



Name of meeting: Annual Council

Date: 25 May 2016

Title of report: Contract Procedure Rules 2016

Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Is it in the Council's Forward Plan ?	No
Is it eligible for "call in" by Scrutiny ?	Yes
Date signed off by Director & name	David Smith
Is it signed off by the Assistant Director - Legal & Governance?	Yes
Cabinet member portfolio	Resources

Electoral [wards](#) affected: All

Ward councillors consulted:

N/A

Public or private: Public

1. Purpose of report

This report sets out proposed changes to the Contract Procedure Rules (CPR) for Council to consider and approve, with effect 1st June 2016.

2. Key points

Council is asked to consider a number of changes to the Contract Procedure Rules this year. These are mainly because:

- The Public Contracts Regulations 2015 was a significant body of legislation relating to procurement and these need to be reflected in the CPR;
- Risks in relation to procurement disputes were highlighted in 2015;
- We need to build on compliance with the Data Protection Act 1998 and the ICO recommendations of 2014 in preparation for the General Data Protection Regulation which was approved by the European Parliament in April 2016;
- With the possible increase in the sharing of Officers it was felt that conflict of interest provisions should be reviewed;
- Recommendation from Internal Audit to enhance the CPR which deals with the valuation of contracts;
- Updating new EU related threshold values (from 1 January 2016). There is only one change to the key values set at the discretion of the Council, which is that procurers are required to consult with the Assistant Director for Procurement where the value of the relevant contract exceeds £20,000 (but there is also provision for the Assistant Director for Procurement, who is currently an Assistant Director for Place, to waive this, when he believes this is appropriate).
- A list has been placed at the back of the CPRs to identify relevant guidance. This guidance will potentially need to be updated more frequently than the CPR, to ensure that the Council follows the Government's guidance. Therefore it is recommended that the Assistant Director for Procurement, the Assistant Director Legal, Governance & Monitoring and the Assistant Director Financial Management, Risk, Performance & IT's delegated authority to issue Guidance Notes to aid the interpretation of these CPRs (set out in CPR 1.9) be noted.
- The new Concession Contracts Regulations 2016 need to be taken into account in the drafting.

In addition to the above there has been a significant degree of reformatting and restructuring of the document. A track change version would be too difficult to follow; so the supporting papers include a table comparing the proposed new CPR 2016 (on the left) with the CPR 2015 equivalent (on the right), where there is one. This includes shading which identifies the new CPRs and points out the more significant other changes (a legend at the top of the table explains the colour coding).

However, the general principles remain the same and many of the rules remain the same or similar.

3. Implications for the Council

These changes maintain an appropriate control environment for the operation of the council's activities.

4. Consultees

Assistant Director Financial Management, Risk, Performance & IT (Risk)
Assistant Director for Place (Procurement)
Assistant Director Legal, Governance & Monitoring (Information Governance)

The consultees views were taken into account and the Consultees are content with the draft text which accompanies this report.

The report was considered by Corporate Governance and Audit Committee on 16 May 2016. The Committee endorsed the content of the report, and noted that there may be some further minor drafting amendments/cross referencing to be finalised. The Committee also requested the insertion of a link to the Social Value Statement within Appendix 1 of the report. A further recommendation (see c below) has therefore been added to those considered by the Committee, to request that authority be delegated to the Assistant Director – Legal, Governance and Monitoring, to make drafting changes to the report as necessary.

5. Next steps

To implement, with effect from 1st June 2016.

6. Officer recommendations

- (a) That the recommended changes to Contract Procedure Rules as outlined in this report be approved with effect from 1st June 2016 .
- (b) That the Director of Resources be permitted to prepare additional guidance as appropriate to supplement these regulations and aid compliance with appropriate European and national legislation.
- (c) That authority be delegated to the Assistant Direct – Legal, Governance and Monitoring, to make any further drafting amendments to the report as required.

7. Cabinet portfolio holder recommendation

Not applicable.

8. Contact officer

Mark Barnes, Senior Legal Officer – Legal, Governance and Monitoring

Relevant Papers: Draft CPRs for 2016 and a table comparing the 2016 CPRs with the 2015 CPRs.