

Contracts and Procurement Policy

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1. Introduction

A. Statement

- 1.1. This is the General Optical Council's (GOC's) policy for contracting for goods, works and services. It includes contracts for the disposal of surplus goods. It sets out relevant statutory requirements as well as current good practice. It is supported by a bank of template documents at [Procurement 2025 Templates](#).
- 1.2. The GOC should always strive for continuous improvement in procuring the supply of goods, works and services, and aim to achieve value for money.
- 1.3. We should permit freedom of opportunity to trade, actively encourage diverse supplier participation and we should be open and transparent about our procurement procedures.
- 1.4. We should always consider whether joint procurement (i.e. acquiring goods, works and services jointly with another body) will achieve economies of scale and better value for money.

B. Core objectives

- 1.5. This policy provides a framework for the procurement, management, and control of the GOC's external contracts and procurements.
- 1.6. The objective of this policy is to ensure that all personnel involved in a procurement process have a clear understanding of the process and their roles.
- 1.7. This policy has three main purposes:
 - 1.7.1. to comply with all Relevant Legislation (as defined on the cover page of this policy) and good industry practice;
 - 1.7.2. to obtain high quality goods, works and services, whilst managing risk; and
 - 1.7.3. to ensure all procurement is undertaken in a professional and ethical manner, ensuring the highest standards of probity, transparency, fairness, integrity, value for money, equal treatment, non-discrimination and accountability.

C. Equality and inclusion

- 1.8. The GOC is committed to promoting equality, diversity and inclusion across all procurement activities. We strive to ensure that our procurement processes are fair, inclusive and legally compliant. As part of this commitment, the GOC seeks to remove barriers to access and actively support a diverse range of suppliers.
- 1.9. The GOC recognises that fairness includes identifying and removing barriers that may affect small businesses and underrepresented suppliers. Inclusive procurement supports our legal duties and helps to deliver value for money and wider benefit.

D. Context

- 1.10. UK legislation sets rules which publicly funded organisations must follow when making purchases over a prescribed value (the Procurement Act 2023 (PA23) and the Procurement Regulations 2024 (PRs24)). The GOC, a statutory regulator and registered charity, is required to comply with this legislation since it is a public authority¹ since it is subject to public authority oversight (Council members are appointed by the Privy Council)² and does not operate on a commercial basis³
- 1.11. This legislation promotes transparency, equal treatment, fair competition and accountability, and the GOC will take all necessary steps to ensure compliance. This includes ensuring that relevant information is available to potential bidders and the public (subject to confidentiality and security requirements). In order to achieve a 'level playing field' for all bidders, care must be taken at all stages in the pre procurement, procurement and post procurement processes to ensure equality of treatment and transparency. All relevant information must be sought from existing contractors before a procurement commences, for example as regards equipment and Information Technology systems, to enable all bidders to have a full understanding of relevant matters when deciding to bid and when bidding. Equally, evaluation of bids and contract variations must not unfairly favour any bidder above others.
- 1.12. All contracts and the procurement processes should demonstrate compliance with the principles and guidelines in this policy, all Relevant Legislation, and the UK Government's public procurement objectives⁴, including:
- 1.12.1. Having regard to the importance of delivering value for money;
 - 1.12.2. Having regard to maximising public benefit;
 - 1.12.3. Sharing information for the purpose of allowing suppliers and others to understand our procurement policies and decisions;
 - 1.12.4. Acting and being seen to act with integrity;
 - 1.12.5. Treating suppliers the same;

¹ Section 2(2) PA23

² S.2(3) PA23

³ S.2(4) PA23

⁴ S.12, PA23

- 1.12.6. Having regard to the fact that small and medium-sized enterprises⁵ may face particular barriers to participation and considering whether such barriers can be removed or reduced;
 - 1.12.7. Having regard to the National Procurement Policy Statement;⁶
 - 1.12.8. Having appropriate and robust risk management and contract monitoring;
and
 - 1.12.9. Having appropriate and compliant arrangements for procurement.
- 1.13. All procurement processes must follow the GOC's purchase order process, including as set out in:
- 1.13.1. Internal process guides on the GOC's intranet;
 - 1.13.2. The GOC's Financial Regulations; and
 - 1.13.3. The Scheme of Delegation for Financial Management (the Scheme of Delegation).

This includes timely purchase requisitions, and providing a purchase order number with each invoice.

- 1.14. Each member of SMT must oversee the application of this policy by their direct reports.

E. Scope

- 1.15. This policy should be read in conjunction and align with the Connected Policies referenced on the policy cover page.
- 1.16. Even in cases where this policy does not apply, all individuals involved in the procurement of goods, works and services should act in accordance with the core objectives as set out at section 1.A of this policy.
- 1.17. In instances of uncertainty about whether this policy applies, advice should be sought from the Chief of Staff, the Chief Financial Officer or the Chief Legal Officer.
- 1.18. The provisions requiring tenders for the supply of goods, works and services, do **not** apply (but all provisions other than those requiring tenders, do apply) to:
 - 1.18.1. Contracts for the instruction of counsel and most external legal advice except panel firm appointment;

⁵ SMEs are defined as suppliers that have fewer than 250 staff, and have a turnover of an amount less than or equal to £44m, or a balance sheet total of an amount less than or equal to £38m – S.123 PA23

⁶ S.13(9), PA23 and <https://www.gov.uk/government/publications/national-procurement-policy-statement>

1.18.2. Contracts for expert witnesses and advisers instructed in connection with legal proceedings;

1.18.3. Recruitment of staff; and

1.18.4. The purchase or lease of property.

F. Consultants

1.19. This policy applies to the appointment of consultants and consultancy organisations. A consultant appointed to advise on a procurement, a project, to undertake design work or to advise on an evaluation or similar exercise must not be permitted to bid for any subsequent stage of the work or project with a third party or to assist a third party. It is possible in some limited circumstances that those involved in a soft market testing exercise are allowed to participate in a bid provided certain safeguards are put in place. To do otherwise could give rise to a conflict of interest or provide a third party with an advantage.

