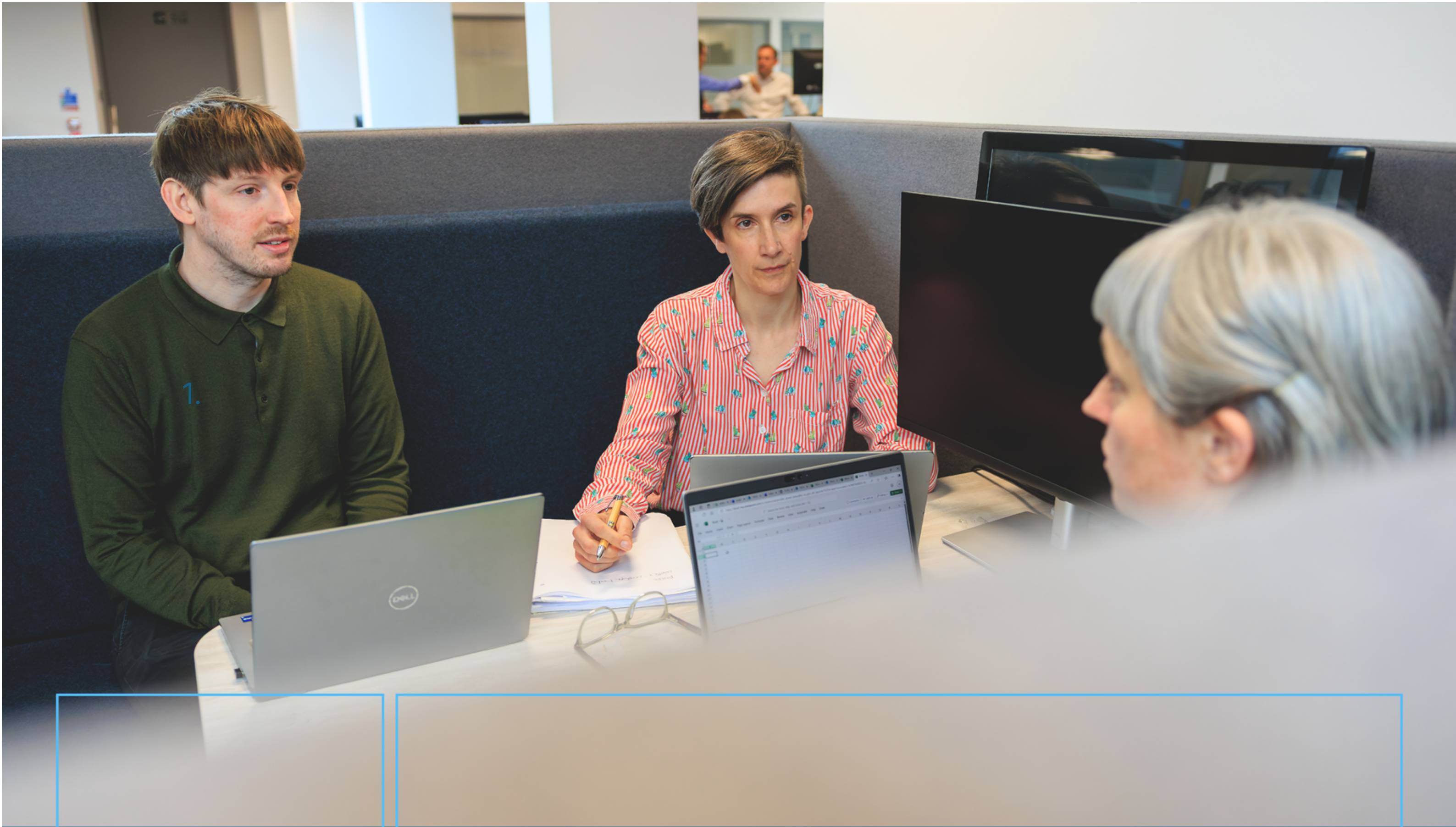

TVCA Group Procurement Policy 2026

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Table of Contents

Purpose & Introduction

Procurement is defined as ‘the process of acquiring works, supplies, or services from third parties. The process spans the whole cycle from identification of needs, through to the end of a service contract or the end of the useful life of an asset.

This policy outlines the principles by which Tees Valley Combined Authority Group (the ‘Group’) entities will comply with their statutory and regulatory requirements in relation to procurement.

The purpose of having a ‘Group’ policy is to ensure effective procurement processes are adopted across all the ’Group’ entities, helping us to maximise value for money, promote social value and improve efficiency. This means, adopting a transparent and competitive approach to procurement wherever practical to do so. Noting that the reference to Group includes a number of entities which may or may not be within the TVCA Group in the legal definition but those entities which the parties agree to being categorised as within the TVCA Group.

The policy has been developed to ensure appropriate and proportionate approaches to procurement procedures are adopted for all levels and types of spend from small direct purchases through to major development contracts.

But procurement is not only about legal compliance. The ability to achieve the greatest value with public spending can only be achieved when suppliers engage with us. They will only do this when they trust our systems and processes to produce a fair outcome and when they get good quality feedback to support them to improve their bidding practices for the future. Openness and Transparency unpin our reputation.

Objectives

The objectives of the policy, are:

- To provide clear guidelines and methods by which ‘the ‘Group’’ procure, services goods and works
- Award contracts that achieve best ‘Value’
- Promote robust contract and supplier management systems
- To ensure that social value is considered and explicitly evaluated via the procurement process where appropriate
- Promote open and transparent competition
- Encourage market engagement

Minimum Standards for Commercial Activity

This policy applies to all TVCA employees or their representatives who are engaged in procurement activity, where they are required to be aware of the policy and associated legal Acts, Statutory requirements and Governmental guidance along with any subsequent amendments, which include but are not limited to:

- Procurement Act 2023
- Procurement Regulations 2024
- Public Contract Regulations 2015 (to the extent still applicable)
- Utilities Contracts Regulations 2016 (to the extent still applicable)
- Public Services (Social Value) Act 2012
- Modern Slavery Act 2015
- Bribery Act 2010
- Equality Act 2010
- National Procurement Policy Statement (NPPS)
- Procurement Guidance Notes

In addition to regulatory responsibilities 'Group' employees or their representatives must also:

- Ensure fair and open competition and be able to demonstrate equitable and consistent evaluation of tenders/bids.
- Consider equality issues as early as possible in the procurement process.
- Explicitly evaluate social value as part of the process where required
- Justify the use of any direct awards and keep their use to a minimum.
- Make sure contracts are appropriate up to date and executed with legal sign-off and,
- Inform the Procurement Team as early as possible when considering any procurement of works, goods, and services for consultation.
- Identify and review any actual or perceived conflicts of interest throughout the procurement lifespan.

