

**Annexe 1**

**WEST LONDON WASTE AUTHORITY**

**Contract and Procurement Rules**

**05 November 2020**

## 1. Contracts and Procurement Authorisation Table for the Procurement of Works

	Total Aggregate Contract Value <sup>1</sup>	How many quotes are required?	How should WLWA approach the market?	Who leads the procurement?	Should the Contracts be formally advertised?	Documentation Required	Governance Process	Who must approve contract award? <sup>2</sup>
1.	Less than £5,000	Obtain and retain a minimum of one quote.	Though not required, evidence of exploring solutions is strongly advised.	Responsible Officer	No	Quotation(s) and any evidence of premarket engagement to be kept in the central file.	None  <b>NO WAIVER REQUIRED</b>	Project / Budget Manager
2.	£5,000 to £50,000	<p>Advertised through Dynamic Purchasing System (DPS).</p> <p><b>OR</b></p> <p>Supplier selected through Borough Framework or local/national Frameworks where permitted. Terms of Framework Agreement to be followed noting that mini-competitions may be required.</p> <p><b>OR</b></p> <p>Minimum of three solutions with quotations required.</p>	Obtain a minimum of three solutions with quotes.	Responsible Officer	If over £25,000 consider advertising on, e.g. Contracts Finder or DPS.	<p>Notify the Contracts and Procurement Manager at the outset of procurement.</p> <p>Minimum of 3 solutions with quotations obtained.</p> <p>All documentation and evidence of any premarket engagement to be kept in the central file.</p> <p>Circumstances where only one suitable provider exists need to be notified to the Contracts and Procurement Manager for consideration.</p>	<p>Contracts and Procurement Manager to log evidence.</p> <p><b>NO WAIVER REQUIRED</b></p>	Budget holder

<sup>1</sup> Contracts should not be artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.

<sup>2</sup> Decision to award must be made by a separate individual to the Responsible Officer that is making the recommendation to award.

	Total Aggregate Contract Value <sup>1</sup>	How many quotes are required?	How should WLWA approach the market?	Who leads the procurement?	Should the Contracts be formally advertised?	Documentation Required	Governance Process	Who must approve contract award? <sup>2</sup>
3.	<b>Works Contracts</b>  £50,000 to £1million  (Noting this is below EU Threshold for Works)	Same as item 2.	Approach to be determined by PRB	Manager / Responsible Officer.	Same as item 2.	A contract must be put in place which will depend upon the value and complexity of the procurement.  Business case proposals developed as appropriate for project size/complexity.  All documentation and evidence of any premarket engagement to be kept in the central file.  Circumstances where only one suitable provider exists will be discussed by the Procurement Review Board as part of the Strategic Procurement meetings.	Business Case to be approved by the Procurement Review Board prior to procurement commencement.	Procurement Review Board  Contracts to be signed by members of the Senior Management Team
4.	<b>Works Contracts</b>  £1million to EU Threshold for Works (£4,733,252)	Same as item 3.	Same as item 3.	Responsible Officer  Same as item 3.	Same as item 3.	A contract must be put in place which will depend upon the value and complexity of the procurement.  Request for Quotation ( <b>RFQ</b> ) documents will include: terms & conditions, service specification, method statement questions, pricing document, information to tenderers including evaluation criteria.  The financial status of the bidder to be considered as part of tender evaluation. Requirement for a bond or guarantee to be considered.	Business Case to be approved by the Procurement Review Board prior to procurement commencement	Procurement award report to Members is required  Chief Officers and Members to approve contract award if contract value over 1 million  All Contracts over 1 million to be Sealed.

