

*Royal Borough of Kensington and Chelsea  
Procurement Code of Practice*

**Contract Regulations Financial Thresholds and Best Practice**

<b>Total Value</b>	<b>Award Procedure</b>	<b>Advertising</b>	<b>Shortlisting</b>	<b>Documentation/Audit Requirement</b>	<b>Member Involvement</b>
Up to £5000	<b>One written Quotation</b>	<b>No advertisement</b>	<b>N/a</b>	Retain evidence of quote	<b>Award decision delegated to relevant Director</b> Directors may compile and maintain a scheme of delegation specific to their area of responsibility identifying staff who may approve orders or contracts up to specific values
£5,000 to £99,999	<b>Three written Quotations</b>	<b>No advertisement but where practicable for contracts over £15,000 place contract opportunity on the Councils buyer profile, supply2.gov.uk or other reasonable publicity</b>	<b>N/a</b>	Invitations to quote and <i>Quotations</i> received, Keep a written record; <ul style="list-style-type: none"> <li>- of any exemptions and reasons for it</li> <li>- of the reason if the lowest price is not accepted</li> <li>- of award criteria other than price</li> </ul> - of communications with the successful contractor.	<b>Award decision delegated to relevant Director</b> Directors may compile and maintain a scheme of delegation specific to their area of responsibility identifying staff who may approve orders or contracts up to specific values
£100,000 to £139,893	<b>Four written Quotations received</b>	<b>Public Advertisement or invitation from select list where authorised under these Regulations</b>	Director	Follow audit guidance on retention and destruction of documents  <b>Spot checks will be undertaken to validate documentation and compliance.</b>	<b>Contract Award is a Key Decision</b>

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<p>£139,893 -499,999 –</p>	<p><b>Invitation to Tender by advertisement to at least 4 organisations</b></p> <p><i>EC Procedure must be followed where EC rules apply .</i> Consult the Procurement Guidance .</p>	<p><b>Public advertisement or invitation from select list</b> <b>Where so authorized under these Regulations</b></p>	<p>Director in consultation with Cabinet Member</p>	<ul style="list-style-type: none"> <li>- follow pre-purchase/advertising checklists</li> </ul> <p>Keep written record including :</p> <ul style="list-style-type: none"> <li>- the method for obtaining bids</li> <li>- any contract award <i>Decision</i> and the reasons for it;</li> <li>- any exemption together with the reasons for it;</li> <li>- the <i>Award Criteria</i> (including those other than price) and the evaluation of tenders against these criteria;</li> <li>- tender documents sent to and received from <i>Candidates</i>;</li> <li>- pre-tender market research;</li> <li>- clarification and post-tender negotiation (to include minutes of meetings);</li> <li>- the contract documents;</li> <li>- post-contract evaluation and monitoring;</li> <li>- communications with candidates and with the successful contractor throughout the period of the contract.</li> </ul> <p>Follow audit guidance on retention and destruction of documents</p> <p><b>Spot checks will be undertaken to validate documentation and compliance.</b></p>	<p><b>Contract Award is a Key Decision</b></p>
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Above £500,000	<b>EC Procedures must be followed</b> consult Procurement guidance/ Head of Procurement./legal services/group finance manager	<b>. See above for contracts above £139,893</b> Major contracts may require Cabinet Member/Cabinet approval to advertise	Major contracts may require Cabinet Member involvement in shortlisting process.	<b>As per contracts of £139,893 and above</b>	<b>Contract Award is a Key Decision</b> Major and sensitive contracts may require substantial Member involvement from the earliest stages and a Cabinet decision.
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EU limits - Works Contracts - £3,497,313  
 Supplies Contracts- £139,893  
 Service Contracts -£139,893

Contracts of £100,000 and above will normally be sealed and require a Key Decision