

Placement Standing Orders (Appendix to Contract Procedure Rules)

1. Introduction

1.1 These Placement Standing Orders (PSOs) form an appendix to the Council's Contract Procedure Rules (CPRs). They apply specifically to the commissioning and procurement by the Council of individual placements, and packages of care for adults and children as per the Light Touch Regime¹ or for emergency accommodation purposes. For larger commissions, including pilot schemes, preventative services, universal services, or where arrangements like creation of frameworks (for example) can better suit the Council's delivery of statutory care/education and value for money requirements, the main CPRs must be followed in their entirety instead. They would not include Direct Payments or Individual Service Funds since in those circumstances, the agreement is no longer between the Council and the resultant organisation, but the individual instead.

1.2 As per the main CPRs, these PSOs provide a clear and consistent basis for procuring and awarding contracts lawfully, transparently, and fairly. They ensure compliance with legislation and corporate policies, safeguard public funds, and support strategic objectives through effective competition and governance. All officers must adhere to these rules without exception, as non-compliance may result in disciplinary action.

1.3 The Council has strategically commissioned arrangements to meet a wide range of needs of residents whilst delivering value for money. These arrangements include internal provision and block² provisions, which must always be considered first, especially where voids or retained places exist and they can meet the statutory care or education needs of the individual requiring support.

1.4 Where neither internal provision nor established commissioned contract arrangements can meet needs, arrangements may need to be made on an eligible individual. The PSOs will then apply. It is expected that the situations for when the PSOs will apply include, but are not limited to:

¹ [Procurement Act 2023](#) – Light Touch Regime

² an agreement where a commissioner pays a provider a fixed sum for a broadly defined service over a set period, guaranteeing payment for a volume of services whether fully used or not

- General spot placements ³– services commissioned to meet the needs of a single individual when no service is otherwise available or the individual has elected to use personal choice, made due to a reactive or specialist⁴ requirement, including community support, residential and nursing support
- Emergency and urgent placements – where a commissioned arrangement has broken down or statutory need must be met immediately such as homelessness accommodation provision, immediate eviction, children taken into urgent care
- Hospital discharge (Acute, Community and/or Psychiatric) and/or package novation – contracts to sustain arrangements for individuals already established under a contract but were funded by an alternative body, or where timing of discharge can be hard to plan for due to reactive change in needs and readiness to leave high support provision
- Community discharge following prison release – contracts to support those needing statutory support to compliment services provided by probation or youth offending services
- Tribunal / court ruling – where a judge makes a determination based on law which the Local Authority is required to follow

1.5 These PSOs recognise the distinct legislative, operational, and governance frameworks that apply to social care and education placements for children, young people and adults, as well as accommodation needs for those at risk of homelessness. They maintain the Council’s commitment to value for money, transparency, and good procurement practice. Alongside the legislation noted in the main CPRs, these PSOs factor in the following to their design: Children Act 1989, Children Act 2004, Children and Families Act 2014, Care Act 2014, Mental Capacity Act 2005, Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, SEND Regulations 2014, SEN and Disability Code of Practice, Housing Act 1996, Homelessness Act 2002 and Homelessness Reduction Act 2017. This is not an exclusive list and may change from time to time, with the most contemporary legislation applying.

1.6 These PSOs must be read in conjunction with the CPRs, the Procurement Manual, and relevant statutory guidance. Where there is a conflict, the applicable legislation shall prevail.

³ Overarching terms and conditions for a provider with individual placement agreements appended would be viewed as a framework agreement (or similar), and therefore would require to be procured in line with the CPRs for its aggregate value

⁴ Referring to individuals with multiple, profound and complex difficulties and barriers to more standard provision, or especially unique circumstances e.g. needing decision made on a safeguarding basis such as those at risk of domestic violence

2. Scheme of Delegation

2.1 In any procurement undertaken in line with the scope of these PSOs, approval to proceed to the next key stage of any process may only be given by an officer with sufficient authority as laid down in the Scheme of Delegation in this Section.

2.2 It must be noted that, for the purposes of UK procurement legislation and the CPRs, all contract values include VAT at the rate in force when the procurement exercise is undertaken. Contract values must include VAT, but delegated authority levels apply at the value without VAT.

2.3 Calculation of placement and contract duration must align with procurement legislation. This means it will be calculated on the expected duration a person may require statutory support, which will be:

- their entire lifetime if it is expected they will need support for a significant time, or
- the duration of their Key Stage of education, or
- the duration until a different phase in their life where alternative provision should be reviewed as a best value alternative e.g. 5 years in extra care before a move into residential care.

Key Decisions

2.4 It is expected that very few, if any, 'placements' will be valued over the key decision threshold. Where placements of this value are identified, they are likely to be highly specialised to significant needs of an individual. Care or education would need to be implemented expediently, therefore authorisation remains within the decisions permitted by Officers, however they are reportable in an appropriately anonymised manner to the Lead Councillor for the portfolio and may be reported to Members on an annual cycle as part of the budget setting process to demonstrate suitable scrutiny of meeting both statutory needs and value for money of tax payers funds are achieved.

