations from Significant Approved Suppliers. Obtain 3 written quotations from Significant Approved Suppliers. Evaluation using Price Only is permitted.	Portal can be used (but not mandatory). Use standard RFQ pack. Retain all quotes on file.
Between £500,001 and £1,000,000	AN5	✓	✓	✓	<b>Where there are <u>NOT</u> 3 Significant Approved Suppliers:</b> Formal open competitive tender process. Use the approved, Invitation To Tender (ITT) pack. Evaluate using Price and Quality. Project specific quality requirements must be used to the satisfaction of the Minimum Quality Threshold. Price only evaluation not permitted.	Portal Mandatory. Use standard ITT Pack.
Over £1,000,001	AN6	✓	✓	✓	Formal open competitive tender process. Use the approved, Invitation To Tender (ITT) pack. Project specific quality requirements must be used to the satisfaction of the Minimum Quality Threshold. Evaluate using Price and Quality. Price only not permitted.	Portal Mandatory. Use standard ITT Pack.

\* Where there is a process reference, e.g. AN1, these correspond to training guidance available to all staff via the intranet.



## Section 3 Non-PCR Procurement Guidance

Further information to support the development of operational procedures is attached at Appendix 1. The standard principles that apply to all procurement projects are set out below.

**3.1 Advertising:** the Company should encourage competition and positive engagement with the market. Heads of Department are expected to work with the Marketing team to positively promote the Company and procurement through media and supplier engagement events. Heads of Department are also expected to positively promote Company activity in industry networks relevant to their Division. A forward plan of known procurement projects should be published via the Company website.

**3.2 E-Tendering Portal:** an approved procurement platform must be used when the project value determines an open process via the portal should be followed. This is to ensure our potential suppliers can access our opportunities at one source. It will allow full access to relevant documents and be provided free of charge to interested parties. All suppliers will receive the same information to assure transparency in the process. The approved platform is as confirmed by the Head of Business Transformation.

**3.3 Communication:** all correspondence with suppliers during a live quotation or tender period must be fair, provide equal access to information and must not allow a conflict of interest to arise. Where an opportunity is advertised using the approved e-tendering portal (as above), all communication and questions must be managed directly through the portal to ensure openness and equal treatment.

During any open process, suppliers must be able to submit clarification questions. Questions must be responded to within a reasonable timeframe and the response should be logged and shared with all tenderers unless the question is genuinely commercially sensitive and specific to one tenderer.

Employees should also note the requirements of the Code of Conduct, Conflict of Interest Policy and the Gifts, Hospitality and Entertaining Policy.

### 3.4 Evaluation

#### 3.4.1 Evaluation Criteria:

- The evaluation criteria and weighting must be defined in advance of going to market, and details included within the published request for quotation or invitation to tender.
- Subject always to satisfaction of the **Minimum Quality Threshold**, evaluation against 100% price should only be as per Table 2, and with the approval of the member of the Executive Team relevant to the procurement exercise. A copy of this approval must be retained on file for audit purposes.
- **Sustainability and Social Value**, our procurement process must recognise the impact

our supply chain has on our commitment to sustainability and social value. All departments are expected to consider this as part of their quality evaluation and diligence process.

**3.4.2 Managing submissions, including late submissions:** Procurement documentation must have clear, unambiguous information on the submission requirements, including all deadlines. The deadline for returns must be reasonable having regards to the information which the suppliers are required to review and provide in their return. It is the responsibility of the tenderer to submit their response in line with this information. No quotations and tenders received after any deadlines specified within the request for quotation or invitation to tender should be accepted or considered in an evaluation.

Where exceptional circumstances apply and there is a need to consider a late submission, the reasons for the late submission must be established and substantiated. e.g. not just poor time management or lack of IT skills. Approval is needed from the member of the Executive Leadership Team relevant to the procurement exercise. Where the project value exceeds £250,000 approval is also required from the Executive Director of Governance and Sustainability. Any reasons and approvals for late acceptance must be documented for audit purposes.

**3.4.3 Pre-Evaluation:** Tender and quotation responses must be checked for compliance by the person in charge of the procurement. All responses should meet the requirements requested in our tender and quotation packs to be deemed compliant. Only compliant bids should be evaluated against the award criteria and weighting set out in the procurement documents.

**3.4.4 Evaluation Panels and Conflicts of Interest:** A formal evaluation panel with appropriate knowledge and experience relevant to the procurement process. Evaluation panels should:

- Be established prior to the opportunity being made public. This is to enable the company to identify, and where applicable review any potential conflicts of interest. Each panel member must declare any interests with regards to the process prior to advert, and any submissions prior to any evaluation commencing. Where it becomes apparent a conflict of interest exists, the relevant member of the Executive Team shall either join the panel in their place, or identify another person to be on the panel. Where a conflict cannot be avoided, the Executive Director of Governance and Sustainability shall determine how to proceed to protect the integrity of the procurement process. The details will be recorded on the record maintained by the Head of Business Transformation.
- Include the Manager who will be responsible for managing the services / goods / works being procured once the contract is awarded. This person will be nominated as the Panel Chair.



