
Report to: Audit and Scrutiny Committee

Date of Meeting 15th December 2022

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 Committee. The purpose of this paper therefore is to provide detail on 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 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 Committee.

- 3.3 **Three exceptions** were considered since the last report in August 2022

- 3.3.1 To permit the appointment of AC GOLD LTD to Supply electrical upgrade works over a 4 month period. This is an extension of the current four year contract. Due to operational capability surrounding procurement within the service and the requirement to do emergency works we wish to proceed with the extension and re-tender for April 2023.

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 2/6/1632

Granted

The COVID19 pandemic delayed the works forecasted due to the requirement for non-working practices within tenant houses. As a result, some remedial works required in relation to electric services were delayed and we require having these done before the new contract can be tendered.

The risks to the council of not having this contract in place are severe, as the contract has been used to back our internal emergency works and void procedure. Delays to these works would see a lead time increase in service delivery and the void process. The risk to capital programme expenditure is noted as medium concern, affecting the ability of the capital works manager to carry out refurbishment works as required. Quantified risk to capital programme through delay would be the £300k spends plus delaying a further circa £250k of associated works.

The procurement with AC Gold is currently due to end on the 31/11/2022. The original contract spend was set for £3m however only £1.8m has been spent on the contract. The justification for the reduced spend is due to the COVID19 pandemic and the reduced working within tenant properties. The contract still has a contract sum outstanding of £1.2m.

Conditions

Extension Letter should be drafted, authorised and sent to provider
The award notice published in Public Contracts Scotland should be revised to account for the 4 month extension.

- 3.3.2 To permit the appointment of Clackmannan CAB to Supply general advice and advocacy services types 1, 2 and 3 as set out in the Scottish National Standards for Advice and Advocacy¹ and homeless prevention advice (to Council tenants) all as detailed in the contract number 2/6/1650 expiring on 31 December 2021, for a 15 month period from 1 January 2022 to 31 March 2023 to the value of £167,916.33.

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 2/6/1650

¹ <https://www.gov.scot/publications/scottish-national-standards-information-advice-providers-quality-assurance-framework-2009/pages/14/>

Granted

Based on the outcome of the tendering process in 2018 it is unlikely that a further process will result in any other providers tendering for the work. In addition, the well established and trusted brand of CABs and established local presence and track record make mean that they are best placed to deliver these services for the Council and local residents.

In the light of this and the continuing cost of living and homelessness crisis it is important that this service remains available. In the light of this officers are of the view that the current contract should be extended until the end of the current financial year to ensure continuity of service provision.

Further discussions will take place prior to the end of the proposed extension to make appropriate arrangements for the continuation of this or an equivalent service from March 2023 onwards.

Conditions

Extension Letter should be drafted, authorised and sent to provider.

The award notice published in Public Contracts Scotland should be revised to account for the extension Period.

A Purchase order to be raised to cover the period.

- 3.3.3 To permit the appointment of the Resilience Learning Partnership (RLP) - a unique and locally-based education and training provider specialising in psychological trauma and lived experience which values the knowledge and expertise of individuals with lived experience - to support the development of trauma-informed approaches across the Council in accordance with the terms of the Trauma-Informed Approaches Funding from the Scottish Government.

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 2/6/1991

Granted

The Resilience Learning Partnership (RLP) has been a key member of the Trauma Training Community Planning Partnership Group reporting into The Alliance that operated for several years, At the final meeting of this group in October 2021 it was recommended that a partnership approach across a number of organisations and services should be developed which integrates the skills, knowledge and insights from lived experience, professional practice and academic research to support the delivery and embedding of trauma-informed training and practice across Clackmannanshire. This partnership approach would align with other key national and local priorities and developments including NHS Education for Scotland (NES) National Trauma Training Programme, The Promise, Clackmannanshire Council's Be the

Future programme including STRIVE and the Driving Change in Mental Health and Wellbeing for Children, Young People and Families Transformation Project and organisational change processes such as The Scottish Approach to Service Design in order to promote wider cultural shifts across organisations and communities.

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 published.

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	

