

Procurement Policy Note – New Threshold Levels for 2012 and changes in the use of the Accelerated Restricted Procedure

Information Note 10/11 12 December 2011

Issue

1. Advance notification of the thresholds to apply for the purposes of the Procurement Regulations from 1 January 2012.
2. Wider use of the accelerated restricted procedure for ‘major public projects’ will not be relaxed as from 1st January 2012.

Dissemination

3. Please circulate this Procurement Policy Note (PPN) within your organisation, agencies, non-departmental public bodies (NDPBs), and any other bodies for which you are responsible, drawing it to the particular attention of those with a purchasing role.

Contact

4. Please direct your response and any general enquiries to the Service Desk: 0845 000 4999 servicedesk@cabinet-office.gsi.gov.uk .

New Threshold Levels

5. The Commission has provided the finalised and agreed threshold values to apply from 1 January 2012 to 31 December 2013.
6. The revised thresholds show a small increase, which is due to fluctuations in exchange rates over the previous two years.

Accelerated Restricted Procedure

7. PPN 01/09 notified authorities of the Commission's decision to relax the rules on use of the accelerated restricted procedure, as an emergency measure during the financial crisis. The Commission has now reviewed and subsequently withdrawn that rule-relaxation, so the previous rules will resume for contract notices submitted to OJEU from 1 January 2012. So from that date the accelerated restricted procedure is once again only available in situations where urgency renders impracticable the time limits for the restricted procedure.

Summary of Threshold Levels from January 2012

The Public Contracts Regulations

Supplies & Part A Services (except R & D, and certain telecom services)

Schedule 1 bodies - £113, 057

Others - £173, 934

Part B Services & R & D, and certain telecom services and subsidised services (regulation 34)

All bodies - £173, 934

Works

All bodies - £4, 348, 350

Small Lots

Supplies & Services - £69,574

Works - £869,670

The Utilities Contracts Regulations

Part B Services & R & D, and certain telecom services

All Sectors - £347, 868

Works

All Sectors - £4, 348, 350

Small Lots

Supplies & Services - £69,574

Works - £869,670

The Defence and Security Public Contracts Regulations

Supplies and Services

All sectors - £347,868

Works

All sectors - £4,348,350

Small Lots

Supplies & Services - £69,574

Works - £869,670