



DERBY CITY COUNCIL

AUDIT AND ACCOUNTS COMMITTEE
12 December 2007

ITEM 8

Report of the Corporate Director –
Corporate and Adult Social Services and Resources

Review of Contract Procedure Rules

RECOMMENDATION

1. To note the report.

SUPPORTING INFORMATION

Review Team

- 2.1 The review of the Council's Contract Procedure Rules (CPR) is an objective (number 4) of the Council's Procurement Strategy and a Review Team has been set up to achieve this. The current membership of the group is:

- Dawn Moran (Head of Procurement)
- Stuart Leslie (Chief Legal Officer)
- Chris Edwards (Assistant Director: Property Services)
- Clare Wasteney (Chief Conveyancer)
- Adrian Manifold (Audit Manager)
- Carolyn Wright (Acting Assistant Director: Corporate Finance)

Focus Groups

2. As a first step focus groups were set up for each directorate consisting of a lead member and at least two others, all of whom have some involvement in the procurement process. They were asked for feedback on the current CPR's in general and to specifically consider:

- Financial thresholds
- Approved lists
- Scope and clarity of the rules
- Administration of tenders (eg receipt/evaluation).

Objectives

3. The review team will now use the responses from the focus groups and their own knowledge and experience to make detailed amendments to the CPR. The overall objectives are to try and ensure that the rules are up to date, clear, practical and give the necessary level of probity, accountability and transparency and thus ensure value for money and reduce the possibility of fraud.

Specific Issues

4. This exercise will include looking at the following areas which are either not covered at all by the current CPR's or the requirements need updating:
 - Framework Agreements
 - "E" Procurement
 - Leasing
 - Software/IT
 - Partnering/PFI Contracts
 - Prevention of Corruption/Declarations of Interest.
5. In addition the new rules need to take into account the revised EC Procurement Regulations and in particular the new competitive dialogue procedure.

Guidance

6. In undertaking the review regard will be had to the CIPFA and Local Government Task Force Guidance, "Contract Procedure Rules" which accommodate the principals of the National Procurement Strategy and the Egan "Rethinking Structure" agenda.

Other Considerations

7. The review team will also take into consideration the results of recent internal audit investigations into non-compliance with CPR and the level of contract procedure rules waivers.

Format

8. The review team feel that it is appropriate that the CPR remain part of the Council's constitution and generally follow the present format. However it has become apparent that officers who only occasionally procure goods, services or works are often not familiar with the rules, where to find them, or how to apply them.
9. It is proposed to tackle this in a number of ways:
 - To produce a complimentary code/guide in a more descriptive format with flowcharts and a checklist and clear comprehensive index
 - To have the code/guide as an "e" document in the Council's website
 - To run training courses.

Training

10. Once the new CPR have been approved it is also proposed to run extensive training sessions for officers involved in the procurement process to ensure they are fully conversant with the new rules and the benefits and safeguards they bring.

Timetable

11. The revision process will be an intensive and detailed one but it is hoped to have a first draft by the end of February 2008 with a view to them being approved at the Annual Council Meeting in May 2008.

For more information contact:	Stuart Leslie, Chief Legal Officer
Background papers:	None.
List of appendices:	None.