Procurement should be carried out using defined and standardised procurement processes which cover the whole 'purchase to pay' cycle. The most efficient and appropriate methods should be used which are proportionate to the value of the contract.

Business procurement activity should be underpinned by an understanding of the whole life benefits and risks. Completion of the Procurement Approval form with relevant information is mandatory for all spend above £5000, with consideration given to cases above the thresholds detailed in Appendix B.

All contracts must be based on the Appropriate 'Group' Standard Terms and Conditions, or model contract forms such as NEC, unless it is commercially necessary to agree otherwise (i.e., bespoke contract terms). The ''Group's'' legal, where applicable and/or the procurement business partner can advise which terms of contract to use.

Upon execution of the contract the procurement team member responsible will post a contract award notice on the Find a Tender Service for contracts over £30,000 within 30 days of the contract being signed by both parties or works commencing (whichever is sooner).

Authority Levels, Delegations & Governance

The Group has developed schedules which describe the delegation of financial and non-financial decisions in the organisation. Such delegated authorities must be followed, and approvals documented using the Procurement Approval Form.

Appendix C (Scheme of delegated authority document) sets out the scheme of delegation approval limits for the various 'Group' entities. These delegations ensure a separation of duties between budgetary authority and procurement authority.

The 'Group' places trust in its employees to avoid even the appearance of impropriety and it is important that a clear segregation of duties can be demonstrated by close adherence to the scheme of delegation. It is also essential that employees of the 'Group' adhere to the Antifraud and Corruption Policy at all times. Training on managing public money should also be promoted.

Business Case Requirements

The Procurement Approval form must be completed for all procurements over £5,000. The latest version can be obtained from the procurement team. These can be reviewed for compliance by the Procurement team and or relevant Manager. Before being sent for sign off via the approvals process using the email address TVCAPAs@teesvalley-ca.gov.uk by procurement.

Markets

When planning procurement and making commercial decisions, the 'Group's' employees should be aware of current market conditions for the product or service they are procuring. Employees should also consider longer-term market development when making procurement decisions to ensure suppliers continue to meet the 'Group's' commercial needs.

Where appropriate market engagement should be carried out, which should be proportionate to the value and complexity of the contract and consider any related risk. Consideration should also be given the various tools & techniques which can be used which include but are not limited to:

- Pre tender Market engagement (PTME)
- Market engagement event, to explore further information gleaned from the PTME

Procurement and Finance Involvement in Contracting Decisions

Effective commercial decision making is essential. Individuals must have the right experience, training, expertise, and capacity to ensure that minimum standards of commercial practice are met. They should have the knowledge of the product or deliverable being purchased and the market of potential suppliers and their procurement should comply with legal requirements and best practice. Procurement training may be provided, if necessary, on request and support from the Procurement Team will be available during the tendering process.

Line managers and anyone involved in making purchases must demonstrate compliance and good practice.

It is particularly important that the 'Group' maximises the benefits of effective procurement in the letting and management of major programmes. For larger procurements (over appropriate Threshold), it is essential to involve Procurement as early as possible:

- Where appropriate, in annual planning, pipeline planning, forward planning and budgeting.
- When considering the market, the legal environment and agreeing the nature of the competition.
- When developing the specification, e.g., to ensure it is output based and does not inappropriately include proprietary products etc.; and,

- From the start of the contracting process, it is difficult for professional procurement to add any value when presented with a fait accompli requisition or contract.

Irrespective of value, any potential requirements for changes to the 'Group's' standard goods and services terms and conditions must be raised with the procurement team for advice and escalation for legal input. Risk and insurance needs are considered individually on each procurement.

The procurement team must also be informed of any potential and actual disputes with suppliers (pre or post contract) as soon as you are aware of them.

Use of Frameworks

National and Regional Supplier Frameworks/Catalogues

Where similar goods or services are repeatedly required, frameworks should be used where these are in place where appropriate.

The 'Group' will make use of National and Regional Supplier Frameworks/Catalogues, (such as CCS or NEPO) where appropriate. The benefits of such frameworks are that they leverage wider public sector total spend, optimise VfM, help ensure quality of materials and reliability of supply, reduce the associated transaction costs, and enable much faster award of a contract.

There are several government contracts available for the 'Group' to use, and employees should use these contracts as appropriate. Procurement can advise if your specific requirement can be covered by such a contract or framework when provided with an informative specification.

Framework contracts should be used in accordance with the specified call off procedures. Some frameworks contain multiple suppliers e.g., Crown Commercial Services consultancy frameworks. In these cases, further competition between suppliers on that framework may be necessary; Procurement can provide advice on how these should be used.

Our Frameworks (Panels)

Sometimes better VfM and regional outcomes can be achieved by the 'Group' setting up its own frameworks. National frameworks may not be suitable (due to specialist requirements for example). The costs/value of setting up and running such frameworks are important considerations. When we set up a new framework, we can include other authorities who can buy from the framework. We will always have an option to include all 'Group' entities and where appropriate, the 5 Tees Valley Local Authorities as contracting authorities.

Tender/Quote/Competition Requirements

Different levels of competition apply depending on the value of the contract being placed and the type of goods, service and works to be supplied. All values relate to total whole-life aggregated contract spend, and not annual spend.

Where goods, services or works are to be procured and no framework agreement or pre negotiated contract exist, there are various procedures that can be applied, as described in Appendix B.

Direct Award of Contracts

Competition between prospective suppliers is the best way we can secure and demonstrate value for money and comply with legal requirements. It reduces the risk of selecting an unsuitable supplier, almost always secures a better deal and avoids suggestion of improper or illegal behaviour by the 'Group's' employees.

However, in exceptional circumstances a product or service may be procured without competition - if supported by legal justification, a robust business case and with the agreement of a senior member of the procurement team, legal team where applicable and one Director of the Group. Lack of time and/or poor planning is not an acceptable reason.

All requests must have a robust and legally valid justification in the business case and/or Procurement Approval Form, and they must be approved by relevant members of the business, including legal a n d according to the scheme of delegation shown in Appendix C.

