



New Forest National Park Authority

Contract Standing Orders

Version 4.23

Review Date
Responsibility
Last updated
Originally Approved
Approved by

Annual
Chief Finance Officer
~~27th March 2019~~ July 2020
27th March 2014
Full Authority

INDEX

Contract Standing Order (CSO)	Page
CSO 1: Interpretation	3
CSO 2: Compliance with Standing Orders	4
CSO 3: Scheme of Delegation/Authorisation	6
CSO 4: Declarations of Interest	7
CSO 5: Contract Value and Aggregation	8
CSO 6: Framework Agreements, Approved Lists and Suitability of Contractors	9
CSO 7: Public Notice	10
CSO 8: Purchasing Procedures for Contracts of a Value less than £25,000	11
CSO 9: Tendering Procedures for Contracts of a Value £25,000 or greater but less than £75,000	12
CSO 10: Tendering Procedures for Contracts of a Value of £75,000 or greater but less than relevant EU Threshold	13
CSO 11: Tendering Procedures for Contracts Above EU Thresholds	14
CSO 12: Receipt and Opening of Tenders	15
CSO 13: Evaluation of Tenders and Award of Contract	16
CSO 14: Contract Registers	17
CSO 15: Prevention of Corruption	18
CSO 16: Contract Variation or Extension	19
CSO 17: Waiver of Contract Standing Orders	20
CSO 18: Negotiation	22

Contract Standing Order 1: Interpretation

1.1 In these Contract Standing Orders, the following terms have the following meaning:

Area of Responsibility	the function and area of responsibility for a staff member as detailed in the Authority's Standing Orders and Scheme of Delegation.
Authority	New Forest National Park Authority.
Contract	any agreement for the supply of goods, services, or the execution of works to or for the Authority including the use of consultants.
Contract Consultant	any person not being an employee of the Authority who is acting for the Authority in relation to a contract or proposed contract.
Contract Lead Officer	a New Forest National Park Authority Officer nominated to deal with contracts in accordance with CSO 3.5.
Contractor	the party or potential party to a contract.
CSO / CSOs	Contract Standing Order(s)
Director(s)	Executive Director Strategy & Planning, Head of Recreation Management & Learning and Head of Environment & Rural Economy
EU Public Procurement Directives	EU Directive 2014/24/EU – This directive consolidates all previous directives relating to public works, supplies (goods) and service contracts and any Directives and Regulations by which it is applied and any re-enactment thereof.
EU Thresholds	the thresholds for public advertisement of goods, works and services contracts as provided for in the EU Public Procurement Directives and advised by the Government.
Evaluation Report	a report on the evaluation of tenders prepared under CSO 13.
Framework Agreement	agreement with contractors that sets out the terms and conditions under which specific purchases can be made.
OJEU	the Official Journal of the European Union.
UK Regulations	the Public Contracts Regulations 2015 and any re-enactment thereof.

Contract Standing Order 2: Status of, and Compliance with, Standing Orders

- 2.1 The New Forest National Park Authority is a contracting authority for the purposes of the EU Public Procurement Directives, and is thereby legally bound to comply with certain practices and procedures in the award of Contracts. It is also legally required to adopt standing orders for the regulation of contracts.
- 2.2 The New Forest National Park Authority has therefore adopted these Contract Standing Orders (CSOs), setting out the administrative procedures that must be followed in relation to the procurement and award of a Contract (whether 'internally' or 'externally' funded). CSOs provide a framework to ensure that the Authority uses its resources efficiently in making purchasing decisions to obtain best value in public services. CSOs also provide a means of safeguarding the reputation of the Authority and its staff from any implication of dishonesty or corruption.
- 2.3 The Chief Finance Officer, in consultation with the Monitoring Officer, shall compile and maintain CSOs and advise on their implementation and interpretation.
- 2.4 The Chief Executive, after consultation with the Monitoring Officer and the Chief Finance Officer may change the thresholds in Contract Standing Orders annually (or as appropriate) to take account of changes in the retail prices index and other factors so that the effectiveness and impact of the thresholds is maintained.
- 2.5 Every Contract made by the Authority or on its behalf shall comply with the EU Treaty, the EU Public Procurement Directives, all other applicable EU and domestic legal requirements, CSOs and Financial Regulations. In the event that there is any conflict or inconsistency between the provisions of CSOs and any legal requirement, the legal requirement shall apply.
- 2.6 The Authority may procure goods, services or works to any value in collaboration with other local authorities or other public or voluntary sector bodies. Where the Authority is the lead buyer within the consortium of the goods, works or services contracted for, these CSOs shall apply. Where the Authority is not the lead buyer, procurement procedures shall follow the spirit of these CSOs, be in accordance with EU Public Procurement Directives and UK Regulations, and approved by the relevant Director on the advice of either the Chief Finance Officer.

