



Tay Road Bridge

## TAY ROAD BRIDGE JOINT BOARD

### Tender Procedures

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# **TAY ROAD BRIDGE JOINT BOARD**

## **TENDER PROCEDURES**

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## **1 COMMENCEMENT/OBJECTIVES**

1.1 These tender procedures shall apply and have effect on and from 6th March, 2018 and may be altered or revoked by the Tay Road Bridge Joint Board at any ordinary meeting provided such proposals are supported by a majority of the Board present and voting.

1.2 The objectives of the Board's tendering procedures includes:-

- To obtain a high quality of goods, services and works;
- To obtain a competitive price for those goods, services and works;
- To give guidance to and support for decisions taken;
- To give suppliers a fair chance to provide those goods, services and works;
- To assist in the promotion of the protection of the environment and equal opportunities;
- To be practical and efficient given the type and size of the Board's functions;
- To ensure the operational requirements of the Bridge are met.

The underlying spirit of the procedures is to provide openness, accountability and Best Value in the Board's procurement of goods, services and works. It should be recognised that Best Value entails a balance of price and quality and that it will not necessarily be the lowest tenderer which provides best value. However, in all cases where the lowest tenderer is not successful, the reasons therefor shall be stated in the Board's own Tender Register. In all cases, feedback will be sent to the successful and unsuccessful offerers.

## **2 FINANCIAL REGULATIONS**

2.1 The financial arrangements shall be governed by the Board's Financial Regulations which may be altered or revoked by the Board at any ordinary meeting provided such proposals are supported by a majority of the Board present and voting.

## **3 INVITATION OF TENDERS FOR GOODS AND SERVICES ETC**

Subject to the following regulations,

3.1 Where any goods, services or works are required, and are in excess of £50,000 in value, tenders shall be invited or a procurement compliant framework shall be utilised unless the Clerk in any particular case, because of special circumstances, which shall be recorded in the Board's Tender Register decides that would not be justified or appropriate in the particular case. All such offers, by tender or otherwise, shall be reported to the Joint Board for approval.

3.2 Where any goods, services or works below £50,000 in value are required, tenders shall be invited or a procurement compliant framework shall be utilised unless the Clerk in any particular case, because of special circumstances, decides that would not be justified or appropriate in that particular case. All such offers, by tender or otherwise, need not be submitted to the Joint Board for approval if specific provision has been made in the approved estimates, the Clerk to accept the most advantageous offer. If specific provision has not been made in the approved estimates, all such offers, by tender or otherwise, shall be reported to the Joint Board for approval.

3.3 Notwithstanding the terms of paragraph 3.2 above, where the items to be purchased are below £10,000 in value, it shall be in order for the tender procedure as outlined herein to be dispensed with provided that the items are not part of a series of purchases the aggregate cost of which, would exceed EU Public Procurement Threshold levels. However, at least three competitive quotations should be obtained, unless otherwise directed by the Clerk with the most advantageous quotation being accepted direct by the Clerk.

3.4 In these tender procedures, all thresholds are exclusive of VAT.

3.5 Any officer of the Board requiring tenders to be invited shall, advise the Clerk of the particular requirements; and

- (a) Ensure that any requirements of the Public Contracts (Scotland) Regulations and any legislation amending, consolidating, or substituting these regulations are met:-

- (b) Allocate a title (eg Equipment) and serial number to that contract. The serial number shall comprise the Board's code for the purposes of the tendering procedure ie Board, the year in which the tenders are being invited (or the year the project is initiated) and the particular number allocated to that contract. Thus if, for example, the Bridge Manager is inviting tenders for the twentieth contract in the year 2018 the serial number of that contract shall be TRB/18/20.
- (c) In order to advertise the contract on behalf of the Board, officers must:-
- i) Register on the National Advertising Portal – Public Contracts Scotland; and
  - ii) Advertise the invitation of bids or quotations through the Portal.

Officers must complete the appropriate training to allow them to invite tenders and enter into contracts on behalf of the Board.