1.20. In some cases, consultants may be legally defined as employees where they are working in a general capacity rather than on a project for the GOC. The Head of People and Culture should be asked to confirm the status of such an individual.

1.21. Consultants working as employees should be subject to the same checks as other employees.

1.22. Any consultant or other person or organisation assisting the GOC on a project or potential procurement must agree to comply with this policy and must sign a non-disclosure agreement before they commence work.

G. Authorisations

1.23. The route to market and the authorisations required are determined by reference to the value of the contract. See paragraph 2.33 for further details.

1.24. At the outset of the process, the budget holder must obtain approval from someone with authority to award the contract. Please see 'Table of authority' in paragraph 1.26 for more information.

H. Approvals

1.25. Paragraphs 1.26 and 2.33 of this policy (and the GOC's Scheme of Delegation) set out who can authorise a procurement and sign a contract. Approval must be obtained at the beginning of the procurement process. **All valuations must include VAT (where VAT is payable).**

1.26. Table of authority:

Estimated total contract value	Authority to award contract	Authority to sign contract documents
Up to £5,000	Head of Department	Head of Department
£5,000 - £30,000	Head of Department	Head of Department
£30,001 - £75,000	Director	Director
£75,001 to PA23 threshold	Chief Executive	Two Directors or Director and Chief Executive
Above PA23 threshold	SMT	Chief Executive and Chair of Council

1.27. Advice should be sought from the Chief Legal Officer in respect of specific contract execution requirements.

I. Compliance

1.28. The following steps must be undertaken in addition to obtaining authority as set out at paragraph 1.26.

1.29. The budget holder must obtain the advance approval of the Director of Corporate Services for any departure from this policy. If the contract value is above the PA23 threshold, advance approval for any departure must be obtained by the contract manager from the Chief Executive. Such approval must be obtained at the earliest opportunity, which may be before seeking authority to award the contract.

1.30. For all contracts with a value over £30,000, the Director of Corporate Services must approve the route to market and tender procedure.

1.31. For contracts with a value over £30,000, SMT must be informed if the Direct Award route is used or if fewer than three quotes are sought (e.g. because the budget holder considers there are only one or two suitable contractors).

1.32. The Chief Financial Officer must keep a record of any failure to obtain approval (whether in accordance with section 1.H or 1.I), and must report this to ARC.

1.33. In cases of emergency, such as unforeseen events likely to cause immediate danger to life, property or breaches in security, SMT are required to take appropriate action and report such action to ARC at the next opportunity.

2. Planning

A. Preparation

- 2.1. So far as practicable, each budget holder should outline anticipated contract requirements for the forthcoming financial year to assist with the preparation of the budget by the Chief Financial Officer. They should identify services, works and goods requirements for the forthcoming financial year, and should discuss these with the Chief Legal Officer to assist advance planning of legal support. They should also consider whether any action is needed to improve accessibility and inclusion for potential suppliers (e.g. plain English documents, accessible formats, varied communication channels or pre-market briefings).
- 2.2. The following steps must be taken before a procurement exercise is commenced:
 - 2.2.1. Establish whether the value is above the thresholds set out in paragraph 2.3.
 - 2.2.2. Establish whether there is a suitable framework which may be used and/or whether it is more appropriate to use another procurement route. For further information and the options available, see paragraphs 3.21 to 3.10.
 - 2.2.3. Establish whether there are possibilities for procuring on a joint basis with other organisations.
 - 2.2.4. Clarify the project objectives and timescales.
 - 2.2.5. Identify stakeholders and set up dedicated working team(s) and consider/establish the governance approach.
 - 2.2.6. Develop a project plan.
 - 2.2.7. Make appropriate enquiries of any existing supplier to ensure that full and appropriate information can be provided to all bidders to ensure equality of opportunity for all bidders.
 - 2.2.8. Carry out market soundings and/or 'soft market testing' unless the budget holder is satisfied that these cannot improve their understanding of the market and products, services and suppliers available. Any information thus gained or shared should be made known to all bidders at the beginning of the tender process if there might otherwise be an advantage for any potential bidders engaged in any such process⁷.

⁷ If pre-market engagement is undertaken for an above threshold procurement, a Preliminary Market Engagement Notice should be published on the Central Digital Platform – S.17 PA23

- 2.2.9. Work with the dedicated team to ensure a clear and comprehensive scope of work/specification.
- 2.2.10. Work with the dedicated team and the Chief Legal Officer to identify the key elements that will be required for the contract and tender documents, including tailored evaluation criteria and adverts.
- 2.2.11. Work with the dedicated team to establish and refine the chosen procurement route for example considering whether, if not using a framework, a shortlisting step would be helpful or whether it is anticipated that negotiation will be necessary. The process should be clearly set out to all bidders.

B. Procurement options

2.3. The route to market will depend on the anticipated contract value.

Estimated total contract value	Authority to initiate procurement	Advertisement ⁸	Procurement route minimum requirements	Method of acceptance
Up to £5,000	Head of Department	Budget holder's discretion whether/how to advertise	Written quotation from one supplier	Written acceptance of contract (and purchase order if over £200)
£5,000 to £30,000	Head of Department	Budget holder's discretion whether/how to advertise	Three competitive suppliers invited to provide quotations	Written acceptance of contract and purchase order
£30,001 - £75,000	Director	Budget holder's discretion whether/how to advertise (but see para 2.6)	Three competitive suppliers invited to tender	Written acceptance of contract and purchase order
£75,001 to PA23 threshold ⁹	Chief Executive	Advertised on the GOC website and published on	Three competitive	Written acceptance of

⁸ For contracts value up to 75K, the decision to advertise (or not) is at the budget holder's discretion, as advertising is not a mandatory requirement.

