



# Contract Procedure Rules

*(Standing Orders under Section 135, Local Government Act 1972)*

Approved by Full Council 19<sup>th</sup> October 2017

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## **1. Introduction**

- 1.1 The Contract Procedure Rules are made under the provisions of section 135 of the Local Government Act 1972 and govern the making of Contracts for and on behalf of the City Council.
- 1.2 The Rules form part of the Council's Constitution and will be reviewed annually. Amendments will be managed by the Strategic Manager (Commercial Development) in consultation with the Assistant Director (Finance), Assistant Director (Governance) and the Constitution Working Group and reported to Full Council for adoption.
- 1.3 These Rules apply to all Contracts entered into by the City Council and to all Officers involved in the letting of orders or Contracts for Supplies, Services or the execution of Works and provide a basis for true, open and fair competition. They protect the legal position of the City Council in compliance to legislation and in its contractual dealings with external suppliers and Providers. The Rules also protect the interests of members, Officers and the citizens of Stoke-on-Trent.
- 1.4 Any procurement where the City Council is the lead or contracting body will be subject to these Rules. They may not be waived or dis-applied except in the specific instances referred to in these Rules. Officers must ensure that any advisors, agents, consultants, and contractual partners acting on their behalf comply with these Rules. Where other Public Bodies are acting as the lead or contracting body then their own Contract Procedure rules or Contract Standing Orders will apply.
- 1.5 These Rules set out the basic requirements which must be complied with. More detailed guidance is given in the Procurement Process Guide which can be accessed by clicking [here](#). All Officers must make themselves fully conversant with these Rules and the guidance given in the Procurement Process Guide. Queries must be referred to Corporate Procurement.
- 1.6 The extensive provisions of EU and UK legislation governing procurement especially the EU Procurement Regulations and the duty to obtain best value under the Local Government Act 1999 (and associated Regulations) must be complied with (NB these Rules make no assumptions about the future of Procurement Regulations after the UK leaves the European Union).
- 1.7 Where there is any conflict between EU and UK legislation and these Rules, the legislation will always override these Rules and the following order of priority will apply:
  - a. EU legislation (i.e. EU Procurement Regulations)
  - b. UK legislation
  - c. these Rules
- 1.8 A breach of these Rules will be viewed as a disciplinary matter and should be reported immediately to the Strategic Manager (Audit & Fraud), who will investigate and recommend appropriate action.

## **2. The requirement to procure**

- 2.1 Officers should consider whether there is a real need to procure. Supplies, Works or Services should only be procured where absolutely necessary and not just because a budget is available.

2.2 If a genuine requirement to procure Services is identified, consideration should firstly be given to whether this can be satisfied using the Council's internal resources and staff having regard to capacity, capability and whether this option represents best value. In-house Services can be carried out by the relevant Directorate without the need for a competitive tendering process *and should always be the first potential supplier.*

2.3 A number of corporate Contracts exist covering common areas of recurring expenditure. Where such contracts can satisfy your requirement, they must be utilised unless a business case can be made to the contrary.

**3. Summary of procurement requirements**

3.1 If you are unable to satisfy your requirement through internal resources or existing corporate Contracts and need to go to the marketplace, you must follow a compliant procurement process as set out in these Rules and the guidance given in the Procurement Process Guide.

- 3.2 Contracts and the procurement regime shall also comply with:
- a. any relevant statutory and any other pertinent requirements;
  - b. the Council Financial Regulations;
  - c. these Rules;
  - d. the guidance given in the Procurement Process Guide;
  - e. legal guidance pertaining to the requisite terms and conditions of a Contract.

3.3 The tables below give a summary of the procurement requirements which are based on the total value of a Contract. These do not apply if you are using an existing corporate Contract (which has already been through a procurement process) or if an Exemption Certificate has been agreed by your Director.