- (d) Advise the Clerk in writing of the details of the contract and the closing date for submission of offers. The latter shall include the appropriate serial number of the contract, the estimated value of the contract, and the Board Report approving the works. If in any instance selected tenderers are invited to tender by letter and there is no public advertisement of the proposed contract, the same information shall be forwarded to the Clerk.
- (e) Any additional press advertisements inviting tenders must contain the following information "Sealed offers using the official label issued and endorsed (insert the title of the particular contract) must be lodged with the Clerk, Tay Road Bridge Joint Board, 21 City Square, Dundee, DD1 3BY on or before 10.00 am on ..... Failure to use the official label in the manner prescribed may at the discretion of the Board, result in the offer not being considered. The label must be affixed to the front of the envelope." In instances where there is no public notice and invitations are sent to selected tenderers, then the foregoing information must be included in the invitation.
- (f) The official labels referred to immediately above shall be issued to all inquirers and selected tenderers with tender documents. Before issuing a label it shall be completed to show the title and serial number of the particular contract and the closing date for the lodging of tenders.
- (g) Contract documents issued shall, where necessary, include reference to the undernoted:-
- (i) Contract documents issued by and contracts made with the Board in connection with the execution of the works to the value of £1 million or above shall provide that the Contractor shall be required to enter into a Bond with a Bank or Insurance Company for a sum equal to 10% of the contract sum for the due performance of the contract or such other sum as is stipulated by the Treasurer and/or in such circumstances as the Board may decide a Parent Company Guarantee. The Treasurer must be satisfied of the financial integrity of any Contractor employed by the Board.
  - (ii) All contract documents issued by, and all contracts made with the Board in connection with the carrying out of works', procurement of supplies, or the provision of services shall provide that the Contractor shall be insured with an Insurance Company authorised by the Financial Conduct Authority (FCA) to underwrite Employers Liability, Public Liability, and where required, Professional Indemnity Insurances.
  - (iii) Where the Contract with the Board exceeds £50,000, tenderers must provide satisfactory evidence within their tender return that they have adequate Business Continuity arrangements in place to ensure the services provided to the Board can be maintained.

- (iv) The relevant policy or policies and premium renewal receipts shall be produced by the Contractor whenever required for inspection by any officer authorised by the Board for that purpose.
- (v) All contract documents issued by, and all contracts made with the Board shall provide that the Contractor shall observe safe working practices including the requirements of the Construction Design Management (CDM) Regulations where appropriate, whilst working on or within the confines of any Board properties.
- (vi) All contract documents issued by, and all contracts made with the Board shall, in appropriate cases, provide that if any provider of services, Contractor or supplier of plant, vehicles, tools, equipment, furnishings, materials or commodities to the Board shall offer or give (either directly or through the medium of any person employed by them or acting on their behalf) any gratuity, bonus, discount, consideration or bribe of any kind whatsoever to any member of the Board or an officer or employee of the Board, the Board may forthwith terminate the contract and may hold that provider, Contractor or supplier (as the case may be) liable for any loss or damage which the Board may therefore sustain.
- (vii) All contract documents issued by and all contracts made with the Board shall provide that the conditions and obligations thereof to be observed by the Contractor shall likewise apply to any sub-contractor and the Contractors shall be responsible for the observance of such conditions by any sub-contractor.
- (viii) All contract documents issued by the Board shall include a questionnaire in terms of Section 18(5) of the Local Government Act 1988 to ascertain whether the requirements of the Race Relations Act 1976 are being met by Contractors.

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- 3.6 Officers shall retain until after completion of each contract, a list showing the name and address of each inquirer to whom documents have been issued, allocating to each inquirer an individual number. Before an official label to an inquirer is issued, the number allocated to that inquirer shall be inserted at the end of the serial number on the label, thus for TRB/18/20, the third enquirer for that contract would have the serial number TRB/18/20/3 shown on the label issued to him. This is important since the numbered list shall enable the Clerk to return, unopened, to the appropriate tenderer any tender which is received late.
- 3.7 Ensure that the closing time for receipt of all tenders to be submitted is fixed at 10.00 am on a weekday excluding public holidays.
- 3.8 All late tenders shall be returned, if possible, unopened to the tenderer and shall not be reported to the Board or taken into account unless otherwise agreed with the Clerk. In the event of the Clerk accepting such a tender, the reason will be detailed in the Board's Tender Register.

