EXPLANATORY MEMORANDUM TO

The OGCbuying.solutions Trading Fund (Extension and Amendment) Order 2009

2009 No. 81

1. 1.1 This explanatory memorandum has been prepared by OGCbuying.solutions and is laid before the House of Commons by Command of Her Majesty.

2. Purpose of the instrument

2.1 The amendments to the Buying Agency Trading Fund Order 1991 are being made to fully reflect and clarify the UK public sector customer base, taking full account of Government structural changes since 1991.

3. Matters of special interest to the [Joint Committee on Statutory Instruments *or* the Select Committee on Statutory Instruments]

3.1 None

4. Legislative Context

4.1 The enabling act is the Government Trading Funds Act 1973. The Buying Agency Trading Fund Order 1991 established the body that has become OGCbuying.solutions. This Order has now been amended by the OGCbuying.solutions Trading Fund (Extension and Amendment) Order 2009. The purpose of this amended Order is to establish the UK public sector customer base with which OGCbuying.solutions may provide goods and services to.

5. Territorial Extent and Application

5.1 This instrument applies to all of the United Kingdom

6. European Convention on Human Rights

The Exchequer Secretary for HM Treasury, Angela Eagle, has made the following statement regarding Human Rights:

In my view the provisions of the OGCbuying.solutions Trading Fund (Extension and Amendment) Order 2009 are compatible with the Convention

7. Policy background

- ***What is being done and why***

1. 7.1 The Buying Agency Trading Fund Order 1991 (the Order) established the body that became OGCbuying.solutions as a trading fund and set out which of the agency's operations were to be funded by the operations of the Trading Fund.

7.2 The Order has been in force since 1991 and some of the bodies that the Order expressly provides that OGCbuying.solutions may provide goods and services to have undergone structural change during the intervening period or no longer exist.

7.3 OGCbuying.solutions provides goods and services to many of successor bodies of those named in the Order and to bodies that have been devolved or delegated many of the functions previously held by such bodies. However, many of these successor bodies are not expressly named in the Order.

7.4 It is necessary to amend the Order in order to ensure that there is clarity as to which UK public sector customer base OGCbuying.solutions may provide goods and services to.

- ***Consolidation***

7.5 This Order extends and otherwise amends the description of the funded operations to which the Buying Agency Trading Fund Order 1991 (which established the OGCbuying.solutions Trading Fund) applies. Those operations will now comprise the procurement and supply of goods and services to or on behalf of the various bodies listed in the Schedule to this Order and the carrying out of incidental, conducive or ancillary operations.

8. Consultation outcome

8.1 The 12 week consultation period involved 80 per cent of our top customers, stakeholders and suppliers, who were sent a note detailing the amendments and inviting them to comment. This note was also on our website, signposted from the homepage and a dedicated email address was set up to accept comments.

8.2 Five responses were received, three supporting the changes or confirming they had no comments to make, and two had more detailed comments to make in respect of charities. We have amended the Order in response to one comment to clarify that the fund covers the procurement and supply of goods and services to or on behalf of a third sector organisation whose activities involve the delivery of public services.

9. Guidance

9.1 We will inform customers and suppliers when the Order has been laid and explain what these changes mean to them. As this is largely a technical exercise to reflect Government changes since 1991, we do expect any further guidance or publicity

10. Impact

10.1 The impact on business, charities or voluntary bodies is minimal.

10.2 The impact on the public sector is minimal.

10.3 An Impact Assessment has not been prepared for this instrument. There will be no significant impact on the markets.

11. Regulating small business

11.1 The legislation does not apply to small business.

12. Monitoring & review

12.1 The outcome will be subject to internal review as and when required and the legislation may be amended accordingly.

13. Contact

David Murray at OGCbuying.solutions Tel: 0151 672 2366 or email: david.murray@ogcbs.gsi.gov.uk can answer any queries regarding the instrument.