*All establishments (excluding schools)<sup>1</sup>*

<b>Value Range (Excluding VAT)</b>	<b>Required Procurement Route</b>
Under £9,999	Obtain at least one written Quotation. Where possible and appropriate, the provider should be a local organisation. <b>Optional:</b> The opportunity will be advertised on the City Council's website with alerts posted on twitter and facebook.
Between £10,000 and £24,999	Obtain at least three written Quotations by e-mail. At least one local provider must be invited to apply where possible and appropriate. The opportunity must be advertised on the City Council's website with alerts posted in the Council's twitter and facebook accounts, unless an approved Supplier List is being used.
Between £25,000 and £49,999	Obtain at least three written

<sup>1</sup> NB Where Frameworks or similar central purchasing body arrangements are used, the advertising requirements will be different. In this context the advice of the Procurement service should be sought at all times.

	<p>Quotations by e-mail. At least one local provider must be invited to apply where possible and appropriate.</p> <p>The opportunity must be advertised on the Council's approved e-tendering system, Contracts Finder website, the City Council's website with alerts posted in the Council's twitter and facebook accounts, unless an approved Supplier List is being used.</p> <p>At least one local provider must be invited to apply where possible and appropriate.</p>
Between £50,000 and EU Procurement Threshold	<p>Undertake a full electronic tendering process through the Approved e-tendering System and obtain at least three Tenders. The opportunity must be advertised on the Council's approved e-tendering System, the Contracts Finder website and the City Council's website . Alerts will be posted on twitter and facebook accounts.</p>
Over EU Threshold <b>Involve Corporate Procurement at the outset.</b>	<p>Undertake a full electronic tendering process through the Council's approved e-tendering System (using the corporate above threshold tender template) and obtain at least three Tenders. The opportunity must be advertised in OJEU, on the approved e-tendering System, the Contract Finder website and the City Council's website. Alerts will be posted on twitter and facebook accounts.</p>

*Schools*

<b>Value Range (Excluding VAT)</b>	<b>Required Procurement Route</b>
Under £9,999	Obtain at least one written Quotation by e-mail.
Between £10,000 and £49,999	Obtain at least three written Quotations by e-mail.
Between £50,000 and EU Procurement Threshold	Undertake a full tendering process including advertising the opportunity and obtain at least three written Tenders.
Over EU Procurement Threshold <b>Involve Corporate Procurement at the outset.</b>	Undertake a full tendering process including advertising the opportunity in OJEU and obtain at least three written Tenders.

- 3.4 Whilst schools are encouraged to utilise electronic tendering, this is not a mandatory requirement for schools. All other establishments shall use the approved e-tendering System for procurements over £25,000.
- 3.5 The requirements in paragraph 3.3 of these Rules do not apply to existing placements of service users (under certain agreements between the City Council and Providers of care services) in Children and Family Services and Public Health & Social Care Directorates. These agreements will usually last as long as the services provided are required by the clients receiving them. The terms of such agreements, including prices and quality standards, should be reviewed on a regular basis and at least once per year by the relevant Directors.

#### **4 Before starting a procurement process**

##### **4.1 The Public Services (Social Value) Act 2012**

- a. Before starting a procurement process, officers must consider the various matters prescribed by the Public Services (Social Value) Act 2012 including how the Contract might improve the social, economic and environmental well-being of Stoke-on-Trent. Further guidance is given in the User Guide to the Act, which forms an Annex to this document.

##### **4.2 Draw up a Specification**

- a. Detailed guidance in drawing up a Specification is given in the Procurement Process Guide.

##### **4.3 Defining Contract value, classification and duration**

- a. The value of a Contract is the estimated total monetary value over its full duration, including any extension options and not the annual value. This should take into account consideration all anticipated costs including all fees, expenses etc but exclude VAT.
- b. The value of Contracts must not be split to avoid the application of procurement rules since such disaggregation is contrary to EU Procurement Regulations.
- c. Under EU Procurement Regulations, Contracts are defined as either Supplies, Services or Works (see definitions). You must always contact Corporate Procurement for advice on how to quantify and classify a Contract.
- d. There is a new classification of Services Contracts which are subject to a light touch regime under the EU Procurement Regulations (see definition of Light Touch Regime Contracts). These contracts have a different EU Procurement Threshold than other Services Contracts (see 5.4 b).
- e. Framework Agreements must not exceed a four year duration. For public Contracts where the duration is expected to exceed four years, a business case shall be prepared in advance of the procurement exercise in support of the proposed duration.