- Include persons who are experts in the subject matter of the responses for which they are responsible for evaluating. If there is no such expertise within the organisation then consideration should be given to procuring third party experts, ensuring no potential conflict of interests.
- Be comprised of a minimum of 2 people.

**3.4.5 Evaluation Process:** Conflicts of interest forms should be completed as outlined above. The evaluation process must also be documented to support future project reviews and / or audit. A template will be available (via intranet resources) to ensure consistency of records across the Company. The record of a non-PCR evaluation process could still be included in disclosures required under the Freedom of Information Act (FOIA). Further advice on FOIA can be obtained from the Head of Business Transformation.

To maintain the integrity of the process, evaluation of quality and price should be undertaken separately, with the quality evaluation done first to ensure the perception of quality is not influenced by knowing the proposed cost. The evaluation of pricing should be an objective exercise against a set formula. An evaluation matrix template is available to all staff via the intranet.

The evaluators will evaluate bids and keep records of the evaluation matrix recording notes and scores of each tender against the stated criteria. The evaluators should agree consensus scores for each response against the published scoring criteria and record an agreed rationale for the award of each score, rather than taking an average.

The evaluation must ensure that the final scores and rationale for each score given are recorded. The tenderers' scores must be ranked, and the highest scoring tenderer will be recommended to be awarded the contract. The Evaluation Panel Chair is responsible for finalising the evaluation matrix.

### **3.5 Post tender discussions:**

**3.5.1 Abnormally Low Tenders.** Unusually low prices should be investigated during post tender clarification, and the supplier should be asked to demonstrate how they can perform the contract. These steps must be completed before the submission can be disregarded.

**3.5.2 Post tender negotiation is permitted where there is a valid commercial reason to do so.** This requires the approval of the member of the Executive Team relevant to the procurement exercise. Where the project value exceeds £500,000 approval is also required from the Chief Executive and Executive Director of Governance and Sustainability.

**3.5.3 Pricing clarification of a quote or tender submission is permitted.** A clarification response should not materially alter the original submission to ensure the Company meets the commitment to fair and transparent procurement; all bidders should be given the same

opportunity.

**3.5.4 Lack of competition:** Where only one quote or tender is received you may continue with the procurement process, but you must not negotiate the contract to the extent that it materially changes the opportunity from that advertised. It may be that another interested party would have responded if it had known the specification of the contract could change.

Where you only have one tender response or quotation, you will still be deemed to have complied with the requirements of this policy provided that you have attempted to comply with the advertising/tender requirements but have failed to secure more than one tender due to lack of interest from the market.

### **3.6 Contract Award**

**3.6.1 Compliant submissions:** the submission must be compliant to award a contract. Where Minimum Quality Threshold information has been requested through the request for quotation or invitation to tender process (e.g. insurance, accreditation or competency information), this must be verified prior to confirming the award and entering into a formal agreement.

**3.6.2 Relevant approvals.** For all prospective awards there must be financial and budget approvals in place in line with the FDAP and Board Approvals. Where the project value exceeds approvals already given (e.g. at a Board Meeting), further approval is required for the confirmed value before an award can be made.

Where the most economically advantageous or lowest bid (in line with the published evaluation criteria) is not selected, the reason for this must be agreed with the member of the Executive Team relevant to the procurement exercise. A record of the agreement and decision reached shall be retained on file for audit purposes.

**3.6.3 Successful Tenders:** Subject to a successful review of the evaluation process, a Tender Award Recommendation should be signed off by the relevant Director from the Executive Team, the Chief Executive or Board subject to the Financial Delegations Policy. Note there is no need to observe a standstill period.

**3.6.4 Unsuccessful Tenders:** Result notifications should be sent to all tenderers who participated in the process. It is our policy to provide general feedback as to why their tender was not successful if requested. Where a procurement is valued at over £250,000, feedback should be provided in writing. Advice should be sought from the Head of Business Transformation prior to issuing formal feedback.

**3.6.5 Contract Terms and Conditions:** The relationship with a supplier must be governed by agreed terms and conditions. All contracts which exceed £10,000 in value shall be authorised in accordance with the company's Financial Delegation Policy. They shall be evidenced in writing and include signatures – electronic or manuscript - from authorised officers and either signatures of authorised representatives of the appointed contractor/supplier/provider or through other evidence of acceptance which shall be formally recorded by, or on behalf of, the member of the Executive Team relevant to the procurement exercise.

Contractual documentation should be in accordance with the company approved and agreed standards and requirements, and any exceptions drafted and or approved by legal representatives in association with the Executive Director of Governance and Sustainability.

