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SCOTTISH STATUTORY INSTRUMENTS

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**2015 No. 446**

**The Public Contracts (Scotland) Regulations 2015**

**PART 3**

REMEDIES

CHAPTER 5

FACILITATION OF REMEDIES

**Scope of Chapter 5**

**84.** This Chapter applies to procurements falling within the scope of Part 2.

**Notices of decisions to award a contract or conclude a framework agreement**

**85.—**(1) Subject to paragraphs (4) and (5), a contracting authority must, by notice in writing as soon as possible after the decision has been made, inform all tenderers and candidates concerned of its decision to award the contract, conclude the framework agreement or establish a dynamic purchasing system.

(2) The notice referred to in paragraph (1) must include—

- (a) the criteria for the award of the contract, conclusion of the framework agreement or establishment of the dynamic purchasing system;
- (b) where practicable, the score obtained by the economic operator which is to receive the notice;
- (c) the name of and ,where practicable, the score obtained by the economic operator—
  - (i) to be awarded the contract;
  - (ii) to become a party to the framework agreement; or
  - (iii) to be admitted to the dynamic purchasing system;
- (d) in the case of an unsuccessful tenderer—
  - (i) a summary of the reasons why the tenderer was unsuccessful; and
  - (ii) the characteristics and relative advantages of the successful tender;
- (e) in the case of an unsuccessful candidate concerned, a summary of the reasons why the candidate was unsuccessful; and
- (f) a precise statement of the effect of regulation 86 (standstill period) on the economic operator which is to receive the notice.

(3) The reasons referred to in paragraph (2)(d)(i) and (2)(e) must include any reason for the contracting authority's decision that the economic operator did not meet the technical specifications—

- (a) in an equivalent manner as mentioned in [F1regulation 43(14) (technical specifications)]; or

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- (b) because compliance with a specification mentioned in [F<sup>2</sup>regulation 43(13) (technical specifications)] does not address the performance or functional requirements laid down by the contracting authority.
- (4) Paragraph (1) does not apply where—
- (a) the only tenderer is the economic operator to be awarded the contract or to become a party to the framework agreement, and there are no candidates concerned;
  - (b) the contract is a contract awarded under a framework agreement or a dynamic purchasing system; or
  - (c) the contract or framework agreement is exempt from the requirement for prior publication of a contract notice.
- (5) A contracting authority may withhold any information to be provided in accordance with the preceding requirements of this regulation where the release of such information—
- (a) would impede law enforcement or would otherwise be contrary to the public interest;
  - (b) would prejudice the legitimate commercial interests of a particular economic operator, whether public or private; or
  - (c) might prejudice fair competition between economic operators.
- (6) Subject to paragraph (5), a contracting authority must within 15 days of the date on which it receives a request in writing from any economic operator—
- (a) if it was unsuccessful, inform that economic operator of the reasons why it was unsuccessful, including any reason referred to in paragraph (3);
  - (b) in the case of an unsuccessful tenderer, other than a tenderer which has been informed by notice under paragraph (1), inform that tenderer of the characteristics and relative advantages of the successful tender and the name of—
    - (i) the economic operator to be awarded the contract;
    - (ii) the parties to the framework agreement; or
    - (iii) the economic operators admitted to the dynamic purchasing system; and
  - (c) if it was successful, a description of any improvements the contracting authority considers the tenderer could have made to its tender.
- (7) Subject to paragraph (5), a contracting authority must by notice in writing, as soon as possible after the decision has been made, inform all candidates and tenderers of its decision to abandon or recommence a contract award procedure in respect of which a contract notice has been published in relation to—
- (i) the award of a contract;
  - (ii) the conclusion of a framework agreement; or
  - (iii) the establishment of a dynamic purchasing system.
- (8) Where a contracting authority provides information in accordance with paragraph (7) it must include the reasons for its decision and, if so requested by an economic operator, must provide the information and reasons in writing.
- (9) In this regulation—
- “candidate” means a candidate, as defined in regulation 2(1), which—
- (a) is not a tenderer; and
  - (b) has not been informed of the rejection of its application and the reasons for it;
- “tenderer” means a tenderer, as defined in regulation 2(1), which has not been definitively excluded.

