

Agenda Item 15

Name of decision-maker Council	DATE 20 th November 2024
REPORT/DECISION TITLE Amendments to the Council's Contract Standing Orders	WARD(S) All
CHIEF OFFICER Asad Mushtaq, Executive Director of Finance & Digital	CABINET/LEAD MEMBER Cllr Billy Christie Lead Cabinet Member for Finance & Resources
DECISION CLASSIFICATION Non Exempt Report	IS THE FINAL DECISION ON THE RECOMMENDATIONS IN THIS REPORT TO BE MADE AT THIS MEETING? Yes

1. Recommendations:

- A. To approve the amendments proposed to the Council's Contract Standing Orders (CSOs) which facilitate compliance with the Procurement Act 2023.
- B. To approve reference changes within the CSOs that relate to internal role and departmental changes.
- C. To approve use of email for quotes below £5,000 in place of using the Council's e-procurement portal for all procurements, irrespective of value.
- D. To approve the changes to internal procurement governance including increasing internal thresholds from £100,000 to £170,000 and when procurement projects must be supported by Commercial Services.
- E. To include the provision in the CSOs that all quotes under £170,000 must include, where possible, a quote from a local provider or a local SME, who can meet due diligence requirements.
- F. To approve the recommendation for Procurement Strategies (Gateway 1s) over £3 million to go to Cabinet for approval, with Contract Awards (Gateway 2s) over £3 million to be routinely delegated to the relevant Executive Director/s in consultation with the relevant Lead Member/s, whilst ensuring the right to Call-in a decision remains.
- G. To approve the recommendation to increase the threshold by which procurement reports go to Cabinet from £2 million to £3 million.
- H. The CSOs form part of the Council's Constitution thereby we are seeking agreement to amend the Constitution accordingly.

2. Purpose of Report and Executive Summary

- 2.1 The purpose of this report is to seek approval of the proposed amendments to the Council's Contract Standing Orders (CSOs) which form part of the Council's Constitution within Part 4G (and therefore agreement to amend the Council's Constitution is also being sought). The updates are primarily due to the forthcoming changes to public procurement legislation via the Procurement Act 2023.
- 2.2 Other proposed changes are to facilitate best practice in procurement within the local government sector, introduce more streamlined internal procurement governance, align internal procurement policies with the Council's strategic policies and priorities, and to reflect changes to officer roles and responsibilities. A full list of changes can be found in Appendix A.
- 2.3 The proposed revisions to the CSOs were approved by Procurement Board on 21st May, by CMT on 9th July 2024, by the newly formed Constitutional Discussion Group on 9th September, and by Standards and General Purposes Committee on the 7th of November. Approval is now being sought by full Council. The new CSOs were drafted to be ready in time for the new Procurement Act, originally due to go live in October 2024 but now postponed to February 2025. The delay does not cause a detrimental impact to Merton; some procurements that were due to start after the Act goes live, will now commence under the existing rules. It is recommended that these revised CSOs continue through the Council's governance process, and if any changes are required to the CSOs (owing to last minute policy or process changes in the Procurement Act), that these are delegated to the Chief Monitoring Officer in conjunction with the Head of Commercial Services.

3. Links to the Merton Priorities (Borough of Sport/Civic Pride/Sustainable Futures)

- 3.1 This report covers areas that relate specifically to the Council's Strategic priority of 'Nurturing Civic Pride' specifically:
- 'Support a thriving local economy' – by including the requirement for officers to include (where possible) at least one quote from a local provider / local SME (Small or Medium Enterprise) for any contract below the proposed new threshold of £170,000.
 - 'Merton to secure London Living Wage accreditation and work towards becoming a London Living Wage borough' – by embedding the commitment to Real Living Wage in our contracts into our CSOs.
 - 'Maximise Social Value in all our contracts' – by emphasising the importance of delivering public benefits via social value in procurement and aligning this with the National Procurement Policy Statement within the CSOs themselves.

