CONTRACTS AND TENDERING JAN 08

There have been important changes to the thresholds which apply to all agreements issued by public sector contracting authorities (regardless of the source of funding) for supplies and services from the 1st January 2008. Works contracts are subject to different rules.

The Scottish Government has advised that under the terms of the “Public Contracts (Scotland) Regulations 2006”, the specific procedures will apply to all purchase transactions of £139,893 and above. This has been reduced from the previous threshold of £144,000 set in 2006.

Summary of Regulations and Timescales

The European Directives were introduced into UK law as the Public Supply (and Services) Contracts Regulations on 21 December 1991. As a public contracting authority the University of Aberdeen has a legal obligation to comply with the regulations and proceedings as a result of any breach of this duty are assigned to the Court of Session in Scotland.

It is the duty of the University’s central Procurement Service to manage the tendering procedure for these contracts. It is important for Heads of Colleges and Schools to ensure that sufficient time is available to comply with the prescribed tendering periods (below) and note that quotations received before contract notices have been advertised must be set aside.

Open Procedure
The date for receipt of tenders shall be not less than 52 days from the date of despatch of the notice, but if the premises have to be inspected, then allowance has to be made for this. We have to provide full tender papers in response to all requests within four days, and respond to all of the unsuccessful tenderers, and so this procedure is not normally used.

Restricted Procedure
This is generally the most suitable of the three options for the University; the third, the Negotiated Procedure, is not described here as it is inapplicable in most circumstances.

The benefit of the Restricted procedure is that it allows for a pre-qualification stage, requiring applications to tender to contain details of relevant experience, technical ability and financial stability etc.. This considerably reduces the tender analysis and recording which is required.

The date fixed for receipt of requests to tender shall be not less than 37 days from date of despatch of the notice. This is followed by a date for receipt of tenders not less than 40 days from despatch of the invitations. There is a further period of 10 days which has to be allowed for a legal challenge following selection. The total, minimum process time is therefore 87 days.

This is an updated summary of the procedures contained in Section 8 of the “Purchasing Policy and Guide to Procedures” which you will find behind the Purchasing Services webpage (www.abdn.ac.uk/purchasing). If you have any questions, please contact me directly.

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