

## **Review of Contract Procedure Rules – Follow Up**

**Report Author(s):** Rodney Fincham  
Assistant Director Finance  
01508 533 982  
rodney.fincham@southnorfolkandbroadland.gov.uk

**Portfolio:** Finance

**Ward(s) Affected:** All

### **Purpose of the Report:**

To follow up on issues raised by the Audit Committee, when it reviewed a number of proposed changes to the Council's Contract Procedure Rules in July 23, and to propose an amended version of the Council's Contract Procedure Rules.

### **Recommendations:**

1. Audit Committee to recommend to Council the amended Contract Procedure Rules attached as Appendix A.

### **1 Background**

- 1.1 The Contract Procedure Rules set out how the Council procures goods and services, in order to achieve Value for Money and comply with legal requirements.
- 1.2 The main procurement regulations that Councils have to follow are the Public Contract Regulations 2015.
- 1.3 The Contract Procedure Rules were last approved in July 21, and are therefore due a review.

## 2 Previously Supported Changes

2.1 The Contract Procedure Rules were reviewed by the Audit Committee in July 23 and the following changes were supported:

Change	Reason
Removed reference to European Union Law (Para 1.2)	To reflect current laws and regulations.
Amended authority level from Director to Assistant Director where appropriate (Various places in document)	To reflect that Assistant Directors are operationally responsible for their services.
Amended wording on use of frameworks (Para 3.2 and 19.3)	To provide clarity to ensure that where frameworks are used we still operate in the spirit of ensuring fair, transparent, and proportionate procurement practices are followed.
Changes to clarify that ultimate procurement responsibility lies with the contract owner (para 4.2 and 9.8)	To provide clarity
Disposal limits increased from £20k to £25k. (para 25.2 and table 25.3)	To reflect inflationary increases.

## 3 Statement of Intent

3.1 The July report also suggested amending the Contract Procedure Rules Statement of Intent by adding the words 'and carbon conscious' as follows:

<p><b>Statement of Intent</b></p> <p>Subject to the overriding principles in section 2 below, there will be a focus on, wherever appropriate:</p> <ul style="list-style-type: none"><li>• enabling social value,</li><li>• encouraging participation by local businesses to support the local economy, and</li><li>• protecting the environment using environmental <u>and carbon conscious</u> criteria in contracts.</li></ul>
--

3.2 Although it was acknowledged that taking account of carbon emissions was in line with the Councils ambitions, it was felt that the actual wording proposed could be improved.

- 3.3 Further discussion has therefore now taken place and the following wording is now suggested.

#### **Statement of Intent**

Subject to the overriding principles in section 2 below, there will be a focus on, wherever appropriate:

- enabling social value,
- encouraging participation by local businesses to support the local economy, and
- ~~protecting the environment using environmental criteria in contracts.~~
- using criteria in contracts that protect the environment and reduce carbon emissions.

- 3.4 This wording is considered to be clearer, and is therefore recommended for adoption.

#### **4 Other options**

- 4.1 The Audit Committee has the ability to propose alternative changes to the Contract Procedure Rules.
- 4.2 However, as far as possible, it is helpful for the BDC and the SNC Contract Procedure Rules to align as the One Team often carry out joint procurements covering both BDC and SNC.

#### **5 Issues and risks**

- 5.1 **Resource Implications** – Up to date Contract Procedure Rules help ensure Value for Money from our procurements.
- 5.2 **Legal Implications** – The Council has to follow the Public Contract Regulations 2015.
- 5.3 **Equality Implications** – Procurements shall be undertaken in a fair and transparent way.
- 5.4 **Environmental Impact** – The Contract Procurement Rules include an intent to focus on protecting the environment using environmental and carbon criteria in contracts.
- 5.5 **Crime and Disorder** – No direct implications.
- 5.6 **Risks** – Having Contract Procedure Rules, and following these, helps minimise the risk of inappropriate procurement.

## **6 Recommendations**

1. Audit Committee to recommend to Council the amended Contract Procedure Rules attached as Appendix A.

### **Background papers**

None