

WAVERLEY BOROUGH COUNCIL

COUNCIL

18 FEBRUARY 2020

Title:

CONTRACT PROCUREMENT RULES

- Proposed revisions

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder for Finance, Assets and Commercial

Head of Service: Peter Vickers, Head of Finance and Property

Key decision: No

Access: Public

1. Purpose and summary

The Contract Procurement Rules (CPRs) were reviewed by the Audit Committee at its meeting on 26 November 2019 (Minute AUD 34/19). The CPRs were last updated and approved by full Council in October 2018. While the CPRs are still fit for purpose there are a small number of revisions required to reflect new/current legislation as well as the Council's newly adopted Corporate Strategy. The Audit Committee asked officers to consult with the Climate Change Advisory Group regarding the new section on Carbon Neutrality before bringing the revised CPRs to Council for approval.

2. Recommendation

The Audit Committee recommends to Council that the proposed revisions to the Contract Procurement Rules be approved and incorporated into the Council's Constitution.

3. Reason for the recommendation

The CPRs form part of the Council's Constitutional framework. They should be maintained and updated as and when required to adopt legislative changes, reflect best practice in the industry and support the Council's corporate objectives.

4. Background

4.1 In addition to ongoing administrative revisions (such as job titles), substantive revisions to the CPRs are proposed in the following six areas:

- Modern Slavery (new Section 6)
- Tax Implications (new Section 7)
- Accessibility Standards (new Section 8)

- Carbon Neutral (new Section 9). The Climate Change Advisory Group has been consulted on the wording of this section.
- Requirement to *seek quotes* – amended throughout the CPRs to a requirement to *obtain quotes*
- Disposal of Council assets – (Section 26) amended to reflect current working practices, and better alignment with the Scheme of Delegation

4.2 The proposed revisions to the CPRs are shown as tracked changes to the current CPRs, at Annexe 1.

5. Relationship to the Corporate Strategy and Service Plan

5.1 The Contract Procurement Rules supports the delivery of strategic objectives through the process of procuring contracts for the council to utilise.

6. Implications of decision

6.1 Resource (Finance, procurement, staffing, IT)

No direct financial implications arise from this report. Implementation of the updated CPR's will be achieved using current resources. Through compliance with the CPR's Waverley will continue to seek to achieve of value for money with public funds.

6.2 Risk management

The CPRs are reviewed on a regular basis to ensure that they comply with relevant legislation and address other matters that support the Council's priorities.

6.3 Legal

The Council must comply with national and European legislation governing public procurement. These include the Public Contracts Regulations 2015, the EU Public Contracts Directive 2014 and the Concession Contracts Regulations 2016.

6.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010

6.5 Climate emergency declaration

A new section (Section 9) is proposed for inclusion in the CPRs on Carbon Neutrality that sets out the Council's declaration of a climate emergency and commitment to being a carbon neutral council by 2030. It sets out the expectation that every procurement must consider the environment impacts, and suppliers will be required to assess and document all measures they are taking to reduce the carbon footprint of their operations. Where legally permissible, Waverley will take

these measures into account when evaluating competitive tenders.

7. Consultation and engagement

- 7.1 The proposed revisions to the CPRs were considered by the Audit Committee on 26 November 2019. The Committee was broadly content with the proposed revisions to the CPRs but asked officers to make further revisions in respect of:
- Climate change – the Committee agreed that the newly established Climate Change Advisory Group should be asked to consider the procurement requirements in relation to the carbon neutral target, in particular defining carbon ‘off-setting’.
 - Obtaining quotes – it was agreed that the CPR 19.7 for purchases between £25,000 and £99,999 there should be a requirement to get sign-off from the Section 151 Officer if three quotes could not be obtained.
 - Background checks – CPR 14.2 should be more explicit about carrying out background checks relating to directors with previously dissolved companies.
- 7.2 The Procurement Officer consulted with the Climate Change Advisory Group at its meeting on 14 December 2019, and Section 9 of the CPRs reflects the views of that Group.
- 7.3 The Audit Committee resolved that, subject to the Chairman’s sign-off of the further revisions agreed by the Committee, the revised CPRs be submitted to Council for approval. (AUD 34/19)

8. Other options considered

- 8.1 The proposed revisions reflect legal requirements and address the current Corporate Priorities.

9. Governance journey

- 9.1 The revisions to the CPRs have been considered by the Audit Committee and are now presented to Full Council for approval.

Annexes:

Annexe 1 – Contract Procurement Rules v2.5 (Nov 2019) showing tracked changes

Background Papers

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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