### **3.7 Appeals**

There is no formal appeals process. Advice must be sought in the event of any formal procurement challenge and each case will be reviewed on the circumstances, by the Head of Transformation and / or the Executive Director of Governance and Sustainability.

### **3.8 Pre-Contract Meetings**

There will be a pre-contract meeting between the employee in charge of the procurement and the successful contractor prior to signature of contracts. The purpose of this meeting is to discuss the supplier's proposed approach to the contract and ensure that the full scope of the contract has been appreciated. On satisfactory completion of the meeting, contracts may be signed (subject to all internal approval processes).

### **3.9 Contracts Register**

Company awards, advertised in any form, will be placed on a Company Contracts Register at the end of the procurement process, this will be monitored and managed by the Head of Business Transformation.

A copy of the approved tender award should be copied to the Head of Business Transformation to allow the contract register to be updated. This information will be published in line with regulatory and legislative requirements, and internal records stored centrally in SharePoint and include as a minimum:

- Contract Reference
- Company Name
- Description of Contract
- Term of Contract (start and finish date)
- Value of Contract
- Appointing Officer
- Contract Manager

### **3.10 Successful Tenderer Failure**

Where the successful supplier declines to enter into the contract or drops out of the project within the first 6 months of the contract, it is permissible to contact the second placed supplier who may enter into the contract provided they are prepared to honour their original tender price. There must be documented evidence of the original supplier failure within the procurement records for audit or review purposes.

### 3.11 Policy Exemptions

There may be circumstances which require the Company to procure goods, services or works not in accordance with the procedures set out in the sections above. This requires formal approval, in advance. Employees should not assume an exemption from will be approved. Failure to plan work properly is not a justification.

- The Exemption Form is attached as Appendix 4. Note, an exemption request could be refused. No assumption should be made that an exemption will be authorised.
- Where a direct award is required via a compliant framework, the process set out in Section 4 should be followed. If an award is to be made via a framework, and the relevant approvals are obtained, an exemption form is not required.

**3.11.1 Exemption Forms:** the form must set out the reasons that compliance with the advertising and/or tender process set out here cannot be complied with. An exemption will only be justifiable in the following circumstances:

- Where a compliant process has been undertaken and no suitable tenders were received.
- Where only one provider can perform the contract for technical reasons due to interoperability or compatibility requirements and there are genuinely no alternatives within a reasonable price range, without significant inconvenience, delay or expense.
- Where only one provider can be used to satisfy a customer specification.
- In cases of extreme urgency. Where there is a significant risk to health and safety, an exemption can be approved retrospectively, but all other requests must be made in advance.
- Exemption approvals are in accordance with the current Financial Delegation Policy, Exemption forms can only be authorised with a signature corresponding with the table below.
- Head of Corporate Commissioning and Procurement to procure on their behalf, a copy of the approved Exemption should be retained

Exemption Value £	Company Sign Off	Note
Up to £100,000	Executive Team Member and Financial Controller (or Director of Finance)	
Above £100,000 Less than £250,000 *	Financial Controller (or Director of Finance) & any Executive Director (i.e. Chief Executive	Financial Delegations apply.

	or Executive Director of Governance and Sustainability)	
Above £250,000 *	1) Director of Finance, Chief Executive & either the Executive Director of Governance and Sustainability or other Board Member  2) Any Three Board Directors	Financial Delegations apply.

Copies of approved Exemption Forms must be retained on file for audit purposes. Individual exemptions and recurring supplier spend are to be monitored by the Head of Business Transformation to ensure there is not an over reliance on the exemptions process.

A quarterly summary of exemptions is to be reported to the Board by the Head of Business Transformation as part of performance reporting.

### 3.12 Changes to Existing Contracts

To ensure a fair and transparent approach to Company procurement the principles of PCR should be followed for variations to existing contracts. Only non-substantial modifications can be made to existing contracts. This includes extensions of term, increase or variation in scope and addition or removal of subcontractors.

Changes should not normally be made where in doing so, the change:

- Means that the contract or the framework agreement is materially different in character from the one initially concluded.
- Introduces conditions which, had they been part of the initial procurement procedure, would have:
  - (iv) Allowed for the admission of other candidates than those initially selected,
  - (v) Allowed for the acceptance of a tender other than that originally accepted, or
  - (vi) Attracted additional participants in the procurement procedure.
- Changes the economic balance of the contract or the framework agreement in favour of the contractor in a manner which was not provided for in the initial contract or framework agreement.
- Extends the scope of the contract or framework agreement considerably.

In the above circumstances, a new procurement should be undertaken for the additional requirement, or an exemption signed off prior to the change being made.

## 4. Special Circumstances

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This section sets out circumstances where specific procedures can apply. Where other unique or special circumstances arise, further information and guidance should be sought from the Executive Director of Governance and Sustainability, or the Head of Business Transformation.