4. Introduction and Background

- 4.1 Following the UK's exit from the European Union, the Procurement Act 2023 (PA23) was passed into law by Parliament on 26th October 2023 and is due to come into force 24th February 2025 (a 4-month delay from the expected date), across the UK, except for Scotland. The existing legislation (largely governed for our purposes as a local authority, by the Public Contracts Regulations 2015 – PCR 2015) will continue to apply until the Procurement Act is operational and will continue to apply to contracts that started or were procured under the existing rules, prior to 24th February 2025. This means that there for some time, there will be a 'dual regime period' where both the old PCR 2015 and the new PA23 will be in force simultaneously. Any procurements that start after 24/02/25 will be governed by the new Act. Any procurements that started (i.e. a tender notice was published before this date) will be under the old PCR rules.
- 4.2 The CSOs form part of the Council's Constitution (Part 4G). The Head of Commercial Services, in consultation with the Council's Monitoring Officer, are responsible for ensuring they are kept up to date. As such, all significant amendments need to be approved by Procurement Board, CMT, the Constitutional Discussion Group, the Standards and General Purposes Committee and finally Full Council.
- 4.3 Given the need to revise the CSOs due to changes in legislation, it was deemed appropriate to also review internal governance processes to ensure continued best practice.
- 4.4 The changes proposed include:
- Changes to departmental names and role titles. This is purely an administrative change.
 - Amending references to 'the PCR 2015', to 'relevant procurement law' (owing to the dual regime period) and including references to the Procurement Act 2023 (PA23) where relevant.
 - Updating procurement requirements due to PA23 changes and the Procurement (Transparency) Regulations 2024 which supplement PA23.
 - Changes to our own internal governance for quotes below £5,000 (referred to as 'quick quotes') - moving from the e-tendering system to email quotes. (This was part of the recommendations made by Human Engine when they undertook a review of the Council's commercial services function across the Council in 2022).
 - Changing the threshold where Commercial Services must lead the procurement from £100,000 to £170,000 (excluding VAT). This is to facilitate better resource allocation and to accommodate inflationary increases.
 - New inclusion of requesting at least one quote (where possible) from a local provider / local SME (Small or Medium Enterprise) who can meet due

diligence requirements, for any contract below the proposed new threshold of £170,000. This is to assist the Council with achieving its Nurturing Civic Pride priority as well as its Equality, Diversity, and Inclusion strategic objectives.

- Increasing the thresholds for which procurements reports must be taken to Departmental Procurement Groups (DPGs) from £100,000 to £170,000. This is to facilitate better resource allocation and to accommodate inflationary increases.
- Increasing the thresholds for which procurements reports must be taken to Procurement Board and then onto Cabinet from £2 million to £3 million. This is to facilitate better resource allocation and to accommodate inflationary increases. (The majority of the Council's contracts either fall below £2 million or above £3 million).
- Amending our approval process for procurement strategies ('Gateway 1s') to require Cabinet approval of the procurement strategy for contracts over £3 million, whilst contract awards ('Gateway 2s') and contract extensions and variations ('Gateway 3s') for contracts over £3 million, can request delegated authority to the relevant Executive Director(s) and Lead Cabinet member(s) for approval to award and/or extend/vary. This is to facilitate greater decision-making input from elected members. Currently very few procurement strategies go to Cabinet as it is not a requirement under the current CSOs. Whilst contract award reports for contracts over £2 million do currently go to Cabinet, Members have very little influence in the overall decision-making process at this stage of a procurement process. The only real options currently are to approve the award to the winning bidder/s or to call for a re-procurement.
- It is also proposed that the request for delegated authority to award the contract, must be requested in the Procurement Strategy / Gateway 1 report, allowing Members the choice to decline if they so wish. The right to call-in a decision will remain for all Award Reports/Gateway 2s and Contract Extension/Variations / Gateway 3 reports over £3 million, even if delegated authority was granted and will continue to be published on the Council Forward Plan. Waivers (Exemptions) to CSOs remain unchanged with either the s.151 officer or Chief Executive signing these off when requested.

A full table of the proposed changes can be found in Appendix 1.

- 4.5 The Council's procurement pages on the intranet (the Hub), the business and tenders' pages on the Merton website, and the Procurement Toolkit will be updated to reflect these new changes once approved by Full Council.
- 4.6 Online sessions to communicate the changes under the Act to officers have started and will include any approved changes to procurement governance. Commercial Services' training courses will also be updated when these changes are agreed. The new corporate decision template report has replaced Gateway

reports for all Key Decisions and non-Key Decisions and procurement guidance for these has been included and will be amended to reflect new changes.