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(10) For the purposes of paragraph (9), an exclusion is definitive if, and only if, the tenderer has been notified of the exclusion and either—

- (a) the exclusion has been held to be lawful in proceedings under Chapter 6 (applications to the court); or
- (b) the time limit for starting such proceedings has expired even on the assumption that the Court would have granted the maximum extension permitted by regulation 88(4) (enforcement of duties through the courts).

#### Textual Amendments

- F1** Words in reg. 85(3)(a) substituted (18.4.2016) by [The Public Contracts \(Scotland\) Amendment Regulations 2016 \(S.S.I. 2016/47\)](#), regs. 1, **2(7)(a)**
- F2** Words in reg. 85(3)(b) substituted (18.4.2016) by [The Public Contracts \(Scotland\) Amendment Regulations 2016 \(S.S.I. 2016/47\)](#), regs. 1, **2(7)(b)**

#### Standstill period

**86.**—(1) A contracting authority must allow a period of at least the relevant standstill period to elapse between the date of despatch of the notice referred to in regulation 85(1) (notices of decisions to award a contract or conclude a framework agreement) and the date on which that contracting authority enters into the contract or concludes the framework agreement.

(2) Paragraph (1) does not apply where—

- (a) the contract or framework agreement is exempt from the requirement for prior publication of a contract notice;
- (b) there are no tenderers concerned or candidates concerned;
- (c) a notice is not required to be given under regulation 85(1) (notices of decisions to award a contract or conclude a framework agreement).

(3) Where notice is sent to all economic operators by facsimile or electronic means, the standstill period is a period of 10 days ending at midnight at the end of the 10<sup>th</sup> day after that on which the last notice is sent.

(4) Where the notice is sent to any economic operators only by other means, the standstill period is a period of 15 days ending at midnight at the end of the 15<sup>th</sup> day after that on which the last notice is sent.

## CHAPTER 6

### APPLICATIONS TO THE COURT

#### Modifications etc. (not altering text)

- C1** [Pt. 3 Ch. 6](#) modified by SSI 2010/390 reg. 6 (as amended) (18.4.2016) by [The Public Contracts \(Scotland\) Regulations 2015 \(S.S.I. 2015/446\)](#), reg. 1(2), **sch. 6 para. 5(3)** (with regs. 3-18, 99-101)

#### Duty owed to economic operators <sup>F3</sup>, including those from countries with whom the EU has a relevant international agreement other than the GPA]

**87.**—(1) The obligation on a contracting authority to comply with the provisions of these Regulations (except where otherwise specified), and with any <sup>F4</sup>retained EU obligation that is enforceable by virtue of section 4 of the European Union (Withdrawal) Act 2018] in respect of

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a contract, framework agreement, dynamic purchasing system or design contest falling within the scope of these Regulations, is a duty owed to an economic operator from [<sup>F5</sup>the United Kingdom or Gibraltar].

[<sup>F6</sup>(2) The duty owed in accordance with paragraph (1) is a duty owed also to an economic operator from a country other than the United Kingdom, but only where <sup>F7</sup>... Condition 3 applies to the procurement concerned.]

<sup>F8</sup>(3) .....

<sup>F9</sup>(3A) .....

(4) [<sup>F10</sup>Condition 3 is that] —

- (a) [<sup>F11</sup>immediately before IP completion day there was] an international agreement, other than the GPA, by which the EU [<sup>F12</sup>was bound]; and
- (b) in accordance with that agreement, the economic operator is, in respect of the procurement concerned, to be accorded remedies no less favourable than those accorded to economic operators from the EU in respect of matters falling with the scope of the duty owed in accordance with paragraph (1).

[<sup>F13</sup>(4A) Paragraph (4)(b) is to be applied as if the United Kingdom were a member State.]

<sup>F14</sup>(5) .....

**Textual Amendments**

- F3** Words in reg. 87 heading inserted (11.6.2021) by [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(5)(a)**
- F4** Words in reg. 87(1) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(a)(i)** (with sch. paras. 1-5)
- F5** Words in reg. 87(1) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(a)(ii)** (with sch. paras. 1-5)
- F6** Reg. 87(2) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(b)** (with sch. paras. 1-5)
- F7** Words in reg. 87(2) omitted (11.6.2021) by virtue of [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(5)(b)**
- F8** Reg. 87(3) omitted (11.6.2021) by virtue of [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(5)(c)** and (31.12.2021) by virtue of [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(4), **5(4)** (with sch. paras. 1-5, 10-15)
- F9** Reg. 87(3A) omitted (11.6.2021) by virtue of [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(5)(c)** and (31.12.2021) by virtue of [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(4), **5(4)** (with sch. paras. 1-5, 10-15)
- F10** Words in reg. 87(4) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(d)(i)** (with sch. paras. 1-5)
- F11** Words in reg. 87(4)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(d)(ii)(aa)** (with sch. paras. 1-5)
- F12** Words in reg. 87(4)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(d)(ii)(bb)** (with sch. paras. 1-5)
- F13** Reg. 87(4A) inserted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), **4(58)(d)(iii)** (with sch. paras. 1-5)
- F14** Reg. 87(5) omitted (11.6.2021) by virtue of [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(5)(c)** and (31.12.2021)