- 2.7 Contractors, Contractor's employees, subcontractors and agents utilised by the Authority shall be required to, at all times, comply with the requirements of the Health & Safety at Work Act 1974, all secondary legislation made under that Act and all other Acts, Regulations, Orders or Rules relating to Health & Safety. All contracts shall reflect these requirements and reference to the Authority's Health & Safety Code of Practice should be made in this regard.
- 2.8 It is the role of the Chief Finance Officer to publish the Procurement Strategy and to ensure that there is clear allocation of procurement responsibility by category of spend to a departmental or corporate procurement team as appropriate.
- 2.9 These CSOs are supplemented by the Procurement Guide maintained by the Chief Finance Officer. In the event that there is any conflict or inconsistency between the provisions of the Procurement Guide and CSOs, CSOs shall apply.
- 2.10 These CSOs supplement the Officers' contractual obligation, and a failure to comply will normally be regarded as a disciplinary offence. Where a person who is not a New Forest National Park Authority employee is contracted to a position where they are authorised to carry out purchasing functions, it is a condition of their contract that they comply with CSOs and the financial regulations of the Authority.
- 2.11 Where any power or authority under these Standing Orders may be executed by a Director, any such power may also be executed by the Chief Executive Officer.

Contract Standing Order 3: Scheme of Delegation / Authorisation to Commence Procurement Process

- 3.1 Each Director has delegated power within their Area of Responsibility to authorise the Authority entering into Contracts up to the sum of £75,000, provided that they are satisfied that the expenditure involved has been included within approved estimates and sufficient budgetary provision made in the Authority's capital or revenue accounts.
- 3.2 Where a proposed Contract is between £75,001 and £500,000, and before inviting expressions of interest from potential bidders, the Director within whose Area of Responsibility the Contract falls, shall obtain a decision authorising the commencement of the procurement process from the Chief Executive Officer. The report seeking approval shall include an estimate of the expenditure involved and state how it is proposed such expenditure would be met from budgetary provision made in the Authority's capital or revenue accounts.
- 3.3 Where a proposed Contract is between £500,001 and £2 million, and before inviting expressions of interest from potential bidders, the Director within whose Area of Responsibility the Contract falls, shall obtain a decision authorising the commencement of the procurement process from the Resources, Audit and Performance Committee. The report seeking approval shall include an estimate of the expenditure involved and state how it is proposed such expenditure would be met from budgetary provision made in the Authority's capital or revenue accounts.
- 3.4 Where a proposed contract is of a value of £2 million or greater, and before inviting expressions of interest from potential bidders, the Director within whose Area of Responsibility the Contract falls, shall obtain a decision authorising the commencement of the procurement process from the full Authority.
- 3.5 In estimating the value of the Contract, the principles of CSO 5 shall be applied.
- 3.6 In all cases, the Director shall designate a senior officer as Contract Lead Officer for the Contract. It shall be the responsibility of the Contract Lead Officer to ensure that the processes followed in relation to the procurement and award of the Contract are compliant with these CSOs, the Procurement Guide and Financial Regulations.
- 3.7 In regard to 3.3 and 3.4 above, should the matter be considered sufficiently urgent by the Chief Executive Officer as to be required before the next scheduled meeting, the Chair and Deputy Chair of the relevant Committee or Authority may jointly authorise commencement, reporting back that decision to the next meeting of the Authority or Committee.