This section covers:

- Legal Services
- Use of Consultants
- Use of Frameworks

**4.1 Legal Services:** Legal services can be procured utilising the NEPO Framework (or other suitable framework arranged by the NCC Procurement Service). The procedure for appointment via this framework is provided in Appendix 5. It is recognised there may be exceptional requirements to use specialist legal firms which are outside of the current framework. Any such requirement to procure legal services outside of this approved framework requires approval by the Executive Director of Governance and Sustainability.

Note, where working with Northumberland County Council, provision must be made within the terms of engagement for NCC to rely on any legal advice provided. In these circumstances, a copy of the terms of engagement with the law firm, and a copy of the advice provided must be shared with NCC. Further advice should be sought from the Executive Director of Governance and Sustainability, or NCC as required by the circumstances.

**4.2 Consultants:** A Consultant is a firm or person who offers professional or expert advice on the provision of services by the Company or who undertakes work in the name of the Company but is not an employee of the Company. Consultants can be either self-employed through a limited company, umbrella organisation or PAYE within an existing company. This section of the Policy deals specifically with consultants engaged:

- 4.2.1 For an undetermined length of time, or
- 4.2.2 For an undetermined cost for the full duration of the work – for example, where an hourly or day rate is known, but the final cost of the project is not fixed, or
- 4.2.3 To act as and be positioned as an employee of the Company.

Where any of these circumstances apply, a different approval process is required, as set out below in section 4.2.4. This section of the Policy **does not apply** to consultants engaged for a finite body of work for a fixed fee as they are to be treated in the same way as other procured contractors procured to provide a Service.

4.2.4 The engagement of a Consultant that meets any of the criteria set out in 4.2.1 to 4.2.3 above must follow a specific approval process.

- Where the engagement length is unlimited (i.e. undetermined length), the total cost equivalent to a 4 year appointment should be used when calculating the value.
- Approval is required from the Executive Director of Governance & Sustainability, using the authorisation form at Appendix 6.
- Following the relevant approval/s, the approval form should be passed to the Director of Finance to verify the employment status in accordance with an IR35 assessment. The outcome of the assessment will determine if the consultant is to be engaged via payroll, so tax and NI can be deducted from the invoices submitted. No appointment can be made before the IR35 assessment has been completed by the Director of Finance and the outcome confirmed.
- Confirmation of the Consultant and IR35 assessment must be confirmed to the Head of HR and Head of Business Transformation.
- A Professional Indemnity Insurance certificate is mandatory and must be produced prior to engagement. Any insurance variation must be agreed by the Executive Director of Governance & Sustainability prior to appointment. It is the responsibility of the employee engaging the Consultant to obtain the insurance information.

An appropriate Contract is to be issued to all appointed Consultants which will include:

- Contract Terms & Conditions.
- Brief or deliverables.
- Timescale.
- Day rate or fixed fee as appropriate.
- Named Employee responsible for confirming work has been completed to the required standards.

A central register of Consultants and associated contracts will be maintained by the Head of Business Transformation and expenditure regularly reviewed.

**4.3 The use of Framework Agreements:** As a wholly owned subsidiary of a public sector organisation the Company can access any public sector frameworks which are open to Local Authorities and their subsidiaries. The NCC Procurement Service can provide further advice and guidance. Access to other public sector frameworks should be subject to due diligence to the access and selection process i.e., direct award or further competition and that the terms and conditions aligned to the framework have had consideration for appropriateness, as material changes cannot be made to call off contracts from frameworks.

Use of a framework form attached as Appendix 7. This form requires sign off by the Director of Finance internally, and the NCC Head of Corporate Commissioning and Procurement. The sign off by NCC is required as confirmation that the Company can access the framework specified (since not all public sector frameworks are available to arms length organisations).



## 5.0 Supplier Expectations

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This section sets out our general expectations of all suppliers and contractors, working for all companies. Each division is expected to expand on these requirements and define the specific competences and diligences processes relevant to the goods, services and works to be procured.

### 5.1 Expectations of All Suppliers

The specific requirements of suppliers are to be detailed in our request for quotations and invitation to tender packs. In general, we expect all suppliers to:

- Meet the requirements set out in by law, regulation and good industry practice and to ensure that their suppliers do the same.
- Behave ethically and apply high standards of conduct and safety.
- Respect confidentiality and, if required, enter into non-disclosure agreements.
- Comply with all law pertaining to the environment, operate their business in an environmentally responsible way and take a positive approach to reducing their environmental impact.
- As set out in our Modern Slavery statement, we must identify and eradicate modern slavery in our business and supply chain, and suppliers are expected to do the same.
- Meet the Minimum Quality Threshold.

### 5.2 Expectations of Employees (in relation to suppliers and contractors)

All employees are expected to undertake due diligence proportionate to the risk and requirements of their procurement project and take a zero-tolerance approach to improper business conduct of any sort.

The Head of Department relevant to the procurement exercise is responsible for defining and monitoring KPIs, managing the risk of delivery and addressing any concerns about performance. See Contract Management in Section 6.