⁹ The current thresholds are set out in Schedule 1, PA23

Estimated total contract value	Authority to initiate procurement	Advertisement⁸	Procurement route minimum requirements	Method of acceptance
		the Central Digital Platform	suppliers invited to tender	contract and purchase order
Above PA23 threshold	SMT	Advertised on the GOC website and published on the Central Digital Platform	Public sector framework or competitive tender exercise under PA23	Written acceptance of contract and purchase order

- 2.4. The value of a contract should be calculated by reference to its total value, whether to be supplied or executed at one time or over a specific period. The value of a contract means the estimated total monetary value over its full life, including any extension options, not the annual value. If it is not possible to estimate the value of a contract accurately, then the value should be assumed to be above the PA23 threshold. All values must include VAT.
- 2.5. The anticipated value of a contract must not be artificially disaggregated (for example by contracting separately for works, services or goods in phases) or artificially reduced to avoid the above thresholds being exceeded or to enable a preferred choice of procurement route.
- 2.6. If a contract opportunity above £30,000 is advertised anywhere (including on the GOC website) it must also be advertised on the Central Digital Platform¹⁰. All contract opportunities above the PA23 threshold (unless expressly excluded or subject to an exemption) must be advertised on the Central Digital Platform in the prescribed format¹¹.
- 2.7. The Central Digital Platform is a platform provided by the UK Government to, among other things, advertise high value (above PA23 threshold) and some below-threshold public contract opportunities. In addition to achieving compliance with Relevant Legislation, the government platform provides a low-cost mechanism to reach a wide market of potential suppliers including small and medium sized enterprises, and may encourage competition and value for money.

¹⁰ S.87, PA23

¹¹ Regulations 18-21, PRs24

2.8. The minimum details to be included in a tender notice on the Central Digital Platform include: the time by which any interested supplier must respond if it wishes to be considered; how and to whom an interested supplier is to respond, with appropriate contact details; and any other requirements (e.g. conditions of participation¹² or explanatory information). These details, and an approximate indication of the contract value, should also be included in any advertisement of the contract opportunity.

C. Terms and conditions

2.9. The form of contract should be discussed and agreed with the Chief Legal Officer prior to commencing any procurement exercise. Any subsequent adjustments to the contract must be approved by the Chief Legal Officer.

2.10. The GOC may have regard to any template terms and conditions published by the UK Government. In some circumstances, e.g. contracts for the purchase of goods, the contract may be incorporated in the seller's invoice/receipt, rather than a separate document. Where the procurement is being conducted under a framework, the form of contract and the extent of any adjustments is likely to be prescribed by the framework.

2.11. Every contract or order must be in writing, be signed by a duly authorised member of staff, and contain all agreed terms, including:

2.11.1. The goods, works or services (including consultancy) to be provided;

2.11.2. The price to be paid;

2.11.3. The period within which the contract is to be performed;

2.11.4. Compliance with GOC policies on data protection, living wage and relevant codes of conduct. These will be published on the GOC's website or shared directly with the supplier;

2.11.5. Termination provisions including a termination date and a right to terminate upon an insolvency event;

2.11.6. Appropriate transition arrangements including obligations on the supplier to provide information and assist smooth transition;

2.11.7. Prohibition against transferring the contract without prior GOC approval;

2.11.8. Key performance indicators (if the contract value exceeds £5 million, there must be at least three key performance indicators¹³); and

¹² S.22, PA23

¹³ S.52, PA23

- 2.11.9. Such other terms and conditions agreed by the parties.
- 2.12. The tender information must set an appropriate time limit within which suppliers must submit, supplement, clarify or complete the relevant information or documentation.

D. Due diligence

- 2.13. The due diligence for any procurement should include:
- 2.13.1. Consideration of how easy it will be to commence service provision, supply delivery or project commencement. If this is a contract for new services, what challenges will be faced setting up and mobilising the service? Consider issues such as recruitment (or TUPE implications), timescales and systems developments.
 - 2.13.2. Consideration of any property, equipment, Information Technology, support services and intellectual property rights which might be relevant to the procurement.
 - 2.13.3. Consideration of what other investments may be required and who will provide and own any assets (including intellectual property).
 - 2.13.4. Updates in any Relevant Legislation and ensuring compliance with current law throughout the process.
- 2.14. Advice should be sought from relevant parties where a contract is likely to involve changes to staffing or work conditions, redundancy, relocation or transfer of employment or any other aspects relating to TUPE. These issues should be included in evaluation and tender reports.

E. Advance soft market testing/engagement¹⁴

- 2.15. Soft market testing, also referred to as early market engagement, is a crucial phase in procurement lifecycle. It involves engaging with potential suppliers before initiating a formal procurement process, with the aim of gathering market intelligence and refining the procurement strategy and requirements.
- 2.16. Early engagement with the market can help promote forthcoming procurement opportunities and provide a forum to discuss delivery challenges and risks associated with the project. This process may help project leads understand the deliverability of requirements, the feasibility of alternative options and whether there is appetite (within the market) to consider innovative solutions.
- 2.17. Preliminary market engagement should actively seek out suppliers that can help to improve existing service delivery. Early market engagement should also be used to inform the development of the potential procurement, procedure, forms of contract

¹⁴ S.16, PA23

and possible bid evaluation criteria, and overall project timetable to ensure that when going to the market, potential suppliers have sufficient time to respond to tenders.

- 2.18. All preliminary market consultation should observe the objectives of public procurement and be handled in such a way that no supplier gains an advantage, and that competition is not distorted. In practice, this means not setting the technical specification to suit a particular bidder and making sure any information shared is also available to all potential bidders during the tender procedure. If there is any pre-market engagement, the budget holder must publish a Pre-Market Engagement Notice on the Central Digital Platform¹⁵.

