

West of England Innovative Local Energy Scheme 3 Revenue Procurement Guidance

If your organisation is awarded grant, your procurement process for the project must be in line with the rule set out below.

There are different procurement processes required for different contract values. The threshold amounts apply to the total value of the contract (excluding VAT), not just the grant amount awarded. The different procurement processes apply if your project increases in cost while it is in progress. If your project value is close to £25,000 and you are unsure whether costs will stay fixed, we recommend that you follow the higher value process anyway.

Value of contract thresholds	Minimum procedure	Advertising required
£0-£24,999	Direct award is allowable; however, the West of England Combined Authority recommends that you always seek three quotes and consider the use of local suppliers, where appropriate.	None.
£25,000 - £181,302 (services) and £4,551,413 (works)	<p>The advert needs to incorporate or direct any interested party to the following information:</p> <ul style="list-style-type: none"> • details of the opportunity; • what is required from all interested parties; • how the successful candidate will be chosen; • deadline and details of how to apply. <p>Justification will also be required to demonstrate that the contract award is in line with the advert.</p>	Advertise the opportunity on the Combined Authority's/or other appropriate website for a minimum of 10 days.
£25,000 - £181,302 (supplies)	3 written quotes or prices sought from relevant suppliers against a clear specification.	None.

	Justification that a reasonable decision has been made based on the quotes/prices.	
Over £181,302 (services and supplies) and £4,551,413 (works).	<p>The advert needs to incorporate or direct any interested party to the following information:</p> <ul style="list-style-type: none"> • details of the opportunity; • what is required from all interested parties; • how the successful candidate will be chosen; • deadline and details of how to apply. <p>Adhere to national guidance on identifying, managing and monitoring conflicts of interest and submit a declaration to the West of England Combined Authority (this is part of the Grant Offer Letter).</p> <p>Impartially assess each bid against the same criteria and demonstrate this through the use of a score/evaluation sheet; and provide evidence to demonstrate that the winning bidder has been selected on merit - as a minimum this should include a rational behind the decision to award.</p>	Advertise the opportunity on the Combined Authority's/or other appropriate website for a minimum of 10 days.

The following practices will not be acceptable under any circumstances.

- Direct awards to organisations where there is a conflict of interest, including:
 - A supplier where a director is also a director of the grant applicant awarding the contract
 - A supplier where a director is a family member of the director of a grant applicant awarding the contract

A signed declaration of conflicts of interest will be required as part of the Grant Offer Letter;
- Discriminatory tender conditions which prevent competition;
- Non-compliance with the thresholds above - including the artificial splitting of contracts;

- Modification of contracts. If the original contract value is below the threshold of £25,000 and an extension of the contract takes the overall above £25,000 the contract must then meet the requirements for contracts over £25,000;
- Contracts cannot be extended above 50% of their original value.

You must record and retain any relevant documentation and make it available as part of the project audit trail. A lack of audit trail to demonstrate the process followed and decisions taken may lead to the Combined Authority clawing back grant funding.

The West of England Combined Authority reserves the right to recover all grant, in a reasonable and proportionate way, in the event of a breach of the funding agreement (as set out in the Grant Offer Letter). Activities that constitute a breach are set out below:

- direct awards to linked organisations;
- discriminatory tender conditions;
- non-compliance with the contract value thresholds;
- modification of contracts;
- contracts extended above 50% of original value;
- non-advertising of extensions;
- a lack of audit trail to demonstrate the process followed and decisions taken;
- failure to advertise the opportunity on the grant recipient's website for 10 days (where required);
- failure to adhere to the Conflicts of Interest guidance and submit a declaration to the Combined Authority (where required);
- failure to impartially assess each bid against the same criteria and demonstrate this through use of a score sheet (where required);
- failure to justify grant award based on the advert or price (where required);
- failure to provide evidence to demonstrate that the winning bidder has been selected on merit (where required).

ENDS