As part of the direct award process, suppliers must sign and return a form of tender indicating their acceptance of the appropriate Terms and Conditions of contract for the service, works or goods being procured. The Group's standard contract for service and goods should be used.

Upon execution of the contract the procurement team member responsible will post a contract award notice on the Find a Tender Service (for contracts over £30,000 within 30 days of the contract being signed by both parties.

Contract Management

Effective contract management is essential to meet project deadlines, save taxpayers' money and strive for more sustainable procurement. Monitoring and sharing project progress through consistent contract documentation management is also integral. The larger and more complex the project, the greater the need for rigorous contract management.

To kick off the contract management process and start to develop relationships with suppliers a contract initiation meeting should be arranged following contract award. The purpose of the meeting is to:

- Verify the contract particulars
- Agree reporting requirements
- Agree mobilisation of the contract
- Confirm contract manager and appointed person(s) to authorise spend

No purchase orders will be raised against the contract until it is executed. Only in exceptional circumstances (approved by the Head of Procurement and the Finance Director) will a purchase order be raised, which can be done via a letter of intent signed by the Chief Executive Officer, Finance Director, or their Deputy.

Key Performance Indicators (KPIs)

For all contracts with an estimated value of £5 million or more, a minimum of three KPIs must be established prior to contract commencement. These KPIs must be:

- Relevant to the subject matter of the contract
- Measurable, objective, and evidence based
- Monitored regularly as part of ongoing contract management

The procurement function is required to publish performance information at least annually via Find a Tender, setting out the supplier's performance against each KPI. This ensures transparency and accountability for high value public contracts.

Where supplier performance does not meet the agreed KPI standards, Poor Performance Notices (PPNs) must be issued. These notices must be recorded and may be considered in future procurement decisions where persistent or serious underperformance is demonstrated.

Contract Extensions or Expansion

Some major contracts may change their nature over their term. On occasion the total contract value may not be precisely what is originally planned. However, there are risks in either case e.g., risk to value for money, ensuring suppliers have the right competences, or even risk of anticompetitive behaviour.

If the value, duration, or scope of a contract appears likely to increase or change, Procurement must be consulted (alongside legal were required) beforehand and will provide advice and determine the level of risk and how the contract should be managed

All contracts which are subject to PCR 2015/Procurement Act 2023 cannot automatically be extended. Under PA 2023 contracts may be extended and the contract value increased by up to 10% of the original contract value subject to approval from the contract manager and the procurement team. There are certain strict criteria contained within the Act, which may allow for some contracts to be extended, and contract value increased however, the criteria is not usually applicable and very narrowly applied by the courts and this must be discussed with the procurement team and legal representatives prior to the need for the amendment. Contract Managers will submit an exception report to be considered alongside every request for an extension of time and or increase in contract value.

It is Group policy to assess the permissibility of contract changes on the basis of the tests set out in the Procurement Act 2023 whether the relevant contract is above or below threshold. Any below threshold variations which do not fit within one of the PA23 exemptions for modification will only be permitted in exceptional circumstances where Senior members of the procurement function in agreeance with legal (where applicable) have approved in advance.

For above threshold contracts, any modifications must be recorded and published on Find a Tender, including the nature of the change to the contract and the reasons why it has been made and is justified under the PA23 exceptions.

Exit Arrangements, Continuity & Contingency

It is essential to consider the contract exit arrangements, as early as possible to ensure continuity of service and plan for contract expiry.

On termination of a contract for whatever reason a Contract Termination Notice must be published on Find a Tender where the contract is above threshold.

Intellectual Property in Deliverables

When placing contracts, very careful consideration must be given to both the short- and long-term outcomes, to ensure the 'Group's' interests are protected. No one bidder or contractor should be given any commercial advantage because of early access to project Groups, information, or planning.

For the same reasons, all contracts which may involve the development of intellectual property such as ideas, techniques, designs, reports, plans or software (this list is not exhaustive) where public funding is used, must specify where the ownership of these rights will rest. The technical phrase for this is vesting the Intellectual Property Rights (IPR).

The 'Group' would always expect to own IPR created by its suppliers on a bespoke basis, and the contract terms must reflect this.

Any discussed changes to the 'Group's' standard terms and conditions relating to IPR must be raised with Procurement, for advice and escalation for legal input, and agreed to internally as per the scheme of delegation, prior to any amendments being agreed.

Social Value (and Corporate Social Responsibility)

Our 'Group's' Commitment

The 'Group' is committed to procuring goods and services in an environmentally responsible and sustainable way. Wherever possible, products and services purchased should be manufactured used and disposed of in an environmentally responsible way. Considering whole life costs will often secure a better deal and improve the sustainability of what we buy.

The group has set out a roadmap to achieving net zero in tees valley by 2050, and we recognise that procurement has a role to play in that journey.
We intend that Procurement, and the Group will leverage our position as a major regional procurer of goods and services to embed net zero goals in our purchasing.

Taking these opportunities offers benefits in environmental, social, and economic terms across the public sector, business, and wider society. Where appropriate, tenderers should be asked to set out in their proposals what contribution they will make to efficiency and sustainability if awarded the contract.

Our detailed approach to delivering Social Value can be found in our 'Group' Social Value Policy. This policy addresses such things as:

- Sustainable procurement, for instance, embedding sustainable development considerations into spending and investment decisions across the 'Group', can offer many opportunities including:
  - avoiding adverse environmental impacts arising in the supply-chain by, for example, reducing waste and emissions.
  - making more efficient use of 'Group' resources, for example, through reduced energy consumption and reduced packaging.
  - stimulating the market to innovate and to produce more cost effective and sustainable options for all purchasers; and,
  - setting an example for business and the wider public and demonstrating that The 'Group' is serious about sustainable development.

The 'Group' will work to ensure Social Value is obtained through the commitment of public funds.

We will seek to improve economic, social, and environmental wellbeing from our contracts, over and above the delivery of the services directly required, and at no extra cost

Where appropriate there will be a mandatory weighting for social value contribution for all tenders over £100,000. This will consider a minimum of 20% to establish supplier responses with an ambition to increase the weighting going forward to ensure that Social Value becomes embedded in the procurement process.

TEES VALLEY

Standards & Fairness

All procurement should be carried out in accordance with the 'Group's' procurement and financial policies, and all employees should be able to demonstrate compliance within their role as purchasers and contract managers.