Contract Standing Order 4: Declarations of Interest

- 4.1 At the beginning of any Contract process the following persons shall declare any interest, as defined in the Code of Conduct for Employees which may affect the procurement process:
 - (a) all Authority Employees;
 - (b) Contractors;
 - (c) Contract Consultants;
 - (d) any other person involved in the procurement process.
- 4.2 Directors shall ensure that all Authority Employees within the categories set out in CSO 4.1 and all Contract Consultants and Contractors appointed by them make written declarations of interest on their appointment and as required on any change in circumstances. Furthermore they shall either certify interests as acceptable or take any necessary action in respect of potential conflicts of interest. Any conflicting interest should be notified to the Chief Finance Officer.
- 4.3 Directors shall keep completed Authority Employee declarations on the register of staff declarations indicating the names and grades of those declaring an interest and the nature of their interest. Furthermore they shall keep completed Contract Consultants' and Contractors' declarations of interest and relevant Authority Employees' declarations affecting the Contract on the Contract file.
- 4.4 If a Authority Employee within the categories set out in CSO 4.1 knows that a Contract in which he/she has a pecuniary interest is before the Authority, and is not the subject of an existing declaration, he/she must immediately give written notice of his/her interest to the relevant Director and take no part in the contract process.

Contract Standing Order 5: Contract Value and Aggregation

- 5.1 The estimated value of a Contract shall be the total value of the Contract net of VAT. This is the total consideration estimated to be payable over the full term of the Contract by the Authority to the Contractor.
- 5.2 Where the Contract period is indefinite or uncertain, the estimated value shall be calculated on the basis that the Contract will be for a period of *four* years.
- 5.3 Contracts must not be artificially separated so as to circumvent the application of any part of CSOs, the EU Public Procurement Directives or UK Regulations.
- 5.4 Contracts which are each of a value below the relevant EU Threshold may nevertheless be subject to full EU Public Procurement Directives tendering requirements, where they constitute a series of related or repeat purchases. Advice should be sought where this is the case, in order that the relevant procurement method can be adopted.

Contract Standing Order 6: Framework Agreements and Suitability of Contractors

- 6.1 Directors, with the assistance of the Chief Finance Officer, may set up a Framework Agreement in line with EU Public Procurement Directives with one or more suppliers of particular goods and services.
- 6.2 A Contractor may be removed from a Framework agreement should their circumstances change, to the extent that they no longer meet the criteria for inclusion. These criteria form part of the Procurement Guide.
- 6.3 Any Contractor may, by giving written notice, withdraw from any Framework agreement.
- 6.4 Where there is no Framework Agreement, Directors shall use an approved tender procedure in accordance with the Procurement Guide.

Contract Standing Order 7: Public Notice

- 7.1 All contract quote or tender opportunities (where the estimated total value of a proposed Contract is £5,000 or above) will be advertised on our e-procurement portal (<https://in-tendhost.co.uk/newforestnpa/asp/Home>).
- 7.2 In addition, where the estimated total value of a proposed Contract is £25,000 or above, the notice shall be placed on Contracts Finder (<https://www.contractsfinder.service.gov.uk/Search>).
- 7.3 Where the value of the Contract exceeds the relevant EU Threshold, public notice shall also be placed in the OJEU in accordance with the EU Public Procurement Directives.