## 6.0 Monitoring, Audit and Training

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This section sets out our general expectations of all suppliers and contractors, working for all companies. Each division is expected to expand on these requirements and define the specific competences and diligences processes relevant to the goods, services and works to be procured.

### 6.1 Contracts Register

As outlined elsewhere, a contract register will be maintained by the Head of Business Transformation, in conjunction with the Director of Finance to include all contracts over £10,000. The Contract Register will be monitored by the Head of Business Transformation and will also be subject to Internal Audit.

### 6.2 Approved Suppliers and Significant Approved Suppliers

The use of Approved Suppliers and Significant Approved Suppliers will be monitored by the Head of Business Transformation and will also be subject to Internal Audit. The sub-register of Significant Approved Suppliers shall be presented to the Audit Committee on an annual basis and thereafter to Board for approval.

### 6.3 Contract Management

The procuring department are responsible for managing performance and ensuring this meets the standards and requirements of our tender specification, and all terms of the contract are being adhered to. The Head of Department relevant to the procurement exercise is responsible for defining and monitoring KPIs, managing the risk of delivery and addressing any concerns about performance. In the first instance, this should be liaison with the supplier or contractor to try and resolve the issue informally, but still with a defined and agreed approach to remedy the problem. Where an informal approach is unsuccessful, each department should have a defined escalation process relevant to their delivery and contractual requirements.

### 6.4 Resources, Training and Support

The following procurement resources, training and support will be available to all employees:

- Information should be available via the Company website for potential suppliers. This should confirm the process and a timetable of procurement projects.
- The external website information is to be replicated to the company intranet to inform employees of opportunities across the Company.
- The staff Intranet is to provide template documents and information for all staff.
- A standard e-tendering portal will be used by the Company, access to it is to be managed through Corporate Services.
- A Service Level Agreement will be maintained with Northumberland County Council Procurement Team. This is the responsibility of the Head of Business

Transformation, to include regular review with the NCC team to support continuous improvement.

**7. Appendices:** [OBJ]

Appendix 1: Procurement operational procedure template.

Appendix 2: Internal Pre-Procurement Request Form

Appendix 3: Procurement Request Form to engage NCC (PRF)

Appendix 4: Exemption Request Form

Appendix 5: Current NEPO Legal Services Framework

Appendix 6: Use of a Consultant

Appendix 7: Direct Award via a Compliant Framework

## Appendix 1: Procurement Procedures

### Introduction:

The purpose of this document is to support the creation of operational procedures and training notes within Advance Northumberland Limited and all subsidiaries. The aim is to provide template information to support compliance with the Company Policy and develop systems that are operationally effective.

### 1. Budget approvals

There must be budget approval in place for the estimated value of the goods, services or works prior to commencing a procurement exercise. Evidence of budget approval should be included within our records and must be in line with financial delegations and should be available if required for audit purposes. Evidence could include, but is not limited to:

- Board Paper and corresponding Minutes confirming approval for a project, a development scheme, or specific purchase.
- Approved operational budget (as confirmed by the Director of Finance or the Financial Controller), and corresponding approval from the Budget Holder.

To ensure budget approval is in place, decisions to procure a new contract must be taken at Head of Department or Department Manager level or above.

### 2. Planning

Once budget approval is confirmed and the decision is taken to procure a new contract, the employee in charge of the procurement must follow the planning steps set out below:

- **Develop Written Specification:** Set out in writing a specification of the contract requirements. To ensure consistency of information and quality of information, when requesting prices from supplier/s, a standard format should be used. All responses received must be in writing. The information for Procurement Packs is in Section 3 below.
- **Define the competency, risk and insurance requirements:** Where the services being procured require a measurable competency, e.g. a qualification or accreditation, the request for quotation process should include a request for this information to be validated. A contractor or supplier could also need to provide evidence of industry competence, a risk assessment and method statement (RAMS) and evidence of insurance. A reference to this should be included in the written specification. It is not necessarily required with the quotation itself, but state if it would be required prior to, or when an order would be placed.
- **Timetable:** indicative dates for running the procurement process including quotation or tender return dates and evaluation period should be included within the specification document.

**2.4 Evaluation:** the evaluation process must be defined in advance, with a clear and transparent process that can be stated within our specification. The panel should be agreed prior to the opportunity being advertised.

- **Price Only:** Caution should be applied to evaluation submissions on price only. You could receive an excellent price from a supplier who cannot deliver the goods for weeks or months. The ability to deliver the item/s by a specific date would be a quality question.
- **Price and Quality:** An evaluation based on quality does not have to be a complex process, for example, asking how a supplier can meet a specific delivery date. The quotation / tender pack must include the evaluation process and questions.
- **Weighting:** When opting to evaluate on price only the weighting is 100%. When opting to evaluate on price and quality, it is also necessary to determine the importance that will be allocated to each aspect, i.e. the weighting, and this needs to be included in the evaluation information included with the quotation / tender documentation. For example: 70% Price and 30% Quality.

