

APPENDIX 1

PROPOSED CONTRACT STANDING ORDERS

[the words proposed for deletion are shown struck through and the words proposed for addition or insertion are shown in italics and underlined]

Part G.3

Contract Procedure Rules

STATEMENT OF PRINCIPLES

1. The Contract Standing Orders provide the framework rules for the Council's procurement of works, goods and services. Following them will ensure value for money, propriety and the proper spending of public money.
2. The Procurement Code of Practice provides more detail and shall govern Council tendering and contract procedures. The Director of Corporate Resources and Head of Procurement shall maintain and issue the Procurement Code of Practice. Any procurement activity shall proceed in accordance with the Contract Standing Orders the Procurement Code of Practice *and all such other guidance issued by the Head of Procurement.*
3. The Head of Procurement shall make the latest version of the Contract Standing Orders and the Procurement Code of Practice available to every Director and Member of the Council. Directors or officers acting on their behalf shall apply the requirements of the Standing Orders and the Procurement Code of Practice when engaging in any procurement activity.
4. The purpose of procurement activity shall be to achieve best value in accordance with the Council's statutory or approved objectives. This should include an innovative approach to building partnerships with the private and not-for-profit sectors

within a robust contractual framework. Officers with responsibility for procurement shall ensure that they are able to demonstrate achievement of best value by having regard to a combination of economy, efficiency and effectiveness.

5. Every contract or official order for works, goods or services made by the Council shall be for the purpose of achieving the Council's statutory or approved objectives and shall conform to all relevant English and European Union legislation.
6. Nothing in the Contract Standing Orders or the Procurement Code of Practice shall be construed as removing or diminishing the responsibility of all involved to meet individual and collective accountabilities.
7. Directors shall ensure that the Council Executive or a member of the Executive is consulted on any procurement activity of a controversial nature.
8. Directors must ensure that audit trails are in place for all procurement activity in accordance with the Procurement Code of Practice.
9. No Member shall enter into any contract on the Council's behalf.
10. No Member shall be permitted to become security under any agreement between the Council and a contractor employed by it.
11. Where Haringey Council is the procuring authority, and it is practical to do so, contracts shall be advertised and awarded as a minimum "on behalf of public sector bodies in Greater London".

CONTRACT STANDING ORDERS

1. INTRODUCTION

- 1.01. Procurement decisions are among the most important decisions a manager will make because the money involved is public money and the Council is concerned to ensure that best value goods, works and services are provided. Efficient use of resources in order to achieve best value is therefore an imperative. The Council's reputation is equally important and should be safeguarded from any imputation of dishonesty or corruption.
- 1.02. For these reasons it is a disciplinary offence to fail to comply with Contract Standing Orders and the Procurement Code of Practice when letting contracts and employees have a duty to report breaches of Contract Standing Orders to an appropriate senior manager and the Head of Audit.
- 1.03. Reference should be made to the Procurement Code of Practice for more detailed procurement procedures.

2. DEFINITIONS AND INTERPRETATION

- 2.01. These Contract Standing Orders are made pursuant to section 135 of the Local Government Act 1972 and shall come into force with this Constitution.
- 2.02. Unless the context otherwise requires, in these Contract Standing Orders the terms below shall have the meanings ascribed to them.
 - a) "**Director**" means an employee of the Council holding a post designated as Director, Chief Executive or Assistant Chief Executive.
 - b) "**EU**" means European Union.
 - c) "**Executive**" means the Executive of Haringey Council or any other formally constituted Member body operating within the terms of its reference (e.g. the Executive Procurement Committee).
 - d) "**General Manager**" means the person holding the position of General Manager of Alexandra Palace and Park Charitable Trust.

- 2.03. In the event of any conflict between EU law, English law and Council policy, the requirements of EU law shall prevail over English law and the requirements of English law shall prevail over Council policy. ~~In particular caution should be exercised when considering the use of an approved list as this may conflict with EU Procurement legislation.~~
- 2.04. In the event of any doubt as to the interpretation of these Contract Standing Orders, or as to the proper procedure to be followed, reference should be made to the Head of Procurement.