by virtue of [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(4), **5(4)** (with sch. paras. 1-5, 10-15)

### [<sup>F15</sup>Duty owed to economic operators from GPA parties

**87A.**—(1) The duty owed in accordance with regulation 87(1) (duty owed to economic operators, including those from countries with whom the EU has a relevant international agreement other than the GPA) is a duty owed also to an economic operator from a GPA party, but only where the agreement applies to the procurement concerned.

(2) For the purposes of paragraph (1), the GPA applies to a procurement if—

- (a) the procurement may result in the award of a contract of any description; and
- (b) at the relevant time—

- (i) a GPA party has agreed with the United Kingdom that the GPA shall apply to a contract of that description; and
- (ii) the economic operator is from that GPA party.

(3) In this regulation, “relevant time” means the date on which the contracting authority submitted a call for competition in respect of the contract to the UK e-notification service or would have done so had it been required by these Regulations to do so.]

#### Textual Amendments

**F15** [Reg. 87A](#) inserted (11.6.2021) by [The Public Procurement \(Agreement on Government Procurement\) \(Amendment\) Regulations 2021 \(S.I. 2021/573\)](#), regs. 1(1), **5(6)**

### Enforcement of duties through the courts

**88.**—(1) A breach of the duty owed in accordance with regulation 87 (duty owed to economic operators) is actionable by any economic operator which, in consequence of the breach, suffers, or risks suffering, loss or damage.

(2) Any proceedings for the purposes of paragraph (1) must be brought in the Sheriff Court or the Court of Session.

(3) Proceedings under this regulation may not be brought unless—

- (a) the economic operator bringing the proceedings has informed the contracting authority of—
  - (i) the breach or apprehended breach of the duty owed to it in accordance with regulation 87 (duty owed to economic operators); and
  - (ii) of its intention to bring proceedings under this Part in respect of that breach or apprehended breach; and
- (b) the proceedings are brought in accordance with paragraph (4).

(4) For the purpose of paragraph (3)(b), proceedings must be brought—

- (a) in the case of proceedings seeking an ineffectiveness order (as defined in regulation 91 (ineffectiveness orders))—
  - (i) where paragraph (5) applies, within 30 days from the relevant date referred to in that paragraph; and
  - (ii) in any other case, within 6 months from the date of the contract being entered into or the date of conclusion of the framework agreement; and

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- (b) in any other case, within 30 days beginning with the date when the economic operator first knew or ought to have known that grounds for starting the proceedings had arisen unless the court considers that there is a good reason for extending the period within which proceedings may be brought, in which case the court may extend that period up to a maximum of 3 months from that date.
- (5) For the purpose of paragraph (4)(a)(i), this paragraph applies where—
- (a) the contracting authority has [<sup>F16</sup>submitted] a contract award notice to the [<sup>F17</sup>UK e-notification service] in accordance with regulation 52 ([<sup>F18</sup>publication on the UK e-notification service]), including reasons for its decision to enter into the contract or conclude the framework agreement without prior publication of a contract notice, in which case the relevant date is the date of [<sup>F19</sup>submission to the UK e-notification service]; or
- (b) the contracting authority has by notice in writing informed all tenderers concerned and all candidates concerned (if any) of its decision in relation to the award of the contract or the conclusion of the framework agreement, and the notice includes the information referred to in regulation 85(2)(d)(i), or as the case may be, (e)(notices of decisions to award a contract or conclude a framework agreement), in which case the relevant date is the date of sending of the notice.