- 4.7 CMT were also asked to champion the relevant procurement training for specific officers who are engaged with procurement activity on a regular and/or strategic basis. Commercial Services identified 70 officers across the Council who are strongly recommended to complete the e-Learning training that has been developed by the Cabinet Office for the new Act, and a further 15 who may benefit from doing the training. Access to the training via the 'My Learning' portal has been set up to ensure the training has been captured as part of the officers' ongoing learning and development and has a clear audit trail. Training for Members will also be provided early in 2025 in consultation with the Leader's Office.

5. Available Options & Preferred Option

- 5.1 Under section 135 of the Local Government Act 1972, the Council is obliged to have standing orders that include provisions for securing competition in the award of contracts and for regulating the way tenders are invited. Maintaining and updating these orders to reflect changes to procurement law, as well as changes when the Council's own internal governance is amended, is also required. The Council could opt not to amend the CSOs to reflect these changes, however this would put the Council in breach of its statutory obligations and as such, this option is not recommended.
- 5.2 The Council could opt to only update those elements of the CSOs that relate to the new Procurement Act 2023 and the revised roles and responsibilities of officers following the CMT restructure. This however would not enable the Council to make use of the opportunity to amend, refine and strengthen its own internal governance processes. This option is therefore not recommended.
- 5.3 The preferred and recommended option is for the Council to approve the amendments to the CSOs in their entirety. The proposed changes reflect the legislative changes required under the new Procurement Act, whilst making use of the opportunity to amend our own internal procurement governance thresholds and process to facilitate improved governance and more meaningful Member involvement in the procurement process.

6. Reasons for Recommendations

- 6.1 The requirement to comply with the new Procurement Act 2023 is a legal obligation on all contracting authorities. The Council therefore must take steps to plan and prepare for the upcoming changes in law and ensure that its CSOs are amended accordingly.
- 6.2 The Council is not obligated to change internal procurement governance thresholds or introduce email quotes for contracts below £5,000. The latter has been recommended following the external review undertaken by Human Engine

to facilitate greater efficiencies in the process for low-value – low-risk purchases.

- 6.3 The recommendation to increase the Council’s internal procurement thresholds is to bring them in-line with national public procurement thresholds and with Merton’s organisational values of ‘Trust’ and ‘Integrity’ by empowering Council officers with more streamlined procedures and efficient governance.
- 6.4 The proposed changes in relation to the approval of procurement strategy reports by Members, for contracts with a total contract value equal to or greater than £3m, is to allow for more meaningful member participation in the procurement and commissioning process before contracts are awarded.

7. Consultation Results

- 7.1 Elected Members will be consulted via the Constitutional Working Group as well as briefings with the Lead Member for Finance & Resources and other relevant leads prior to the Standards and General Purposes Committee and Full Council.
- 7.2 The Council’s CSOs were formally benchmarked as part of the review undertaken by Human Engine, and further informal benchmarking has taken place with the London Heads of Procurement Network. Guidance has also been sought from CIPFA on embedding the Procurement Act into our CSOs.
- 7.3 Members of Scrutiny were provided with a summary of these potential changes for their topic workshops in early June via the Scrutiny Officer.
- 7.5 Discussions are underway with the Leader’s Office to provide procurement training and updates for Cabinet Lead Members in the new calendar year.

8. Next Steps & Timetable: Communication and Implementation of the Decision

- 8.1 The CSOs must be reviewed by the Standards and General Purposes (SGP) Committee on 7th November 2024, which if approved, would enable the revised CSOs to be put to Full Council on 20th November. The earliest implementation date for the new CSOs will be Wednesday 21st November 2024.
- 8.4 If the CSOs are approved by Full Council, the changes will be communicated by the following means:
 - Updates to the CSO training session on My Learning;
 - Revisions to the Commercial Services / procurement pages on the Hub;
 - Updates to the contracts and procurement pages on the Merton.gov website;
 - Updated document on the Constitution pages on the Merton website;
 - Drop-in sessions for officers on the new Procurement Act and CSO changes;

- Communication and updates via existing meetings and networks such as the Procurement Forums, DPGs and DMTs;
- Relevant training sessions for Members in the new year on the new CSOs and PA23.

8.5 The new Corporate Decision Report Template will capture this new process of Procurement Strategies (Gateway 1s) over £3m being reviewed by Cabinet with delegated authority for the Contract Award (Gateway 2). Contract Award reports (Gateway 2s) will be circulated to the delegated authority parties via email and signed off either using email confirmation and/or e-signatures. They will be signed off as and when they are required. All contracts awarded using this process will be contained in the Monthly Financial Monitoring Report from the Executive Director of Finance & Digital (s.151 officer).