3. THE ROLE AND RESPONSIBILITIES OF DIRECTORS

- 3.01. The Director has responsibility for all contracts tendered and let by his/her Directorate. He/she is accountable to the Executive for the performance of his/her duties in relation to contract letting and management, which are:
- a) to ensure compliance with English and EU legislation and Council Policy;
 - b) to ensure value for money in all procurement matters;
 - c) to ensure compliance with Contract Standing Orders and the Procurement Code of Practice;
 - d) to maintain a departmental scheme of delegation;
 - e) to ensure that all relevant staff are familiar with the provisions of Contract Standing Orders and the Procurement Code of Practice and that they receive adequate training on their operation;
 - f) to ensure compliance with any guidelines issued in respect of these Contract Standing Orders;
 - g) to take immediate action in the event of a breach of Contract Standing Orders or the Procurement Code of Practice within his or her area;
 - h) to keep proper records of all contracts, tenders etc. including minutes of tender evaluation panels and other meetings;

- i) to keep records of waivers of any provision of these Contract Standing Orders;
- j) to make appropriate arrangements for the opening of tenders and their secure retention so as to protect the integrity of the tendering process;
- k) to ensure that the Council's seal is affixed to any document required to be executed as a deed and that where a document is not expressed to be under seal, it is signed by two people as provided for in these Contract Standing Orders;
- l) to ensure original contract documents are forwarded to the Head of Legal Services for safekeeping;
- m) to record all contracts in the Contract Register of the relevant Business Unit;
- n) to ensure effective management of all contracts in his/her area and to a level deemed appropriate in regard to risk or value of each contract.

4. THE ROLE AND RESPONSIBILITY OF THE EXECUTIVE AND THE GENERAL PURPOSES COMMITTEE

- 4.01. The Executive will hold Directors accountable for any decisions he/she makes under his/her delegated authority or under these Contract Standing Orders.
- 4.02. The General Purposes Committee will keep under review these Contract Standing Orders and recommend amendments to full Council for adoption.
- 4.03. ~~The Executive will award contracts valued over £250,000 (two hundred and fifty thousand) provided that the award of any contract valued over £3,000,000 (three million) is a 'key decision' and as such must be in the Council's forward plan and comply with the other procedures in that regard set out in the Constitution.~~

5. CALCULATION OF CONTRACT VALUES

- 5.01. Directors must ensure that a pre-tender estimate of anticipated costs is prepared and recorded in writing. Where EU Public

Procurement rules apply, Directors must also ascertain the value of a contract in accordance with those rules.

- 5.02. Unless otherwise specifically provided, ~~where a value or an estimated value is given~~ reference to contract value or an estimated contract value in these Contract Standing Orders # means the aggregate value payable in pounds sterling exclusive of Value Added Tax over the entire contract period.
- 5.03. Contracts must not be artificially under or over estimated or divided into two or more separate contracts where the effect is to avoid the application of Contract Standing Orders or EU legislation.

6. SCOPE OF CONTRACT STANDING ORDERS

- 6.01. These Contract Standing Orders shall apply to all contracts "for the procurement by the Council of works, goods and services" unless otherwise expressly stated or these requirements are waived in accordance with paragraph 7.
- 6.02. Where the Council secures funding from an external funding body, and the funding is conditional upon the grant monies being used to facilitate service delivery, Contract Standing Orders shall apply to procurement by the Council of the works, goods, and services to facilitate the service delivery.
- 6.03. Where a contract has an estimated value of less than £5000 (five thousand), the relevant Director should act in the manner most expedient to the efficient management of the service, having kept a record for so doing.
- 6.04. Where a contract has an estimated value of more than £5000 (five thousand), but less than £25,000 (twenty-five thousand) quotations should be obtained or the tender procedure followed. However the Director may decide that such processes are not appropriate in order to secure value for money for the Council. If that is the case, the Director may determine another process of selecting a contractor which will meet best value criteria. The decision and process must be properly documented.
- 6.05. Except as otherwise provided, contracts with an estimated value of more than £25,000 (twenty-five thousand) must be let following a competitive tendering process in accordance with the procedures set out in these Contract Standing Orders and

any guidelines or Codes of Practice issued from time to time under these Contract Standing Orders.

