

**Teignbridge District Council
Audit Committee
29 June 2026
Part 1**

FINANCIAL INSTRUCTIONS WAIVERS and CONTRACT RULES EXEMPTIONS

Purpose of Report

To inform Members of the number of times the Financial Instructions and Contract Procedure Rules have been waived or exempted and the reasons for this.

Recommendation(s)

The Audit Committee resolves to note the report.

Financial Implications

None - advisory report only.

Legal Implications

There are no specific legal implications. The reporting of Exemptions to the Audit Committee is a requirement of the Financial Instructions and Contract Procedure Rules within the Constitution.

Risk Assessment

Risks are evaluated when individual exemption approval is sought. Exemptions would not be approved if they presented unacceptable risk.

Environmental / Climate Change Implications

None.

Report Author

Sue Heath – Audit & Information Governance Manager

Tel: 01626 215258

Email: sue.heath@teignbridge.gov.uk

Executive Member

Councillor John Parrott – Executive Member for Corporate Resources

Appendices/Background Papers

None.

1. PURPOSE

- 1.1 To inform Members of the number of times the Financial Instructions and Contract Procedure Rules have been exempted and the reasons for this.

2 BACKGROUND

- 2.1 The Financial Instructions and Contract Procedure Rules provide the framework for managing the Council’s financial affairs. They apply to every member and officer of the Council and anyone acting on its behalf. Sometimes there are instances where the rules cannot be followed, and requests are made to waive or exempt them. One of the following criteria must be met:

Financial Instructions waivers:

1	LIFE OR DEATH There is significant chance that the life or health of officers, members, or the public will be put at real risk.
2	INCREASED COST / LOSS OF INCOME The Council will incur significant avoidable costs or lose significant income.
3	LIMITED MARKETS The Council would be wasting its time tendering as supply of the product or service is demonstrably restricted to one or few businesses.
4	URGENT ACTION REQUIRED The Council would be criticised for failing to act promptly.

Contract Procedure Rules exemptions:

1	SINGLE SUPPLIERS The public contract concerns the creation or acquisition of a unique work of art or artistic performance. A particular supplier is in possession of intellectual property or other exclusive rights and there are no reasonable alternatives. Absence of competition for technical reasons and provided there are no reasonable alternatives, only a particular supplier can supply the goods, services or works required.
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2	<p>PROTOTYPES AND DEVELOPMENT When procuring a prototype or other novel good or service that is designed or developed at the request of the contracting authority.</p>
3	<p>ADDITIONAL OR REPEAT GOODS, SERVICES OR WORKS Where the contracting authority wishes to buy additional or to partly replace existing goods, services or works which are the same or compatible with existing provisions (both those already supplied or that are contracted to be supplied).</p> <p>A contract has previously been awarded under a competitive tendering procedure and the tender notice or tender documents set out that the intention was to carry out a subsequent procurement of similar goods, services or works by direct award (within 5 years of the contract).</p>
4	<p>COMMODITIES Where goods are purchased on a commodity market. In this case the price and availability are generally driven by demand in the market which means requiring suppliers to tender in the usual manner is unnecessary, not appropriate and may not drive the best outcome for the contracting authority.</p>
5	<p>URGENCY Where the public contract cannot be awarded on the basis of a competitive tendering procedure because the goods, services or works are strictly necessary for reasons of extreme and unavoidable urgency.</p>
6	<p>LEGISLATION Where any Procurement Legislation or other legislation prevents a procurement process being followed</p>
7	<p>INCREASED COSTS / LOSS OF INCOME The Council would incur significant avoidable costs or lose significant income.</p>
8	<p>ADVANTAGEOUS TERMS ON INSOLVENCY The award of the public contract to a particular supplier will ensure terms particularly advantageous to the contracting authority due to the fact that a supplier (whether or not the one to which the contract is to be awarded) is undergoing insolvency proceedings.</p>