##### **4.4 Requesting a unique Contract reference number**

- a. Before beginning any procurement exercise with an expected value of over £500 a unique Contract Reference Number must be requested by completing

the 'Request for Contract Reference Number' form on the intranet. However, this requirement does not apply to call-offs under a Framework Agreement.

- b. The reference number should be quoted on the Invitation to Tender/Invitation to Quote documentation and will also appear on the Corporate Contracts Register. The Contract Reference Number remains incomplete until its supplier details are completed.
- c. All officers providing data for the Corporate Contracts Register shall be responsible and accountable for the accuracy of the information.

#### **4.5 Obtain formal approval to commence a procurement process**

- a. Formal approval must be obtained before the commencement of a procurement process.
- b. For procurements in excess of £500,000 approval needs to be given by Cabinet.
- c. For procurements valued between £50,000 and £500,000 approval needs to be given by the appropriate Director or in the Directors absence, the appropriate Assistant Director..
- d. For procurements below £50,000 approval needs to be given by the appropriate Director or Assistant Director in the former's absence.

#### **4.6 Request solicitor to provide legal advice**

- a. Legal Services must be engaged at the start of the procurement process and where Corporate Procurement are leading the procurement the request for assistance will be made by them. Legal Services will assess each individual case and provide advice and support as required.

### **5. Procurement Process**

#### **5.1 Award procedure and evaluation criteria**

- a. For all procurements, even when under the EU Threshold, an appropriate award procedure under the Public Contract Regulations 2015 must be followed.
- b. The award criteria (including sub-criteria), marks for each criteria (and sub-criteria) and scoring mechanism must be disclosed in the Invitation to Tender/Invitation to Quote documentation.
- c. Where a Restricted Tender Procedure is used, the selection criteria (including sub-criteria), marks for each criteria (and sub-criteria) and scoring mechanism must be disclosed in the Pre-Qualification Questionnaire (PQQ).
- d. A PQQ stage cannot be used for any procurement below the EU Procurement Thresholds for contracts.

#### **5.2 Creation of Tender / Quotation documentation**

- a. Tender / Quotation documentation must be created in accordance with the guidance given in the Procurement Process Guide. Requirements must be proportionate to the complexity, risk and value of each contract.

### 5.3 Creation of PQQ documentation

- a. PQQ documentation must be created in accordance with the guidance given in the Procurement Process Guide. Requirements must be proportionate to the complexity, risk and value of each contract.

### 5.4 Advertising

- a. Any Contract value in excess of the EU Procurement Thresholds for Supplies, Services, or Works (as applicable) must be advertised in OJEU (Official Journal of the European Union).. Corporate Procurement must be involved at the outset.
- b. The EU Procurement Thresholds are updated every two years and the values for the period 1 January 2016 to 31 December 2017 are below:

<b>Supplies Contracts</b>	<b>Services Contracts</b> <i>(Other than Light Touch Regime Contracts)</i>	<b>Works Contracts</b>	<b>Light Touch Regime Contracts</b>
£164,176 (€209,000)	£164,176 (€209,000)	£4,104,394 (€5,225,000)	£589,148 (€750,000)

- c. The appropriate Tender periods under the EU Procurement Regulations must be followed.
- d. Advertising requirements are summarised in paragraph 3.03 of these Rules. Further discretionary advertising can be undertaken in accordance with the guidance in the Procurement Process Guide.
- e. Officers must complete the “Advert details for City Councils website” form on the intranet in order to enable adverts to be placed on the City Councils web site. Further guidance is given in the Procurement Process Guide.
- f. The need to advertise is exempted where the purchase is being made via an approved Supplier List.
- g. Where advertising does take place, an advertisement must be placed on the Contracts Finder website for all quotations valued between £25,000 and £49,999 and for all tenders

### 5.5 Communications with tenderers

- a. For those procurements undertaken using the Approved e-tendering System, all communications with tenderers must be conducted via the secure messaging service which forms part of the Approved e-tendering System.
- b. For those procurements undertaken by e-mail (ie quotations under £25,000), all communications with tenderers during the procurement process must be conducted by e-mail.