6.06. No contract shall be let unless the expenditure involved has been fully considered and approved and sufficient money has been allocated in the relevant budget.

6.07. It shall be a condition of any contract between the Council and any person (not being an Officer of the Council) who is required to ~~supervise~~ manage a contract on the Council's behalf that, in relation to such contract, he/she shall comply in all respects with the requirements of these Contract Standing Orders as if he/she were an employee of the Council.

6.08. These Contract Standing Orders shall not apply to contracts of employment, or to contracts relating to any interest in land. For the avoidance of doubt, there are excluded from these Contract Standing Orders any agreement relating to the provision of nomination rights to housing, collateral management arrangements in respect of social housing and the acquisition of rights or benefits pursuant to the Council's Private Sector Temporary Accommodation Leasing Scheme.

Framework and Consortia Arrangements

6.09. Subject to the provision of CSO 6.10, these Contract Standing Orders shall not apply where the Council procures particular goods, services or works:

- a) as part of a group of public sector bodies contracting with one or more contractors (consortium arrangement), provided the contract standing orders of one of the public sector bodies constituting the group and/ or any applicable EU Regulations have been followed, or
- b) by selecting one or more contractors ~~using~~ from a Framework or similar arrangement (including approved lists), established by a public sector body ~~or bodies~~ in accordance with the contract standing orders of that public sector body and/ or any applicable EU regulations.

~~where the contractor selection has gone through a tender process using the~~

~~standing orders of a public sector body or otherwise on a basis designed to achieve best value~~

6.10 The Council's decision to enter into a contract with the recommended contractor must be made in accordance with Contract Standing Orders 11.02 to 11.04.

6.11. The Council shall observe these Contract Standing Orders where it procures goods, services and works for the benefit, or on behalf of, other public bodies.

Education Schools

6.12. In accordance with the requirements of the Council's Scheme for Financing Schools, and the Financial Regulations for Schools, ~~For the avoidance of doubt,~~ these Contract Standing Orders apply to all schools within the London Borough of Haringey. A school's governing body shall have the powers and duties of a Director specified in these Contract Standing Orders, except in relation to waiver (paragraph 7.02).

~~Social Services Care Contracts for Individuals~~

6.13. Social Services and the Children and Young People's Service care contracts may be 'block' contracts (where a number of beds, places or services are provided by the contractor **at pre-agreed pricing schedules**, to which the Council may refer users over the contract period) or 'spot' contracts (one-off contracts meeting an individual user's needs, or contracts where a number of beds, places or services are provided by the contractor **without pre-agreed prices**, such prices to be agreed upon each referral of a user over the contract period). The Directors of Social Services and the Children and Young People's Service will seek to maximise the use of block contracts where this represents best value for the Council. The following provisions shall apply to Social Services and the Children and Young People's Service care contracts:

- a) All Contract Standing Orders apply to block contracts;
- b) Contract Standing Orders 8, 9, 10 and 11 (in relation to tender procedures and formation of contract) **shall not apply to spot contracts**;
- c) The Directors of Social Services and the Children and Young People's Service may award all spot contracts, which shall be reviewed at least annually as part of the

review of whether the service provided continues to meet the needs of the service user;

- d) The Directors of Social Services and the Children and Young People's Service shall provide monthly reports to the relevant Executive Member and a quarterly report to the Executive detailing the nature, extent and value of spot contracts entered into in the previous quarter.

Alexandra Palace and Park

6.14 These Contract Standing Orders apply to the procurement of works, goods and services by or on behalf of Alexandra Palace and Park Charitable Trust on the following basis:

- a) The General Manager shall have the powers and duties of a Director specified in these Contract Standing Orders;
- b) The Alexandra Palace and Park Board and Panel shall have the powers and duties of the Executive and an Executive Member specified in these Contract Standing Orders;
- c) In the event of any conflict, the requirements of the Charities Act 1993, any regulations made under that Act or charity law in general shall prevail over the provisions of Contract Standing Orders.

