

## GUIDANCE ON THE USE OF FRAMEWORK AGREEMENTS

This guidance document has been prepared to assist buyers within the University to use framework agreements in a legally compliant manner. It is aimed at all buyers who use framework agreements and also seeks to assist those members of staff working on projects financed by European Structural Funds.

### 1. WHAT IS A FRAMEWORK AGREEMENT?

A framework agreement is an agreement with one or more suppliers/providers which sets out terms and conditions under which individual contracts (call-offs) can be made throughout the term of the agreement.

A framework agreement itself is not a contract, but the call-offs made from it are.

Framework arrangements create a streamlined and flexible process for procuring goods, works or services.

### 2. WHY SHOULD I USE FRAMEWORK AGREEMENTS?

They can reduce the administrative burden of procurement. Individual purchases can be made without repeating many of the stages of a full competitive tendering process required by the University's Financial Regulations and the Public Contract Regulations 2015.

There is no need to formulate terms and conditions for call-off contracts because these are pre-agreed.

There is no need to assess financial standing, technical capability, health and safety, environmental aspects as this work has already been undertaken. (Although it may be necessary to check certain supplier credentials as part of a due diligence process.)

Aggregated demand through a number of HEIs or other public sector bodies working together should be more attractive to suppliers and will usually result in lower unit costs.

### 3. CAN I USE ANY FRAMEWORK AGREEMENT?



To use a combination approach, the procurement documents must state that this route may be used. The

voluntary basis (giving summary reasons) when awarding an above-threshold contract by mini-competition in order to protect the University from an ineffectiveness order in the event of a legal challenge.

#### 9. WHAT HAPPENS IF I DON'T USE A FRAMEWORK AGREEMENT IN A COMPLIANT MANNER?

If frameworks are not used in the manner intended or as described within the Buyer's Guide, it is possible that the University could be subject to an 'ineffectiveness order' being raised against the call-off contract.

Any contract resulting from the misuse of a framework agreement, for example calling-off a framework where the University has not been named as a party to that framework, or a material variation to the fixed terms of calling-off, would be viewed as a direct award that would be at risk of an ineffectiveness order.

Ineffectiveness means that the performance of the contract must cease from the date that the call-off contract was declared as ineffective. The Court would also order the University to pay a fine and may also order the payment of compensation to the claimant.

The university must not use a framework agreement improperly or in such a way as to prevent, restrict or distort competition. It must also comply with the general EU treaty principles of non-discrimination, proportionality, transparency and equal treatment. For example, when undertaking call-offs under a multiple provider framework agreement, it is important that the process is transparent to all relevant suppliers and that everyone is treated equally.

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