#### Textual Amendments

- F16** Word in reg. 88(5)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), [4\(59\)\(a\)](#) (with sch. paras. 1-5)
- F17** Words in reg. 88(5)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), [4\(59\)\(b\)](#) (with sch. paras. 1-5)
- F18** Words in reg. 88(5)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), [4\(59\)\(c\)](#) (with sch. paras. 1-5)
- F19** Words in reg. 88(5)(a) substituted (31.12.2020) by [The Public Procurement etc. \(EU Exit\) \(Scotland\) \(Amendment\) Regulations 2020 \(S.S.I. 2020/468\)](#), regs. 1(2), [4\(59\)\(d\)](#) (with sch. paras. 1-5)

#### Automatic Suspension of authority power to proceed with contract award

**89.**—(1) Without prejudice to the application of any relevant standstill period, where proceedings under this Part are served on a contracting authority in relation to a contract that has not been entered into, a framework agreement that has not been concluded or a dynamic purchasing system that has not been established, the contracting authority must not enter into the contract, conclude the framework agreement or establish the dynamic purchasing system unless—

- (a) the proceedings are determined, discontinued or disposed of; or
- (b) the court, by interim order, brings to an end the prohibition.

#### Powers and duties of the court

**90.**—(1) Subject to paragraphs (3) and (7), but otherwise without prejudice to any other powers of the court, in proceedings brought under this Part the court—

- (a) may by interim order suspend one or more of the following—
- (i) the procedure leading to the award of a contract, the conclusion of a framework agreement, the establishment of a dynamic purchasing system or the determination of a design contest;
- (ii) the implementation of any decision or action taken by the contracting authority in the course of following a procedure referred to in paragraph (i);

- (b) if satisfied that a decision or action taken by a contracting authority was in breach of the duty owed under regulation 87 (duty owed to economic operators), may do one or more of the following—
- (i) order the setting aside of that decision or action;
  - (ii) order the contracting authority to amend any document;
  - (iii) award damages to an economic operator which has suffered loss or damage as a consequence of the breach.
- (2) In any interim proceedings under this Part the court may decide not to grant an interim order when the negative consequences of such an order are likely to outweigh the benefits, having regard to the following considerations—
- (a) that decisions taken by a contracting authority must be reviewed effectively and, in particular, as rapidly as possible;
  - (b) the probable consequences of an interim order for all interests likely to be harmed; and
  - (c) the public interest.
- (3) Where the court is satisfied that regulation 91(8)(a) (ineffectiveness orders) applies but the second ground for ineffectiveness is not otherwise met, the court must, without prejudice to the other powers of the court, order—
- (a) the payment by the contracting authority of a financial penalty; or
  - (b) the shortening of the duration of the contract or framework agreement awarded following the procurement in relation to which the breach occurred.
- (4) In determining what order to make under paragraph (3) the court must—
- (a) ensure that the order is effective, proportionate and dissuasive; and
  - (b) have regard to all relevant factors including—
    - (i) the seriousness of the breach; and
    - (ii) the behaviour of the contracting authority.
- (5) Where the court makes an order under paragraph (3)(b) the court must, without prejudice to the other powers of the court, make such other order as the court considers appropriate to address the consequences of the shortening of the duration of the contract or framework agreement on the rights and obligations of the parties to the contract or framework agreement.
- (6) Before making an order under paragraph (5), the court must have regard to any terms of the contract or framework agreement relating to the rights and obligations of the parties should the duration of the contract or framework agreement be shortened.
- (7) Subject to paragraph (3) and regulation 91 (ineffectiveness orders), in proceedings under this Part the court does not have power to order any remedy other than an award of damages in respect of a breach of the duty owed under regulation 87 (duty owed to economic operators) if the contract in relation to which the breach occurred has been entered into, or the framework agreement in relation to which the breach occurred has been concluded.
- (8) Sections 21 and 42 of the Crown Proceedings Act 1947<sup>M1</sup> do not apply in proceedings brought under this Part against the Crown.

**Marginal Citations**

M1 1947 c.44.

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## Ineffectiveness orders

91.—(1) Without prejudice to all rights and obligations in respect of the period leading up to the date of the order, an ineffectiveness order made in relation to a contract renders unenforceable all rights and obligations directly arising from the contract in respect of the period commencing on the date of the order.

(2) Subject to any order made under [F20 regulation 92(1)(b) (powers of the court)], obligations rendered unenforceable by an ineffectiveness order made in relation to a contract must not be performed by the parties to the contract.

