

APPENDIX L

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 1 DECEMBER 2009

Title:

AMENDMENTS TO CONTRACT PROCEDURE RULES AND FINANCIAL REGULATIONS

**[Portfolio Holder: Cllr Mike Band]
[Wards Affected: All**

Summary and purpose:

Waverley's Contract Procedure Rules and Financial Regulations have been reviewed and changes proposed to reflect the responsibility of service heads and to take account of the agreed changes in practice to give local businesses greater opportunity to bid for Council contracts.

How this report relates to the Council's Corporate Priorities:

A sound control framework is part of the value-for-money and governance arrangements.

Equality and Diversity Implications:

There are equality and diversity implications in awarding of contracts.

Resource/Value for Money implications:

There are direct value for money implications and CPRs are intended to ensure the best solution is identified when letting a contract.

Legal Implications:

Legal requirements are covered within these key documents.

Introduction

1. Waverley's Financial Regulations and Contract Procedure Rules (CPRs) are reviewed on a regular basis in order to ensure they reflect current policy and best practice. The changes proposed to the CPRs are highlighted in the attached Annexe 1 are designed to incorporate the Council's policy to provide opportunity for local businesses to tender for Council contracts, and give greater emphasis on the need to buy responsibly. They also reflect the role and responsibilities of service heads, and make greater provision for some risk management.

The proposed changes

2. The proposed amendments to CPRs are highlighted in the attached annexe. There are many detailed changes, and the purpose of some has been outlined in the preceding paragraph. There are also changes to designated officers which are made in an attempt to place responsibility more clearly.
3. No changes to the financial thresholds are proposed, as the indices that have been used suggest that changes are unwarranted. The value of contracts as contained in EC Directives are revised nationally, but these are defined independently of CPRs. CPRs remain subservient to EC Directives in those instances when they apply. The proposed change to CPR Q101 (a) seeks to mitigate the financial and legal risks of extending contracts, particularly to ensure that EC procurement rules are complied with.
4. The flow of CPRs has been considered in the light of comments received by officers. Once any changes have been agreed then it is proposed that the resultant document be re-ordered to improve flow and understanding and therefore make them easier to use.
5. The financial Regulations have been reviewed and the following minor changes proposed. The full version of Waverley's Financial Regulations are available of the Council's website:

All references to Director of Finance replaced with Deputy Chief Executive

All references to Chief Officers replaced with Chief Executive, directors and service heads

B230a To report to the Capital Monitoring Group if it is likely that a capital project will underspend or slip against its agreed timetable, particularly if this will result in the project not being delivered in the approved financial year.

D227a To ensure that every endeavour is made to pay invoices for local suppliers and small businesses within 10 days

D212 To establish a charging policy for the supply of goods or services, including the appropriate charging of VAT, and to review it regularly, in line with corporate policies. Where charges are not included in the approved fees and charges schedule, the proposed charging policy must be determined in conjunction with the Head of Finance.

Conclusion

6. The proposed changes to the CPRs and Financial Regulations are designed to keep them up-to-date, meaningful and in line with Council policy. The suggested changes will assist understanding and compliance. Officers will produce guidance for staff and Members and will undertake refresher training early in 2010. The Audit Committee keep an overview of these documents and the full versions will be reported to the Audit Committee in March 2010 with awareness training provided to Members.

Recommendation

That the Council:

1. approve the amendments to CPRs as set out in Annexe 1; and
2. approve the amendments to the Financial Regulations set out in paragraph 5 above.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

CONTACT OFFICER:

Name: Mark Hill

Telephone: 01483 523240

E-mail: mark.hill@waverley.gov.uk

Graeme Clark

Telephone: 01483 523236

E-mail: graeme.clark@waverley.gov.uk