7. WAIVER OF CONTRACT STANDING ORDERS

7.01. Where these Contract Standing Orders apply to a contract (see CSO 6 above) any individual provision in ~~them~~ Contract Standing Orders other than paragraph 8.01 (which relates to EU procedures) may be waived by the appropriate person specified in paragraph 7.02 on the basis set out in paragraph 7.03.

7.02. Subject to paragraph 7.05, a waiver of a provision of these Contract Standing Orders may be agreed by:

- a) the Executive; or
- b) a Director where the contract value is £50,000 (fifty thousand) or less (save that the Director shall not have authority to waive any of the provisions of Contract Standing Order 12 which relate to conditions applying to contracts unless expressly stated in CSO 12); or

- c) an Executive Member where the contract value is between £50,000 (fifty thousand) and £250,000 (two hundred and fifty thousand).

7.03. A waiver may be agreed by the appropriate person if they are satisfied after considering a written report by the appropriate officer that the waiver is justified because:

- a) the nature of the market for the works to be carried out or the goods or services to be provided has been investigated and is demonstrated to be such that a departure from the requirements of Contract Standing Orders is justifiable; or
- b) the contract is for works, goods or services that are required in circumstances of extreme urgency that could not reasonably have been foreseen; or
- c) the circumstances of the proposed contract are covered by legislative exemptions (whether under EU or English law); or
- d) it is in the Council's overall interest; or
- e) there are other circumstances which are genuinely exceptional.

7.04. A record of the decision approving a waiver and the reasons for it must be kept and an entry made in ~~the appropriate~~ a central register maintained and monitored by the Head of Procurement.

7.05. Where a waiver of Contract Standing Orders is sought for the second time in relation to the same contract, then regardless of the value of the contract, that waiver may only be agreed by the Executive.

8. TENDER PROCEDURES

8.01 Where the value of a works, goods or services contract is equal to, or exceeds, the applicable threshold set out in respect of the Public Works Contracts Regulations 1991, the ~~Public Supply Contracts Regulations 1995 or the Public Services Contracts Regulations 1993 (whichever is relevant)~~ and the Regulations require open competition the Public Contracts Regulations 2006, then the relevant provisions of those Regulations shall govern the tendering process and paragraph 8.02 shall not apply and shall take precedence over the provisions of these Contract Standing Orders in the event of any conflict.. ~~Where~~

~~the subject matter of the contract is exempt from EU tendering requirements paragraph 8.02 shall apply.~~

8.02. In respect of contracts to which CSO 8.01 apply, all bidders must be notified in writing of a tender selection decision by the Council at least 10 (ten) calendar days prior to the proposed contract award date. Where the last day of this ten-day notice period falls on a non-working day, the period must be extended to the next working day.

8.03 Where tenders are to be invited ~~(other than in accordance with the open competition requirements of the regulations referred to in paragraph 8.01)~~ the procedure to be followed shall be determined prior to advertising and shall be one of the following:

- a) open tender (all interested contractors submit a tender in response to an advertisement);
- b) restricted procedure (expressions of interest from interested contractors in response to an advertisement, with a selection of those contractors being invited to submit a tender);
- c) negotiated procedure (expressions of interest from interested contractors in response to an advertisement, with a selection of those contractors being invited to negotiate);
- d) competitive dialogue (expressions of interest from interested contractors in response to an advertisement, followed by dialogue with a selection of those contractors to identify a solution (or solutions) which meets the Council's requirements, and an invitation to the selected contractors to submit tenders based on the solution/s resulting from the dialogue);
- e) where a Framework arrangement (including approved lists) exists in respect of the subject matter, tenders shall be invited using the Framework arrangement from all capable contractors having regard to the principles of best value.

