

# ARUN DISTRICT COUNCIL

## REPORT TO AND DECISION OF CONSTITUTION REVIEW WORKING PARTY ON 12 OCTOBER 2020

**SUBJECT: Proposed Constitutional update of Standing Orders relating to Purchasing, Procurement, Contracts & Disposals.**

**REPORT AUTHOR:** Carolin Martlew, Financial Services Manager  
**DATE:** September 2020  
**EXTN:** 37568  
**PORTFOLIO AREA:** Corporate Support

### **EXECUTIVE SUMMARY:**

The Standing orders relating to Purchasing, Procurement, Contracts & Disposals (Part 6 Other Procedure Rules – Section 6) were reviewed earlier in the year to ensure that they were fully up to date and reflected best practice. A further review has taken place to reflect the changes required for the move from the Cabinet structure to a Committee structure in May 2021.

### **RECOMMENDATIONS:**

It is recommended to Full Council that:

1. the proposed changes to the Constitution at Part 6 Procedure Rules (Other) Section 6 Purchasing, Procurement, Contracts and Disposals as set out in Appendix 1, to be attached to the minutes to be approved; and
2. The Monitoring Officer be authorised to make any further consequential changes to the Constitution

### **1. BACKGROUND:**

- 1.1 The Standing orders relating to Purchasing, Procurement, Contracts & Disposals (Part 6 Other Procedure Rules – Section 6) were reviewed earlier in the year to ensure that they are up to date and reflected best practice.
- 1.2 A further update is now required to reflect the change from the cabinet to a committee governance arrangement.
- 1.3 The purpose of these standing orders is to provide a framework and specific instructions to be followed at different contract threshold values in order to obtain and demonstrate legality and value for money in the procurement process. If elements

such as lawful tendering and framework arrangements are followed it can be presumed implicitly that competitiveness has been demonstrated. However, the needs of a service require occasionally that exemption from one or more of the standing orders is granted. This is a normal part of the process but explicit justification is then required to demonstrate that the proposal nevertheless provides value for money through an alternate method of contractor selection and work allocation.

1.4 There will be other circumstances where exemption cannot be granted. This is where the law requires that the contract be tendered without exemption. Such will be the situation where EU Procurement Regulations apply

## 2. PROPOSAL(S):

2.1 Section 5.2 in appendix 1 has been amended to reflect that committee approval of the budget is required before the commencement of any procurement process.

2.2 It is proposed that committees will be consulted on an annual basis on contracts that are coming up for renewal. This information will help committees to make a decision on the level of involvement in the process and to have this reflected in their work plans.

## 3. OPTIONS:

1. To support the proposals
2. To not support the proposals
3. To propose alternative wording changes

## 4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)		✓
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	✓	
Legal	✓	
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓

Other (please explain)		✓
<b>6. IMPLICATIONS:</b> The proposal has been consulted upon with the Group Head of Corporate Support, the Chief Executive and Legal Services and any comments made have been incorporated in the final draft.		

**7. REASON FOR THE DECISION:**  
To ensure that the Constitution is up to date and reflects the change to the committee structure from May 2021.

**8. BACKGROUND PAPERS:**  
Council's Constitution: Part 6 Procurement Rules (Other) (Section 6 Standing Orders – Purchasing, Procurement, Contracts & Disposals)