### **3. Request for Quotation and Invitation to Tender Packs**

Following the procurement planning stage, a Request for Quotation (RFQ) Pack or Invitation to Tender (ITT) Pack should be prepared by the department in charge of the procurement, ensuring all procurement documents are clear and unambiguous. Template documents are available to all staff via the intranet.

#### **3.1 Request for Quotation Pack**

A template Request for Quotation form is available on the intranet. The form can be completed and issued to the supplier, or the content copied to an email format.

- Project Title.
- Company name (who will enter into the contract with the supplier).
- Contract Type: goods and services or Works.
- Award basis: confirmation of how work will be allocated - for example if work is to be divided by geography, or if the intention is to appoint more than one supplier, this section should state the basis of awarding the work. Further information should also be included in the separate specification document if the awarding basis is detailed / complex.
- A written summary of the requirements. A separate specification document will also be required if the item you are procuring is complex or detailed.
- Period of contract.
- Insurance requirements.
- Qualifications or further information required to work on behalf of the Company. Anything of this nature must be included at the time of requesting the quotation in case there is a cost implication to the supplier.

- Validity period for the price, allowing sufficient time for internal decision making and approvals.
- The response process – i.e. electronic documents or hard copy documents.
- The response deadline and any specific formats required. The deadline must provide a reasonable return timescale. Consideration should be given for bank holidays, availability of relevant staff to respond to questions and complete the evaluation process. Where any specific formats are required, e.g. prices in excel, a template should be provided with the RFQ.
- Project contact at the Company.
- Confirm how questions should be asked. This should be through a standard, centralised mechanism within the department. Include a deadline for asking questions allowing for a reasonable time to respond before the submission deadline.
- Evaluation to state how the submissions will be evaluated.

In addition to the RFQ form, or content copied to an email, the following is required:

- Separate specification document if the requirements are complex and detailed information will be needed by the supplier to provide a quotation.
- The terms and conditions that will be used for the agreement with the supplier.

### 3.2 Invitation to Tender Pack

A template Invitation to Tender (ITT) pack is available via the intranet. The basic information to be included in an ITT will be the same as an RFQ, plus the following:

- **ITT Instructions for Suppliers:** a summary document for all suppliers setting out information on how to raise queries and respond to tenders at the Company.
- **Qualification Questionnaire:** this is a detailed questionnaire to collect the key information about the supplier. Where a supplier has completed a questionnaire previously and is recorded as an Approved Supplier, and no information has changed, the procurement process does not require another questionnaire. Employees can refer to a previous copy if it has been reviewed within the last 12 months. See section 4 on Approved Suppliers below.
- **Form of Tender:** a document prepared by the Company and signed by the tenderer to indicate that it understands the tender and accepts the various terms and conditions and other requirements of participating in the exercise. A template Form of Tender is available on the internet.
- **Commercially Sensitive Information:** a declaration is required because the Company is subject to the Freedom of Information Act.
- **Supplier Freedom of Information FAQs.**
- **Pricing Template and Response Document:** for an ITT these should be to a prescribed format. To include questions on quality and price, request information on health and safety, financial standing, declaration of interest etc.
- **All Supporting information:** for example, plans, detailed specifications, or supporting site investigations to allow the tenderer to reasonably confirm a cost.

- **Terms:** Contract terms and conditions to be used by the Company when awarding the contract.

#### **4.0 Use of nominated portal or email**

The use of the procurement portal is recommended at all levels for audit reasons and for certain procurement projects it is mandatory, this is set out in the Procurement Policy. In the event of any doubt, you must verify in advance you are following the correct procurement approach. In Summary:

- Tender returns sent via the nominated Procurement Portal is mandatory for:
  - PCR Compliant projects at or above £100,000 Goods and Services.
  - PCR Compliant projects at or above £500,000 for Works.
- Tender returns for procurement exercises below the threshold sets in the Procurement Policy where the portal need not be used
  - A dedicated procurement email inbox with limited access by nominated individuals (set by Head of Business Transformation and agreed by ELT).
  - Access to this inbox should not be made until after the tender deadline.
  - Tender returns are then issued via a SharePoint folder with limited access. Access will be granted as appropriate to the evaluation team.

**Appendix 2: Procurement Approval Form (internal use, digital Teams format)**

Available to all staff via the intranet. The information shown below is the contents of the digital form, plus an example. Responses will populate a master procurement schedule.

**Pre-Procurement Approval**

Requested by:

Date of request:

Description of requirement:

Contract Term:

Estimated Value:

Procurement approach:

Approved by:

Approval comments:

Approved date:

Approved by:

Approval comments:

Approved date:



Approved

**Pre-Procurement Approval**

Procurement of External Audit Services.