F. Tender pack and evaluation criteria

- 2.19. The budget holder (or their nominee) is responsible for drafting the tender pack or invitation to tender (ITT). Where the procurement is to be undertaken via a government framework, the invitation to tender must comply with the relevant framework.
- 2.20. Tender notices must describe the nature of the proposed contract, relevant dates, return address, deadline and contact details. For above PA23 threshold procurements there are legally prescribed requirements¹⁶. The notice or tender documents must state that the GOC is not bound to accept the lowest (or any) tender.
- 2.21. The scoring and weighting mechanisms for shortlisting should be set out clearly. For above threshold procurements to be conducted in compliance with the PA23 there are additional legal requirements to be considered. Bidders should always have full visibility of how questions will be scored and weighted before they submit their responses. Bidders should be provided with any build up of scores for a category to enable bidding on a tailored basis.
- 2.22. For all procurement exercises careful consideration should be given to the evaluation criteria and the scoring methodology to be used prior to the commencement of the procurement. The organisation's needs, tendering specifications, evaluation criteria and contract terms must all align. Where appropriate, the GOC may ask suppliers to demonstrate how their values and practices align with our commitment to equality, diversity and inclusion. This will be proportionate, relevant to the contract, published in advance, and scored transparently.
- 2.23. Procurement exercises and documents should be designed to be accessible to potential suppliers, including those with disabilities or limited digital access. This may include providing clear instructions, accessible formats and offering support on request.

¹⁵ S.17, PA23

¹⁶ Regulations 18-21, PRs24

- 2.24. Where a government framework is to be used, the evaluation criteria may be prescribed; however, the person initiating the contract should consider if there are any particular project specific requirements which justify additional or alternative criteria. The evaluation criteria must always match the tender criteria, and must be reflected in the contract.
- 2.25. Where the budget holder considers appropriate, suppliers bidding for any contract over £30,000 may be subject to a financial appraisal, including appropriate financial checks and a risk analysis, with advice from the Chief Financial Officer.
- 2.26. The GOC will set a reasonable time limit for the receipt of tenders, having regard to factors such as the complexity of the contract, the urgency of the requirement and the time reasonably needed to prepare and submit tenders. There are prescribed timescales for procurements over the PA23 threshold.

G. Record keeping/audit¹⁷

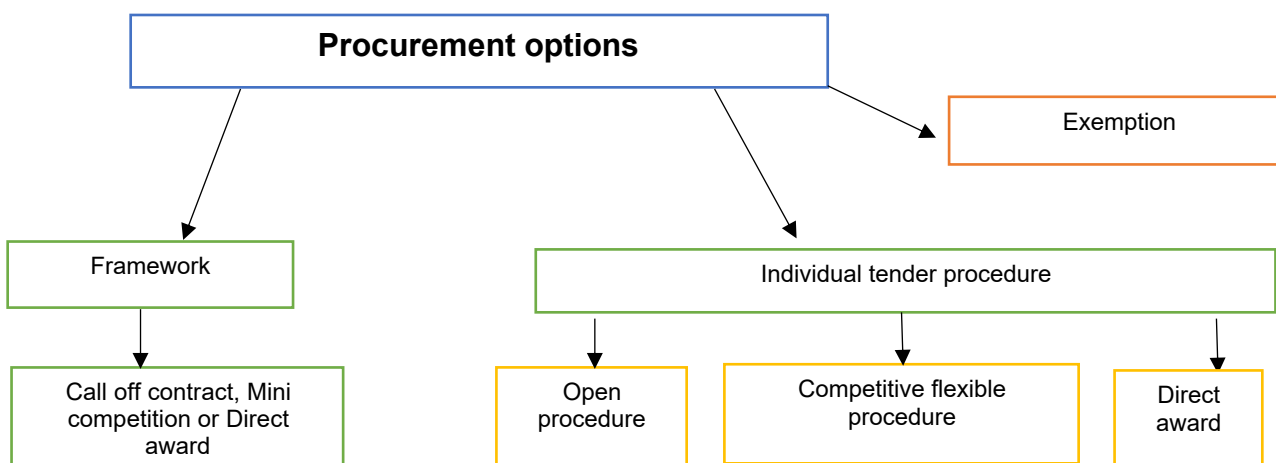
- 2.27. Full records of all procurement activity, decision making and the tender process must be retained in accordance with the GOC's document retention schedule, which will be published on the GOC website. This includes, but is not limited to:
- 2.27.1. Full records of the decision making process;
 - 2.27.2. All useful communications relating to the contract or tender process;
 - 2.27.3. Soft market testing undertaken;
 - 2.27.4. Due diligence undertaken;
 - 2.27.5. Initial proposals;
 - 2.27.6. Specifications;
 - 2.27.7. Evaluation;
 - 2.27.8. Details of successful and unsuccessful tenders, including tenderer names and the reasons for selection and rejection;
 - 2.27.9. Details of subcontractors;
 - 2.27.10. Conflicts of interest identified and action taken; and
 - 2.27.11. All contract documentation and tender documents.
- 2.28. The Chief Financial Officer should be provided with access to all relevant records, documents, correspondence and explanations.

¹⁷ S.98, PA23

3. Routes to market

A. Procurement options

3.1. Chapter 2, PA23 sets out the options for procurement procedures.



3.2. There are a number of procedures available for the conduct of legally compliant public procurements in the UK. The procedures are designed to ensure that public contracts are awarded in a fair, transparent and competitive manner. To that end, the GOC aims to promote open and competitive procurement processes.

3.3. Although three suppliers is the minimum requirement for contracts with a value above £5,000, invitation to a wider and more diverse supplier base can foster innovation, ensure fair competition, enhance transparency and improve value for money.

