

North Somerset Council

Report to the Executive

Date of Meeting: 24 April 2024

Subject of Report: Proposed Amendments to the Contract Standing Orders

Town or Parish: N/A

Officer/Member Presenting: Mike Bell, Executive Member for Corporate Services

Key Decision: N/A

Reason:

These changes to the Contract Standing Orders do not have budgetary implications or affect any Wards.

Recommendations

That the Contract Standing Orders (CSOs) set out in Appendix 1 of the report be recommended to Council for adoption.

1. Summary of Report

The report seeks approval of amendments to the Contract Standing Orders to ensure that they are legally compliant and up to date. The amendments to the Contract Standing Orders are reflective of wider government legislation, are benchmarked against neighbouring authorities and are intended to allow North Somerset Council greater flexibility and access to local supplier markets.

2. Policy

The Council has approved a Constitution which sets out how the Council operates, how decisions are made and the procedures to be followed to ensure that the Council is efficient, transparent, and accountable to the local populace. Some of the processes set out in the Constitution are required by law, while others are a matter for the Council to decide upon and approve.

The Constitution is divided into 16 Articles containing the basic rules governing the Council's business. Part A of the document includes the Contract Standing Orders.

3. Details

The existing Contract Standing Orders were approved in July 2017. The key areas of proposed change are:

- Updates to reflect the UK leaving the EU, removing references to European legislation the Council is no longer subject to.
- Addition of Primary Care contracts (Pharmacies, GP Surgeries) to the list of areas where the CSOs **do not** apply.
- Introduction of a section clarifying the use of Grant funding.
- Threshold changes relating to contract value, approval, and decision-making.
- Introduction of requirements for an annual Commissioning Plan and amendments to the use of combined Commissioning and Procurement Plans.
- Updated reference to a new Social Value policy and guidance.
- Further clarification for the use of framework agreements and framework contracts.
- Clarification on contract award processes.
- Addition of advice regarding Health & Social Care Contracts including reference to the Provider Selection Regime (January 2024).

The proposed revised Contract Standing Orders are included in Appendix 1.

The Procurement Team have developed new guidance, templates, flow charts, processes, and training to support the proposed changes which will be available on approval of the revised Contract Standing Orders.

4. Consultation

Consultation on the revised Contract Standing Orders has been undertaken with the Executive, Corporate Leadership Team, Directorate Leadership Teams, the S151 Officer, the Monitoring Officer, and the Head of Finance.

5. Financial Implications

There are no direct financial implications relevant to this report.

6. Legal Powers and Implications

N/A

7. Climate Change and Environmental Implications

N/A

8. Risk Management

Risk	Inherent Risk Score	Residual Likelihood	Residual Impact	Residual Risk	Comments:
Reduced oversight of Procurement Team due to increased thresholds.	Medium	3	2	Low/Medium	Approval levels for Key Decisions and Director approval. Clear responsibilities set out for adherence to the Standing Orders. Training and provision of standard templates and guidance.

Increased opportunity for legally required contract notices not to be published.	Medium	3	2	Low/Medium	Procurement developing mandatory MS forms to facilitate officers registering their contracts and posting award notices.
Reduced compliance with the Local Authorities (Data Transparency) Code 2015	Medium	3	2	Low/Medium	Procurement developing mandatory MS forms to facilitate officers registering their contracts and posting award notices.
Low value contracts may feature a less accessible audit trail for review.	Medium	3	2	Low/Medium	Training and provision of standard templates and guidance.

9. Equality Implications

The proposed changes should not have any material impact on equality or diversity groups.

10. Corporate Implications

The Constitution is a single point of reference containing the principal operating structures and procedures of the authority. The Constitution sets out corporate governance and establishes how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent, and accountable to the local populace.

11. Options Considered

The proposed amendments to the Contract Standing Orders have taken place in consideration of UK law and the position of the Council. The recommendations contained in this report have been developed using the professional judgement of Council officers in consultation with corporate leadership and are designed to provide an appropriate balance of risk, resourcing, accountability, responsibility, consistency, and flexibility.

Author:

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Appendices:

Appendix 1 Proposed Contract Standing Orders

Background Papers:

[North Somerset Council Constitution - December 2023 \(n-somerset.gov.uk\)](http://n-somerset.gov.uk)

