

Item:

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## Report to Partnership Meeting of 8 October 2009

### Review of HITRANS Financial Regulations and Contract Standing Orders

#### SUMMARY

The HITRANS Business Plan for 2009/10 identified that a Review should be undertaken of the Financial Regulations and Contract Standing Orders of the Partnership. This has now been completed by the Partnership Director and Finance manager and the Findings and recommendations for changes are presented for the Board's consideration.

#### DETAIL

Regulation area	Current regulation	Proposed change
Financial Regulations of HITRANS	Financial Regulations of The Highland Council currently adopted, with the roles of 'Director of Finance' and 'Service Director' as the Regulations are applied by HITRANS being taken by the Finance Manager and Partnership Director respectfully	none
	Members, Permanent Advisors and Employees Expenses	Applied in accordance with the Scheme agreed by the Partnership at its Meeting on 5 October 2007
Contract Standing Orders	<p>Highland Council Contract Standing Orders with the following amendments</p> <ol style="list-style-type: none"> <li>1. competitive quotations for goods and services required above £10k, subject to value for money assessment by Co-ordinator and Proper Financial Officer</li> <li>2. Competitive tendering for goods and services required above £25k</li> </ol> <p>Works contracts require tendering above £10k as per The Highland Council Standing Orders</p>	<p>The officer responsible for acceptance of tenders shall be the Partnership Director, who shall take the role of the Head of Procurement in terms of the application of the SOs by HITRANS. Value for money assessment to be undertaken by Partnership Director and Finance Manager for goods and services valued at £10k or less. Arrangements for Competitive quotations will be made by either the Partnership Director or Manager. Arrangements for Competitive tendering will be made by the Partnership Director.</p>

	<p>Advertising of Tenders</p> <ol style="list-style-type: none"> <li>1. £25k and below, no advertising required, tenders from at least 3 experienced providers</li> <li>2. In excess of £25k advertising on <a href="http://www.publiccontractsscotland.gov.uk">www.publiccontractsscotland.gov.uk</a></li> <li>3. above £50k advertising on <a href="http://www.publiccontractsscotland.gov.uk">www.publiccontractsscotland.gov.uk</a> and Government Opportunities</li> <li>4. Above EU thresholds advertisement as above plus official journal of the EU</li> </ol>	<p>Responsible person for ensuring Tendering processes are followed is the Partnership Director.</p>
	<p>Procurement Process to follow Highland Council Procurement Flowchart Requirements</p>	<p>The Partnership Director is the responsible officer for ensuring the Procurement Flowchart process is followed and fills the 'Head of Procurement' role for HITRANS.</p>
	<p>Procurement through collaborative contracts such as those awarded by Procurement Scotland, Scotland Excel, or the office of Government Commerce may be undertaken without further competition within the terms of the contract conditions</p>	<p>The Partnership Director fulfils the role of the 'Deputy Chief Executive' and the Finance Manager that of the 'Director of Finance' as defined in the SOs. Extend coverage to include Framework Contracts arranged by Member Councils</p>
	<p>Exemptions from Standing Orders as per those of The Highland Council SOs</p>	<p>The Partnership Director fulfils the role of the 'Deputy Chief Executive' and the Finance Manager that of the 'Director of Finance' as defined in the SOs.</p>
	<p>Aggregation of demand and partnership Working</p>	<p>The Partnership shall within its own procurement requirements ensure purchases are aggregated, and shall, where considered appropriate work with Member Councils to obtain best value in joint procurement</p>
	<p>Tendering processes – Operational Processes</p>	<p>Tenders shall be opened in the presence of 2 Partnership Officers. The responsible officer for ensuring Operational Processes are followed shall be the Partnership Director</p>

## RECOMMENDATIONS

The Partnership is asked to agree to the proposed changes to the Financial Regulations and Standing Orders as identified in the review, to be implemented forthwith.

**Report by:** Dave Duthie  
**Designation:** Partnership Director  
**Date:** 15 September 2009