#### **4 OPENING OF TENDERS**

- 4.1 Tenders shall be opened in the offices of the Clerk by the Chairperson or Vice-Chairperson, or in their absence by the Clerk.
- 4.2 The person assisting at the opening of tenders shall ensure that the Board's Tender Register is completed in the following manner:-
  - (a) The names of all tenderers and the tender amounts shall be listed;
  - (b) Where the invitation to tender does not require a specific total to be stated eg "Cost plus" projects etc there should be inserted in the "Tender Amount" column the words "to that effect";

- (c) Uncompleted tender documents returned using the official tender label must also be listed in the Tender Register and the words "No offer" inserted under the Tender Amount. These shall not, however, be included in total of completed tenders received;
- (d) Where tenderers submit alternative tenders for the same project in one envelope these should be entered separately in the Tenders Register with an explanatory note in the Register;
- (e) Where tenderers submit offers for two or more different contracts in one envelope using the official tender label for one of the contracts, then the Tender Register must again include an explanatory note; and
- (f) All tenders must be initialled by the person opening them and the Tender Register must be signed by the person opening the tenders and the official receiving them.

## **5 OPENING AND RECORDING QUOTATIONS**

Opening of quotations shall be carried out by the appropriate officer with an appropriate person to assist and witness the opening of quotations. There shall be a separate Quotations Register which shall be kept by the Clerk and the requirements of these Regulations shall apply, with necessary modifications, equally to this Register.

## **6 PREPARATION OF TENDER REPORTS FOR BOARD APPROVAL AND OFFICER APPROVAL**

- 6.1 The officer concerned shall prepare a report on tenders received in all applicable cases for Board approval under paragraphs 3.1 and 3.2.
- 6.2 The report shall include:-
  - (a) Whether the expenditure involved has been approved by the Board under a general or specific heading;
  - (b) A reference to the Minute of Meeting of the Board approving an increase in the probable costs, if appropriate;
  - (c) In the case of Capital projects, details of any revenue implications; and
  - (d) Details, if any, of sub-contractors proposed by the Contractor.
- 6.3 For reports on contracts where paragraph 3.2 applies and where specific provision has been made in the approved estimates, the following procedures shall be followed:-
  - (a) The officer concerned shall prepare a report, in terms of paragraph 6.2 above, for officer approval and shall submit to the Clerk the report together with the offer recommended for acceptance.
  - (b) The Clerk shall thereafter submit the report to the Treasurer for approval or otherwise.
  - (c) At the same time as (b) above, an acceptance letter shall be prepared by the Clerk and issued to the officer who assessed the tender documents for initialling and return.
  - (d) The Clerk shall issue the acceptance letter subject to the approval of the Treasurer and a copy of the final dated acceptance forwarded to the relevant officers.
  - (e) The person who assisted in the opening of the tenders shall place a copy of the acceptance together with the tender report and relative correspondence on the Board's Tender Register.

- (f) The person who assisted in the opening of the tenders shall also enter a note in the Board's Tender Register indicating the successful offer and the date the acceptance was issued. In the case of no offer being accepted, a suitable note shall be entered in the Tender Register.

6.4 For reports on contracts above £50,000 (or £25,001 where no specified provision has been made in the estimates) the following procedures shall be followed:-

- (a) The officer concerned shall prepare a report, in terms of paragraphs 6.1 and 6.2 above, for Board approval. In special circumstances with prior Board approval or when agreed with the Clerk, a report may be approved by the Clerk and the Treasurer in consultation with the Chairperson and Vice-Chairperson.
- (b) On receipt of the finalised copy of the report together with the offer recommended for acceptance, the Clerk shall prepare a draft acceptance letter and issue it to the officer assessing the tender documents for initialling and return.
- (c) The acceptance letter shall be issued by the Clerk subject to Board approval as soon as practically possible and a copy of the final dated acceptance forwarded to relevant officers.
- (d) The person who assisted in the opening of the tenders shall enter a note in the Board's Tender Register showing the date of the Board approval, the successful offer and the date the acceptance was issued. In the case of no offer being accepted, a suitable note shall be entered in the Board's Tender Register.

## **7 APPOINTMENT OF SUB-CONTRACTORS**

7.1 The Bridge Manager shall report, for noting, the sub-contractors proposed by a contractor before any contract is entered into with such contractor and also report, for noting, any changes permitted, under the relevant contract, to this list.

## **8 ACCEPTANCE OF OFFERS**

8.1 Subject to the provision of paragraph 3.4 all acceptance of tenders and quotations shall be signed on behalf of the Board by the Clerk acting as agent for the Board.