Conflicts of Interest and Conflicts Assessments

Particular care must be exercised where suppliers with extensive knowledge of the organisation, such as incumbent suppliers participating in a procurement exercise. These suppliers must not receive, or be perceived to receive, any preferential treatment. Where a supplier's existing insight into the organisation could appear to give them an unfair competitive advantage, it is essential to identify the risk early, document it appropriately, and establish clear measures to demonstrate a fair, transparent, and competitive process for all bidders.

Effective management of conflicts of interest is essential to uphold the principles of integrity, fairness, and transparency required under the Procurement Act 2023. All individuals involved in the planning, development, management, or oversight of a procurement must identify, declare, and manage any actual, potential, or perceived conflicts of interest.

A conflict of interest arises where an individual's personal, financial, or other interests could improperly influence, or be perceived to influence, their decisions or actions during a procurement process. Conflicts may be:

- Actual – the conflict exists now
- Potential – the conflict may arise in the future
- Perceived – a reasonable person could believe a conflict exists, even if this is not the case

All staff participating in a procurement must complete a Conflict of Interest Declaration at the start of the process and reaffirm this at key stages, including:

- Tender preparation (including PTME)
- Evaluation and moderation

Declarations must also be updated immediately if circumstances change. Where a conflict is identified, the individual must disclose it to the Procurement Team without delay.

A Conflict Assessment must be completed for each procurement exercise. The assessment must:

- Identify any actual, potential, or perceived conflicts
- Evaluate the risk of undue influence
- Document any proposed mitigation measures
- Confirm whether the assessment affects the ability to proceed with the procurement

Conflict Assessments must be proportionate to the value and complexity of the procurement and retained as part of the formal audit trail. Where a conflict is identified, appropriate mitigation actions may include:

- Recusal of the conflicted individual from part or all of the process
- Substitution with an independent team member
- Additional oversight by Procurement or Legal Services
- Segregation of duties
- Enhanced audit documentation

If a conflict cannot be effectively mitigated, the organisation may suspend or adjust the procurement process until the risk is resolved.

All conflict declarations, assessments, and mitigation actions will be securely stored with the procurement function. These records must be available for audit, assurance, or external scrutiny to demonstrate compliance with the Procurement Act 2023.

Evaluators and Evaluation of Tenders

Effective and impartial evaluation of tenders is essential to ensure fairness, transparency, and value for money throughout the procurement process.

Evaluators must be selected based on their subject matter expertise, understanding of the requirement, and ability to assess submissions objectively. The evaluation panel will include two technical specialists to evaluate quality and a member of procurement to evaluate compliance, price and social value. Where appropriate, more evaluators may be required. Procurement will lead the moderation process. All evaluators must; have no actual, potential, or perceived conflicts of interest, engage with conflict of interest assessments, commit to maintaining confidentiality and data protection requirements and undertake any required evaluation guidance or training prior to the assessment (where required). Where a conflict is identified, the individual must be replaced or excluded from parts of the evaluation as appropriate.

All evaluations must be carried out in accordance with the following statutory and organisational principles:

- Fairness – all suppliers are treated consistently
- Transparency – evaluation criteria and weightings are agreed and published in advance
- Objectivity – scores must be based solely on the evidence provided within the tender
- Proportionality – methods and scoring must reflect the scale, complexity, and risk of the procurement
- Auditability – records must be clear, detailed, and capable of demonstrating compliance with the Procurement Act

Evaluation criteria, weightings, and scoring methodology must be:

- Determined before the procurement is issued
- Included in the tender documentation
- Applied consistently across all submissions

Scores must be supported by clear, objective written justification referencing the supplier's submission. Unsupported or subjective scoring is not permitted.
After individual scoring is complete, the evaluation panel will participate in a moderation meeting to discuss individual assessments, agree consistent interpretation of criteria, resolve significant variations in scoring and confirm the final moderated score for each supplier.

The moderator (procurement) is responsible for ensuring a fair and transparent process, clear evidence to support the final scores and accurate completion of evaluation records and audit documentation.

All evaluation documentation, including individual score sheets, moderated scores (logged within the scoring matrix) explaining rationale, conflict of Interest Declarations and assessment summaries will be securely retained by the Procurement function as part of the formal procurement record. These documents must be available for internal oversight, external audit, and statutory disclosure requirements.

Confidentiality

The ‘Group’ must respect the confidentiality of technical and commercial information provided by suppliers to the extent that Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 (EIR), data protection legislation and other statutory obligations or subsequent amendments or new legislation permit.

All suppliers and potential suppliers are expected to reciprocate in respect of commercially sensitive information provided by the ‘Group’. To protect against disclosure and unauthorised use of confidential information, suppliers are to be asked to sign an TVCA ‘Group’ non-disclosure agreement where appropriate.

In particular:

i. employees must not divulge any confidential information, including personal data or information, to any unauthorised person or persons; and
ii. controls must be in place to ensure that unauthorised persons do not obtain such confidential information.

If in doubt as to whether information is confidential or not, please contact Procurement who will consult with Governance and legal teams to obtain advice.

Record Keeping & Freedom of Information

The method of supplier selection must be fully documented and saved in accordance with the ‘Group’s’ naming conventions-to allow full and open review of the decision-making process at any time. This will include the selection process used and the selection criteria (financial status, price, expertise, uniqueness, etc.) weighted according to the authorised purchaser's needs. This record should be logged and kept on file and be made available to internal auditors, external auditors, and procurement upon request.

Under FOIA, EIR and DPA, the ‘Group’ is required to maintain sufficiently robust and effective information handling procedures. In practice this means that all colleagues have a responsibility to maintain accurately named and numbered files, using up-to-date, clear, and systematic cross-referencing. All requests from the public relating to disclosure of information under the FOIA and EIR must be managed in accordance with the relevant handling procedures set out in the Access to Information Policy.

In addition, it should be noted that to comply with legal requirements, contracts, purchase orders and all associated documents must be retained in accordance with the ‘Group’s’ Access to Information Policy.

Retention Policy for Tender and Contract Documentation

Contracts should be retained for a period of six (6) years after the completion of the contract, or 12 years if the contract has been executed as a Deed.

Expressions of Interest and/or Pre-Qualification Questionnaires should be retained for one (1) year from award of contract.