Total Aggregate Contract Value <sup>1</sup>	How many quotes are required?	How should WLWA approach the market?	Who leads the procurement?	Should the Contracts be formally advertised?	Documentation Required	Governance Process	Who must approve contract award? <sup>2</sup>
5. <b>Works Contracts</b> Over EU Threshold for Works (£4,733,252)	Advertised through DPS  <b>OR</b>  Borough Framework or local/national Frameworks where permitted. Terms of Framework Agreement to be followed noting that mini-competitions may be required.  <b>OR</b>  Formal OJEU tender process required tendered in accordance with PCR.	Most economically advantageous tender must be selected, achieving Best Value and Value for Money for the Authority to be determined by PRB	Manager / Responsible Officer	<b>Yes</b>  Formal OJEU tender process required.  <b>Use of E-Procurement portal is mandatory.</b>  Procurement <u>must</u> also be advertised on Contracts Finder.	<b>Formal tender documents to be prepared pursuant to the PCR.</b> ITT/ITPD documents will include: terms & conditions of the contract, service specification, method statement questions, pricing document, and information to tenderers, including evaluation criteria.  The financial status of the bidder to be considered as part of tender evaluation. Requirement for a bond or guarantee to be considered.  OJEU and contracts finder contact notice and Contract Award Notice.	Business Case to be approved by the Procurement Review Board prior to procurement commencement	Procurement award report to Members is required.  Chief Officers and Members to approve contract award if contract value over 1 million  <b>All Contracts to be Sealed</b>

## 2. - Contracts and Procurement Authorisation Table for the Procurement of Services

	Total Aggregate Contract Value <sup>3</sup>	How many quotes are required?	How should WLWA approach the market?	Who leads the procurement?	Should the Contracts be formally advertised?	Documentation Required	Governance Process	Who must approve contract award? <sup>4</sup>
1.	Less than £5,000	Obtain and retain a minimum of one quote.	Though not required, evidence of exploring solutions is strongly advised.	Responsible Officer	No	Quotation(s) and any evidence of premarket engagement to be kept in the central file.	None <b>NO WAIVER REQUIRED</b>	Project / Budget Manager
2.	£5,000 to £50,000	<p>Advertised through Dynamic Purchasing System (DPS).</p> <p><b>OR</b></p> <p>Supplier selected through Borough Framework or local/national Frameworks where permitted. Terms of Framework Agreement to be followed noting that mini-competitions may be required.</p> <p><b>OR</b></p> <p>Minimum of three solutions with quotations required.</p>	Obtain a minimum of three solutions with quotes.	Responsible Officer	If over £25,000 consider advertising on, e.g. Contracts Finder or DPS.	<p>Notify the Contracts and Procurement Manager at the outset of procurement.</p> <p>Minimum of 3 solutions with quotations obtained.</p> <p>All documentation and evidence of any premarket engagement to be kept in the central file.</p> <p>Circumstances where only one suitable provider exists need to be notified to the Contracts and Procurement Manager for consideration.</p>	<p>Contracts and Procurement Manager to log evidence.</p> <p><b>NO WAIVER REQUIRED</b></p>	Budget holder

<sup>3</sup> Contracts should not be artificially underestimated or disaggregated into two or more separate Contracts where the intent is to avoid the application of the Contract Procedure Rules or Public Procurement Regulations.

<sup>4</sup> Decision to award must be made by a separate individual to the Responsible Officer that is making the recommendation to award.

