
Report to: Audit and Scrutiny Committee

Date of Meeting: 26th October 2023

Subject: Exceptions from the Application of Contract Standing Orders

Report by Strategic Director Partnership & Performance

1.0 Purpose

- 1.1 It is a requirement of Contract Standing Orders that exceptions should be reported to the next available Audit & Scrutiny Committee. The purpose of this paper therefore is to provide detail on any Exceptions to Contract Standing Orders submitted in the previous quarter.

2.0 Recommendations

- 2.1 The Committee is asked to note the report, commenting and challenging as appropriate

3.0 Considerations

- 3.1 Contract Standing Orders (CSO's) apply to all contracts entered into by Council officers. In some circumstances however, exceptions may be granted.
- 3.2 The appropriate senior manager must record their reasons in writing in the form of an exception report for a decision, which must be submitted to the Strategic Director, Partnership and Performance, for consideration.

The Strategic Director is required to consult with the Chief Finance Officer (S95) and Procurement Manager before taking any action that binds the Council. It is a requirement that any such exception shall be reported retrospectively in full to the next Audit & Scrutiny Committee, including the reasons that fully justify the exception. A summary of CSO exemptions will also be provided as part of the Annual Procurement report to the Audit & Scrutiny Committee.

- 3.3 Three exceptions were considered since the last report in August 2023
- 3.3.1 To permit the continued appointment of Matrix Telematics to Supply vehicle telematics systems over a 3 year period, August 2023 – July 2026 to the value of £60,000.00

The basis of the exception request is that, in terms of Contract Standing Orders section 6 (7) There is a genuinely justifiable case to use an existing contractor/supplier to maintain continuity of supply or site experience

Reference 2/6/2085

Granted

Based on the information provided the exception was granted after careful consideration was given to changing the current supplier; however after testing the market, it became clear that this course of action would be operationally disruptive and was not financially viable. The costs to switch supplier would also be in excess of the current revenue budget allocated to this requirement.

Conditions

Procurement Form 2 should be completed and authorised for this requirement
A purchase order should be raised to cover the period requested
The award should be published in Public Contracts Scotland

- 3.3.2 To permit the appointment of Ceteris (Scotland) Ltd. to deliver a Business Growth Programme as set out within our investment plan for UK Shared Prosperity Fund (Business Support). Funding has been allocated for this programme over a 2 year period (1 April 2023 to 31 March 2025) to the value of £80,000

The basis of the exception request is that, in terms of Contract Standing Orders section 6 (8) The purchase of goods or materials, the execution of works or supply of services for which the procurement officer considers that no genuine competition can be obtained.

Reference 2/6/2086

Granted

Based on the information provided the recommendation was to approve the request for an exception to Council to allow the Council to award the contract directly to Ceteris (Scotland) Ltd. who are working in partnership with other Clackmannanshire Business Support organisations to design and deliver the programme.

The group which has been set up to design this programme comprises of Ceteris, University of Stirling, Forth Valley College, Forth Valley Chamber of Commerce, CTSI and Clackmannanshire Council.

The programme is being designed to ensure it does not duplicate anything already offered within the Forth Valley area (including no duplication with existing Business Gateway services), and that it aligns and provides a referral route into the University of Stirling Help to Grow programme.

Working with CTSI will also ensure that good representations of Third Sector organisations are included in the programme.

A previous tender for the pilot programme received only one bid and was subsequently designed, delivered and project managed by Ceteris from January to March 2023, with 11 businesses / third sector organisations taking part. The programme included strategy, finance, innovation and

implementation support and was very well received. Feedback was excellent and is being used to inform the new programme design.

Conditions

Procurement Form 2 should be completed and authorised for this requirement
A purchase order should be raised to cover the period requested
The award should be published in Public Contracts Scotland

- 3.3.3 To permit the appointment of the appointment of Avondale to supply the Scottish brokerage service with a 3 month extension period to dispose of residual waste to landfill with the potential of a further 3 month period.

The basis of the exception request is that, in terms of Contract Standing Orders section 6 (7) There is a genuinely justifiable case to use an existing contractor/supplier to maintain continuity of supply or site experience.

Reference 2/6/1723

Granted

Based on the information provided the recommendation was to approve the request for an exception to Council to allow it to extend the residual waste landfill disposal contract with Avondale for a further 3 months to enable Waste services to continue to fulfil its statutory functions. The Council meantime is working on a joint procurement with Stirling Council for a waste disposal solution that ensures compliance with the Scottish Government's ban on the disposal of biodegradable municipal waste to landfill from 2026. The expectation is that such a contract will be awarded by Stirling Council in the third quarter of this financial year however they may be a requirement to extend this further into the fourth quarter

Conditions

Procurement Form 2 should be completed and authorised
A Purchase order should be raised to cover the period requested
The award notice published in Public Contracts Scotland should be amended and published
A further three month extension will be permissible on evidence of satisfactory budget and the Scottish Government have confirmed that their arrangement has been extended to cover this requirement both of these have been confirmed for the initial period

4.0 Sustainability Implications

- 4.1 There are no direct sustainability implications arising from the recommendations in this report.

5.0 Resource Implications

- 5.1 Financial Details - there are no direct implications for the Council's budget arising from this report

8.2 Staffing - there are no direct implications for the Council's establishment arising from this report

6.0 Exempt Reports

6.1 Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all
Our families; children and young people will have the best possible start in life
Women and girls will be confident and aspirational, and achieve their full potential
Our communities will be resilient and empowered so that they can thrive & flourish

(2) **Council Policies (Please detail)**

Contract Standing Orders

Financial Regulations

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

N/A

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

none

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

No (please list the documents below)

Author(s)

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Derek Barr	Procurement Manager	2017

Approved by

NAME	DESIGNATION	SIGNATURE
Stuart Crickmar	Strategic Director Partnership & Performance	

