

Extract from Local Government (General) Regulations 2005

Acceptance of tenders

178 Acceptance of tenders

(1) After considering the tenders submitted for a proposed contract, the council must either:

- (a) accept the tender that, having regard to all the circumstances, appears to it to be the most advantageous, or
- (b) decline to accept any of the tenders.

(1A) Without limiting subclause (1), in considering the tenders submitted for a proposed contract for the performance of domestic or other waste management services, the council must take into account whether or not existing workers (within the meaning of clause 170) will be offered employment or engagement on terms and conditions comparable to those applicable to the workers immediately before the tender was submitted.

(2) A council must ensure that every contract it enters into as a result of a tender accepted by the council is with the successful tenderer and in accordance with the tender (modified by any variation under clause 176). However, if the successful tender was made by the council (as provided for in section 55 (2A) of the Act), the council is not required to enter into any contract in order to carry out the requirements of the proposed contract.

(3) A council that decides not to accept any of the tenders for a proposed contract or receives no tenders for the proposed contract must, by resolution, do one of the following:

- (a) postpone or cancel the proposal for the contract,
- (b) invite, in accordance with clause 167, 168 or 169, fresh tenders based on the same or different details,
- (c) invite, in accordance with clause 168, fresh applications from persons interested in tendering for the proposed contract,
- (d) invite, in accordance with clause 169, fresh applications from persons interested in tendering for contracts of the same kind as the proposed contract,
- (e) enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender,
- (f) carry out the requirements of the proposed contract itself.

(4) If a council resolves to enter into negotiations as referred to in subclause (3) (e), the resolution must state the following:

- (a) the council's reasons for declining to invite fresh tenders or applications as referred to in subclause (3) (b)-(d),
- (b) the council's reasons for determining to enter into negotiations with the person or persons referred to in subclause (3) (e).