	Total Aggregate Contract Value <sup>3</sup>	How many quotes are required?	How should WLWA approach the market?	Who leads the procurement?	Should the Contracts be formally advertised?	Documentation Required	Governance Process	Who must approve contract award? <sup>4</sup>
3.	<b>Supplies &amp; Services Contracts</b>  £50,000 to EU Threshold for Supplies and Services (£189,330)	Same as item 2.	Approach to be determined by PRB	Manager / Responsible Officer.	Same as item 2.	A contract must be put in place which will depend upon the value and complexity of the procurement.  Business case proposals developed as appropriate for project size/complexity.  All documentation and evidence of any premarket engagement to be kept in the central file.  Circumstances where only one suitable provider exists will be discussed by the Procurement Review Board as part of the Strategic Procurement meetings.	Business Case to be approved by the Procurement Review Board prior to procurement commencement.	Procurement Review Board  Contracts to be signed by members of the Senior Management Team
4.	<b>Supplies &amp; Services Contracts</b>  Over EU Threshold for Supplies and Services (£189,330)	Advertised through DPS  <b>OR</b>  Borough Framework or local/national Frameworks where permitted. Terms of Framework Agreement to be followed noting that mini-competitions may be required.  <b>OR</b>  Formal OJEU tender process required tendered in accordance with PCR.	Most economically advantageous tender must be selected, achieving Best Value and Value for Money for the Authority to be determined by PRB	Manager / Responsible Officer	<b>Yes</b>  Formal OJEU tender process required.  <b>Use of E-Procurement portal is mandatory.</b>  Procurement <b>must</b> also be advertised on Contracts Finder.	<b>Formal tender documents to be prepared pursuant to the PCR.</b> ITT/ITPD documents will include: terms & conditions of the contract, service specification, method statement questions, pricing document, and information to tenderers, including evaluation criteria.  The financial status of the bidder to be considered as part of tender evaluation. Requirement for a bond or guarantee to be considered.  OJEU and contracts finder contact notice and Contract Award Notice.	Business Case to be approved by the Procurement Review Board prior to procurement commencement	Procurement award report to Members is required.  <b>Chief Officers and Members to approve contract award if contract value over 1 million</b>  <b>All Contracts over 1 million to be Sealed</b>

### 3. INTRODUCTION

The West London Waste Authority undertakes a range of procurements each year as part of its Annual Procurement Plan.

The Contracts and Procurement Authorisation Tables set out in sections 1 and 2 (above) of this Procurement Strategy document a summary of the key requirements that must be adhered to for all procurements. These tables provide the governance structure for West London Waste Authority to procure works, goods and services and are designed to ensure compliance with Public Procurement Regulations 2015.

A Procurement Operating Procedures document will accompany the Contract and Procurement Rules and provides further detail on procurement procedure for WLWA officers to follow.

### 4. OUR CORE PRINCIPLES

The purpose of this Procurement Strategy document is to provide clarity and guidance and sets the framework for the WLWA procurement rules and procedures. Our Procurement Strategy document supports the delivery of WLWA's Annual Procurement Plan and is underpinned by a commitment to four overarching principles.

WLWA has a strategic aim to embed an agile and flexible approach to procurement across its business areas to enable the delivery of strong partnership working with both its borough partners and suppliers - to ensure customer satisfaction. The approach that WLWA takes to the strategic design and delivery of procurement is defined in a set of key principles:

- **Innovation and agility** – procuring services in an agile way based on the outcome required rather than product specification to ensure a more flexible and collaborative experience for WLWA, boroughs and suppliers.
- Ensuring **low carbon and social value** are an intrinsic part of procurement
- **Effective and efficient delivery** without compromising WLWA's ability to take strategic decisions
- **Transparency, fairness and proportionality** within the procurement process

### 5. OUR PROCUREMENT RULES

Our strategic vision for procurement is underpinned by a commitment to the above overarching principles and will be fulfilled through delivery of the following. We will:

- Deliver economic and environmental value through procurement
- Secure best value for WLWA, ensuring contracts are of a good quality and are competitively but sustainably priced
- Ensure compliance with legislation, and relevant guidance issued by the Cabinet Office

### 6. OUR PROCUREMENT OBJECTIVES

- Develop a more commercially-focused procurement culture - ensuring officers are equipped with the knowledge, training, and practical skills needed to derive maximum benefit from procurement practices

- Develop the ability to move with and get the best out of the market at any given time
- Demonstrate efficiency savings through better contract management
- Procure strategically and collaboratively to demonstrate efficiency savings
- Ensure all contracts are scrutinised and strategically managed post award to deliver maximum value
- Develop more informed decision making and responsibility at a lower officer level

These rules and objectives are designed to open conversations and aid decision making and provide purpose to the WLWA procurement procedures.