

PROPOSED AMENDMENTS TO CONTACT STANDING ORDERS (SECTIONS 16 & 17)

FINANCIAL THRESHOLDS

16 Financial Thresholds and Minimum Procurement Requirements

There are 5 financial Thresholds that determine the minimum procurement process to be followed, detailed below and summarised in **Table 1**.

16.1 Threshold 1 – Below £5,000

- 16.1.1 A minimum of 1 written quote must be sought, this is only a required minimum and best practices dictates that multiple quotes be sought to prove value for money.
- 16.1.2 Quotes can be sourced via In-tend or e-mail.
- 16.1.3 Local suppliers should be asked to quote where appropriate.
- 16.1.4 Approval required from relevant [EMT member or their nominated officer](#)
- 16.1.5 An official purchase order may constitute the Contract if appropriate

16.2 Threshold 2 – From £5,000 - £24,999

- 16.2.1 A minimum of 3 quotes must be sought.
- 16.2.2 All quotes must be obtained via In-tend.
- 16.2.3 [The appropriate EMT member or their nominated officer must approve the route to market for procurements below £10,000 relating to:](#)
 - [Construction](#)
 - [Council house building projects](#)
 - [Asset maintenance, adaption or refurbishment](#)
 - [Asset health and safety](#)
 - [Disabled Facilities Grant \(DFG\) works](#)
- 16.2.4 CPB must approve the route to market [for procurement relating to all other activities including any procurements from £10,000 to £24,999 and any procurements from £5,000 to £9,999 unless delegated to the relevant EMT Member in 16.2.3, above.](#)
- 16.2.5 An official purchase order may constitute the Contract
- 16.2.6 A Contract must be signed by an approved Contract signatory

16.3 Threshold 3 - £25,000 - £99,999

- 16.3.1 A minimum of 3 quotes or tenders must be sought.
- 16.3.2 The decision whether to use Request for Quote or a Tender is dependent on the complexity of the requirement. As a rule, a RFQ is to be used for Goods and a Tender for Services.
- 16.3.3 All opportunities must be published on In-tend and Contracts Finder.
- 16.3.4 For Works related Contracts Constructionline can be used to select a closed shortlist of suitable Contractors. If selecting from a Closed Group of suppliers there is no requirement to advertise on Contracts Finder
- 16.3.5 CPB must approve the route to market.
- 16.3.6 The Contract must be signed by an approved Contract signatory

16.4 Threshold 4 - £100,000 – FTS Threshold (previously EU)

- 16.4.1 A minimum of 4 tenders must be sought.
- 16.4.2 The Invitation to Tender process must be followed.
- 16.4.3 All opportunities must be published on In-tend and Contracts Finder.
- 16.4.4 For Works related Contracts Constructionline can be used to select a closed shortlist of suitable Contractors. If selecting from a 'Closed' group of suppliers there is no requirement to advertise on Contracts Finder.
- 16.4.5 CPB must approve the route to market
- 16.4.6 The Contract must be signed by an approved Contract signatory

For below FTS (previously EU) Threshold procurements (£5k - £214,904)

- Minimum of three quotes or tenders sought (can be Closed, Restricted or Open)
- For Works related projects Constructionline can be used to select shortlist of suitable Contractors
- If selecting from a 'Closed' group of suppliers (whether on Framework or not) there is no requirement to advertise on Contracts Finder
- An Open tender (above £25k) must be advertised on Contracts finder.
- All Contract awards above £25k must be published on Contracts Finder regardless of whether the opportunity was advertised*or not.

***FTS** – refers to the FTS Thresholds detailed in 16.7 below.

***JCT** – refers to the Joint Contracts Tribunal suite of construction related Contracts

***Closed** – refers to the use of a selected shortlist of suppliers e.g. a Constructionline shortlist

16.7 FTS Thresholds from 1st January 2024

Table 2

Supplies	Services	Works	Concession Contracts	Light Touch Regime
£214,904	£214,904	£5,372,609	£5,372,609	£663,540

FTS thresholds are inclusive of VAT.

The financial Thresholds are updated every 2 years.

PROCEDURAL STEPS OF PROCUREMENT

17 Procurement Procedures Overview

17.1 General

- 17.1.1 The Council may apply any procedure that conforms to the UK Regulations in its procurement process.
- 17.1.2 Subject to CSO 4 (Exceptions and Waivers) the appropriate process set out in Table 1 must be followed for each procurement determined by the estimated value of that Contract.
- 17.1.3 Invitations to Tender or Requests for Quotations must be issued electronically (via email for Threshold 1 and via the Council's e-tendering portal for Threshold 2 and over).
- 17.1.4 All tenders or quotations must be returned to the Council electronically (via email for Threshold 1 and via the Council's e-tendering portal for all procurements at Threshold 2 or over).
- 17.1.5 A **Procurement Activity Request** must be completed and stored on e-tendering portal for each tender or quotation within or exceeding Threshold 2, [where CPB approval is required.](#)

17.2 Below FTS Threshold (Thresholds 1-4) - There are 3 available procurement routes:

- Framework; Invitation to Mini Competition or Direct Award (CSO 18)
- Request for Quote – (CSO 19) -£5k - £100k
- Open Procedure (CSO20) -over £25k

17.3 Above FTS Threshold (Threshold 5) - There are 5 available Procurement Procedures

- Framework; Invitation to Mini Competition or Direct Award (CSO 15)
- Open (CSO20)
- Restricted (CSO21)
- Competitive Dialogue (CSO22)
- Competitive Procedure with Negotiation (CSO23)
- Light Touch Regime (CSO 24)