Unsuccessful Tenders should be retained for one (1) year from award of contract.

Tenders submitted where the decision to abandon the exercise was taken and no contract was awarded should be retained for one (1) year from the date that the decision was taken.

Small and Medium-sized Enterprises

The Government is committed to ensuring that SMEs can bid for public contracts. The Cabinet Office expects public sector bodies to follow the European Commission definitions:

- Medium sized means no more than 250 employees, a balance sheet that does not exceed £38m and turnover that does not exceed £44m.

To encourage SME participation in public sector contracts, we are required to:

- select the most appropriate route to market based on the individual requirement.
- use the standardised Procurement Specific Questionnaire (PSQ), with the objective of ensuring cross Government adoption of a shortened/less onerous PQQ template.
- move towards greater use of the "open procedure" for larger projects; and,
- encourage prime contractors to consider SMEs when putting in place sub-contracting arrangements.

Pre Tender Market Engagement (PTME)

PTME comprises all the activities undertaken to engage with the market before commencing a procurement process. It is a method of capturing intelligence on innovations, new processes, project feasibility and market capacity/capability which can then be factored into the speciation and procurement.

Cabinet Office rules now encourage PTME procurement to foster innovation and assist SMEs, helping to reduce barriers.

Early pre tender market engagement enables purchasers to better define their requirements and reduces their reliance on complex procurement procedures.

Transparency

Contracts between £30,000 and the relevant threshold (see appendix B for current thresholds) should be advertised openly if not using a framework or understand the market sufficiently to carry out a Request for Quote process. All contracts over the relevant threshold should be advertised openly unless using a framework, where the specific framework rules must be applied.

If procuring from a framework with a value above £30,000 then a contract award notice must be placed on Contracts Finder/Central digital Platform.

If a framework is not being utilised, the requirement should be advertised on Contracts Finder (above £30,000 and up to threshold), (and on Find a Tender Service (FTS), Central Digital Platform (CDP) if above the required threshold. The contract award notice must also be published on Contracts Finder and where relevant FTS.

Glossary of Terms

Anti-corruption
Activities that oppose or inhibit dishonest, fraudulent, or criminal conduct. These activities can include anti-corruption education, introduction of anti-corruption compliance programmes, and collective action on anti-corruption legal frameworks which cover bribery and money laundering.

Benchmark
Compare an element of one business, such as price, quality, or service, against another.

Category Management
A strategic approach to procurement that segments and aligns spend with each supply market allowing greater focus on value creation.

Chief Officer
Refers to any responsible Chief Officer of the 'Group' as detailed in the scheme of delegation – Appendix C.

Compliance
Conforming to rules and regulations.

Conflict of Interest
A situation where an individual's personal or financial interests could improperly influence, or be perceived to influence, their decisions in a procurement process.

Contract Management
Managing the contracting cycle from establishing the business need to reviewing performance.

Contract Regulations
Laws and guidelines that ensure contracts are handled fairly within a jurisdiction.

Corruption
Abuse or misuse of a person's entrusted position, power, or authority for personal gain. In procurement, this could include a person with authority agreeing to give a specific supplier a contract before a fair competitive tender has been carried out (making it unfair).

Delegated authority
Giving another party the responsibility of carrying out the acts agreed to in the contract

Direct call off
The act of placing an order under a framework agreement without having further competition.

Dynamic Purchasing System
Agreement which allows purchasers to order supplies, services, or works under the terms and conditions specified in the DPS. Additional parties can apply to join onto the DPS if they meet the selection criteria.

Dynamic Market
Flexible, electronic system listing pre-approved suppliers who meet certain criteria, allowing contracting authorities to run mini competitions for goods, services, or works, with the key feature that new suppliers can join, and existing ones can be re-admitted at any time/

Early supplier involvement (ESI)
The involvement of a supplier in the product development process from a very early stage in order to use the supplier's experience and expertise

E-auctions
Auctions where the bidding takes place on the Internet

E-catalogue
An electronic catalogue supported by Internet ordering and payment capabilities

E-procurement
Electronic systems supporting the phases in the procurement cycle from contract award to asset management.

E-tendering
An electronic approach to tendering using e-mails or portals

Ethical Procurement
Ensuring that products and services are obtained in a responsible and sustainable way that demonstrates respect for people involved in the supply chain and the environment such as fraud, corruption, bribery, modern slavery, human rights.

Framework Agreement
An agreement that allows purchasers to order supplies, services, or works under the terms and conditions of the agreement (it provides a mechanism for calling off orders as and when required).

Fraud
The overarching descriptor that covers both bribery and corruption. Fraud is the intentional act, omission, or misrepresentation with the aim of misleading another party for financial gain. The World Bank define fraud as 'the abuse of public office for private gain.'

GDPR
The European Union's General Data Protection Regulation

Invitation to tender (ITT)
A structured process requesting a supplier to provide a bid against a specified set of terms, usually to carry out a service, by a stated deadline

Key performance indicators (KPIs)
A quantifiable measure that can be used to assess performance over time. Often in supplier contracts KPIs will be set around many factors such as quality, cost, and delivery

Key stakeholders
Individuals or organisations who will be directly affected by a decision

Letter of intent (LOI)
A letter sent from one business to another which summarises the agreement reached during negotiations and provides the basis for a future or proposed contract. The letter expresses an intention to enter into a contract at a future date but creates no contractual relationship until the future contract has been signed

Life-cycle costing (LCC)
The process of understanding all costs that an asset will incur over its lifespan. This can include costs such as acquisition, running, repair and disposal

Market engagement
A process to gain advance understanding of the market prices or trends.

Mini-Competition
A limited tender exercise, usually only on price, under the rules set out in a framework agreement; only suppliers appointed to the framework are able to take part.

PA23
Procurement Act 2023

PCR 2015
Public Contracts Regulations 2015.

Pre-selection questionnaire (PSQ)
A document sent to potential suppliers to find out their suitability to be included in the procurement process.

Pre-qualification questionnaire (PQQ)
A document sent to potential suppliers to find out their suitability to be included in the procurement process.

Prior information notice
A notice released by a buying organisation through the OJEU to make potential suppliers aware of a sourcing competition that it intends to run in the future.

Purchase requisition (PR)
An instruction or authority given to allow a purchase order to be raised.

Purchase to pay (P2P)
A sequence of procurement processes from the procurement of a product or service through to the completion of the financial transaction to pay for it.