3.4. The GOC must choose the procedure that is most appropriate for the specific contract. The choice of procedure will depend on a number of factors, including the complexity, value and urgency of the procurement, the nature of the goods, services or works being procured, and the level of competition and innovation expected in the market. Bearing all such factors in mind, the procedure must be a proportionate means of awarding the contract.¹⁸

3.5. Once selected, the procedure must be applied in accordance with the rules set out in PA23, must comply with the process as described in any tender documentation and in any event the GOC must ensure that the procedure is conducted in a fair manner that treats all tenderers the same.

3.6. For tenders above the PA23 thresholds, all procurement steps and the procurement documentation must comply with PA23.

¹⁸ S.20(3), PA23

B. Individual tender procedures

3.7. The individual procedures are as follows.

3.8. Open procedure¹⁹

3.8.1. This is a one-stage procedure where any interested supplier may submit a tender in response to a tender notice. The Open procedure is therefore the most transparent and competitive procurement procedure. Further to the publication of the relevant tender notice(s), all received tenders are evaluated in accordance with the specified evaluation criteria.

Circumstances

3.8.2. The Open procedure is appropriate for most procurements, usually where there is a large number of potential suppliers and where the services, works or supplies are straightforward and no shortlisting or negotiation or other steps are deemed necessary.

3.8.3. The GOC may not negotiate with bidders when using this procedure.

Timescales

3.8.4. The minimum time limit for the receipt of tenders differs depending on the circumstances.

3.8.5. The ordinary time limit is 35 days from the date on which the invitation to tender is sent. This may be reduced by five days if the GOC accepts that tenders may be submitted electronically, and reduced by a further five days if tenders may be submitted electronically and all associated tender documents have been provided at the same time as the tender notice.

3.8.6. A shortened time limit of 10 days is available in cases of urgency or where a planned procurement notice has been published, and the planned procurement notice (i) included all the required information and (ii) was submitted for publication between 40 days and 12 months before the date on which the contract notice was submitted.

3.9. Competitive flexible procedure²⁰

3.9.1. This procedure operates so that only selected suppliers following a request for participation may submit tenders in response to the contract notice.

¹⁹ S.20(2)(a), PA23

²⁰ S.20(2)(b), (4), (5) and (6), PA23

- 3.9.2. The Competitive flexible procedure consists of at least three stages. The GOC first issues a call for competition in the form of the tender notice, which provides the information for qualitative selection.
- 3.9.3. In the second stage, interested suppliers submit a request to participate. The GOC evaluates these requests to participate and shortlists the qualified suppliers. The GOC can invite suppliers to request to participate based on factors such as their past performance and financial and technical capacity.
- 3.9.4. In the third stage, the shortlisted suppliers are invited to submit their tenders through an invitation to tender.
- 3.9.5. The GOC then evaluates the full tenders in accordance with the evaluation criteria specified in the invitation to tender.
- 3.9.6. The procedure may include negotiation and/or dialogue with the bidders and can include additional stages where submissions are evaluated and the number of bidders is reduced by reference to the evaluation criteria.

Circumstances

- 3.9.7. The Competitive flexible procedure is used for contracts where there is a smaller number of potential suppliers or where the nature of the procurement is more sophisticated. It may also be used where the GOC would prefer the option to negotiate or enter into dialogue with potential suppliers to obtain the best possible value for money and outcomes to meet the GOC's stated requirements.
- 3.9.8. This procedure is also available in the following circumstances:
 - 3.9.8.1. The GOC's needs cannot be met without adaptation of readily available solutions;
 - 3.9.8.2. The GOC's needs include design or innovative solutions;
 - 3.9.8.3. The contract cannot be awarded without prior negotiation due to specific circumstances relating to its nature, complexity, or the legal and financial make-up or because of risks attaching to them; and
 - 3.9.8.4. The GOC cannot precisely establish the technical specifications with reference to a standard, European Technical Assessment, common technical specification or technical reference.

Timescales

- 3.9.9. Receipt of requests to participate

3.9.9.1. The minimum time limit for receipt of requests to participate must be 25 days from the date on which the tender notice is submitted.

3.9.9.2. In cases of urgency the GOC may set the time limit for the receipt of requests to participate, however this must be at least 10 days from the date on which the contract notice is submitted.

3.9.10. Receipt of tenders

3.9.10.1. The minimum time limit for the receipt of tenders differs depending on the circumstances.

3.9.10.2. The ordinary time limit is 35 days from the date on which the invitation to tender is sent. This may be reduced by five days if the GOC accepts that tenders may be submitted electronically, and reduced by a further five days if tenders may be submitted electronically and all associated tender documents have been provided at the same time as the tender notice.

3.9.10.3. A shortened time limit of 10 days is available in cases of urgency or where a planned procurement notice has been published, and the planned procurement notice (i) included all the required information and (ii) was submitted for publication between 40 days and 12 months before the date on which the contract notice was submitted.

3.9.10.4. A different time limit may be mutually agreed between the GOC and all selected candidates, provided that all selected candidates have the same time to prepare and submit their tenders. In the absence of such an agreement, the time limit must be at least 10 days from the date on which the invitation to tender is sent.

3.9.11. This procedure allows the GOC to negotiate with potential suppliers who submit the most advantageous tenders. This is a flexible procurement procedure, as the GOC can negotiate on all aspects of the contract, including the technical specifications, delivery schedule and price.

3.10. Direct award²¹

3.10.1. A Direct award is made when the GOC negotiates with a single supplier to award the contract, without contacting other suppliers or advertising the contract opportunity.