2.5 All placements falling under these PSOs must be reviewed as a single group of agreements by Commissioners with Finance, Legal, and Procurement colleagues on an annual basis. This collective review forms part of a strategic value-for-money assessment to ensure shared scrutiny of decision-making and to identify whether a more commercially sound arrangement, such as a block contract, should be commissioned. Typically this will occur as part of annual budget setting and/or uplift processes.

Lower Value Expenditure

2.6 Authorisation levels for provision below £5,000 in total regardless of their duration must align with the Directorate's Scheme of Delegation. Use of internal provision, voids or established frameworks must have been exhausted first. In such instances, the manager authorising the expenditure may approve the transactions, whilst ensuring the requirements to aggregate spend and deliver improved value for money to the Council are delivered. For example, through more universal commissioned contracts.

2.6.1 Satisfactory and proportionate checks should be carried out on any organisation prior to purchase to ensure that the commissioned company meets requirements.

2.6.2 A Purchase Order and emails may suffice unless the relevant Director (or Deputy Director) requires a more formalised contract be in place to protect the Council's interests and the Individual's package.

2.7 Similarly, any Visa / Government Purchasing Cards should only be used for the circumstances as defined in the Financial regulations and never for any recurrent purchase where a contract would be a more appropriate arrangement, regardless of value.

Officer Approval Levels

2.8 Directors (and Deputy Directors) are permitted to approve placements up to £500,000 per annum, in consultation with their Executive Director. The form and shape of that consultation must align with main CPRs or any scheme of delegation formally drawn up within the Directorate to provide sufficient scrutiny of decisions e.g. outlined in the Terms of Reference for a specific Panel or Board.

2.9 For jointly funded placements with another organisation e.g. Health, the authorisation level only needs to align to the contribution made by the Council to that agreement, as opposed to the total value payable by all parties.

2.10 For jointly funded contracts due to the age of an individual during a contracts lifetime, where transition will occur between Children and Adult services, a Director of Children Services should consult with the receiving Director of Adult and Community Services before agreeing to the placement (or respective Deputy Directors).

Extensions and Variations

2.11 Deputy Director, Director and Budget Holders may authorise all variations and extensions of contracts, provided they confirm budget availability and satisfactory provider performance.

3. Procurement Procedures and Thresholds

3.1 While competitive tendering may not always be feasible for individual placements, officers must:

- Have a clearly defined Personal Budget or equivalent assessment undertaken to identify the usual rates for a service of this type.
- Evidence market testing or benchmarking where possible
- Use internal provision, approved frameworks or similar, or voids / retained placement spaces where available as first consideration at all times

- Demonstrate that the placement represents best value for money and meets assessed needs via approved forums or panels.
- Identify clearly if user choice is the deciding factor, and secure evidence to this effect in line with appropriate policies

3.2 The Council uses a Gateway process for procurements which has been adapted for these PSOs to enable Officers to deliver statutory obligations without causing delay:

- i. Planning
- ii. Gateway 1 – Approval to Procure
- iii. Gateway 2 – Approval of Tender Pack
- iv. Gateway 3 – Approval to Award

For transparency, equitable diligence is applied for PSO procurements however the gateways work differently for PSOs to standard CPR applications to meet the urgency of meeting statutory needs. Officers must follow the instructions as detailed in the Procurement Manual.

3.3 Any placement to be made under these PSOs must be notified to the Hub where the value is expected to be over £5,000 total value for the contract, whether calculated from day value, weekly, yearly etc. This should be in the form agreed by the Hub (which ensures that recording and publication on the Contracts Register at the end of the process is tracked and complied with).

3.4 Where a placement is made outside of an existing framework or similar, placement justification must be completed and retained in a format determined by the service, including:

- ‘Needs’ assessment summary in a format to meet relevant legislation e.g. Support Plan, Education Health Care Plan
- Provider selection rationale
- Cost comparison (if available) including details of non-responders / no capacity
- Panel approval reference

3.5 All placements not made through universal commissioning arrangements (sometimes referred to as Spot Placements) must be recorded individually in an anonymised fashion on the Council’s contract register or equivalent system where the value exceeds £5,000. Publication is quarterly therefore data may be provided at this interval 2 weeks prior to publication date by the Procurement team.

3.6 The procedures to procure shall be:

Total Contract Value	Procedure
Below £5,000	One written quote
£5,000 to Public Procurement Threshold for Light	Seek at least three and obtain at least one written offer (via email or e-tendering portal).

Touch Services (£663,540 inc. VAT)	
Above Procurement Threshold	A compliant tendering procedure fully in line with legislation and regulations

3.7 Record must be maintained for both successful and unsuccessful bids in line with main CPRs, although may be retained against the individual case file for confidentiality purposes⁵.

3.8 Regardless of process selected and followed, the Procurement Lead must ensure compliant publication of all relevant notices required under law, with equivalent obligations on the contract manager following award for the lifetime of the agreement.

