

Name of meeting: Annual Council (Reference from Corporate Governance and Audit Committee)

Date: 19th May 2021

Title of report: Proposed Revisions to Contract Procedure Rules

Purpose of report: To provide information on proposed changes to Contract Procedure Rules for the municipal year 2021/22

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	Not Applicable
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)?</u>	Not applicable
The Decision - Is it eligible for call in by Scrutiny?	Not applicable
Date signed off by Director & name	J Muscroft Service Director - Legal Governance and Commissioning
Is it also signed off by the Service Director for Finance?	Yes
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Yes
Cabinet member portfolio	Not applicable

Electoral wards affected: All

Ward councillors consulted: Not applicable

1. Summary

- 1.1. This report sets out information on proposed changes to Contract Procedure Rules for the year 2021/22.
- 1.2. These changes were considered, and recommended, by Corporate Governance & Audit Committee on 22nd April 2021.
- 1.3. These changes reflect further changes following the UK's departure from the EU. The Government transferred the EU procurement Directives (2014/24/EU) into UK law in the form of the Public Contracts Regulations 2015 and others.
- 1.4. Public Procurement Thresholds for 2021 remain the same as 2020.
- 1.5. The UK's new e-notification service where notices for new procurements are required to be published "Find a Tender" service went live on 1 January 2021, replacing the Official Journal of the European Union.
- 1.6. A more fundamental review of the Contract Procedure Rules will be undertaken at an appropriate time (either 2022 and/or 2023) in line with any legislative changes relating to the outcome of Green Paper; Transforming Public Procurement. The government's goal is to speed up and simplify our procurement processes, place value for money at their heart, and unleash opportunities for small businesses, charities and social enterprises to innovate in public service delivery.

2. Information required to take a decision

- 2.1. The contract procedure rules have been updated and reformatted.
- 2.2. The detail highlighting changes is contained within a summary schedule, Appendix 1
- 2.3. The proposed changes relate mainly to reflect the exit from the EU, a new section relating to recording of decisions in relation to procurements (this does not change what should happen in practice about decision making. It makes it clearer however by also including it in the Contract Procedure Rules), a refreshed introduction, considering and encouraging social value in procurement, encouraging local suppliers to bid for contracts, further clarity about when bonds are required, updated section on use of presentations, additional wording to emphasis demonstrating value for money when undertaking a direct award, updated procurement thresholds and a new appendix which is a guide on considering grants or procurements.
- 2.4. All the text changes are marked in Appendix 2 by track changes. There are a few smaller changes and additions to improve clarity of existing arrangements or to simplify and improve existing arrangements.

3. Implications for the Council

- 3.1. **Working with People** – see below
- 3.2. **Working with Partners** – see below
- 3.3. **Place Based Working** – see below
- 3.4. **Climate Change and Air Quality** – see below
- 3.5. **Improving outcomes for Children** – see below
- 3.6. **Other (e.g. Legal/Financial or Human Resources)** Although each of the sub categorisations above suggest no direct implications, these Contract Procedure Rules covers all aspects of the council's operations. These updated Contract Procedure Rules reflect good procurement practice which in turn supports the Council Plan by using procurement activity to help achieve the Council's wider objectives and outcomes. The legal obligation to have Contract Procedure Rules is to comply with Section 135 Local Government Act 1972 and the Public Contracts Regulations 2015

4. Consultees and their opinions

Consultation and proposed amendments have been carried out with the Head of Audit and Risk, Head of Corporate-Legal and officers in Procurement and Legal Services. All Heads of Service and Directors have had the opportunity to comment via a short survey.

Corporate Governance and Audit Committee – 22 April 2021.

5. Next steps and timelines

If approved, these changes will be implemented from 1st June 2021.

6. Officer recommendations and reasons

Council is asked to approve the changes, as recommended by the Corporate Governance & Audit Committee

7. Cabinet Portfolio Holder's recommendations

Not applicable

8. Contact officer

Jane Lockwood, Head of Procurement (01484 221000)

9. Background Papers and History of Decisions

The attached document includes track changes. The 2019 version of Contract Procedure Rules is available as a part of the Council's Constitution.

10. Service Director responsible

Julie Muscroft, Service Director- Legal, Governance and Commissioning
Eamonn Croston, Service Director-Finance

