

APPENDIX B

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Proposed Amendments to Contract Standing Orders

Para No.	Reasoning for proposed amendment
2.2.3	<p>Clarifies that CSOs do not apply to the awarding of grants provided that no works or services are provided direct to the Council in return for the grant. Definition of a Grant also added to Glossary.</p> <p>2.2.3 would be amended to read:</p> <p>[Section 12-30 of these CSOs do <u>not</u> apply to.....]</p> <p>Grants given by the Council either where the Council is giving or receiving a grant</p> <p><i>Awarding grants to external organisations provided that no works or services are provided direct to the Council in return for the grant.</i></p>
2.5	<p>Changes reference from Chief Officer to Head of Service in line with new structure, and throughout document.</p> <p>2.5 would be amended to read:</p> <p><i>Under the Local Government (Contracts) Act 1997, local authorities can enter into contracts with third parties in connection with any of their functions. However, first the Chief Officer Head of Service must be able to demonstrate there is a business need for the proposed Contract.</i></p>
2.2.10	<p>Changes to the arrangements for procuring legal advice. There have been occasions where the Council could not obtain accurate specialist legal advice for major projects or those projects or requirements that are high profile, high risk or of strategic importance from firms who are appointed to the Surrey Legal framework. Although, the framework does provide extra benefit such as discounted rates and has several expert and experienced barristers' chambers and legal firms appointed to the framework, the Council has managed in some instances to obtain better rates from off panel firms. Having the flexibility to seek of panel legal advice has both assisted the Council in achieving best value, and enhance delivery of services.</p> <p>2.2.10 would be amended to read:</p> <p><i>External legal advice. The Head of Legal Services and Monitoring Officer commissions all external solicitors, counsel, experts within Legal Proceedings (actual or contemplated) and arbitrators /adjudicators.</i></p> <p><i>The engagement of barristers, experts and adjudicators/arbitrators in construction disputes shall be subject to completion of a formal letter, contract of appointment or brief. The barrister, expert or arbitrator /adjudicator or chambers must either be named in the relevant Contract or be on an approved list maintained by the Head of Legal Services and Monitoring Officer for this purpose and the appointment shall be approved by the Head of Legal Services and Monitoring Officer. Where there is no approved list, then the Head of Legal Services and Monitoring Officer will determine the method of selection, likely to be appointed from a list maintained by a third party.</i></p>

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	<p><i>Where there is no current framework agreement in place for external legal services, the Head of Legal Services and Monitoring Officer, in consultation with another Chief Officer, will together determine whether, in exceptional circumstances, a particular firm or barristers should be commissioned without requiring a procurement exercise. (However, in urgent situations when, for whatever reason, another Chief Officer cannot be contacted at the point of commissioning, it would be open to the Head of Legal Services and Monitoring Officer to utilise the urgency provisions of Standing Order 35 to demonstrate the reasons for the required advice). Effective records of such instructions shall be maintained by the Head of Legal Services and Monitoring Officer and reported to the Corporate Procurement Board and, should Standing Order 35 apply, to the relevant Committee</i></p> <p><i>The engagement of external solicitors shall be made by formal letter or appointment contract once and approved by the Head of Legal Services and Monitoring Officer. In most cases the Head of Legal Services and Monitoring Officer may will authorise the use of external solicitors on the Surrey Legal Alliance Solicitors Framework. Requests for advice (up to £10k £20k) can be obtained without the need to advertise or seek alternative quotes subject to the Head of Legal Services and Monitoring Officer being satisfied that the appropriate specialism is not obtainable elsewhere and that value for money is achieved.</i></p> <p><i>Instructions to, or a brief to external counsel shall be issued in consultation with the Head of Legal in respect of any matter.</i></p> <p><i>Before instructing or briefing external counsel or external legal advisor, the Head of Legal or their substitute shall take all reasonable steps to obtain an oral quotation from Counsel's clerk or from the firm's legal director. Where the Head of Legal anticipates that the net value of counsel's fees or external legal advisor will exceed £20k, the Head of Legal shall take all reasonable steps to obtain fee quotations from three (3) different counsels' chambers for counsel or external legal firms of comparable experience and seniority unless, in the opinion of the Head of Legal it is not practicable or appropriate to do so.</i></p>
33.4.4	<p>Includes reference to the Council's Risk Management Strategy that applies to the management and monitoring of supplier contracts.</p> <p>33.4.4 would be amended to read:</p> <p>33.4. <i>The responsibilities of the Contract Manager will include:</i></p> <p>33.4.1. <i>undertake appropriate risk assessments that have considered service continuity, health and safety, fraud and information management risks</i></p> <p>33.4.2. <i>maintain a risk register during the contract period</i></p> <p>33.4.3. <i>ensure appropriate contingency measures are in place for identified risks</i></p> <p>33.4.4. <i>in line with the Council's Risk Management Strategy:</i></p> <ul style="list-style-type: none"> • <i>formally review monthly and regularly monitor and report to the Procurement Specialist on: a Contractor's performance against the agreed level of service; the regularity of meetings held with the contractor; compliance with specification and contract costs and identifying as early as possible any potential over-spends and any Best Value requirements</i>

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	<ul style="list-style-type: none"> • <i>monitoring the continuing level of operational and financial risk to which the Council is exposed and to institute controls as appropriate</i> <p>33.4.5 <i>facilitating the resolution of issues between the supplier and users of the service</i></p> <p>33.4.6 <i>ensuring prompt payment of invoices and compliance with all financial regulations and CSOs during the lifetime of the Contract</i></p> <p>33.4.7 <i>ensuring that appropriate arrangements are made for the termination or re-letting of the Contract at the appropriate time.</i></p> <p>This content is currently presented as follows:</p> <p>33.4 The responsibilities of the Contract Manager will include:</p> <ul style="list-style-type: none"> • undertake appropriate risk assessments that have considered service continuity, health and safety, fraud and information management risks • maintain a risk register during the contract period • ensure appropriate contingency measures are in place for identified risks • formally review monthly and regularly monitor and report to the Procurement Specialist on: a Contractor's performance against the agreed level of service; the regularity of meetings held with the contractor; compliance with specification and contract costs and identifying as early as possible any potential over-spends and any Best Value requirements • monitoring the continuing level of operational and financial risk to which the Council is exposed and to institute controls as appropriate • facilitating the resolution of issues between the supplier and users of the service • ensuring prompt payment of invoices and compliance with all financial regulations and CSOs during the lifetime of the Contract • ensuring that appropriate arrangements are made for the termination or re-letting of the Contract at the appropriate time.