

North Tyneside Council

Report to Council

Date: 25 September 2014

ITEM 7

Title: Constitution and
Contract Standing Orders
– Proposed Changes

Portfolio(s): Elected Mayor

Cabinet Member(s): N Redfearn

Report from Service

Area: Law and Governance

Responsible Officer: Vivienne Geary, Head of Law and Governance (Tel: (0191)6435339)

Wards affected: All

PART 1

1.1 Purpose:

This purpose of this report is to seek Council's approval to changes to the Authority's Contract Standing Orders following a review of thresholds by the Constitution Task Group and also some changes to the main Constitution document to reflect new legislation relating to the public's right to record public meetings of the Authority.

1.2 Recommendation(s):

It is recommended that Council approves the proposed changes to Contract Standing Orders and the Constitution set out in Appendices A and B respectively to this report and refers the approved changes to the Elected Mayor for her consent in accordance with Article 15 of the Constitution.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 26 August 2014.

1.4 Council Plan and Policy Framework

This report has no direct relevance to the Our North Tyneside Plan priorities.

1.5 Information:

1.5.1 Since the annual review of the Constitution and its associated documents and subsequent changes made to the documentation, which were approved by the Council at its Annual Meeting on 5 June 2014, the Constitution Task Group has considered aspects of the Authority's Contract Standing Orders regarding the thresholds applicable to contracting arrangements and has also considered the Constitutional implications of new legislation relating to the public's right to record public meetings of the Authority.

1.5.2 Contract Standing Orders

The Constitution Task Group has been considering ways in which it might be possible to gain greater value for money when procuring low value goods and services. This area is also being considered separately as part of a wider Commercial Capacity, Commissioning and Procurement workstream under the Creating a Brighter Future Change Programme.

The Task Group considered that the current thresholds for procuring contracts could be amended to promote greater competition and therefore potentially secure better prices.

In summary, the Task Group has recommended that the following changes to those thresholds be introduced:

Threshold Banding	Current Requirements (Contract Standing Orders)	Changes Proposed by Constitution Task Group
Procurements between £5,000 and £10,000	1 quotation	3 quotations to be invited, 1 obtained
Procurements between £10,000 and £20,000	5 quotations to be invited, 3 obtained	3 quotations to be invited, 1 obtained

All other procurement thresholds (i.e. for procurements above £20,000) are proposed to be unchanged. For procurements of less than £5,000, only one quotation would be required, as is the case currently.

The proposed changes to Contract Standing Orders recommended by the Task Group, are attached at Appendix A for Council's approval.

1.5.3 Public Reporting of Meetings

The Openness of Local Government Bodies Regulations 2014 came into force on 6 August 2014. This requires local authorities to allow members of the public to film, photograph, audio record or report via social media the proceedings of meetings of the Cabinet, the Council and its Committees and Sub-Committees, except in circumstances where the law requires or allows the meeting to be closed to the public. Members of the public will be able to provide written commentary during a meeting, as well as oral commentary outside or after the meeting.

It is recommended that changes to the Constitution are made to reflect the requirements of the new Regulations, summarised as follows:

- A minor change to Article 3 – Citizens and the Authority
- Some changes to Part 4.11 – Public Access to Information Rules of Procedure
- A new protocol for members of the public wishing to report on public meetings of North Tyneside Council under Part 8 – Codes and Protocols

The proposed changes to the Constitution are attached at Appendix B for Council's approval.

1.5.4 The Constitution Task Group met on 30 January and 24 July 2014 to consider the proposed changes to Contract Standing Orders and has also been consulted on the proposed changes to the main Constitution document.

1.5.5 The Constitution and associated documents will continue be kept under review and updated to reflect any changes in the organisational structure of the Council or any legislative changes. The Council has previously authorised the Head of Law and Governance, in consultation with the Chair of the Task Group, to make such changes when the power remains unaltered and these need not be reported to Council.

1.6 Decision options:

The following decision options are available for consideration by Council:

Option 1 - Accept all of the recommendations and proposals;

Option 2 - Make amendments to the recommendations; or

Option 3 - Reject some or all of the recommendations.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

1.7.1 Option 1 is recommended for the following reasons:

1.7.2 The proposals presented to Council have been scrutinised by the Constitution Task Group, which is the Authority's consultative body for any changes to the Constitution and its associated documents and are the recommendations of the Monitoring Officer, who has a duty under Article 15 of the Constitution to monitor and review the Constitution.

1.8 Appendices:

Appendix A – Proposed changes to Contract Standing Orders

Appendix B – Proposed changes to the main Constitution

1.9 Contact officers:

Dave Brown, Law and Governance (Tel: 643 5358)

Allison Mitchell, Law and Governance (Tel: 643 5720)

Janice Gillespie, Finance (Tel.6435701)

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

North Tyneside Council's Constitution

North Tyneside Contract Standing Orders

Papers submitted to Constitution Task Group on 30 January and 24 July 2014

The Openness of Local Government Bodies Regulations 2014

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no direct financial implications arising from this report. The impact of the changes to Contract Standing Orders, both in terms of value for money in procurement activity and in any administrative consequences, will be assessed at regular intervals by the Procurement Team.

2.2 Legal

The Head of Law and Governance, as Monitoring Officer, is required to make recommendations for amendments to the Constitution and associated documents to better achieve the purposes set out in Article 1 of the Constitution. The Head of Law and Governance has been fully consulted in the drafting of this document and all changes comply with current legislation.

The changes proposed in relation to public recording of meetings of the Authority reflect the requirements of The Openness of Local Government Bodies Regulations 2014, as outlined in paragraph 1.5.3 above.

2.3 Consultation/community engagement

Consultation on the proposals contained in this report has taken place with the Constitution Task Group.

2.4 Human rights

The contents of the report and its appendices comply with the Human Rights Act 1998.

2.5 Equalities and diversity

Copies of Contract Standing Orders and the Constitution in alternative formats and languages can be made available upon request, in line with the Council's Interpreting and Translation Policy.

2.6 Risk management

To mitigate the risks associated with using an out of date Constitution the proposed amendments set out in the appendices should be approved.

On the basis of previous data on the value and volume of procurement activity, the proposed changes to Contract Standing Orders have been assessed as likely to have a low impact on service areas in terms of additional administrative processing. There are other options around the methodology to be employed for seeking and retaining evidence of quotations sought, which require further evaluation for impact on service administration. These options will be assessed further in conjunction with service areas to understand the full impact and should any additional risks be identified, mitigating actions (which may involve further changes to the Contract Standing Orders or systems and processes in use by the authority) will be identified and progressed through the proper decision making and approval routes.

2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no direct environment and sustainability implications arising from this report.

Officers and Members are encouraged to access the revised Constitution and Contract Standing Orders electronically to minimise the number of paper copies produced.

PART 3 - SIGN OFF

- Deputy Chief Executive x
- Head of Service x
- Chief Finance Officer x
- Monitoring Officer x
- Head of Corporate Strategy x