

Contract Standing Orders (CSO) – Suggested Alterations

The following proposals have been suggested by Officers.

Paragraph 7.4

The current CSO provides a procedure to be used for amounts between 0 and £15,000. It is proposed that an additional row is added, as set out below.

Total value £	Type of contract	Procedure to be used
£0 - £500	works, supplies and services	a) At least one quotation in advance b) All purchases however small to be in writing, on an official order c) Approved by the relevant Head of Service or authorised officer. d) Officer should be able to provide a rationale for why they selected the provider used.
Procedure to be used 500 to 15,000	works, supplies and services	a) At least two quotes in advance b) All purchases however small to be in writing, on an official order c) Consideration given to Purchasing Scheme's e.g. to provide better VFM d) Approved by the relevant Head of Service or authorised officer e) Records maintained to demonstrate probity and VFM obtained

There are also some amendments necessary to comply with EU thresholds.

- **£156,442** for supplies and services (delete reference to £139,892)
- **£3,927,260** for works (delete reference to £3,497,313)

Paragraph 7.6

It is proposed that this paragraph is deleted. It appears that this was added in as an extra provision to the generic Standing Orders proposed by the Kent Secretaries.

Under 7.6 there is a requirement for financial services to undertake financial appraisals on all contractors tendering for contracts over £75,000, and prior to award of contract if value s above £30,000. This would be very onerous but it is, in any event, covered by the wider more general requirement of **paragraph 3.6** which states that 'All contracts of a value of £15,000 or more or which involve a substantial risk to the Council must be subject to a written risk assessment, which should be kept on the contract file'.

Paragraph 13.1

It is proposed that “£15,000” is deleted and “£500” added so that clause reads:

“The requirement for the Council to conduct a competitive purchasing process for contracts in excess of £500 may be waived in the following circumstances.”

Paragraphs 13.3.2 and 13.3.3

Given the new structure of the Council and the responsibilities of the 3 Directors which include Monitoring Officer, and Chief Executive, it is proposed that the words “the relevant Director” are deleted and replaced by the “the Head of Commissioning and Customer Contact” and “the Head of Commissioning and Customer Contact in consultation with legal and audit services as appropriate”

This approach will also support the new role and expectations of procurement reference contracts register and opportunities to tender / quote etc.

This would make the wording as follows:-

13.3 All waivers from these Contract Standing Orders must be:

13.3.1 Fully documented

13.3.2 Subject to a written report in an approved format. For contracts not exceeding £74,999 the report shall be submitted in advance to the Head of Commissioning and Customer Contact and include the reasons why the waiver is genuinely required. For contracts of £75,000 and above the report shall be submitted to the Executive.

13.3.3 Subject to approval in advance by the Head of Commissioning and Customer Contact, in consultation with the Heads of Legal and Audit Services as appropriate, who shall, for contracts not exceeding £74,999, record that they have considered the reasons for the waiver and that they are satisfied that the circumstances justifying the waiver are genuinely exceptional. Waiver from competitive purchasing process for contracts above £75,000 must be approved in advance by the Executive.