



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

REVISED PROCUREMENT THRESHOLDS

Report of the Chief Fire Officer

Date: 14 July 2023

Purpose of Report:

To present revised procurement thresholds to be included in the financial regulations.

Recommendations:

That Members approve the updated procurement thresholds to be incorporated into the financial procedures of the financial regulations.

CONTACT OFFICER

Name : Terry Scott
Head of Procurement and Resources

Tel : 0115 8388100

Contact : terry.scott@notts-fire.gov.uk

**Media Enquiries
Contact :** Corporate Communications
0115 8388100 corporatecomms@notts-fire.gov.uk

1. BACKGROUND

- 1.1 To conduct business effectively and efficiently, Nottinghamshire and City of Nottingham Fire and Rescue Authority ('the Fire Authority') needs to ensure that it has sound financial management policies in place and they are strictly adhered to. Part of this process is the establishment of financial regulations that set out the Fire Authority's financial policies.
- 1.2 Financial Regulations provide the framework for managing the Fire Authority's financial affairs, they apply to every member and officer of the Fire Authority and anyone acting on its behalf.
- 1.3 Financial Regulations should be read in conjunction with the Fire Authority's financial, contract and procurement policies, and any other relevant internal regulatory documents.
- 1.4 The financial procedures support the financial control objectives set out in the Financial Regulations of the Fire Authority.
- 1.5 Nottinghamshire Fire and Rescue Service (NFRS) Financial Regulations and Standing Orders set the thresholds at which procurement for and on behalf of the Service can be undertaken. The overriding aim of these procurement thresholds is to ensure that best value is obtained and the process in achieving this is documented and recorded.
- 1.6 The current procurement thresholds were agreed in 2011 and due to the increase in supplier costs they are outdated and inefficient when undertaking lower value procurements.

2. REPORT

- 2.1 This report is to seek approval from Members to amend the Procurement Thresholds to better reflect today's prices for goods and services leading to higher efficiencies whilst maintaining financial control and achieving best value
- 2.2 The proposed new thresholds better align with current procurement procedures in that they consider when tenders must be advertised using the Service's E-procurement Portal and Contracts Finder.
- 2.3 The Procurement Manager has consulted with the Finance Team to set the proposed thresholds. The proposed procurement thresholds are at Appendix A to this report.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES IMPLICATIONS

As there are no known equality implications arising directly from this report at this stage, an equality impact assessment has not been undertaken.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

There are no risk management implications arising from this report.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members approve the updated procurement thresholds to be incorporated into the financial procedures of the financial regulations.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER

REVISED PROCUREMENT THRESHOLDS

Existing Threshold Value	Existing Award Requirements	Contract Value (Proposed Threshold Value)	Contract Award requirements	Documentation Requirement	Budget Holder's Responsibilities	Form of Contract
Up to £499	Obtain a minimum of three competitive prices where practicable. Or The use of an existing framework / term contract where prices are pre-agreed. Or Order from the NFRS catalogue stock list through the financial management system. Or Justify purchase from single source supplier.	Remove this level				
New level added	New level added	Up to £999	Obtain a minimum of one verbal quote. Or	Verbal Quotation	Take advice from the NFRS Procurement department.	NFRS Purchase Order with standard terms and conditions or bespoke

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Existing Threshold Value	Existing Award Requirements	Contract Value (Proposed Threshold Value)	Contract Award requirements	Documentation Requirement	Budget Holder's Responsibilities	Form of Contract
			The use of a framework, Mini-Competition/ Direct award. Or A NFRS term contract where prices are pre-agreed.		Ensure best value has been achieved. Record all actions taken to achieve best value. If a framework is used, then the terms and conditions of the framework are to be strictly followed.	NFRS terms and conditions. NFRS Purchase order using a supplier's terms and condition. If purchasing from a framework, the framework terms and conditions will apply. Framework contract or standard form of contract or bespoke form of contract.
£501 to £5,000	Obtain a minimum of three written like for like quotes. Or The use of an	£1,000 to £4,999	A minimum of one supplier to be invited to quote. Or The use of a framework, Mini-	Written quotations may be via email or be obtained from an on-line price list(s).	Take advice from the NFRS Procurement department. Ensure best value has been achieved.	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions.

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Existing Threshold Value	Existing Award Requirements	Contract Value (Proposed Threshold Value)	Contract Award requirements	Documentation Requirement	Budget Holder's Responsibilities	Form of Contract
	existing framework / term contract where prices are pre-agreed; Or Order from the NFRS catalogue stock list through the financial management system; Or Authorisation to use a single source supplier using a single source supplier form.		Competition/ Direct award. Or A NFRS term contract where prices are pre-agreed.		Record all actions taken to achieve best value. If a framework is used, then the terms and conditions of the framework are to be strictly followed.	NFRS Purchase order using a supplier's terms and condition. If purchasing from a framework, the framework terms and conditions will apply. Framework contract or standard form of contract or bespoke form of contract.
New Level Added	New level added	£5,000 to £9,999	A minimum of two suppliers to be invited to quote. Or The use of a framework, Mini-Competition/ Direct award. Or	Quotations must be based on a written specification/ requirement. Quotations must be received in writing; alternatively, on-	Take advice from the NFRS Procurement department. Ensure best value has been achieved. Record all actions taken to achieve best value.	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions. NFRS Purchase order using a supplier's terms and condition.