9. Report Appendices

9.1 The following documents are to be published with and form part of the report:


- Appendix A: Table of Changes to CSOs (at the end of this report)
- Appendix B: Draft Contract Standing Orders v.4.0 (available separately)
- Appendix C: New Procurement Governance Flowchart (at the end of this report)

10. Background Papers

None

11. Cross-Cutting Issues and Implications and Sign-Off

Issue	Implications	Sign-off
Legal including Human Rights Act	<i>The legal implications arising out of this report are contained in the main body of this report.</i>	<i>Fabiola Hickson, Head of Law, Procurement * Information Governance 20/6/2024</i>
Finance and other resources	<i>There are no finance implications due to this decision</i>	<i>Not required</i>
Equalities	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no apparent equality impact on end users.	
Climate Change	<i>Climate has been added explicitly to the principles of the CSOs in Clause 1</i>	
Procurement & Social Value	<i>The update to the CSOs addresses the new legislation under the Procurement Act and emphasises the importance of embedding social value benefits into procurement strategies and outcomes.</i>	<i>Dawn Jolley, Head of Commercial Services, 16/05/2024</i>

Issue	Implications	Sign-off
Executive Director	<i>Clearance/Approval of Report</i>	 08 July 2024
Cabinet Member/s	<i>Clearance/Approval of Report</i>	Cllr Billy Christie (via email) 25/10/2024
REPORT AUTHORS: Shirin Georgiani, Procurement Policy & Governance Lead & Dawn Jolley, Head of Commercial Services. E-mail: commercial.services@merton.gov.uk		

Appendix A: Table of Changes from CSO v.3 to CSO v.4

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
Multiple	Director of Corporate Services	Executive Director of Finance & Digital & s.151 Officer	Internal changes
Multiple	Corporate Services	Finance & Digital	Internal changes
Multiple	‘Director’	Changed to Executive Director where relevant due to responsibility and Director kept in when referred to all Directors	Internal changes
Multiple	OPG / Operational Procurement Group	Changed to DPG / Departmental Procurement Group	Internal changes
1 Compliance & Terminology	1.3 Key Principles	Revised in line with objectives of the Procurement Act 2023 Reference to NPPS	Requirement due to legislation changes
2 Amendment of CSOs	2.2	Added in authorisation to approve amended appendices by Monitoring Officer as granted by last SPG / Council.	Approved last time.
4 Schemes of Management	4.3. Financial limits	Role descriptors changes	To reflect internal role title changes
5 Executive Director’s Responsibilities	No change	No change	No change
6 Responsible Officer’s Duties	6.3.7 6.3.10 – Declaration of interest	Added into policies Real Living Wage and social value Added requirement to follow conflict of interest process under Procurement Act	To reflect Council policies Requirement due to legislation changes

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
	6.6 – Best Value duty	Revised this to be MAT rather than MEAT. Added to definition appendix	Requirement due to legislation changes
7 Exemptions to CSOs	Exemptions, exemption, Exemption Report Waivers for terminated contracts	Reworded to ‘Waiver’, ‘waivers’ and ‘Waiver Request’ Added extra wording to clarify use of Waivers for contracts that have ended. 7.10 new section on what to do if a contract has ended but need to continue with supplier for same provision.	To bring in line with other authorities’ CSOs and also avoid confusion with “Exceptions.” To clarify internal governance / responsibilities To clarify internal governance / ensure compliance with regulation.
8 Exceptions to CSOs	8.1	Included reference to Dynamic Markets	Requirement due to legislation changes
9 Options Appraisal	9.2 process for Options Appraisal	This should be presented, in the form of a “Gateway 1” report if applicable or as an appendix/background paper to the Corporate Decision Report. The report will then be reviewed by the appropriate Departmental Procurement Group (for contracts with a value less than £3 million and regarded as low risk) and/or the Procurement Board (for contracts with a value of £3 million or greater ; or those projects regarded as having a high risk) for approval.	To reflect proposed improvement changes to internal governance

