

LANCASHIRE COMBINED FIRE AUTHORITY

AUDIT COMMITTEE

Meeting to be held on 25 January 2018

CONTRACT STANDING ORDERS – PROPOSED AMENDMENTS

Contact for further information:

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Executive Summary

The Authority is a Contracting Authority for the purposes of the Public Contracts Regulations 2006 and is required to comply with the tendering and award of contracts procedures as set out in those regulations.

The EU has updated its threshold and on that basis we need to amend ours.

Recommendation

It is recommended that Members approve the amended Contract Standing Order thresholds as outlined in the report.

Information

It is proposed that these thresholds are amended for the following reasons to take account of changes to EU thresholds, which are reviewed on a regular basis. (A more comprehensive review of contract standing orders, financial regulations and scheme of delegation is planned for the last quarter of the financial year).

As such the proposed new thresholds are:

FOR ALL GOODS & SERVICES & WORKS

Under £5,000:	With the exception of public utility Services i.e. gas, electric and periodical payments goods services or works may be procured using an official order.
Between £5,001 and £25,000:	At least three (3) written request for quotations (RFQ) must be requested. Procurement Department can assist.

FOR ALL GOODS & SERVICES

Between £25,001 and £181,302 (Currently £164,176)	Procurement Department involvement is required and a formal Tender procedure must be followed with a minimum of three (3) invites. Use of the e-tendering system is recommended.
Over £181,302 (Currently £164,176):	Procurement Department involvement is required and EU Procurement Tender and Regulations must be followed with a minimum of five (5) invites.

FOR ALL WORKS

Between £25,001 and £4,551,413 (Currently £4,104.394)	Procurement Department involvement is required and a formal Tender procedure must be followed with a minimum of three (3) invites. Use of the e-tendering system is recommended.
Over £4,551,413 (Currently £4,104.394):	Procurement Department involvement is required and EU Procurement Tender and Regulations must be followed with a minimum of five (5) invites.

Financial Implications

None directly arising from this report.

Business Risk

Contract standing orders form a key element of the control framework within which the Authority operates.

Environmental Impact

Health & Safety and Environmental considerations are taken into account during the tendering process - from the specification stage through to bid evaluation and contract award.

The Authority's Sustainable Procurement Policy provides specific guidance to Officers on this matter.

Equality & Diversity Implications

The Contract Standing Orders require every contract to include an obligation on the contractor to promote race equality and not unlawfully treat an individual or group less favourably on grounds of colour, race, nationality, ethnic origin, gender, sexual orientation, religion or belief.

The Authority also has an 'Equality & Diversity in Procurement' policy document which outlines the specific measures Officers should take to build Equality & Diversity issues in to all appropriate contract.

HR Implications

None identified

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact
Reason for inclusion in Part II, if appropriate:		