



# Cabinet

<b>Date:</b>	<b>Thursday, 18 March 2010</b>
<b>Time:</b>	<b>6.15 pm</b>
<b>Venue:</b>	<b>Committee Room 1 - Wallasey Town Hall</b>

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## SUPPLEMENTARY AGENDA

**31. ANY OTHER BUSINESS - CONTRACT PROCEDURE RULES  
(Pages 1 - 6)**

The Leader has agreed to consideration of this item as a matter of urgent business.

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## WIRRAL COUNCIL

### CABINET

18 MARCH 2010

### REPORT OF THE DIRECTOR OF FINANCE

#### CONTRACT PROCEDURE RULES

#### 1. EXECUTIVE SUMMARY

- 1.1. The Authority has completed the implementation of the Due North Contract Management System which has been accepted as the regional standard portal for electronic tendering and sourcing by North West Local Authorities.
- 1.2. As a result of the implementation of this system it is necessary to amend the relevant Contract Procedure Rules to enable electronic tendering to be fully integrated into the Council processes.

#### 2. BACKGROUND

- 2.1. The Glover Report, published in November 2008, focused on accelerating the Small Medium Enterprise (SME) economic engine through transparent, simple and strategic procurement. It makes three recommendations in respect of electronic sourcing:-
  - i) By 2010, contract opportunities above £20,000 across the whole public sector should be advertised electronically with standard indicative contract value ranges, accessible through a single, free, easy to search online portal.
  - ii) Government should issue all tender documentation electronically by 2010 and this should be kept as brief as possible. Businesses should be permitted to tender electronically for all public sector contracts by 2010; no "paper only" tenders should be required after this date, with an ambition for all tenders to be electronic by 2012.
  - iii) Details of contract awardees should be published online in a standard format within 48 days of contract signature, accessible via the single portal by 2010.
- 2.2. The North West Improvement and Efficiency Partnership has endorsed a standard regional facility based on the Due North eContract Management System. This is an electronic Contract Management System (eCMS) which automates the contract management lifecycle from supplier sourcing and tendering to contract exit and renewal.

- 2.3 The system enables the Council to take a more proactive and consistent approach to contract management within existing resources. This will also facilitate an improved exchange of information and sharing of knowledge between public organisations and with suppliers and providers.
- 2.4 The implementation of the Due North system achieves Key Objective vii (3) of the Corporate Procurement Strategy approved by Cabinet on 4 February 2010.

### **3. AMENDMENTS TO CONTRACT PROCEDURE RULES**

- 3.1 The amendments to the relevant Contract Procedure Rules (sections 6 and 11) as highlighted in the attached Appendix will enable the deployment of the eTendering and Sourcing Portal for the electronic management of all tendering and quotation activity.
- 3.2 There will be a complete review of Contract Procedure Rules as part of the review of the Constitution.

### **4. FINANCIAL AND STAFFING IMPLICATIONS**

- 4.1. Electronic tendering is a more efficient and accurate method of managing sourcing processes and will reduce the time, effort and costs involved in administration and regulation.

### **5. EQUAL OPPORTUNITY IMPLICATIONS**

- 5.1. There are none arising directly from this report. The Glover Report indicates that electronic sourcing will improve access to supply opportunities to the Council for local suppliers, SME's and the Third Sector.

### **6. COMMUNITY SAFETY IMPLICATIONS**

- 6.1. There are none arising directly from this report.

### **7. HUMAN RIGHTS IMPLICATIONS**

- 7.1. There are none arising directly from this report.

### **8. LOCAL AGENDA 21 IMPLICATIONS**

- 8.1. This process will significantly reduce the use of paper, envelopes, and transport emissions from the use of mailing services for printed documents.

### **9. PLANNING IMPLICATIONS**

- 9.1. There are none arising directly from this report.

### **10. MEMBER SUPPORT IMPLICATIONS**

- 10.1. There are none arising directly from this report.

11. **BACKGROUND PAPERS**

11.1. Accelerating the SME Economic Engine: Through Transparent, Simple and Strategic Procurement - Anne Glover - November 2008

11.2. Due North eContract Management System

12. **RECOMMENDATION**

12.1. That Cabinet recommends to Council approval of the amendments to the Contract Procedure Rules.

IAN COLEMAN  
DIRECTOR OF FINANCE.

FNCE/56/10

**Contracts Procedure Rules Sections 6 & 11 (as amended)**

**[Revisions shown in BOLD or STRIKETHROUGH]**

**6 Obtaining Expressions of Interest**

- 6.1 With the exception of the Standing List procedure in Rule 10, before entering into any contract a Chief Officer shall invite potential contractors to express their interest in tendering for the supply of works, supplies or services by:
- 6.1.1 the appropriate advert being placed in the Official Journal of the European Union **using the approved electronic tendering and sourcing portal** where the extent of the supply is valued at more than the threshold sum determined by the European Community.
- 6.1.2 **the use of the approved electronic tendering and sourcing portal and, if required,** by advertisement in one or more local newspaper and in at least one newspaper or trade journal as considered suitable by the Chief Officer, giving at least four weeks for contractors to reply.
- ~~6.1.3 By any other means that the Chief Officer deems equally effective or appropriate providing that 6.1.1 does not apply.~~
- 6.2 All advertisements / tender documentation shall state:
- (i) the nature and purpose of the works, goods and services to be supplied.
  - (ii) the criteria by which contractors will be assessed. This will include their technical ability and financial standing.

**11 Receipt and Opening of Tenders**

- 11.1 No tender will be considered unless it is either **received electronically via the approved eTendering and sourcing portal** or it is returned in a pre-printed tender envelope or in a plain sealed envelope addressed to the ~~Head of Legal and Member Services~~ **Director of Law, HR and Asset Management**, marked "Tender for....." (specifying the contract), to the specified Council office by the closing date and time for receipt. These requirements shall be stated in the invitation to tender. On receipt the ~~Head of Legal and Member Services~~ **Director of Law, HR and Asset Management** shall keep the tenders in safe custody until the nominated time for opening them.

- 11.2 Tenders received within the time limit shall be opened at the same time and only in the presence of two of the following:
- (i) ~~the Head of Legal and Member Services~~ **Director of Law, HR and Asset Management** or his/her nominated representative;
  - (ii) any member of the Council;
  - (iii) the responsible Chief Officer or his/her nominated representative;
  - (iv) the Director of Finance or his/her internal audit representative if he/she so requires.
- 11.3 **Requests for quotation and invitations to tender may be transmitted electronically through the approved eTendering and sourcing portal. Quotations and tenders can be received electronically provided that:**
- i) **Evidence within the portal shows that the transmission was successfully completed and recorded;**
  - ii) **Each tender submitted electronically is deposited in a secure mailbox;**
  - iii) **Electronic tenders are kept in a separate secure folder which is not opened until the deadline is passed for the receipt of tenders.**
- 11.4 ~~The Head of Legal and Member Services~~ **Director of Law, HR and Asset Management** or his/her nominated representative shall record the names of the persons who submitted tenders and the amounts submitted. A copy of this list should be supplied to the **Procurement Team** and the responsible Chief Officer who shall check it for accuracy and report the amounts ~~but not the names of unsuccessful tenderers, to the person/body authorised to accept the tender, if the contract is to be awarded by reference to price alone.~~ The original record shall be kept by the ~~Head of Legal and Member Services~~ **Director of Law, HR and Asset Management.**

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