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
10 Estimating Contract Value and authorisation to commence	10.1 -10.5	Updated to reflect PPN 05/23 – inclusion of VAT in estimating values.	Requirement due to Government policy changes
	10.6	Included reference to PA23	Requirement due to legislation changes
	10.7 Lots	Added: “The Council has a duty to consider Lots under the Procurement Act 2023 when designing a competitive tendering procedure as part of its duty under the Procurement Act to be mindful of the barriers facing however this needs to be balanced with the Act’s principle of Equal Treatment.”	Requirement due to legislation changes
	10.8	Removed reference to ‘Concessions Contracts Regulations’ and replaced with Procurement Act 2023	Requirement due to legislation changes
11 Contract Packaging and Aggregation	11.1	Included requirement to refer to Aggregation under the Procurement Act 2023	Requirement due to legislation changes
	11.2	Included reference from Procurement Act regarding contract valuation for aggregated contracts Included new reference to default position in PA23 on what applies if the value is unknown.	Requirement due to legislation changes
	11.5		

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
12 Frameworks	<p>12.2 Framework Agreements</p> <p>12.5 DPS</p> <p>NEW 12.6 AND 12.7</p>	<p>Removed reference to seeking approval from Legal Services and replaced with Commercial Services and that we would retain list of approved frameworks.</p> <p>Amended to include rules under new Procurement Act and clarified that existing ones may continue until the date set by Cabinet Office.</p> <p>Included wording related to Open Frameworks and Dynamic Markets.</p>	<p>To reflect proposed improvement changes to internal governance</p> <p>Requirement due to legislation changes</p>
13 General Provisions, The E-Tendering System and Communication with Bidders	13.2	<p>Removed reference to Lower Value Threshold and replaced with £30,000 (inc VAT)</p>	<p>For clarity</p> <p>Removing references to upper and lower value thresholds to avoid confusion with public procurement thresholds</p> <p>To align with requirements of PA23 regarding below-threshold contracts</p>
14 Consultants	<p>14.2.2 the Contract is in a form approved by the Section 151 Officer (and CSO 26.1.1 (Forms of Contract and in Writing) shall not apply); that the Consultant complies with IR35 legislation and, where necessary, on a case-by-case basis, the Responsible Officer must seek guidance from the Head of HR with regards to whether or not the 'off-payroll working rules' apply.</p>	<p>the Contract is in a form approved by the Head of Commercial Services (and CSO 26.1.1 (Forms of Contract and in Writing) shall not necessarily apply);</p>	<p>To ease the process of approving forms of contract for consultants without needing approval of ED F&D and instead being approved by Head of CS. ED will be final approval for appointing consultants every time.</p>

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
15 Light Touch Regime	15.1 - 15.4	Amended to include definition under Proc Act and added reference to eligible CPV codes in Act.	Requirement due to legislation changes
NEW CLAUSE CSO 16 Provider Selection Regime	16 NEW CSO CLAUSE CREATED FOR PSR (NOW 16, subsequent clause numbers changed)	INCLUDED NEW WORDING ON PSR – will be a new CSO Clause No 16	Requirement due to legislative changes on health care and health care related contracts.
17 Contracts up to £5000	17.2 Use of e-Tendering System	Amended to reflect permitted use of emails for quick quotes and rules for doing so and inclusion of 1 local supplier in quotes	To reflect proposed improvement changes to internal governance and reflect Council policy.
18 Contracts above £5,001-25,000	18.1 - 18.3	Amended threshold to £25,000 (excl VAT) just under the £30k threshold which is the threshold required by Transparency Act for publishing contracts on Contracts Finder. Also included at least 1 local supplier in quotes where possible.	Requirement due to legislation / government policy changes. Removed reference to lower value threshold for clarity. To reflect proposed changes to internal governance and reflect Council policy.
19 Contracts £25,001-170,000	19.1 - 19.2	Amended to £25,000 (excl VAT) and £170,000 (proposed new Threshold where Commercial Services must be involved). Also included 1 local supplier. Removed reference to PQQ, PCR notices and Contracts Finder and Included new references to Transparency notice and Central Digital Platform.	To reflect proposed improvement changes to internal governance and reflect Council policy. Requirement due to legislation changes

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
20 Contracts above £170k	20.1 £100,000	Proposed new threshold of £170k	Requirement due to legislation changes
	20.2	Included reference to Central Digital Platform and Proc Act and Procurement Regs 2024 which are new transparency requirements.	Requirement due to legislation / government policy changes
	20.3	Added reference to Proc Act. Deleted non-compliant sections including PINs and PQQs. Revised wording regarding standstill and call-in. Removed PCR references.	Requirement due to legislation changes To reflect proposed improvement changes to internal governance and reflect Council policy. Requirement due to legislation changes
21 Contract Award Notices	21.1-21.4	Deleted specific reference to PCR notices and instead including generic reference to all applicable transparency requirements. Added new paragraphs on obligation to ensure detailed record keeping for procurement projects over threshold.	Requirement due to legislation changes Requirement due to legislation changes
22 Emergency Procurement	No change	No change	No change
23 Shortlisting bidders – Standard Selection Questionnaires (SQs)	23.8	Amended SQ references to Assessment Criteria for PA23	Requirement due to legislation changes

