

Subject: Waivers of Contract Standing Orders
Date of Meeting: 8 October 2020
Report of: Acting Chief Finance Officer
Contact Officer: Name: Cliff Youngman Tel: 07701396941
Email: Cliff.Youngman@brighton-hove.gov.uk
Ward(s) affected: All

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Contract Standing Orders (CSOs) require reports to be presented to Policy 7 Resources Committee setting out all waivers authorised under CSO 18.2, 18.3 and 18.4. This report relates to the financial year 2019/20.

2. RECOMMENDATIONS:

- 1.2 That Policy & Resources Committee notes the number and value of waivers authorised under Contract Standing Orders 18.2, 18.3 and 18.4 during the financial year 2019/20.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Under CSOs 18.3 & 18.4, Directors have delegated powers to waive CSOs in relation to contracts with an estimated contract value of less than £75,000 and over £75,000 following consultation with the chair of the relevant committee and the Procurement Strategy Manager.
- 3.2 Statistical analysis of waivers in the financial year 2019/20 is included at Appendix A and B of this report.
- 3.3 A summary of the number and value of waivers under and over £75,000 for 2019/20 is shown in Table 1 below.

Table 1		
	Number of Waivers	Value of Waivers
Under £75,000	14	£0.689m
Over £75,000	3	£0.538m
Total	17	£1.200m

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 Each waiver decision is taken on its merits taking into account value for money implications, service delivery, business continuity impacts and other critical factors.
- 4.2 The Waiver process is periodically audited to provide additional assurance over the process and ensure continuous improvement.
- 4.3 Appendix D explains how waivers can provide the council with a valuable alternative to re-procurement or re-tendering and can contribute to improved value for money.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Chief Finance Officer has been consulted over the contents of this report.

6. CONCLUSION

- 6.1 The Procurement team, working in partnership with service areas, actively maintains a Forward Plan for the next two to three years which enables early consideration of procurement options and eliminates some of the need for extensions.
- 6.2 The Corporate Procurement service continues to promote good procurement practice across the council and are utilising various innovative approaches which are allowed for within CSOs without the need for a waiver e.g. the increase in the use of consortium contracts and frameworks.
- 6.3 The Corporate Procurement service also continues to promote good practice in contract governance across the council while also actively investigating and working with services areas to achieve improvement.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The use of the waiver function allows the council to achieve best value and efficiencies from its Contract Standing Orders and therefore supports achieving value for money through procurement processes. It should be noted that any direct financial implications for individual waivers are provided and reported accordingly to support each waiver decision made over the past two financial years. Waivers are also reported to the Member Procurement Advisory Board for review and the members of the group are able to raise concerns or refer matters in accordance with the terms of reference of the board and their advisory capacity.

Finance Officer Consulted: James Hengeveld

Date: 23/09/20

Legal Implications:

- 7.2 It should be noted that legal implications would be required within each report supporting a waiver decision in respect of a contract estimated to be over £75,000.

Lawyer Consulted:

Alice Rowland

Date: 30/09/2020

Equalities Implications:

- 7.3 There are no direct equalities implications in this report; it should be noted that full equalities implications would be required within each report supporting a waiver decision in respect of a contract estimated to be over £75,000.

Sustainability Implications:

- 7.4 There are no direct implications in this report and it should be noted that full sustainability implications would be required within each report supporting a waiver decision in respect of a contract estimated to be over £75,000.

Crime & Disorder Implications:

- 7.5 None

Risk and Opportunity Management Implications:

- 7.6 The use of the waiver function allows the council to mitigate potential risk of fraud and deception within the procurement process. It also allows the Corporate Procurement team to analyse trends regarding directorate procurement practices and address any issues which may arise.

Public Health Implications:

- 7.7 There are no direct implications in this report.

Corporate / Citywide Implications:

- 7.8 These are included in section 6 above.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix A - Analysis by Reason - for Period 1/4/19 to 31/3/20
2. Appendix B - Analysis by Directorate - for Period 1/4/19 to 31/3/20

Documents in Members' Rooms

1. None

Background Documents

1. None