Contract Standing Order 8: Purchasing Procedures for Contracts of a Value less than £25,000

- 8.1 Where the estimated value of the Contract, calculated in accordance with CSO 5, is less than £25,000, and there is a suitable Framework Agreement available, that Framework Agreement shall be used.
- 8.2 Where no Framework Agreement is available, at least three competitive quotations should be obtained (or a commercial negotiation with one preferred Contractor may take place if contract value less than £5,000).
- 8.3 If less than three suitable quotes are received, the Contract Lead Officer must consult with the Chief Finance Officer and provide evidence to show that the Authority can obtain value for money.
- 8.4 Contracts with an estimate value of less than £25,000 shall be evidenced in writing by the written quotations from Contractors or by sending orders to Contractors under a Framework Agreement.
- 8.5 Although the tendering procedures for Contracts of less than £25,000 are less formal than for greater amounts, the Contract Lead Officer shall bear in mind the need to seek best value for money and be able to demonstrate that they have achieved this.

Contract Standing Order 9: Tendering Procedures for Contracts of a Value £25,000 or greater but less than £75,000

- 9.1 Where the estimated value of the Contract, calculated in accordance with CSO 5, is £25,000 or greater but less than £75,000, and there is a suitable Framework Agreement available, that Framework Agreement shall be used.
- 9.2 Where no Framework Agreement is available, at least **four** competitive tenders shall be invited.
- 9.3 Where no Framework Agreement is available, at least four tenders shall be invited. The tendering procedure to be followed shall be that set out in the Procurement Guide.
- 9.4 The invitation to tender shall state the evaluation criteria that will be applied in the award of the Contract. These criteria must be capable of objective assessment, include price and any other relevant factors, and be weighted by relative importance.
- 9.5 If less than four suitably qualified tenderers are available, the Contract Lead Officer must consult with the Chief Finance Officer. At least two bona fide tenders must be received and the tender achieving best value for money accepted.
- 9.6 If only one compliant tender is received, the Contract Lead Officer must consult with the Chief Finance Officer and provide evidence to show that the Authority can obtain value for money.
- 9.7 The Contract shall be evidenced in writing by the completion of a formal written Contract.

Contract Standing Order 10: Tendering Procedures for Contracts of a Value of £75,000 or greater but less than relevant EU Threshold

- 10.1 Where the estimated value of the Contract, calculated in accordance with CSO 5, is £75,000 or greater but less than the relevant EU Threshold, and there is a suitable Framework Agreement available, that Framework Agreement shall be used.
- 10.2 Where no Framework Agreement is available, at least **five** tenders shall be invited.
- 10.3 Where no Framework Agreement is available, at least **five** tenders shall be invited, in accordance with the Procurement Guide.
- 10.4 If less than five suitably qualified tenderers are available, the Contract Lead Officer must consult with the Chief Finance Officer.
- 10.5 The invitation to tender shall state the evaluation criteria that will be applied in the award of the Contract. These criteria must be capable of objective assessment, include price and other relevant factors, and be weighted by relative importance.
- 10.6 At least two compliant tenders must be received and the Most Economically Advantageous Tender must be accepted. If only one compliant tender is received, the Contract Lead Officer must consult with the Chief Finance Officer and provide evidence to show that the Authority can obtain value for money.
- 10.7 In the case of Contracts with an estimated total value over £75,000 the Contract shall be in a form approved by the Monitoring Officer.

Contract Standing Order 11: Tendering Procedures for Contracts Above EU Thresholds

- 11.1 The EU Public Procurement Directives set a financial threshold beyond which prescribed tendering procedures must be followed. The EU Thresholds are reviewed annually, and the updated figures can be found in the Procurement Guide.
- 11.2 Where procurement of goods, services or works is required and the estimated total value of the Contract is in excess of the relevant EU threshold, procedures in the EU Public Procurement Directives will be followed as set out in the UK Regulations and these shall prevail over tendering procedures set out in these CSOs. For most goods, services and works Contracts the open or restricted, procedure will be used. For Private Finance Initiative, Public Private Partnership and similar procurement arrangements introduced by the Government, where the total Contract value is in excess of the relevant EU threshold, the restricted, negotiated, or competitive dialogue procedure will be used.