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Existing Threshold Value	Existing Award Requirements	Contract Value (Proposed Threshold Value)	Contract Award requirements	Documentation Requirement	Budget Holder's Responsibilities	Form of Contract
			A NFRS term contract where prices are pre-agreed. Or Authorisation to use a single source supplier using a single source supplier form.	line price lists may be used to obtain like for like competitive prices.	If a framework is used, then the terms and conditions of the framework are to be strictly followed.	If purchasing from a framework, the framework terms and conditions will apply. Framework contract or standard form of contract or bespoke form of contract.
New Level added	New level added	£10,000 to £24,999	A minimum of three suppliers to be invited to quote. Or The use of a framework, Mini-Competition/ Direct award. Or A NFRS term contract where prices are pre-agreed.	Quotations must be based on a written specification/ requirement. Quotations must be received in writing; alternatively, on-line price lists may be used to obtain like for like competitive prices.	Take advice from the NFRS Procurement department. Ensure best value has been achieved. Record all actions taken to achieve best value. If a framework is used, then the terms and	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions. NFRS Purchase order using a supplier's terms and condition. If purchasing from a framework, the framework

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			Or Authorisation to use a single source supplier using a single source supplier form or business case.		conditions of the framework are to be strictly followed.	terms and conditions will apply. Framework contract or standard form of contract or bespoke form of contract.
£5,001 to £50,000	Obtain a minimum of three written like for like quotes; Or The use of an existing framework / term contract where prices are pre-agreed; Or Order from the NFRS catalogue stock list	£25,000 to £49,999	A minimum of three suppliers to be invited to quote. Or The use of a framework, Mini-Competition/ Direct award. Or A NFRS term contract where prices are pre-agreed. Or Authorisation to use a single source supplier	Quotations must be based on a written specification/ requirement. Advertising using the NFRS eprocurement portal and Contracts Finder. Quotations must be received in writing.	Take advice from the NFRS Procurement Section who will review all procurement documentation, approve, and advertise. Ensure best value has been achieved. Record all actions taken to achieve best value. If a framework is used, then the terms and	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions. NFRS Purchase order using a supplier's terms and condition. If purchasing from a framework, the framework terms and conditions will apply.

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	through the financial management system; Or Authorisation to use a single source supplier using a single source supplier form or business case		using a single source supplier form or business case.		conditions of the framework are to be strictly followed.	Framework contract or standard form of contract or bespoke form of contract.
£50,001 up to EU procurement thresholds	Formal tender process to be followed, minimum of six supplier to tender; Or Purchase from an existing local, regional or national framework	£50,000 up to FTS Public Procurement thresholds	Formal tender process to be followed, minimum of five suppliers to be invited to tender. Or The use of a framework, Mini-Competition/ Direct award. Or A NFRS term contract where prices are pre-agreed.	Formal tender documentation. Tenders must be based on a written specification/ requirement. Advertising using the NFRS eprocurement portal and Contracts Finder. Tender Submissions must be received in writing.	Take advice from the NFRS Procurement Section who will review all procurement documentation, approve, and advertise. Ensure best value has been achieved. Record all actions taken to achieve best value. If a framework is used, then the terms and conditions of the framework are to be strictly followed.	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions. NFRS Purchase order using a supplier's terms and conditions. If purchasing from a framework, then the framework terms and conditions shall apply. Framework contract or standard form of contract or bespoke form of

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						contract. Legal advice may be required for bespoke Terms and Conditions.
EU Procurement thresholds	Formal tendering following the OJEU and UK procurement rules; Or Purchase from an existing local, regional or national framework	Above FTS Public Procurement thresholds	Formal tendering process following the UK Public Contract Regulations. Or The use of a framework, Mini-Competition/ Direct award	Formal tender documentation. Tenders must be based on a written specification/ requirement. Advertising using the NFRS eprocurement portal, Contracts Finder and FTS. Tender Submissions must be received in writing.	Take advice from the NFRS Procurement Section who will review all procurement documentation, approve, and advertise. Ensure the Public Contract Regulation tendering processes are followed. Ensure best value has been achieved. Record all actions taken to achieve best value. If a framework is used, then the terms and conditions of the	NFRS Purchase Order with standard terms and conditions or bespoke NFRS terms and conditions. NFRS Purchase order using a supplier's terms and conditions. If purchasing from a framework, then the framework terms and conditions shall apply. Framework contract or standard form of contract or bespoke form of contract. Legal advice may be

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					framework are to be strictly followed.	required for bespoke Terms and Conditions.