## **5.6 Tender opening and late Quotations and Tenders**

- a. All Quotations (valued between £25,000 and £49,999) and all Tenders (excluding procurements done by schools) will be submitted electronically through the Approved e-tendering System and cannot be opened until after the Tender closing date. Quotations valued under £25,000 do not need to be sealed bids but must be returned to the Officer by e-mail.
- b. The opening of Quotations and Tenders submitted electronically through the Approved e-tendering system will be done on the Approved e-tendering System which automatically records the time of opening.
- c. For Quotations submitted by e-mail, the Officer must maintain a written record of all the Quotations received.
- d. All late Quotations and Tenders submitted through the Approved e-tendering system (applicable to quotations valued between £25,000 and £49,999, and all tenders) must be referred to the Strategic Manager (Commercial Development) who will investigate the circumstances of the late Quotation / Tender and report the findings to the Assistant Director (Finance) who will then make a decision whether the late tender will be accepted. They will only be accepted in exceptional circumstances if:
  - i. The other Quotations/Tenders have not been opened AND;
  - ii. There has been a failure of the Approved e-tendering System or if the failure to comply is the fault of the City Council.

This Rule must be applied consistently by all Officers.

- e. Late Quotations submitted by e-mail (ie quotations under £25,000) will only be accepted in exceptional circumstances if there has been a failure of the council's e-mail system or if the failure to comply is the fault of the City Council.
- f. The closing date for receipt of Tenders may only be extended in exceptional circumstances. This must be approved in writing by the Strategic Manager (Commercial Development) and the reasons documented. If an extension is approved, the further guidance in the Procurement Process Guide shall be followed.
- g. If less than three Tenders or Quotations are received then they must not be opened until a Suspension Certificate has been signed by the Strategic Manager (Commercial Development).

## **5.7 Evaluation**

- a. The evaluation of PQQs and Tenders must be done strictly in accordance with the criteria, marks and scoring mechanism stipulated in the invitation documents. Such evaluation will be carried out by the agreed evaluation panel for the given procurement. (Further guidance on evaluation is given in the Procurement Process Guide).
- b. Negotiations with tenderers are only permitted in limited instances in consultation with Corporate Procurement and must be undertaken in accordance with the guidance in the Procurement Process Guide.

## **5.8 Approval to award Contract**

- a. Approval to award the Contract must be sought at the appropriate point which would normally be when the evaluation has been completed.
- b. For procurements in excess of £500,000 approval needs to be given by Cabinet unless Cabinet approval obtained before the start of the procurement process gave delegated authority for the appropriate Director to award the Contract.
- c. For procurements valued between £50,000 and £500,000 approval needs to be given by the appropriate Director or in the Director's absence, the appropriate Assistant Director.
- d. For procurements below £50,000 approval needs to be given by the appropriate Director or Assistant Director in the latter's absence.

In the case of c. and d., above (and indeed in the case of b. where delegated powers have been granted by Cabinet), the approval to award need not be in the form of a report. Any written confirmation (including e-mail) giving approval to award will suffice. However, where the award is, in the opinion of the relevant Director or Section 151 Officer, novel, sensitive or contentious, it is advisable to prepare a full report to authorise the award of a contract, and for the relevant Cabinet Member to be a consultee prior to the signing-off of that report.

## **6. Award of Contract**

### **6.1 Mandatory standstill period / notification of Tender decision**

- a. For all Contracts over the EU Procurement threshold, a mandatory 'standstill period' must be observed between notification of the tender outcome and conclusion of the Contract.

### **6.2 Contractual Formalities**

- a. When considering which type of Contract to use consideration must also be given to the Risk involved.
- b. Every Contract shall be:
  - i. in writing and properly executed;
  - ii. in a standard or bespoke form as the Assistant Director (Governance) may require;
  - iii. either signed on behalf of the Council or sealed on behalf of the Council.
- c. When preparing the draft Contract Officers should have due regard to legal guidance pertaining to the requisite terms and conditions of a Contract.
- d. Contract Signing:
  - i. A Director may sign any Contract up to a value of £49,999.
  - ii. A Director in consultation with the Assistant Director (Governance) may sign Contracts with a value up to the relevant EU Threshold.
  - iii. Contracts with values above the relevant EU Threshold may only be signed by the Assistant Director (Governance) or sealed as required.
- e. Contracts must be signed by or executed under seal by the Assistant Director (Governance) where:
  - i. required by statute or

- ii. required by an external funding body or
  - iii. an assessment of the Risk necessitates it.
- f. A scanned copy of the signed Contract must be sent to Corporate Procurement for inclusion in the Corporate Contracts Register.