Circumstances

²¹ S.41-44, PA23

- 3.10.2. This procedure can be used if exceptional circumstances prevent the GOC from using the Open procedure or Competitive flexible procedure, for example:
- 3.10.2.1. The nature of the contract requires a particular procurement strategy due to complexity or specific circumstances;
 - 3.10.2.2. The works, supplies or services can be supplied only by a particular economic operator for certain reasons; or
 - 3.10.2.3. The use of the Open or Competitive flexible procedure has failed.
- 3.10.3. Advance approval must be sought from someone with authority to award the contract (See paragraph 1.26). Where the contract value is over £30,000, approval must also be obtained from the Director of Corporate Resources, and the decision must be reported to SMT.
- 3.10.4. If the direct award route is used for contracts above the PA23 threshold, a Transparency Notice must be published on the Central Digital Platform. A Contract Award Notice and Contract Details Notice must also be published.

C. Frameworks²²

- 3.11. A number of frameworks are available which have been established by the UK Government and other bodies.
- 3.12. A framework can be an effective and efficient route to market. The contractors appointed to a framework will have been selected following a PA23 compliant procedure which means that the GOC may not need to carry out its own selection stage and the exercise can be completed more efficiently.
- 3.13. A framework usually allows access to a panel of selected contractors who meet minimum requirements and who have offered to supply works, services or goods on pre agreed terms including price. Frameworks have usually been established in compliance with legislative requirements and offer the opportunity to contract direct (a call off) with a particular supplier or to appoint following a mini competition.
- 3.14. Use of a framework usually attracts a fee (typically a percentage of the value of the relevant contract) which must be checked before using a framework, as must the framework terms of contract - as there may be limited scope for amending these.
- 3.15. Tenders and quotations which are provided by suppliers on an existing public sector procurement framework can be accepted, evaluated and awarded in accordance with the relevant framework terms and the Scheme of Delegation.

²² S.45-49, PA23

4. Tender process

A. Issue invitation and shortlist

- 4.1. Issue documentation and advertise the opportunity as appropriate, following the requirements set out above.
- 4.2. If the procurement procedure provides for shortlisting, this should be undertaken in accordance with published criteria and government guidance.
- 4.3. A selection stage can be used to establish potential suppliers' technical and professional abilities, economic and financial standing, and whether any of the exclusion grounds apply, for example, to check the tax compliance of suppliers and excluding a supplier if they are in breach of any obligations relating to the payment of taxes or social security contributions²³.
- 4.4. If the opportunity is above the PA23 threshold, a Procurement Specific Questionnaire²⁴ should be used for shortlisting.
- 4.5. A record must be kept of verification steps and the grounds on which any suppliers are excluded from participation in the remainder of the procurement procedure.
- 4.6. The tender invitation must set appropriate time limits for suppliers to request clarification of the GOC's requirements and to submit their own tender documentation.

B. Clarifications

- 4.7. The budget holder must keep a log of all clarification requests received.
- 4.8. All non-confidential clarifications must be shared with all bidders in good time before tenders are submitted.
- 4.9. Clarifications issued must:
 - 4.9.1. Be consistent with the procurement documents and must not alter the essential aspects of the tender or the contract;
 - 4.9.2. Not involve changes to the basic features of the tender or the call for competition;
 - 4.9.3. Be conducted in a manner that does not give any advantage to a particular tenderer; and

²³ S.26-30, PA23

²⁴ <https://www.procurementpathway.civilservice.gov.uk/documents/template/pa-2023-procurement-specific-questionnaire/finalise-and-publish-procurement-pack>

- 4.9.4. Be proportionate and necessary for the proper conduct of the procurement procedure.

C. Tender returns

- 4.10. Every response to an invitation to tender should be delivered either:
 - 4.10.1. Electronically, eg by email to the email address as stated in the in the invitation to tender; or
 - 4.10.2. In hard copy form, arriving at the specified premises by the specified time for submission of tenders, as stated in the invitation to tender.
- 4.11. Tenders must be opened by or someone authorised by a Head of Department or someone more senior. The person giving the authority should ensure appropriate confidentiality, e.g. restricting access to the electronic folder containing the tenders. The budget holder must maintain a list of all tenders invited, received and opened.
- 4.12. Late tenders will not be considered unless, following a request and proof of exceptional circumstances beyond the control of the tenderer, written approval is obtained from the Director of Corporate Services.
- 4.13. Tenderers will not be allowed to alter their tenders after the submission deadline but arithmetical errors may be corrected if approved by the Director of Corporate Services.
- 4.14. Tenders should be checked to ensure accuracy and completeness, i.e. that all required elements of the tender have been completed including, where relevant, any certifications and signed declarations.

D. Negotiations/dialogue

- 4.15. If the procurement process or framework allows, or for below PA23 threshold procurements, negotiations or dialogue may be required, e.g. where:
 - 4.15.1. The contract is complex and there is a need to discuss aspects of the procurement with bidders, such as service requirements, proposed solution, performance issues or risk allocation;
 - 4.15.2. The contract is innovative and there is a need to develop new or alternative solutions that cannot be defined with sufficient precision at the outset;
 - 4.15.3. The contract involves intellectual property rights or other exclusive rights that can only be supplied by a particular supplier; and
 - 4.15.4. The contract is subject to unforeseen circumstances that require immediate action and the time limits for other procedures cannot be complied with.

- 4.16. In such circumstances, negotiation or dialogue can allow risk and assumptions to be thoroughly tested and the foundations established for ensuring a successful contractual outcome and ongoing relationship for all parties and stakeholders. All bidders must however be treated the same and therefore following negotiations or dialogue there may be a need to create revised documentation and issue to all bidders with an appropriate timescale for return of tenders.
- 4.17. The choice and structure of the procedure should be based on the specific circumstances and objectives of each procurement. Negotiations or dialogue are not possible with the Open procedure.

