

PROCUREMENT RULES, REGULATIONS & CONTRACT STANDING ORDERS – WAIVERS 2015/16

1. INTRODUCTION

- 1.1 The Procurement Rules, Regulations & Contract Standing Orders provide the rules to be followed for the procurement of goods, services and works and ensure that the Council complies with Procurement Legislation whilst obtaining Value for Money in Purchasing.
- 1.2 Procurement Rules, Regulations & Contract Standing Orders must be followed by all individuals responsible for Procurement for, or on behalf of the Council.
- 1.3 The Regulations provide for limited exceptions to the prescribed rules which include the following:
- Procurement through a Consortium or similar body that the Council is a member of
 - Works carried out under an Agency arrangement which states that the Standing Orders of the Principal Authority apply
 - Appointment of specialist experts for legal matters and legal proceedings
 - Appointment of Counsel by Legal Services.
- 1.4 Where the above exceptions do not apply and a Procuring Officer has a valid reason for not complying with the Regulations, an application for a waiver may be submitted for approval. The following table shows the level of Approval Required for Waivers for 2015/16:

Table 1 – Delegated Authority to Approve Waivers

Value of Contract	Approval Required
£0 - £10,000	Head of Service
£10,000 – EU Procurement Levels	Head of Service and any member of EMT

- 1.5 All applications for a waiver against the Regulations are reported annually to the Audit Committee.

2. WAIVERS GRANTED 2014/15

- 2.1 There were 36 approved applications for a waiver against the Procurement Rules, Regulations and Contract Standing Orders between 1 April 2015 and 31 March 2016. The total value of all approved waivers was £786,280.60. This compares with 46 applications submitted during 2014/15, with approved waivers totalling £1,513,303.
- 2.2 These waiver applications, together with the values are detailed in Appendix 1. A summary of the total number and value by waived standing order is detailed in Table 2.

Table 2 – All applications by standing order waived

Standing Order Number and Detail	Number of approved applications	Total value £'000
19 Minimum required numbers for invitation to quote or tender and receipt of quotation or tender”.	27	491
81 Maximum value of variations on individual contract	5	183
7 The goods, materials or services are proprietary items or their prices are sold at a fixed price only provided that in each of these cases there is no reasonable satisfactory alternative product	4	112
All	36	786

2.3 No approved waivers were over £100,000 in value.

2.4 There were 6 waivers that were rejected during the year by either the Head of Service or EMT. The reason for the majority of rejections was due to a lack of detailed information provided to make a decision.

2.5 There are 7 waivers that are with the Head of Service or EMT awaiting approval or rejection.

2.6 As reported last year there were significant changes to procurement processes effective from 1st April 2015 following the Parliamentary approval of the Public Contract Regulations 2015. These changes require the Council to advertise all contracts with a value of £25,000 and over. It is considered that this contributes to the reasons for the reduction in waiver applications.

3. FINANCIAL IMPLICATIONS

3.1 Procurement Rules, Regulations and Contract Standing Orders ensure that the most economically advantageous price is obtained in Procurement. Waivers sought need to demonstrate that where tenders or quotations are not obtained, that Value for Money can still be demonstrated.

4. ENVIRONMENTAL IMPLICATIONS

4.1 Procurement Rules, Regulations and Contract Standing Orders provide for tender evaluation models to include environmental and sustainability policies.

5. CRIME AND DISORDER IMPLICATIONS

5.1 Procurement Rules, Regulations and Contract Standing Orders provides procedures to limit the risk of collusive tendering (bid rigging).

6. EQUALITY & DIVERSITY IMPLICATIONS

6.1 None directly arising from this report.

7. RECOMMENDATION

7.1 That the Audit Committee notes the Waivers to the Council's Procurement Rules, Regulations and Contract Standing Orders approved during the financial year 2015/16.