Reputational damage
The loss in financial or shareholder value resulting from damage to an organisation's reputation which may arise through bad publicity, negative information or an adverse or criminal event, even if found not guilty.

Request for information (RFI)
A document used to gather information about suppliers and their capabilities prior to a formal procurement process.

Request for quote (RFQ)
A document asking pre-selected suppliers for fixed-price bids on clearly defined, standard goods or services, focused on getting the best price and terms through a transparent, competitive process, often used for lower-value, high-volume items

Request for quotation (RFQ)
An invitation to suppliers to bid on specific products or services.

Restricted tender procedure
Two-stage process where suppliers are selected prior to being invited to bid.

Scope
Refers to the boundaries of the project; it defines what the project will deliver and what it will not deliver.

Scope creep
Changes in the scope or requirements of a project over time, without authorisation and usually without adjusting for additional time, resources, or money.

Social value
The output from a contract that benefits society at large, rather than the purchaser or end user (sometimes also called community investment or corporate social responsibility).

State aid/ Subsidy Control
'state aid' or subsidy control - covers subsidies or other governmental measures (such as tax benefits) to support a particular organisation or industrial sector.

Sustainability
Supporting future ecological balance by not harming the environment or depleting natural resources.

Sustainable Procurement
Procurement which supports the sustainability goals of the organisation and optimises the environmental, social, and economic impacts over the life cycle of the product or service.

Value for money (VFM)
Value for money is archived by the optimum combination of economy, efficiency and effectiveness. In the acquisition of goods, services and works this is usually reflected in the most advantageous combination of price and quality that makes a product or service fit for purpose and will achieve the buyer's required outcomes. This needs to be viewed in terms of whole life costs of the Good, Services or Work 9 so for example it may be better value to specify a more expensive product that will last longer or have lower maintenance costs.

Appendix A: Procurement Thresholds Table

Supplies and Services (Sub-Central Government)

Previous Values	January 2026 values	January 2026 Net of 20% - INDICATIVE
£214,904	£207,720	£173,100

Supplies and Services (Central Government)

Previous Values	January 2026 values	January 2026 Net of 20% - INDICATIVE
£139,688	£135,018	£112,515

Works

Previous Values	January 2026 values	January 2026 Net of 20% - INDICATIVE
£5,372,609	£5,193,000	£4,327,500

Light Touch (Social and other Specific Services)

Previous Values	January 2026 values	January 2026 Net of 20% - INDICATIVE
£663,540	£663,540	£552,950

- Thresholds apply until 31 December 2027

Appendix B: Procurement Process

Project assigned by Procurement Manager. Procurement Officer to allocate reference number e.g. XXXXPROC-XXXX and update Pipeline

Project Lead will complete specification document and agree timelines, to the best of their ability and PAF will have been signed by the relevant hierarchy based on value

PAF can be found in Teams Procurement Templates Folder

Procurement Route Options

Under 5k | £5k > £30k | £30k – Threshold | Above Threshold

- Procurement will advise on process to project lead, advise timescales and documents required
- All documents to be prepared (including conflict of interest form part 1)
  - To include agreed quality, pricing schedule, timelines, SV (if app) and contract terms
- Documents to be finalised by Project Lead and Procurement
  - All documents to be saved in the Teams project folder
- Documents to be uploaded to e-procurement portal
  - Follow e-procurement portal protocol for uploading documents
  - Is a Site Visit required?
  - Are Bidders requested to do a presentation?
- Procurement to build final Evaluation Matrix
- E-procurement portal tender returns should be opened on closing date of tender
- Conflict of interest (part 2) to be completed by all evaluators and procurement
  - Sample Doc for Evaluator
  - Clarifications to be answered as part of tender and updated as a clarification log as an attachment to the e-procurement portal tender
  - Download documents and save in Teams project folder
  - Pricing and SV submissions are to be evaluated for compliance and scored by Procurement. SV quantitative scores are only to be scored by Procurement.
- Evaluations to be completed by evaluators and consensus meeting to take place between all parties
  - The successful bidder will be decided at this point
- Successful and unsuccessful bidders informed of tender outcome through the e-procurement portal
  - Initial notification of outcome can be sent but must state "subject to internal approval
- PAF updated with successful bidders details
  - Approval is required before contracts are fully signed and initial meetings organised
- Standstill period applied if over threshold
- Contract sent to successful bidder for signature and to be returned to procurement for subsequent Legal Signature
- Procurement complete section 7 of PAF and send back to project lead with contract details
- Contracts register to be updated, Documents saved in project folder on Teams
- Award notice to be published on Find a Tender
  - Update Contracts register on e-procurement portal with contract details
  - Contract Award Notice (if applicable) and Contract Details Notice Link
- Project Lead to provide Finance with PAF and request Purchase Order
- Initial Contract management meeting to be set up between Procurement, project lead and winning bidder

Ensure master tracker is updated throughout the process

Under £5K-£0K

Project leads who require spend under £5K should request 3 quotes from viable suppliers, assess the winning bidder and provide a purchase order form to:

TVCA Project leads will raise their own purchase orders.

STDC | STDL | STSC procurement@teesvalley-ca.gov.uk

£5K–£30K Procurement Options

Pre-tender market engagement is strongly encouraged at the start of any procurement process as it allows TVCA to engage with potential suppliers to understand the market, refine requirements, develop innovative solutions and ensure a competitive and fair procurement process. The procurement lead will advise the best way to complete this based on the needs and value of the required works, goods or service.

3 Quotes **Where possible local suppliers in Tees Valley should be used**	1. Project Lead should provide min 3 suppliers who can deliver services or supply of goods 2. Contact the suppliers for a quote by email or through e-procurement portal 3. Quotes can be based on price only, however quality can be used when required based on availability or certain brands etc 4. Identify the correct T & C C's to be used to suit the contract
Request for Quote	1. Project Lead should provide min 4 suppliers who can deliver services or supply of goods. Procurement to provide 1 of the 4 suppliers to be invited. Check procurement e-portal to ensure suppliers are registered, if they are not, email them with link to procurement e-portal 2. Identify correct T&C C's to be used for tender 3. Quote will consist of quality questions and price
Direct Award	1. Project Lead should identify supplier/company who can deliver services or supply of goods and be able to justify why this is a direct award 2. Send PAF for legal sign off and financial approval 3. Identify the correct T & C C's to be used to suit the contract

£5K–Threshold Procurement Options

Pre-tender market engagement is strongly encouraged at the start of any procurement process as it allows TVCA to engage with potential suppliers to understand the market, refine requirements, develop innovative solutions and ensure a competitive and fair procurement process. The procurement lead will advise the best way to complete this based on the needs and value of the required works, goods or service.