9. RECEIPT AND OPENING OF TENDERS

9.01. Contractors must be informed that their tenders will only be considered if they are:

- a) sent in a plain envelope or parcel with a label on which is printed the word "Tender" followed by the subject of the contract; and
- b) contained in a sealed envelope or parcel which does not show the identity of the tenderer in any way; and
- c) delivered to the place and by the time stated in the tender invitation.

9.02. Tenders which do not meet the requirements of Contract Standing Order 9.01 may only be considered if the other tenders have not yet been opened and:

- a) failure to comply is the Council's fault; or
- b) a tender is late, and it is clear without any contact with the contractor that the tender was sent in such a way that in the normal course of events it would have arrived on time.

9.03. In accordance with the responsibilities set out at CSO 3.01 (j), tenders must be

kept safe until the time for their opening by ~~an~~ the officers given this duty by the Director responsible for the tendering process. Records of non-compliant bids and of the time and date of receipt of all unopened tenders must be kept by ~~that~~ those officers.

9.04. Tenders for a particular contract must be opened at the same time in the presence of two officers who ~~are employed in teams not involved~~ have had no involvement in the tendering process. These officers ~~are~~ shall be responsible for properly recording the price, duration of any works and all other relevant details of each opened tender.

9.05. The Head of Procurement must approve the training and seniority of all officers employed to open tenders and also the arrangements in each Directorate for ensuring the independence of such officers from the teams involved in the tendering process.

E-Tendering

9.06 ~~Tenders may be received electronically~~ Invitations to tender may be dispatched, and tenders received, by electronic means with the prior approval of, and in accordance with a procedure specified by the Head of Procurement.

9.07 Tenders received electronically must be stored securely, and must not be accessible until after the closing date in respect of submission of the tenders.

9.08 At an appointed time for opening the electronically submitted tenders, two authorised officers who have had no involvement in the tendering process shall access the submitted tender data simultaneously, open the tenders and record the price, duration of any works and all other relevant details of each opened tender.

E-Auctions

9.09 In appropriate cases, the submission of prices for a tender may be conducted by e-auction using an on-line facility, with the prior approval of, and in accordance with a procedure specified by the Head of Procurement.

10. POST TENDER NEGOTIATIONS

10.01. Except where the negotiated procedure referred to in paragraph ~~8.02~~ 8.03(c) applies, negotiations after receipt of formal bids or tenders and before the ~~letting~~ award of contract~~s~~ is only permitted:

(a) with those tenderers submitting the most economically advantageous tender, and

(b) with a view to obtaining an improvement in content in circumstances which do not put other tenderers at a disadvantage, distort competition or adversely affect ~~adversely~~ trust in the competitive tendering process, and

(c) ~~may only take place~~ if the prior authority of the Director has been obtained.

10.02 ~~In addition~~ There may be circumstances where an officer authorised by the Director may contact a contractor in order to clarify an ambiguous tender. This does not constitute post tender negotiations.

10.03. All communication with contractors under this Contract Standing Order must be in writing or recorded in writing.

11. TENDER ACCEPTANCE AND CONTRACT FORMATION AWARD

11.01 Tenders are to be accepted on the basis of either:

- a) The lowest price; or
- b) The most economically advantageous tender (i.e. the tender providing the most benefit to the Council) as determined by such criteria, to include whole life costing methodologies, as are relevant to the type of works, goods or services.

11.02. A Director may award, assign or novate contracts valued at £250,000 (two hundred and fifty thousand) or less.

11.03. Subject to the provisions of paragraph 11.04 and 11.05, ~~the Executive must award~~ all contracts valued over £250,000 (two hundred and fifty thousand) may only be awarded, assigned or novated by the Executive.

11.04. The award of any contract valued over £3,000,000 (three million) is a 'key decision' and as such must be in the Council's forward plan and comply with the other procedures in that regard set out in the Constitution.

