

WIRRAL COUNCIL

AUDIT & RISK MANAGEMENT COMMITTEE

8 JUNE 2015

SUBJECT	USE OF OFFICER DECISION NOTICES PERMITTED UNDER THE COUNCIL CONTRACT PROCEDURE RULES
WARD/S AFFECTED	ALL
REPORT OF	HEAD OF PROCUREMENT

1 EXECUTIVE SUMMARY

- 1.1 This report informs Committee of contracts awarded which have been subject to Contracts Procedure Rules (CPR) E111 - Extension/Variation or Waiver and Rules E117 to E123 – Waiving the Rules, as required under the CPR. It updates the report presented on 18 March 2015 providing the additional information requested by Members and includes awards to 31 March 2015.
- 1.2 The Appendix details the cases subject to the Extension/Variation or Waiver rules for the period 1 December 2013 to 31 March 2015 which under Contracts Procedure Rule E123 requires that all contracts which meet the following criteria are reported to Audit and Risk Management Committee:-:
- a) A contract is awarded the total value of which exceeds £500,000.
 - b) A variation or extension to a contract approved by the Director of Resources.
 - c) A variation or extension to a contract approved by the Director of Resources; and
 - d) A waiver or breach of the Contract Procedure Rules in relation to a contract which exceeds £50,000 in value.

2 BACKGROUND AND KEY ISSUES

- 2.1 The revised Contracts Procedure Rules which came into effect on 1 December 2013 significantly changed the rules and their application.
- 2.2 The rules placed responsibility for the approval of contracts on officers of the Council and a new process of Officer Decision Notices (ODN's) was introduced.
- 2.3 Each contract listed on the ODN directory has a corresponding ODN document which identifies the purpose and details of the contract and is signed by the authorised Designated Senior Manager, Procurement Officer or Director of Resources according to the nature and value of the contract.
- 2.4 Each contract is posted on the Council's Contracts Register 'The Chest', which is the Regional e-Sourcing Portal for the North West local authorities.

- 2.5 A complete review of the Contract Procedure Rules is under way. This includes adoption of the revised EU Procurement Directives and any amendments required that have been identified during the past twelve months. The outcome of this review will be subject to Member approval in September 2015 before implementation.

MEMBERS REQUEST FOR FURTHER INFORMATION

- 2.6 Further information was requested to indicate 'why' contracts were varied. The Appendix has been updated to incorporate this information where it was not shown in the previous report.
- 2.7 The Beers, Wines and Spirits Officer Decision Notice dated 28 January 2014 was for the Floral Pavilion and associated sites.
- 2.8 Contract Extensions/ Variations are only allowed if there is provision within the contract specification, and, need approval through an Officer Decision Notice if the increase in value of the contract singly or cumulatively is 10% or more.

3.0 RELEVANT RISKS

- 3.1 There are none arising directly from this report.

4.0 OTHER OPTIONS CONSIDERED

- 4.1 The Council's Contract Procedure Rules require this report be presented to this Committee so no other options were considered.

5.0 CONSULTATION

- 5.1 There was no specific consultation undertaken in respect of this report.

6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS

- 6.1 There are no outstanding previously approved actions.

7.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 7.1 There was no specific consultation undertaken in respect of this report.

8.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 8.1 The revised CPR's to improve the efficiency and effectiveness of the Council's commissioning and procurement processes has impacted upon individual workloads.

8.2 The ODN process includes assurances that the financial resources are available to fund the contracts and achieves value for money which are prior to any approval being given.

9.0 LEGAL IMPLICATIONS

9.1 The Council must comply with its Contract Procedure Rules and relevant procurement legislation.

10.0 EQUALITIES IMPLICATIONS

10.1 This is a report for information so there is no requirement of an Equality Impact Assessment.

11.0 CARBON REDUCTION IMPLICATIONS

11.1 There are none arising from this report.

12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

12.1 There are none arising from this report.

13.0 RECOMMENDATION

13.1 That the report be noted.

14.0 REASON FOR RECOMMENDATION

14.1 To provide the Members with assurance that the Council is taking appropriate measures to comply with Contract Procedure Rules.

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APPENDIX

Officer Decision Notices Directory

SUBJECT HISTORY

Council Meeting	Date
Audit and Risk Management Committee	18 March 2015