Request to Quote/ITT **(Invitation Only)** **Where possible local suppliers in Tees Valley should be used**	1. Project Lead should provide min 4 suppliers who can deliver services or supply of goods. Check e-procurement portal to ensure suppliers are registered, if they are not, email them with link to e-procurement portal 2. Identify correct T&C C's to be used for tender 3. Quote will consist of quality questions and price 4. All tenders over £100K should include 20% Social Value element 5. Contract details added to contracts register on e-procurement portal
Request for Quote/ITT /Competitive Flexible Procedure	1. Tender will be available to all e-procurement portal registered suppliers 2. Identify correct T&C C's to be used for tender 3. Quote will consist of quality questions and price 4. All tenders over £100K should include 20% Social Value element 5. Advert should be issued on Find my Tender service with a link to the e-procurement portal document
Framework Direct Award	1. Identify Framework available for project 2. Run Mini Competition in line with Framework requirements 3. Contract details added to contracts register on e-procurement portal
Framework Mini Comp	1. Identify Framework available for project 2. Run Mini Competition in line with Framework requirements 3. Contract details added to contracts register on e-procurement portal
Framework Creation (including open) & Framework Call Offs	1. Create specification for internal framework, stating if this is an open or closed framework 2. Complete documents required (including invitation to Framework - where details of how the framework will work will be stated e.g open/closed, single supplier framework/multiple supplier framework, framework length in years, framework agreement and framework call off agreement) 3. All frameworks with a value over 100k should include a 20% social value element 4. Advert should be issued on Find my Tender Service with link to e-procurement portal documents 5. Appoint after evaluation period (quality, price and SV if over 100k) 6. Framework award details to be added to contract register on e-procurement portal, including any further call off contract details.

TEES VALLEY

Above Threshold Procurement Options

Pre-tender market engagement is strongly encouraged at the start of any procurement process as it allows TVCA to engage with potential suppliers to understand the market, refine requirements, develop innovative solutions and ensure a competitive and fair procurement process. The procurement lead will advise the best way to complete this based on the needs and value of the required works, goods or service.

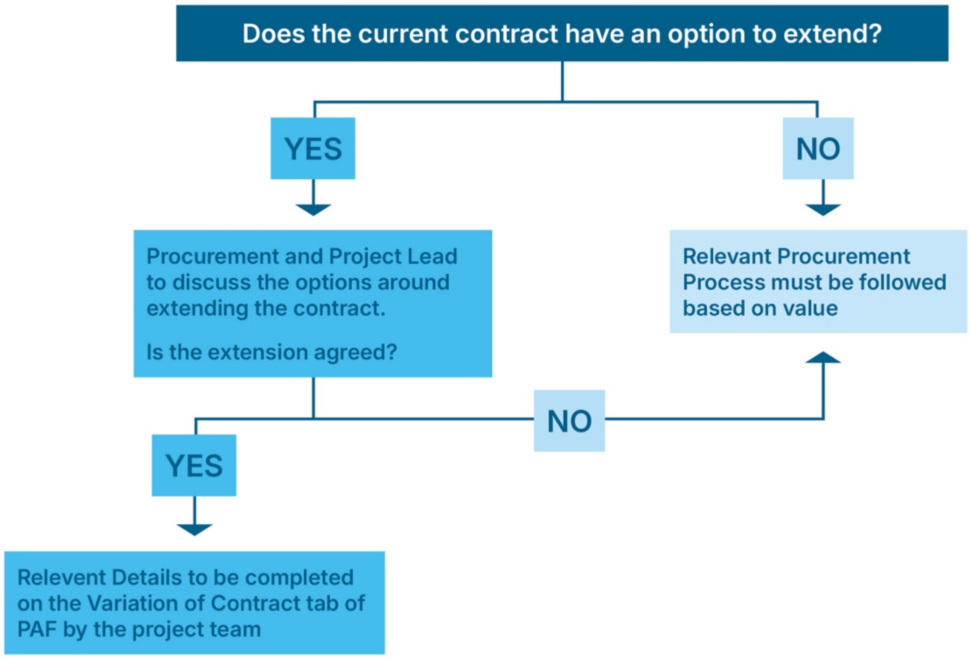
Above Threshold Open /Competitive Flexible Procedure	1. Tender will be available to all e-procurement portal registered suppliers 2. Identify correct T&C C's to be used for tender 3. Tender will consist of quality questions, price and Social Value 4. Advert should be issued on Find a Tender service with link to the procurement e-portal documents 5. Tender should be advertised for 30 days minimum 6. A Standstill Period of minimum 8 days must take place after bidders are notified of the tender outcome 7. Contract details added to contracts register on e-procurement portal
Dynamic Market Creation & Call Off	1. Create specification for internal dynamic market 2. Complete documents required - Invitation to Dynamic Market (including how the dynamic market will work e.g new suppliers able to join at any time, the length of/time period for the dynamic market) dynamic market agreement, and dynamic market call off agreement) 3. All dynamic markets (as they are only available for use in Over Threshold opportunities) must include a 20% social value element 4. Advert should be issued on Find my Tender Service with link to e-procurement portal documents 5. Appoint after evaluation period (quality, price and SV) 6. Dynamic market award details to be added to contract register on e-procurement portal, including any further call off contract details.
Above options: Framework Direct Award, Framework Mini Competition and Framework Creation (including open) and Framework Call Offs can be utilised on Above Threshold Procurements - see above for details of the processes	

Above Threshold Procurement Options

Pre-tender market engagement is strongly encouraged at the start of any procurement process as it allows TVCA to engage with potential suppliers to understand the market, refine requirements, develop innovative solutions and ensure a competitive and fair procurement process. The procurement lead will advise the best way to complete this based on the needs and value of the required works, goods or service.

