

REVIEW OF CONTRACT STANDING ORDERS

EXE 12 08 2008

Item_____

EXECUTIVE MEMBER: Cllr N Williams

LEAD OFFICER: M Jepson Head of Legal and Democratic Services, M Robinson Acting Head of Finance and Management Information Systems, F McMorrow Corporate Director Neighbourhood and Development

REPORT AUTHOR: C A Lloyd

Summary and Recommendation: Executive is asked to consider the revised and updated Contract Standing Orders and to agree to recommend acceptance of these to Full Council with implementation forthwith.

1. INTRODUCTION

- 1.1. Members and Corporate Team have asked for the Council's Contract Standing Orders to be reviewed to take account of changes that have occurred over time, to bring them up to date and to provide more flexibility in their application.
- 1.2. It had been expected that a National set of Contract Standing Orders would become available for use and adaptation. These have not materialised. Various other authorities' documents have been reviewed as part of the process of revision.
- 1.3. As a result, and following consultation with Head of Legal Services and Audit Manager, it was considered that the Council's own CSOs are of a good quality, still very relevant to our activities, and that they would form an appropriate platform to use for the new CSOs.

2. PROCESS

- 2.1. The initial draft has been circulated to management group and input received from officers including the head of Legal and Democratic Services, Audit Manager and Head of Leisure and Environmental Services. Further changes have been incorporated, and a final draft has been circulated for further consultation.

- 2.2. Some further amendment has been made to produce the final draft document which is attached to this report for Members comment and views.
- 2.3. Whilst in general terms the CSOs are not vastly different to the previous set, it will be necessary for all staff and members to be aware of requirement: is proposed that some limited training and updating be given to staff and Members, as a refresher to ensure everyone is fully aware of requirements for compliance.
- 2.4. The main changes to the Contract Standing Orders are summarised below:
- 2.4.1. They are reproduced to facilitate use in electronic format although they can be printed if paper copies are required
 - 2.4.2. The order of the document has been re-orientated to make it a progressive read, bringing together relevant clauses, with the intention of making them clear to follow.
 - 2.4.3. A Management Summary is provided to enable readers to take a quick overview of areas they need to consider when using the CSOs.
 - 2.4.4. Flow charts are provided that deal with the three different cost levels of orders, contracts, and OJEU contracts, to assist users.
 - 2.4.5. Electronic links are provided to facilitate navigation to the various clauses within the document, and to other associated documents (these links will be established once the CSOs are approved).
 - 2.4.6. The CSOs continue to apply above a base level of £10,000.
 - 2.4.7. The Key Decision level, currently £50,000, is used as a trigger to progress from obtaining prices and quotations to obtaining tenders, giving officers more flexibility below this threshold, the requirement to advertise has been removed as previously agreed by Members, as has requirement for Executive to approve ad hoc lists and the most economically advantageous tender.
 - 2.4.8. Above the key decision threshold up to European Competition requirements (OJEU) formal advertising will continue to be required from Executive. The requirement for Executive to approve ad hoc lists has been removed, with Executive retaining approval of the most economically advantageous tender.

2.4.9. For contracts above the OJEU threshold Executive 2.4.8 requirements remain, and approval of ad hoc lists and tenders has been retained.

2.4.10. Executive approvals of exceptions are retained.

2.4.11. Should Members be minded to approve this report consideration will be given to seeking future agreement to raising the Key decision level to reflect inflation since inception and to provide more flexibility for officers.

3. RECOMMENDATION

3.1. Members are asked to consider the final draft document and should they be minded, to approve implementation forthwith, with training to be put in place as soon as is possible.

4. FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

4.1. Financial controls will not be affected; there will be a limited implication for training both for staff and Members on a corporate basis, HR to be consulted for advice and assistance. The new process should reduce project timescales, costs, and officer time.

5. IMPACT ON CORPORATE PLAN

5.1. The introduction of the new CSOs, the electronic links, and refreshing staff and Member knowledge, is expected to contribute to improving efficiency in application of the CSOs.

List of Appendices

Appendix A: New Contract Standing Orders

List of Background Documents: Various files and documents, drafts, other authorities CSOs, etc.

List of Consultees: Leader, Portfolio holder, Management Group.

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

| | |
|---|--|
| Impact on Crime and Disorder | None |
| Impact on Sustainability | None |
| Impact on Rural Proofing | None |
| Health and Safety Implications | None |
| Impact on Equality and Diversity Issues | None |
| Children and Young Persons Implications | None |
| Human Rights Act Implications | None |
| Monitoring Officer comments | Has reviewed wording of attached draft CSO's with report author and supports draft proposed. |
| S. 151 Officer comments | |

Is this a Key Decision? No