

Audit and Governance Committee



Date of meeting:	23 July 2024
Title of Report:	Contract Standing Orders Refresh
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing, Cooperative Development, and Communities)
Lead Strategic Director:	Giles Perritt (Assistant Chief Executive)
Author:	Holly Golden
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Your Reference:	HG/PS/735/CP/0724
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To seek approval of the proposed refresh to the Council's Contract Standing Orders (CSOs) summarised as follows:

- Introduction of new procedures to address gaps in current formal governance,
- Alignment of authorisation thresholds with the Council's Scheme of Delegation to ensure compliance with the Constitution and ease of reference,
- Inclusion of existing relevant procedures not previously contained within the document to bring clarity and drive compliance,
- Increase of the one quotation minimum threshold from £5,000 to £15,000 to account for the significant change in the financial landscape since 2020,
- Introduction of a two-quotation minimum process for contracts valued between £15,000 to £50,000 to simplify the process for low value procurement activity, facilitate the empowerment of officers and recognise a broader definition of best value,
- Inclusion of references to wider relevant Council plans and policies in recognition of their importance in Council procurement activity,
- Addition of explicit references and flexibilities related to external funding in recognition of the additional layer of complexity,
- Simplification of officer level internal governance paperwork to streamline processes whilst maintaining transparency and accountability,
- Updated legislative references to ensure the document is up to date,
- Reformatting and rewording for ease of reference and understanding,
- Inclusion and enhancement of sections in anticipation of the coming into force of the Procurement Act 2023,
- Explicit reference to self-service procurement process and thresholds removed to enable flexible application and better control.

These proposed changes are the result of a comprehensive review process, including:

- Feedback received from Officers as part of the Council's annual staff survey,

- Feedback received by Procurement and Legal Services from individual officers and suppliers during the delivery of business-as-usual activity,
- Feedback received from the Council's local partners,
- Formal governance stakeholder group consultation,
- Formal Corporate Management Team consultation.

As such the proposals with this report are deemed fit for purpose for the future needs of the Council.

Recommendations and Reasons

1. To approve the proposed refreshed version of CSOs
Reason: To make the Council's Procurement rules more effective and efficient whilst maintaining the necessary probity and accountability in the how the Council spends public money.
2. To delegate authority to the Monitoring Officer to approve new Procedural Notes and approve amendments to existing Procedural Notes when necessary and appropriate.
Reason: To ensure that the procedures which support the delivery of CSOs remain up to date with latest good practice and can be updated in a flexible and agile manner when the situation calls for it
3. To delegate authority to the Monitoring Officer to approve updates to the CSOs required as a consequence of the new Procurement Act 2023 which is due to go live on the 28 October 2024.
Reason: The proposed refreshed version of CSOs takes account of the new Procurement Act 2023 as far as possible but will require further amendment to incorporate the statutory procurement and contracting obligations placed on the Council.

Alternative options considered and rejected

The option to 'do nothing' and make no changes to the Council's CSOs is rejected on the grounds that this refresh is a direct response to the procurement-related concerns identified through the financial year 2023/2024 which cannot be ignored.

The proposed new version of CSOs is a refresh of the full rewrite produced in 2020. This refresh looks to build on the positive impact of the 2020 version by enhancing the document- making it more comprehensive whilst at the same time more user-friendly and using the extensive feedback received to make minor amendments which will have a significant impact.

The ever-changing landscape both economically and socially also requires the council more than ever to be proactive and able to respond efficiently and flexibly and the proposed refresh will allow the council to do that.

In the event that the proposals are rejected then clear direction should be provided to enable necessary adjustments to be carried out.

Relevance to the Corporate Plan and/or the Plymouth Plan

The CSOs set the procurement governance framework for the organisation within which the Council's priorities as set out in the Plymouth Plan and Corporate Plan must be delivered. The refreshed version explicitly recognises the importance of these plans and places expectations on Officers to consider them as part of their procurement activity.

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7
n/a							

Sign off:

Fin	DJN. 24.25. 042	Leg	LS/00 0010 75/2/ AC/1 2/7/2 4	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	HG/PS/73 5/CP/0724
Originating Senior Leadership Team member: Liz Bryant											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 12/07/2024											
Cabinet Member approval: Approved verbally by Councillor Chris Penberthy											
Date approved: 12/07/2024											