

Finance and Resources Committee Meeting –23 June 2009

CONTRACT SIGNING LIMITS

Executive summary and recommendations

Introduction

This paper proposes an enhancement to the tendering process relating to contract signing with suppliers.

Decision

The Committee is asked to approve the enhancement.

Background information

At present, during the tendering process, if a tender is run to appoint a new supplier, there is no specific guide on who should sign the contract on HPC's behalf with the supplier appointed. This paper proposes that we introduce a simple guideline for contract signing limits, based on the annual value of the supplier spend.

Proposal

For supplier contracts with an estimated annual value of over £25k (VAT inclusive), a member of EMT or budget holder to sign the contract. The President, Chief Executive or any other £25k signatory to also sign the contract.

For supplier contracts up to £25k annual spend (VAT inclusive), a member of EMT or a budget holder to sign the contract.

Notes

Signing a supplier contract would normally precede placing a purchase order with the supplier.

In a small number of cases, a Committee may also want to endorse the appointment of a supplier e.g. the Audit Committee approving the appointment of the internal auditors. Regarding contract signing, the above proposal would still apply.

Following a tender, even if an existing supplier was re-appointed, the above proposal would still apply.

Resource implications

Nil

Financial implications

Nil

Appendices

Nil

Date of paper

11 June 2009