

REVISION TO PROCUREMENT & CONTRACT STANDING ORDERS

Report by Acting Chief Financial Officer

SCOTTISH BORDERS COUNCIL

25 May 2023

1 PURPOSE AND SUMMARY

- 1.1 The existing Standing Orders relating to Procurement and Contract activities have been reviewed and updated to ensure that they remain fit for purpose. Revised Standing Orders are attached at Appendix 1.**

2 RECOMMENDATIONS

- 2.1 I recommend that Scottish Borders Council approves the proposed changes to Procurement & Contract Standing Orders for implementation from 1 June 2023.**

3 BACKGROUND

- 3.1 Standing Orders Relating to Procurement and Contracts (the Orders) are the means whereby the Council controls and regularises the manner in which the Council contracts with third parties. It is one of the core Corporate Governance documents and reflects both legal and best value requirements.
- 3.2 The current Orders were last updated and approved by Council in December 2021, and updated with minor changes in February 2022.
- 3.3 The proposed revisions are to take account of a number of strategic and operational requirements.
- 3.4 The draft Orders (attached as Appendix 1) contains revisions to the current Orders. Those most notable are highlighted in Section 4.

4 PROCUREMENT & CONTRACT STANDING ORDERS – KEY CHANGES

- 4.1 It is good practice to review the procurement threshold levels for each type of procurement on a regular basis. The table below notes a number of proposed revisions reflected in the updated document attached at Appendix 1.

Change	Justification
Removal of references to Commercial and Commissioned Services (replaced by Corporate Procurement Service), Commercial and Commissioned Services Manager (replaced by Procurement Business Partner), and Director of Corporate Governance and Finance (Replaced by Director of Finance and Procurement).	To reflect recent structure changes in the structure of procurement service and CMT
Addition of requirement for regulated procurements to be authorised via a formal procurement strategy.	To reflect current and best practice and remove any ambiguity around this requirement
Related to the above, procurement authorisation of procurement strategies is linked to value thresholds.	To formalise procurement authorisation levels within the Orders. Thresholds are now aligned to existing Scheme of Delegation within Business World
Introduction of formal process for delegation of procurement authority by a service director to another council officer.	To formalise the delegation of procurement authority and remove ambiguity around the "Head of Service" wording in previous Orders
To revise procurement waiver authorisation thresholds, with up to £50k now authorised by Senior Officer of CPS, £50-£250k by Procurement Business Partner, over £250k by Director of Finance and Procurement	To reflect recent structure changes in the structure of procurement service

5 IMPLICATIONS

5.1 Financial

There are no financial implications contained in the report.

5.2 Risk and Mitigations

The Procurement & Contract Standing Orders set out the control framework to help to mitigate a number of financial risks by ensuring compliance to relevant legislation, rules and regulations and to demonstrate best value. A recent Internal Audit review on Procurement to Payment dated 14 April 2023 concluded comprehensive assurance; sound risk, control, and governance systems are in place.

5.3 Integrated Impact Assessment

This is a routine report for good governance and statutory purposes, not a new or revised strategy or policy for decision and, as a result, completion of an integrated impact assessment is not required.

5.4 Sustainable Development Goals

Effective procurement delivers best value as well as local economic, social and environmental benefits supporting a prosperous, fair and sustainable community.

5.5 Climate Change

No effect on carbon emissions are anticipated from the recommendation of this report.

5.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

5.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

5.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to the Schemes of Administration or Delegation as a result of this report.

6 CONSULTATION

- 6.1 The Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted on this report and any comments received have been incorporated into this final report.

Approved by

Suzy Douglas
Acting Chief Financial Officer

Author(s)

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Background Papers:

Previous Minute Reference:

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Suzy Douglas can also give information on other language translations as well as providing additional copies.

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