E. Presentations

- 4.18. Bidders may be required to give a presentation on their tender as part of the evaluation process, provided that this is specified in the procurement documents.
- 4.19. Any presentation of tenders:
- 4.19.1. Must not alter the basic features or essential aspects of the tender, contract or the call for competition;
 - 4.19.2. Must be consistent with the procurement documents;
 - 4.19.3. Must be conducted in a manner that treats all tenderers the same and must not give any advantage to a particular tenderer; and
 - 4.19.4. Must be proportionate and necessary for the proper conduct of the procurement procedure.
- 4.20. The presentation of tenders and its outcome must be documented, including any scores or comments given by the Evaluation Panel.

F. References

- 4.21. References may be obtained if requested as part of the invitation to tender issued to all bidders.
- 4.22. References can be scored if this is provided for in the invitation to tender/evaluation criteria.

G. Evaluation²⁵

- 4.23. All bids and tenders must be evaluated carefully against the published award criteria and weightings set out in the documentation made available to all bidders. If using a framework, care is needed to comply with the evaluation criteria set by the framework operator.

²⁵ S.23, PA23

- 4.24. An Evaluation Panel will evaluate bids and keep careful records of the decision-making process, and an evaluation matrix will be used to record the score of each bidder against the stated criteria. Documented bid evaluations reduce risks of legal challenge and reputation damage by demonstrating an effective, transparent and non-discriminatory process. Evaluation Panels should consist of a minimum of two members. For contracts above the PA23 threshold, the budget holder should consider whether it is appropriate to have more than two people on the panel.
- 4.25. To that end, the criteria against which tenders should be evaluated must:
- 4.25.1. Be pre-determined and listed in the invitation to tender documentation;
 - 4.25.2. Be strictly observed at all times throughout the tender process;
 - 4.25.3. Include price;
 - 4.25.4. Consider whole-life costing, particularly in the case of capital equipment where the full cost of maintenance, decommissioning and disposal should be taken into account;
 - 4.25.5. Be capable of objective assessment; and
 - 4.25.6. Avoid discrimination or perceived discrimination.
- 4.26. Any resulting contract must be awarded to the tenderer which submits the tender that achieves the highest score in the objective assessment. Scoring must be undertaken in accordance with the guidance issued to all bidders.
- 4.27. The GOC is not obliged to accept the cheapest (or any) tender, but will generally seek to award on the basis of the most advantageous tender and/or best overall value assessed against a pre-determined evaluation model²⁶.

H. Conflicts of interest²⁷

- 4.28. Evaluation Panel members must have no real or apparent conflicts of interest relating to the quotes/tenders being evaluated including: a financial interest in a company under consideration; or a personal interest, including partner, relative or friend working at a company under consideration. The Management of Interests Policy sets out the actions to be taken in the event of any member of staff having any conflict of interest in relation to a procurement exercise.
- 4.29. All individuals involved in procurement must behave in a professional manner with due regard to matters of probity. They must declare any pecuniary interests, and comply with relevant codes of conduct. They must remain mindful of both real and

²⁶ S.19, PA23

²⁷ S.81 and 82, PA23

perceived biases, including unconscious bias, and should have an understanding of inclusive and non-discriminatory decision-making.

- 4.30. After the invitation to tender has been published, no gifts or hospitality should be accepted from any tenderers and there must be compliance with the GOC's Gifts and Hospitality Policy.
- 4.31. At the start of each procurement a conflicts assessment must be produced and this must be reviewed and updated throughout the procurement process.²⁸

I. Contract award

- 4.32. The budget holder must obtain authorisation of the award before communicating the outcome.
- 4.33. Bidders will be notified of the contract award in writing. Unsuccessful bidders will be provided with a written assessment summary which includes an explanation for their scores by reference to their tenders. In respect of contracts above the PA23 threshold, communications must be compliant with the PA23²⁹. The GOC's bank of templates will include guides for evaluating tenders and communicating with bidders.
- 4.34. For contracts above the PA23 threshold, a "standstill period" must be observed³⁰. This is effectively a pause (at least eight working days) in the procurement process following publication of the contract award notice. This will give all bidders an opportunity to consider and, if necessary, challenge the decision.
- 4.35. At the end of the standstill period, if there is no legal challenge, the contract may be awarded.
- 4.36. Contract award notices must be published on the Central Digital Platform in the prescribed form if the contract opportunity has been published on that platform.

²⁸ S.83, PA23

²⁹ Regulation 31, PRs24

³⁰ S.51, PA23

5. Contract management

A. Contract storage

- 5.1. The person initiating the contract is responsible for ensuring that an electronic copy of the fully executed final contract is filed on the central register of contracts and that the central contract and supplier list is updated accordingly. Each contract with a value over £5,000 must have a named individual responsible for engaging the supplier and overseeing the delivery of the services, goods or works during the term of the contract. Where several contracts are in place with a single supplier, the same individual should have overall responsibility for the relationship management.

B. Review meetings

- 5.2. It is the budget holder's responsibility to ensure that services, work and goods are inspected regularly and that regular contract review meetings take place to ensure the delivery of the original requirements including deliverable, timescales, KPIs, are carried out in accordance with the contract. In the event any issues with performance or delivery are identified, the relevant contract terms should be applied which may for instance require that a rectification plan should be agreed with established milestones and checkpoints.

C. Risks

- 5.3. The budget manager or delegate must assess risk in accordance with the GOC's risk strategy. Risks should be proactively monitored throughout the lifetime of the contract and any areas of concern reported to the Director of Corporate Resources.
- 5.4. The financial standing of suppliers is usually a key check at selection stage, however the project leads/service area leads should be alert to the possibility that financial standing can deteriorate during the term of the contract, and monitor financial standing throughout the lifetime of a contract, so that timely action can be taken in the event of insolvency. Alerts can be put in place to monitor company announcements and other published information e.g. via <https://trackercore.rsmuk.com/>.
- 5.5. Contract termination in the event of a supplier insolvency may trigger the need for a new procurement exercise. Advice should be sought from the Chief of Staff, Chief Financial Officer or Chief Legal Officer at the earliest opportunity.