3 year contract for financial years 22/23, 23/24, 24/25

Estimated value £150,000 (£50,000 per annum).

To be procured through open, under OJEU process via Pro Contract procurement portal.

## ▼ Final status: Approved

RE

Approved by  
Robin Earl

5/10/2023, 11:53:51 AM

JA

Approved by  
Jon Anderson

5/10/2023, 11:46:49 AM

DE

Requested by  
Deborah Evans

5/10/2023, 11:16:02 AM

**Appendix 3: Procurement Request Form to engage NCC Procurement Team**

Available to all staff via the intranet.





**Procurement Policy: Appendix 3 - Procurement Request Form (PRF) to engage Northumberland County Council Procurement Team**

This form is to be completed for **PCR Compliant Procurement exercises where the known or estimated value is over the Goods / Services or Works threshold** for all departments (this is either the lifetime of the project or an estimated annual value x 4 years).

Prior to commencing any procurement process the NCC Procurement Team require evidence that the appropriate approvals have been received. It is the requesters responsibility to ensure appropriate approvals have been granted.

When procuring equipment, appropriate advice must be taken and complied with regarding the maintenance of the equipment. Any associated costs must be included when seeking financial approval prior to purchase.

Total estimated spend is the total cost of the goods or services to be supplied over the intended contract term. Where the duration of the contract is uncertain then the value should be assessed as the equivalent of 4 years expenditure.

The completion date of procurement process relates to when the process has to be completed, contract awarded and signed. This does not include any time required for implementation so this must also be considered. Please note depending on the overall contract value and nature of the requirement the process can take a significant period of time, typically between 4-9 months.

<b>Contact Details</b>	
Name:	
Email address:	
Declaration: please confirm you have no interest which could or be seen to, influence your judgement in the proposed procurement of the contract.	
Company:	
Department:	
Title of the Procurement Project:	
Brief Description:	
TUPE issues?	

New Contract / Renewal?	
Expiry of current contract:	
Anticipated start date of new contract:	
Anticipated duration:	
Background to procurement:	
<b>Value:</b> Annual Contract Value. This must be signed off by the Financial Controller to confirm to NCC there is budget available for the proposed procurement exercise.	<b>Value:</b>  <b>Signed by Financial Controller:</b>  <b>Date Signed:</b>
VAT included?	
If the aggregated value of the intended procurement is above £250,000 or is an approval in line with requirements of the Financial Delegations, this section must be completed to confirm Advance Northumberland Board Approval.  This must be signed off by the relevant member of the Executive Leadership Team.	<b>Date of Board Approval:</b>  <b>Signed by (state name and Job Title):</b>  <b>Signature:</b>  <b>Date Signed:</b>
Does the Procurement involve Consultancy?	YES / NO  If yes, has the appropriate report to seek approval been submitted?  YES / NO
Procurement Type? Delete as applicable. Where the tender is to be price only, this must be signed off by the relevant member of the Executive Leadership Team.	<b>Price Only? YES / NO</b>  <b>Price Only Approved by: (state name and Job Title):</b>  <b>Signature:</b>

	<b>Date Signed:</b>
If the tender is to be price only add an explanation. Note the lowest tender must be accepted.	
Who will be the nominated person to implement Contract Management?	
Any conditions attached to funding (if external funding being provided i.e., grant funding).	

## Appendix 4: Exemption Request Form (internal use, digital format)

Available to all staff via the intranet.



### Appendix 4

**Exemption Request as per Procurement Policy.** An exemption request must be authorised in line with Financial Delegations before an award is made. Failure to complete all information required will result in a delay.

<b>Description of Requirement</b>		
<b>Name of Selected Supplier/Contractor Provider</b>		
<b>1</b>	<b>Background</b>	Please provide an overview of the project, including the procurement routes followed.
<b>2</b>	<b>Reason for Exemption</b>	Please state why it is justified to use an exemption.  Please state what other options have been considered, including what options there will be if the exemption is not approved.
<b>3</b>	<b>Financial Information</b>	Please provide the total cost of the exemption request, excluding VAT. Confirm the duration of the agreement. Confirm how this will be funded. Attach a copy of the quotation / proposal if already obtained.

<b>4</b>	<b>Name of Requestor:</b>		
	<b>Conflict of Interest Declaration</b> Please confirm that you have no interest which could, or be seen to, influence your judgement in this proposed procurement or contract.		
	<b>Job Title:</b>		
	<b>Business Area:</b>		
	<b>Date:</b>		
	<b>Cost Centre/Subjective Code:</b>		
<b>5</b>	<b>ELT Review:</b> Please confirm you have discussed this with the ELT member relevant to your procurement project. Please state the name of the ELT member and the date of your review.		
	<b>Spend with Supplier in previous 4 years.</b> (To be added prior to submitting for signature and approval).		