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
24 Evaluations of Bids and Award Criteria	24.2	Included reference to new requirements under PA23	Requirement due to legislation changes
	24.5	Revised threshold to include VAT	
	24.6	Revised to include PA23 and Conflicts Assessments	
25 Contract Award Process	25.1-25.4	Revised to include VAT and reflect proposed changes to threshold values.	Requirement due to legislation changes
26 Forms of Contract and in Writing	26.4	removed side note and included as a footnote	To standardise the document
27 Contract Conditions	No change	No change	No change
28 Contract Variations Extensions and Novations	28.1 - 28.13	Removed reference to VEAT and updated reference to relevant Transparency Notices	Requirement due to legislation changes
29 Contracts for the Disposal of Assets	29.1-29.8	Amended to include ED for Housing & Sustainable Development to be approver.	Changes due to internal changes to titles and roles
30 Conflicts of Interest	30.1 - 30.8	Added in duty under PA23 on Conflicts of Interest and Conflicts Assessments Added reference to PA23 process on should an unfair disadvantage take place.	Requirement due to legislation changes
31 Acceptance of Gifts and Hospitality	No change	No change	No change
32 Unauthorised Disclosure of Information	No change	No change	No change

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
33 Internal Administrative Matters Following Award of Contract	33.1	Updated to inc reference to requirements of the PA23 Update Resp Officer responsibilities	Requirement due to legislation changes Changes due to internal governance improvements
DUE TO A NEW CLAUSE ON PSR, THERE WILL BE 33 CSO CLAUSES RATHER THAN 32			
Appendix 1 – Definitions	Multiple	Added some definitions that have been capitalised in CSOs, removed others that are not referenced or no longer referenced.	Standardise document, clarify terms, align with new legislation terminology.
Appendix 3 – UK Procurement Thresholds	All	Added extra information regarding changes to procurement law and GPA thresholds. Included links to gov.uk Revised thresholds for 2024	Requirement due to legislation changes
Appendix 4 – Merton Thresholds	Council Thresholds LVT: £25,000 UVT: £100,000	Revised to remove reference to Lower and Upper Value. Included table for governance at different internal thresholds. Revised the upper threshold to £170,000	To improve governance; to clarify instructions
Appendix 5 – Retention Periods	All sections	No change	No change required – checked with Info Gov
Appendix 6 – Code of Practice for Consultants	All sections	Amended as per HR comments – removed form as this is replaced with RAF, slight amendments to some of the text to bring up to date	Requirement due to legislation changes and internal governance / approval changes
Appendix 7 – Joint Procurements	All sections	No change	No change required

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
Appendix 8 – Procedure for accepting and opening paper bid	All sections	No change	No change required
Appendix 9 – Complying with UK obligation on subsidy control	All sections	No change	No change required
Appendix 10 – Merton Democratic Governance	All sections	Added changes to Strategy / Award process: “All Gateway 1 reports that require Cabinet approval must ask for delegated authority to award the contract, to the Executive Director in consultation with the relevant Cabinet Member/s. This will mean the Contract Award Report (Gateway 2) need not require approval at Cabinet however it would still be possible for the Award to be “called-in” by Members. Upon approval in the Gateway 1, the Gateway 2 can be awarded by the Executive Director in consultation with the relevant Cabinet Member/s. This may also apply for any permitted extension or variation to the Contract (so long as permission has been granted via the Gateway 1) and the extension/variation is permissible without further competition under the relevant procurement law.”	To clarify changes to internal governance
Appendix 11 – Guidance note on Sealing	All sections	No change	No change required
Appendix 12 – P-Cards	All sections	No change	No change required

CSO Clause Ref	Current wording	Revised wording	Purpose for Change
Appendix 13 – Public Sector Procurement	All sections	Updated to reflect Procurement Act 2023 Updated to include PSR, link to NPPS incl	Requirement due to legislation changes