

Report sponsor: Strategic Director of Corporate Resources
Report author: Head of Procurement and Contracting

Procurement Strategy and Contract Procedure Rules

Purpose

- 1.1 The Council's Contract Procedure Rules are set out at Part 6 of the Constitution. In accordance with the Council's Constitution, amendments to the Contract Procedure Rules of this nature require Council approval.
- 1.2 The Contract Procedure Rules have been updated to include the Council's updated Procurement Strategy.
- 1.3 Further consequential amendments to the Contract Procedure Rules, which have been authorised by the Monitoring Officer in line with the Constitution, are also included in this update.

Recommendation

- 2.1 To note the content of the report and approve the amendments to the Contract Procedure Rules.

Reason

- 3.1 To ensure ongoing compliance with the statutory framework governing local authority procurement activity.

Supporting information

Set out below is a summary of the key amendments to the Contract Procedure Rules (CPR):

4.1 Addition of a new **Introduction Section**

A new introduction section has been included. This section sets out the details of the Council's Procurement Strategy.

In 2018 our Central Midland Audit Partnership (Internal Audit Service) undertook an internal audit review of the Council's Procurement Service; that review gave rise to a series of recommendations including:

We recommend that a Corporate Procurement Strategy be documented, reflecting the recommendations in the National Procurement Strategy for Local Government in England 2018 by the Local Government Association, and that the Procurement Code be reviewed and updated as required.

To meet the requirements of this recommendation and as part of the Corporate Resources Business Plan 2019/20, we will adopt the National Procurement Strategy for Local Government in England 2018; this detail is included in the Introduction section.

The new introduction section is set out at Appendix 1 to this Report.

- 4.2 **Rule 3 – Purpose**
Reference to The National Procurement Strategy for Local Government added.
- 4.3 **Rule 5 – Exemptions**
Out of area authority placements guidance added.
- 4.4 **Rule 8 – Officer Responsibilities**
Reference to the requirement to complete the procurement e-learning added.
- 4.5 **Rule 13 – Dynamic Purchasing Systems**
Guidance extended to reflect increased usage of dynamic purchasing systems across the Council.
- 4.6 **Rule 14 – Frameworks**
Guidance added to cover the duration of individual contracts awarded under framework arrangements.
- 4.7 **Rule 18 – Choice of tendering procedure**
Competitive Dialogue section updated to include references to Competitive Procedure with Negotiation/Competitive Dialogue to match the requirements of the Public Contract Regulations 2015.
- 4.8 **Rule 39 – Contract File Records**
Requirement for the recording of contract variations added.
- 4.9 **Rule 45 – Consultants**
Reference added to IR35 taxation legislation and the need for its consideration.
- 4.10 All references to post titles and service titles have been updated throughout to reflect the current structure of the Council.
- 4.11 All necessary minor changes to ensure consistency have also been completed: correcting cross references, removing duplicate provisions and ensuring consistency of terms.

Public/stakeholder engagement

- 5.1 N/A

Other options

6.1 N/A

Financial and value for money issues

- 7.1 A key strand of the Council's Procurement Strategy is "*facilitating a competitive environment for the Council's suppliers*" and by doing this, the Procurement Service looks to maximise value for money for the Council.

In addition, the Procurement Service monitors contract spend and reports quarterly to Directorate Management Teams (DMTs) and uses the principles of Category Management to develop an approach to the market which delivers maximum value for money for the Council and, where possible, generate financial savings on the tendering and re-procurement of contracts.

Legal implications

- 8.1 The Council must conduct its procurements in accordance with a statutory framework laid down by the EU and implemented into UK Legislation (the Public Contract Regulations 2015). The CPR sets out the procedures which Council officers must follow in order to ensure compliance with this statutory framework.

Other significant implications

9.1 N/A

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Emily Feenan, Interim Director of Legal, Procurement and Democratic Services	15 July 2019
Finance	Don McLure, Strategic Director Corporate Resources	15 July 2019
Service Director(s)	Emily Feenan, Interim Director of Legal, Procurement and Democratic Services	15 July 2019
Report sponsor	Don McLure, Strategic Director Corporate Resources	15 July 2019
Other(s)		

Background papers:	None
List of appendices:	Appendix 1: Introduction to Procurement Strategy and Contract Procedure Rules. Appendix 2: Procurement Strategy and Contract Procedure Rules (July 2019).