11.05. ~~Subject to paragraph 11.06 any~~ Contracts for the supply of energy to the Council valued ~~at~~ over £250,000 may be awarded by ~~the a~~ Director of Finance or in accordance with CSO 6.09. in his/her absence by any other Director. —

~~11.06 The award of contracts under paragraph 11.05 is subject to compliance with paragraph 8.01 and adherence to a robust and market tested process.~~

~~11.07 Requirements for signing contracts are set out in paragraph 12.~~

12. CONDITIONS APPLYING TO CONTRACTS

Form and execution of contracts

12.01. Except as provided in ~~clause~~ CSO 12.02, all contracts above £50 (fifty) in value must be in writing ~~and~~ by way of a document prepared, ~~by~~ or on a basis approved, by the Head of Legal Services.

12.02. Where the works, goods or services to be provided under a contract are required to commence prior to the issuance and

execution of a formal contract, a Director, if satisfied that it is in the Council's best interest in the particular circumstances, may approve issuance of a Letter of Intent pending the issuance and execution of a formal contract. However, the maximum cover afforded by any Letter of Intent shall not exceed 10% of the contract price in respect of works or services contracts, or £50,000 in respect of supplies contracts.

12.03 A contract made in extreme urgency need not be in writing so long as it is confirmed in writing within ~~two~~ four weeks

12.04. Every contract shall specify:

- a) the works, goods or services to be provided or executed;
- b) the price to be paid or the precise method of its ascertainment and a statement of any discounts or other deductions; and
- c) as appropriate, the start and finish dates, or delivery dates, and any maintenance or defects liability period.
- d) compliance with the Council's insurance requirements. The requirement to comply with the Council's standard insurance requirements may only be waived with the Director of Corporate Resource's approval.
- e) compliance with the Council's equality policy.

12.05. A contract up to and including £150,000 (one hundred and fifty thousand) in value does not require sealing-~~If~~ and should be signed on behalf of the Council, ~~such a contract must be signed~~ by both the relevant Director and the Head of the relevant business unit.

12.06. A contract over £150,000 (one hundred and fifty thousand) in value must be executed on behalf of the Council under seal as a deed.

Conditions applying to all contracts with value of £25,000 (twenty-five thousand) or more

12.07 Every contract with a value of £25,000 (twenty five thousand) or more must unless the Head of Legal Services and Director of Finance Corporate Resources agree to the contrary contain clauses to cover the following:

- a) compliance with all applicable legislation;
- ~~b) compliance with the Council's insurance requirements;~~
- b) a prohibition on assignment and/or subletting without the written consent of the Director;
- c) a provision allowing the Council to cancel the contract and recover any resulting loss from the contractor if the contractor does anything which is contrary to the Prevention of Corruption Acts 1889 to 1916 or incites breach of Section 117 (2) of the Local Government Act 1972;
- d) a provision to ensure the Council is protected against the contractor's defective performance by default provisions which are appropriate to the contract;
- e) if the contractor is in breach of contract the Council can do any or all of the following:
 - i. determine all or part of the contract or determine the contractor's appointment;
 - ii. itself perform the contract in whole or in part;
 - iii. recover from the contractor any additional cost resulting from the completion or cancellation of the contract.
- f) if the contractor has obtained or received by whatever means any information which gives or is intended or likely to give the contractor any unfair advantage over any other tenderer (including the Council's own workforce) in relation to the tendering for, and award of, any works/services contract, that the Council shall be entitled to terminate that contract;
- g) that the contractor shall be required to make available to the Council or its auditors such documents or access to information or access to the staff/officers of the contractor as is necessary to conduct any audit investigation into the contract;
- h) that the contractor shall be required to make available to the Council upon request such information the Council considers necessary whether in relation to staff or otherwise, to enable the Council to meet its duties in relation to retendering the contract.

Conditions applying to all contracts over ~~£150,000~~ £250,000 (two one hundred and fifty thousand)

12.08. Every contract which exceeds ~~£150,000~~ £250,000 (~~one~~ two hundred and fifty thousand) in value must contain clauses to cover the following:

- a) if it is a contract for works, that the Council may require the contractor to provide security for completing the contract in the form of a bond;
- b) that where the contractor is a subsidiary or group company, the contractor may be required to provide a parent or group company guarantee.