<b>6</b>	<b>Advance Northumberland Approvals:</b>	<b>Signature:</b>	<b>Date:</b>
<b>All requests:</b>			
	<b>Financial Controller (or Director of Finance)</b> All requests.		
	<b>Executive Team</b> Relevant to Procurement Project All requests.		
<b>Any request above £100,000 and up to £250,000, above signatories. Plus:</b>			
	<b>An Executive Director</b>  (Chief Executive or Executive Director of Governance and Sustainability)		
<b>Any request above £250,000, either:</b>			
	<b>Director of Finance</b>		
	<b>Chief Executive</b>		
	<b>Executive Director of Governance and Sustainability, or 1 other Board Member</b>		

	or		
	Board Member 1		
	Board Member 2		
	Board Member 3		

Please return your completed Exemption Form via the intranet to the Head of Business Transformation.

**Appendix 5: NEPO Legal Service Framework**

The current Legal Services Framework document is available to all staff via the intranet in the Resource Centre and Procurement. This contains commercially sensitive information and should not be disclosed to any third parties.

**Appendix 6: Use of a Consultant** Available to all staff via the intranet.

**Appendix 6****Report Seeking Consultancy Authorisation under Procurement Policy Section 8.2.**

The engagement of consultants should only take place where it can be demonstrated that the use of the consultant is necessary to obtain particular expertise or as a result of the extent of the work involved and the appointment must be demonstrated to offer value for money. The engagement of a consultant should only take place with the approval of the Executive Director of Governance and Sustainability. Please note that following approval, IR35 status and insurance/companies house checks will be undertaken prior to formalisation of any contract.

<b>1a. Name of Consultant</b>	
<b>1b. Address of Consultant</b>	
<b>2. Procurement Process:</b> (e.g. state the process you have followed to identify consultant, appointment via a Framework, exemption, tender).	
<b>3. Purpose of Consultancy:</b>	
<b>4. GDPR Information:</b> State whether the provider will have access to or be required to process any personal or special category data as part of the contract.	
<b>5. Term of Contract:</b>	
<b>6. Financial Information:</b> Include the total cost of the requirement, including day rates.	



<b>7. Management:</b> Include who will manage the work of the consultant and sign off the assignment as complete.	
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<b>8</b>	<b>Name of Requestor:</b>	
	<b>Declaration</b> Please confirm that you have no interest which could, or be seen to, influence your judgement in this proposed procurement or contract.	
	<b>Designation:</b>	
	<b>Business Area:</b>	
	<b>Date:</b>	
	<b>Cost Centre /GL Code:</b>	

<b>9</b>	<b>Spend with Supplier in previous 4 years.</b>	
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	<b>Approved by:</b>	<b>Signature:</b>	<b>Date:</b>
	<b>Advance Northumberland</b>  <b>Director of Finance</b> All Requests		
	<b>Confirmation of Advance Northumberland Board Approval</b> (over £250,000)	Method of Board Approval:	Date of Board Approval:
	<b>Approved by:</b> <b>Executive Director of Governance &amp; Sustainability</b>	<b>Signature:</b>	<b>Date:</b>

Please return your completed Consultancy Approval Form via the intranet.



## Appendix 7: Direct Award through a compliant framework Available to all staff via the intranet.



### Appendix 7: Approval for direct award via a compliant framework

Procuring goods and services via compliant public sector frameworks is a recognised way of expediting a contract for goods and service without the need to undertake a procurement process. However the majority of compliant frameworks require a further competition process to be undertaken with the suppliers listed within the appropriate lot the Company is proposing to use. This demonstrates value for money and ensures the Company is being transparent with its procurement opportunities.

There are however, occasions when a direct award to a supplier on a framework may be necessary, and under these circumstances this form needs to be completed and then passed to the NCC Procurement Team for review and approval by the Head of Corporate Commissioning & Procurement so direct awards can be monitored.

Information Required		Response
1.	Description of works or services to be procured:	
2.	Justification for using Framework and direct award route:	
3.	Supplier selected:	
4.	Proposed Framework to be used:	
5.	Proposed Lot Description:	
6.	Value of Award, excluding VAT:	
7.	Term of Contract, including start and end dates:	
8.	Detail on ability to direct award and any conditions for direct award:	
9.	Spend to date with the proposed supplier over previous 4 years:	
10	Name of Requestor:	
	<b>Conflict of Interest Declaration</b> Please confirm that you have no interest which could, or be seen to, influence your judgement in this proposed procurement or contract.	
	Job Title:	
	Business Area:	
	Date:	
	Cost Centre/Subjective Code:	



	<b>ELT Review:</b> Please confirm you have discussed this with the ELT member relevant to your procurement project. Please state the name of the ELT member and the date of your review.	
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Approvals:	Signature:	Date:
Advance Northumberland Executive Director of Governance and Sustainability.		
NCC Head of Corporate Commissioning & Procurement		

**Please return your completed form via the intranet to the Head of Business Transformation.**