D. Variations³¹

- 5.6. Contracts must adhere to the original terms and conditions. However, in exceptional circumstances, contracts may be lengthened or varied.

³¹ S.74, PA23

- 5.7. Any contract variation must be made in writing, must be approved by a person with authority to award the contract, must be signed and must be stored with the original contract.
- 5.8. For contracts above the PA23 threshold, the overall contract value, including the extension, must not result in the contract materially exceeding the original value. In addition, even if a contract was originally below PA23 thresholds, if a variation would take the value above the PA23 threshold (known as a "convertible contract"), then the variation may only be made if it falls within the PA23 exceptions.
- 5.9. As a general principle, any substantial modification of a contract above the PA23 threshold (or a convertible contract) during its term requires a new procurement procedure. However, there are exceptions to this principle, including:
 - 5.9.1. Variations that are provided for in the initial procurement documents in a clear, precise and unequivocal review clause;
 - 5.9.2. Variations to accommodate additional works, services or supplies by the original contractor, where a change of contractor:
 - 5.9.2.1. Would result in the supply of goods, services or works that are different from, or incompatible with, those already provided for in the contract;
 - 5.9.2.2. Would result in disproportionate technical difficulties in operation or maintenance or other significant inconvenience and substantial duplication of costs for the GOC; and
 - 5.9.2.3. The modification would not increase the estimated value of the contract by more than 50%;
 - 5.9.3. Variations that involve replacing a contractor due to corporate restructuring, insolvency or subcontracting;
 - 5.9.4. Variations that are necessary due to unforeseen circumstances, provided that the change does not alter the overall nature of the contract, and each increase in price does not exceed 50% of the estimated value of the contract or framework agreement;
 - 5.9.5. Variations that are below threshold, i.e. where:
 - 5.9.5.1. The variation does not materially change the scope of the contract;
 - 5.9.5.2. The variation does not increase or decrease the estimated value of the contract by more than 10% (in the case of goods or services) or 15% (in the case of works); and

- 5.9.5.3. The aggregated value of all below-threshold variations would be less than the threshold value for that type of contract;
- 5.9.6. Variations that are not substantial, i.e. where the variation does not:
 - 5.9.6.1. Materially change the economic balance of the contract in favour of the contractor;
 - 5.9.6.2. Materially change the scope of the contract; or
 - 5.9.6.3. Increase or decrease the term or length of the contract by more than 10% of the maximum term provided for on award.
- 5.10. In most cases, when such a modification is being made in accordance with the PA23, a contract change notice should be published on the Central Digital Platform.

E. Supplier performance

- 5.11. For contracts above the PA23 threshold, there are requirements to monitor supplier performance and publish contract performance notices on the Central Digital Platform, as follows:
 - 5.11.1. Where the supplier has breached the contract, which has resulted in termination (or partial termination), the award of damages or a settlement agreement³²; or
 - 5.11.2. Where the GOC considers that a supplier is not performing the contract to our satisfaction, it has been given proper opportunity to improve its performance, and it has failed to do so³³.

F. Expiry, termination and extension³⁴

- 5.12. As part of annual planning and ongoing contract review exercises, budget holders must diarise contract expiry or renewal dates. Planning typically will begin at least nine months ahead of expiry to allow for procurement, due diligence and other associated steps to be taken. Such information should feed into overall planning and objectives to allow for smooth transition into new or replacement contract arrangements. It may be possible to extend the term of an existing contract, there may be a decision to bring delivery in-house or a re-tender exercise may be required.
- 5.13. Where contracts contain an option to extend, a decision as to whether it is appropriate to do so must be taken by the appropriate personnel and the appropriate point in

³² S.71(3), PA23

³³ S.71(4), PA23

³⁴ S.78, PA23

time. It is important that the GOC has an opportunity to properly consider all available options and allow sufficient time to plan any necessary procurement exercises.

- 5.14. On expiry or termination of a contract that is above PA23 thresholds, a contract termination notice must be published on the Central Digital Platform.³⁵

³⁵ S.80, PA23

6. Miscellaneous

A. Information governance

- 6.1 Information security is of key importance, and the GOC seeks to comply with UK GDPR, the provisions of the Data Protection Act 2018 and other data protection legislation at all times.
- 6.2 Information security and data sharing must be considered throughout the procurement process. We understand that maintaining technical and organisational security includes maintaining our supply chain security.
- 6.3 A data protection impact assessment must be conducted when the processing or data sharing activity is likely to result in a high risk to the rights and freedoms of individuals, and is particularly relevant when new data processing technologies are being introduced.
- 6.4 All procurement documentation may have to be supplied to anyone making a Freedom of Information (FOI) request under the FOI Act 2000.

B. Prevention of corruption

- 6.5 Steps must be taken to prevent corruption, including the following:
 - 6.5.1 Exclusion of a supplier from participating in a procurement procedure where the supplier has been convicted of certain offences, including conspiracy, corruption, bribery, fraud or money laundering.
 - 6.5.2 Consideration of the exclusion of a supplier where the supplier has committed certain misconducts, including grave professional misconduct, distortion of competition, significant or persistent deficiencies in performance of a prior public contract or violation of environmental, social or labour law.
 - 6.5.3 Taking appropriate measures to effectively prevent, identify and remedy conflicts of interest arising in the conduct of procurement procedures so as to avoid any distortion of competition and to ensure equal treatment of all economic operators.
 - 6.5.4 Treating suppliers equally and without discrimination and acting in a transparent and proportionate manner.
 - 6.5.5 Ensuring staff involved in the conduct of procurement procedures comply with applicable obligations with regard to confidentiality, including the Anti-financial Crime Policy and the Gifts and Hospitality Policy.

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