3 WAIVERS / EXEMPTIONS

3.1 The following waivers and / or exemptions have been processed since the 25 March 2026 monitoring report:

Proposing Officer	Proposal / Reason	Approval
<p>Director of Corporate Resources</p>	<p>Interim Head of Legal</p> <p>Interim Head of Legal Services to be supplied through Venn Group to cover vacant Head of Legal role from April to October. This will allow for a difficult to recruit role to be covered until outcome of Local Government Reorganisation (LGR) is known, with the potential to enter into a shared services arrangement.</p> <p>Value: £70,200</p> <p>Reason: Limited market / single supplier / urgent action: Venn Group is experienced in providing interim management services for local government. Venn Group were approached due to difficulty in recruiting this specialist role from the existing agency provider Comensura.</p>	<p>Managing Director and Head of Paid Services</p>

Waiver / Exemption Analysis:

Waivers									
No. of Waivers / Exemptions									
Prior year				This period					
2023-2024	2024-2025	2025-2026	Dept	YTD	June	Sept	Dec	Mar	
6	5	5	Strategy & Partnerships	0	0				
0	0	0	Neighbourhoods	0	0				
0	0	0	Building Control	0	0				
4	1	0	Development Management	0	0				
0	0	1	Legal & Democratic Services	1	1				
2	0	2	Human Resources	0	0				
1	0	0	Financial Services & Audit	0	0				
0	1	2	Assets	0	0				
3	0	0	Customer & Digital	0	0				
3	0	1	Environmental Services	0	0				
5	3	2	Housing	0	0				
1	0	0	Leisure	0	0				
25	10	13	Total	1	1	0	0	0	0
Value of Waivers / Exemptions									
Prior year				This period					
2023-2024	2024-2025	2025-2026	Dept	YTD	June	Sept	Dec	Mar	
£645,041.00	£177,826.00	£303,362.87	Strategy & Partnerships	£0.00	£0.00				
£0.00	£0.00	£0.00	Neighbourhoods	£0.00	£0.00				
£0.00	£0.00	£0.00	Building Control	£0.00	£0.00				
£206,867.00	£68,610.00	£0.00	Development Management	£0.00	£0.00				
£0.00	£0.00	£40,000.00	Legal & Democratic Services	£70,200.00	£70,200.00				
£58,800.00	£0.00	£103,620.00	Human Resources	£0.00	£0.00				
£32,800.00	£0.00	£0.00	Financial Services & Audit	£0.00	£0.00				
£0.00	£21,600.00	£425,409.90	Assets	£0.00	£0.00				
£51,190.00	£0.00	£0.00	Customer & Digital	£0.00	£0.00				
£131,900.00	£0.00	£90,000.00	Environmental Services	£0.00	£0.00				
£176,000.00	£282,974.00	£140,000.00	Housing	£0.00	£0.00				
£50,046.00	£0.00	£0.00	Leisure	£0.00	£0.00				
£1,352,644.00	£551,010.00	£1,102,392.77	Total	£70,200.00	£70,200.00	£0.00	£0.00	£0.00	£0.00
<p>Note: 2023-2024 Strategy & Partnerships includes Community Safety for three years £244,000 for delivery of projects under UKSPF and coastal monitoring for six years £202,041 for accommodation and IT costs</p>									

4. IMPLICATIONS, RISK MANAGEMENT & CLIMATE CHANGE IMPACT

4.1 Financial

There are no direct financial implications as this is an advisory report only. The financial impacts of the spending covered by the exemptions were assessed at the time these procurements were carried out.

4.2 Legal

The reporting of waivers / exemptions to the Audit Committee is a requirement of the Financial Instructions and Contract Rules within the Constitution.

4.3 **Risks**

Risks are evaluated when individual waiver / exemption approval is sought. Waivers / exemptions would not be approved if they presented unacceptable risk.

5. **CONCLUSION**

That this advisory report be noted.

6. **GROUPS CONSULTED**

Not applicable.

7. **ENVIRONMENTAL/CLIMATE CHANGE IMPACT**

Not applicable.

8. **DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)**

Not applicable.