

<b>Local Members Interest</b>
N/A

## **Audit and Standards Committee - Tuesday 26 October 2021**

### **Amendments to the Councils Procurement Regulations**

#### **Recommendation**

I recommend that:

- a. To amend the councils Procurement Regulations for minor improvements, and to provide more flexibility for Officers where there is a requirement to seek approvals (for contract awards, amendments, Exceptions etc) from a Band A/B/C Officer.

#### **Report of Cllr Mark Deaville, Cabinet Member for Commercial Matters**

#### **Report**

##### **Background**

1. The Procurement Regulations form part of the council's Constitution and provide the rules around how officers will procure supplies and services in line with national legislation and internal decision-making processes.
2. The Regulations are reviewed periodically, minor changes are made by the Monitoring Officer, but more fundamental changes are made by full Council following recommendation by Audit and Standards Committee.
3. Whilst the opportunity is taken to update the Regulations with several minor amendments, a more key change is currently proposed that raises the level of approval for the various senior managers involved in procurement decisions and approval.

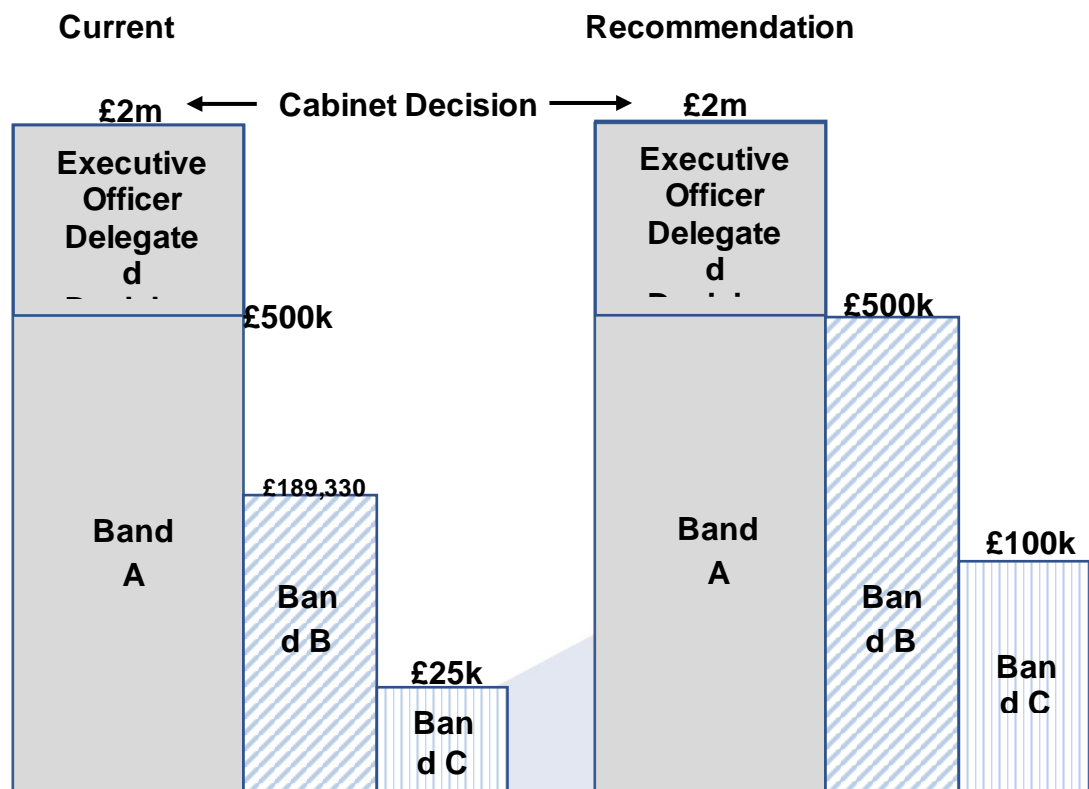
##### **Previous Sessions**

- a. Corporate Governance Working Group - 4<sup>th</sup> March 2021
- b. Corporate Senior Leadership Team - 21<sup>st</sup> April 2021
- c. Corporate SLT - 4<sup>th</sup> October 2021

##### **Recommendations**

## Band Approvals

4. To note - Band 'A' Officers are those that separately represent the councils full SLT, with Band 'B's' reporting directly into a Band 'A', and Band 'Cs' reporting directly to the Band 'B'. The respective Officer involvement is triggered by the value of contract under scrutiny.
5. The changes recommended here will apply to contract awards, modifications, extensions, terminations, and Exceptions and allow Officers to confidently apply approvals proportional to both risk and accountability, which currently would require a more onerous Banded Officer to approve. The option will always remain for deferring such contract awards to the original level where required. Effectively it is adjusting the current Officer Bands 'upwards': -



- £2 million – Council Cabinet
- £500,000 – Council Executive Officer Delegated Decision
- £189,330 – Public Contracts Regulation 2015 threshold for Services/Suppliers contracts
- £100,000 – simply aligns to the trigger value to involve a Procurement Advisor in a project

6. Recommendation 1 – to adjust the approval levels as above

7. Currently a modified/varied contract triggered approvals based on the originating contract value.
8. Recommendation 2 - to ensure that the value of the variation instead triggers the approval.
9. Following Recommendation 1, for approving a council Exception (where the Regulations, in whole or in part, are not followed as presented), currently a Band B can approve an Exception below £25,000, and a Band A can approve a contract spend of £25,000 up to £189,330.
10. Recommendation 3 - allow a Band B to approve an Exception up to £100,000 and a Band A, at/over the £100,000 (assuming it is not a Council Cabinet Key Decision).

#### **Minor Amendments – Recommendation 4**

- a. General typographical
- b. Update of post titles for Director for Corporate Services, and Assistant Director for Commercial and Assets
- c. Clarity on use of the Sourcing Strategy
- d. Expand SLT Band A to include the S151 Officer
- e. Clarity on the appreciation of the Cabinet Decision process
- f. Clarity on contracts relating to sales / disposal of assets
- g. Ensuring quotations now consider suppliers in the local 'Shire' geography
- h. Vetting of all ICT procurements to screen for personal and sensitive data
- i. Removal of requirement to seek Assistant Director for Commercial and Assets for usage of many tools under the Public Contracts Regulations

#### **Appendices**

##### **Appendix 1 - The proposed Regulations, with Recommendations**

##### **Equalities Implications**

11. There are no direct implications arising from this report.

### **Legal Implications**

12. There are no direct implications arising from this report.

### **Resource and Value for Money Implications**

13. The Procurement Regulations are fundamental to all the Council processes which secure value for money.

### **Risk Implications**

14. The Recommendations do not present any likely risk to the Council, rather they seek to effect changes to clarify, simplify and promote the understanding of the Council Procurement Regulations.

### **Climate Change implications**

15. Whilst there are no direct climate change implications arising from this report, the Procurement Regulations underpin the procurement Sourcing Strategy document which does strongly link to this agenda.

### **Contact Details**

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