(3) Without prejudice to any power of the court to make an ineffectiveness order in relation to a contract based on a framework agreement in accordance with this Part, an ineffectiveness order made in relation to a framework agreement prohibits, with effect from the date of the order, the awarding of contracts based on the framework agreement.

(4) Subject to paragraph (5) and regulation 93 (general interest grounds for not making a declaration of ineffectiveness), the court must make an ineffectiveness order where—

- (a) the first ground for ineffectiveness referred to in paragraph (6) applies;
- (b) the second ground for ineffectiveness referred to in paragraph (8) applies; or
- (c) the third ground for ineffectiveness referred to in paragraph (9) applies.

(5) In proceedings under this Part to which regulation 88(4)(b) (enforcement of duties through the courts) applies, the court does not have power to make an ineffectiveness order if the proceedings would be incompetent if regulation 88(4)(a) applied to the proceedings.

### *First ground for ineffectiveness*

(6) The first ground for ineffectiveness applies where the contracting authority has entered into a contract or has concluded a framework agreement without [F21 submitting] a contract notice to the [F22 UK e-notification service] in circumstances where the contract or framework agreement was not exempt from the requirement for prior publication of a contract notice.

(7) The first ground for ineffectiveness does not apply where—

- [F23 (a) the contracting authority submitted to the UK e-notification service for publication a voluntary ex ante transparency notice expressing its intention to enter into the contract or to conclude the framework agreement and containing—
  - (i) the name and contact details of the contracting authority,
  - (ii) a description of the object of the contract or framework agreement,
  - (iii) a justification of the decision of the contracting authority to award the contract or conclude the framework agreement without prior publication of a contract notice,
  - (iv) the name and contact details of the economic operator to be awarded the contract or to become party to the framework agreement, and
  - (v) any other information which the contracting authority considered useful, and]
- (b) the contracting authority allowed a period of at least 10 days to elapse between the date of publication [F24 on the UK e-notification service] of the notice referred to in subparagraph (a) and the date on which the contracting authority entered into the contract or concluded the framework agreement.

### *Second ground for ineffectiveness*

(8) The second ground for ineffectiveness applies where all of the following apply—



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- (a) the contracting authority has breached regulation 85(1) (notices of decisions to award a contract or conclude a framework agreement), 86(1) (standstill period) or 89 (automatic suspension of authority power to proceed with contract award);
- (b) the contracting authority's breach referred to in sub-paragraph (a) prevented the economic operator from bringing proceedings or obtaining a remedy before the contract was entered into or the framework agreement was concluded;
- (c) in awarding the contract or concluding the framework agreement there has been a breach of the duty owed to the economic operator under these Regulations, other than a breach of regulations 85(1) (notices of decisions to award a contract or conclude a framework agreement), 86(1) (standstill period) or this Part;
- (d) the contracting authorities' breach referred to in sub-paragraph (c) has affected the chances of the economic operator bringing proceedings under this Part to obtain the contract or become a party to the framework agreement.

### *Third ground for ineffectiveness*

- (9) The third ground for ineffectiveness applies where—
  - (a) the contract is a contract based on a framework agreement or a contract awarded under a dynamic purchasing system;
  - (b) the contract was awarded in breach of—
    - (i) regulations 34(7)(b) or (c) or 34(10) (framework agreement), in the case of a contract based on a framework agreement (rules governing the award of contracts based on a framework agreement); or
    - (ii) regulation 35(19) to (23) (dynamic purchasing systems), in the case of a contract awarded under a dynamic purchasing system (rules governing the award of contracts under a dynamic purchasing system); and
  - (c) the estimated value of the contract at the relevant time is equal to or greater than the relevant threshold.
- (10) The third ground for ineffectiveness does not apply where the contracting authority—
  - (a) considered the award of the contract to be in accordance with the provisions mentioned in paragraph (9)(b);
  - (b) has, despite regulation 85(4)(b) (notices of decisions to award a contract or conclude a framework agreement), by notice in writing informed the economic operators that submitted tenders of its decision in relation to the award of the contract and the notice included the information referred to in regulation 85(1) to (3) (notices of decisions to award a contract or conclude a framework agreement); and
  - (c) has allowed a period of at least the relevant standstill period to elapse between the date of sending of the notice of its decision to award the contract and the date on which the contracting authority entered into the contract.

