**How To Do Business With**

**The Council**

# **A Guide for Suppliers**

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## **1.0 Introduction**

Sefton Council spends millions per annum on the provision of goods and services.

The Authority is committed to providing high quality services to meet both the current and future needs of local people. Effective procurement, based on a principal of value for money, will only support the Authority in achieving this vision and meeting its corporate objectives. The Authority strives to ensure that it’s activities are undertaken with honesty, equality, integrity and transparency. The Authority sees its suppliers as having a key role to play, as such the Authority encourages competition, welcoming proposals from both new and existing suppliers.

The guide has been produced in an effort to help suppliers by

⏺Clarifying the rules that The Authority must follow in inviting suppliers to bid for Authority business

⏺Aiming to inform suppliers how to identify opportunities from the range of goods and services required by the Authority

⏺Explaining how to tender for Authority business

### 2.0 Procurement Rules and Regulations

The Authority has to follow certain rules and regulations that are set both internally by the Authority, and nationally by Central Government.

⏺The local rules are known as AUTHORITY CONTRACTS PROCEDURE RULES

⏺The national rules are known as THE PUBLIC CONTRACTS REGULATIONS

The regulations that apply are linked to the value of the contract involved.

#### 2.1 Authority Contracts Procedure Rules

The Authority has to follow its own [Contracts Procedure Rules](https://www.sefton.gov.uk/media/6859/contract-procedure-rules-2024.pdf), which regulate how it conducts its business. There are various rules, which relate to contracts, which are mandatory throughout the Authority.

In summary, these contract procedure rules govern how contracts of different values must be:

⏺Advertised

⏺Specified

⏺Submitted

⏺Reported to Councillors

The following summary sets out to inform how contracts of differing values are dealt with

|  |  |  |  |
| --- | --- | --- | --- |
| **Works** | **Supplies and Services** | **‘Light Touch Regime’ Services** | **Procedure** |
| Upto £20,000.00 in Value | Upto £20,000.00 in Value | Upto £20,000.00 in Value | Minimum of 2 Written Quotations |
| Above £20,000.00 upto £4,477,174 excluding v.a.t. (and so £5,372,609 including v.a.t. | Above £20,000.00 upto £179,087 excluding v.a.t.(and so £214,904 including v.a.t.) | Above £20,000.00 upto £552,950 excluding v.a.t.(and so £663,540 including v.a.t.) | Minimum of 3 Invitations to Quote / Tender to be issued on the Council’s electronic opportunities portal |
| Above £4,477,174 excluding v.a.t. (and so £5,372,609 including v.a.t. | Above £179,087 excluding v.a.t.(and so £214,904 including v.a.t.) | Above £552,950 excluding v.a.t.(and so £663,540 including v.a.t.) | Invitation to Tender issued on the Council’s electronic opportunities portal and advertised via the Government’s Find a Tender Service (FTS) |

*(spend thresholds correct as at January 2024)*

The ‘Light Touch Regime’ refers to a specific group of predominantly people oriented services as listed in Schedule 3 of the [2015 Public Contracts Regulations](https://www.legislation.gov.uk/uksi/2015/102/contents/made) (as amended by the [The Public Procurement (Amendment etc.(EU Exit) Regulations 2020),](https://www.legislation.gov.uk/uksi/2020/1319/contents/made) those being :

1. Health Social & Related Services
2. Administrative Social, Educational, Healthcare and Cultural Services
3. Compulsory Social Security Services
4. Benefit Services
5. Other Community, Social and Personal Services including services furnished by Trade Unions, Political Organisations, Youth Associations, and other Membership organisation services
6. Religious Services
7. Hotel and Restaurant Services
8. Legal Services, to the extent not excluded by Regulation 10(1)(d)
9. Other Administrative Services and Government Services
10. Provision of Services to the Community
11. Prison Related Services, Public Security, and Rescue Services to the extent not excluded by regulation 10(1)(h)
12. Investigation and Security Services
13. International Services
14. Postal Services
15. Miscellaneous Services

2.2 The Public Contracts Regulations

The Public Contracts Regulations 2015 (as amended) require all requirements that exceed the applicable spend threshold to be advertised in the Government’s Find a Tender Services (FTS). Since the UK’s exit from the European Union, this publication is now used in place of the Official Journal of the European Union (OJEU) within the UK.

All Authorities in the United Kingdom are required by law to comply with the 2015 Public Contract Regulations (As amended).

