



**FRAMEWORK
AGREEMENTS**

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PROJECTS / PFI

- Formally introduced into English law by Reg 19 of the Public Contracts Regulation 2006
- An agreement with providers which sets out the terms and conditions under which specific purchases (call-offs) can be made throughout the term
- Authorities can award contracts without the need to re-advertise and re-apply selection criteria for individual call-offs

- Single User
- Multi-User
- Single Supplier
- Multi-Supplier

RULES REQUIRE:

- Estimated value of the cut-offs over its lifetime exceeds the relevant thresholds
- Limited to 4 years duration unless there are exceptional circumstances
- Frameworks cannot be used to prevent, distort or restrict competition

AWARD OF CALL-OFFS:

- Apply the terms of the framework where they are sufficiently precise
- Hold a mini-competition

- Legally the Framework Agreement is not a contract
- OGC advises this should not be of concern and frameworks should be treated as contracts
- Key is that procuring the framework suppliers means that the individual contracts under it do not have to be re-tendered

- Distinction between:
 - Framework Agreement
 - Framework Contract

FRAMEWORK CONTRACTS

- Legally binding agreements between a contracting authority and a contractor
- Essential terms (price/specification) have been fixed
- Still some outstanding issues (delivery dates) have to be decided

- Framework Agreements are not the same as select lists which many authorities have used
- Select lists are not acceptable and are not in accordance with the 2006 Regulations
- Commentators now arguing that Framework Agreements can be anti-competitive

- Concern to SMEs
- Concern to large companies
- Length of call-offs should be limited to 4 years
- Do not use competitive dialogue