



Council
23 January 2012

Report from the Director of Legal and Procurement

For Action

Wards Affected:
All

Changes to Part 3 of the Constitution: Contract Standing Orders

1.0 Summary

1.1 This report proposes some minor amendments in relation to Contract Standing Orders concerning (1) changes to the European public procurement thresholds; (2) insertion of a definition of Very Low Value contracts, in respect of which there will be less prescriptive procedural requirements; (3) minor amendments.

2.0 Recommendation

Members are asked to:

2.1 Agree to amend the Constitution to incorporate the changes to Contract Standing Orders as shown at Appendix 1.

3.0 Detail

3.1 Under the European public procurement regime, there are certain thresholds which trigger the application of the relevant procurement procedures. These thresholds are expressed in euros. Every two years there is a revaluation exercise to convert the prescribed euros figure as set out in the legislation into pounds sterling. This is relevant for Contract Standing Orders, because the threshold above which supplies and services contracts have to be tendered under the EU regime is also the trigger for the following of a tendered as opposed to a quotation process under Brent's own procedures. Therefore the pounds sterling figure is stated within Contract Standing Orders. As the two-yearly revaluation took effect on 1st January 2012, Members are requested to agree to the insertion of the revalued figure in the relevant places within Contract Standing Orders.

3.2 In addition, Contract Standing Orders have previously had a threshold of £20,000 below which a contract does not require the following of a formal written quotation

procedure. It is proposed to reinstate this by the insertion of a new definition of Very Low Value Contracts in the definitions section in Standing Order 82. A new provision at Standing Order 86(aa) then gives the procedural requirements for contracts below this threshold of £20,000 on the basis of recommended good practice.

- 3.3 In addition there are other minor changes. Firstly there is removal of a distinction between civil engineering contracts and other works contracts (mainly building) in the definitions section (SO 82). Secondly Standing Order 83 clarifies that although individual agency contracts for the provision of temporary staff are exempt from Contract Standing Orders, it is currently mandatory for all such contracts to be placed through the Council's corporate agency staff arrangements ie Comensura. Thirdly, there is correction of a cross-referencing error in Standing Order 87(b).
- 3.4 Accordingly Members are asked to approve the changes to Contract Standing Orders set out in appendix 1 (shown as tracked changes to Standing Orders 82, 83, 86 and 87).

4.0 Financial Implications

- 4.1 There are no financial implications arising from this report.

5.0 Legal Implications

- 5.1 The legal issues are dealt with in the body of the report.

6.0 Diversity Implications

- 6.1 There are no diversity implications arising from this report.

Background Papers

Brent Constitution

Contact Officers

Should any person require any further information about the issues addressed in this report, please contact Deborah Down on telephone number: 020 8937 1543, or email: Deborah.down@brent.gov.uk.

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