Value	Options	Approval Process
Goods and Services under £5K	▪ 1 Quote required	No PAF Required PO raised by Project Lead
Goods and Services £5k to £30K	▪ Min 3 Competitive Quotes via procurement through email or Request For Quote/ITT ▪ Framework Mini Competition ▪ Framework Direct Award (if F/W allows) ▪ Direct Award (justification required)	PAF Required Approval by Finance and Legal PO raised by Project Lead
Goods and services Over £30K to Threshold	▪ Request for Quote/ITT (Invite or Open) ▪ Framework Mini Competition (if F/W allows) ▪ Framework Creation (including open) ▪ Dynamic Market Creation	PAF Required Approval by Finance and Legal PO raised by Project Lead
Goods and Services over Threshold	▪ Threshold open tender ▪ Framework Mini Competition ▪ Framework Direct Award (if framework allows) ▪ Framework Creation (including open) ▪ Competitive Flexible Procedure ▪ Dynamic Market Creation	PAF Required Approval by Finance and Legal PO raised by Project Lead

Existing Contracts



Sample Evaluation Document

This document will be provided to evaluators to review bid submissions

Tees Valley Group

TVCA Group

Draft Evaluator Notes

This document is to be used when reviewing supplier submissions. Evaluators are to record any comments and thoughts on the quality submission in which they are reviewing. **No scores are to be logged within this document**. This document is to be used as a prompt when attending the consensus scoring meeting. During the consensus scoring meeting, all evaluators are to agree quality scoring and reasoning. This is to be logged in the separate consensus scoring excel.

Evaluator Name:

Date:

Tender Reference:	
Tender Title:	
Bidder Name:	

		COMMENTS/THOUGHTS ON QUALITY SUBMISSION (No scores to be recorded in this document):
Quality 1 – [Question Title] (XX% Weighting) [Full question and details of any word count / page limit]	**Positives of Response**	
	Negatives of Response	
Quality 2 – [Question Title] (XX% Weighting) [Full question and details of any word count / page limit]	**Positives of Response**	
	Negatives of Response	
Quality 3 – [Question Title] (XX% Weighting) [Full question and details of any word count / page limit]	**Positives of Response**	
	Negatives of Response	
Quality 4 – [Question Title] (XX% Weighting) [Full question and details of any word count / page limit]	**Positives of Response**	
	Negatives of Response	
Response to Part 4c Social Value Calculator	**Positives of Response**	
	Negatives of Response	

[Guidance: Copy and paste the above onto new pages as required]

Sample PAF

This document can be found in Teams Procurement Template Documents

Tees Valley Group

Procurement - Contract Approval Form

FOR CONTRACTS BELOW £5,000 PLEASE COMPLETE SECTIONS 5 AND 7 ONLY

Project Details		
Date:		
Group Entity:		
Project Owner/Lead Officer:		
Procurement Lead:		
Procurement Reference:		
Private Sector Funded (YES/NO - Delete as appropriate)	YES	NO

Note: All sections must be completed in full, please add N/A if not applicable. All values in the entirety of this form are exclusive of VAT.

1. Details of requirement							
Contract Title:							
Estimated Value (Exclusive of VAT) (including all optional extensions):							
Budget Category: Cost Centre, Product Code, Project Reference.	Budget Category:	Cost Centre:	Product Code:	Project Reference:	Project Lead Signature (confirmation budget is available):		
Length of contract:							
Option to Extend: Yes/No (and duration)							
Details of requirement:				Estimated Spend Profile			
	Goods/Services details of requirement		Value	Year 1	Year 2	Year 3	Later
			£ -	£ -	£ -	£ -	£ -
			£ -	£ -	£ -	£ -	£ -
			£ -	£ -	£ -	£ -	£ -
	Total		£ -	£ -	£ -	£ -	£ -
Has the project been approved at the appropriate level?:	Is Board approval required?: (yes/no)			Decision Number (if applicable):		Date of Approval:	
Note: Cabinet/Board approval is required for all projects over £10 million	Is Cabinet approval required?: (yes/no)			Decision Number (if applicable):		Date of Approval:	
If yes to any of the above has evidence from Governance been	Yes/No	Do not progress until evidence is provided if required					

2. Procurement Route *(To be completed by Procurement)*	
Agreed Procurement Route:	
Rationale for chosen route:	
Contract Type: *Please describe contract to be used and why it is fit for purpose*	
Has (or will) Preliminary Market Engagement been carried out?	If yes, provide details of the process (to be) used and the outcomes of any preliminary market engagement carried out. If no, explain why. Has the correct and reasonable rationale been explained by the Project Lead?
Has Social Value been considered and received (applicable to above £100k direct awards)?	If yes, please provide the information received. If no, explain why. Has the correct and reasonable rationale been explained by the project lead?
Agreed by Procurement:	

3. Approval to Procure:			Date sent for approval:	DD-MMM-YY		
Approved By:	Director:		Signature:		Date:	
	Finance Director:	Gary Macdonald	Signature:		Date:	
All Direct Awards require Legal approval (not including Framework Awards)	Legal Manager		Signature:		Date:	
Private sector approval to fund on behalf of Teesworks	John McNicholas (Teesworks)	(Print Name)	Signature:		Date:	

4. Award of Contract *(To be completed by Procurement)*					
Supplier Details	Name:				
	Address:				
	Contact Name:		Contact email		
Contract Details	Contract Start Date:	DD-MMM-YY	Contract End Date:		DD-MMM-YY
	Total Contract Value:	-			

5. Contract	Contract will be issued to winning bidder and legal team on procurement completion provided the budget or contract terms are not changed from the above. If this is not the case this form will be amended and issued for re-approval.
6. Purchase Order	Once contract is signed the relevant department will be advised by procurement that the PO can be raised for approval by Finance Director.

7. Purchase Order Details						
Supplier Name						
Does the PO cover the full Contract Term?						
Purchase Order Breakdown	Line #	Description of Goods/Service	Entity Code	Cost Centre	Product Code	Value (Exclusive of VAT)

Procurement Approval Form-Final-v3.3 (2).xlsx

Contract_PO1 details

Contracts Award Notice

All Contracts over £30K →	Upload to Find My Tender Service
Over Threshold Contracts →	Upload to Find My Tender Service
Over Threshold Framework Contract (Call Off) →	Upload to Find My Tender Service

Appendix C: Scheme of Delegation

- Up to £5,000 – Manager
- Over £5,000 – Finance Manager and relevant director
    - Legal where applicable (variation or direct award of contract)

For more information contact
info@teesvalley-ca.gov.uk
www.teesvalley-ca.gov.uk

@TeesValleyCA