Contract Standing Order 12: Receipt and Opening of Tenders

- 12.1 All tenders for any Contract shall either be uploaded to the e-procurement system, or posted to the Chief Finance Officer (or a person nominated by him/her) in envelopes which shall bear no mark to identify the sender. The Chief Finance Officer shall be responsible for ensuring that a record of all such tenders received is kept.
- 12.2 For Contracts with an estimated total value exceeding £75,000 all tenders shall be opened by the Chief Finance Officer (or a person nominated by him/her). The Chief Finance Officer shall be responsible for ensuring that a record of all such tenders received is kept.
- 12.3 All tenders shall be opened at the same time, as soon as is reasonably practicable after the closing date, and normally on the closing date. On receipt, all tender envelopes shall be endorsed with the time and date of receipt and kept secure until the time specified for tender opening. Any tender received after the specified time shall not be considered for evaluation and shall be returned promptly to the tenderer. A late tender may be opened to ascertain the name of the tenderer but no details of the tender shall be disclosed.
- 12.4 Evaluation criteria and weightings for each criterion for an Invitation to Tender shall be determined in advance and included within the Invitation to Tender. Price shall always be included as a criterion, but will be used as the sole criterion only where the Director or the Authority Employee preparing the Contract for him/her considers this to be appropriate. Determination of criteria at all stages should be undertaken in accordance with Procurement Guidance.

Contract Standing Order 13: Evaluation of Tenders and Award of Contract

- 13.1 The Contract Lead Officer shall ensure that the tenders received are evaluated in accordance with the evaluation criteria that have been adopted for the Contract, and stated in the invitation to tender. These criteria must be capable of objective assessment, include price and other relevant factors, and be weighted by relative importance.
- 13.2 The Contract Lead Officer shall produce a written report evaluating each tender received against the evaluation criteria. The report shall identify the tenderer who has submitted the most economically advantageous tender i.e. the tender that achieves the highest score in the evaluation, and recommend the award of the Contract to that tenderer. This report shall be submitted to the person authorised to award the Contract under CSO 3.
- 13.3 No Contract may be awarded unless the expenditure involved has been included in approved estimates or on capital or revenue accounts, or has been otherwise approved by, or on behalf, of the Authority. The Director shall ensure that evidence of authority to spend and the budget code to be used is recorded on the Contract file.
- 13.4 Each Contract shall be awarded in accordance with evaluation criteria that have been adopted for the Contract. The Evaluation Report shall confirm how these requirements are met.
- 13.5 Each Director is authorised to award and sign any contract entered into on the Authority's behalf, where it relates to their Area of Responsibility, and where the value of the Contract is less than £75,000. In cases of urgency, or where the Director is unavailable, the Contract may be awarded and signed by a senior officer nominated by him/her.
- 13.6 All other contracts shall be awarded by the Chief Executive Officer or a senior officer nominated by him/her for this purpose.

Contract Standing Order 14: Contract Registers

14.1 An electronic register of all Contracts above a total value of £5,000 shall be kept centrally and maintained by the Chief Finance Officer. Such register shall, as a minimum, specify for each Contract the Contract number, the name of the Contractor, a summary of the works to be executed or the goods and services supplied and the Contract duration and value or estimated value. The register shall be open for inspection by any Member of the Authority and also be published on the Authority's website (as per the Local Government Transparency Code 2014).

Contract Standing Order 15: Prevention of Corruption

- 15.1 An Authority Employee must not invite or accept any gift or reward in respect of the award or performance of any Contract. It will be for the Authority employee to prove that anything received was not received corruptly. High standards of conduct are obligatory and corrupt behaviour will lead to dismissal.
- 15.2 The contract process shall ensure that the Authority will operate strict separation of duties by ensuring that two authorised Authority employees are involved in the ordering, receiving and payment process.
- 15.3 The following clause, or an equivalent clause in standard forms of contract or other wording as approved by the Monitoring Officer, must be put in every written Contract:

“The Authority may terminate this Contract and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf do any of the following things:

- a) offer, give or agree to give to anyone any inducement or reward in respect of this or any other Authority Contract (even if the Contractor does not know what has been done); or
 - b) commit an offence under the Prevention of Corruption Acts 1889 to 1916 or Section 117(2) of the Local Government Act 1972; or
 - c) commit any fraud in connection with this or any other Authority Contract whether alone or in conjunction with Authority Members or Employees.
- Any clause limiting the Contractor’s liability shall not apply to this clause.”