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Appendix 1

Ref	Standing order to be waived	Description of Contract	Waiver Value	Date	Status
2/15/16	SO19	Applemore Annual Maintenance Programme works	£6,300	08/05/2015	Approved by Head of Service
3/15/16	SO19	Call off order for supply of concrete, order no 89003555	£7,500	03/06/2015	Approved by Head of Service
4/15/16	SO7	Gorse Close New Development	£7,022	22/06/2015	Approved by Head of Service
5/15/16	SO19	Structural Repairs to 43 Elm Crescent	£35,699	25/06/2015	Approved by EMT
6/15/16	SO19	Demolition of Public Toilets	£5,200	08/07/2015	Approved by Head of Service
8/15/16	SO19	Boiler relocation works at Marryat Court	£14,734	15/07/2015	Approved by EMT
9/15/16	SO19	Air Quality Data Management	£7,245	17/07/2015	Approved by Head of Service
10/15/16	SO19	AQ Servicing and Maintenance Contract	£6,517	17/07/2015	Approved by Head of Service
11/15/16	SO19	Cemetery Design and Planning Application	£25,000	23/07/2015	Approved by EMT
13/15/16	SO19	Rating Appeal representation by Colliers	£14,000	14/08/2015	Approved by EMT
15/15/16	SO7	Annual Subscription with HouseMark	£5,444	10/09/2015	Approved by Head of Service
17/15/16	SO81	HS31/14	£39,094	17/09/2015	Approved by EMT
19/15/16	SO19	Purchase of replacement Trimble surveying equipment	£28,451	22/09/2015	Approved by EMT
20/15/16	SO81	Modelling Single Beaches in Bimodal Seas	£68,000	25/09/2015	Approved by EMT
23/15/16	SO19	Vuelio media management	£9,800	29/09/2015	Approved by Head of Service
24/15/16	SO19	Interoute Oracle Database Managed Service	£7,371	30/09/2015	Approved by Head of Service
25/15/16	SO7	BT CCTV transmission via Fibre optic cable	£90,733	30/09/2015	Approved by EMT
28/15/16	SO19	Supply and Maintenance of Postal Franking Equipment	£32,000	14/10/2015	Approved by EMT
29/15/16	SO19	Provision of solar panels – Banister Court, Totton	£42,394	30/10/2015	Approved by EMT
30/15/16	SO19	Plan Examination Assistance	£15,000	09/11/2015	Approved by EMT
31/15/16	SO19	Apply Records Management to Information@Work (Northgate) System including integration services and 4 years maintenance	£9,300	10/11/2015	Approved by Head of Service
32/15/16	SO81	North Milton Estate	£26,297	30/11/2015	Approved by EMT

34/15/16	SO81	Eling Tide Mill Extension – External Design & Project Management fees	£25,150	20/01/2016	Approved by EMT
35/15/16	SO19	Lyndhurst Car Park, post WC Demolition	£25,000	20/01/2016	Approved by EMT
36/15/16	SO19	Fire Alarm Servicing & Callouts	£7,956	28/01/2016	Approved by Head of Service
37/15/16	SO19	Fire Equipment Servicing & Callouts	£8,780	28/01/2016	Approved by Head of Service
38/15/16	SO19	HS20/15	£30,000	02/02/2016	Approved by EMT
39/15/16	SO7	Follow me printing	£8,640	18/02/2016	Approved by Head of Service
40/15/16	SO19	Ringwood H&L Steam and Sauna cabin replacements	£27,545	18/02/2016	Approved by EMT
42/15/16	SO19	CCHQ – Social Media Management Software	£9,575	14/03/2016	Approved by EMT
43/15/16	SO81	Rum Walk – Footpath Reinstatement	£25,000	17/03/2016	Approved by EMT
44/15/16	SO19	Washroom Services	£14,834	18/03/2016	Approved by EMT
46/15/16	SO19	Kennelling of Stray Dogs	£4,500	24/03/2016	Approved by EMT
47/15/16	SO19	Deployment of Speed Indicator Device / Speed Limit Reminder / Speed Data Recorder	£12,000	24/03/2016	Approved by EMT
48/15/16	SO19	Wallgate hand wash units	£9,200	30/03/2016	Approved by EMT
49/15/16	SO19	Addition of the Idox DMS to the Idox Enterprise suite of Applications to include associated software components, installation, configuration, migration and training services	£75,000	30/03/2016	Approved by EMT
			£786,281		