

Report of the Deputy Chief Executive / Director of Customer & Corporate Services

Contract Procedure Rules Update

Purpose of Report

1. This report sets out the proposed changes to the Contract Procedure Rules.

Recommendation

2. That Audit & Governance Committee:
 - Recommend to full Council approval of the revised Contract Procedure Rules attached at Annex A.

Reason: to ensure appropriate governance of the Council's purchasing activity

Background

3. The current Contract Procedure Rules (CPRs) were approved by Council on 21st July 2016, following scrutiny by Audit & Governance Committee on 22nd June 2016. The rules are regularly reviewed to ensure they are fit for purpose and the outcome of the latest review is attached at annex A to this report.
4. The CPRs form part of the Council's Constitution and are a key internal control.

Analysis

5. A number of changes are proposed in response to some recommendations from Veritau and the Local Government Association Peer Challenge, along with changes to try and clarify and strengthen the rules to ensure a high standard of governance in all procurement activities.
6. The key changes proposed include
 - Clarification regarding the application of the CPRs to schools
 - Clarification as to who can approve specifications and evaluation criteria
 - Specific changes to ensure compatibility with current legislation (eg use of Contracts Finder)
 - Additional clarity as to when a procurement can be considered as "routine"

- A new section on Concession Contracts
 - Making electronic documentation and the use of Yortender mandatory
 - Removal of some sections of guidance that are already included in the Procurement Toolkit (eg ordering and paying, applying for waivers)
 - Removal of the section on internal providers
 - Clarification on who can approve contract extensions
 - A number of minor wording and grammatical changes
7. The changes proposed are intended to strengthen the rules and clarify some areas that have been the subject of debate over the past year. They don't make any substantive changes to how the procurement process itself works or dilute the internal control mechanism.
8. Following this review a council wide communication will be issued reminding all staff of the CPRs and promoting the training available. Specific courses are being offered to schools staff. The rules will continue to be kept under review to ensure they are effective.

Consultation

9. Officers within both procurement and legal services have been consulted on the proposed changes highlighted in annex A.

Council Plan

10. Effective CPRs Good are an essential feature of how the Council is accountable to residents in ensuring a focus on cost and efficiency to make the right decisions in a challenging financial environment.

Implications

11. The implications are
- Financial – fit for purpose CPRs will result in effective stewardship of public money.
 - Human Resources - there are no human resource implications to this report.
 - Equalities - there are no equality implications to this report.
 - Legal – there are no legal implications to this report.
 - Crime and Disorder - there are no crime and disorder implications to this report.

- Information Technology - there are no information technology implications to this report.
- Property –there are no property implications to this report.
- Other – there are no other implications to this report.

Risk Management

12. Having clear, effective CPRs enables the council to deliver its objectives whilst ensuring sound arrangements for the procurement processes. Failure to review and maintain the CPRs would mean that the council would be failing in its responsibilities for ensuring accountability and the proper conduct of its affairs.

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**Report
Approved**

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Wards Affected: All

For further information please contact the author of the report

Annex A – Revised Contract Procedure Rules (with tracked changes)