12.09 *The decision as to whether or not a bond or parent company guarantee will be required in respect of a contract will ultimately be made by the Director of Corporate Resources, or an officer acting under his/her delegated authority.*

Conditions applying specifically to computer software contracts

12.10. All computer software contracts shall contain a clause to the effect that use of the software by the Council's contractors shall not amount to use by a third party for which an additional software licence might otherwise be required.

Conditions applying specifically to contracts involving Children and Vulnerable Adults

12.11. *All contracts for the provision of services which may potentially involve either direct contact with children and vulnerable adult or access to their personal records shall contain a provision requiring the service provider (including agents and assigns) to undertake a Criminal Records Bureau check on relevant employees prior to provision of the services under the contract and at appropriate intervals thereafter.*

13. VARIATIONS AND EXTENSIONS

13.01. Subject to the provisions of CSO 5, any statutory restrictions and compliance with Financial Regulations, a Director may authorise the following extensions and variations to an existing contract:

- a) Either:

- (i) an extension for a particular period provided for within the terms of the contract (but subject to satisfactory outcomes of contract monitoring, such information having been provided to the relevant Executive Member); or
 - (ii) a single extension of the contract by up to six months, or half the contract term (whichever is less); and
- b) any other variation, and if relevant a consequent change in price, determined in accordance with the contract terms.

13.02. In any other circumstances the Executive may vary or extend a contract providing that to do so is consistent with the provisions of Financial Regulations.

13.03 In addition a Director may authorise variations to a contract where either delay would incur substantial cost penalties to the Council or the proposed variations are unavoidable and/or essential for the contract to proceed or continue, and the additional cost of such variations does not exceed 25% of the value of the contract, up to a maximum of £150,000 (one hundred and fifty thousand). Variations above this level may be authorised by a Director, where the Director considers that circumstances require such authorisation, as long as such variations are reported to the Executive at the earliest opportunity.

13.04. All variations and extensions must be recorded in writing.

14. NOVATIONS (TRANSFERS)

14.01 In appropriate circumstances the Council may agree to ~~novate~~ ~~(transfer)~~ the novation or assignment of a contract. This decision must be taken based on the value of the contract at the date of award and subject to CSO 11.02 – 11.04. ~~by the Executive for contracts of a value in excess of £250,000 (two hundred and fifty thousand) and by the Director for contracts of a value up to £250,000 (two hundred and fifty thousand).~~

15. DISPOSAL OF ASSETS

- 15.01 Where Council assets (other than land) are to be disposed of because they are surplus to requirements, damaged or obsolete, reasonable endeavours must be undertaken to realise the residual value of the assets.
- 15.02 Assets having little or no realisable value may be disposed of as waste with the approval of the relevant Head of Business Unit, provided the disposal shall be in favour of recycling wherever possible.
- 15.03 In respect of assets to be disposed of having an estimated value of less than £5,000 (five thousand), the Director concerned should act in the manner most expedient to the efficient management of the service, having kept a record for so doing.
- 15.04 Assets recommended for disposal with an estimated value of more than £5,000 (five thousand), shall be disposed of in such a manner as to secure best value.
- 15.05 Disposal of assets valued at more than £150,000 (one hundred and fifty thousand) must be approved by the Executive.
- 15.06 Under no circumstances shall disposal of Council assets be made to employees of the Council without the prior approval of the Director.

16. URGENT DECISIONS

- 16.01 These provisions apply where action needs to be taken urgently on any matter between meetings of the Executive and that action would be outside the powers given to a Director or an individual Executive Member. They may only be used in cases of genuine urgency and not to avoid proper forward planning.
- 16.02 All urgent decisions, including waivers and awards of contract, that are not "key decisions", may be taken by the Chair of the Procurement Committee or in his/her absence by the Leader of the Council.
- 16.03 All urgent decisions, including waivers and awards of contract, that are "key decisions", may be taken by the Leader of the Council in accordance with his/her powers under the Constitution and subject to the statutory "Special Urgency" rules where these apply. In the absence of the Leader, the decision may be taken

by the Chair of the Procurement Committee subject to the same procedures being followed.