### **Textual Amendments**

- F20** Words in reg. 91(2) substituted (18.4.2016) by The Public Contracts (Scotland) Amendment Regulations 2016 (S.S.I. 2016/47), regs. 1, 2(8)
- F21** Word in reg. 91(6) substituted (31.12.2020) by The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 (S.S.I. 2020/468), regs. 1(2), 4(60)(a)(i) (with sch. paras. 1-5)
- F22** Words in reg. 91(6) substituted (31.12.2020) by The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 (S.S.I. 2020/468), regs. 1(2), 4(60)(a)(ii) (with sch. paras. 1-5)

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- F23** Reg. 91(7)(a) substituted (31.12.2020) by The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 (S.S.I. 2020/468), regs. 1(2), **4(60)(b)** (with sch. paras. 1-5, 9)
- F24** Words in reg. 91(7)(b) substituted (31.12.2020) by The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 (S.S.I. 2020/468), regs. 1(2), **4(60)(c)** (with sch. paras. 1-5, 9)

### **Powers of the court**

**92.**—(1) If an ineffectiveness order is made, the court must, without prejudice to the other powers of the court—

- (a) order the payment by the contracting authority of a financial penalty; and
- (b) make such other order as the court considers appropriate to address the consequences of the ineffectiveness order on the rights and obligations of the parties to the contract or framework agreement.

(2) In the case of an order made under paragraph (1)(a), the court must have regard to the extent to which the contract or framework agreement will remain in effect in respect of the period leading up to the date of the ineffectiveness order.

(3) Before making an order under paragraph (1)(b), the court must have regard to any terms of the contract or framework agreement relating to the rights and obligations of the parties should an ineffectiveness order be made in relation to the contract or framework agreement.

### **General interest grounds for not making a declaration of ineffectiveness**

**93.**—(1) The court may decline to make an ineffectiveness order where the court is satisfied that overriding reasons relating to a general interest require that the enforceability of the rights and obligations arising from the contract or framework agreement should be maintained.

(2) For the purposes of paragraph (1)—

- (a) economic interests directly linked to the contract or framework agreement do not constitute overriding reasons relating to a general interest; and
- (b) economic interests in the effectiveness of the contract or framework agreement may only be considered as overriding reasons relating to a general interest in exceptional circumstances where ineffectiveness would lead to disproportionate consequences.

(3) For the purposes of paragraph (2)(a), economic interests directly linked to the contract or framework agreement include the costs—

- (a) resulting from the delay in the performance of the contract or framework agreement;
- (b) resulting from the commencement of a new procurement procedure;
- (c) resulting from the change of the economic operator performing the contract or framework agreement; and
- (d) of legal obligations resulting from an ineffectiveness order.

### **Other orders**

**94.**—(1) Where the court declines to make an ineffectiveness order under regulation 93, the Court must, without prejudice to the other powers of the court, order—

- (a) the payment by the contracting authority of a financial penalty; or
- (b) the shortening of the duration of the contract or framework agreement.

(2) In determining what order to make under paragraph (1)(a), regulation 90(4) (powers and duties of the court) applies.

(3) Regulation 90(5) and (6) (powers and duties of the court) applies to an order made under paragraph (1)(b) as it applies to an order made under regulation 90(3)(b) (powers and duties of the court).

### **Financial penalties**

**95.**—(1) Subject to paragraph (2), where a financial penalty is ordered to be paid under this Part—

- (a) the order must state that the financial penalty must be paid to the Scottish Ministers; and
- (b) the clerk of the court must send an extract of the decree (without charge) to the Scottish Ministers.

(2) Paragraph (1) does not apply to any financial penalty ordered to be paid by the Scottish Ministers or an office in the Scottish Administration which is not a ministerial office.

(3) The Scottish Ministers must pay into the Scottish Consolidated Fund any financial penalty—

- (a) ordered to be paid by them under this Part; and
- (b) recovered by them under paragraph (1).

(4) An office in the Scottish Administration which is not a ministerial office must pay any financial penalty ordered to be paid by them under this Part into the Scottish Consolidated Fund.

(5) In this regulation, “an office in the Scottish Administration which is not a ministerial office” is construed in accordance with section 126(8) of the Scotland Act 1998 <sup>M2</sup>.

#### **Marginal Citations**

**M2** 1998 c.46.

**Status:**

Point in time view as at 11/06/2021.

**Changes to legislation:**

The Public Contracts (Scotland) Regulations 2015, PART 3 is up to date with all changes known to be in force on or before 11 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.