## **9 PAYMENTS TO CONTRACTORS**

9.1 All contracts for the carrying out of any works or the purchase of services on behalf of the Board or for the supply of any item or utilities to the Board will be recorded by the officer concerned, and such book shall show the amount of each contract, and any payments made to account.

## **10 ALTERATIONS TO SPECIFICATIONS**

10.1 The specification of any works or services under contract and approved by the Board shall not be altered to any substantial extent without the consent of the Board except in cases of urgency or where the nature of the services or works is such as to require deviation from the specification from time to time, but any such instance shall be reported to the Board.

## **11 DETERMINATION OF CONTRACTS AND PLACING OF NEW CONTRACTS**

11.1 If for any reason whatsoever the employment of any Contractor or supplier has been terminated, such Contractor or supplier shall not receive any new contract from the Joint Board until such new contract has been approved by the Board.

11.2 While at all times observing the requirements of the relevant legislation, the Board shall whenever possible and commercially viable, seek to maximise the benefits to the local economy of using local companies and local labour.

## **12 DISPOSAL OF SURPLUS PLANT, MATERIALS ETC**

- 12.1 All surplus plant, vehicles, tools, equipment, furnishings, materials or commodities valued in excess of £10,000 to be disposed of shall be advertised for sale either by the invitation of sealed offers or by public auction, unless in special circumstances of which the Board shall be the sole judge, it is otherwise decided. The arrangements for the disposal of surplus plant, vehicles, tools, equipment, furnishings, materials or commodities valued at less than £10,000 shall be delegated to the officer concerned.

## **13 SELECT TENDER LISTS - CONSTRUCTION CONTRACTS**

- 13.1 Invitation to tender for construction contracts shall be made to Contractors held on the Select Tender List, managed and controlled by Dundee City Council, unless otherwise approved by the Board.
- 12.2 New Contractors may be added to the list subject to the normal assessment by the appropriate officers.

## **14 ENGAGEMENT OF CONSULTANTS**

- 14.1 It shall be a condition of the engagement of the services of any private, professional practitioner (not being an officer of the Board) who is to be responsible to the Board for a contract for the execution of works that, in relation to that contract, they shall:-
- (i) at any time during the carrying out of the contract, produce on request, to the appropriate officer all records maintained in relation to the contract; and
  - (ii) on completion of the contract, transmit all such records to the appropriate officer.

## **15 ENGAGEMENT OF DUNDEE CITY COUNCIL STAFF FOR THE PROVISION OF PROFESSIONAL SERVICES**

- 15.1 Dundee City Council shall supply various professional services to the Board, including:-

- Engineering Services;
- Surveying and Architectural Services;
- Legal Services;
- Insurance Services;
- Land and Estates Services;
- Information and Communication Technology;
- Communications;
- Human Resource Services; and
- Financial Services.

Service Level Agreements shall be drawn up for such individual service provided by the Council to be renewed every three years.

## **16 OTHER PROFESSIONAL FEES**

- 16.1 Professional fees paid to consultants in conjunction with major repairs to the Bridge shall be the subject of these tendering procedures unless the Bridge Manager or Engineer in any particular case because of special circumstances, decides that would not be justified or appropriate in that particular case. The reasons for not following these procedures in any case shall be recorded in the Board's Tender Register.

## **17 MAINTENANCE CONTRACTS**

- 17.1 The total value of contracts inclusive of any separate maintenance contract costs should be used to calculate the financial thresholds contained herein.
- 17.2 When appropriate, maintenance contracts should be considered in conjunction with the procurement of the associated assets and viewed in light of the objectives and underlying spirit of these Regulations.

**18 TIE-INS / NEGOTIATED PRICES**

- 18.1 In all cases where there is a “tie-in” to a supplier, or if a project is being completed in phases and negotiated prices are being obtained, the fact of this and the reasons therefor shall be recorded by the appropriate officer in the Board’s Tender Register along with the Clerk’s reason for disapplying the requirements for Tenders, where applicable.

**19 UTILITIES**

- 19.1 The nature of the Board’s functions and the need for reliable services from the suppliers of utilities means that the normal tendering procedures contained herein do not apply. However, there shall be a review of prices every two years.

**20 REPEAT ORDERS**

- 20.1 Where items are subject to repeat orders bi-annual reviews of prices shall be carried out.

5th March, 2018