### **6.3 Contract Award Notice**

- a. A Contract Award Notice must be placed in OJEU for all contracts awarded above the EU Procurement thresholds.
- b. A Contract Award Notice must be placed on the Contracts Finder website for all opportunities advertised on Contracts Finder (applicable to quotations valued between £25,000 and £49,999, and all tenders).

### **7. Utilising Collaborative Procurement or Framework Agreements**

- a. Where any Contract relating to Supplies, Services or Works to be purchased is covered by an existing Collaborative Procurement agreement or a Framework Agreement established by another Public Body which is both EU compliant and deemed acceptable to the City Council, then such agreements should be considered. Guidance should be sought from Corporate Procurement.

### **8. ERDF funded procurement**

- a. Special rules apply to any procurement that is subject to funding by ESIF (European Structural and Investment Funds). ESIF comprises of the European Regional Development Fund (ERDF) and the European Social Fund (ESF). It is extremely important that you follow the ESIF Compliance Guidance Note which is attached below. In addition, you need to ensure that all tender documentation includes the correct logo and also a statement that the commission is subject to ERDF / ESF funds as applicable. The Fund Branding and Publicity Requirements including the logo are also attached below.
- b. When placing a Contract Notice in the Official Journal of the European Union then you must check the yes box at VI.2 contract related to a project and/or programme financed by European Union funds.

### **9. Quotations**

- a. Further guidance on the procedure to be followed for Quotations is given in the Procurement Process Guide. This guidance must be followed by all Officers.

### **10. Contract management and variations**

- a. Responsibility for the management of contracts lies with the appropriate Director.
- b. Contract Management must be conducted in accordance with the guidance in the Procurement Process Guide.
- c. No variations should be made to a concluded Contract without the prior written approval of Corporate Procurement in consultation with Legal Services.

- d. These Rules apply to any variation to a Contract after the Contract has been executed.
- e. Any claim in Works Contracts must be referred immediately to the Assistant Director (Finance).

**11. Exemption Certificates**

- a. All Exemptions, and the reasons for them, must be recorded using the documentation controlled by Corporate Procurement.
- b. Any application to exempt these Rules shall be directed to Corporate Procurement in a timely manner and submitted in accordance with the guidance given in the Procurement Process Guide. Exemption Certificates may only be issued by the Procurement Service. Approval to exempt these Rules may only be granted by the appropriate Director or Assistant Director.
- c. Circumstances where time is lost through inadequate forward planning or any unnecessary delays will not constitute an Exemption under these Rules and Officers should make timely and adequate preparation in advance of commencing the procurement exercise.
- d. All Exemption Certificates shall be reported on a quarterly basis by the Strategic Manager (Commercial Development) to the City Council's Section 151 Officer.
- e. A summary of Exemption Certificates will be published on the internet on a quarterly basis.

**12. Documentary records, retention and disposal**

- a. Adequate records shall be kept of each procurement process undertaken in accordance with the guidance given in the Procurement Process Guide.
- b. Quotation and Tender documentation shall be retained and disposed of in accordance with the requirements of the Corporate Retention Schedule.

**13. Corrupt practices**

- a. Tenders and subsequent Contracts must include a clause empowering the City Council to immediately reject a Tender or terminate a Contract if the tenderer/Provider at any time offers any form of inducement to an Officer or member of the City Council to influence the decision to award the Contract. This right to terminate will apply regardless of whether the inducement was accepted by the Officer/member concerned. There is a duty on all members and officers within the authority to report such activity to the Assistant Director (Finance).

**14. Pecuniary interest**

- a. Every Officer involved in any decision in respect of any Provider or Contract in which he/she or any immediate member of his or her family has a Pecuniary Interest shall make their line manager aware at the earliest opportunity and complete a 'Declaration of interests' form which shall be held in the Register of Interests.

