
Report of Procurement Governance and Regulation Manager

Report to the Chief Officer Projects, Programmes and Procurement

Date: 20 July 2016

Subject: Revised contract procedure rules

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The council's contract procedure rules (CPRs) were last updated in March 2015. CPRs were updated in line with EU procurement thresholds at the beginning of the year and have now completed their annual review and refresh.
2. The UK voted to leave the EU on Thursday 23 June 2016. This revision to the CPRs does not make any allowance for this decision.

Recommendations

3. The Chief Officer Projects, Programmes and Procurement is recommended to approve the revised CPRs and approve that they will come into effect on 01 August 2016.

1 Purpose of this report

- 1.1 The Chief Officer Projects, Programmes and Procurement has responsibility for updating the CPRs on a periodic basis to ensure that they reflect current legislation, best practice and Council policy. The last version of the CPRs was approved in March 2015.
- 1.2 The Chief Officer Projects, Programmes and Procurement is requested to approve the revised CPRs.
- 1.3 The revised CPRs are attached to this report at appendix 1

2 Background information

The council's contract procedure rules are review on a periodic basis. The following have been consulted on the contents of these CPRs:

- Category teams
- SMT
- Corporate Commissioning Group
- Internal audit

Responses to the consultation were considered by officers within the commercial team.

3 Main issues

Consultation response

The amends to the CPRs are fairly minor and the consultation did not lead to anything significant being raised.

Summary of amendments

The amended CPRs are attached as appendix 1.

A rule has been included dealing with the Concession Contracts Regulations 2016.

CPRs set out the circumstances when PPPU must be consulted (if TUPE applies, spend may exceed £100k, it is a Midscale or Complex Project or involves one of the complex procedures such as competitive dialogue) but does not specifically prevent client departments requesting advice for other matters.

An amendment has been made to the rules on inviting tenders for procurements between £100k and EU procurement thresholds. CPRs have been amended to allow officers to either invite tenders using an open advert or invite tenders from 4 selected contractors.

A new rule has been inserted requiring Authorised Officers to carry out a privacy impact assessment (PIA) before they begin a procurement. This would involve carrying out a screening exercise which would determine whether a full PIA was required. This amend comes out of data protection training provided by Frank Loughlin and the commercial team.

Authorised Officers do not have to consult PPPU for Small procurements and procurements with a value of £100k or less and “non-complex” procurement documentation is available for use on these procurements.

Brexit

PPPU will monitor the impact that the decision to leave the EU will have on procurement practice and legislation. As at the date of this report the decision to leave the EU has not yet been implemented so all legislation remains in force. The future status of this legislation is dependent on the outcome of the exit negotiations and UK government decisions on legislation.

4 Corporate Considerations

4.1 Consultation and Engagement

Please see the list of consultees set out at the background section.

4.2 Equality and Diversity / Cohesion and Integration

An equality impact assessment screening has been completed that shows that there are no implications for equality and a full equality impact assessment is not required.

4.3 Council policies and City Priorities

These updated CPRs are in line with previous assessments of the impact on policies and priorities.

4.4 Resources and value for money

These updated CPRs continue to introduce positive change without putting an unreasonable and disproportionate burden on council resources.

4.5 Legal Implications, Access to Information and Call In

4.5.1 The new CPRs ensure that the Council is acting in line with current legislation when conducting procurements.

4.5.2 There are no restrictions on access to information associated with this report.

4.5.3 This report is recommending a significant operational decision and therefore is not subject to call-in.

- 4.5.4 The Chief Officer Projects, Programmes and Procurement is authorised to take this decision pursuant to the sub-delegation scheme of the Deputy Chief Executive. Article 15 of the Council's constitution gives the Deputy Chief Executive powers to amend the CPRs, this is reflected in the sub-delegations to officers and within the sub-delegation scheme of the Deputy Chief Executive as "setting the councils policies and procedures for managing procurement and purchasing."
- 4.5.5 These CPRs fulfil the council's obligation to put standing orders for purchase in place in accordance with s135 of the Local Government Act 1972.

4.6 Risk Management

- 4.6.1 The new CPRs will improve the Council's risk management when conducting procurements.

5 Conclusions

- 5.1 The new CPRs continue to contribute to the process of bringing the Council's procurement rules, processes and procedures in line with current legislation, best practice and policy.

6 Recommendations

- 6.1 The Chief Officer Projects, Programmes and Procurement is recommended to approve the revised CPRs and approve that they will come into effect on 01 August 2016.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix 1 – revised contract procedure rules