**3.0 Notes and Guides to Procuring under the Public Contracts Regulations**

Minimum Financial Thresholds - Public Sector : applicable from 1st January 2022
Contracts above these thresholds must be advertised in the Government’s Find a Tender Service (FTS)

Public Sector minimum financial thresholds (for the whole value of the contract inclusive of any optioal periods):

|  |  |  |  |
| --- | --- | --- | --- |
| **Supplies** | **Services** | **‘Light Touch Regime’ Services** | **Works** |
| **£179,087** **excluding v.a.t.**( £214,904 including v.a.t.) | **£179,087** **excluding v.a.t.**( £214,904 including v.a.t.) | **£552,950** **excluding v.a.t.**(£663,540 including v.a.t.) | **£4,477,174 excluding v.a.t.** (£5,372,609 including v.a.t. |

Types of Notices :

|  |  |
| --- | --- |
|  **Regime** | **Types of Notice** |
| Supplies | Prior Information Notice Contract NoticeContract Award Notice |
| Services | Prior Information Notice  Contract NoticeContract Award Notice |
| Works | Prior Information Notice Contract Notice Contract Award Notice |

3.1 Notices explained

Prior Information Notice (P.I.N.)

In the case of Supplies, Services and Works this optional notice is published at the beginning of the financial year to give the market indications of the anticipated spend in general product areas and in certain categories of services. The Authority can benefit from a reduction in procurement procedure timescales where a P.I.N. has been published

#### Contract Notice

This notice is prepared for each contract. The purpose is to inform the market of a specific demand for Supplies, Services or Works, or a combination of these. The notice must follow a certain form and must provide specific details of the contract and the procedure to be employed i.e. the Open, Restricted, Negotiated or Competitive Dialogue procedures etc.

#### Contract Award Notice

Within 48 calendar days of the award of a contract previously advertised in the Find a Tender Service (FTS), public sector organisations must publish a Contract Award Notice within FTS. Essentially the notice sets out to inform the market as to which organisation/s the contract was awarded to.

#### 3.2 Contracting Procedures explained

Within the regulations various contracting procedure options exist including :-

Open Procedure

Restricted Procedure

Negotiated Procedure

Competitive Dialogue

#### Open Procedure

⏺Under this procedure, and where the Council facilitates electronic tender submission, the contract must be advertised in FTS for a minimum of 30 calendar days prior to the closing date for the receipt of tenders. Where the Authority has previously published a Prior Information Notice this period in which tenders can be submitted can be reduced to a minimum of 15 calendar days.

#### Restricted Procedure

⏺Under this procedure, and where the Council facilitates electronic response submission, the contract must be advertised in the FTS and allow a minimum of 30 calendar days for applicants to register an interest in tendering, such interest will usually be registered by completion of a Selection Questionnaire.

⏺Following internal approval to the shortlist of interested organisations, a minimum of 25 calendar days is allowed from the date of dispatch of tender documents to the shortlisted parties, to the closing date. Where the Council has previously published a Prior Information Notice the second stage period in which tenders can be submitted can be reduced to a minimum of 10 calendar days.

#### Negotiated Procedure

⏺This is a procedure where the Authority could select providers of its choice and negotiates the terms of the contract with one or more of them.

The Negotiated Procedure can be used where a previous alternative Procedure has failed to identify a successful bidder.

The Negotiated Procedure is however used more in the Utilities sector rather than the Public sector.

Competitive Dialogue

⏺Essentially the procedure is something of a ‘halfway house’ between the Restricted and the Negotiated procedures. The Directive defines Competitive Dialogue as :

*“A procedure in which any economic operator may request to participate and whereby the contracting authority conducts a dialogue with the candidates admitted to that procedure, with the aim of developing one or more suitable alternatives capable of meeting its requirements, and on the basis of which the candidates chosen are invited to tender. “*

Examples of its use may be :-

*“For particularly complex contracts where use of the Open or Restricted procedures will not allow the award of the contract.”*

⏺Under this procedure the contract must be advertised in the FTS and allow a minimum of 30 calendar days for applicants to register an interest in tendering, such interest will usually be registered by completion of a Selection Questionnaire.

⏺All candidates and tenderers must be treated equally, and commercial confidentiality must be maintained unless a candidate agrees that information may be passed to others.

⏺Dialogue may be conducted in successive stages. Those unable to meet the need or provide value for money (as measured against the award criteria published within the contract notice) may voluntarily drop out of, or be removed from, the process.