## **15. Concessions**

- a. Where the value of a Concession to be awarded is above the threshold set in the Concession Contracts Regulations 2016, the contracting Directorate will follow the process identified in those Regulations.
- b. For the purposes of these Rules, a concession is defined as a situation where the City Council makes an asset or assets (e.g. a building or public open space) available to an economic operator, to create an opportunity whereby both parties benefit. This would not need to be a direct fiscal benefit to the authority; it could include wider social, economic or environmental benefits to the city as a whole.
- c. Where the Council seeks to grant a Concession, the awarding officer should follow the Rules set out in this document as though it were a procurement, having regard to the various thresholds, need to advertise and other matters of ensuring an open and competitive process.
- d. In the event of the City Council being approached by an economic operator with a concession opportunity, the consideration will be based on a cost benefit analysis taking into account all relevant factors, including (but not limited to): income and value; health & safety considerations; nuisance; safeguarding (particularly where users are likely to include children, young people and vulnerable adults); uses incompatible with the City Council's wider goals and ethos; and statutory issues such as planning and State Aid. The analysis will be captured in the following ways:
  - Where the value of the concession is less than £10,000, a written record prepared and signed by the relevant Strategic Manager confirming that the analysis took place and the outcome of that analysis;
  - Where the value lies between £10,000 and £49,999, a Delegated report signed off by the relevant Director (including consultation with relevant Cabinet member if the concession is likely to be contentious);
  - Where the value is £50,000 or greater, a report to the City Council's Cabinet.
- e. The Concession agreement shall be subject to a Contract between both parties.

## **16. Appointment of Temporary Agency Staff, Consultants, and Interim Managers**

- a. The appointment of temporary agency staff, Consultants and interim managers must be in accordance with the guidance given in the Procurement Process Guide.
- b. These Rules do not apply to instructing Counsel where Counsel is a member of chambers included in a list kept by the City Council's Legal Services.

## **17. Sponsorship**

- a. If a Contract includes a sponsorship element, then Officers should ensure that they comply with the Council's Sponsorship Policy when procuring that Contract.

## **ANNEX A: Glossary of Terms**

Approved e-tendering System	The computer based system (approved by the Council) designed to meet the legal and audit requirements of public sector procurement.
Collaborative Procurement	A procurement exercise conducted by another Public Body which is undertaken in such a way that the city council can order Works, Supplies or Services under the terms and conditions procured by that other Public Body.
Consultant	Any person or body not employed under a Contract of service by the city council and appointed to carry out a specific task or service, to fill a temporary staff position or to provide interim labour that might otherwise be known as a temporary or agency worker or interim manager.
Contract	An agreement between two or more parties relating to Supplies, Services, utilities or the execution of Works for payment or otherwise by an agreement intended to bind those parties. A Contract may be in writing but can be created verbally. These rules apply to all Contracts entered into on behalf of the city council regardless of whether a written Contract document exists.
Corporate Contracts Register	A database of all City Council Contracts maintained by Corporate Procurement.
Director	Is the Director of the directorate responsible for the given Contract. The term Director includes the City Director and also includes any officer in the relevant directorate who is specifically authorised by the Director to act on his/her behalf.
EU Procurement Regulations	The Public Contract Regulations 2015 together with relevant EU Directives, case law and guidance issued from time to time.
EU Threshold	The European Union Procurement Threshold pertaining to the values of Supplies, Services or Works which is published by the EU Commission and updated bi-annually in January.
Exemption	Where an Exemption from the application of these rules is sought.
Exemption Certificate	An Exemption Certificate is issued when the Director is satisfied that a specific Tender or Contract should be exempt from these rules. The issuing of an Exemption Certificate will be exercised sparingly and based on the merits of the Exemption requested.
Framework Agreement	An agreement or other arrangement which establishes the terms under which the Provider will enter into one or more Contracts with the city council or other Public body during the period in which the Framework Agreement applies.
Invitation To	The document or series of documents the city council

