

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards	Mandatory	(a) Be entirely within cabinet's powers to decide NO		
		(b) Need to be recommendations to Council YES		
	None	(c) Is it a Key Decision NO		
Lead Member: Cllr Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Tony Hague, Procurement E-mail: tony.hague@west-norfolk.gov.uk Direct Dial: 01553 616791		Other Officers consulted: Extended Management Team		
Financial Implications NO	Policy/Personnel Implications YES	Statutory Implications YES	Equal Impact Assessment YES	Risk Management Implications YES

Date of meeting: 28 July 2015

REVIEW AND UPDATE OF CONTRACT STANDING ORDERS

Summary

Since the current version of Contract Standing Orders was approved by Council on 29 November 2012 there have been several changes in procurement policy. These changes include the publication of the new Local Government National Procurement Strategy in July 2014, the EU Procurement Directive in 2014 and the transposition of this into the Public Contracts Regulations 2015. These regulations also include UK government measures to support SMEs that have been referred to as the "Lord Young reforms". Contract Standing Orders have been reviewed and amendments are proposed that include measures to take account of the changes mentioned above.

Recommendation

Details of the main changes are provided in the body of this report. It is recommended that Cabinet accept the new version of Contract Standing Orders and that they recommend acceptance by full Council.

Reason for Decision

To ensure that the Council's purchasing and disposal procedures continue to reflect best practice in order to obtain best value and to guard against corruption, discrimination and breaches of public procurement regulations.

BACKGROUND AND DETAIL

1. The current version of Contract Standing Orders was approved by Council on 29 November 2012. In November 2014 a review commenced with the object of making a more user friendly and simplified document. This resulted in a significant change to the layout as well as an update of specific policy items.
2. The Public Contracts Regulations 2015 were published in February and came into force shortly afterwards on 26 February 2015. The Procurement Officer updated Contract Standing Orders further to ensure that the new regulations are fully reflected.
3. The new draft of Contract Standing Orders has now been circulated amongst the Extended Management Team and a number of other key officers, and their views and suggestions have been incorporated into the document where appropriate.
4. The layout has changed so significantly that it is not possible to highlight particular paragraphs or items that have changed. However the main changes are as follows: -
 - a) Inclusion of new regulations on advertising (CSO.19)
 - b) Changes to the detail of when the Public Services (Social Value) Act applies as the, then new, Act was not fully understood at the last review in 2012 (CSO.14)
 - c) Replacement of Approved List information, which the Council has never used, with better information on the use of Framework Agreements (CSO.20-25)
 - d) Major changes to short-listing reflecting new regulations banning PQQs from low value tenders (CSO.29)
 - e) The fine detail covering submission, receipt and evaluation of tenders along with post-tender negotiation and contract award have been placed into Appendix 2 linked to CSO.41-42.
 - f) A complete change to the reasons that can be used to justify exemptions from Contract Standing Orders (now CSO.43-45)

Policy Implications

Contract Standing Orders dictate the Council's procurement policy.

Financial Implications

There are no direct financial implications from the proposed changes although, of course, one of the main objectives of Contract Standing Orders is to obtain best value for the Council.

Statutory Considerations

The proposed changes in part take into account new law and Government guidance, and the Standing Orders refer to EU Procurement regulations and other statutory considerations.

Equality Impact Assessment (EIA)

Completed pre-screening form attached

Risk Management Implications

Potential costs to the Council could be substantial if regulations and guidelines are not complied with and, as a result, a successful challenge to a contract award is made. It is therefore vital that Contract Standing Orders are kept up to date and the compliance with those Orders is promoted by Members and senior Officers.

Background Papers

Proposed new version of Contract Standing Orders

Current version of Contract Standing Orders (2012) – available on the website