**How To Do Business With**

**The Council**

# **A Guide for Suppliers**

**Contents**

1. **Introduction**
2. **Procurement Rules and Regulations**
	1. Authority Contracts Procedure Rules
	2. Procurement Act 2023
3. **Notes and Guides to Purchasing under the Procurement Act 2023**
	1. Notices Explained
	2. Contracting Procedures explained
	3. Mandatory ‘Standstill’ period
	4. Collaborative Procurement
4. **Tendering for Authority Contracts**
	1. Pre Qualification
	2. Open Tender
	3. Receipt of Tenders
	4. Evaluation of Tenders
	5. Contract Award

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

## **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 PROCUREMENT ACT 2023 (PA23)

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/6812/contract-procedure-rules-2023.docx), 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 £30,000.00 Including of VAT  | Upto £30,000.00 including VAT | Upto £30,000.00 including VAT | Minimum of 2 Written Quotations |
| Above £30,000.00 Upto £5,372,609 including VAT | Above £30,000.00 Upto £214,904 including VAT | Above £30,000.00 upto £663,540 including VAT | Minimum of 3 Invitations to Quote / Tender to be issued on the Council’s electronic opportunities portal |
| Above £5,372,609 including VAT. | Above £214,904 including VAT | Above £663,540 including VAT | Invitation to Tender issued on the Council’s electronic opportunities portal and advertised via the Government’s Central Digital Platform (CDP |

*(spend thresholds correct as at January 2024)*

The ‘Light Touch Regime’ refers to contracts for certain social, health, education and other public services and are subject to more flexible procurement rules. One thing these services have in common is that they are services provided directly to individuals or groups of people and therefore warrant special treatment and greater flexibility.

Section 9 (Light touch contracts) of the Procurement Act 2023 defines a ‘light touch contract’ and provides for regulations to specify which services (referred to in the regulations as ‘light touch services’) can be procured under a light touch contract.

Schedule 1 to the Procurement Regulations 2024 (the Regulations) specifies which services are light touch services by description and reference to corresponding Common Procurement Vocabulary (CPV) codes. Light touch contracts (that are not exempted contracts) are public contracts if they are above the relevant threshold in Schedule 1 of the Act for the type of contract.

2.2 The Procurement Act 2023

The Procurement Act 2023 require all requirements that exceed the applicable spend threshold to be published on the Central Digital Platform (CDP). 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 The Procurement Act 2023.

**3.0 Notes and Guides to Procuring under the Procurement Act 2023**

Minimum Financial Thresholds - Public Sector : applicable from 1st January 2024
Contracts above these thresholds must be advertised on the Central Digital Platform (CDP).

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Supplies** | **Services** | **‘Light Touch Regime’ Services** | **Works** |
|  **£214,904 including VAT** |  **£214,904 including VAT** | **£663,540 including VAT** | **£5,372,609 including VAT** |

Types of Notices :

|  |  |
| --- | --- |
|  **Regime** | **Types of Notice** |
| Supplies,Services and Works | Pipeline NoticePre-Market Engagement NoticePlanned Procurement NoticeTender NoticeContract Award NoticeContract Details NoticeContract Termination Notice |
|  |  |
|  |  |

There are additional notices (used under certain circumstances) other than the standard notices listed above, these are:

Contract change notice

Payments Compliance Notice

Contract Performance Notice

#### 3.1 Tendering Procedures.

Within the Procurement Act 2023 there are two tendering procedure options:

Open Procedure

Competitive Flexible Procedure

* Open Procedure

In the case of the open procedure, the tender notice is the ‘invitation to tender’ as it invites all interested suppliers to submit a tender. Where used, any associated tender documents would also need to be provided through the central digital platform at the outset of the procurement to enable the tendering period to commence. This can be achieved either by attaching the documents to the tender notice or by providing a direct link to the web page where the documents are provided.

Under this procedure, and where the Council facilitates electronic tender submission, the contract must be advertised in the FTS on the Central Digital Platform for a25 day minimum tendering period where tenders are submitted electronically and all of the associated tender documents are provided at the same time as the tender notice.

Or,30 day minimum tendering period where tenders are submitted electronically but not all of the associated tender documents are provided at the same time as the tender notice.

. There is a 10 day minimum tendering period where a qualifying planned procurement notice has

been published. A qualifying planned procurement notice is a planned procurement

notice that is published at least 40 days and no more than 12 months before the

tender notice.

* Competitive Flexible Procedure

In contrast to an open procedure, a competitive flexible procedure will be multi-staged and therefore contracting authorities can (under section 20(4)(a)) limit the number of suppliers participating in a procurement or progressing to the next stage.

The process of limiting the number of suppliers (following submission of a request to participate) by assessing conditions of participation and/or any other objective criteria set out in the tender notice or associated tender documents is referred to as the ‘participation stage’.

The competitive flexible procedure allows the contracting authority the freedom to design its own procedure. The contracting authority may choose to incorporate numerous processes into the procedure, such as negotiation, dialogue or a demonstration stage.

In a competitive flexible procedure there may be a separate participation stage to limit the number of suppliers invited to participate further in the procedure (this is akin to a selection stage in the previous legislation).

The contracting authority will invite suppliers to submit requests to participate by publishing a tender notice, detailing the conditions of participation and any other criteria by which the number of suppliers may be limited1. The participation period starts with the day after a contracting authority invites requests to participate in a competitive flexible procedure and ending with the day by which those requests must be submitted.

In most cases a participation period of at least 25 days must be allowed for suppliers to submit requests. The only exceptions are:

1. where the contract is a light touch contract: there is no minimum participation period;
2. where the contracting authority considers there to be a state of urgency meaning a 25 day participation period is impractical: the minimum participation period may be reduced to 10 days.

All competitive tendering procedures will include at least one tendering period. This is the period during which suppliers prepare their tenders.

In a competitive flexible procedure, if the contracting authority has chosen not to have a separate participation period, the tender will be submitted in response to the tender notice and therefore the tendering period will again commence following publication of the tender notice. Where there is a separate participation period or multiple tendering rounds, tenders will be submitted in response to an invitation to tender sent directly to participating suppliers.

In these circumstances, the tendering period starts with the day after a contracting authority invites the submission of tenders as part of a competitive tendering procedure and ends with the day by which tenders must be submitted.

For a Competitive Flexible Procedure a 25 day minimum tendering period where tenders are submitted electronically and all of the associated tender documents are provided at the same time as the tender notice.

Or,30 day minimum tendering period where tenders are submitted electronically but not all of the associated tender documents are provided at the same time as the tender notice.

Where there are multiple tendering rounds, it is expected that the minimum tendering period will apply to each tendering round, unless the contracting authority considers further tenders to simply be updates to previously submitted tenders (for example as an outcome of negotiations). In this case it is expected that a reasonable time limit is set, which is the same for all suppliers,

 3.2 Mandatory ‘Standstill’ Period

The Procurement Act 2023 requires a minimum Mandatory Standstill Period of 8 clear working days, AFTER notifying unsuccessful bidders and BEFORE the Contract Start

3.4 Collaborative Procurement

Sefton Council is a member of the Liverpool City Region (LCR) 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 LCR..

**4.0 Tendering for Authority Contracts**

4.1 Conditions of Participation Stage

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 Procurement Specific Questionnaire (PSQ) 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 number, 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 organisation’s 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 Procurement Specific Questionnaire (PSQ) stage of a Competitive Flexible 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 and the Most Advantageous Tender (MAT) selected as the preferred bidder . 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 £250,000 the Authority’s Legal Director may 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)

#### Central Digital Platform (CDP))

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 Tender Notice will also be placed on the CDP.