Tender	issues to potential Providers who have expressed an interest in bidding for a Contract to provide Supplies, Services or execute Works for or on behalf of the city council.
Officer	The Officer who is leading/carrying out a procurement exercise on behalf of the city council.
OJEU	Official Journal of the European Union.
Pecuniary Interest	Any interest direct or indirect which may be financial or otherwise by an Officer or member of the city council in respect of a Provider or the award of a Contract or Contracts.
PQQ	A Pre-Qualification Questionnaire (PQQ) is used to select which companies to invite to submit a tender (under the Restricted Tender Procedure). This will contain 'Selection' criteria covering: <ul style="list-style-type: none"> <li>a. Professional honesty, solvency and reliability.</li> <li>b. Economic and financial standing.</li> <li>c. Technical or professional ability.</li> <li>a. Aspects relevant to contract requirements eg Insurance, Health and Safety, Equality and Diversity,</li> </ul>
Procurement	The totality of acquisition starting from the identification of a requirement to the disposal of that requirement at the end of its life. It therefore includes pre-contract activities e.g. sourcing and post contract activities e.g. contract management, supplier relationship management activities. However, it does not include stores management and logistics that are aspects of the wider subject of Supply Chain Management. Procurement generally relates to goods, works and service(s) requirements.
Procurement Process Guide	A detailed guidance document produced by Corporate Procurement in conjunction with Legal Services. This explains how to carry out a compliant procurement process and can be accessed on the city councils intranet.
Provider	Includes any individual, partnership, firm or company awarded the Contract to supply Supplies or Services to the city council or execute Works for the city council.
Public Body	Any body or organisation that may award a public Contract under the Public Contract Regulations 2015.
Purchasing	To acquire goods, works or services from a nominated supplier. Purchasing is a component of the wider function of procurement and consists of activities such as ordering, expediting, receipt and payment.
Quotation	A submission, other than a Tender, by a potential Provider of Supplies, Services or Works in response to an invitation from an Officer of the city council. The value range of a Quotation will be for procurements up to £49,999.
Restricted Tender	

Procedure	This is a tender award procedure. Companies express an interest by Pre-Qualification Questionnaire and a number are then short-listed to be invited to tender. Under this procedure normally at least 5 companies are invited to tender. (The alternative is the open tender procedure whereby all companies who apply for tender documents will be allowed to tender).
Risk	A Risk is an event or series of events that could have an impact on objectives. That impact can be either positive or negative. (See Financial Regulations).
Section 151 Officer	Section 151 of the Local Government Act 1972 requires every Local Authority to make arrangements for the proper administration of their financial affairs and requires one officer to be nominated to take responsibility for the administration of those affairs.
Service Contracts	This covers contracts which have as their object the provision of services including Light Touch Regime Contracts.
Signing	(of a Contract) includes arrangements for the formal Signing (execution) of a Contract which may be required to be under seal.
Specification	The city council's particular requirements in relation to the quality, standard, delivery times etc of the Supplies, Services or Works to be provided.
Supplies	This covers contracts which have as their object the purchase, lease, rental or hire-purchase of products.
Tender	A submission by a potential Provider of Supplies, Services or Works. The value range of a Tender will be for procurements of £50,000 and above.
Works	This mainly covers construction Contracts.

## **ANNEX B     Definition of “local”**

In terms of an individual, “local” is defined as any person whose primary residence is within the municipal boundary of Stoke-on-Trent; or any young person whose care is the responsibility of the City Council regardless of their address.

In terms of a private company, voluntary group or other provider, the definition of local is wider. However, consideration should be given in the following descending order of priority:

1. An organisation whose principal trading base lies within the municipal boundary of Stoke-on-Trent;
2. An organisation of regional, national or international stature but which has a branch operation located within Stoke-on-Trent;
3. Any company located within the Stoke-on-Trent Travel To Work Area (TTWA), as defined by the Office of National Statistics<sup>2</sup>.

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<sup>2</sup> The current TTWA includes Stoke-on-Trent; Newcastle Borough; Staffordshire Moorlands District; and parts of Stafford Borough; East Staffordshire Borough; and Cheshire East. For the avoidance of doubt a map can be made available via the City Council’s Economic Growth service.