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STATUTORY INSTRUMENTS

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**2016 No. 274**

**The Utilities Contracts Regulations 2016**

**PART 2**

**RULES APPLICABLE TO CONTRACTS**

**CHAPTER 2**

Techniques and instruments for electronic and aggregated procurement

**Framework agreements**

**51.**—(1) Utilities may conclude framework agreements provided that they apply the procedures provided for in these Regulations.

(2) In these Regulations “framework agreement” means an agreement between one or more utilities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and where appropriate, the quantities envisaged.

(3) The term of a framework agreement shall not exceed 8 years, save in exceptional cases duly justified, in particular, by the subject-matter of the framework agreement.

(4) Contracts based on a framework agreement shall be awarded on the basis of objective rules and criteria, which may include reopening the competition among those economic operators party to the framework agreement as concluded.

(5) For the purposes of paragraph (4)—

(a) the objective rules and criteria shall—

(i) be set out in the procurement documents for the framework agreement;

(ii) ensure equal treatment of the economic operators who are parties to the framework agreement;

(b) where a reopening of competition is included, utilities shall—

(i) set a time limit which is sufficiently long to allow tenders for each specific contract to be submitted; and

(ii) award each contract to the tenderer that has submitted the best tender on the basis of the award criteria set out in the specifications of the framework agreement.

(6) Utilities shall not use framework agreements improperly or in such a way as to prevent, restrict or distort competition.