4. Compliance with Procurement Process

4.1 Before any procurement process proceeds to the evaluation stage, all bids must be checked for compliance. Submissions not in compliance with the written requirements outlined by the Council must be rejected as non-compliant. For further specific circumstances, the Procurement Manual should be referred to before any action is taken

4.2 Similarly, any bid submitted which appear to contain errors, discrepancies, anomalies or abnormalities must be checked for compliance and adequacy. If it is not resolveable to the Procuring Officer's satisfaction that the bid is feasible, the bid must be rejected. Guidance is provided in the Procurement Manual.

7.3 Relevant insurances must be verified before placements commence in line with main CPR requirements, as well as validation of other due diligence checks required by the service to be completed e.g. robust safeguarding, Health & Safety, and data management practices. Where this review has been undertaken as part of general annual monitoring, this shall suffice unless the Director (or Deputy Director) requires a contemporaneous check. Similarly, where verification has been undertaken by another authority, they may provide this information for the Council's consideration.

8.1 As well as the expectations of the main CPRs, verification that a provider has satisfactory controls to prevent corrupt activities ,e.g. modern slavery, fraud; must be obtained before entering a contractual agreement with them. As in section 7, where this review has been undertaken as part of general annual monitoring, this shall suffice unless the Director (or Deputy Director) requires a contemporaneous check.

⁵ Minimum documentation for each placement includes the Hub notification; Information as per 3.4 of PSOs; Any personal preference statements; Conflict of Interest forms; Evidence of award decision and letters to any unsuccessful interested party; copy of countersigned contract.

5. Eligibility of Suppliers

5.1 As part of the tender compliance check and before any submission is assessed, Officers must check whether any supplier or their Connected Persons or Associated Persons or subcontractors are eligible bidders according to both legislative requirements or corporate expectations as outlined in the procurement documentation.

6. Placement Acceptance and Award

6.1 Contracts must be awarded in accordance with any stated criteria and any weightings. Acceptance and award must only be authorised in accordance with the Scheme of Delegation once the decision maker is satisfied that bids have been evaluated in accordance with the procedure, criteria and weightings as stated in the procurement documents.

6.2 A written contract is required for all placements, regardless of the procurement process employed. For placements below £5,000, the written contract may take the form of a Purchase Order. For placements of £5,000 and above, the contract must be in writing, in a form approved by Legal Services.

6.3 Contract formation with the successful organisation's details must be completed as required by the AD of Legal and Democratic Services in line with the Scheme of Delegation prior to raising of any purchase order.

6.4 All contracts (or other agreement meeting the requirements of the Local Government Transparency Code) with a value in excess of £5000 value shall be entered in the centrally-held Contract Register.

7. Risks and Mitigations

7.1 All placement decisions must be recorded and auditable, with clear evidence of panel approval and rationale for provider selection, plus a Conflict of Interest assessment. The Conflict of Interest assessment may instead be the annual Declaration of Interest, and where an Interest exists, that person must remove themselves from any decision making process involving the linked company.

7.2 Risks should all be formally identified and recorded to allow good and transparent decision making by completing a risk management assessment. In the instance of operational risks, the Contract Manager must consider the inclusion of management tools within the contract to mitigate these risks as far as possible including but not exclusive to liquidated damages, service improvement mechanisms and service credits.

7.4 When placements are inherited (for example, through novation when an individual moves their usual residence), the checks outlined in Section 7 must be completed as soon as reasonably possible.

9. Delivering Efficiencies

9.1 All placement activity must be reviewed annually as part of the Medium-Term Financial Planning (MFTP) process or Uplift / Inflation Appeals process.

9.2 This review will:

- Assess spend trends and forecast demand
- Identify opportunities for improved commissioning or aggregation
- Ensure continued alignment with statutory duties and best value

9.3 Advice must be sought from Procurement on commercial and aggregation matters, Legal where legal implications are noted and Finance where budgetary implications have been noted.

10. Early Contract Termination

10.1 Where Officers believe that there may be grounds for early termination for breach of contract, poor performance, or the Supplier or their Associated Persons or their subcontractors have become excludable suppliers on Mandatory or Discretionary Exclusion Grounds, Officers must contact the Procurement Hub and Legal Services at the earliest possible opportunity. Officers must not proceed with any early termination for these reasons until they have consulted with both the Procurement Hub and Legal Services. This will include completion of an Early Termination Report which must identify lessons learnt and mitigations to apply to any subsequent replacement contract/s.

10.2 Authorisation to terminate an agreement early will be in line with the Scheme of Delegation as outlined in Section 2 of these PSOs.

10.3 Termination of contracts due to the service no longer being required e.g. death or user choice, however, do not need to follow 10.1 as above. Instead, record of the termination of these types must be recorded on the person's case file on the management system, and should be notified to Head of Commissioning.

11. Assignment and Novation

11.1 Assignment or novation of contracts shall only be permitted with the prior consent of the Head of Procurement, validation by Legal and relevant authority under the PSO Scheme of Delegation (Section 2), who must all be satisfied that an effective vetting procedure of assignees or subcontractors has been implemented in line with the initial procurement expectations.