⏺Final Tenders are invited from those remaining on the basis of the identified solution or solutions. No specific time period is laid down within the legislation for this stage to take place and so officers will use best judgement in determining the appropriate period of time. Assessment is based on criteria stated in the contract notice or accompanying descriptive document outlining broad needs. Clarification of bids can occur pre and post assessment provided this does not distort competition.

⏺Award of the ultimate contract must be made on the basis of the most economically advantages tender (M.E.A.T.)

3.3 Mandatory ‘Standstill’ Period

The Public Contracts Regulations now require a minimum Mandatory Standstill Period of 10 clear calendar days, AFTER notifying unsuccessful bidders and BEFORE the Contract Start (Purchase Order placed). (i.e. Unsuccessful bidders must be informed of outcome of the tender and have the opportunity to get feedback PRIOR to the contract commencing). Debriefing of unsuccessful bidders on a strict timescale is also required to allow a legal challenge to the procurement process to emerge, if the unsuccessful bidder believes that the process has not followed the rules.

3.4 Collaborative Procurement

Sefton Council is a member of the Merseyside Procurement Partnership and actively supports the collaborative work of this group and the contracts that are available through the group where such arrangements are advantageous to the Authority.

Sefton Council will from time to time invite tenders for a number of contracts administered on behalf of the Merseyside Procurement Partnership.

**4.0 Tendering for Authority Contracts**

4.1 Pre Qualification

Certain procurement procedures enable the Authority to invite organisations to express interest in tendering for a particular requirement for supplies, services or works.

In such circumstances a Selection Questionnaire (SQ) document will ordinarily be used. Such a document will likely seek information including but not limited to :-

#### Company Information

Basic details such as company name, address, telephone and fax numbers, email address, contact personnel, company status (i.e. sole trader, partnership, private limited company etc.), date of registration.

#### Technical Information

Here the Authority may seek information relating to previous contract work asking, for instance, whether your organisation has suffered deductions for liquidated damages, or whether a previous contract has been terminated, or perhaps whether a contract renewal has previously been refused.

Information may also be sought as to your organisations breakdown of staffing compliment and any relevant qualifications held. You may be asked to elaborate on any awards gained for quality, and you may also be asked to give details of specialist areas of support provided by your organisation.

Topics including Environmental standards and accreditations, Insurance cover and Health & Safety are also likely to be covered.

#### Relevant Experience

Here, the Authority may be looking for you to elaborate on your organisation’s previous experience in relation to the provision of supplies, services or works of a similar nature to that which the Authority has the requirement for.

Officers will use the information gathered at this initial stage to determine a shortlist of organisations that will be invited to submit formal tenders.

4.2 Open Tender.

Where the Authority opts to tender by Open Competition, or in Public Contracts Regulations terms use the Open Procedure, or following the first Selection stage of a Restricted, Negotiated, or Competitive Dialogue procedure as outlined earlier, a formal tender document pack will be issued to the Suppliers. Instructions for the completion and return of the Tender Submission will be issued in the Tender Pack.

4.3 Receipt of Tenders

In accordance with the Authority’s Contracts Procedure Rules all submissions relating to a particular tender exercise will be opened within the Council’s electronic opportunities portal.

4.4 Evaluation of Tenders

Tender bids will be evaluated against a range of pre-determined criteria . Evaluation will focus on examining how the bids aim to deliver the supplies, services or works (quality), the associated cost (price), and social value opportunities.

All local authorities are required to secure Best Value in the way they deliver their services. This means that Authorities must ensure continuous improvement in all functions and secure value for money throughout the buying process. It also means that Authorities are accountable to local people in their business dealings, which must be open, fair, transparent and auditable.

4.5 Contract Award

Should you be successful in your tender bid written notification will be provided to your organisation. Where the value of a contract exceeds £100,000 the Authority’s Legal Director will undertake to seal the contract with the Authority’s seal.

**5.0 How to be aware of Business Opportunities**

#### The Chest Opportunities Portal

In striving to improve the availability of information, tender advertisements will be published on the electronic opportunities portal (known as [The Chest](https://www.the-chest.org.uk/)) which has been adopted across Merseyside and the North West Region to bring together buyers and suppliers making it easier for businesses to find out about new sources of potential revenue and to grow and develop to the benefit of the local economy.

Registration on the Chest can be undertaken free of charge here :

[Chest Free Registration](https://procontract.due-north.com/register)

#### Find a Tender Service (FTS)

Where a contract is valued in excess of the relevant Public Contracts Regulations Spend Threshold, dependent upon whether the contract is for Supplies, Services or Works, a Contract Notice will also be placed into FTS