Contract Standing Order 16: Contract Variation or Extension

- 16.1 Funding must be identified before any variation is approved in accordance with the Authority's Financial Regulations.
- 16.2 Prior approval must be obtained from the appropriate Director and Chief Finance Officer for any variation or extension to a contract. Such changes should ordinarily only be effective up to a maximum 50% of the original contract value or contract period and provided that the works, services or goods to be added to or deleted from the Contract are not substantially different in scope.
- 16.3 Approvals under section 16.2 must not be deliberately used to circumvent procurement rules of the Authority.

Contract Standing Order 17: Waiver of Contract Standing Orders

17.1 Subject to CSO 17.5, in relation to Contracts estimated to not exceed a total value of £50,000, a Director may waive the requirements of any CSO, as long as:

- a) the Chief Finance Officer is notified as soon as possible
- b) the Director certifies in writing to the Chief Finance Officer the CSO being waived and the reasons for doing so.
- c) approval is obtained from the Chief Finance Officer or Chief Executive

17.2 Subject to CSO 17.5, in relation to Contracts estimated to exceed a total value of £50,000, a Director may, after consultation with the Chair of Resources, Audit and Performance Committee and the Chief Finance Officer, waive the requirements of CSOs as long as:

- a) the waiver report (the Report) is compiled after consulting with the Chief Finance Officer;
- b) the Report is issued setting out the CSO being waived and the reasons for the waiver;
- c) the Report includes legal and financial comments and highlights, as necessary, any future commitment (whether of a financial character or not) which the Contract may entail; and
- d) the Report justifies the method of Contractor selection so that value for money and compliance with EU and domestic law can be demonstrated.

17.3 If an emergency has been declared under the Authority's emergency planning or business continuity procedures and it is not possible or practicable for an Authority Employee who would normally exercise the powers of waiver under CSO 17.1 and CSO 17.2 to do so, the powers may be exercised by:

- (i) the Authority Employee who is designated to be in charge, under those procedures; or
- (ii) any Authority Employee appointed by him / her to act on his / her behalf.

Further, if it is not possible or practicable for that Authority employee, before exercising the powers under CSO 17.2, to consult the relevant person or the Chief Finance Officer or to issue the necessary Report, the Authority Employee may exercise the powers without doing so but shall take such steps as appear appropriate at the time to keep the relevant person and the Chief Finance Officer informed and shall issue the Report as soon as is reasonably practicable.

17.4 A report for information giving a digest of all waivers under CSO 17.1, 17.2 and 17.3 shall be made by the Chief Finance Officer covering the previous financial year annually to the Resources, Audit and Performance Committee.

- 17.5 For the avoidance of doubt, no waivers may be made so as to alter the full application of CSO 4 (Declarations of Interest), CSO 14 (Contract Registers), CSO 15 (Prevention of Corruption) CSO 16 (Contract Variation), CSO 13.3/13.4 (Contracts Awards), or to CSO 18 (Negotiation) or if such waiver would result in a breach of EU or domestic law.
- 17.6 A register of all waivers will be maintained by the Chief Finance Officer and kept available for inspection by the public, and by Members of the Authority, with reasonable notice during working hours.

Contract Standing Order 18: Negotiation

18.1 Procurement of goods, services and works shall normally be through the competitive tendering process set out in these CSOs. Under these CSOs negotiation with one Contractor is normally only permissible for very low value Contracts as set out in CSO 8 or when using the EU Competitive Dialogue Procedure under CSO 11. Where negotiation is undertaken this shall be conducted having regard to the Negotiation Code of Practice as outlined in the Procurement Guide.