

COUNCIL MEETING – 11TH DECEMBER 2014

Extract from the Minutes of the Constitution Committee Meeting on 19th November 2014

49 REVISIONS TO THE CONTRACT PROCEDURE RULES

The Committee considered proposed revisions to the Contract Procedure Rules.

This report requested Members' consideration of a newly-drafted section of the Constitution which set out the Council's Contract Procedure Rules (CPRs) which governed how the Council procured goods, works and services from third parties. The CPRs sat alongside the Council's Financial Procedure Rules (FPRs), which would be subject to further review as part of the development of financial reporting during the early part of 2015. However, there would be some minor consequential changes to the FPRs as referred to in paragraph 10.6 of the report before a fuller revision later in 2015.

The amendments were required to comply with changes to European Union (EU) and domestic procurement legislation and to introduce lean simplified processes following the Council's decision to become a Strategic Commissioning Council, and the creation of Alternative Service Delivery Vehicles for the provision of Council services. The revisions would allow the Council to adopt a more mature attitude to managing commercial risk and simplify the procurement process, particularly below the EU value thresholds, allowing better engagement with small and medium enterprises and local businesses, whilst still maintaining a robust governance framework to ensure that Council monies were spent in a legally compliant, ethical, responsible, and fully auditable manner.

The proposed amendments to the Contract Procedure Rules were set out in paragraph 10.5 of the report.

RESOLVED

That Council be recommended to

1. approve the revisions to the Contract Procedure Rules set out in paragraph 10.5 of the report for adoption from 1st January 2015 subject to the following amendments:

Item 3 – Amend below EU threshold and processes – the threshold be reduced to £50k rather than £10k

Item 10 – E-procurement – Mandate the use of the e-procurement system for all procurement with a value prescribed by EU legislation

Item 11 – Corporate Contracts – this proposal be deleted

2. authorise that the Constitution be updated accordingly by the inclusion of the revised Contract Procedure Rules;
3. authorise that any consequential drafting amendments to the remaining parts of the Council's Constitution, including the Finance Procedure Rules, be undertaken by the Head of Legal Services and Monitoring Officer to ensure consistency with the revised Contract Procedure Rules; and
4. approve an incremental reduction in value thresholds to enable the phased introduction of procurement involvement down to £50k from the current £75k to allow a smooth transition from existing arrangements.

NOTE

The schedule of proposed changes to the Contract Procedure Rules as set out in paragraph 10.5 of the report has been updated to incorporate the amendments agreed by the Constitution Committee and the revised schedule is attached as an Appendix.